

**HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD
SPECIAL MEETING
MAY 21, 2012
777 B STREET
CONFERENCE ROOM 2A
4:00 PM**

CALL TO ORDER

ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS: *(The Public Comment section provides an opportunity to address the Oversight Board on items not listed on the agenda. The Board welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the Board or are within the jurisdiction of the Board. As the Board is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.)*

1. Approval of April 9, 2012 Meeting Notes
2. Approval of Oversight Board Bylaws, Regular Annual Meeting Dates and Designation of Official Contact Person
*Staff Report
Resolution*
3. Approval of: 1) Modified Recognized Obligation Payment Schedule and Administrative Budget for the Period January 1 – June 30, 2012; 2) Re-entry by City and Successor Agency into Repayment Agreement; and 3) the Recognized Obligation Payment Schedule and Successor Agency Administrative Budget for the Period July 1 – December 31, 2012 (Morariu)
*Staff Report
Resolutions*
4. Future Meeting Dates and Agenda Items
June 7 or June 11 at 4 pm
July 9 or July 12 at 4 pm

BOARD MEMBER/STAFF ANNOUNCEMENTS AND REFERRALS

ADJOURNMENT

NEXT MEETING – TO BE ANNOUNCED

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the Assistant City Manager at (510) 583-4300 or TDD (510) 247-3340.

**HAYWARD SUCCESSOR AGENCY
OVERSIGHT BOARD
April 9, 2012**

SUMMARY NOTES

BOARD MEMBERS PRESENT: Michael Sweeney, Jesus Armas, Rita Shue, Terri Swartz, Sean Brooks. **PENDING CONFIRMATION:** Mark Salinas, Francisco Zermeno

BOARD MEMBERS ABSENT: Nadia Lockyer

STAFF: Fran David, City Manager; Kelly Morariu, Assistant City Manager; Maureen Conneely, Assistant City Attorney; Miriam Lens, City Clerk; Michael Lawson, City Attorney; Tracy Vesely, Finance Director; Stacey Bristow, Neighborhood Partnership Manager; Colleen Kamai, Senior Secretary

PUBLIC: Rafael Yaquian, Goldfarb Lipman Attorneys; Ruben Briones, Alameda County

Call Meeting to Order: Meeting called to order at 4:00 p.m.

Roll Call: Those in attendance introduced themselves. Board Members signed in.

Pledge of Allegiance: Those in attendance cited the Pledge of Allegiance.

Public Comments: There were no public comments.

Oath of Office: Miriam Lens, City Clerk, administered the Oath of Office, noting that she will administer the Oath of Office to Nadia Lockyer who was not in attendance later and upon official appointment of either Mark Salinas or Francisco Zermeno.

Review of Brown Act/Public Records Act/Political Reform Act: Maureen Conneely, Assistant City Attorney, acting as legal counsel to the Hayward Successor Agency provided a brief presentation as these items relate to the Board.

Appointment of Chair and Vice Chair: It was **motioned/seconded** (Armas/Swartz) to nominate Board Member Michael Sweeney to serve as Chair; seeing no other nominations, the motion passed by majority vote. Approved 5:0:1 (Absent 1)

It was **motioned/seconded** (Swartz/Shue) to nominate Board Member Jesus Armas to serve as Vice Chair; seeing no other nominations. the motion passed by majority vote. Approved 5:0:1 (Absent 1)

Introduction of Staff Support: Kelly Morariu, Assistant City Manager, introduced support staff responsible for acting as liaison between the Board, Successor Agency, and the City who will be responsible for preparing reports, scheduling meetings, and preparing and distributing meeting materials.

Maureen Conneely, Assistant City Attorney and Raphael Yaquian, Goldfarb Lipman spoke about potential areas of conflict between the interests of the City, Successor Agency, and Oversight Board and advised the Board that the City Attorney's Office and Goldfarb Lipman will be acting as legal counsel to the City and Successor Agency, but not the Oversight Board.

Kelly Morariu noted that the Board could choose to hire their own legal counsel, which would be a qualifying expense that can be included on the Recognized Obligation Payment Schedule (ROPS) – the item will be included on a future agenda as a discussion topic.

Overview of Redevelopment/Dissolution Act (ABx1 26/Supreme Court Decision & Oversight Board Authority and Duties: Raphael Yaquian of Goldfarb Lipman provided a comprehensive presentation on Redevelopment and the Dissolution Act, and outlined the Board's authority and duties.

Review and Approval of First Recognized Obligation Payment Schedule (ROPS): Kelly Morariu provided a definition of the subject matter, and explained the review and approval process as it relates to the Board. The Board reviewed the current preliminary ROPS, including the Successor Agency's Administrative Budget, for the period January through June 2012.

It was **motioned/seconded** (Armas/Shue) and passed by majority vote to adopt the Resolution approving the ROPS excluding line items 37, 38, and 47h noting a conflict of interest for Board Member Jesus Armas. Approved 5:0:1 (Absent 1)

It was further **motioned/seconded** (Shue/Brooks) and passed by majority vote to adopt the Resolution approving line items 37, 38 and 47h of the ROPS, noting Board Member Armas abstention. Approved 4:0:2 (Absent 1)

Board Member Armas requests that the Resolution be revised to include the word "administrative" in the second paragraph on page 3 of 6 to read: *"State Department of Finance, and to take any other administrative actions necessary to ensure the validity of the ROPS and the validity of any enforceable obligation approved by the Oversight Board in this Resolution"*

Future Meeting Dates and Potential Agenda Items: The Board will not meet April 11, 2012; staff will distribute a cancellation notice.

Future Agenda Items: Approval of ROPS for period July through December 2012; Update on Agency Asset Transfers; Legal Counsel Discussion; Regular Meeting Schedule.

Board Members/Staff Announcements and Referrals: Francisco Zermeno expressed concern that contract dates should be included on the ROPS, and asked if amendments to the ROPS are permissible if there are mistakes. Staff responded that they would include supporting documents that include contract dates, and amendments are permissible.

Board Member Armas reported that the School Districts across the State are watching this process closely; he will be attending a workshop on April 23 presented by Fiscal Crisis and Management Assistance Team (FCMAT) and will report back to the group on any relevant items.

DATE: May 21, 2012

TO: Chair and Members of Oversight Board

FROM: Assistant City Manager

SUBJECT: Approval of Oversight Board Bylaws, Regular Annual Meeting Dates and Designation of Official Contact Person

RECOMMENDATION

That the Oversight Board adopts the attached resolution (Attachment I) approving bylaws for the Oversight Board, regular annual meeting dates for the Board and designation of the official contact person for the Department of Finance on matters related to the Successor Agency.

BACKGROUND

The California State Legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law in June of 2011. The California Supreme Court in its decision in *California Redevelopment Association v. Matosantos*, issued December 29, 2011, declared the Dissolution Act to be constitutional. Under the Dissolution Act, all California redevelopment agencies were dissolved effective February 1, 2012, and various actions are now required by successor agencies to unwind the affairs of all former redevelopment agencies.

DISCUSSION

On January 10, 2012, the City Council adopted a resolution accepting for the City the role of successor agency (the “Successor Agency”) to the Redevelopment Agency of the City of Hayward. An Oversight Board, consisting of members representing the County, the City, and various education and special districts, approves and directs certain actions of the City as Successor Agency. Most of the respective agencies have finalized their appointments and the Oversight Board held its first meeting on April 9, 2012.

There are a few remaining administrative and organizational actions that the Oversight Board must complete. The first is the approval of bylaws governing the activities of the Board. These are included as Attachment II for the Board’s review and approval.

The second organizing activity is to select regular annual meeting dates that will facilitate review and approval of Recognized Obligation Payment Schedules (ROPS) for each six month period as required under the Dissolution Act. Given the timing needed for DOF review of these future ROPS,

staff recommends that the Board set regular meeting dates as the first Thursday of every October and the first Thursday of every April. Special meetings can always be scheduled as necessary in addition to these two meetings.

The third organizing activity recommended in this report is to have the Oversight Board officially designate a point of contact for communications with the Department of Finance. This is required under the Dissolution Act. The Assistant City Manager has been informally serving in this role and staff recommends that the Oversight Board officially designate the Assistant City Manager as this point of contact.

Implementation Actions: The accompanying resolution authorizes and directs the City Manager to take all steps on behalf of the Successor Agency to implement upcoming requirements under the Dissolution Act, including providing necessary notices, transmittals, and postings regarding the these administrative actions.

ECONOMIC AND FISCAL IMPACT

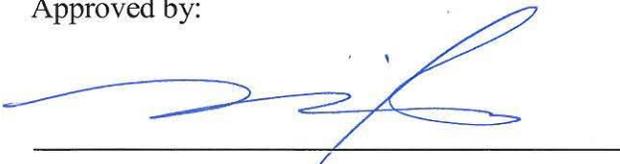
Approval of the administrative actions will allow the Oversight Board to effectively function and will facilitate the continued payment of the Successor Agency's enforceable obligations.

NEXT STEPS

There is one additional administrative action (approval of a conflict of interest code) that staff will bring to the Oversight Board for their approval at the next meeting.

Prepared and Recommended by: Kelly McAdoo Morariu, Assistant City Manager

Approved by:



Fran David, City Manager

Attachments:

- Attachment I: Resolution Regarding Approval of Board Bylaws, Regular Meeting Schedule and Designation of Official Point of Contact
- Attachment II: Draft Bylaws

HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION 2012-__

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD, APPROVING THE BYLAWS FOR THE OVERSIGHT BOARD APPROVING A REGULAR ANNUAL MEETING SCHEDULE AND DESIGNATING AN OFFICIAL CONTACT FOR THE OVERSIGHT BOARD PURSUANT TO HEALTH AND SAFETY CODE 34179(h)

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*); and

WHEREAS, under the Dissolution Act and the December 29, 2011 California Supreme Court's decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency of the City of Hayward (the “Dissolved RDA”), were dissolved on February 1, 2012; and

WHEREAS, on January 24, 2012 and pursuant to Health and Safety Code Section 34173, the City Council of the City of Hayward (the “City Council”) adopted a resolution accepting for the City of Hayward, a charter city (the “City”), the role of successor agency to the Dissolved RDA (the “Successor Agency”); and

WHEREAS, the Oversight Board to the Successor Agency, formed pursuant to the requirements set forth in Health and Safety Code Section 34179 (the “Oversight Board”) desires to adopt bylaws to outline the basic composition, officers, duties, membership, and meeting requirements of the Oversight Board, in the form attached to this Resolution as Exhibit A, incorporated herein by this reference; and

WHEREAS, the Oversight Board desires to set a regular annual meeting schedule; and

WHEREAS, the Oversight Board, pursuant to the requirements set forth in Health and Safety Code Section 34179(h) desires to designate an official with whom the California Department of Finance may communicate for purposes of implementing the Dissolution Act; and

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby adopts the Bylaws of the Oversight Board attached to this Resolution as Exhibit A, which outline the basic composition, officers, duties, membership, and meeting requirements of the Oversight Board.

BE IT FURTHER RESOLVED that the Oversight Board sets _____ in October and April of each year as regular meeting dates.

BE IT FURTHER RESOLVED that the Oversight Board, as required under Health and Safety Code Section 34179(h), hereby designates Kelly Morariu McAdoo, the Assistant City Manager of the City of Hayward, as the official contact person for the Oversight Board.

BE IT FURTHER RESOLVED that the Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to notify the State Department of Finance of the actions taken pursuant to this Resolution, including providing the information set forth in Health and Safety Code Section 34179(h), and to take any other administrative actions necessary to ensure the validity of the actions taken hereunder.

BE IT FURTHER RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

HAYWARD, CALIFORNIA, May 21, 2012

ADOPTED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Chair of the Oversight Board to the Successor
Agency of the City of Hayward

**BYLAWS
FOR THE
OVERSIGHT BOARD OF THE CITY OF HAYWARD**

ARTICLE I - THE OVERSIGHT BOARD

Section 1. Name of Oversight Board

The name of the Oversight Board shall be the “Oversight Board for the City of Hayward Successor Agency” (“Oversight Board”).

