

EXHIBIT A

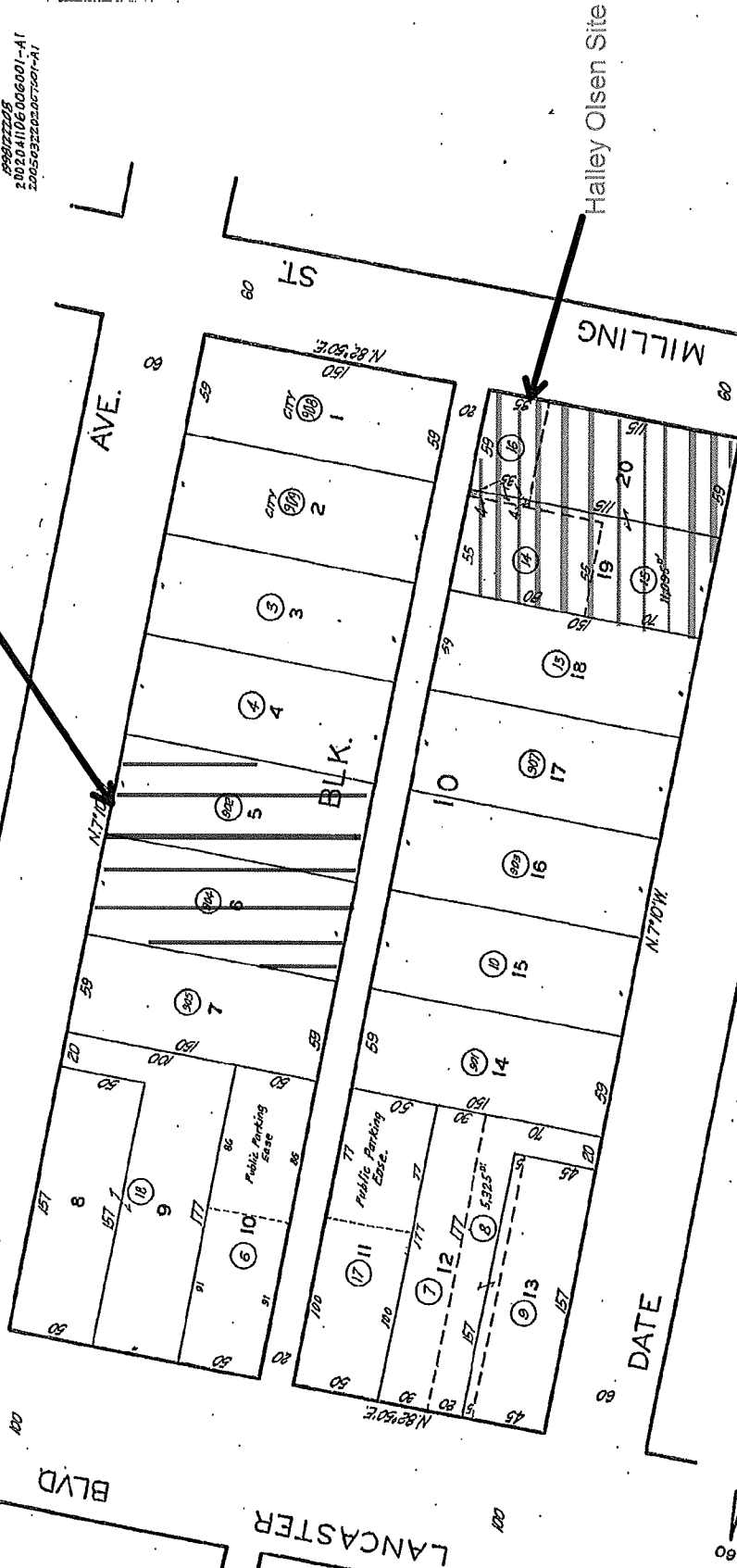
SE ACQUISITIONS PROPERTY EXCHANGE

3134	15
SCALE 1" =	60'

REVISED
 5-5-55
 780301
 R22208
 840718-8
 941118-8
 889304089-A
 850309-1
 850313-84
 8605088-0-8
 812140200101-A1
 9406131600701-A1
 960999
 89972205
 20020410600601-A1
 200503220200701-A1

All 900 series parcels on this page are assessed to
 Lancaster Redevelopment Agency, unless otherwise noted.

