



Transmitted via e-mail

May 17, 2024

Eileen Dalton, Deputy Director
Alameda County
224 West Winton Avenue, #110
Hayward, CA 94544

2024-25 Annual Recognized Obligation Payment Schedule

This letter supersedes the California Department of Finance's (Finance) Recognized Obligation Payment Schedule (ROPS) letter dated April 12, 2024. Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the Alameda County Successor Agency (Agency) submitted an annual ROPS for the period July 1, 2024 through June 30, 2025 (ROPS 24-25) to Finance on January 19, 2024. 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 24, 2024.

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. 24 – Muller & Caulfield Architects/Ross Drulis Cusenbery Architecture. In our April 12, 2024 ROPS 24-25 determination letter, Finance approved the annual amount requested by the Agency for this obligation. Pursuant to HSC section 34177 (m) (1), the Agency can request a Meet and Confer on disputed ROPS items within five business days of Finance's ROPS determination. Although Finance did not dispute the Agency's annual funding request, the Agency requested and was granted a Meet and Confer.

During the Meet and Confer, the Agency contends they requested \$140,000 in Reserve Balances in error, and the request should have been for the entire remaining contract balance of \$440,277, as the contract expires December 31, 2024. However, the Agency's Oversight Board only approved \$140,000 for this obligation. Therefore, Finance upholds its original determination for this item and continues to approve the amount originally requested by the Agency and approved by the Oversight Board. To the extent the Agency incurs costs beyond \$140,000 that go unpaid, and if those unpaid costs are pursuant to the existing contract, the Agency may request additional funding through the amended ROPS process pursuant to HSC section 34179.7 (o) (E).

In addition, per Finance's letter dated April 12, 2024 we continue to make the following determinations not contested by the Agency during the Meet and Confer review:

- Item No. 1 – Tax Allocation Bonds, Series 2006A debt service. The Agency requested \$3,731,594 from Reserve Balances in error. According to the debt service schedule provided by the Agency, the amount needed for the ROPS 24-25 period should be \$3,779,375. According to our review, the Agency only has \$2,101,275 from Reserve Balances available to fund this obligation. Therefore, to accurately reflect the correct debt service payment, Finance made adjustments as listed in the table below:

Funding Source	Requested	Adjusted	Authorized
Reserve Balances	\$3,731,594	(\$1,630,319)	\$2,101,275
RPTTF	0	1,678,100	1,678,100
Total	\$3,731,594	\$47,781	\$3,779,375

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, 2021 through June 30, 2022 (ROPS 21-22) period. The ROPS 21-22 prior period adjustment (PPA) will offset the ROPS 24-25 Redevelopment Property Tax Trust Fund (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 \$1,705,274, as summarized in the Approved RPTTF Distribution table (see Attachment).

RPTTF distributions occur biannually, one distribution for the July 1, 2024 through December 31, 2024 (ROPS A) period, and one distribution for the January 1, 2025 through June 30, 2025 (ROPS B) period, based on Finance's approved amounts. Since this determination is for the entire ROPS 24-25 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 24-25. 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 24-25 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 24-25 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,

Original signed by:

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

cc: Upendera Kukreja, Assistant Finance Director, Alameda County
Trina Caballero, Division Chief, Tax Analysis Unit/Countywide Oversight
Board Representative, Alameda County

Attachment

Approved RPTTF Distribution July 2024 through June 2025			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 4,150	\$ 0	\$ 4,150
Administrative RPTTF Requested	62,500	62,500	125,000
Total RPTTF Requested	66,650	62,500	129,150
RPTTF Requested	4,150	0	4,150
<u>Adjustment(s)</u>			
Item No. 1	0	1,678,100	1,678,100
RPTTF Authorized	4,150	1,678,100	1,682,250
Administrative RPTTF Authorized	62,500	62,500	125,000
ROPS 21-22 prior period adjustment (PPA)	(66,650)	(35,326)	(101,976)
Total RPTTF Approved for Distribution	\$ 0	\$ 1,705,274	\$ 1,705,274