RESOLUTION NO. 4

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF HAWTHORNE ADOPTING AN ENFORCEABLE OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177 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. By its Resolution No. 411, the Redevelopment Agency approved an Enforceable Obligation Payment Schedule, as amended.

H. Health and Safety Code Section 34177(a) provides that successor agencies are required to continue to make payments due for enforceable obligations. Health and Safety Code Section 34177(a)(1), as modified by the Supreme Court, provides that on and after February 1, 2012, and until a Recognized Obligation Payment Schedule becomes operative, only payments required pursuant to an enforceable obligation payment schedule shall be made. The enforceable obligation schedule may be amended by the successor agency at any public meeting and shall be subject to the approval of the oversight board as soon as the board has sufficient members to form a quorum.

I. Accordingly, the Board desires to adopt this Resolution adopting an enforceable obligation schedule.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY, 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 34177.

Section 3. The Board hereby adopts the enforceable obligation payment schedule attached as Exhibit A to this Resolution and incorporated herein by reference (the "Enforceable Obligation Payment Schedule").

Section 4. The Secretary is hereby authorized and directed to post the Enforceable Obligation Payment Schedule on the City of Hawthorne's web site.

Section 5. The Enforceable Obligation Payment Schedule may be amended from time to time at any public meeting of the Board.

Section 6. The Secretary is hereby authorized and directed to transmit a copy of the Enforceable Obligation Payment Schedule by mail or electronic means to the County Auditor-Controller, the State Controller, and the California Department of Finance (the "Department of Finance"). A notification providing the Internet Web site location shall suffice.

Section 7. 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, including providing documents associated with the Enforceable Obligation Payment Schedule to the Department of Finance and the State Controller in the manner of their choosing, and any such actions previously taken by such officers are hereby ratified and confirmed. The Board hereby designates the City of Hawthorne's Finance Manager as the official to whom the Department of Finance may make requests for review in connection with the Enforceable Obligation Payment Schedule.

PASSED AND ADOPTED this _____ day of _____, 2012.

DANIEL JUAREZ
Chairman

ATTEST:

NORBERT A. HUBER
Secretary

APPROVED AS TO FORM:

RUSSELL MIYAHIRA
Agency Counsel

EXHIBIT A

ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

Name of Redevelopment Agency: Hawthorne Community Redevelopment Agency

Project Area(s) Plaza Project Area No. 1 and Redevelopment Project Area No. 2

AMENDED ENFORCEABLE OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169 (*)