Section 2. Membership/Duration

a. Total Membership/Appointment

The total membership of the Oversight Board shall be seven (7), selected as follows or as may be amended by any amendments to Health and Safety Codes Section 34179:

- (1) One member shall be appointed by the Board of Supervisors of the County of Alameda;
- (2) One member shall be appointed by the Mayor of the City of Hayward;
- (3) One member shall be appointed by the largest, by property tax share, special district (as defined in Revenue and Taxation Code Section 95) with territory in the territorial jurisdiction of the former Redevelopment Agency of the City of Hayward;
- (4) One member, to represent schools, shall be appointed by the elected County of Alameda Superintendent of Education or, if the County Superintendent is appointed, then this member shall be appointed by the County of Alameda Board of Education;
- (5) One member shall be appointed by the Chancellor of the California Community Colleges to represent community college districts in the City of Hayward;
- (6) One member shall be a member of the public appointed by the Board of Supervisors of the County of Alameda; and
- (7) One member, to represent the employees of the former Hayward Redevelopment Agency, shall be appointed by the Mayor of the City of Hayward from the recognized employee organization representing the

largest number of former Hayward Redevelopment Agency employees employed by the Hayward Successor Agency at the time of appointment.

The Governor may appoint individuals to fill any member position identified herein that has not been filled by May 15, 2012. Following its initial formation, the Oversight Board shall report the names of its officers and other members to DOF.

The members shall serve without compensation and without reimbursement for expenses. Each member shall serve at the pleasure of the entity that appointed such member.

b. Duration

The Oversight Board shall be and remain established until the sooner of (1) the date that all indebtedness of the former Hayward Redevelopment Agency has been repaid, or (2) July 1, 2016, at which time the Oversight Board shall be dissolved and replaced by a single oversight board for all successor agencies within the County of Alameda.

Section 3. Local Entity

Pursuant to subdivision (e) of Section 34179 of the Health and Safety Code, the Oversight Board shall be deemed to be a local entity for purposes of the Ralph M. Brown Act, the California Public Records Act, and the Political Reform Act of 1974.

Section 4. Personal Immunity

Oversight Board members shall have personal immunity from suit for their actions taken within the scope of their responsibilities as members of the Oversight Board.

Section 5. Fiduciary Responsibilities

Oversight Board members shall have fiduciary responsibilities to holders of enforceable obligations, as that term is defined in subdivision (d) of Section 34171 of the Health and Safety Code, and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of the Health and Safety Code.

Section 6. Resignation

Any Oversight Board member may resign at any time by giving written notice to the Chairperson, who shall forward such notice to the Successor Agency and to DOF. Any such resignation will take effect upon receipt or upon any date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

Section 7. Filling of Vacancies

In the event of a vacancy on the Oversight Board, the appointing entity for the vacant seat shall select a member to fill such vacancy as soon as reasonably practicable, provided, however,

that the Governor may appoint individuals to fill any member position that remains vacant for more than sixty (60) days.

Section 8. Staff

The Oversight Board may direct the staff of the Successor Agency, through the City Manager or his/her designee, to perform work in furtherance of the duties and responsibilities of the Oversight Board. The Successor Agency shall pay for all of the costs of the meetings of the Oversight Board and may include those costs in the administrative budget of the Successor Agency. The Successor Agency shall keep the records of the Oversight Board, and the City Manager shall designate a staff member to act as secretary at the meetings of the Oversight Board. The secretary shall prepare agendas and minutes of meetings of the Oversight Board, shall keep a record of the meetings in a journal of proceedings of the Oversight Board, and shall attest to and/or countersign all documents of the Oversight Board.

ARTICLE II - OFFICERS

Section 1. Officers

The officers of the Oversight Board shall consist of a Chairperson and a Vice Chairperson, who shall be elected in the manner set forth in this Article II.

Section 2. Chairperson

The Chairperson shall preside at all meetings of the Oversight Board, and shall submit such agenda, recommendations and information at such meetings as are reasonable and proper for the conduct of the business affairs and policies of the Oversight Board. The Chairperson shall sign all documents necessary to carry out the business of the Oversight Board.

Section 3. Vice Chairperson

The Vice Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In the event of the death, resignation or removal of the Chairperson, the Vice Chairperson shall assume the Chairperson's duties until such time as the Oversight Board shall elect a new Chairperson.

Section 4. Additional Duties

The officers of the Oversight Board shall perform such other duties and functions as may from time to time be required by the Oversight Board, these Bylaws, or other rules and regulations, or which duties and functions are incidental to the office held by such officers.

Section 5. Election

The Chairperson and Vice Chairperson shall be elected from among the members of the Oversight Board at the first regular meeting of the Oversight Board. Thereafter, the Chairperson

and Vice Chairperson shall be elected from among the members of the Oversight Board at a regular meeting of the Oversight Board. Each officer shall hold office for a term of one year following his/her election and until his/her successor is elected and in office. Any such officer shall not be prohibited from succeeding himself or herself.

Section 6. Vacancies

Should the office of the Chairperson or Vice Chairperson become vacant, the Oversight Board shall elect a successor from among the Oversight Board members at the next regular or special meeting, and such office shall be held for the unexpired term of said office.

ARTICLE III - MEETINGS

Section 1. Regular Meetings

The Oversight Board shall meet regularly on the [first Thursday in October and the first Thursday in April annually] at City Hall, Hayward, California, or at such other locations as the Oversight Board may designate by resolution or in the notice of call of any special meeting. In the event that the regular meeting date shall be a legal holiday, then any such regular meeting shall be held on the next business day thereafter ensuing that is not a legal holiday. A notice, agenda and other necessary documents shall be delivered to the members, personally or by mail, or electronic mail, at least seventy-two (72) hours prior to the meeting.

Section 2. Special Meetings

Special meetings may be held upon call of the Chairperson, or an affirmative vote by a majority of the members of the Oversight Board present at a regular or special meeting of the Oversight Board at which a quorum is present, for the purpose of transacting any business designated in the call, after notification of all members of the Oversight Board by written notice personally delivered or by mail or by electronic mail at least twenty-four (24) hours before the time specified notice for a special meeting. At such special meeting, no business other than that designated in the call shall be considered.

Section 3. Adjourned Meetings

Any meeting of the Oversight Board may be adjourned to an adjourned meeting without the need for notice requirements of a special meeting, provided the adjournment indicates the date, time and place of the adjourned meeting. Oversight Board members absent from the meeting at which the adjournment decision is made shall be notified by the Chairperson of the adjourned meeting.

Section 4. All Meetings to be Open and Public

All meetings of the Oversight Board shall be open and public to the extent required by law. All persons shall be permitted to attend any such meetings, except as otherwise provided by law.

Section 5. Posting Agendas/Notices

The secretary, or his/her authorized representative, shall post an agenda for each regular Oversight Board meeting or a notice for each special Oversight Board meeting containing a brief description of each item of business to be transacted or discussed at the meeting together with the time and location of the meeting. Agendas/notices shall be posted at City Hall, Hayward, California (a location readily accessible to the public) at least seventy-two (72) hours in advance of each regular meeting and at least twenty-four (24) hours in advance of each special meeting.

All notices required by law for proposed actions by the Oversight Board shall also be posted on the Successor Agency's internet web site or the Oversight Board's internet web site, if one exists.

Section 6. Right of Public to Appear and Speak

At every regular meeting, members of the public shall have an opportunity to address the Oversight Board on matters within the Oversight Board subject matter jurisdiction. Public input and comment on matters on the agenda, as well as public input and comment on matters not otherwise on the agenda, shall be made during the time set aside for public comment; provided, however, that the Oversight Board may direct that public input and comment on matters on the agenda be heard when the matter regularly comes up on the agenda.

The Chairperson may limit the total amount of time allocated for public discussion on particular issues and/or the time allocated for each individual speaker.

Section 7. Non-Agenda Items

Matters brought before the Oversight Board at a regular meeting which were not placed on the agenda of the meeting shall not be acted upon by the Oversight Board at that meeting unless action on such matters is permissible pursuant to the Ralph M. Brown Act (Gov. Code §54950 et seq.). Those non-agenda items brought before the Oversight Board which the Oversight Board determines will require Oversight Board consideration and action and where Oversight Board action at that meeting is not so authorized shall be placed on the agenda for the next regular meeting.

Section 8. Quorum

The powers of the Oversight Board shall be vested in the members thereof in office from time to time. A majority of the total membership of the Oversight Board shall constitute a quorum for the purpose of conducting the business of the Oversight Board, exercising its powers and for all other purposes, but less than that number may adjourn the meeting from time to time until a quorum is obtained. An affirmative vote by a majority of the total membership of the Oversight Board shall be required for approval of any questions brought before the Oversight Board.

Section 9. Unexcused Absences

If a member shall be absent from three (3) meetings, whether regular or special, within six (6) consecutive calendar months, such absence shall result in the termination of the membership of the absenting member. A member's absence shall be excused if, prior to the meeting from which said member will be absent, said member notifies the Chairperson of his or her intent to be absent and the reasons therefor; provided, however, that a member shall be entitled to only two (2) excused absences within twelve (12) consecutive calendar months. At each meeting, after the roll has been called, the Chairperson shall report to the Oversight Board the name of any member who has so notified him or her of his or her intent to be absent and the reason for such absence.

Section 10. Order of Business

All business and matters before the Oversight Board shall be transacted in conformance with Robert's Rules of Order.

Section 11. Minutes

Minutes of the meetings of the Oversight Board shall be prepared in writing by the secretary. Copies of the minutes of each Oversight Board meeting shall be made available to each member of the Oversight Board and the Successor Agency. Approved minutes shall be filed in the official book of minutes of the Oversight Board.

ARTICLE IV - REPRESENTATION BEFORE PUBLIC BODIES

Any official representations on behalf of the Oversight Board before the Successor Agency, the Alameda County Auditor-Controller, the State Controller, DOF, or any other public body shall be made by the City Manager.

ARTICLE V - AMENDMENTS

These Bylaws may be amended upon an affirmative vote by a majority of the total membership of the Oversight Board, but no such amendment shall be adopted unless at least seven (7) days written notice thereof has previously been given to all members of the Oversight Board. Notice of the amendment shall identify the section or sections of these Bylaws proposed to be amended. The Successor Agency shall be notified of any amendments to these Bylaws.

DATE: May 21, 2012

TO: Chair and Members of Oversight Board

FROM: Assistant City Manager

SUBJECT: Approval of: 1) Modified Recognized Obligation Payment Schedule and Administrative Budget for the Period January 1 – June 30, 2012; 2) Re-entry by City and Successor Agency into Repayment Agreement; and 3) the Recognized Obligation Payment Schedule and Successor Agency Administrative Budget for the Period July 1 – December 31, 2012

RECOMMENDATION

A. That the Oversight Board adopts the attached resolutions (Attachments I-II) that: (1) approve a modified ROPS previously approved by the City Council and the Oversight Board for the period from January 1- June 30, 2012; (2) approve modifications to the Successor Agency Administrative Budget for the same period; (3) approve the Recognized Obligation Payment Schedule for the period July 1 – December 31, 2012; (4) approve the Successor Agency Administrative Budget for the same period; and (5) authorize the City Manager to take other administrative actions and execute such other documents as are appropriate to effectuate the intent of the resolutions and all actions necessary to effectuate associated requirements of the Dissolution Act.

B. That the Oversight Board adopts the attached resolution (Attachment III) that: (1) authorizes the City and the Successor Agency to reenter into that certain Repayment Agreement between the City and the former Redevelopment Agency dated September 23, 1975 as amended and restated in 2008; and (2) authorizes the City Manager to take other administrative actions and execute such other documents as are appropriate to effectuate the intent of such resolution.

BACKGROUND

The California State Legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law in June of 2011. The California Supreme Court in its decision in *California Redevelopment Association v. Matosantos*, issued December 29, 2011, declared the Dissolution Act to be constitutional. Under the Dissolution Act, all California redevelopment agencies were dissolved effective February 1, 2012, and various actions are now required by successor agencies to unwind the affairs of all former redevelopment agencies.

DISCUSSION

On January 10, 2012, the City Council adopted a resolution accepting for the City the role of successor agency (the "Successor Agency") to the Redevelopment Agency of the City of Hayward. An Oversight Board, consisting of members representing the County, the City, and various education and special districts, approves and directs certain actions of the City as Successor Agency. Most of the respective agencies have finalized their appointments and the Oversight Board held its first meeting on April 9, 2012.

