



Oakland Measure DD Trust for Clean Water and Safe Parks Community Coalition

August 26, 2022

Dear Edward Reskin,

Measure DD Community Coalition requests a prompt correction of a misunderstanding about the funding of Measure DD enhancement projects.

The Coalition has been trying to understand the new CIP process and how we should fit into it since 2019 when it was first brought to our attention ([a history of this is attached](#)). After various rounds of discussion, the Coalition Committee asserted that Measure DD 'enhancement' projects are significantly different from random neighborhood project requests, and should not be in competition with typical CIP project submissions. PW staff responded that C.I.P. is the Department's procedure for selecting and implementing *unbudgeted* capital improvement projects and is the procedure the Department is obligated to carry out.

However, Measure DD's 'enhancement' requests are not unbudgeted projects, they are extensions of approved and completed projects where additional funds are now available. These funds remain due to program savings within the original project budgets.

Specific Measure DD projects are proposed by City staff with input from the Measure DD Community Coalition. These are at least partially bond-*funded* by Measure DD and are not intended to compete broadly with other capital projects for other city funds.

This difference can be shown by comparing Measure DD and Measure KK

- [Measure DD](#)
 - Funds can only be used for ballot-designated categories; Exhibit A of the Measure DD Bond measure describes the improvements, acquisitions and construction authorized by the voters.
 - The funds must be spent by a set calendar date.
 - Measure DD includes no language requiring a comparable review and ranking process.
- [Measure KK](#)
 - Measure KK, contains general language about authorized expenditures. This has yielded a wide range of requests exceeding available funds, thus requiring prioritization among competing requests vying for the same funds.

- The vast majority of all projects in the CIP books are funded by Measure KK.
- Measure KK specifically calls for CIP process review prior to issuance of bonds in Measure K Sec 2 (C):
Projects will be completed as needed according to City Council established priorities, including those set forth within the City's Capital Improvement Plan and additionally, prior to each issuance of bonds, the City Council shall identify for the specific projects included in such issuance.

The Measure DD enhancement projects we have proposed are extensions of approved, completed projects at Lake Merritt. These details were not included in the initial Lake Merritt project descriptions due to budget uncertainties. Now, due to savings and remaining funds in this Bond category, they can receive some final enhancements.

The Council-approved project schedule for Measure DD has not been met. It called for all work to be completed by 2014.

CIP ranking introduces uncertainty and delays that are unnecessary given that the projects broadly described in Exhibit A have already been approved by the voters and by City Council. The City's Measure DD Managers have had difficulty satisfying the IRS requirement to spend bond funds within three years of bond issuance. Compliance will be even more difficult if these bond projects must be subject to the CIP process.

Due to inflation, further delay of implementation of the Measure DD bond reduces the value of remaining bond funds and the taxpayers' investment.

Attached is a list of enhancement projects and the associated Measure DD bond issue project that each project completes, improves, or implements.

Conclusion

The Measure DD Coalition contends that this unfortunate situation is primarily a misunderstanding. Measure DD projects, proposed by City staff with input from the Measure DD Community Coalition, are consistent with the language of Exhibit A and are at least partially funded by the bond, and should be exempt from the City's CIP ranking process.

In consideration of the special conditions described above, the Coalition seeks urgent approval that the Measure DD 'enhancement' projects be designated and treated by the Dept of Public Works as non-C.I.P. projects and as pre-funded projects, with implementation to be scheduled as soon as can be accommodated by the Department.

The Coalition further asks that this request be acknowledged with a written response indicating an anticipated period for decision and for ultimate performance.