

HAYWARD SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION NO. 2012-03

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 C 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 D 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 E 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 D (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: 5 BOARD MEMBERS: Sweeney
Armas
Brooks
Salinas
Swartz

NOES: 0 BOARD MEMBERS:

ABSTAIN: 0 BOARD MEMBERS:

ABSENT: 1 BOARD MEMBERS: Miley



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

Exhibit A

APPROVED FIRST ROPS

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

PRELIMINARY RECOGNIZED OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34169, March 1, 2012

Project Name / Debt Obligation	Payee	Description	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	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	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	7,789,843.00	800,000.00							\$ -
4) SERAF	Hayward Housing Authority	Loan for SERAF FY10 and FY11 payments	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 Code	944,298.16	944,298.16	944,298.16						\$ 944,298.16
6) Contract for Restaurant Consulting	Five Star Restaurant	One-on-one restaurant consulting/retail attraction	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.	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	1,126,863.00	1,126,863.00		3,772.60	3,772.60	3,772.60	1,111,772.60	3,772.60	\$ 1,126,863.00
9) Employee Costs ³	Employees of Agency	Payroll for employees	533,252.93	533,252.93	61,368.17	27,082.80	17,020.65	25,530.99	17,020.65	17,020.65	\$ 165,043.91
10) Employee Leave Liability	Employees of Agency/ Liability Fund	Leave balance payoffs/liability fund deposit for employee leave costs	48,175.00	49,175.00		49,175.00					\$ 49,175.00
11) PERS Liability	Liability Fund	Liability Fund deposit for Agency employee PERG costs	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	177,227.20	177,227.20		177,227.20					\$ 177,227.20
13) Agency insurance costs	City of Hayward	Liability insurance	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	66,880.48	66,880.48	5,573.37	5,573.37	5,573.37	5,573.37	5,573.37	5,573.37	\$ 33,440.24
15) Contract for South Hayward Form Based Code	Hall Almirana, Inc	Consultant to prepare new form-based code for South Hayward BART/Mission Blvd. Area	2,313.47	2,313.47							\$ -
16) Contract for Mission Blvd Specific Plan	Hall Almirana, Inc	Consultant to prepare specific plan for Mission Blvd corridor	213,649.44	213,649.44	30,539.22	30,539.22	30,539.22	30,539.22	30,539.22	30,539.22	\$ 183,235.33
17) Contract for Form Based Code EIR	Lamphier-Gregory	Consultant to prepare Supplemental Environmental Impact Report for South Hayward Form Based Code	5,853.17	5,853.17		815.87					\$ 815.87
18) Cost Allocation	City of Hayward	Payment for Administrative services (payroll, HR, etc) and overhead expenses	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	55,000.00	55,000.00	4,583.33						\$ 4,583.33
20) Community Promotions	Various	Support to local non-profit organizations	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	90,000.00	90,000.00	7,500.00						\$ 7,500.00
25) Successor Agency Admin Allowance	City of Hayward	Per ABx1 26, to cover administrative costs of Successor Agency	250,000.00	250,000.00		50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	\$ 250,000.00
26) Contract for Security Services	ABC Security Services	Security Patrol Services for Cinema Place garage	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
27) Contract for Security Alarm	ADT Security Services	Alarm Service for Cinema Place garage	2,093.81	2,093.81	174.48	174.48	174.48	174.48	174.48	174.48	\$ 1,046.88
28) Contract for Elevator Maint and Repair	Mitsubishi Electric	Cinema Place Elevator	6,206.74	6,206.74					6,206.74		\$ 6,206.74
29) Contract for Sweeping	Montgomery Sweeping Service	Cinema Place Garage Sweeping	9,360.00	9,360.00	780.00	780.00	780.00	780.00	780.00	780.00	\$ 4,680.00
30) Utilities	PGE	Cinema Place Garage Utilities	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
31) Utilities	City of Hayward	Cinema Place Water Utilities	500.00	500.00	41.67	41.67	41.67	41.67	41.67	41.67	\$ 250.02
32) Contract for Env Remediation Work	AEDIS Architecture & Planning	Burbank School Env Remediation Work	6,504.54	6,504.54		6,504.54					\$ 6,504.54
33) Contract for Env Remediation Work	TRC	Burbank School Env Remediation Work	20,000.00	20,000.00	5,208.96	5,208.96	5,208.96				\$ 15,826.87
34) Contract for Mural	Andrew Kong Knight	Cinema Place Mural	11,843.53	11,843.53	1,513.35	1,513.35	1,513.35	1,513.35	1,513.35	1,513.35	\$ 9,080.08
35) Contract for Eng Services	FBA, Inc	Engineering Services - deconstruct Centennial Hall	4,800.00	4,800.00		4,800.00					\$ 4,800.00
Totals - This Page			\$ 102,176,622.61	\$ 12,822,023.11	\$ 1,147,367.48	\$ 1,302,164.46	\$ 384,950.55	\$ 392,916.78	\$ 3,498,458.83	\$ 2,384,252.09	\$ 9,110,110.19
Totals - Page 2			\$ 67,695,458.42	\$ 2,410,589.58	\$ 969,696.33	\$ 61,073.39	\$ 56,105.39	\$ 53,531.78	\$ 53,531.78	\$ 74,237.53	\$ 1,306,667.41
Totals - Other Obligations			\$ -	\$ 984,936.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages			\$ 169,872,081.03	\$ 16,217,559.59	\$ 2,117,063.81	\$ 1,363,237.85	\$ 441,055.94	\$ 448,448.57	\$ 3,551,990.62	\$ 2,458,489.62	\$ 10,416,777.60

