

MEASURE U - AFFORDABLE HOUSING AND INFRASTRUCTURE BOND

THE QUESTION

Shall the measure to improve public safety and invest in Oakland by

- creating affordable housing for Oaklanders,
- repaving streets to remove potholes,
- updating fire stations and other public facilities,
- increasing housing for homeless Oaklanders,
- improving traffic/pedestrian safety, and



by

- issuing \$850,000,000 in general obligation bonds
- raising approximately \$85,000,000 annually while bonds are outstanding at the rate of \$0.071 per \$100 (\$71 per \$100,000) of assessed value
- with independent oversight and annual audits be adopted?

THE SITUATION

In 2016 voters approved Measure KK which authorized \$600 million of general obligations bonds to fund street paving and reconstruction (\$350 million), the construction, purchase, improvement or repair of facilities (\$150 million), and the acquisition, rehabilitation or construction of housing (\$100 million). The housing bonds are the closest to being fully issued.

Since 2016, the need for affordable housing has intensified. Additional work remains to complete repaving and other projects to improve streetscape, traffic congestion and safety. Libraries, fire and police facilities, parks and recreation centers, and other buildings require repair and upgrades.

FISCAL EFFECT

Bond indebtedness moves in cycles in which bonds are issued in series and retired when paid. Debt for the proposed bonds, as they issue, would be added to the existing bond indebtedness.

The City's current goal is to keep the property tax rate at or below .22% (\$220) per \$100,000 of assessed property value.

What bonds would be covered by property owners' payments in any given year would be whatever outstanding bond obligations the City had at the time.

The City intends to issue the proposed bonds as older bonds are retired or the tax base grows. The City retains the authority to tax at the rate necessary to meet its debt obligation.

THE PROPOSAL

To continue the work begun with Measure KK bonds, the City proposes to issue \$850 million in new general obligation bonds to pay for

- affordable housing (\$350 million)
- transportation (\$290 million) and
- infrastructure (\$210 million).



The measure requires an annual audit by an outside entity and assigns citizen oversight to the Affordable Housing and Bonds Infrastructure Public Oversight Committee which oversees Measure KK bonds.

REASONS TO SUPPORT

- Measure U provides funds to continue the work begun under Measure KK and to increase the percentage for housing.
- Oakland needs these funds to repair and upgrade aging facilities including fire and police facilities, libraries and parks and recreation centers.
- Much work remains to be done to finish road paving projects, make streets and streetscapes safer, and
- provide bike pathways, sidewalks and curb access.



REASONS TO OPPOSE

- Standards for the oversight are not as stringent and specific as they could be.
- Taxes are high already.



A YES VOTE WILL

approve the issuance of the bonds and impose the ad valorem tax to pay them.

A NO VOTE MEANS

the bonds will not be issued.