# OAKLAND OVERSIGHT BOARD
# MEMORANDUM

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| **TO:** | Oakland Oversight Board | **FROM:** | Fred Blackwell |
| **SUBJECT:** | Status Report, Recognized Obligation Payment Schedule (ROPS) 13-14B | **DATE:**<br>**ITEM:** | December 16, 2013<br>#4 |

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## RECOMMENDATION

Staff recommends that the Oversight Board accept this Informational Report on the State Department of Finance's approval of the Oakland Oversight Board's Bond Expenditure Agreement.

## ANALYSIS

On November 6, 2013, staff from the State's Department of Finance (DOF) informed the City that it had approved Oakland Oversight Board Resolution No. 2013-15 and its Bond Expenditure Agreement between the Successor Agency and the City of Oakland to transfer excess tax allocation bond proceeds to the City. The DOF letter of determination is included with this staff report.

For questions regarding this report, please contact Patrick Lane, Development/Redevelopment Program Manager, at (510) 238-7362.

Respectfully submitted,

/S/
Fred Blackwell,
Assistant City Administrator

DEPARTMENT OF FINANCE
EDMUND G. BROWN JR. • GOVERNOR
915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

November 6, 2013

Mr. Jim Bondi, City Administrator Analyst
City of Oakland
150 Frank H. Ogawa Plaza, Suite 6353
Oakland, CA 94612

Dear Mr. Bondi:

Subject: Approval of Oversight Board Action

The City of Oakland Successor Agency (Agency) notified the California Department of Finance (Finance) of its July 29, 2013 Oversight Board (OB) resolution on July 30, 2013. Pursuant to Health and Safety Code (HSC) section 34179 (h), Finance has completed its review of the OB action.

Based on our review and application of the law, OB Resolution No. 2013-15 approving a Bond Expenditure Agreement (Agreement) between the Agency and the City of Oakland (City) to transfer excess tax allocation bond proceeds to the City is approved.

A Finding of Completion was issued on May 29, 2013 and the Agency can now utilize proceeds derived from bonds issued prior to January 1, 2011 (pre-2011 bond proceeds) in a manner consistent with the original bond covenants. The Agreement between the Agency and the City to transfer excess pre-2011 bond proceeds obligates the City to expend and maintain excess bond proceeds in accordance with the bond covenants. As required by HSC section 34191.4(c)(2)(A), the Agency has listed the excess bond proceeds on the January through June 2014 Recognized Obligation Payment Schedule in the total amount of $59,911,270 which is approved by Finance.

Please direct inquiries to Beliz Chappuie, Supervisor, or Todd Vermillion, Lead Analyst at (916) 445-1546.

Sincerely,

JUSTYN HOWARD
Assistant Program Budget Manager

cc: Mr. Patrick Lane, Redevelopment Program Manager, City of Oakland
Ms. Carol S. Orth, Tax Analysis, Division Chief, County of Alameda
Mr. Steven Mar, Bureau Chief, Local Government Audit Bureau, California State Controller's Office