



Memorandum

TO: SUCCESSOR AGENCY
BOARD TO THE SAN JOSE
REDEVELOPMENT
AGENCY

FROM: Maria Öberg

SUBJECT: See Below

DATE: May 11, 2026

Approved

Date:

5/14/26

SUBJECT: Successor Agency to the San José Redevelopment Agency Approval of the July 1, 2026 through June 30, 2027 Administrative Budget and Annual Recognized Obligation Payment Schedule for Fiscal Year 2026-2027

RECOMMENDATION

Successor Agency Board to the San José Redevelopment Agency adopt resolutions approving the:

- (a) Administrative Budget for July 1, 2026 through June 30, 2027; and
- (b) Recognized Obligation Payment Schedule 2026-27 and authorizing payment for items thereon, which details the obligations of the Successor Agency Board to the San José Redevelopment Agency for the period of July 1, 2026 through June 30, 2027.

SUMMARY AND OUTCOME

The Administrative Budget illustrates the City of San José (City) allocation of personnel and professional service resources. The Recognized Obligation Payment Schedule 2026-27 (ROPS 26-27) includes financial obligations of the Successor Agency Board to the Redevelopment Agency (Successor Agency Board) for the reporting period of July 1, 2026 through June 30, 2027. Approval of the resolutions by the Successor Agency Board provides budgetary authority to incur expenditures subject to the availability of funds and in accordance with the established priority of obligations.

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BACKGROUND

Under the legislation dissolving redevelopment agencies, a successor agency is required to submit an Administrative Budget and Recognized Obligation Payment Schedule each fiscal year to the County of Santa Clara Countywide Oversight Board and the California Department of Finance (DOF) for their respective approvals.

The County of Santa Clara completed its review of ROPS 26-27 and issued a Notice of No Objection on January 16, 2026. The Administrative Budget and ROPS 26-27 were approved by the County of Santa Clara Countywide Oversight Board on January 29, 2026 and submitted to the DOF on January 30, 2026, prior to the February 1 submission deadline. The DOF completed its review and released its final determination of enforceable obligations listed on ROPS 26-27 and approval of Redevelopment Property Tax Trust Fund (RPTTF) funding on April 15, 2026.

ANALYSIS

In accordance with the legislative requirement, the Successor Agency has developed an Administrative Budget and ROPS 26-27, summarized below.

A. Administrative Budget for July 1, 2026 through June 30, 2027

The Successor Agency Administrative Budget (Attachment A) summarizes provisions for professional services and City personnel costs. Professional services for Fiscal Year (FY) 2026-27 include banking, external municipal advisory services and audit services. Each budget line item references the payee's name, description of work, and budgetary comparison between FY 2025-26 and FY 2026-27. The DOF requested the Successor Agency reclassify municipal advisory services provided by Ross Financial on line 138 of ROPS 26-27 to the Administrative Budget. The reclassification adds \$15,000 to the Administrative Budget without increasing the total requested RPTTF. The Successor Agency Administrative Budget for FY 2026-27 totals \$161,883, reflecting a decrease of \$31,334 or (16%) from the approved Administrative Budget for FY 2025-26.

The personnel cost portion of the Administrative Budget (Attachment B) for FY 2026-27 was developed based on actual staff time reported for FY 2024-25, adjusted for an estimated increase of 8%, including retirement and fringe benefits. The City is forecasting a decrease in staffing support costs for FY 2026-27 by \$48,416, or (40%) from ROPS 25-26 personnel costs. The personnel costs budgeted for ROPS 26-27 are \$72,384.

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The Successor Agency may refund the Tax Allocation Bonds Series 2017A, A-T, and B in 2027 if it is determined that sufficient savings can be achieved. The City personnel costs will increase with the additional work associated with bond refunding. The Successor Agency has not included an estimate of personnel costs associated with bond refunding on ROPS 26-27 because it was too early to anticipate the transaction execution.

If the actual administrative costs are more than the approved budget, the City will file an amended ROPS in the following year to request reimbursement for the excess cost amount. If the actual administrative costs are less than the approved budget, a prior period adjustment report will be filed, and the excess RPTTF revenue will be applied to obligations on a future ROPS.