At the April 9 meeting, the Oversight Board approved the ROPS for the period January through June 2012, which staff sent to the State Department of Finance (DOF) and the County Auditor-Controller. This "First ROPS" was reviewed by DOF staff and the DOF is requiring reconsideration by the Oversight Board of various items included on the First ROPS. The letter from the DOF relating to its review of the First ROPS and a copy of the First ROPS are attached to this staff report as Attachments IV and V.

Approval of Modified First ROPS: In connection with its review of the First ROPS, the Department of Finance objected to the inclusion of the City and former Redevelopment Agency repayment agreement, entered into initially in 1975 and amended and restated in 2008 (the "Repayment Agreement"). The Department also objected to the \$944,298 housing set-aside payment (the "Housing Set-Aside Payment") that occurred in January 2012. The Department further claimed that certain items were inappropriately listed as enforceable obligations, when they should have been included as costs to be paid from the Successor Agency administrative allowance allowed for under the Dissolution Act. The Dissolution Act limits or caps the administrative allowance of each successor agency.

Staff has prepared a written response to the Department regarding its review (Attachment VI). Staff will be reserving the right to challenge any of the Department's objections to the First ROPS. Based on this initial DOF response, staff is recommending the following items related to the requested reconsideration of the First ROPS by the Oversight Board:

City/Agency Repayment Agreement (Attachment V – Item #3)	The Repayment Agreement should be removed from the First ROPS to eliminate any immediate issues with the Department and because payment under this agreement for FY 2012 occurred in a time period prior to that covered by the First ROPS. As described below, staff further recommends that the Oversight Board authorizes an agreement pursuant to which the Successor Agency and City re-enter into the Repayment Agreement and include this re-entered agreement on the Second ROPS for July 1 - December 31, 2012.
Housing Set-Aside Payment (Attachment V – Item #5)	The Housing Set-Aside Payment may be removed from the First ROPS because it was mistakenly included as revenue as opposed to an expense.

Administrative Budget/Cost Allowance

<p>Employee Costs (“Employee Costs” and “Cost Allocation”) and Legal Fees (Attachment V – Items #9, 14, and 18)</p>	<p>Payments made in January should remain as an expense that is not subject to the administrative allowance cap because the January payments are former Redevelopment Agency expenses. The Successor Agency did not begin to incur expenses subject to the administrative allowance cap until February 2012. In addition, only those employee and legal costs that are not tied to project delivery will be moved to the administrative allowance line item.</p>
<p>Insurance Costs (Attachment V – Item #13)</p>	<p>All payments for insurance should remain on the First ROPS as a non-administrative item because the insurance covers continuing liabilities incurred by the Agency (as opposed to Successor Agency overhead).</p>
<p>BIA Support Payment (Attachment V – Item #19)</p>	<p>Only one BIA support payment was made in January 2012 by the former Agency. This Agency payment should not be included in the administrative allowance of the Successor Agency, because it was not related to Successor Agency administrative costs, but was a project of the former Redevelopment Agency.</p>
<p>Cinema Place Maintenance Costs (Attachment V – Items #26-31)</p>	<p>These costs should remain as non-administrative allowance items, since they are required by the Cinema Place Ground Lease.</p>
<p>Weed Abatement and Financial Consultant Fee (Attachment V – Items #44 and 45)</p>	<p>These costs may be removed from the First ROPS because contracts were executed but expenses were never actually incurred or paid by the former Agency or the Successor Agency. These contracts are no longer needed.</p>

In its letter, the Department also stated that the administrative allowance cap is equal to \$397,329 as opposed to the previously estimated \$250,000. Therefore, as further described below, staff recommends that the amendment to the First ROPS increase the administrative allowance to \$397,329 (Attachment V – Item #25).

Through the accompanying resolution, staff recommends that the Oversight Board, approve a modified First ROPS incorporating staff's recommendations as described above. Once approved, the modified First ROPS will then be submitted to the Department of Finance again.

Approval of Administrative Budget for February 1, 2012 to June 30, 2012: As noted above, DOF is permitting a \$397,329 administrative allowance cap for the Successor Agency, which is an increase from the previously budgeted \$250,000 administration allowance line item. The administrative

budget covers certain staff expenses to provide for basic oversight and administration of the Successor Agency. It also provides for a supplies and services budget to cover ancillary expenses of the Successor Agency. Staff of the Successor Agency has prepared a revised administrative budget for Fiscal Year 2012 to reallocate certain employee and legal costs objected to by the Department of Finance and to permit increased coverage for other administrative expenses. Through the accompanying resolution, staff recommends that the Oversight Board approve the modified Successor Agency's administrative budget for Fiscal Year 2012. The administrative allowance budget for Fiscal Year 2012 is included as Attachment VII to this staff report and also as an attachment to the resolution.

Approval of Re-Entry into Repayment Agreement: Under the Dissolution Act, the Successor Agency may enter or reenter into former Redevelopment Agency agreements with the City upon obtaining the approval of the Oversight Board. The Department has objected to the Repayment Agreement and asked for it to be removed from the First ROPS. In objecting to the Repayment Agreement, DOF cites that section of the Dissolution Act which invalidates certain agreements between former redevelopment agencies and the cities that created them. Staff recommends that the Repayment Agreement be removed from the First ROPS to satisfy the Department's immediate concerns, but that the Oversight Board also approves the re-entry of the Repayment Agreement by the City and the Successor Agency. In removing the Repayment Agreement from the First ROPS, the Successor Agency will reserve the right to challenge the Department's objection to the Repayment Agreement. Staff will also reserve the right to include the Repayment Agreement on future ROPS.

The Repayment Agreement was entered into in 1975, approximately six years after the formation of the former Redevelopment Agency, but the same year as the adoption of the first Agency redevelopment plan. AB 1585 (currently pending in the State Legislature) would recognize agreements entered into between a former redevelopment agency and its sponsoring community within two years of plan adoption, such as the Repayment Agreement. However, while AB 1585 has passed out of the Assembly, it is being held in the Senate to determine if funds addressed in that bill should be used, instead, to help balance the State budget. Staff is far from certain that AB 1585 will ever become law.

The Repayment Agreement requires the repayment to the City of funds loaned by the City to the former Redevelopment Agency to cover Redevelopment Agency activities. Approximately eight million dollars is still owed to the City under this contract. In order to preserve the commitment made to repay the City for its substantial investment and to prevent potential reductions in key City services as a result of loss of the funds from repayment, staff recommends that the Oversight Board authorize the City and Successor Agency to re-enter into the Repayment Agreement. The Repayment Agreement will then be listed on the "Second ROPS," which is also the subject of this meeting.

Approval of Second ROPS: The Oversight Board must approve a ROPS for each six month period during a fiscal year. Given the tight timelines following the dissolution of Redevelopment Agencies in February, the review and approval periods for the first two ROPS overlap. This schedule and approval process will smooth out going forward.

The Second ROPS is included with this report as Attachment VIII. The numbering of items on the Second ROPS has remained the same as on the First ROPS so it is easier to cross-reference between the two documents. Most of the changes and updates to the Second ROPS result from one of the following items: revised project costs based on payments made before June 30, 2012; items that were paid prior to the Agency dissolution that now need to be removed from the ROPS; or contracts that are finalized and will be removed from the ROPS. Staff has also removed the Cooperation and Funding Agreement between the City of Hayward and the Redevelopment Agency and the Housing Cooperation and Funding Agreement between the City and Housing Authority for several reasons. Many of the projects listed in these agreements are captured as enforceable obligations elsewhere on the ROPS or have been paid in full. Others do not yet have payments due and therefore do not currently need to be included on the Second ROPS. In addition, the spreadsheet that details the pass through payments to other taxing entities has been removed since the County Auditor will be responsible for calculating and making these payments in the future.

Through the accompanying resolution, staff recommends that Oversight Board approve the Second ROPS.

Approval of Administrative Budget for July 1 – December 31, 2012: In addition to approval of the Second ROPS, staff recommends the approval of the Administrative Budget of the Successor Agency for the period of July 1 – December 31, 2012. Through the accompanying resolution, staff recommends that the Oversight Board approve the Successor Agency's administrative budget for July 1 – December 31, 2012 for submittal to the Oversight Board. The administrative budget is included as Attachment IX to this staff report and also as an attachment to the resolution. With regard to the supplies and services portion of the budget, this is a placeholder budget that will be further refined during review and approval by the Oversight Board and once further clarification is received from the State and County on allowable expenses.

Implementation Actions: The accompanying resolutions authorize and direct the City Manager to take all steps on behalf of the Successor Agency to implement upcoming requirements under the Dissolution Act, including providing necessary notices, transmittals, and postings regarding the ROPS and Successor Agency administrative budgets.

Environmental Review: The actions set forth in the recommended accompanying resolution, as summarized above, are exempt under Guideline 15378(b)(4) of the California Environmental Quality Act (CEQA) in that the actions do not constitute a "project," but instead are required to continue a governmental funding mechanism for enforceable obligations of the former Redevelopment Agency and to perform the statutorily mandated unwinding of the assets, liabilities, and functions of the former Redevelopment Agency pursuant to the Dissolution Act. Staff will file a notice of exemption with the County Clerk in accordance with the CEQA guidelines.

ECONOMIC AND FISCAL IMPACT

Approval of the modified First ROPS and the Second ROPS will facilitate the ability of the City as Successor Agency to continue payment of the enforceable obligations of the former Redevelopment Agency and is among the reasonable measures required to be taken to avoid triggering an event of default under any enforceable obligations. Approval of the Successor Agency administrative

budgets will facilitate the Successor Agency's receipt of the funds to which it is entitled under the Dissolution Act to implement its responsibilities. Approval of re-entry of the Repayment Agreement will permit the City to collect on those funds loaned in good faith by it to the former Agency.

NEXT STEPS

Following approval of the modified First ROPS, the Second ROPS, and the Administrative Budgets by the Oversight Board, staff will submit these items to the Department of Finance for review.

Prepared and Recommended by: Kelly McAdoo Morariu, Assistant City Manager

Approved by:



Fran David, City Manager

Attachments:

- Attachment I: Resolution Regarding Modified First ROPS and Approval of Revised Administrative Budget
- Attachment II: Resolution Regarding Second ROPS and Approval of Related Administrative Budget
- Attachment III: Resolution Authorizing Re-Entry into Repayment Agreement
- Attachment IV: Department of Finance Letter Regarding ROPS January – June 2012 (First ROPS)
- Attachment V: Modified First ROPS January – June 2012 (First ROPS)
- Attachment VI: City Response Letter to Department of Finance
- Attachment VII: Revised Administrative Budget January – June 2012
- Attachment VIII: Recognized Obligation Payment Schedule (ROPS) July 1 – December 30, 2012
- Attachment IX: Successor Agency Administrative Budget July 1 – December 30, 2012

HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. 2012-__

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD, IN COMPLIANCE WITH A STATE DEPARTMENT OF FINANCE REQUEST FOR RECONSIDERATION OF SPECIFIED ITEMS ON THE APPROVED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE PERIOD ENDING JUNE 30, 2012 (“FIRST ROPS”), INCLUDING APPROVAL OF A MODIFIED FIRST ROPS AND APPROVAL OF A REVISED ADMINISTRATIVE BUDGET

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on December 29, 2011, the California Supreme Court delivered its decision in *California Redevelopment Association v. Matosantos*, finding the Dissolution Act largely constitutional; and

WHEREAS, under the Dissolution Act and the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency of the City of Hayward (the “Dissolved RDA”), were dissolved on February 1, 2012; and

WHEREAS, on January 24, 2012 and pursuant to Health and Safety Code Section 34173, the City Council of the City of Hayward (the “City Council”) declared that the City of Hayward, a charter city (the “City”), would act as successor agency (the “Successor Agency”) for the Dissolved RDA effective February 1, 2012; and

WHEREAS, under the Dissolution Act, the City, in its capacity as Successor Agency, must prepare a “Recognized Obligation Payment Schedule” (“ROPS”) that enumerates the enforceable obligations and expenses of the Successor Agency for specified six-month periods; and

