**RESOLUTION NO. 10**

**A RESOLUTION OF THE SUCCESSOR AGENCY OF THE FORMER HAWTHORNE REDEVELOPMENT AGENCY APPROVING AND TRANSMITTING THE PROPOSED RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH PERIOD COMMENCING JANUARY 1, 2013 AND ENDING JUNE 30, 2013 TO THE HAWTHORNE OVERSIGHT BOARD FOR THEIR CONSIDERATION.**

A. On January 24, 2012, the City Council of the City of Hawthorne elected to serve as the successor agency ("Successor Agency") to the former Redevelopment Agency of the City of Hawthorne ("Redevelopment Agency") for the purposes of administering the dissolution of the Redevelopment Agency pursuant to Health and Safety Code Section 34173, and

B. Among the duties of successor agencies under the provisions of Assembly Bill 26 from the 2011-12 First Extraordinary Session of the Legislature ("ABx1 26" or the "Dissolution Act"), is the preparation of a recognized obligation payment schedule ("ROPS") for the ensuing six-month period for consideration by a local oversight board and Department of Finance for purposes of administering the wind-down of financial obligations of the Redevelopment Agency, and

C. As amended by Assembly Bill 1484 ("AB 1484"), the Dissolution Act requires that the proposed ROPS be transmitted to the local oversight board, county auditor-controller, county executive officer, Department of Finance, and State Controller, after which time the oversight board may approve and transmit the adopted ROPS to the Department of Finance for their consideration, and

D. The proposed ROPS for the six-month period commencing January 1, 2013 and ending June 30, 2013, is attached hereto as Exhibit "A" and has been prepared by staff and consultants consistent with the provisions of the Dissolution Act and in the format made available by the Department of Finance, and

E. The Hawthorne Successor Agency Oversight Board ("Oversight Board") is tentatively scheduled to consider and approve the proposed ROPS at their meeting on August 16, 2012.

**NOW, THEREFORE, THE CITY OF HAWTHORNE ACTING AS THE SUCCESSOR AGENCY TO THE HAWTHORNE REDEVELOPMENT AGENCY HEREBY FINDS DETERMINES, RESOLVES AND FINDS AS FOLLOWS:**

**SECTION 1.** The above recitals are true and correct and are adopted as the findings of the City Council.

**SECTION 2.** The Successor Agency hereby approves the proposed Recognized Obligation Payment Schedule for the period of January 1, 2013, through June 30, 2013, in the form attached herewith, and authorizes staff to make technical, nonsubstantive corrections to the ROPS and submit the ROPS to the Oversight Board along with the Successor Agency's recommendation of approval.

**SECTION 3.** Staff is hereby authorized to carryout other administrative duties, including the transmittal of the ROPS to various state and local agencies, as required under the Dissolution Act.

**PASSED AND ADOPTED** this 14th day of August, 2012.

**DANIEL JUAREZ**
**Chairman**

**ATTEST:**

Marie Drury for
**NORBERT A. HUBER**
**Secretary**

**APPROVED AS TO FORM:**

Russell Miyahira
**RUSSELL MIYAHIRA**
**Agency Counsel**

# EXHIBIT A

PROPOSED RECOGNIZED OBLIGATION PAYMENT SCHEDULE
JANUARY 1 - JUNE 30, 2013

SUCCESSOR AGENCY OF THE CITY OF HAWTHORNE

**Successor Agency Contact Information**

| | |
|---|---|
| Name of Successor Agency: | Hawthorne Successor Agency |
| County: | Los Angeles |
| | |
| Primary Contact Name: | Lani Emmich, Finance Manager |
| Primary Contact Title: | 4455 West 126th Street, Hawthorne, |
| Address | CA 90250 |
| Contact Phone Number: | (310) 349-2927 |
| Contact E-Mail Address: | lemmich@cityofhawthorne.org |
| | |
| Secondary Contact Name: | Felice Lopez |
| Secondary Contact Title: | Accounting Supervisor |
| Secondary Contact Phone Number: | (310) 349-2923 |
| Secondary Contact E-Mail Address: | flopez@cityofhawthorne.org |

**SUMMARY OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE**
Filed for the January 1, 2013 to June 30, 2013 Period

