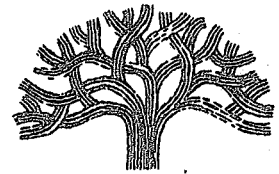


CITY OF OAKLAND



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February 14, 2019

The Honorable Governor Gavin Newsom
State Capitol Building, Suite 1173
Sacramento, CA 95814

Re: Waiving Oakland Unified School District's California State Emergency Loan Under SB 39,
\$33,950,687 as of 07/01/18

Dear Governor Newsom,

We are kindly requesting your administration's consideration to waive the remainder of a California State Emergency loan, estimated at \$33,950,687, provided to the Oakland Unified School District (OUSD) as part of SB 39 (2003). While marked progress has been made, the Fiscal Crisis and Management Assistance Team (FCMAT) still considers the Oakland Unified School District to be financially distressed. The OUSD school board and the administration are making concerted strides to address fiscal sustainability locally, but it would greatly alleviate the District's woes should the executive and legislative bodies consider this action of relief from debt.

There are a multitude of intersecting issues that have impacted the fiscal stability not just of Oakland but of urban school districts across the nation. Your directive to our State Superintendent of Public Instruction Tony Thurmond to form a panel of experts to determine the impact of charter schools on district finances was the kind of bold action we need to stabilize our school districts in California. In light of an estimated \$21.4 billion surplus in the State budget, another opportunity presents itself that would complement this directive as relief from the repayment process would afford OUSD the opportunity to truly create a culture of long-term solvency.

The divestment from education has been a decades long process, and it has been a relief to hear your administration's commitment to strengthening our public education. Our ask could fundamentally shift OUSD from a debt cycle, and this would only benefit Oakland's 36,900 students, 73% of whom qualify for free or reduced lunch. We seek your continued leadership to help stabilize the long-term fiscal health of OUSD, and appreciate your consideration of this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rebecca Kaplan', written over a horizontal line.

Rebecca Kaplan
Oakland City Councilmember At Large

Cc: State Superintendent of Public Instruction, Tony Thurmond