Agency Parcels



CODE
 4852

LANCASTER

M.R. 5-470-471

NO. 15 FOR PREV. ASSMT. SEE 73-250

ASSESSOR'S MAP
 COUNTY OF LOS ANGELES, CALIF.

RESOLUTION NO. 04-11

A RESOLUTION OF THE LANCASTER REDEVELOPMENT AGENCY APPROVING THE REAL PROPERTY EXCHANGE AGREEMENT BY AND BETWEEN THE LANCASTER REDEVELOPMENT AGENCY AND SE ACQUISITIONS OF LANCASTER, CA, INC.

WHEREAS, the Redevelopment Plan for the Central Business District (the "Redevelopment Plan") was approved and adopted by the City Council of the City of Lancaster on June 1, 1981, by Ordinance No. 226, as amended, in compliance with all requirements of the law. This summary is being prepared pursuant to Section 33433 of the California Health and Safety Code.

WHEREAS, the Agency is authorized and empowered under the Community Redevelopment Law, to enter into agreements for the acquisition, disposition and development of real property and otherwise to assist in the redevelopment of real property within a redevelopment project area in conformity with a redevelopment plan adopted for such area, to acquire real and personal property in redevelopment project areas, to receive consideration for the provision by the Agency of redevelopment assistance, to make and execute contracts and other instruments necessary or convenient to the exercise of its powers, and to incur indebtedness to finance or refinance redevelopment projects; and

WHEREAS, the Lancaster Redevelopment Agency (the "Agency") owns the property located on Cedar Avenue, 200 feet south of Lancaster Blvd in the City of Lancaster, Los Angeles County, State of California, shown in Exhibit "A" (the "Property"), and is engaged in activities necessary to execute and implement the Redevelopment Plan; and

WHEREAS, SE Acquisitions of Lancaster, Ca., Inc., doing business as Halley- Olsen-Murphy Funeral Home, desires to enter into an Agreement for Exchange of Real Property in order to implement the provisions of the Redevelopment Plan by providing for the exchange of property generally located at 44802 Date Avenue, shown in Exhibit "A", and which development of the Property is consistent with previous uses of the Property as well as existing uses of other real property in the surrounding neighborhood; and

WHEREAS, SE Acquisitions possesses the resources necessary for the exchange of the Property, and is further qualified and capable to develop a new business location on the Agency parcels in accordance with the purposes and objectives of the Redevelopment Plan, and in conformance to the commercial zone of the adopted Lancaster Zoning Ordinance; and

WHEREAS, the Agreement does not create any new or additional environmental impacts than were considered in the Environmental Impact Report for the Central Business District Redevelopment Project Area or any environmental requirements applicable to the proposed use of the Property pursuant to the City's Zoning Ordinance. The Agreement to exchange of the Property and the intended use of the real property is similar in nature to the previous uses of the Property. The use is permitted and is consistent with the General Plan land use designation. The proposed project is not expected to produce any significant impacts to the environment; and

WHEREAS, the disposition of this Property within the Central Business District Redevelopment Project Area is being considered pursuant to the terms of the Agreement, is in the vital and best interest of the City; and the health, safety, morals and welfare of its residents. Furthermore, this project is in accordance with the public purposes and provisions of the Redevelopment Plan and applicable State and local laws and requirements; and

WHEREAS, pursuant to Section 33433 of the California Health and Safety Code, the Agency is authorized, with the approval of the City Council after a duly noticed public hearing, to exchange property for development pursuant to the redevelopment plan upon a determination by the City Council that the disposition of the property will assist in the elimination of blight and is consistent with the implementation plan adopted for the Redevelopment Project pursuant to CRL Section 33490 and that the consideration for such disposition is not less than either the fair market value or fair reuse value of the property in accordance with the covenants and conditions governing the disposition and the development costs required thereof; and