WHEREAS, the Successor Agency staff prepared, and on March 6, 2012, the City Council, acting as the Governing Board of the Successor Agency, approved the initial recognized obligation payment schedule for the period January through June 2012 (the “Proposed First ROPS”) and the administrative budget for the Successor Agency’s general administrative costs and expenses during the period from February 1 through June 30, 2012 (the “Proposed First Administrative Budget”), from which is documented the Successor Agency’s administrative cost allowance for Fiscal Year 2012, as defined and prescribed in Health and Safety Code Section 34171(b) (the “FY 2012 Administrative Cost Allowance”); and

WHEREAS, pursuant to the Dissolution Act, the duly-constituted Oversight Board for the Successor Agency met at a duly-noticed public meeting on April 9, 2012, to review and consider the Proposed First ROPS, and specific obligations listed on the Proposed First ROPS, and by adoption of Oversight Board Resolution No. 12-01, approved the Proposed First ROPS (the "Approved First ROPS"), attached hereto as Exhibit A, incorporated herein by this reference, and also approved the Proposed First Administrative Budget prepared by Successor Agency staff, which documents an FY 2012 Administrative Cost Allowance in the minimum amount authorized under the Dissolution Act of \$250,000 (the "Approved First Administrative Budget"); and

WHEREAS, Successor Agency staff posted the Approved First ROPS and the Approved First Administrative Budget on the Successor Agency's website, and transmitted the Approved First ROPS together with the Approved First Administrative Budget to the Auditor-Controller of the County of Alameda (the "County-Auditor"), to the California State Controller (the "State Controller"), and to the California Department of Finance (the "DOF") by notice dated April 12, 2012; and

WHEREAS, under Health and Safety Code Section 34179(h), Oversight Board actions do not become effective for three (3) business days, pending request for review by the DOF. If the DOF requests a review of a given Oversight Board action, the DOF has ten (10) days from the date of its request to approve the Oversight Board action or return the action to the Oversight Board for its reconsideration and any particular disapproved item shall not become effective until approved by the DOF; and

WHEREAS, within the three (3) business day notice period, the DOF informed the Successor Agency that the DOF was requesting review of unspecified items on the Approved First ROPS and sent an informal request for additional information, to which the Successor Agency staff timely responded; and

WHEREAS, by letter of April 27, 2012 (the "DOF Formal Notification Letter"), attached to this Resolution as Exhibit B and incorporated in this Resolution by this reference, the DOF notified the Successor Agency and the Oversight Board that the DOF was returning specified items in the Approved First ROPS for reconsideration by the Oversight Board, specifically requesting the Oversight Board reconsider the inclusion of the following items on the Approved First ROPS that were disapproved by the DOF (collectively, the "Reconsideration Items"):

- Item 3, page 1 of the Approved First ROPS (the "Repayment Agreement");
- Item 5, page 1 of the Approved First ROPS (the "Housing Set-Aside Payment");
- Item 9, page 1 of the Approved First ROPS ("Employee Payroll Costs");
- Item 13, page 1 of the Approved First ROPS ("Insurance Costs");
- Item 14, page 1 of the Approved First ROPS ("Successor Agency Legal Fees");
- Item 18, page 1 of the Approved First ROPS ("Agency Allocation Cost");
- Item 19, page 1 of the Approved First ROPS ("BIA Support Payment");
- Item 25, page 1 of the Approved First ROPS ("Administrative Cost Allowance");
- Item 26-31, page 1 of the Approved First ROPS ("Cinema Place Maintenance Costs");
- Item 44, page 2 of the Approved First ROPS ("Financial Consultant Fees"); and

Item 45, page 2 of the Approved First ROPS (“Weed Removal Contract”); and

WHEREAS, the DOF Formal Notification Letter was issued within the ten day decision period authorized by Health and Safety Code Section 34179(h), which expired on or about April 28, 2012 (the “DOF Notification Deadline”); and

WHEREAS, pursuant to the DOF Formal Notification Letter, and consistent with the guidance issued by Ana Matosantos, the Director of the DOF, by letter dated March 2, 2012, only the Reconsideration Items (as defined below) are ineffective until approved by the DOF; and

WHEREAS, other than the Reconsideration Items identified in the DOF Formal Notification Letter, the remainder of the enforceable obligations and recognized obligations listed on the Approved First ROPS (the “Accepted Enforceable Obligations”), are approved for inclusion in the Approved First ROPS for the six-month period ending June 30, 2012, and failure by the DOF to challenge the Accepted Enforceable Obligations listed on the Initial ROPS forecloses the DOF’s challenge of the Accepted Enforceable Obligations because of the expiration of the DOF Notification Deadline; and

WHEREAS, by letter of May 8, 2012 (the “Successor Agency Response Letter”), attached to this Resolution as Exhibit E and incorporated in this Resolution by this reference, the Successor Agency staff:

- Accede to the DOF’s request that the following Reconsideration Items be deleted from the Approved First ROPS (collectively, the “Deleted Items”):
 - The Repayment Agreement because no payments were due under the agreement during the time period covered in the Approved First ROPS. Removal of the Repayment Agreement, from the Approved First ROPS, shall not abrogate, waive, impair or in any other manner affect the right or ability of the City, as a charter city, to initiate and prosecute any litigation with respect to the Repayment Agreement, including, without limitation, any litigation contesting the purported invalidity of said agreement pursuant to the Dissolution Act;
 - The Housing Set Aside Payment because listing of the receipt of the funds is not an expenditure of the Successor Agency and is thus incorrectly included in the Approved First ROPS;
 - The Financial Consultant Fees because no payments are required to be made under the agreement during the time period covered in the Approved First ROPS and the contract has since expired; and
 - The Weed Removal Contract because no payments are required to be made under the agreement during the time period covered in the Approved First ROPS and the contract has since expired.

- Partially accede to the DOF's request that the following Reconsideration Items be modified in the Approved First ROPS in the manner described below (collectively, the "Modified Items"):
 - The deletion of payments past January 2012 for Employee Payroll Costs. The January payment for Employee Payroll Costs is accurately included as an obligation paid in January because the Dissolved RDA was required to make that payment to cover employee payroll prior to the dissolution of the Dissolved RDA. The Employee Payroll Costs incurred by the Successor Agency after the February 1, 2012 dissolution of the Dissolved RDA are more accurately included under the Administrative Cost Allowance Budget for the period ending June 30, 2012;
 - The deletion of payments past January 2012 for Agency Overhead Allocation Costs. The January payment for Agency Overhead Allocation Costs is accurately included as an obligation paid in January because the Dissolved RDA was required to make that payment for its share of administrative overhead costs prior to the dissolution of the Dissolved RDA. The Agency Overhead Allocation Costs incurred by the Successor Agency after the February 1, 2012 dissolution of the Dissolved RDA are more accurately included under the Administrative Cost Allowance Budget for the period ending June 30, 2012.
- Provide further information to the DOF in support of treatment of the following Reconsideration Items (together, the "Further Consideration Items") as enforceable obligations, with the request that the DOF give further consideration to the treatment of the Further Consideration Items in light of the additional information provided in the Successor Agency Response Letter and because:
 - The Insurance Costs listed on the Approved First ROPS are associated with the Successor Agency's continued requirement to carry liability insurance coverage for properties and projects of the Successor Agency and constitute project delivery costs and not administrative expenses or overhead of the Successor Agency;
 - The Successor Agency Legal Fees have been modified to differentiate between project related legal fees that constitute project delivery costs and that do not constitute administrative costs of the Successor Agency and other legal fees that are more accurately included under the Administrative Cost Allowance Budget for the period ending June 30, 2012;
 - The Cinema Place Maintenance Costs listed on the Approved First ROPS are associated with the Successor Agency's continued requirement to perform property maintenance and remediation and constitute project delivery costs and not an administrative cost of the Successor Agency; and
 - The BIA Support Payment in January 2012 was a cost of the Dissolved Agency prior to dissolution and is not an administrative expense of the Successor Agency.

- Acknowledge an adjustment of the Successor Agency's Approved First Administrative Budget to increase the FY 2012 Administrative Cost Allowance from the minimum amount authorized under the Dissolution Act of \$250,000 to the five percent of the property tax allocated or \$397,329.

WHEREAS, in compliance the DOF Formal Notification Letter, the Successor Agency staff has prepared for consideration of approval by the Oversight Board a modified Approved First ROPS (the "Proposed Modified First ROPS"), attached to this Resolution as Exhibit C and incorporated in this Resolution by this reference; and

WHEREAS, the Proposed Modified First ROPS (1) deletes the Agreed Deleted Items, as requested by the DOF; (2) adjusts the Modified Items partially acceding to the DOF's request for removal of payments past January 2012; (3) retains the Further Consideration Items pending DOF consideration of the additional information provided to the DOF in the Successor Agency Response Letter, with the understanding and agreement that the future treatment of the Further Consideration Items as enforceable obligations will be dependent on the DOF's further consideration and subsequent approval; and (4) adjusts the Administrative Cost Allowance from the minimum amount authorized under the Dissolution Act of \$250,000 to the five percent of the property tax allocated or \$397,329, as allowed by the DOF; and

WHEREAS, in compliance with the DOF Formal Notification Letter, the Successor Agency staff has prepared for consideration of approval by the Oversight Board a modified administrative budget for Successor Agency general administrative costs and expenses during the period from February 1 through June 30, 2012 (the "Proposed Modified First Administrative Budget"), attached to this Resolution as Exhibit D and incorporated in this Resolution by this reference; and

WHEREAS, after reviewing the Proposed Modified First ROPS and the Proposed Modified First Administrative Budget presented to and recommended for reconsideration to the Oversight Board by Successor Agency, and after reviewing written and oral comments from the public relating thereto, the Oversight Board desires to approve the Proposed Modified First ROPS and the Proposed Modified First Administrative Budget, and to make the following accompanying findings, resolutions and determinations.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

BE IT FURTHER RESOLVED that no further action of the Oversight Board is required in connection with the Accepted Enforceable Obligations contained on the Approved ROPS and the Proposed Modified First ROPS. The Reconsideration Deadline has passed for the Accepted Enforceable Obligations without challenge by the DOF. Consequently, each of the Accepted Enforceable Obligations constitutes an "enforceable obligation" and "recognized obligation" for all purposes of the Dissolution Act, and is necessary for the continued maintenance and

preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

BE IT FURTHER RESOLVED that the Oversight Board, pursuant to Health and Safety Code Section 34177(j), hereby approves the Proposed Modified First ROPS in the form attached to this Resolution as Exhibit C (the “Approved Modified First ROPS”), including the agreements and obligations described in the Approved Modified First ROPS, and hereby determines that such agreements and obligations constitute “enforceable obligations” and “recognized obligations” for all purposes of the Dissolution Act. The Oversight Board hereby declares its intent that the Proposed Modified First ROPS shall amend, replace, and supersede the Approved First ROPS (Exhibit A) in its entirety.

BE IT FURTHER RESOLVED that the Oversight Board hereby approves the Proposed Modified First Administrative Budget in the form presented to the City Council and attached hereto as Exhibit E (the “Approved Modified First Administrative Budget”), and authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Approved Modified First Administrative Budget.

BE IT FURTHER RESOLVED that the Oversight Board finds that the Approved Modified First Administrative Budget supports a FY 2012 Administrative Cost Allowance to the Successor Agency in the amount of \$397,329.

BE IT FURTHER RESOLVED that the Oversight Board authorizes and directs the Successor Agency staff to take all administrative actions necessary under the Dissolution Act to post the Approved Modified First ROPS and the Approved Modified First Administrative Budget on the Successor Agency website, to transmit the Approved Modified First ROPS and the Approved Modified First Administrative Budget to the Auditor-Controller, to the State Controller and the DOF, to inform the Auditor-Controller of the adjustment to the FY 2012 Administrative Cost Allowance, and to take any other actions necessary to ensure the validity of the Approved Modified First ROPS and the Approved Modified First Administrative Budget, including but not limited to the FY 2012 Administrative Cost Allowance.

BE IT FURTHER RESOLVED that nothing in this Resolution shall abrogate, waive, impair or in any other manner affect the right or ability of the City, as a charter city, to initiate and prosecute any litigation with respect to any agreement or other arrangement of the Dissolved RDA, including, without limitation, any litigation contesting the purported invalidity of such agreement or arrangement pursuant to the Dissolution Act.