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, March 1, 2012

Project Name / Debt Obligation	Payee	Description	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	3,580.00	3,580.00		3,580.00						\$ 3,580.00
37) Contract for Env Remediation	TRC	Residual Burbank Site - Removal Action Work	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	18,863.00	18,863.00		3,772.60	3,772.60	3,772.60	3,772.60	3,772.60		\$ 18,863.00
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	128,580.00	128,580.00		7,716.00	7,716.00	7,716.00	52,716.00	52,716.00		\$ 128,580.00
40) Contract for Env Remediation	AMEC Geomatrix Inc	Env Remediation - Cinema Place	195,079.82	195,079.82	17,748.93	17,748.93	17,748.93	17,748.93	17,748.93	17,748.93		\$ 108,493.56
41) Contract for Access Study	Nelson/Nygaard	Access Study - South Hayward BART TOD	1,388.00	1,388.00		1,388.00						\$ 1,388.00
42) Contract for Financial Analysis	Keyser Marston	Financial Analysis	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	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	5,075.63	5,075.63	5,075.63							\$ 5,075.63
45) Contract for Weed Removal	Art Cusvas Landscaping	Weed removal - various properties	1,935.50	1,935.50					1,935.50			\$ 1,935.50
46) Contract for Water Testing	SWRCB	Water testing at Cinema Place - monitoring of site	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	28,713,600.00									\$ -
47a) Mission/South Hayward BART Public Improvements (one-time)			12,700,000.00									\$ -
47b) Facilitate Redevelopment of City Center Campus (one-time)			4,500,000.00									\$ -
47c) Reevaluate and update Downtown Plan (one-time)			500,000.00									\$ -
47d) Complete Downtown Gateways Project (one-time)			200,000.00									\$ -
47e) Acquiring Mission Blvd Properties (one-time)			5,500,000.00									\$ -
47f) Implementation of Downtown Retail Attraction Program (one-time)			2,500,000.00									\$ -
47g) Implementation of Neighborhood Revitalization Programs (one-time)			250,000.00									\$ -
47h) Remediation of Residual Burbank Site (one-time)			250,000.00									\$ -
47i) Cinema Place Garage Maintenance (annual)			66,600.00									\$ -
47j) Business Improvement District Funding (annual)			55,000.00									\$ -
47k) Management of Agency Owned Properties (annual)			20,000.00									\$ -
47l) Community Promotions (annual)			75,000.00									\$ -
47m) Public Art (annual)			90,000.00									\$ -
47n) Ongoing env monitoring at Burbank School (annual)			7,000.00									\$ -
48) Cooperative Agreement (see subagreements below)	Hayward Housing Authority	To fund affordable housing projects in the City	39,663,000.00	944,298.16	944,298.16							\$ 944,298.16
48a) B&Grand Senior Housing (one-time)			1,320,000.00									\$ -
48b) A&Walnut Ownership Development (one-time)			1,210,000.00									\$ -
48c) South Hayward BART Senior and Family Housing (one-time)			7,700,000.00									\$ -
48d) Leidig Court (one-time)			220,000.00									\$ -