WHEREAS, the proposed Agreement, and a summary report meeting the requirements of Section 33433, were available for public inspection consistent with the requirements of Section 33433; and

WHEREAS, on February 22, 2011, the Agency and City Council held a duly noticed joint public hearing on the proposed agreement in accordance with the requirements of CRL Section 33433, at which time the Agency reviewed and evaluated all of the information, testimony, and evidence presented during the joint public hearing; and

WHEREAS, all actions required by all applicable law with respect to the proposed Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the Agency has reviewed the summary report required pursuant to Section 33433 and evaluated other information provided to it pertaining to the findings required pursuant to Section 33433; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Agreement and believes that the disposition of the Site pursuant thereto is in the best interests of the City of Lancaster, the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE LANCASTER REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, DETERMINE AND FIND AS FOLLOWS:

Section 1. The Lancaster Redevelopment Agency hereby finds and determines that based upon substantial evidence provided in the record before it, (i) the exchange of the Property with SE Acquisitions pursuant to the Agreement is in accordance with the covenants and conditions governing the disposition of the Property, and complies with the purposes of the Redevelopment Plan for the use and maintenance of the Property, which is in the best interest of the community, and (ii) the consideration for the disposition of the Property pursuant to the terms and conditions of the Agreement is not less than either the fair market value or the fair reuse value in accordance with the covenants, conditions and restrictions imposed under the Agreement and the costs required under the Agreement. The Agency Board further finds and determines that the disposition of the Property pursuant to the Agreement (i) will assist in the elimination of blight

by requiring redevelopment of the Property in accordance with the Agreement, and (ii) is consistent with the implementation plan for the Redevelopment Project adopted by the Agency pursuant to Health and Safety Code Section 33490.

Section 2. The disposition of the Property by the Agency to SE Acquisitions pursuant to the Agreement and any changes mutually agreed upon by SE Acquisitions and the Redevelopment Director are minor and in substantial conformance with the Agreement submitted herewith, which establishes title and conditions for the exchange of the property, are hereby approved by the Agency Board.

Section 3. The Lancaster Redevelopment Agency concurs in authorizing the Executive Director of the Agency or his designee to execute the Agreement and to take all steps, and to sign all documents (including the Grant Deeds) necessary to implement and carry out the Agreement on behalf of the Agency.

Section 4. The Lancaster Redevelopment Agency hereby finds and determines that the environmental status of the project remains consistent with the environmental impact report (EIR) prepared for Central Business Redevelopment Project Area, and the Agreement does not add new environmental impacts and neither a supplemental nor a subsequent EIR is required.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
Agency Secretary
Lancaster Redevelopment Agency

R. REX PARRIS
Chairman
Lancaster Redevelopment Agency

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
LANCASTER REDEVELOPMENT AGENCY

I, _____, _____
Lancaster Redevelopment Agency, California, do hereby certify that this is a true and correct
copy of the original Resolution No. 04-11, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE LANCASTER REDEVELOPMENT
AGENCY, on this _____ day of _____, _____.

(seal)

RESOLUTION NO. 11-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER APPROVING THE REAL PROPERTY EXCHANGE AGREEMENT BY AND BETWEEN THE LANCASTER REDEVELOPMENT AGENCY AND SE ACQUISITIONS OF LANCASTER, CA, INC.

WHEREAS, the Redevelopment Plan for the Central Business District (the "Redevelopment Plan") was approved and adopted by the City Council of the City of Lancaster on June 1, 1981, by Ordinance No. 226, as amended, in compliance with all requirements of the law. This summary is being prepared pursuant to Section 33433 of the California Health and Safety Code.

