

RESOLUTION NO. 2025-03

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF HAWTHORNE APPROVING AN OFFICIAL STATEMENT, BOND PURCHASE AGREEMENT, CONTINUING DISCLOSURE CERTIFICATE, AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE SUCCESSOR AGENCY'S TAX ALLOCATION REFUNDING BONDS, SERIES 2025

RECITALS:

WHEREAS, the Community Redevelopment Agency of the City of Hawthorne (the "**Former Agency**") was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California (the "**Redevelopment Law**"), and the powers of the Former Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, Project Area No. 2 (the "**Original Project Area**") in the City of Hawthorne (the "**City**"), was created by Ordinance No. 1330, adopted by the Hawthorne City Council on November 26, 1984. On September 22, 2003, the City Council adopted Ordinance No. 1785 annexing an additional 64 acres of land to the Original Project Area No. 2 (the "**Annexation Area**" and together with the Original Project Area, the "**Project Area No. 2**"); and

WHEREAS, pursuant to Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code (the "**Dissolution Act**"), enacted by AB X1 26 in June 2011, and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the Former Agency was dissolved as of February 1, 2012; and

WHEREAS, pursuant to the Dissolution Act, the Successor Agency to the Community Redevelopment Agency of the City of Hawthorne (the "**Successor Agency**") was constituted as a separate public entity from the City, and an Oversight Board to the Successor Agency (the "**Oversight Board**") was established; and

WHEREAS, Section 34177.5(a)(1) of the Dissolution Act specifically authorizes the issuance of refunding bonds by the Successor Agency to refund outstanding bonds for the purpose of reducing debt service and providing savings to the Successor Agency; and

WHEREAS, pursuant to an Indenture of Trust, dated as of January 1, 2016 (the "**2016 Indenture**"), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "**Trustee**"), the Successor Agency issued its \$29,785,000 initial principal amount of Subordinate Tax Allocation Refunding Bonds, Series 2016, currently outstanding in the amount of \$15,625,000 (the "**2016 Bonds**"), for the purpose of refinancing redevelopment projects within or of benefit to the Project Area; and

WHEREAS, for the purpose of reducing debt service and providing savings to the Successor Agency, the Successor Agency desires to issue its Tax Allocation Refunding Bonds, Series 2025 (the "**2025**

Bonds”), in order to current refund the 2016 Bonds, to be secured by a pledge of property tax revenues authorized by Sections 34177.5(a) and (g) of the Health and Safety Code, and pursuant to and secured by an Indenture to be entered into by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the “**2025 Indenture**”), all pursuant to the provisions of Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “**Refunding Bond Law**”); and

WHEREAS, at its meeting on March 11, 2025, the Successor Agency adopted Resolution No. 2025-01 approving the issuance of the 2025 Bonds in an aggregate principal amount not to exceed \$16,000,000, to be issued as a single issue, or in separate series, as determined by the Successor Agency in consultation with Bond Counsel to comply with federal tax laws, and approving the forms of the 2025 Indenture and an Escrow Agreement;; and

WHEREAS, pursuant to Health and Safety Code Sections 34177.5(f) and 34180, the issuance of the 2025 Bonds is subject to the Oversight Board’s prior approval, which the Oversight Board approved on March 17, 2025 pursuant its Resolution OB2025-1; and

WHEREAS, in connection with the issuance of the 2025 Bonds, the Successor Agency desires at this time to approve the forms of a Bond Purchase Agreement, a Preliminary Official Statement, and a Continuing Disclosure Certificate regarding the 2025 Bonds, the forms of which are on file with the City Clerk of the City;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SUCCESSOR AGENCY TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF HAWTHORNE DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Each of the foregoing recitals is true and correct and is a substantive part of this Resolution.

Section 2. The Bond Purchase Agreement (the “**Bond Purchase Agreement**”), proposed to be entered into by and between the Successor Agency and Samuel A. Ramirez & Co., Inc. (the “**Underwriter**”), in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein, is hereby approved. Each of the Chair, the Vice Chair and the Executive Director of the Successor Agency (the “**Authorized Officers**”), acting individually, is authorized, for and in the name and on behalf of the Successor Agency, to execute and deliver the Bond Purchase Agreement in the form presented at this meeting, with such changes, insertions and omissions as may be approved by the Authorized Officer executing the same in consultation with Bond Counsel, said execution being conclusive evidence of such approval; provided, however, that the Bond Purchase Agreement shall be signed only if the terms of the agreement are such that (i) the total interest cost to maturity on the 2025 Bonds plus the principal amount of the 2025 Bonds will not exceed the total remaining interest cost to maturity on the Refunded Bonds plus the remaining principal of the Refunded Bonds, and (ii) the principal amount of the 2025 Bonds will not exceed the amount required to defease the Refunded Bonds, to establish a customary debt service reserve fund, and to pay related costs of issuance; provided, further however, that the Underwriter’s discount shall not exceed 1.5%.

Section 3. The Preliminary Official Statement relating to the 2025 Bonds (the “**Preliminary Official Statement**”), in substantially the form presented and on file with the City Clerk, is hereby approved. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name

and on behalf of the Successor Agency, to cause the Preliminary Official Statement in substantially said form, with such additions or changes therein as such Authorized Officer may approve, to be deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 (“**Rule 15c2-12**”). The Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the 2025 Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by any one of the Authorized Officers to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

Section 4. The preparation and delivery of an Official Statement, and its use by the Successor Agency and the Underwriter, in connection with the offering and sale of the 2025 Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be requested by Bond Counsel, Disclosure Counsel, or the Underwriter and approved by any one of the Authorized Officers, such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Officer. Each Authorized Officer, acting singly, is hereby authorized and directed to execute the final Official Statement and any amendment or supplement thereto, for and in the name and on behalf of the Successor Agency, and thereupon to cause the final Official Statement and any such amendment or supplement to be delivered to the Underwriter. The Underwriter is further authorized to distribute the final Official Statement for the 2025 Bonds and any amendment or supplement thereto to the purchasers of the 2025 Bonds upon its execution on behalf of the Successor Agency as described above.

Section 5. The Continuing Disclosure Certificate relating to the 2025 Bonds (the “**Continuing Disclosure Certificate**”) in substantially the form attached hereto is hereby approved. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the Continuing Disclosure Certificate in the form presented at this meeting with such changes, insertions and omissions as may be approved by such Authorized Officer in consultation with Disclosure Counsel, said execution being conclusive evidence of such approval.

Section 6. The Authorized Officers, the Finance Director, and all other officers of the Successor Agency, are hereby authorized and directed, jointly and severally, to execute and deliver any and all documents and instruments, relating to the 2025 Bonds, and to do and cause to be done any and all acts and things (including, but not limited to, obtaining a reserve fund surety bond, a bond insurance policy or other types of credit enhancement, and an escrow bidding agent for the escrow fund, if necessary), which they may deem necessary or proper to effectuate the purposes of this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 7. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, and ADOPTED by the Board of Directors of the Successor Agency to the Community Redevelopment Agency of the City of Hawthorne at a meeting duly held on the ____ day of May, 2025.

Chair

ATTEST:

Secretary