BE IT FURTHER RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

HAYWARD, CALIFORNIA, May 21, 2012

ADOPTED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Chair of the Oversight Board to the
Successor Agency of the City of
Hayward

Exhibit A

APPROVED FIRST ROPS

Exhibit B

FORMAL NOTIFICATION LETTER

Exhibit C

SUCCESSOR AGENCY RESPONSE LETTER

Exhibit D

PROPOSED MODIFIED FIRST ROPS

Exhibit E

PROPOSED MODIFIED FIRST ADMINISTRATIVE BUDGET

HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION 2012-__

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE AND AN ADMINISTRATIVE BUDGET FOR THE PERIOD JULY THROUGH DECEMBER 31, 2012, AND MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Assembly Bill x1 26 (the "Dissolution Act"), the City of Hayward, a charter city (the "City"), in its capacity as successor agency (the "Successor Agency") for the dissolved Redevelopment Agency of the City of Hayward (the "Dissolved RDA") must prepare "Recognized Obligation Payment Schedules" ("ROPS") that enumerate the enforceable obligations and expenses of the Successor Agency for each successive six-month fiscal period until the wind down and disposition of assets of the Dissolved RDA has been completed; and; and

WHEREAS, the Successor Agency staff has prepared a ROPS for the six-month fiscal period commencing on July 1, 2012 and continuing through December 31, 2012 (the "Proposed Second ROPS") and an administrative budget of the Successor Agency for the period July 1, 2012 and continuing through December 31, 2012 (the "Proposed Second Administrative Budget"); and

WHEREAS, on May 8, 2012, the City Council, acting as the Governing Board of the Successor Agency, in compliance with additional requirements of the Dissolution Act, considered and approved the Proposed Second ROPS and the Proposed Second Administrative Budget, copies of which are on file with the City Clerk (acting on behalf of the Successor Agency); and

WHEREAS, under the Dissolution Act, the Proposed Second ROPS and Proposed Second Administrative Budget must be submitted to the Successor Agency's oversight board (the "Oversight Board") for the Oversight Board's approval; and

WHEREAS, pursuant to the Dissolution Act, the duly constituted Oversight Board for the Successor Agency met at a duly noticed public meeting on May 21, 2012 to review and to consider approval of the Proposed Second ROPS and the Proposed Second Administrative Budget, among other approvals; and

WHEREAS, after reviewing the Second ROPS and the Second Administrative Budget presented to and recommended for approval to the Oversight Board by Successor Agency, and after reviewing written and oral comments from the public relating thereto, the Oversight Board desires to approve the Proposed Second ROPS and the Proposed Second Administrative Budget, and to make the following accompanying findings, resolutions and determinations.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

BE IT FURTHER RESOLVED that the Oversight Board hereby approves the Proposed Second ROPS in the form presented to the Oversight Board and attached hereto as Exhibit A (the "Approved Second ROPS"), including the agreements and obligations described in the Approved Second ROPS, and hereby determines that such agreements and obligations constitute "enforceable obligations" and "recognized obligations" for all purposes of the Dissolution Act. In connection with such approval, the Oversight Board makes the specific findings set forth below.

BE IT FURTHER RESOLVED that the Oversight Board has examined the items on the Approved Second ROPS and finds that each of them is necessary for the continued maintenance and preservation of property owned by the Successor Agency until disposition and liquidation, the continued administration of the ongoing agreements herein approved by the Oversight Board, or the expeditious wind-down of the affairs of the Dissolved RDA by the Successor Agency.

BE IT FURTHER RESOLVED that the Successor Agency is authorized and directed to enter into any agreements and amendments to agreements necessary to memorialize and implement the agreements and obligations in the Approved Second ROPS and herein approved by the Oversight Board.

BE IT FURTHER RESOLVED that the Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the Approved Second ROPS on the Successor Agency website, transmit the Second ROPS to the Auditor-Controller of the County of Alameda (the "County-Auditor"), to the State Controller and to the State Department of Finance, and to take any other administrative actions necessary to ensure the validity of the Second ROPS and the validity of any enforceable obligation approved by the Oversight Board in this Resolution

BE IT FURTHER RESOLVED that the Oversight Board, pursuant to Health and Safety Code Section 34177(j), hereby approves the Second Administrative Budget in the form presented to the Oversight Board and attached hereto as Exhibit B (the "Approved Second Administrative Budget"), and authorizes the Successor Agency to incur costs for the general administrative activities and functions described in the Approved Second Administrative Budget.

BE IT FURTHER RESOLVED that the Oversight Board finds that the Second Administrative Budget supports a partial distribution of the FY 2013 Administrative Cost Allowance to the Successor Agency in the minimum authorized amount of \$125,000.

BE IT FURTHER RESOLVED that the Oversight Board authorizes and directs the Successor Agency staff to take all actions necessary under the Dissolution Act to post the Approved Second Administrative Budget on the Successor Agency website, to transmit the Approved Second Administrative Budget to the Auditor-Controller, to the State Controller and to the State Department of Finance, to inform the Auditor-Controller of the partial FY 2013 Administrative Cost Allowance, and to take any other administrative actions necessary to ensure the validity of the Approved Second Administrative Budget and the distribution of the partial FY 20133 Administrative Cost Allowance.

BE IT FURTHER RESOLVED that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

HAYWARD, CALIFORNIA, May 21, 2012

ADOPTED BY THE FOLLOWING VOTE:

AYES:	BOARD MEMBERS:
NOES:	BOARD MEMBERS:
ABSTAIN:	BOARD MEMBERS:
ABSENT:	BOARD MEMBERS:

Chair of the Oversight Board to the
Successor Agency of the City of
Hayward

Exhibit A

[Insert Second ROPS, *including* cover page]

Exhibit B

[Insert Second Administrative Budget]

HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. 2012-__

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD, ACTING AS THE GOVERNING BOARD OF THE SUCCESSOR AGENCY FOR THE REDEVELOPMENT AGENCY OF THE CITY OF HAYWARD, APPROVING AND AUTHORIZING THE SUCCESSOR AGENCY TO RE-ENTER INTO THE REPAYMENT AGREEMENT WITH THE CITY OF HAYWARD AND DIRECTING THE SUCCESSOR AGENCY TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE THE APPROVALS UNDER THIS RESOLUTION

WHEREAS, the California state legislature enacted Assembly Bill x1 26 (the “Dissolution Act”) to dissolve redevelopment agencies formed under the Community Redevelopment Law (Health and Safety Code Section 33000 et seq.); and

WHEREAS, on January 24, 2012 and pursuant to Health and Safety Code Section 34173, the City Council of the City of Hayward (the “City Council”) declared that the City of Hayward, a charter city (the “City”), would act as successor agency (the “Successor Agency”) for the dissolved Redevelopment Agency of the City of Hayward (the “Dissolved RDA”) effective February 1, 2012; and

WHEREAS, on February 1, 2012, the RDA was dissolved pursuant to Health and Safety Code Section 34172; and

WHEREAS, the Dissolution Act provides for the appointment of an oversight board (the “Oversight Board”) with specific duties to approve certain Successor Agency actions pursuant to Health and Safety Code Section 34180 and to direct the Successor Agency in certain other actions pursuant to Health and Safety Code Section 34181; and

WHEREAS, the Dissolution Act requires that the Successor Agency prepare and the Oversight Board approve a Recognized Obligation Payment Schedule setting forth all “enforceable obligations” (as defined in Health and Safety Code Section 34171(d)) of the Dissolved RDA; and

WHEREAS, the Dissolution Act generally provides that (with exceptions) agreements between the Dissolved RDA and the City are not Enforceable Obligations, but Health and Safety Code Sections 34178(a) and 34180(h) authorize the Successor Agency and the City, with Oversight Board approval, to reenter into such agreements; and

WHEREAS, on September 23, 1975, the City entered into that certain Repayment Agreement, as amended and restated from time to time (the “Repayment Agreement”), whereby the City made loans to the Dissolved RDA (collectively, the “City Loans”) in the current outstanding amount (including unpaid principal and accrued interest) of \$7,789,843 to facilitate implementation of the legitimate redevelopment program for the Downtown Hayward

Redevelopment Project Area by the Dissolved RDA, and the Dissolved RDA agreed to repay to the City the amounts borrowed under the City Loans in accordance with a defined schedule over a reasonable term of years and according to the reasonable terms of the Repayment Agreement; and

WHEREAS, the Dissolved RDA used the proceeds of the City Loans to make debt payments related to, and to otherwise pay the costs of, public improvements constructed in or of benefit to the Downtown Hayward Redevelopment Project Area to eliminate blight, stimulate private sector investment, and achieve the purposes of the Community Redevelopment Law and the Redevelopment Plan for the Downtown Hayward Redevelopment Project Area; and

WHEREAS, the City Council, acting as the Governing Board of the Successor Agency, considered and requested that the Oversight Board approve and authorize the Successor Agency to re-enter into the Repayment Agreement pursuant to Health and Safety Code Sections 34178(a) and 34180(h); and

WHEREAS, the accompanying staff report provides supporting information upon which the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board hereby finds, resolves, and determines that the foregoing recitals are true and correct, and, together with information provided by the Successor Agency staff and the public, form the basis for the approvals, findings, resolutions, and determinations set forth below.

BE IT FURTHER RESOLVED that the Oversight Board, pursuant to Health & Safety Code Sections 34178(a) and 34180(h), hereby approves re-entry by the Successor Agency into the Repayment Agreement and/or to enter into a Re-Entry Agreement.

BE IT FURTHER RESOLVED that the Oversight Board finds that with respect to the Repayment Agreement, ongoing performance of this agreement is equitable and appropriate and will benefit the local taxing agencies by enabling the City to receive the intended City Loan repayments for municipal purposes that will enhance the physical and economic environment and will repay the City for funds provided to the Dissolved RDA used for costs incurred to decrease or eliminate adverse conditions in the Dissolved RDA's redevelopment project area that hindered private investment in the project area, and benefitted taxing entities by increasing property values in the project area as part of the previously performed Dissolved RDA's redevelopment activities. The Oversight Board further finds that the ongoing performance under the Repayment Agreement will provide significant indirect benefits to the taxing entities, including, but not limited to, continued public safety and fire protection.

BE IT FURTHER RESOLVED that the Oversight Board, pursuant to Health & Safety Code Sections 34178(a) and 34180(h), hereby approves and authorizes the Successor Agency to re-execute the City Contracts and/or execute such other document and instrument as are appropriate, in consultation with the City Attorney, acting in the capacity of counsel to the Successor Agency, to effectuate the reentry by the Successor Agency, in the City Contract with the City of Hayward that was in effect as of the date of the dissolution of the Dissolved RDA and

to take any other action necessary to effectuate and implement the City Contract, including but not limited to listing the City Contract on all Recognized Obligation Payment Schedules prepared by the Successor Agency staff to meet the requirements of the Dissolution Act;

BE IT FURTHER RESOLVED that, the Oversight Board hereby determines that, as re-authorized, the Repayment Agreement and/or Re-Entry Agreement constitutes an “enforceable obligation” and “recognized obligation” for all purposes of the Dissolution Act.

BE IT FURTHER RESOLVED that nothing in this Resolution shall abrogate, waive, impair or in any other manner affect the right or ability of the City, as a municipal corporation, to initiate and prosecute any litigation with respect to any agreement or other arrangement between the City and the Dissolved RDA, including, without limitation, any litigation contesting the purported invalidity of such agreement or arrangement pursuant to the Dissolution Act.

BE IT FURTHER RESOLVED, that this Resolution shall take effect at the time and in the manner prescribed in Health and Safety Code Section 34179(h).

HAYWARD, CALIFORNIA, May 21, 2012

ADOPTED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Chair of the Oversight Board to the
Successor Agency of the City of
Hayward

**DEPARTMENT OF
FINANCE**

EDMUND G. BROWN JR. - GOVERNOR

915 L STREET ■ SACRAMENTO CA ■ 95814-3706 ■ WWW.DOF.CA.GOV

April 27, 2012

Kelly McAdoo-Morariu, Assistant City Manager
City of Hayward
777 B Street
Hayward, CA 94541

Dear Ms. McAdoo-Morariu:

Pursuant to Health and Safety Code (HSC) section 34177 (l) (2) (C), the City of Hayward (City) Successor Agency submitted a Recognized Obligation Payment Schedule (ROPS) to the California Department of Finance (Finance) on April 13, 2012 for the period January through June 2012. Finance staff contacted you for clarification of items listed in the ROPS.