WHEREAS, the Agency is authorized and empowered under the Community Redevelopment Law, to enter into agreements for the acquisition, disposition and development of real property and otherwise to assist in the redevelopment of real property within a redevelopment project area in conformity with a redevelopment plan adopted for such area, to acquire real and personal property in redevelopment project areas, to receive consideration for the provision by the Agency of redevelopment assistance, to make and execute contracts and other instruments necessary or convenient to the exercise of its powers, and to incur indebtedness to finance or refinance redevelopment projects; and

WHEREAS, the Lancaster Redevelopment Agency (the "Agency") owns the property located on Cedar Avenue, 200 feet south of Lancaster Blvd in the City of Lancaster, Los Angeles County, State of California, shown in Exhibit "A" (the "Property"), and is engaged in activities necessary to execute and implement the Redevelopment Plan; and

WHEREAS, SE Acquisitions of Lancaster, Ca., Inc., doing business as Halley- Olsen-Murphy Funeral Home, desires to enter into an Agreement for Exchange of Real Property in order to implement the provisions of the Redevelopment Plan by providing for the exchange of property generally located at 44802 Date Avenue, shown in Exhibit "A", and which development of the Property is consistent with previous uses of the Property as well as existing uses of other real property in the surrounding neighborhood; and

WHEREAS, SE Acquisitions possesses the resources necessary for the exchange of the Property, and is further qualified and capable to develop a new business location on the Agency parcels in accordance with the purposes and objectives of the Redevelopment Plan, and in conformance to the commercial zone of the adopted Lancaster Zoning Ordinance; and

WHEREAS, the Agreement does not create any new or additional environmental impacts than were considered in the Environmental Impact Report for the Central Business District Redevelopment Project Area or any environmental requirements applicable to the proposed use of the Property pursuant to the City's Zoning Ordinance. The Agreement to exchange of the Property and the intended use of the real property is similar in nature to the previous uses of the Property. The use is permitted and is consistent with the General Plan land use designation. The proposed project is not expected to produce any significant impacts to the environment; and

WHEREAS, the disposition of this Property within the Central Business District Redevelopment Project Area is being considered pursuant to the terms of the Agreement, is in the vital and best interest of the City; and the health, safety, morals and welfare of its residents. Furthermore, this project is in accordance with the public purposes and provisions of the Redevelopment Plan and applicable State and local laws and requirements; and

WHEREAS, pursuant to Section 33433 of the California Health and Safety Code, the Agency is authorized, with the approval of the City Council after a duly noticed public hearing, to exchange property for development pursuant to the redevelopment plan upon a determination by the City Council that the disposition of the property will assist in the elimination of blight and is consistent with the implementation plan adopted for the Redevelopment Project pursuant to CRL Section 33490 and that the consideration for such disposition is not less than either the fair market value or fair reuse value of the property in accordance with the covenants and conditions governing the disposition and the development costs required thereof; and

WHEREAS, the proposed Agreement, and a summary report meeting the requirements of Section 33433, were available for public inspection consistent with the requirements of Section 33433; and

WHEREAS, on February 22, 2011, the Agency and City Council held a duly noticed joint public hearing on the proposed agreement in accordance with the requirements of CRL Section 33433, at which time the Agency reviewed and evaluated all of the information, testimony, and evidence presented during the joint public hearing; and

WHEREAS, all actions required by all applicable law with respect to the proposed Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the Council has reviewed the summary report required pursuant to Section 33433 and evaluated other information provided to it pertaining to the findings required pursuant to Section 33433; and

WHEREAS, the Council has duly considered all terms and conditions of the proposed Agreement and believes that the disposition of the Site pursuant thereto is in the best interests of the City of Lancaster, the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER DOES HEREBY RESOLVE, DETERMINE AND FIND AS FOLLOWS:

Section 1. The City Council of the City of Lancaster hereby finds and determines that based upon substantial evidence provided in the record before it, (i) the exchange of the Property with SE Acquisitions pursuant to the Agreement is in accordance with the covenants and conditions governing the disposition of the Property, and complies with the purposes of the Redevelopment Plan for the use and maintenance of the Property, which is in the best interest of the community, and (ii) the consideration for the disposition of the Property pursuant to the terms and conditions of the Agreement is not less than either the fair market value or the fair reuse value in accordance with the covenants, conditions and restrictions imposed under the Agreement and the costs required under the Agreement. The Council further finds and determines that the disposition of the Property pursuant to the Agreement (i) will assist in the elimination of blight by requiring redevelopment of the Property in accordance with the

Agreement, and (ii) is consistent with the implementation plan for the Redevelopment Project adopted by the Agency pursuant to Health and Safety Code Section 33490.

