December 3, 2012

Mr. Pedro R. Reyes Chief Policy Director California Department of Finance 915 L Street Sacramento, CA 95814-3706

RE: Oakland Unified School District Support of Foothill and Seminary Avenue Property Disposition

Dear Mr. Reyes:

The Oakland Unified School District (OUSD) is a taxing entity in Alameda County and is a member of the Oakland Oversight Board. OUSD is writing to request the California Department of Finance to allow the disposition of the subject property by the Oakland Redevelopment Successor Agency (ORSA) to Sunfield Development, LLC, for the development of a neighborhood commercial retail shopping center, as approved by the Oversight Board. The new proposed development will generate financial benefits for all taxing agencies, including OUSD, from increased property taxes, business license taxes, sales taxes, and utility taxes.

The project will also help improve OUSD by bringing much needed commercial retail to the area which will further increase surrounding property values and thus increase the tax base to support our local Oakland schools. In addition to support from our general obligation bonds, our 2012 Facilities Master Plan relies on a strong and growing tax base to support our planned capital improvements which is part of our overall strategic vision that will serves our children, youth and their families. We need to encourage and support our commercial retail projects especially in East Oakland which will in turn help keep our schools safe and secure for our children's future.

Overall, OUSD undoubtedly considers this a very important neighborhood amenity and would replace a vacant, blighted property and would be beneficial to all taxing entities to place back into productive economic use. Approval of the disposition of this property will help advance the project and will give Sunfield Development, LLC and their lenders, investors, and title insurers the certainty that the sale of the property can go forward in order to allow development to begin. OUSD strongly urges the Department of Finance to allow the property disposition to occur without further delay.

Sincerely

Tony Smith, Ph.D. Superintendent,

Oakland Unified School District