HSC section 34171 (d) lists enforceable obligation (EO) characteristics. Based on a sample of line items reviewed and application of the law, the following do not qualify as EOs:

- Page 1, Item 3 for a Repayment Agreement with City of Hayward for \$7.8 million. HSC section 34171 (d) (2) states that agreements, contracts, or arrangements between the City that created the former redevelopment agency are not enforceable obligations.
- Page 1, Item 5 for Low-Mod Housing set aside costs of \$944,298. The requirement to set aside 20 percent of RDA tax increment for low and moderate income housing purposes ended with the passing of the redevelopment dissolution legislation.
- Administrative cost allowance overstated by \$283,926. HSC section 34171 (b) limits administrative expenses to five percent of property tax allocated to the successor agency or \$250,000, whichever is greater. Five percent of the property tax allocated is \$397,329. Therefore, \$283,926 of the claimed \$681,256 is not an EO. Administrative expenses include items 9, 13, 14, 18, 19, 25-31, 44 and 45.

As authorized by HSC section 34179 (h), Finance is returning your ROPS for reconsideration. This action will cause the ROPS items noted above to be ineffective until Finance approval. Furthermore, items listed on future ROPS will be subject to review and may be denied as EOs.

If you believe we have reached this conclusion in error, please provide further evidence that the items questioned above meet the definition of an EO.

Please direct inquiries to Robert Scott or Jenny DeAngelis at (916) 322-2985.

Sincerely,

MARK HILL
Program Budget Manager

cc: Ms. Carol S. Orth, Tax Analysis Division Chief, Alameda County Auditor Controller

Name of Redevelopment Agency: Hayward Redevelopment Agency
 Project Area(s) All

PRELIMINARY RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34169, Revised May 8, 2012

Project Name / Debt Obligation	Payee	Description	Source of Funding	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						Total ¹
						Jan	Feb	Mar	Apr	May	Jun	
1) 2004 Tax Allocation Bonds	Wells Fargo	Bond issue to fund non-housing projects	Real Property Tax Trust Fund (RPTTF)	62,788,730.00	5,054,521.50					1,684,840.50	1,684,840.50	\$ 3,369,681.00
2) 2006 Tax Allocation Bonds	Wells Fargo	Bond issue to fund non-housing projects	RPTTF	23,005,214.00	959,010.00					319,670.00	319,670.00	\$ 639,340.00
3) Repayment Agreement with City of Hayward	City of Hayward	To fund start-up costs of Hayward Redevelopment Project Area	Ti revenues	7,789,843.00	800,000.00							\$ -
4) SERAF	Hayward Housing Authority	Loan for SERAF FY10 and FY11 payments	RPTTF	3,876,516.00	1,292,172.00		258,434.40	258,434.40	258,434.40	258,434.40	258,434.40	\$ 1,292,172.00
5) Low-Mod Housing Set Aside ²	Hayward Housing Authority	20% Low & Mod Income Housing Set Aside Required by H.S.S. Code	Ti revenues	944,298.46	944,298.46	944,298.46						\$ 944,298.46
6) Contract for Restaurant Consulting	Five Star Restaurant	One-on-one restaurant consulting/retail attraction	RPTTF	14,287.50	14,287.50	2,393.75	2,393.75					\$ 4,787.50
7) Contract for Foothill Façade Program	SZFM Design Studio Inc	Develop façade improvement design for two blocks on Foothill Blvd.	RPTTF	4,664.85	4,664.85				4,664.85			\$ 4,664.85
8) Foothill Façade Loans	Multiple Property Owners	Matching loan funds for property owners along Foothill Blvd for façade improvement program	RPTTF	1,108,000.00	1,108,000.00					1,108,000.00		\$ 1,108,000.00
9a) Foothill Façade Loan Project Delivery Costs (Staff Costs/Legal Fees)	Successor Agency	Project Delivery Costs to Implement Foothill Façade Loan Project	RPTTF	24,463.00	24,463.00		3,772.60	3,772.60	4,372.60	6,272.60	6,272.60	\$ 24,463.00
9) Employee Costs ³	Employees of Agency	Payroll for employees	Ti revenues	429,577.19	429,577.19	61,368.17						\$ 61,368.17
10) Employee Leave Liability	Employees of Agency/ Liability Fund	Leave balance payoffs/liability fund deposit for employee leave costs	RPTTF	49,175.00	49,175.00		49,175.00					\$ 49,175.00
11) PERS Liability	Liability Fund	Liability Fund deposit for Agency employee PERS costs	RPTTF	666,235.40	666,235.40		666,235.40					\$ 666,235.40
12) OPEB Liability	Liability Fund	Liability Fund deposit for Agency employee OPEB costs	RPTTF	177,227.20	177,227.20		177,227.20					\$ 177,227.20
13) Agency insurance costs	City of Hayward	Liability Insurance	RPTTF	54,042.00	54,042.00	4,503.50	4,503.50	4,503.50	4,503.50	4,503.50	4,503.50	\$ 27,021.00
14) Legal fees	Goldfarb Lipman LLP	Outside legal counsel	Ti revenues	66,880.48	66,880.48	5,673.37	5,673.37	5,673.37	5,673.37	5,673.37	5,673.37	\$ 33,440.24
15) Contract for South Hayward Form Based Code	Hall Alminana, Inc	Consultant to prepare new form-based code for South Hayward BART/Mission Blvd. Area	RPTTF	2,313.47	2,313.47							\$ -
16) Contract for Mission Blvd Specific Plan	Hall Alminana, Inc	Consultant to prepare specific plan for Mission Blvd corridor	RPTTF	213,649.44	213,649.44	17,804.12	17,804.12	17,804.12	17,804.12	17,804.12	17,804.12	\$ 106,824.72
17) Contract for Form Based Code EIR	Lamphier-Gregory	Consultant to prepare Supplemental Environmental Impact Report for South Hayward Form Based Code	RPTTF	5,653.17	5,653.17		815.87					\$ 815.87
18) Cost Allocation	City of Hayward	Payment for Administrative services (payroll, HR, etc) and overhead expenses	Ti revenues	238,008.19	238,008.19	34,001.17						\$ 34,001.17
19) BIA Support	Hayward Business Improvement Association	Financial assistance to Downtown Business Association	Ti revenues	55,000.00	55,000.00	4,583.33						\$ 4,583.33
20) Community Promotions	Various	Support to local non-profit organizations	Ti revenues	75,000.00	75,000.00	37,500.00						\$ 37,500.00
21) Public Art	City of Hayward	Financial support for public art/graffiti abatement program in RDA project area	Ti revenues	90,000.00	90,000.00	7,500.00						\$ 7,500.00
22) Successor Agency Admin Allowance	City of Hayward	Per AB 26, to cover administrative costs of Successor Agency	RPTTF	397,329.00	397,329.00		79,465.80	79,465.80	79,465.80	79,465.80	79,465.80	\$ 397,329.00
23) Contract for Security Services	ABC Security Services	Security Patrol Services for Cinema Place garage	RPTTF	64,160.20	64,160.20	5,346.68	5,346.68	5,346.68	5,346.68	5,346.68	5,346.68	\$ 32,080.08
24) Contract for Security Alarm	ADT Security Services	Alarm Service for Cinema Place garage	RPTTF	2,093.81	2,093.81	174.48	174.48	174.48	174.48	174.48	174.48	\$ 1,046.88
25) Contract for Elevator Maint and Repair	Mitsubishi Electric	Cinema Place Elevator	RPTTF	6,206.74	6,206.74				6,206.74			\$ 6,206.74
26) Contract for Sweeping	Montgomery Sweeping Service	Cinema Place Garage Sweeping	RPTTF	9,360.00	9,360.00	780.00	780.00	780.00	780.00	780.00	780.00	\$ 4,680.00
27) Utilities	PGE	Cinema Place Garage Utilities	RPTTF	24,500.00	24,500.00	2,041.67	2,041.67	2,041.67	2,041.67	2,041.67	2,041.67	\$ 12,250.02
28) Utilities	City of Hayward	Cinema Place Water Utilities	RPTTF	500.00	500.00	41.67	41.67	41.67	41.67	41.67	41.67	\$ 250.02
29) Contract for Env Remediation Work	AEDIS Architecture & Planning	Burbank School Env Remediation Work	RPTTF	6,504.54	6,504.54		6,504.54					\$ 6,504.54
30) Contract for Env Remediation Work	TRC	Burbank School Env Remediation Work	RPTTF	20,000.00	20,000.00	5,208.96	5,208.96	5,208.96				\$ 15,920.97
31) Contract for Mural	Andrew Kong Knight	Cinema Place Mural	RPTTF	11,643.53	11,643.53	1,513.35	1,513.35	1,513.35	1,513.35	1,513.35	1,513.35	\$ 9,080.08
32) Contract for Eng Services	FBA, Inc	Engineering Services - deconstruct Centennial Hall	RPTTF	4,800.00	4,800.00		4,800.00					\$ 4,800.00
Totals - This Page				\$ 93,424,854.23	\$ 11,060,097.73	\$ 184,760.85	\$ 1,286,238.98	\$ 379,087.22	\$ 379,143.12	\$ 3,495,095.51	\$ 2,380,888.77	\$ 8,105,214.44
Totals - Page 2				\$ 67,688,447.29	\$ 2,391,138.45	\$ 964,620.70	\$ 58,943.39	\$ 52,575.39	\$ 51,268.78	\$ 51,268.78	\$ 71,974.53	\$ 1,287,206.28
Totals - Other Obligations				\$ -	\$ 984,936.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages				\$ 161,113,301.52	\$ 14,436,173.08	\$ 1,149,381.54	\$ 1,345,182.38	\$ 431,662.62	\$ 430,411.90	\$ 3,546,364.29	\$ 2,452,863.29	\$ 9,392,420.72

Note 1: This total only reflects payments required between 1/1/2012 and 6/30/2012 and not the total outstanding obligation.
 Note 2: This line item only reflects a deposit made to the Agency's Low Mod Housing Fund that was subsequently granted to the Housing Authority under the Agency/Authority Cooperation Agreement.
 Note 3: Eventually, employee costs after Agency dissolution will be covered under the Administrative Allowance once the budget for said allowance is approved by the Oversight Board.

