

Oakland, CA GO Rating Raised To 'AA', Pension Obligation Bond Rating Raised To 'AA-' On Strong Economic Growth

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SAN FRANCISCO (S&P Global Ratings) Jan. 5, 2017--S&P Global Ratings raised its long-term rating and underlying rating (SPUR) to 'AA' from 'AA-' on Oakland, Calif.'s existing general obligation (GO) bonds. At the same time, S&P Global Ratings raised its SPUR to 'AA-' from 'A+' on the city's existing pension obligation bonds (POBs) and lease revenue bonds for which the city is the obligor. Finally, S&P Global Ratings assigned its 'AA' long-term rating to the city's series 2017C (Measure DD) GO bonds. The outlook on all ratings is stable.

"The raised ratings are based upon the city's improved budgetary flexibility and strong budgetary performance, coupled with strong growth within the local economy," said S&P Global Ratings credit analyst Cody Nelson.

Oakland has an estimated population of 422,856 and is located in Alameda County in the San Francisco-Oakland-Hayward, CA MSA. In many respects, the city of Oakland is a political, cultural, and economic center on the West Coast and the city is a cornerstone community for the San Francisco-Bay Area regional economy. The city is the county seat of Alameda County, the seventh-most populous county in the state.

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