B. Recognized Obligation Payment Schedule Summary

The ROPS 26-27 Summary shows a budget of \$200,975,913 to pay for enforceable obligations from July 1, 2026 through June 30, 2027 (Attachment C). The funding sources include:

- A reserve amount from ROPS 25-26 in the amount of \$56,487,500;
- Other funds in the amount of \$2,460,709; and
- RPTTF in the amount of \$142,027,704.

Pursuant to California Health and Safety Code section 34186 (c), successor agencies are required to report differences between actual payments and past estimated obligations (prior period adjustments) for the period of July 1, 2023 through June 30, 2024 (ROPS 23-24). The prior period adjustments for ROPS 23-24 resulted in an excess RPTTF revenue distribution of \$60,808, which will be netted against the authorized RPTTF revenue distributed for ROPS 26-27.

Line 85 on ROPS 26-27 Detail Section

Line 85 of the ROPS 26-27 budget includes a new annual assessment expense for the Billy DeFrank Community Center property, located within the Alameda Community Business Improvement District. The Successor Agency is subject to this assessment for a 15-year term, effective January 1, 2026, through December 31, 2040, with an annual cost-of-living adjustment not to exceed 7%. The total anticipated assessment obligation for the Billy DeFrank Community Center for FY 2025-26 and FY 2026-27 is \$7,148. Including the associated \$1,200 insurance cost, the County Oversight Board and the DOF have approved a total budget of \$8,348 for line 85 on ROPS 26-27.

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C. Review of ROPS by County Auditor-Controller

The County of Santa Clara Auditor-Controller is authorized, but not required, to review the ROPS and transmit objections to any items not demonstrated to be enforceable obligations to the Successor Agency, County of Santa Clara Countywide Oversight Board, or DOF. On January 16, 2026, the County of Santa Clara Controller-Treasurer sent a Notice of No Objection for ROPS 26-27 (Attachment D) via email.

D. Review of ROPS by DOF

The DOF completed its review of ROPS 26-27 on April 15, 2026. Pursuant to its review, the DOF issued a Final Determination Letter (Attachment E) requiring a reclassification of Line 138, from the RPTTF to the Administrative RPTTF. Going forward this type of service will be budgeted under the Administrative Budget.

EVALUATION AND FOLLOW-UP

The California Health and Safety Code section 34177 (o) (1) (E) allows the Successor Agency to amend its ROPS one time prior to October 1 during the reporting period.

FISCAL IMPACTS

ROPS 26-27 reflects financial obligations due during the reporting period of July 1, 2026 through June 30, 2027. The Successor Agency has sufficient funds to pay for all enforceable obligations, including administrative costs.

COORDINATION

This memorandum was prepared in coordination with the City Attorney's Office and City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the June 2, 2026 City Council meeting. The City Council is also the Successor Agency Board and will convene as the Successor Agency Board to consider this memorandum during the June 2, 2026 City Council meeting.

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BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

No board, commission, or committee recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-004, Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant physical impact on the environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.


Maria Öberg
Chief Financial Officer

For questions, please contact Maria Öberg, Chief Financial Officer of the Successor Agency, at maria.oberg@sanjoseca.gov or (408) 535-7011

ATTACHMENTS:

- Attachment A - Successor Agency Administrative Budget
- Attachment B - Successor Agency Personnel Costs - Administrative Budget
- Attachment C - Recognized Obligation Payment Schedule (ROPS 26-27)
- Attachment D - County of Santa Clara Notice of No Objection to ROPS
- Attachment E - DOF Final Determination Letter ROPS 26-27

Successor Agency
 ROPS 26-27
 Administrative Budget

		APPROVED BUDGET FY25-26 TOTAL	BUDGET 26-27A	BUDGET 26-27B	BUDGET 26-27	CHANGE
PAYEE	DESCRIPTION OF WORK					
City of San Jose	Personnel costs for operations (refer to Attachment #2)	120,800	36,192	36,192	72,384	(48,416)
Ross Financial	Municipal Advisory Services	0	15,000	0	15,000	15,000
Macias, Gini & O'Connell LLP	Financial Audit Services - Annual Audit	69,417	71,499	0	71,499	2,082
JPMorgan Chase	General banking service fees	3,000	1,500	1,500	3,000	0
		193,217	124,191	37,692	161,883	(31,334)