Section 2. The disposition of the Property by the Agency to SE Acquisitions pursuant to the Agreement and any changes mutually agreed upon by SE Acquisitions and the Redevelopment Director are minor and in substantial conformance with the Agreement submitted herewith, which establishes title and conditions for the exchange of the property, are hereby approved by the Agency Board.

Section 3. The Council concurs in authorizing the Executive Director of the Agency or his designee to execute the Agreement and to take all steps, and to sign all documents (including the Grant Deeds) necessary to implement and carry out the Agreement on behalf of the Agency.

Section 4. The Council hereby finds and determines that the environmental status of the project remains consistent with the environmental impact report (EIR) prepared for Central Business Redevelopment Project Area, and the Agreement does not add new environmental impacts and neither a supplemental nor a subsequent EIR is required.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2011, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

GERI K. BRYAN, CMC
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF LANCASTER)

CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. 11-10, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)

EXHIBIT A

SE ACQUISITIONS PROPERTY EXCHANGE

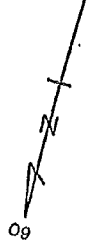
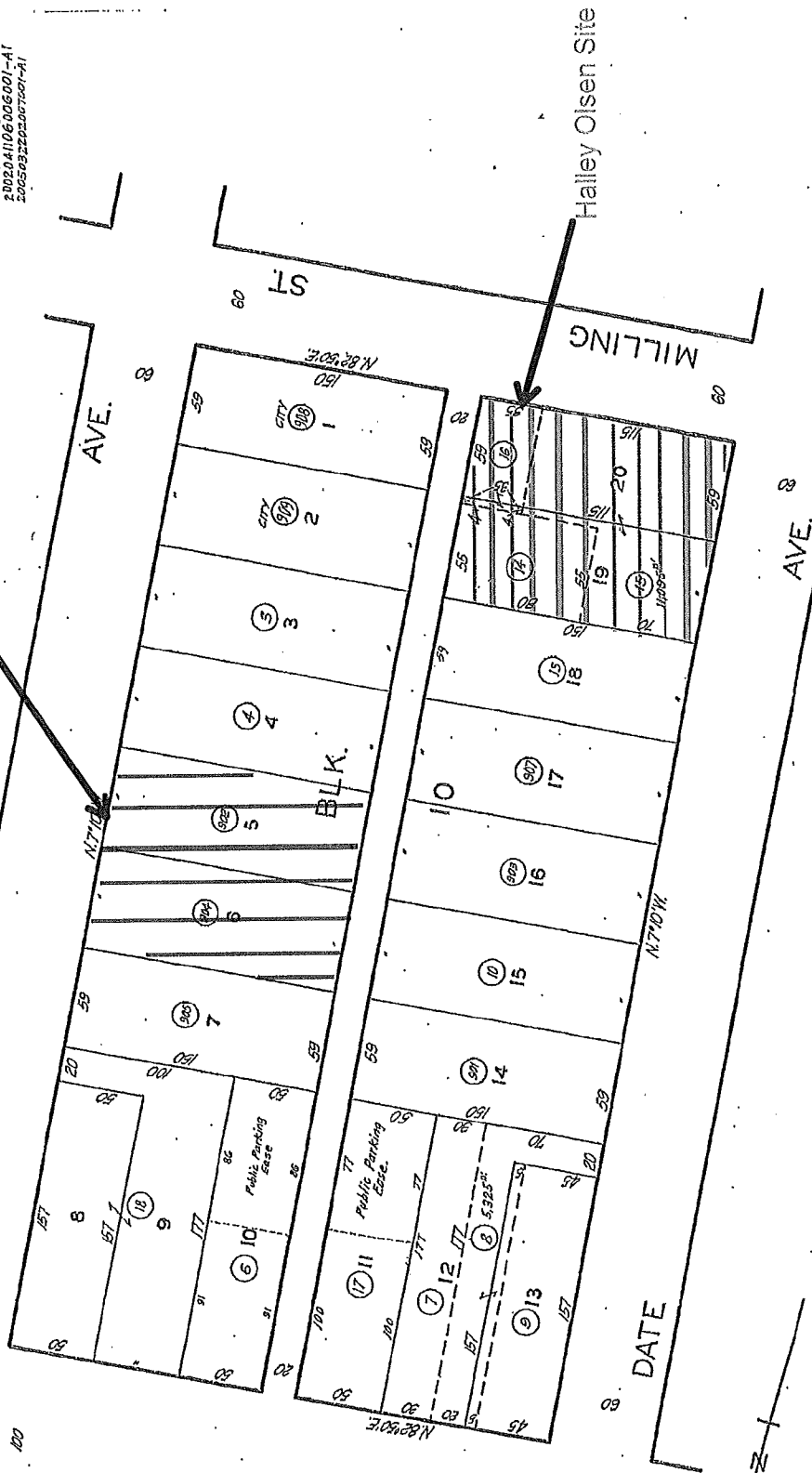
3134	15
SCALE 1" =	60'

