



October 12, 2012

Ms. Debbie Potter, Manager
Housing Development and Programs
Alameda Housing Authority
701 Atlantic Avenue
Alameda, CA 94501

Dear Ms. Potter:

Subject: Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (m), the City of Alameda Successor Agency (Agency) submitted a Recognized Obligation Payment Schedule (ROPS III) to the California Department of Finance (Finance) on August 28, 2012 for the period of January through June 2013. Finance has completed its review of your ROPS III, which may have included obtaining clarification for various items.

HSC section 34171 (d) defines enforceable obligations. Based on a sample of line items reviewed and application of the law, the following do not qualify as enforceable obligations:

- Item Nos. 15, 16, and 17 – Loans in the amount of \$2.6 million. HSC sections 34191.4 and 34176 (e) (6) (B) state that loan or deferral repayments shall not be made prior to the 2013-14 fiscal year. Therefore, these items are not enforceable obligations and are not eligible for Redevelopment Property Tax Trust Fund (RPTTF) funding.
- Item Nos. 37 through 39 – Inclusionary Housing Contract and related costs in the amount of \$4.9 million. HSC section 34176 (a) (1) required the housing entity to be responsible for the housing duties and obligations previously performed by the redevelopment agency (RDA). Therefore, this item is not an obligation of the Agency and is not eligible for RPTTF funding.
- Item No. 40 – Alameda Point Collaborative (APC) Infrastructure Agreement in the amount of \$3.6 million; no funding source identified. No contract has been executed for the anticipated work to qualify item as an enforceable obligation.
- Item No. 44 – Contract with AT&T in the amount of \$52,101. The agreement was executed between the City of Alameda and AT&T, not the former RDA. Therefore, this item is not an enforceable obligation and is not eligible for RPTTF funding.

Except for items denied in whole or in part as enforceable obligations as noted above, Finance is approving the remaining items listed in your ROPS III. If you disagree with the determination with respect to any items on your ROPS III, you may request a Meet and Confer within five

business days of the date of this letter. The Meet and Confer process and guidelines are available at Finance's website below:

http://www.dof.ca.gov/redevelopment/meet_and_confer/

The Agency's maximum approved Redevelopment Property Tax Trust Fund (RPTTF) distribution for the reporting period is \$6,643,495 as summarized below:

Approved RPTTF Distribution Amount For the period of January through June 2013	
Total RPTTF funding requested for obligations	\$ 6,844,427
Less: Six-month total for items denied or reclassified as administrative cost	
Item 15	47,268
Item 16*	0
Item 17	24,263
Item 37	55,000
Item 38	7,300
Item 39	15,000
Item 44	52,101
Total approved RPTTF for enforceable obligations	\$ 6,643,495
Plus: Allowable RPTTF distribution for administrative cost for ROPS III*	0
Total RPTTF approved:	\$ 6,643,495

* No RPTTF funding requested for the reporting period.

Pursuant to HSC section 34186 (a), successor agencies were required to report on the ROPS III form the estimated obligations and actual payments associated with the January through June 2012 period. The amount of RPTTF approved in the above table will be adjusted by the county auditor-controller to account for differences between actual payments and past estimated obligations. Additionally, these estimates and accounts are subject to audit by the county auditor-controller and the State Controller.

Please refer to the ROPS III schedule that was used to calculate the approved RPTTF amount:

[http://www.dof.ca.gov/redevelopment/ROPS/ROPS III Forms by Successor Agency/](http://www.dof.ca.gov/redevelopment/ROPS/ROPS%20III%20Forms%20by%20Successor%20Agency/).

All items listed on a future ROPS are subject to a subsequent review. An item included on a future ROPS may be denied even if it was not questioned from the preceding ROPS.

The amount available from the RPTTF is the same as the property tax increment that was available prior to enactment of ABx1 26 and AB 1484. This amount is not and never was an unlimited funding source. Therefore, as a practical matter, the ability to fund the items on the ROPS with property tax is limited to the amount of funding available to the successor agency in the RPTTF.

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Please direct inquiries to Beliz Chappuie, Supervisor or Cindie Lor, Lead Analyst at
(916) 445-1546.

Sincerely,



STEVE SZALAY

Local Government Consultant

cc: Mr. Fred Marsh, Controller, City of Alameda

Ms. Carol S. Orth, Tax Analysis, Division Chief, County of Alameda