Change % -16%

Successor Agency
 ROPS 26-27
 Personnel Costs - Administrative Budget
 FY 24-25 factor for FY 26-27 : 1.08

PCN	Employee Name	Personnel by Position	ROPS 25-26 Budget	FY2024-25 Actual	ROPS 26-27 Budget @108% of FY24-25	ROPS 26-27A	ROPS 26-27B
<u>Attorney's Office</u>							
P_00009174	Kevin Fisher	Assistant City Attorney	\$ 11,181	\$ 4,978	\$ 5,377	\$ 2,689	\$ 2,689
P_00000270	Sarah Jane Tapia	Legal Admin Assistant	907	21	-	-	-
P_00000279	Amparo Sandoval	Executive Assistant	-	-	250	125	125
			12,088	4,999	5,627	2,814	2,814
<u>City Manager's Office - Budget Office</u>							
P_00007205	Christopher Petak	Senior Executive Analyst	1,456	569	615	308	308
			1,456	569	615	308	308
<u>Finance Department</u>							
P_00000184	Yolanda Ayala	Accounting Technician	886	85	92	46	46
P_00000213	Maria Guerrero	Accounting Technician	984	119	129	65	65
P_00000167	Jaime Fonseca	Accountant II	996	190	206	103	103
P_00021959	Molly Kuhlmann-Haley	Analyst II	-	363	392	196	196
P_00022740	Joshua Goshay	Analyst II	1,591	561	606	303	303
P_00016679	Tanner Warner	Debt Administrator	2,994	4,693	5,069	2,535	2,535
P_00021585	Qianyu Sun	Deputy Director, Debt and Treasury	1,933	2,853	3,082	1,541	1,541
P_00018148	Victor (Yick Kwan) Lo	Deputy Director, Accounting	1,995	-	443	222	222
P_00000146	Maria Oberg	Director/SARA Chief Financial Officer	2,373	-	-	-	-
P_00008147	Kevin Freimarck	Financial Analyst	24,040	11,071	11,957	5,979	5,979
P_00017221	Vicky Szeto	Principal Accountant	14,708	4,280	4,623	2,312	2,312
P_00014854	Brianna Mora Mendoza	Senior Account Clerk	735	-	-	-	-
P_00017349	Ruiwen Su	Senior Accountant	49,129	35,129	37,940	18,970	18,970
P_00000200	Alex Rojas	Senior Investigator Collector	1,157	-	371	186	186
P_00013195	Deepak Sharma	Financial Analyst	-	348	376	188	188
P_00000175	My Quach	Accounting Technician	-	-	-	-	-
P_00007386	Weekwan Jang	Accounting Technician	-	223	241	121	121
P_00000156	Minyi Huang	Accountant II	-	159	172	86	86
P_00017829	Cal Haynes	Analyst I	-	-	-	-	-
P_00020763	Eric Warnars	Program Manager	-	-	-	-	-
P_00008028	Theresa Monzon	Senior Account Clerk	-	-	-	-	-
P_00017223	Margarita Barrios	Senior Office Specialist	701	356	385	193	193
P_00019257	Rebecca Todd	Staff Specialist	793	-	-	-	-
P_00019874	Kei Motonishi-Romero	Supervising Accountant	2,242	52	58	29	29
			107,257	60,480	66,142	33,071	33,071
Total Wages			\$ 120,800	\$ 66,048	\$ 72,384	\$ 36,192	\$ 36,192

% change in salaries from 25-26 Budget
 Cost change from 25-26 Budget

-40%
(\$48,416)

Recognized Obligation Payment Schedule (ROPS 26-27) - Summary
Filed for the July 1, 2026 through June 30, 2027 Period