2005

All 900 series parcels on this page are assessed to Lancaster Redevelopment Agency, unless otherwise noted.

Agency Parcels

- REVISED 5-6-55
- 780301
- 12/22/08
- 880716-8
- 891018-8
- 899394059-A
- 850919-E
- 850517-B6
- 8605088 01-B2
- 8712140291001-A1
- 840613140007001-A1
- 860909
- 85817208
- 87020410606001-A1
- 8059222222222222-A1



CODE 4852

LANCASTER

M.R. 5-470-471

NO. 15 FOR PREV. ASSMT. SEE 73-250

ASSESSOR'S MAP COUNTY OF LOS ANGELES, CALIF.

INFORMATION SUMMARY (33433 REPORT)
FOR
EXCHANGE OF REAL
PROPERTY WITH
SE ACQUISITIONS OF LANCASTER, CA, INC

This summary is being provided pursuant to Section 33433 of the California Community Redevelopment Law (part I of Division 24 of the Health and Safety Code).

I. Cost of Project to the Agency:

The total cost to the Agency for the Exchange of Real Property with SE Acquisitions of Lancaster, Ca, Inc. is based upon the following data:

A. Acquisition Cost: The parties have agreed that the properties to be exchanged are of like value. The Agency parcels are two parcels totaling 17,700 sq. ft. acquired by the Agency and redeveloped into public parking lots located on Cedar Avenue approximately 200 feet south of Lancaster Blvd. The SE Acquisitions property is the existing Halley Olsen property located on the northeast corner of Date Avenue and Milling Street on three parcels totaling 17,700 sq. ft including three structures totaling approximately 8752 sq. ft.

B. Escrow Cost: \$2,800.00

II. Estimated value of interest to be conveyed by the Agency to SE Acquisitions:

The estimated value of the interest to be conveyed by the Agency is \$303,525. This is the value of the two Agency parcels currently improved as public parking lots. The value is based upon current land value plus the costs of parking improvements.

III. Estimated value of the interest to be conveyed by SE Acquisitions to the Agency:

The estimated value of the existing Halley Olsen property to be conveyed by SE Acquisitions is \$303,525. This value is based upon the current land value, equal to the Agency parcels, and the depreciated value of the three existing structures, with allowance for the potential cost of demolition.

- IV. Explanation (if appropriate) as to the reason why the sales price by the Agency may be less than the value of the property as determined as its highest and best use:

Not applicable. This is an exchange of property of like value.

- V. Explanation as to the reason why the sale of the property will assist in the elimination of blight:

In connection with the adoption of the Redevelopment Plan for the Central Business District Redevelopment Project Area in 1981, based on the evidence presented at the Public Hearing, the City Council found that:

- A. The Project Area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in the Community Redevelopment Law of the State of California and specifically that the Project Area is characterized by properties which suffer from economic dislocation, deterioration or disuse because of one of the following factors:

1. economic dislocation, deterioration, or disuse resulting from faulty planning;
2. the subdividing and sale of lots of irregular form and shape and inadequate size for proper usefulness and development;
3. the laying out of lots in disregard of the contours and other topography or physical characteristics of the ground and surrounding conditions;
4. the existence of inadequate public improvements, public facilities, open spaces and utilities which cannot be remedied by private or governmental action without redevelopment;
5. the prevalence of depreciated values, impaired investments and social and economic maladjustments;
6. the existence of lots or other areas which are subject to being submerged by water

which conditions cause a reduction of or lack of. property utilization of the area to such an extent that it constitutes a serious physical, social or economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise action alone.