	Project Name / Debt Obligation	Payee	Description	Total Outstanding Debt or Obligation	Total Due During Fiscal Year	Payments by month				
						Jan**	Feb	March	April	Total
1)	2001 Tax Allocation Refunding Bonds	US Bank	Interest debt service payment due March 1st	4,281,481.00	432,031.26			202,031.26		$ 202,031.26
2)	1998 Tax Allocation Refunding Bonds	US Bank	Interest debt service payment due March 1st	9,684,500.00	694,375.00			339,375.00		$ 339,375.00
3)	2004 Tax Allocation Redfunding Bonds	US Bank	Interest debt service payment due March 1st	4,758,561.00	344,019.00			72,009.50		$ 72,009.50
4)	2006 Tax Allocation Bonds	US Bank	Interest debt service payment due March 1st	52,588,415.00	1,450,000.00			1,450,000.00		$ 1,450,000.00
5)	CFD No. 1990-1 - 1998 Special Tax Refunding Bonds (Rosecrans Ave./Oceangate Ave.)	US Bank	Interest debt service payment due March 1st		757,437.00			121,181.25		$ 121,181.25
6)	CFD No. 1999-1 (Gateway Center)	US Bank	Special tax bonds for "Cloverleaf"		1,346,387.00			861,387.00		$ 861,387.00
7)	Fiscal Agent Fees	Willdan	Administration of bonds including Continuing Disclosure		34,000.00	5,400.00	9,500.00	9,500.00	9,500.00	$ 33,900.00
8)	Hawthorne Boulevard Property Fund (Commercial - Non-Housing)	City of Hawthorne	Personnel services, maintenance/operations, utilities, liability insurance		25,342.00	2,111.83	2,111.83	2,111.83	2,111.83	$ 8,447.32
9)	Grevillea Property Fund (Non-Housing	City of Hawthorne	Personnel services, maintenance/operations, telephone, utilities, liability insurance		58,157.00	4,846.42	4,846.42	4,846.42	4,846.42	$ 19,385.68
10)	Gale Properties Fund (11605, 11529, 11537 Gale Avenue) (Housing)	City of Hawthorne	Personnel services, maintenance/operations, telephone, utilities, liability insurance		196,426.00	16,368.83	16,368.83	16,368.83	16,368.83	$ 65,475.32
11)	Truro Avenue Property Fund (Housing)	City of Hawthorne	Personnel services, maintenance/operations, telephone, liability insurance, machinery and equipment		45,554.00	3,796.17	3,796.17	3,796.17	3,796.17	$ 15,184.68
12)	Administration Salaries and Operations	City of Hawthorne	Agency employee salaries, insurance, and benefits and Agency supplies, equipment, and other operational supplies		2,225,658.00	185,471.50	185,471.50	185,471.50	185,471.50	$ 741,886.00
13)	Agency Insurance Costs	City of Hawthorne	General liability and workers compensation		2,281.00	190.08	190.08	190.08	190.08	$ 760.32
14)	AutoNation/Costco Note	City of Hawthorne	Disposition and development agreement	24,553,438.00	24,553,438.00					$ -
15)	Agency Professional Services - Redevelopment	Rosenow Spevacek Group, Inc.	Redevelopment/Successor Agency consulting services		25,000.00	5,000.00	5,000.00	5,000.00	5,000.00	$ 20,000.00
16)	Agency Professional Services - Financial	Vasquez & Company LLP	Auditing		10,000.00	4,000.00	6,000.00			$ 10,000.00
17)	Agency Professional Services - Legal	Richards, Watson & Gershon and Best, Best & Krieger	Redevelopment legal counsel		10,000.00	2,500.00	2,500.00	2,500.00	2,500.00	$ 10,000.00
18)	City General Fund Loan	City of Hawthorne	Pursuant to Agency Resolution No. 135 and City Resolution No. 4751 and the Cooperation Agreement, the City advanced monies to the Agency for Agency expenditures	55,282,026.00	3,300,000.00	1,650,000.00			1,650,000.00	$ 3,300,000.00
19)	FY 2009-10 SERAF Payment	City of Hawthorne - Housing Successor Agency	Repayment for SERAF payment loan, must be repaid by FY 2014-15	3,170,236.00						
20)	Plaza Project Area Housing Fund Deferral Repayment	City of Hawthorne - Housing Successor Agency	Repayment for deferral of required 20% Housing Set-Aside deposits from prior fiscal years	3,821,692.00						
21)	Tax Rebates	City of Hawthorne	Tax rebates		450,000.00	37,500.00	37,500.00	37,500.00	37,500.00	$ 150,000.00
										$ -
	Totals - This Page			$ 158,140,349.00	$ 35,960,105.26	$ 1,917,184.83	$ 273,284.83	$ 3,313,268.84	$ 1,917,284.83	$ 7,421,023.33
	Grand total - All Pages			$ 158,140,349.00	$ 35,960,105.26	$ 1,917,184.83	$ 273,284.83	$ 3,313,268.84	$ 1,917,284.83	$ 7,421,023.33

*** This Enforceable Obligation Payment Schedule (EOPS) is to be adopted by the redevelopment agency no later than 2/01/12. It is valid until the ROPS is approved.**

**** Include only payments to be made after the adoption of the EOPS.**

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. 4 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