Successor Agency: San Jose

County: Santa Clara

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	26-27A Total (July - December)	26-27B Total (January - June)	ROPS 26-27 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 58,948,209	\$ -	\$ 58,948,209
B Bond Proceeds	-	-	-
C Reserve Balance	56,487,500	-	56,487,500
D Other Funds	2,460,709	-	2,460,709
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 69,841,300	\$ 72,186,404	\$ 142,027,704
F RPTTF	69,717,109	72,148,712	141,865,821
G Administrative RPTTF	124,191	37,692	161,883
H Current Period Enforceable Obligations (A+E)	\$ 128,789,509	\$ 72,186,404	\$ 200,975,913

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

San Jose
Recognized Obligation Payment Schedule (ROPS 26-27) - ROPS Detail
July 1, 2026 through June 30, 2027

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 26-27 Total	ROPS 26-27A (Jul - Dec)					26-27A Total	ROPS 26-27B (Jan - Jun)					26-27B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
								\$1,392,153,827		\$200,975,913	\$-	\$56,487,500	\$2,460,709	\$69,717,109	\$124,191	\$128,789,509	\$-	\$-	\$-	\$72,148,712	\$37,692	\$72,186,404
69	Successor Agency Bond Activities	Professional Services	07/01/2024	06/30/2029	Arbitrage Service	Arbitrage rebate calculation services	Merged	5,000	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
85	Asset Management/ Successor Agency's Lease Obligations (refer to "Notes" section)	Property Maintenance	01/01/2014	06/30/2054	Miscellaneous Vendors	Utilities, insurance, assessment, and maintenance for Successor Agency Properties	Merged	120,371	N	\$8,348	-	-	-	8,348	-	\$8,348	-	-	-	-	-	\$-
138	Successor Agency operations (refer to "Notes" section)	Professional Services	07/01/2023	06/30/2028	Ross Financial	Ongoing financial advisor services on an as-needed basis	Merged	30,000	N	\$15,000	-	-	-		15,000	\$15,000	-	-	-	-	-	\$-
143	Successor Agency Bond Activities	Professional Services	07/01/2025	06/30/2030	Tax Increment Fiscal Consultant	Fiscal consultant services including analysis of tax increment data	Merged	91,580	N	\$17,070	-	-	-	17,070	-	\$17,070	-	-	-	-	-	\$-
144	May 2001 Amended & Restated Agreement (refer to "Notes" section)	Miscellaneous	05/22/2001	06/30/2035	County of Santa Clara	County Pass-Through Payments - annual formula based on tax increment growth.	Merged	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
149	Jones Hall-Successor Agency SARA Activities (refer to "Notes" section)	Legal	10/01/2010	06/30/2028	Jones Hall	Legal services on an as-needed basis to support bond and administrative issues.	Merged	30,000	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
162	Property Disposition Costs (refer to "Notes" section)	Property Maintenance	07/01/2014	06/30/2025	Miscellaneous Vendors	Potential solicitation expenses associated with the disposition of Agency-owned properties as approved in the Successor Agency's Long Range Property Management	Merged	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 26-27 Total	ROPS 26-27A (Jul - Dec)					26-27A Total	ROPS 26-27B (Jan - Jun)					26-27B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
						Plan.																
260	2017 Successor Agency Senior Refunding Bonds Series A	Refunding Bonds Issued After 6/27/12	12/21/ 2017	08/01/2035	Wilmington Trust	This authorizes the issuance of \$1,413,150,000 (\$1,333,325,000 and \$79,825.000) aggregate principal amount (Tax Allocation Taxable and Tax-Exempt Refunding Bonds)	Merged	116,441,125	N	\$3,991,250	-	-	-	1,995,625	-	\$1,995,625	-	-	-	1,995,625	-	\$1,995,625
261	2017 Successor Agency Senior Refunding Bonds Series A-T	Refunding Bonds Issued After 6/27/12	12/21/ 2017	08/01/2034	Wilmington Trust	This authorizes the issuance of \$264,390,000 aggregate principal amount (Tax Allocation Refunding Bonds)	Merged	814,308,618	N	\$106,762,737	-	56,487,500	2,460,709	37,384,566	-	\$96,332,775	-	-	-	10,429,962	-	\$10,429,962
262	2017 Successor Agency Subordinate Refunding Bonds Series B	Refunding Bonds Issued After 6/27/12	12/21/ 2017	08/01/2029	Wilmington Trust	This authorizes the issuance of \$264,390,000 aggregate principal amount (Tax Allocation Refunding Bonds)	Merged	81,357,750	N	\$31,491,625	-	-	-	30,308,500	-	\$30,308,500	-	-	-	1,183,125	-	\$1,183,125
263	Series 2017 Refunding Bonds ("Merged Area")	Fees	12/21/ 2017	12/20/2035	Wilmington Trust	Fiscal Agent Fees for bond administrative services	Merged	30,000	N	\$3,000	-	-	-	3,000	-	\$3,000	-	-	-	-	-	\$-
265	Allowable Bond Reserve- Pursuant to Health and Safety Code §34171(d)(1)(A).	Refunding Bonds Issued After 6/27/12	12/21/ 2017	08/01/2035	Wilmington Trust	Per indenture, the Agency is required to reserve 50% of principal paid in Aug debt service period in the January RPTTF distribution	Merged	379,592,500	N	\$58,540,000	-	-	-	-	-	\$-	-	-	-	58,540,000	-	\$58,540,000
268	Series 2017A, Series 2017A-T, Series 2017B (Merged Area)	Fees	12/21/ 2017	08/01/2035	Standard & Poor's, Fitch	Annual analytical review of Ratings Agencies	Merged	-	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
269	Administrative Expenses for Successor	Admin Costs	07/01/ 2020	06/30/2036	Various Vendors	Annual administrative fees for SARA	Merged	146,883	N	\$146,883	-	-	-	-	109,191	\$109,191	-	-	-	-	37,692	\$37,692