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

OTHER OBLIGATION PAYMENT SCHEDULE
 Per AB 26 - Section 34169, March 1, 2012

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year ¹	Payments by month						Total ²
						Jan	Feb	Mar	Apr	May	Jun	
1)	Pass Through Obligation	County General Fund	Pass Through Obligation	0.00	268,613.55							\$ -
2)	Pass Through Obligation	Chabot-Las Positas Comm Coll	Pass Through Obligation	0.00	56,279.42							\$ -
3)	Pass Through Obligation	Hayward U.S.D.	Pass Through Obligation	0.00	195,997.63							\$ -
4)	Pass Through Obligation	New Haven U.S.D.	Pass Through Obligation	0.00	2,278.44							\$ -
5)	Pass Through Obligation	County Sch TMR 1887	Pass Through Obligation	0.00	13.54							\$ -
6)	Pass Through Obligation	County Sch PHY HDCCP	Pass Through Obligation	0.00	50.43							\$ -
7)	Pass Through Obligation	County Sch TMR PH CAP	Pass Through Obligation	0.00	1.13							\$ -
8)	Pass Through Obligation	County Sch TMR PH TUIT	Pass Through Obligation	0.00	6.81							\$ -
9)	Pass Through Obligation	County Supt Instr Pupils	Pass Through Obligation	0.00	3,694.93							\$ -
10)	Pass Through Obligation	County Supt Juv Hall Ed	Pass Through Obligation	0.00	764.71							\$ -
11)	Pass Through Obligation	County Supt Service	Pass Through Obligation	0.00	2,296.65							\$ -
12)	Pass Through Obligation	County Supt Capital	Pass Through Obligation	0.00	1,769.59							\$ -
13)	Pass Through Obligation	County Supt Dev Center	Pass Through Obligation	0.00	2,148.39							\$ -
14)	Pass Through Obligation	County Supt Audio Vis Cap	Pass Through Obligation	0.00	460.40							\$ -
15)	Pass Through Obligation	Flood Control	Pass Through Obligation	0.00	1,801.61							\$ -
16)	Pass Through Obligation	Flood Control Zone 2	Pass Through Obligation	0.00	15,047.66							\$ -
17)	Pass Through Obligation	Flood Control Zone 3A	Pass Through Obligation	0.00	11,829.75							\$ -
18)	Pass Through Obligation	Flood Control Zone 4	Pass Through Obligation	0.00	610.46							\$ -
19)	Pass Through Obligation	B.A. Air Quality Mgmt	Pass Through Obligation	0.00	2,498.10							\$ -
20)	Pass Through Obligation	Mosq. Abatement	Pass Through Obligation	0.00	2,389.17							\$ -
21)	Pass Through Obligation	AC Transit Sp Dist 1	Pass Through Obligation	0.00	62,127.40							\$ -
22)	Pass Through Obligation	BART	Pass Through Obligation	0.00	8,502.36							\$ -
23)	Pass Through Obligation	HARD	Pass Through Obligation	0.00	81,161.38							\$ -
24)	Pass Through Obligation	E.B. Regional Park	Pass Through Obligation	0.00	45,665.95							\$ -
25)	Pass Through Obligation	EBMUD	Pass Through Obligation	0.00	924.50							\$ -
26)	Pass Through Obligation	City of Hayward	Pass Through Obligation	0.00	218,002.94							\$ -
27)	ERAF Payment	County/State of CA	Statutory requirement	0.00	0.00							\$ -
28)												\$ -
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.

Exhibit B

FORMAL NOTIFICATION LETTER



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.

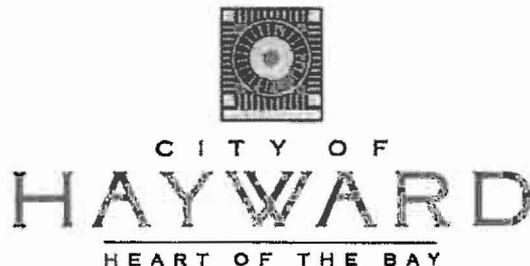
Sincerely,

MARK HILL
 Program Budget Manager

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

Exhibit C

SUCCESSOR AGENCY RESPONSE LETTER



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.

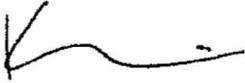
6. Items 26-31 (Cinema Place property costs) - Your letter incorrectly characterizes all Successor Agency costs associated with the Cinema Place project as administrative costs subject to the administrative cost cap. However, these are all project-related third party costs (for a security patrol, alarm 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

Exhibit D

PROPOSED MODIFIED FIRST ROPS

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	859,010.00					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-Med-Housing Set-Aside ²	Hayward Housing Authority	20% Low & Med-Income Housing Set-Aside Required by H & S Code	TI revenues	944,208.16	944,208.16	944,208.16						\$ 944,208.16
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
8a) 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	3,772.20	4,372.60	6,272.60	6,272.60	\$ 24,463.00
9) Employee Costs ²	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	6,573.37	6,573.37	6,573.37	6,573.37	6,573.37	6,573.37	\$ 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	\$ 108,624.72
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 ABx1 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	\$ 4,880.00
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				\$ 15,626.87
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	\$ 11,080,097.73	\$ 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						
						Jan	Feb	Mar	Apr	May	Jun	Total
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				\$ 7,720.63
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	6,076.63	6,076.63	6,076.63						\$ 6,076.63
46) Contract for Weed Removal	Art Cuevas Landscaping	Wood removal - various properties	TI Revenues	1,836.60	1,836.60					1,836.60		\$ 1,836.60
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	28,713,600.00								\$ -
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) Leidy 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 28 - 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						
						Jan	Feb	Mar	Apr	May	Jun	Total ²
) Pass Through Obligation	County General Fund	Pass Through Obligation	Tax Increment (TI) Revenues	0.00	288,613.55							\$ -
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	1,789.59							\$ -
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	610.48							\$ -
18) Pass Through Obligation	B.A. Air Quality Mgmt	Pass Through Obligation	TI Revenues	0.00	2,496.10							\$ -
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	6,502.36							\$ -
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.

Exhibit E

PROPOSED MODIFIED FIRST ADMINISTRATIVE BUDGET

Exhibit E - 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)
<i>Balance Remaining</i>	\$227,357
Legal Costs	(\$21,479)
Supplies and Services	(\$205,878)
<i>Balance Remaining</i>	\$0