Name of Redevelopment Agency: Hayward Redevelopment Agency
 Project Area(s) All

PRELIMINARY RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34169, Revised May 8, 2012

Project Name / Debt Obligation	Payee	Description	Source of Funding	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						Total ¹	
						Jan	Feb	Mar	Apr	May	Jun		
36) Contract for Env Remediation	ACC Environmental Consultants	Environmental Services - 22292 Foothill Blvd	Real Property Tax Trust Fund (RPTTF)	3,580.00	3,580.00		3,580.00						\$ 3,580.00
37) Contract for Env Remediation	TRC	Residual Burbank Site - Removal Action Work	RPTTF	72,882.77	72,882.77		24,294.26	24,294.26	24,294.26				\$ 72,882.77
38) Project Delivery Costs - Burbank Residual Site	City of Hayward (Successor Agency)	Finalize negotiation and execution of Purchase and Sale Agreement - staff project mgmt costs and legal costs	RPTTF	26,063.00	26,063.00		5,572.60	4,172.60	5,439.60	5,438.60	5,439.60		\$ 26,063.00
39) Property Disposition Costs - former Agency-held properties	City of Hayward (Successor Agency)	Staff project mgmt costs; legal fees; property mgmt costs; appraisal costs; other associated costs for property disposition	RPTTF	108,930.00	108,930.00		3,786.00	3,786.00	3,786.00	48,786.00	48,786.00		\$ 108,930.00
40) Contract for Env Remediation	AMEC Geomatrix Inc	Env Remediation - Cinema Place	RPTTF	195,070.82	195,070.82	17,748.93	17,748.93	17,748.93	17,748.93	17,748.93	17,748.93		\$ 106,493.56
41) Contract for Access Study	Nelson/Nygaard	Access Study - South Hayward BART TOD	RPTTF	1,388.00	1,388.00		1,388.00						\$ 1,388.00
42) Contract for Financial Analysis	Keyser Marston	Financial Analysis	RPTTF	20,000.00	20,000.00	2,573.61	2,573.61	2,573.61					\$ 7,720.83
43) Contract for CFD #2	Goodwin Consulting Group	Consultant to assist with creation of Community Facilities District #2 - Cannery Area	RPTTF	10,108.30	10,108.30					10,108.30			\$ 10,108.30
44) Contract for Financial Analysis	Keyser-Marston Associates	Consultant to assist with financial analysis of RDA projects	TI Revenues	5,075.63	5,075.63	5,075.63							\$ 5,075.63
45) Contract for Weed Removal	Art Cuevas Landscaping	Weed removal - various properties	TI Revenues	1,936.50	1,936.50					1,936.50			\$ 1,936.50
46) Contract for Water Testing	SWRCB	Water testing at Cinema Place - monitoring of site	RPTTF	8,817.40	8,817.40					5,741.66			\$ 5,741.66
47) Cooperative Agreement (see subagreements below)	City of Hayward	To fund public improvements in the RDA project area	Tax Increment (TI) Revenues	26,713,500.00									\$ -
47a) Mission/South Hayward BART Public Improvements (one-time)			TI Revenues	12,700,000.00									\$ -
47b) Facilitate Redevelopment of City Center Campus (one-time)			TI Revenues	4,500,000.00									\$ -
47c) Reevaluate and update Downtown Plan (one-time)			TI Revenues	500,000.00									\$ -
47d) Complete Downtown Gateways Project (one-time)			TI Revenues	200,000.00									\$ -
47e) Acquiring Mission Blvd Properties (one-time)			TI Revenues	5,500,000.00									\$ -
47f) Implementation of Downtown Retail Attraction Program (one-time)			TI Revenues	2,500,000.00									\$ -
47g) Implementation of Neighborhood Revitalization Programs (one-time)			TI Revenues	250,000.00									\$ -
47h) Remediation of Residual Burbank Site (one-time)			TI Revenues	250,000.00									\$ -
47i) Cinema Place Garage Maintenance (annual)			TI Revenues	66,600.00									\$ -
47j) Business Improvement District Funding (annual)			TI Revenues	55,000.00									\$ -
47k) Management of Agency Owned Properties (annual)			TI Revenues	20,000.00									\$ -
47l) Community Promotions (annual)			TI Revenues	75,000.00									\$ -
47m) Public Art (annual)			TI Revenues	90,000.00									\$ -
47n) Ongoing env monitoring at Burbank School (annual)			TI Revenues	7,000.00									\$ -
48) Cooperative Agreement (see subagreements below)	Hayward Housing Authority	To fund affordable housing projects in the City	Various Housing Funds	39,663,000.00	944,298.16	944,298.16							\$ 944,298.16
48a) B&Grand Senior Housing (one-time)			Low-Mod Housing Fund (TI Revenues)/HOME Funds	1,320,000.00									\$ -
48b) A&Walnut Ownership Development (one-time)			Low-Mod Housing Fund (TI Revenues)/HOME Funds	1,210,000.00									\$ -
48c) South Hayward BART Senior and Family Housing (one-time)			Low-Mod Housing Fund (TI Revenues)/HOME Funds/NSP Funds	7,700,000.00									\$ -
48d) Leidig Court (one-time)			HOME Funds	220,000.00									\$ -

Name of Redevelopment Agency: Hayward Redevelopment Agency
 Project Area(s) All

OTHER OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34169, Revised May 8, 2012

Project Name / Debt Obligation	Payee	Description	Source of Funding	Total Outstanding Debt or Obligation	Total Due During Fiscal Year ¹	Payments by month						Total ²
						Jan	Feb	Mar	Apr	May	Jun	
Pass Through Obligation	County General Fund	Pass Through Obligation	Tax Increment (TI) Revenues	0.00	268,613.55							\$ -
1) Pass Through Obligation	Chabot-Las Positas Comm Coll	Pass Through Obligation	TI Revenues	0.00	56,279.42							\$ -
2) Pass Through Obligation	Hayward U.S.D.	Pass Through Obligation	TI Revenues	0.00	195,997.63							\$ -
3) Pass Through Obligation	New Haven U.S.D.	Pass Through Obligation	TI Revenues	0.00	2,278.44							\$ -
4) Pass Through Obligation	County Sch TMR 1887	Pass Through Obligation	TI Revenues	0.00	13.54							\$ -
5) Pass Through Obligation	County Sch PHY HDCP	Pass Through Obligation	TI Revenues	0.00	50.43							\$ -
6) Pass Through Obligation	County Sch TMR PH CAP	Pass Through Obligation	TI Revenues	0.00	1.13							\$ -
7) Pass Through Obligation	County Sch TMR PH TUIT	Pass Through Obligation	TI Revenues	0.00	6.81							\$ -
8) Pass Through Obligation	County Supt Instr Pupils	Pass Through Obligation	TI Revenues	0.00	3,694.93							\$ -
9) Pass Through Obligation	County Supt Juv Hall Ed	Pass Through Obligation	TI Revenues	0.00	764.71							\$ -
10) Pass Through Obligation	County Supt Service	Pass Through Obligation	TI Revenues	0.00	2,296.65							\$ -
11) Pass Through Obligation	County Supt Capital	Pass Through Obligation	TI Revenues	0.00	1,769.59							\$ -
12) Pass Through Obligation	County Supt Dev Center	Pass Through Obligation	TI Revenues	0.00	2,148.39							\$ -
13) Pass Through Obligation	County Supt Audio Vis Cap	Pass Through Obligation	TI Revenues	0.00	460.40							\$ -
14) Pass Through Obligation	Flood Control	Pass Through Obligation	TI Revenues	0.00	1,801.61							\$ -
15) Pass Through Obligation	Flood Control Zone 2	Pass Through Obligation	TI Revenues	0.00	15,047.66							\$ -
16) Pass Through Obligation	Flood Control Zone 3A	Pass Through Obligation	TI Revenues	0.00	11,829.75							\$ -
17) Pass Through Obligation	Flood Control Zone 4	Pass Through Obligation	TI Revenues	0.00	610.46							\$ -
18) Pass Through Obligation	B.A. Air Quality Mgmt	Pass Through Obligation	TI Revenues	0.00	2,498.10							\$ -
19) Pass Through Obligation	Mosq. Abatement	Pass Through Obligation	TI Revenues	0.00	2,389.17							\$ -
20) Pass Through Obligation	AC Transit Sp Dist 1	Pass Through Obligation	TI Revenues	0.00	62,127.40							\$ -
21) Pass Through Obligation	BART	Pass Through Obligation	TI Revenues	0.00	8,502.36							\$ -
22) Pass Through Obligation	HARD	Pass Through Obligation	TI Revenues	0.00	81,161.38							\$ -
23) Pass Through Obligation	E.B. Regional Park	Pass Through Obligation	TI Revenues	0.00	45,665.95							\$ -
24) Pass Through Obligation	EBMUD	Pass Through Obligation	TI Revenues	0.00	924.50							\$ -
25) Pass Through Obligation	City of Hayward	Pass Through Obligation	TI Revenues	0.00	218,002.94							\$ -
26) ERAF Payment	County/State of CA	Statutory requirement	TI Revenues	0.00	0.00							\$ -
27)												\$ -
Totals - Other Obligations				\$ -	\$ 984,936.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note 1: These are the 2011 payment amounts that were paid to taxing entities in November 2011.
 Note 2: This total only reflects payments required between 1/1/2012 and 6/30/2012 and not the total outstanding obligation.



CITY OF
HAYWARD
 HEART OF THE BAY

May 8, 2012

Mark Hill, Program Budget Manager
 Department of Finance
 915 L Street
 Sacramento, CA 95814-3706

Dear Mr. Hill:

Thank you for your letter dated April 27, 2012, and your approval of the items listed on the Recognized Obligation Payment Schedule for the period ending June 30, 2012 ("First ROPS") submitted by the City of Hayward, as successor agency ("Successor Agency") to the dissolved Hayward Redevelopment Agency ("Dissolved RDA"), with the limited exception of certain items which are discussed in more detail below.

A. Concurrence with DOF Request to Remove Two Items from the First ROPS

The Successor Agency concurs with the Department of Finance ("DOF") position, and will seek modifications of the First ROPS by its oversight board ("Oversight Board") concerning the following items raised in your April 27 letter:

1. Repayment Agreement (page 1, Item 3). The Repayment Agreement with the City of Hayward (page 1, Item 3) was entered into in 1975, the same year that the Hayward Downtown Redevelopment Plan (Hayward's first and only redevelopment plan) was adopted. The Successor Agency included this item on the first ROPS, in part, because of the pendency of AB 1585, which would expressly permit contracts like the Repayment Agreement to stand because it was entered into within two years of plan adoption and concerned the project area covered by the plan. However, because no payments are due under this agreement during the period of time covered by the First ROPS, we will accede to your request that the item be removed from the First ROPS; however, removal of the Repayment Agreement shall not abrogate, waive, impair or in any other manner affect the right or ability of the City, as a charter city, to initiate and prosecute any litigation with respect to the Repayment Agreement, including, without limitation, any litigation contesting the purported invalidity of this agreement pursuant to the Dissolution Act. The modified First ROPS that has been prepared for consideration of approval by the Oversight Board at its May 21 meeting deletes Item 3 on page 1, as requested in your letter.

2. Low and Moderate Income Housing Set-Aside (Page 1, Item 5). The assertion in your letter that the 20% set-aside requirement ended with passage of ABx1 26 in June 2011 is incorrect. Health and Safety Code Section 33334.2, which imposes the 20% set aside, was untouched by ABx1 26 and consequently, the former Hayward Redevelopment Agency had the obligation to set-aside 20% of tax increment into the Low and Moderate Income Housing Fund until the Agency was dissolved on February 1, 2012. However, since Item 5 on Page 1 was listing only a receipt of funds, and not an

OFFICE OF THE CITY MANAGER

777 B STREET, HAYWARD, CA 94541-5007

TEL: 510/583-4300 • FAX: 510/583-3601 • TDD: 510/247-3340

expenditure of funds, it was incorrectly included on the First ROPS. The modified First ROPS that has been prepared for consideration of approval by the Oversight Board at its May 21 meeting deletes this item, as requested in your letter.

B. Continued Consideration of Administrative Cost Items Raised By DOF

With respect to the third item raised in your April 27 letter, concerning what should be characterized as administrative costs, the Successor Agency respectfully submits the following information for your consideration explaining why only some of these items should be considered administrative costs subject to the 5% (\$397,329) cap. To clarify this issue, we are revising the First ROPS to place all administrative costs under Item 25, so that the remaining line items identified by the DOF under bullet point 3 of your letter may either be eliminated entirely or narrowed to include only costs that are not administrative. Each line item identified in the DOF letter as administrative is discussed below:

1. Item 9, page 1 (Employee Payroll Costs) - We concur with the DOF's determination that the employee payroll costs for February-June 2012 are administrative costs. All payments under this line item for February through June will be moved to Line Item 25 (Successor Agency Administrative Allowance) in the modified First ROPS and these costs will be included in the Successor Agency Administrative Budget. The January payment in the amount of \$61,308.17 will remain on the First ROPS because these were actual employee payroll costs incurred by the Redevelopment Agency in the last month of its existence, and not Successor Agency administrative costs subject to the 5% cap. We ask that you please reconsider this item, as modified, and recognize the January payments to employees of the former Redevelopment Agency prior to its dissolution are not subject to the administrative cost cap.

2. Item 13, page 1 (Insurance Costs) – The cost of liability insurance for the Successor Agency is a project-related cost, not an administrative cost. The insurance is required to cover ongoing project-related activities of the Successor Agency, many of which date back decades, to implement enforceable obligations related to former Redevelopment Agency properties and projects, and not to Successor Agency activities to wind down the former Redevelopment Agency. We ask that you please reconsider Item 13, page 1 and allow these insurance costs to remain as a project-related cost that is not subject to the administrative cost cap.