**Name of Successor Agency:** Hawthorne Successor Agency

| | | Total Outstanding Debt or Obligation |
|---|---|---|
| **Outstanding Debt or Obligation** | | $ 135,015,587 |
| **Current Period Outstanding Debt or Obligation** | | **Six-Month Total** |
| A | Available Revenues Other Than Anticipated RPTTF Funding | 0 |
| B | Enforceable Obligations Funded with RPTTF | 2,223,568 |
| C | Administrative Allowance Funded with RPTTF | 250,000 |
| D | Total RPTTF Funded (B + C = D) | 2,473,568 |
| | Total Current Period Outstanding Debt or Obligation (A + B + C = E) *Should be same amount as ROPS form six-month total* | $ 2,473,568 |
| E | Enter Total Six-Month Anticipated RPTTF Funding | 2,473,568 |
| F | Variance (D - E = F) *Maximum RPTTF Allowable should not exceed Total Anticipated RPTTF Funding* | $ - |
| **Prior Period (January 1, 2012 through June 30, 2012) Estimated vs. Actual Payments** (as required in HSC section 34186 (a)) | | |
| G | Enter Estimated Obligations Funded by RPTTF *(Should be the same amount as RPTTF approved by Finance, including admin allowance)* | 2,128,433 |
| H | Enter Actual Obligations Paid with RPTTF | 1,470,332 |
| I | Enter Actual Administrative Expenses Paid with RPTTF | 303,678 |
| J | Adjustment to Redevelopment Obligation Retirement Fund (G - (H + I) = J) | 354,423 |
| **K** | **Adjustment to RPTTF** | $ 2,119,145.00 |

Certification of Oversight Board Chairman:
Pursuant to Section 34177(m) of the Health and Safety code,
I hereby certify that the above is a true and accurate Recognized
Obligation Payment Schedule for the above named agency.

