RESOLUTION NO. 3

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HAWTHORNE CREATING A REDEVELOPMENT OBLIGATION RETIREMENT FUND PURSUANT TO HEALTH AND SAFETY CODE SECTION 34170.5 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 for 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. Health and Safety Code Section 34170.5 provides that each Successor Agency shall create within its treasury a Redevelopment Obligation Retirement Fund to be administered by the Successor Agency.

H. Accordingly, the Board desires to adopt this Resolution creating a Redevelopment Obligation Retirement Fund within the treasury 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. This Resolution is adopted pursuant to Health and Safety Code Section 34170.5.

Section 3. The Executive Director and the Finance Officer are hereby authorized and directed to create within the treasury of the Successor Agency a Redevelopment Obligation Retirement Fund to be administered by the Successor Agency.

Section 4. The Secretary is hereby authorized and directed to file a certified copy of this Resolution with the County Auditor-Controller.

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

PASSED AND ADOPTED this _____ day of _____, 2012.

DANIEL JUAREZ
Chairman

ATTEST:

NORBERT A. HUBER
Secretary

APPROVED AS TO FORM:

RUSSELL MIYAHIRA
Agency Counsel

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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. 3 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.

Monica Dicrisci
Deputy City Clerk
City of Hawthorne, California