DEPARTMENT OF FINANCE

Gavin Newsom ▪ Governor

915 L Street ▪ Sacramento CA ▪ 95814-3706 ▪ www.dof.ca.gov

May 15, 2026

Ross McCarthy, Director of Finance
City of Alameda
2263 Santa Clara Avenue, Room 220
Alameda, CA 94501

2026-27 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 10, 2026. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Alameda Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2026 through June 30, 2027 (ROPS 26-27) to Finance on January 29, 2026. The Agency requested a Meet and Confer on one or more of the determinations made by Finance. The Meet and Confer was held on April 22, 2026.

Based on a review of additional information and documentation provided to Finance during the Meet and Confer process, Finance has completed its review of the specific determination being disputed.

- Item No. 28 – Independence Plaza Agreement in the requested amount of $1,340,242. Finance continues to deny this item. To support this item as an enforceable obligation, the Agency provided an agreement between the former City of Alameda Redevelopment Agency and the City of Alameda Housing Authority (Agreement), dated July 6, 2010, and expiring on July 5, 2026. Finance originally denied $672,772 in the Redevelopment Property Tax Trust Fund (RPTTF) and $667,470 in Other Funds for this item, as the Agreement expires five days into the ROPS 26-27 period.

  During the Meet and Confer, the Agency contends the requested amount corresponds to the first semi-annual payment to be funded exclusively from sources that predate the July 5, 2026 expiration date, and that the ROPS 26-27A payment accrued with the City of Alameda Housing Authority's requisition submission on April 15, 2026. The Agency further contends that the Agreement is an undisputed valid enforceable obligation approved on every ROPS since dissolution. Finance concurs with the majority of the Agency's Meet and Confer assertions. However, after a more detailed review of the Agreement, Finance disputes that a valid enforceable obligation exists due to the fact that the obligation for the annual payment is dependent on the availability of the tax increment set aside for Low and Moderate Income Housing, which funding source became inoperative and unavailable upon the enactment of dissolution law.

Specifically:

- Section 10.1 of the Agreement states that the parties acknowledge that circumstances beyond their control may cause the tax increment set aside to be less than required to meet the Agreement. As such, each party shall hold the other to "best efforts" only. Additionally, Section 10.2 of the Agreement states that in the event the parties cannot comply with the terms of the Agreement, then by mutual agreement, the Agreement shall immediately terminate. HSC section 34163 (c) (4) states that as of June 28, 2011, an Agency shall cease making future deposits to the Low and Moderate Income Housing Fund. Further, HSC section 34189 states that as of June 28, 2011, all provisions of the Community Redevelopment Law that depend on the allocation of tax increment shall be inoperative. Since the ability to fund this Agreement is predicated on the set-aside outlined in HSC section 33334.2, which is inoperative, the ability to fund this Agreement ceased as of June 28, 2011. Thus, in accordance with Section 10.2 of the Agreement, the Agreement shall terminate.

  As such, the requested amounts of $672,772 in RPTTF and $667,470 in Other Funds continue to be denied. Based on the denial of this line item, the Agency has approximately $667,470 in Other Funds. HSC section 34177 (l) (1) (E) requires these Other Funds to be used prior to requesting RPTTF funding. Therefore, the Agency should request the use of these Other Funds prior to requesting RPTTF during the ROPS 27-28.

Pursuant to HSC section 34186, successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the July 1, 2023 through June 30, 2024 (ROPS 23-24) period. The ROPS 23-24 prior period adjustment (PPA) will offset the ROPS 26-27 RPTTF distribution. The amount of RPTTF authorized includes the PPA resulting from the County Auditor-Controller's review of the PPA form submitted by the Agency.

The Agency's maximum approved RPTTF distribution for the reporting period is $5,782,803, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2026 through December 31, 2026 period (ROPS A period), and one distribution for the January 1, 2027 through June 30, 2027 period (ROPS B period), based on Finance's approved amounts. Since this determination is for the entire ROPS 26-27 period, the Agency is authorized to receive up to the maximum approved RPTTF through the combined ROPS A and B period distributions.

This is our final determination regarding the obligations listed on the ROPS 26-27. This determination only applies to items when funding was requested for the 12-month period. If a determination by Finance in a previous ROPS is currently the subject of litigation, the item will continue to reflect the determination until the matter is resolved.

The ROPS 26-27 form submitted by the Agency and this determination letter will be posted on our website:

http://dof.ca.gov/Programs/Redevelopment/ROPS/

This determination is effective for the ROPS 26-27 period only and should not be conclusively relied upon for future ROPS periods. All items listed on a future ROPS are subject to Finance's review and may be adjusted even if not adjusted on this ROPS or a preceding ROPS. The only exception is for items that have received a Final and Conclusive determination from Finance pursuant to HSC section 34177.5 (i). Finance's review of Final and Conclusive items is limited to confirming the scheduled payments as required by the obligation.

The amount available from the RPTTF is the same as the amount of property tax increment available prior to the enactment of the redevelopment dissolution law. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax increment is limited to the amount of funding available to the Agency in the RPTTF.

Please direct inquiries to RedevelopmentAdministration@dof.ca.gov.

Sincerely,

Originally signed by:

Cheryl L. McCormick, CPA
Chief, Office of State Audits and Evaluations

cc: Nerissa Pon, Accounting Technician, City of Alameda
Trina Caballero, Division Chief, Tax Analysis Unit/Countywide Oversight Board Representative, Alameda County

Attachment

Approved RPTTF Distribution July 2026 through June 2027			
	ROPS A	**ROPS B**	**Total**
RPTTF Requested	$ 1,676,772	$ 4,750,326	$ 6,427,098
Administrative RPTTF Requested	84,280	84,280	168,560
Total RPTTF Requested	**1,761,052**	**4,834,606**	**6,595,658**
RPTTF Requested	**1,676,772**	**4,750,326**	**6,427,098**
Adjustment(s)			
Item No. 28	(672,772)	0	(672,772)
RPTTF Authorized	**1,004,000**	**4,750,326**	**5,754,326**
Administrative RPTTF Authorized	**84,280**	**84,280**	**168,560**
ROPS 23-24 Prior Period Adjustment (PPA)	(140,083)	0	(140,083)
Total RPTTF Approved for Distribution	**$ 948,197**	**$ 4,834,606**	**$ 5,782,803**