Lani Emmich — Name
Finance Manager — Title

Signature
Date

Name of Successor Agency: Hawthorne Successor Agency

County: Los Angeles

Oversight Board Approval Date: _____

## RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III)
### January 1, 2013 through June 30, 2013

| Item # | Project Name / Debt Obligation | Contract/Agreement Execution Date | Contract/Agreement Termination Date | Payee | Description/Project Scope | Project Area | Total Outstanding Debt or Obligation | Total Due During Fiscal Year 2012-13 | Funding Source: LMIHF | Bond Proceeds | Reserve Balance | Admin Allowance | RPTTF | Other | Six-Month Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Grand Total | | | | | | $ 135,015,587 | $ 7,946,617 | $ - | $ - | $ - | $ 250,000 | $ 2,223,568 | $ - | $ 2,473,568 |
| 1 | 1998 Tax Allocation Refunding Bonds | 7/15/1998 | 9/1/2024 | US Bank | Principal and interest payments made on the 1994/1998 Bonds for funding redevelopment activities with respect to Project Area No. 2 | Project Area No. 2 | 12,986,402.00 | 1,066,382.00 | - | - | - | - | 258,313 | - | 258,313 |
| 2 | 2001 Tax Allocation Refunding Bonds | 12/12/2001 | 7/1/2020 | US Bank | Principal and interest payments made on the Bonds for funding redevelopment activities with respect to the Plaza Project Area. | Plaza Project Area No. 1 | 3,310,988.80 | 432,187.51 | - | - | - | - | 89,768 | - | 89,768 |
| 3 | 2004 Tax Allocation Refunding Bonds | 12/15/2004 | 9/1/2022 | US Bank | Principal and interest payments made on the 1994 TAB related to Project Area No. 2, refunded by the 2004 Bonds; for the redevelopment activities with respect to Project Area No. 2. | Project Area No. 2 | 3,445,407.54 | 348,738.75 | - | - | - | - | 66,480 | - | 66,480 |
| 4 | 2006 Tax Allocation Bonds | 8/8/2006 | 9/1/2036 | US Bank | Principal and interest payments made on the 2006 TAB related to Project Area No. 2. | Project Area No. 2 | 49,215,050.04 | 2,038,581.26 | - | - | - | - | 716,191 | | 716,191 |
| 5 | CFD No. 1998 Special Tax Refunding Bonds (Rosecrans Ave./Oceangate Ave.) | 3/18/1999 | 9/1/2017 | US Bank | Principal and interest payments on the Special Tax bonds issued in 1990 for the acquisition and construction of certain facilitiesw ith the retail activities of Oceangate, for Project Area No. 2. | Project Area No. 2 | 4,539,406.28 | 753,058.25 | - | - | - | - | 106,875 | - | 106,875 |
| 6 | CFD No. 1999-1 (Gateway Center) | 9/7/2000 | 10/1/2025 | US Bank | Principal and interest payments on the Special Tax Bonds issued in 1991 for acquisition and construction of facilities for Cloverleaf Project in Project Area No. 2. | Project Area No. 2 | 17,791,559.00 | 1,283,699.00 | - | - | - | - | 292,967 | - | 292,967 |
| 7 | Auto Nation/Costco Note | 11/8/2000 | 11/8/2030 | Auto Nation/Costco | Repayment of note to the developers of Auto Nation/Costco note, consisting of Mello-Roos tax refund, sales tax and transient occupancy tax refund to the extent these taxes are generated within the project. | Project Area No. 2 | 25,572,438.35 | 1,125,000 | - | - | - | - | 167,000 | - | 167,000 |
| 8 | Tax Rebates | 7/1/1992 | 9/30/2022 | Oceangate Properties | Tax rebates for Oceangate Properties | Project Area No. 2 | 5,109,750.00 | 510,975 | - | - | - | - | 510,975 | - | 510,975 |
| 9 | Successor Agency Administrative/Employee Costs | 2/1/2012 | Until Successor Agency is dissolved | City of Hawthorne Employees and Various Vendors | Payroll cost for Successor Agency employees, consultants, salaries, insurance, and benefits, supplies, equipment, and other operational supplies. | Plaza Project Area No. 1 & Project Area No. 2 | 6,000,000.00 | 250,000 | - | - | - | 125,000 | - | - | 125,000 |
| 10 | City-Agency General Fund Loan (July 1, 2012 through December 31, 2012) | 7/1/2012 | Until Repaid | City of Hawthorne | City of Hawthorne loan to the Successor Agency for administrative cost allocation for the July 1, 2012 through December 31, 2012 ROPS period pursuant to H&S Code Section 34173(h). | Plaza Project Area No. 1 & Project Area No. 2 | 125,000.00 | 125,000 | - | - | - | 125,000 | - | - | 125,000 |
| 11 | FY2009-10 SERAF Loan Repayment | 5/6/2010 | Until Repaid | City of Hawthorne Low and Moderate Income Housing Asset Fund | Repayment of SERAF loan from former Redevelopment Agency Low and Moderate Income Housing Set-Aside Fund. Pursuant to H&S Code Section 364176(e)(6)(B), payments to begin no earlier than FY2013-14. | Project Area No. 2 | 3,170,238.00 | - | - | - | - | - | - | - | - |
| 12 | Plaza Project Area Housing Fund Deferral Payment | 8/25/1988 | Until Repaid | City of Hawthorne Low and Moderate Income Housing Asset Fund | Repayment for deferral of required 20% Housing Set-Aside deposit from prior fiscal years (beginning FY1985-86) | Plaza Project Area No. 1 | 3,534,389.00 | - | - | - | - | - | - | - | - |
| 13 | Due Diligence Reviews | 8/1/2012 (Tentative) | 4/30/2013 | To Be Determined | Housing and Non-Housing Due Diligence Review pursuant to H&S Code Section 34179.6(e) | Plaza Project Area No. 1 & Project Area No. 2 | 15,000.00 | 15,000 | - | - | - | - | 15,000 | - | 15,000 |
| 14 | | | | | | | | | | | | | | | - |
| 15 | | | | | | | | | | | | | | | - |
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| 30 | | | | | | | | | | | | | | | - |
| 31 | | | | | | | | | | | | | | | - |

Name of Successor Agency: Hawthorne Successor Agency
County: Los Angeles

**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS III) -- Notes (Optional)**
**January 1, 2013 through June 30, 2013**

| Item # | Notes/Comments |
|---|---|
| ROPS, 4 | 2006 Tax Allocation Bonds - The ROPS 2 (July - December 2012) approved payment was $1,322,391 but the actual payment was $1,335,191, a difference of $13,100. This difference has been added to the scheduled payment for the ROPS 3 period. |
| ROPS, 8 | Auto Nation/Costco Note - The ROPS 2 (July - December 2012) approved payment was $958,000 but the payment was $1,125,000, a difference of $167,000. This difference has been added for the ROPS 3 period. |
| ROPS, 9 | Tax Rebates - Payment made during ROPS 2 (July - December 2012) but denied as an Enforceable Obligation because inadequate documentation was provided. Further documentation has been provided to DOF. |

