RESOLUTION NO. 12

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE HAWTHORNE REDEVELOPMENT AGENCY APPROVING THE DUE DILIGENCE REVIEW OF THE AMOUNT TRANSFERRED FROM THE HAWTHORNE REDEVELOPMENT AGENCY TO THE HAWTHORNE SUCCESSOR AGENCY AND AUTHORIZING STAFF TO TRANSMIT THE REVIEW, ALONG WITH THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE, TO THE OVERSIGHT BOARD AND OTHER ENTITIES AS REQUIRED BY SECTION 34179.6 OF THE CALIFORNIA HEALTH AND SAFETY CODE

RECITALS:

A. The Hawthorne Redevelopment Agency ("Agency") was established as a redevelopment agency that was previously organized and existing under the California Community Redevelopment Law, Health and Safety Code Section 33000, et seq. ("CRL"), and previously authorized to transact business and exercise powers of a redevelopment agency pursuant to action of the City Council of the City of Hawthorne("City"); and

B. Assembly Bill x1 26 chaptered and effective on June 27, 2011 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 chaptered and effective on June 27, 2012 (together, the "Dissolution Act"); and

C. As of February 1, 2012 the Agency was dissolved pursuant to the Dissolution Act and as a separate legal entity the City serves as the Successor Agency to the Hawthorne Redevelopment Agency ("Successor Agency"); and

D. The Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

E. Pursuant to Section 34179 the Successor Agency's Oversight Board has been formed; and

F. Section 34179 provides that the Oversight Board has fiduciary responsibilities to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other revenues pursuant to Section 34188 of Part 1.85 of the Dissolution Act; and

G. Sections 34177(m), and 34179 provide that each Recognized Obligation Payment Schedule is prepared, submitted to reviewed and approved by the Successor Agency and then reviewed and approved by the Oversight Board; and

H. The Dissolution Act, as amended by AB 1484, in particular Section 34177(m) requires that the "Recognized Obligation Payment Schedule for the period of January 1, 2013, to

June 30, 2013" ("ROPS III"), shall be submitted by the successor agency, after approval by the oversight board, no later than September 1, 2012"; and

I. On August 16, 2012 by Resolution No. 2012-7, the Oversight Board approved ROPS III in the form enclosed herewith; and

J. Section 34179.5 requires the Successor Agency to employ a licensed accountant approved by the Los Angeles County Auditor-Controller to perform a due diligence review and report on the amount of funds transferred from the former Hawthorne Redevelopment Agency; and

K. The Los Angeles County Auditor-Controller provided written approval to Successor Agency staff of their selection of Vasquez & Company as the licensed accountant to perform the due diligence review for the Successor Agency; and

L. On August 30, 2012, the Department of Finance posted on its official website the agreed-upon procedures to conduct the due diligence reviews; and

M. In accordance with the provisions of the agreed-upon procedures and provisions of Section 34179.5, Vasquez & Company has completed their review of the low and moderate income housing funds transferred from the Hawthorne Redevelopment Agency, a copy of which is enclosed herein.

NOW, THEREFORE, BE IT RESOLVED BY THE SUCCESSOR AGENCY TO THE HAWTHORNE REDEVELOPMENT AGENCY:

Section 1. The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

Section 2. Pursuant to the Dissolution Act, the Successor Agency approves the Due Diligence Review of the Low and Moderate Income Housing Funds transferred by the Hawthorne Redevelopment Agency to the Successor Agency submitted herewith as Attachment 1, which is incorporated herein by this reference.

Section 3. The Successor Agency authorizes transmittal of the Due Diligence Review of the Low and Moderate Income Housing Funds to the Oversight Board for its review and approval and also directs staff to send the Due Diligence Review to the County Auditor-Controller, State Controller's Office and Department of Finance, as required by Section 34179.6 of the Health and Safety Code.

Section 4. The Successor Agency further directs staff to submit to the Oversight Board, County Administrative Officer, County Auditor-Controller, and Department of Finance a copy of the Recognized Obligation Payment Schedule, as enclosed herewith as Attachment 2, which is incorporated herein by reference, at the same time as the Due Diligence Review.

Section 5. The Finance Director of the Successor Agency or the authorized designee is directed to post this Resolution on the Successor Agency website pursuant to the Dissolution Act.

Section 6. The City Clerk shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 25th day of September 2012.

DANIEL JUAREZ, Chairman

APPROVED AS TO FORM:

KUNLE ADERONMU
Agency Counsel

ATTEST:

NORBERT HUBER, Secretary
Successor Agency to the Hawthorne Redevelopment Agency

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. 12 was duly adopted by the Governing Body For the Successor Agency to the Redevelopment Agency of the City of Hawthorne, at the regular meeting of the Successor Agency to the Redevelopment Agency of the City of Hawthorne held **September 25, 2012** and that it was adopted by the following vote, to wit:

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

Monica Dicrisci
Deputy City Clerk
City of Hawthorne, California