STAFF REPORT Lancaster Redevelopment Agency

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DATE: September 28, 2010

TO: Chairman Parris and Agency Members

FROM: Vern Lawson, Jr., Economic Development/Redevelopment Director

SUBJECT: Agency Lease of the Park View Middle School Site from the Lancaster

School District and with an Assignment of the Lease to the University of

Antelope Valley

Recommendation:

Approve a lease agreement between the Agency and the Lancaster School District for the Park View Middle School site at 808 W. Avenue J with an assignment of the lease to the University of Antelope Valley.

Fiscal Impact:

None.

Background:

This lease agreement with the Lancaster School District will allow the Agency to act as a facilitator in the timely and effective asset management of the Park View Middle School site for continued use as a school site through a subsequent assignment of the lease agreement to the University of Antelope Valley.

Summary:

The Lancaster School District owns certain real property in the City of Lancaster known as Park View Middle School located at 808 W. Ave. J. This twenty acre comprehensive school site is the oldest existing school site in the district, established in 1959 as a K-8 campus. The site was closed for use by the district in June 2010.

Due to serious reductions in state revenue and declining enrollment, school closures are on the rise throughout the state as school districts plan major budget reductions for the new budget year. A number of school districts throughout the Antelope Valley are preparing for such school closures. The City, in partnership with the Lancaster School District and the University of Antelope Valley, has an opportunity to support the continued use of a vibrant school facility located in the central core of the city scheduled for closure.

On April 6, 2010, the Lancaster School District Board of Trustees approved an action to close the comprehensive middle school program at the Park View site and reassign continuing students to neighboring district schools. This action was taken by the District Trustees as one of several measures to prepare a balanced operating district budget for the new budget year.

Due to a fortunate set of circumstances, the Agency is in a position to support the continued use of this unique educational and recreational site by facilitating a lease/assignment agreement structure which would meet the expansion needs of a growing University of Antelope Valley. The principals of the UAV were considering a variety of options to relocate a number of their programs housed in commercial centers to a site more conducive to a campus environment. The closure of the PV campus created a great opportunity for an improved location for UAV programs, a fortunate asset management opportunity for the school district and a seamless reuse of a vibrant public asset in the central core of the City.

The City will enter into a lease agreement with the Lancaster School District for the site, and an assignment of the lease to UAV. The initial lease will be for a period of five years with renewal options.

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