



Memorandum

TO: Commission

DATE: July 20, 2016

FR: Executive Director

W. I. 1131

RE: City of Oakland Infrastructure Bond

Background

On July 19th, the City of Oakland approved placement of a \$600 million general obligation bond measure on the November 2016 ballot with the following expenditure plan:

- Street & Road Projects: \$350 million
 - Includes street paving & reconstruction, bicycle and pedestrian improvements, bikeways, sidewalks, paths, stairs, streetscape and curb ramps, along with traffic calming improvements.

- Facilities projects: \$150 million
 - Fire facilities: \$40 million
 - Police: \$40 million
 - Libraries \$15 million
 - Parks, recreation and senior facilities: \$35 million
 - Water, energy and seismic improvements consistent with the City's Energy and Climate Action Plan: \$20 million

- Anti-displacement & Affordable Housing Preservation Projects: \$100 million
 - Funds authorized for acquisition, rehabilitation or new construction of affordable housing, as set forth in the Affordable Housing Bond Law Ordinance.
 - If Alameda County's 2016 Affordable Housing Bond passes, the first priority for expenditure of this portion of the City of Oakland measure will be the acquisition and rehabilitation of existing housing.

The estimated cost of the tax is \$82 per \$100,000 of assessed value once all bonds are issued; this cost would be just \$25 per \$100,000 with the first issuance, since debt service would be based on just \$200 million, and would increase gradually with each additional issuance.

Recommendation: Support

Discussion

The proposed bond measure is informed by public input at numerous meetings of the Finance and Public Works Committees of the City Council, as well as information gained from polling and priorities established by the City's biennial Capital Improvement Plan (CIP). According to staff reports, the City of Oakland currently faces a \$2.5 billion shortfall with respect to its capital infrastructure. In addition, its roadway paving backlog is estimated at \$443 million.

With respect to project selection, a recent staff memo indicates that the FY 2017-19 CIP will determine which specific projects would be prioritized for bond funding in that cycle. The measure stipulates that the first issuance will be no more than \$200 million. Staff would further develop a bond issuance schedule and each issuance would identify the specific projects to be funded. The report notes that the principles of "fix it first" and equitable distribution of funds across the city would inform this project identification process.

Staff recommends MTC take a support position on the City of Oakland's proposed infrastructure bond to fund needed transportation, affordable housing and infrastructure improvements, consistent with a "fix it first" approach.

Known Positions

Support
None

Opposed
None



Steve Heminger

SH: rl



Memorandum

TO: Legislation Committee

DATE: July 1, 2016

FR: Executive Director

W. I. 1131

RE: City of Oakland Infrastructure Bond Proposal

Background

The City of Oakland is expecting to take action to place on the ballot an estimated \$600 million bond measure aimed at three key categories:

- Streets, Sidewalks and Pedestrian, Bicycle & Traffic Safety.
- Public Safety and Improving Quality of Life — Libraries, Parks & Recreation, Fire and Police.
- Housing and Anti-Displacement.

A final determination as to the amount and the allocation of the funds is subject to an Oakland City Council decision scheduled for July 5, 2016.

Recommendation: Support

Discussion

Both the Finance and Public Works Committees of the City Council have held meetings and received public input on the content of the potential bond measure as well as information gained from polling and priorities established by the City's Capital Improvement Plan.

We expect to have more details of this proposal at your regularly scheduled July 8th Legislation Committee meeting.

Known Positions

Support
Pending

Oppose
Pending



Steve Heminger

SH: rr