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 26-27 Total	ROPS 26-27A (Jul - Dec)					26-27A Total	ROPS 26-27B (Jan - Jun)					26-27B Total
											Fund Sources						Fund Sources					
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	
	Agency					operations																

San Jose
Recognized Obligation Payment Schedule (ROPS 26-27) - Report of Cash Balances
July 1, 2023 through June 30, 2024
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	ROPS 23-24 Cash Balances (07/01/23 - 06/30/24)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
1	Beginning Available Cash Balance (Actual 07/01/23) RPTTF amount should exclude "A" period distribution amount.		-	51,017,500	3,505,355	237,917	
2	Revenue/Income (Actual 06/30/24) RPTTF amount should tie to the ROPS 23-24 total distribution from the County Auditor-Controller				2,463,404	143,041,462	
3	Expenditures for ROPS 23-24 Enforceable Obligations (Actual 06/30/24)			51,017,500	1,528,468	90,400,089	
4	Retention of Available Cash Balance (Actual 06/30/24) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				1,979,582	52,818,481	Other Funds Retention amount is equal to ending actual available cash balance in Other Funds column shown on 21-22 and 22-23 Cash Reports used for debt service in FYs 24-25 and 25-26. RPTTF Retention is the amount on line 265 from PPA 23-24 reserved for debt service in August 2024 plus the excess RPTTF 21-22 PPA plus excess RPTTF 22-23 PPA shown on DOF Final Determination letters used for debt service in 24-25 and 25-26.

Pursuant to Health and Safety Code section 34177 (I), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.							
A	B	C	D	E	F	G	H
	ROPS 23-24 Cash Balances (07/01/23 - 06/30/24)	Fund Sources					Comments
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF	
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin	
5	ROPS 23-24 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 23-24 PPA form submitted to the CAC		No entry required			60,808	
6	Ending Actual Available Cash Balance (06/30/24) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$2,460,709	\$-	

San Jose
Recognized Obligation Payment Schedule (ROPS 26-27) - Notes
July 1, 2026 through June 30, 2027

Item #	Notes/Comments
69	
85	An annual assessment fee has been added to Billy DeFrank Community Center for 15 years and the lease expires in 2054.
138	
143	
144	
149	
162	
260	
261	
262	
263	Trustee fees is paid one year in arrears.
265	
268	
269	

County of Santa Clara

Finance Agency

County Government Center
70 West Hedding Street, East Wing 2nd floor
San Jose, California 95110-1705
(408) 299-5206



