

THE BOND BUYER

Oakland citizen oversight in limbo despite \$600 million bond for repairs

By

Kimberly Veklerov

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Oakland, Calif., voters in 2016 overwhelmingly approved a \$600 million bond to fix city streets and build affordable housing.

The ballot measure promised regular audits of the public funds and scrutiny of the spending by a citizen oversight commission. So far, neither of those has happened, even though the city has already allocated tens of millions of the Measure KK funds.

The oversight commission hasn't yet met. Most of the residents nominated by city officials to serve on the panel told The Chronicle they were unaware the City Council had confirmed their appointments last year.

"I don't know if I've been confirmed. I'm still waiting to hear," architect Michael Pyatok said last week.

"I have not received that email or phone call from the city," Ken Lupoff, executive director of Friends of Oakland Parks and Recreation, said last week.

Members of the panel also said they did not know when they would meet or what their specific tasks would include.

"I'm concerned," said commission member Carroll Fife. "It feels like there's very little community input that goes into the city process as it happens."

Last summer, the City Council authorized the first round of bonds -- up to \$125 million -- to be issued. Tens of millions have already been allocated in the city's current two-year budget to projects including library renovations, a transitional housing facility for the homeless and paving and concrete crews.

Measure KK was widely supported by unions, community organizations and elected officials. Its funds are for streets repaves, city facility renovations and new affordable housing units, among other programs. The city attorney's analysis

said it requires annual audits and a citizen oversight commission that reports to the council.

Mayor Libby Schaaf was tasked with appointing the nine commission members, but she allowed each council member to select one. That process wrapped up in December.

The mayor's spokesman said the fact that the commission hasn't met was not concerning.

"My understanding is no, this is not an unusual amount of time for an oversight committee to get seated, particularly since this is a 'post facto' committee that will analyze how the funds were spent, as opposed to an oversight committee that determines how to spend the funds," the spokesman, Justin Berton, said in an email.

But some commission members want an active say in how the expenditures are made. They are tasked with reviewing financial reports, expenditures of bond proceeds, reporting to the City Council and evaluating the spending's impact on social equity, anti-displacement and affordable housing.

"We've seen what a difference investments can make in communities," said Ellen Wu, a committee member and executive director of the nonprofit Urban Habitat. "We want to see that especially for communities that haven't been traditionally invested in."

She and Lupoff said they weren't too concerned about how the city is handling the bond money so far. Still, Lupoff said, "The sooner we meet, the better. There's a lot of work to be done."

Appropriations of the bond money continue to change. Last week, a City Council committee voted to take more than \$2 million from a different bond measure — meant for parks and trails — and put it toward a recreation center's renovation. The missing parks and trails project funding would then be backfilled with KK dollars if it gets the full City Council's approval.

The shifting of funds troubled community members who said youth were being pitted against the environment and the loser would be infrastructure.

This isn't the first time the city has not promptly convened an oversight commission.

Last year, after Schaaf's initial budget proposed pouring soda-tax revenue into the general fund rather than health programs promised to voters, three council members accused her of pulling a bait-and-switch. Attention then shifted to the

fact that a citizen advisory committee that was supposed to make recommendations on expenditures of the soda tax — which voters also passed in 2016 — hadn't yet been set up.

After the outcry, city officials convened the committee, and it's been meeting regularly since last fall.