

RESOLUTION NO. 2

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HAWTHORNE AUTHORIZING THE INVESTMENT OF MONEYS IN THE LOCAL AGENCY INVESTMENT FUND OF THE STATE OF CALIFORNIA AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH

RECITALS:

A. AB X1 26 and AB X1 27 were signed by the Governor of California on June 29, 2011, making certain changes to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (the "Redevelopment Law"), including adding Part 1.8 (commencing with Section 34161) ("Part 1.8") and Part 1.85 (commencing with Section 34170) ("Part 1.85").

B. The California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California (*California Redevelopment Association, et al. v. Matosantos, et al.* (Case No. S194861)) alleging that AB X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion in the Matosantos case largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently.

C. The Supreme Court generally revised the effective dates and deadlines for performance of obligations in Part 1.85 arising before May 1, 2012 to take effect four months later.

D. As a result of the Supreme Court's decision, the Redevelopment Agency of the City of Hawthorne (the "Redevelopment Agency"), created pursuant to the Redevelopment Law, was dissolved pursuant to Part 1.85 on February 1, 2012.

E. By its Resolution No. 7419, adopted on January 10, 2012, the City Council of the City of Hawthorne made an election to serve as the successor agency to the Redevelopment Agency under Part 1.85 (the "Successor Agency").

F. By its Resolution No. 1, adopted on February 14, 2012, the City Council, acting as the governing board for the Successor Agency, established rules and regulations applicable to the governance and operation of the Successor Agency, and pursuant to such resolution provided that the Successor Agency will be governed by a Board of Directors (the "Board") consisting of the members of the City Council of the City of Hawthorne.

G. Pursuant to Chapter 730 of the statutes of 1976, Section 16429.1 was added to the California Government Code to create the Local Agency Investment Fund ("LAIF") in the State Treasury for the deposit of moneys of local agencies for investment by the State Treasurer.

H. The Redevelopment Agency from time to time invested its money in LAIF in accordance with the provisions of Section 16429.1 of the California Government Code.

I. Pursuant to Part 1.85, all assets and properties of the Redevelopment Agency are transferred to the control of the Successor Agency as of February 1, 2012.

J. In response to a request of the State Treasurer's Office, the Board wishes to adopt this resolution authorizing the investment of Successor Agency moneys in LAIF and authorizing certain officers of the Successor Agency to order the deposit or withdrawal of moneys in LAIF on behalf of the Successor Agency.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HAWTHORNE, HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Board hereby finds that it is in the best interest of the Successor Agency to deposit and withdraw moneys in LAIF from time to time in accordance with the provisions of Section 16429.1 of the California Government Code for the purpose of investment as stated therein.

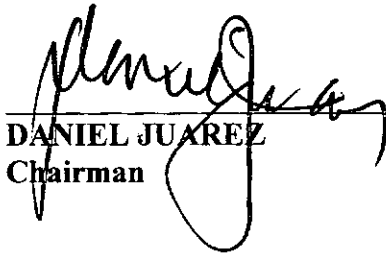
Section 3. The deposit and withdrawal of the Successor Agency's monies in LAIF in accordance with the provisions of Section 16429.1 of the California Government Code from time to time for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard, are hereby authorized.

Section 4. The Executive Director and the Finance Officer of the Successor Agency, whose signature specimens are set forth in Exhibit A to this Resolution, or their successors in such offices, are hereby authorized to order the deposit or withdrawal of monies in LAIF on behalf of the Successor Agency for any account of the Successor Agency (including accounts maintained by the Redevelopment Agency which are now accounts of the Successor Agency).

Section 5. The officers of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any additional instruments which they may deem necessary or advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 6. The Secretary of the Successor Agency is hereby authorized and directed to submit a certified copy of this Resolution and such forms as may be required to the Office of the State Treasurer to effectuate the purposes of this Resolution.

PASSED AND ADOPTED this 14th day of February, 2012.



DANIEL JUAREZ
Chairman

ATTEST:



NORBERT A. HUBER
Secretary

APPROVED AS TO FORM:



RUSSELL MIYAHIRA
Agency Counsel

Exhibit A

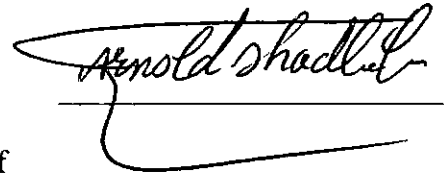
Name

Office

Signature

Arnold Shadbeh

Executive Director
of Successor Agency to the
Redevelopment Agency of the City of
Hawthorne

A handwritten signature in cursive script, reading "Arnold Shadbeh", written over a horizontal line.

Lani Emmich

Finance Officer
of Successor Agency to the
Redevelopment Agency of the City of
Hawthorne

A handwritten signature in cursive script, reading "Lani Emmich", written over a horizontal line.

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §
CITY OF HAWTHORNE)


I, **Monica Dicrisci**, the duly appointed Deputy City Clerk of the City of Hawthorne, California, **DO HEREBY CERTIFY** that the foregoing Resolution, being Resolution No. 2 was duly adopted by the Governing Body For the Successor Agency to the Redevelopment Agency of the City of Hawthorne, at the special meeting of the Successor Agency to the Redevelopment Agency of the City of Hawthorne held **February 14, 2012** and that it was adopted by the following vote, to wit:

AYES: Successor Agency Members English, Michelin, Valentine, Vargas, Mayor or Chairman Juarez.

NOES: None.

ABSTAIN: None.

ABSENT: None.


Deputy City Clerk
City of Hawthorne, California