NOTICE OF NO OBJECTION TO ROPS

January 16, 2026

City of San José Successor Agency
200 E. Santa Clara St. 14th Floor
San José, CA 95113

Redevelopment Dissolution Countywide Oversight Board of Santa Clara County
70 West Hedding Street
San José, CA 95110

Department of Finance
915 L Street
Sacramento, CA 95814

ROPS Period: ROPS 26-27 (July 1, 2026 – June 30, 2027)
Successor Agency: City of San José

To the Successor Agency, Countywide Oversight Board, and Department of Finance:

Pursuant to Health and Safety Code section 34182.5, our office has reviewed the Recognized Obligation Payment Schedule (ROPS) submitted by the above-noted successor agency for the above-noted period. After reviewing all items and funding sources, the Santa Clara County Auditor-Controller does not object to any items or funding sources on the submitted ROPS.

Please note items and/or funding sources are subject to change by the Department of Finance Cash Balance Review and that items and/or funding sources not questioned during this review are subject to subsequent review if they are included on a future ROPS. We also reserve the right to object to an item and/or funding source (including, but not limited to, the use of fund balance) on a future ROPS, even if no objection was made on a preceding ROPS.

Sincerely,

DocuSigned by:

Margaret Olaiya

88C20E0A14E143D...

Margaret Olaiya
Director, Finance Agency
County of Santa Clara

Attachment: ROPS 26-27 as submitted to the County Auditor-Controller by Successor Agency

Board of Supervisors: Sylvia Arenas, Betty Duong, Otto Lee, Susan Ellenberg, Margaret Abe-Koga
County Executive: James R. Williams



April 15, 2026

Kevin Freimarck, Financial Analyst
City of San Jose
200 East Santa Clara Street, 13th Floor
San Jose, CA 95113

2026-27 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of San Jose Successor Agency (Agency) submitted an annual Recognized Obligation Payment Schedule for the period July 1, 2026 through June 30, 2027 (ROPS 26-27) to the California Department of Finance (Finance) on January 30, 2026. Finance has completed its review of the ROPS 26-27.

Based on a sample of line items reviewed and application of the law, Finance made the following determination:

- Item No. 138 – Payments for these types of services requested in the amount of \$15,000 are considered general administrative costs and have been reclassified to the Administrative Redevelopment Property Tax Trust Fund.

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

The Agency's maximum approved RPTTF distribution for the reporting period is \$141,966,896, as summarized in the Approved RPTTF Distribution table (see Attachment).

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

Except for the adjusted item, Finance approves the remaining items listed on the ROPS 26-27 at this time. If the Agency disagrees with our determination with respect to any items on the ROPS 26-27, except items which are the subject of litigation disputing our previous or related determinations, the Agency may request a Meet and Confer within five business days from the date of this letter. The Agency must use the RAD App to complete and submit its Meet and Confer request form. The Meet and Confer process and guidelines are available on our website:

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

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

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

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

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

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

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

Sincerely,



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

cc: Maria Öberg, Director of Finance, City of San Jose
Margaret Oliaya, Finance Agency Director, Santa Clara County
Brian Darrow, Countywide Oversight Board Representative

Approved RPTTF Distribution July 2026 through June 2027			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 69,732,109	\$ 72,148,712	\$ 141,880,821
Administrative RPTTF Requested	109,191	37,692	146,883
Total RPTTF Requested	69,841,300	72,186,404	142,027,704
RPTTF Requested	69,732,109	72,148,712	141,880,821
<u>Adjustment(s)</u>			
Item No. 138	(15,000)	0	(15,000)
RPTTF Authorized	69,717,109	72,148,712	141,865,821
 Administrative RPTTF Requested	 109,191	 37,692	 146,883
<u>Adjustment(s)</u>			
Item No. 138	15,000	0	15,000
Adjusted Administrative RPTTF	124,191	37,692	161,883
Administrative RPTTF Authorized	124,191	37,692	161,883
ROPS 23-24 Prior Period Adjustment (PPA)	(60,808)	0	(60,808)
Total RPTTF Approved for Distribution	\$ 69,780,492	\$ 72,186,404	\$ 141,966,896