3. Item 14, page 1 (Successor Agency Legal Fees) – Legal fees have now been divided into two categories. On the Modified ROPS, legal fees related to enforceable obligations have been broken out and included with various project line items on the Modified First ROPS while legal fees related to Successor Agency activities to wind down the former redevelopment agency have been characterized as administrative costs and moved to Line Item 25 (Successor Agency Administrative Allowance). In addition, the former Redevelopment Agency incurred legal costs prior to its dissolution on February 1, 2012. These costs remain on the ROPS as an enforceable obligation for January 2012. This was an actual cost of the former Redevelopment Agency in the last month of its existence and not a cost of the Successor Agency. We ask that you please reconsider this item, as modified, and recognize legal fees for project delivery are costs that are not subject to the administrative cost cap.

4. Item 18, page 1 (Agency Allocation Costs) – The cost allocation listed in this line item is for January 2012 only, before Agency dissolution. This was an actual cost of the former Redevelopment Agency in the last month of its existence and not a cost of the Successor Agency. We ask that you please

reconsider this item and recognize that the January payment for Agency allocation costs is not an administrative cost of the Successor Agency that is subject to the administrative cost cap.

5. Item 19, page 1 (BIA Support Payment) – This \$4,583 payment, made in January 2012 by the former Redevelopment Agency to the Hayward Downtown Business Association, is clearly not an administrative cost of the Successor Agency. The Successor Agency has not and will not be making any further payments to the Downtown Business Association since Redevelopment Agency dissolution on February 1, 2012. We ask that you please reconsider this item and recognize that the January 2012 payment is not an administrative cost of the Successor Agency that is subject to the administrative cost cap.

6. Items 26-31 (Cinema Place property costs) - Your letter incorrectly characterizes all Successor Agency costs associated with the Cinema Place project as administrative costs subject to the administrative cost cap. However, these are all project-related third party costs (for a security patrol, alarm service, elevator maintenance, garage sweeping and garage utilities) incurred by the Successor Agency to meet contractual obligations of the former Redevelopment Agency related to the Cinema Place development. Cinema Place is a privately owned cinema and retail center in downtown Hayward, constructed by a private developer on land owned by the former Redevelopment Agency and ground leased to the private developer. The adjoining Cinema Place garage is a parking garage that was owned by the former Redevelopment Agency and is now owned by the City of Hayward. The Ground Lease with the private developer obligates the City, as successor to the Redevelopment Agency, to perform certain environmental remediation work on the property and to maintain the parking garage through the provision of security patrols, payment of utility costs, and maintenance of the elevator. These are not costs incurred by the Successor Agency to maintain property occupied by the Successor Agency. We ask that you please reconsider this item and recognize that Cinema Place costs are property-related project delivery costs and not administrative costs of the Successor Agency that are subject to the administrative cost cap.

6. Items 44 and 45, page 2 (Financial Consultant Fees and Weed Abatement) – The Successor Agency does not anticipate making these payments in the period of time covered by the First ROPS and will remove these items from the First ROPS. The modified First ROPS that has been prepared for consideration of approval by the Oversight Board at its May 21 meeting deletes Items 44 and 45.

Please note that our agreement to remove or modify certain items in the First ROPS as described in this letter shall not abrogate, waive, impair or in any other manner affect the right or ability of the City of Hayward, as a charter city, to initiate and prosecute any litigation with respect to the First ROPS, including, without limitation, any litigation contesting the purported invalidity of any agreements pursuant to the Dissolution Act.

Thank you for your consideration of the information set forth in this letter. We would be pleased to meet with your staff or answer any other questions that the DOF may have. We will expect to hear a response to this letter within ten days. If no response is received by May 18, 2012, we understand that DOF will be deemed to be in accord with our proposals outlined in this letter, and will proceed to take the modified First ROPS, including the changes outlined in this letter, to our Oversight Board on May 21, 2012.

Sincerely,



Kelly McAdoo Morariu, Assistant City Manager
on behalf of the Hayward Successor Agency

cc: Carol S. Orth, Tax Analysis Division Chief, Alameda County Auditor-Controller
Fran David, City of Hayward City Manager
Tracy Vesely, City of Hayward Director of Finance
Stacy Bristow, City of Hayward Neighborhood Partnership Manager

Attachment VII - Revised Administrative Allowance Budget
January - June 2012

Successor Agency Administrative Allowance - Proposed FY 2012 Budget
(Based on \$397,329 for 5 months)

Starting Budget Balance	\$397,329
Employee Salaries & Benefits	(\$169,972)
Balance Remaining	\$227,357
Legal Costs	(\$21,479)
Supplies and Services	(\$205,878)
Balance Remaining	\$0

RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34169 for Period July - December 2012

Project Name / Debt Obligation	Payee	Description	Source of Funding	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month						Total ¹
						Jul	Aug	Sep	Oct	Nov	Dec	
1) 2004 Tax Allocation Bonds	Wells Fargo	Bond issue to fund non-housing projects	Real Property Tax Trust Fund (RPTTF)	35,910,000.00	3,368,981.50		921,990.75					\$ 921,990.75
2) 2006 Tax Allocation Bonds	Wells Fargo	Bond issue to fund non-housing projects	RPTTF	11,720,000.00	636,340.00		278,170.00					\$ 278,170.00
3) Repayment Agreement with City of Hayward	City of Hayward	To fund start-up costs of Hayward Redevelopment Project Area	RPTTF	7,016,422.00	800,000.00	800,000.00						\$ 800,000.00
4) SERAF	Hayward Housing Authority	Loan for SERAF FY10 and FY11 payments	RPTTF	3,876,516.00	2,584,344.00	215,362.00	215,362.00	215,362.00	215,362.00	215,362.00	215,362.00	\$ 1,292,172.00
6) Contract for Restaurant Consulting	Five Star Restaurant	One-on-one restaurant consulting/retail attraction	RPTTF	14,287.50	3,787.50	3,787.50						\$ 3,787.50
8) Foothill Façade Loans	Multiple Property Owners	Matching loan funds for property owners along Foothill Blvd for façade improvement program	RPTTF	1,108,000.00	1,108,000.00	369,333.00	369,333.00	369,334.00				\$ 1,108,000.00
8a) Foothill Façade Loan Project Delivery Costs (Staff Costs/Legal Fees)	Successor Agency	Project Delivery Costs to Implement Foothill Façade Loan Project	RPTTF	24,432.00	24,432.00	4,072.00	4,072.00	4,072.00	4,072.00	4,072.00	4,072.00	\$ 24,432.00
10) Employee Leave Liability	Employees of Agency/ Liability Fund	Leave balance payoffs/liability fund deposit for employee leave costs	RPTTF	49,175.00	49,175.00	49,175.00						\$ 49,175.00
11) PERS Liability	Liability Fund	Liability Fund deposit for Agency employee PERS costs	RPTTF	666,235.40	666,235.40	666,235.40						\$ 666,235.40
12) OPEB Liability	Liability Fund	Liability Fund deposit for Agency employee OPEB costs	RPTTF	177,227.20	177,227.20	177,227.20						\$ 177,227.20
13) Agency insurance costs	City of Hayward	Liability Insurance	RPTTF	54,042.00	54,042.00	4,503.50	4,503.50	4,503.50	4,503.50	4,503.50	4,503.50	\$ 27,021.00
16) Contract for Mission Blvd Specific Plan	Hall Alminana, Inc/Lamphier Gregory	Consultant to prepare specific plan for Mission Blvd corridor	RPTTF	213,649.44	182,412.00	15,201.00	15,201.00	15,201.00	15,201.00	15,201.00	15,201.00	\$ 91,206.00
25) Successor Agency Admin Allowance	City of Hayward	Per ABX1 26, to cover administrative costs of Successor Agency	RPTTF	250,000.00	250,000.00	20,833.33	20,833.33	20,833.33	20,833.33	20,833.33	20,833.33	\$ 125,000.00
26) Contract for Security Services	ABC Security Services	Security Patrol Services for Cinema Place garage	RPTTF	68,000.00	68,000.00	5,666.67	5,666.67	5,666.67	5,666.67	5,666.67	5,666.67	\$ 34,000.00
27) Contract for Security Alarm	ADT Security Services	Alarm Service for Cinema Place garage	RPTTF	2,100.00	2,100.00	175.00	175.00	175.00	175.00	175.00	175.00	\$ 1,050.00
28) Contract for Elevator Maint and Repair	Mitsubishi Electric	Cinema Place Elevator	RPTTF	7,000.00	7,000.00	583.33	583.33	583.33	583.33	583.33	583.33	\$ 3,500.00
29) Contract for Sweeping	Montgomery Sweeping Service	Cinema Place Garage Sweeping	RPTTF	12,000.00	12,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	\$ 5,000.00
30) Utilities	PGE	Cinema Place Garage Utilities	RPTTF	28,000.00	28,000.00	2,333.33	2,333.33	2,333.33	2,333.33	2,333.33	2,333.33	\$ 14,000.00
31) Utilities	City of Hayward	Cinema Place Water Utilities	RPTTF	500.00	500.00	41.67	41.67	41.67	41.67	41.67	41.67	\$ 250.00
32) Contract for Env Remediation Work	AEDIS Architecture & Planning	Burbank School Env Remediation Work	RPTTF	6,504.54	6,504.54		6,504.54					\$ 6,504.54
33) Contract for Env Remediation Work	TRC	Burbank School Env Remediation Work	RPTTF	20,000.00	20,000.00	5,208.96	5,208.96	5,208.96				\$ 15,526.67
34) Contract for Mural	Andrew Kong Knight	Cinema Place Mural	RPTTF	11,643.53	6,710.99	6,710.99						\$ 6,710.99
37) Contract for Env Remediation	TRC	Residual Burbank Site - Removal Action Work	RPTTF	72,882.77	72,882.77	24,294.26	24,294.26	24,294.26				\$ 72,882.77
38) Project Delivery Costs - Burbank Residual Site	City of Hayward (Successor Agency)	Finalize negotiation and execution of Purchase and Sale Agreement - staff project mgmt costs/legal fees	RPTTF	18,863.00	18,863.00	4,643.83	4,643.83	4,643.83	4,643.83	4,643.83	4,643.83	\$ 27,063.00
39) Property Disposition Costs - former Agency-held properties	City of Hayward (Successor Agency)	Staff project mgmt costs, legal fees, property mgmt costs, appraisal costs, other associated costs for property disposition	RPTTF	128,580.00	128,580.00	10,715.00	10,715.00	10,715.00	10,715.00	10,715.00	10,715.00	\$ 64,290.00
40) Contract for Env Remediation	AMEC Geomatrix Inc	Env Remediation - Cinema Place	RPTTF	195,070.82	103,625.06	8,635.42	8,635.42	8,635.42	8,635.42	8,635.42	8,635.42	\$ 51,812.53
42) Contract for Financial Analysis	Keyser Marston	Financial Analysis	RPTTF	20,000.00	20,000.00	2,573.61	2,573.61	2,573.61				\$ 7,720.83
46) Contract for Water Testing	SWRCB	Water testing at Cinema Place - monitoring of site	RPTTF	8,817.40	8,817.40	8,817.40						\$ 8,817.40
Totals - This Page				\$ 62,679,948.60	\$ 10,408,560.36	\$ 2,407,129.40	\$ 1,901,841.20	\$ 695,176.91	\$ 293,766.09	\$ 293,766.09	\$ 293,766.09	\$ 5,885,445.78
Grand total - All Pages				\$ 62,679,948.60	\$ 10,408,560.36	\$ 2,407,129.40	\$ 1,901,841.20	\$ 695,176.91	\$ 293,766.09	\$ 293,766.09	\$ 293,766.09	\$ 5,885,445.78

Note 1: This total only reflects payments required between 7/1/2012 and 12/31/2012 and not the total outstanding obligation.

Attachment IX - Administrative Allowance Budget
July - December 2012

**Successor Agency Administrative Allowance - Proposed July - December 2012 (FY 2013) Budget
(Based on \$250,000 for 6 months)**

	\$125,000
Salaries & Benefits	(\$97,592)
Balance Remaining	\$27,408
Legal Expenses	\$20,000
Supplies and Services	\$7,408
Balance Remaining	\$0