- B. The City Council also declared that the purpose and intent of the City Council in adopting the Redevelopment Plan were:
1. The elimination and prevention of the spread of blight and deterioration and the conservation, rehabilitation and redevelopment of the Project Area in accord with the General Plan, design guidelines, specific plans, the Plan, the Plan Amendment and local codes and ordinances.
 2. The promotion of new and continuing private sector investment within the Project Area to prevent the loss of, and to facilitate the recapture of commercial sales activity.
 3. The achievement of an environment reflecting a high level of concern for architectural, landscape, urban design, and land use principles appropriate attainment of the objectives of the Plan and the Plan Amendment.
 4. The retention and expansion of as many existing businesses in the Project Area as possible by means of redevelopment and rehabilitation activities and by encouraging and assisting the cooperation and participation of owners, businesses and public agencies in the revitalization of the Project Area.
 5. The creations and development of local job opportunities and the preservation of the area's existing employment base.
 6. The re-planning, redesign and development of underdeveloped areas which are stagnant or improperly utilized.
 7. The elimination or amelioration of certain public improvements, facilities and environmental deficiencies, including substandard vehicular circulation systems; inadequate water, sewer, flood control and storm drainage systems; insufficient off-street parking; and other similar public improvements, facilities, utilities and deficiencies adversely affecting the Project Area.
 8. The improvement and expansion of the community's supply of housing (inside or outside the Project Area), including opportunities for very low, low and moderate income households.
 9. The development of commercial and industrial uses which generate increased sales, business license, and other fees, taxes and revenues to the City of Lancaster.
 10. The reduction of the City's annual costs of the provision of local services to and within the Project Area resulting from blighting conditions.

- C. The Report to City Council in connection with the adoption of the Redevelopment Plan sets forth the reasons for selection of the Project Area as follows:

The boundaries of the area selected by the Lancaster Planning Commission as the proposed Lancaster Central Business District indicated on the Project Area Map (Exhibit "A"). The Project Area consists of approximately 438 acres divided among (4) non-contiguous areas. The basic goals for the Project Area are as follows:

1. To control unplanned growth by guiding new development to meet the needs of the community as reflected in this Redevelopment Plan and the annual Work Program.
2. To retain by means of rehabilitation as many existing residences and businesses as possible.
3. To improve certain environmental deficiencies, including among others, substandard alleys and public recreational facilities.
4. To encourage the cooperation and participation of residents, business persons, public agencies and community organizations in the revitalization of the area.
5. To eliminate and prevent the spread of blight and deterioration and to conserve, rehabilitate, and redevelop the Project Area in accordance with the Redevelopment Plan and the annual Work Programs.
6. To achieve an environment reflecting a high level of concern for architectural, landscape, and urban design principles appropriate to the objectives of the Redevelopment Plan.
7. To encourage the preservation of historical monuments, landmarks and buildings.
8. To encourage the preservation and the enhancement of the varied and distinctive character of the community and to promote the development of the community as a cultural center.
9. To make provisions for housing as it is required to satisfy the needs and desires of the various age, income and ethnic groups of the community, maximizing the opportunity for individual choice.
10. To alleviate overcrowded, substandard housing conditions and to promote the development of a sufficient number of affordable housing units for low and moderate income households.
11. To promote the economic well being of the Redevelopment project by encouraging the diversification of its commercial base and of employment opportunities.