Name of Successor Agency: Hawthorne Successor Agency

County: Los Angeles

**Pursuant to Health and Safety Code section 34186 (a)**
**PRIOR PERIOD ESTIMATED OBLIGATIONS vs. ACTUAL PAYMENTS**
**RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS I)**
**January 1, 2012 through June 30, 2012**

| Page/ Form | Line | Project Name / Debt Obligation | Payee | Description/Project Scope | Project Area | LMIHF | | Bond Proceeds | | Reserve Balance | | Admin Allowance | | RPTTF | | Other | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual | Estimate | Actual |
| | | Grand Total | | | | $ - | $ - | $ - | $ - | $ 3,525,000 | $ 3,750,029 | $ 376,357 | $ 303,678 | $ 1,878,433 | $ 1,470,332 | $ - | $ - |
| 1.00 | 1 | 2001 Tax Allocation Refunding Bonds | US Bank | Principal and interest payments due on bond | Plaza Project Area No. 1 | | | | | | | | | 301,491 | $ 97,421.88 | | |
| 1.00 | 2 | 1998 Tax Allocation Refunding Bonds | US Bank | Principal and interest payments due on bond | Project Area No. 2 | | | | | | | | | 290,813 | $ 165,250.00 | | |
| 1.00 | 3 | 2004 Tax Allocation Refunding Bonds | US Bank | Principal and interest payments due on bond | Project Area No. 2 | | | | | | | | | 73,758 | $ 70,259.38 | | |
| 1.00 | 4 | 2006 Tax Allocation Bonds | US Bank | Principal and interest payments due on bond | Project Area No. 2 | | | | | | | | | 727,391 | 715,491 | | |
| 1.00 | 5 | CFD No. 1998 Special Tax Refunding Bonds (Rosecrans Ave./Oceangate Ave.) | US Bank | Principal and interest payments due on bond | Project Area No. 2 | | | | | | | | | 184,250 | 121,181 | | |
| 1.00 | 6 | CFD No. 1999-1 (Gateway Center) | US Bank | Principal and interest payments due on bond | Project Area No. 2 | | | | | | | | | 300,729 | 300,729 | | |
| 1.00 | 7 & 8 | RDA Administrative/Employee Costs | Successor Agency Employees | Payroll, insurance, benefits, supplies, equipment, operational supplies | Plaza Project Area No. 1 & Project Area No. 2 | | | | | | | 289,637 | 218,180 | | | | |
| 1.00 | 9 | Fiscal Agent Fees | Willdan | Annual disclosure report fees | Plaza Project Area No. 1 & Project Area No. 2 | | | | | | | 33,900 | 35,728 | | | | |
| 1.00 | 16 | Professional Services - Redevelopment Successor Agency | Rosanow Spevacek Group, Inc. | Successor Agency/Oversight Board consulting services | Plaza Project Area No. 1 & Project Area No. 2 | | | | | | | 32,820 | 28,228 | | | | |
| 1.00 | 17 | Agency Professional Services - Financial | Vasquez & Company, LLC | Auditing | Plaza Project Area No. 1 & Project Area No. 2 | | | | | | | 10,000 | 5,000 | | | | |
| 1.00 | 18 | Agency Professional Services - Legal | Richards, Watson & Gershon | Legal counsel | Plaza Project Area No. 1 & Project Area No. 2 | | | | | | | 5,000 | 10,141 | | | | |
| 1.00 | 18 | Agency Professional Services - Legal | Best, Best & Krieger | Legal counsel | Plaza Project Area No. 1 & Project Area No. 2 | | | | | | | 5,000 | 8,401 | | | | |
| 1.00 | 19 | City General Fund Loan | City of Hawthorne | Pursuant to Agency Resolution No. 135 and City Resolution No. 4751 and the Cooperation Agreement, the advanced monies to the RDA for RDA expenditures | Plaza Project Area No. 1 & Project Area No. 2 | | | | | 3,300,000 | 3,300,000 | | | | | | |
| 1.00 | 27 | Tax Rebates | Oceangate Properties | Tax rebate | Project Area No. 2 | | | | | 225,000 | 450,029 | | | | | | |

**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. 10 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 **August 14, 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