



April 10, 2026

Manuel Carrillo, Director of Finance and Administrative Services
City of Bell Gardens
7100 Garfield Avenue
Bell Gardens, CA 90201

2026-27 Annual Recognized Obligation Payment Schedule

Pursuant to Health and Safety Code (HSC) section 34177 (o) (1), the City of Bell Gardens 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 February 11, 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 determinations:

- Item No. 62 – Property Management Plan and Disposition costs in the amount of \$240,000 are partially approved. Pursuant to HSC section 34177.3 (b), unless required by an existing enforceable obligation, wind-down activities do not include planning, design, redesign, site remediation, site development or improvement, and other similar work. Therefore, of the requested \$240,000, only \$83,000 is allowed from the Redevelopment Property Tax Trust Fund (RPTTF), and \$11,000 related to contingencies is denied. Additionally, \$146,000 related to general legal and professional services is considered a general administrative cost and will be reclassified. Therefore, a total adjustment of \$157,000 (\$11,000 + \$146,000) is made.
- The requested administrative costs exceed the allowance by \$146,000. HSC section 34171 (b) (3) limits the fiscal year Administrative Cost Allowance (ACA) to three percent of actual RPTTF distributed in the preceding fiscal year or \$250,000, whichever is greater; not to exceed 50 percent of the RPTTF distributed in the preceding fiscal year. As a result, the Agency's maximum ACA is \$250,000 for fiscal year 2026-27.

Additionally, certain costs associated with Item No. 62 are considered to be administrative costs and should be counted toward the ACA. Therefore, as noted in the table below, \$146,000 in excess ACA is not allowed:

Administrative Cost Allowance Calculation	
Actual RPTTF distributed for fiscal year 2025-26	\$3,079,131
Less distributed Administrative RPTTF	(250,000)
Less sponsoring entity loan repayments	(1,126,104)
RPTTF distributed for 2025-26 after adjustments	1,703,027
ACA Cap for 2026-27 per HSC section 34171 (b)	250,000
ACA requested for 2026-27	250,000
Plus amount reclassified to ACA	146,000
Total ACA	396,000
ACA in Excess of the Cap	(\$146,000)

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 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 \$3,254,463, 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 items, 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,

Original signed by:

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

cc: Jules Tak, Accounting Manager, City of Bell Gardens
Linda Santillano, Property Tax Apportionment Division Chief, Los Angeles
County
Cesar Hernandez, Countywide Oversight Board Representative

Attachment

Approved RPTTF Distribution July 2026 through June 2027			
	ROPS A	ROPS B	Total
RPTTF Requested	\$ 1,707,998	\$ 1,478,031	\$ 3,186,029
Administrative RPTTF Requested	125,000	125,000	250,000
Total RPTTF Requested	1,832,998	1,603,031	3,436,029
RPTTF Requested	1,707,998	1,478,031	3,186,029
<u>Adjustment(s)</u>			
Item No. 62	(78,500)	(78,500)	(157,000)
RPTTF Authorized	1,629,498	1,399,531	3,029,029
Administrative RPTTF Requested	125,000	125,000	250,000
<u>Adjustment(s)</u>			
Item No. 60	(21,000)	(125,000)	(146,000)
Item No. 62	73,000	73,000	146,000
	52,000	(52,000)	0
Adjusted Administrative RPTTF	177,000	73,000	250,000
Administrative RPTTF Authorized	177,000	73,000	250,000
ROPS 23-24 Prior Period Adjustment (PPA)	(24,566)	0	(24,566)
Total RPTTF Approved for Distribution	\$ 1,781,932	\$ 1,472,531	\$ 3,254,463