12. To encourage the development of an industrial environment which positively relates to adjacent land uses and to upgrade and stabilize existing industrial uses.
13. To provide opportunities for industrial firms to locate their operations in an attractive, safe and economically sound environment in accordance with the Redevelopment Plan and Annual Work Programs.
14. To provide a basis for the location and programming of public service facilities and utilities, including but not limited to, libraries, senior citizen centers, youth centers, cultural centers, parks and recreation facilities, and to coordinate the phasing of public facilities with private development
15. To expand open spaces for recreational uses, and to promote the preservation of views, natural character and topography of the community for the enjoyment of both local residents and persons throughout the Los Angeles region.
16. To make provision for a pedestrian and vehicular circulation system coordinated with land uses and densities and adequate to accommodate traffic; and to encourage the expansion and improvement of public transportation services.
17. To improve the visual environment of the community, and in particular to strengthen and enhance its image and identity.
18. To develop safeguards against noise and pollution; to enhance the residential/commercial community.
19. To promote the development of local job opportunities.
20. To coordinate the revitalization efforts in the Redevelopment Project Areas with other public programs in the City of Lancaster.
21. To establish as the first priority for redevelopment, the combination of actions (e.g., renovation, new development, public improvements, parcel aggregation, property acquisition, etc). which achieve the highest economic, social and environmental benefits and long-term reversal of the Project Area's blighted conditions.
22. To improve the visual character of Lancaster Boulevard by the renovation of existing commercial structures in accordance with a consistent architectural character and implementation of streetscape improvements.
23. To enhance pedestrian activity among commercial establishments along Lancaster Boulevard.
24. To provide opportunities for the development of new parking facilities to serve commercial uses along Lancaster Boulevard.

25. To encourage the development of vacant parcels and redevelopment of blighted parcels with the Lancaster Boulevard corridor for office-professional, specialty, commercial, restaurant, and entertainment uses.
 26. To encourage the visual improvement and consolidation of automobile sales and service and related commercial uses along Sierra Highway.
 27. To provide for the undergrounding of utilities and streetscape improvements along Sierra Highway.
 28. To improve accessibility of commercial uses through traffic control procedures along Sierra Highway.
 29. To encourage the intensification of residential development in the Project Area.
 30. To provide the opportunity for the development of a civic center, community, and other cultural facilities in the Project Area.
 31. To encourage the aggregation of parcels in the Herald Tract into one or more units which are economically viable for light industrial and/or commercial development.
 32. To provide drainage improvements in the Project Area, reducing the periodic threat of flooding.
 33. To encourage the use of alternate routes for east-west through-traffic whose destination is not the commercial uses of Lancaster Boulevard.
 34. To promote an urban environment safe from the perceived and actual threat of crime.
- D. The purposes of the California Community Redevelopment Law would be attained by the proposed Central Business District Redevelopment Project through the removal or rehabilitation of physically obsolete or substandard structures and other blighting influences; the rehabilitation, with owner participation, of existing commercial and industrial buildings; the installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, gutters, sidewalks and other associated public improvements as permitted by the Lancaster General Plan and Zoning Ordinance; the construction and/or reconstruction of various flood control and drainage facilities; the replacement, installation and improvement of domestic sewage distribution facilities to reduce public health and safety hazards; the assemblage of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation; the improvement and provision of adequate recreation facilities; the provision of other public facilities including educational facilities; and the development and redevelopment of the Project Area in a manner consistent with the policies and goals of the Lancaster General Plan. The Redevelopment Plan of the Project would implement the California Redevelopment Law. The basis for

implementing the Redevelopment law can be stated as follows:

1. The Agency is assisting the City with the acquisition of the residential structures to allow the option of creating additional parking opportunities, in order to implement the Redevelopment Plan for the Central Business District Project Area and to carry out the declared purposes of the City Council in the adoption of the Redevelopment Plan.
2. Disposition of these parcels will potentially allow for the expansion of a business owned by SE Acquisitions. SE Acquisitions has asked the Agency to enter into this exchange of property with properties of like. The Agency will work with SE Acquisitions to help develop the new site and return it to the tax roles.
3. The Agency originally acquired the properties that are the subject of the exchange, to eliminate a severe blighting influence in downtown Lancaster. The lots were formerly the location of blighted residential structures. The Agency acquired these properties to eliminate blight by removing the neglected structures and creating space for the revitalization of parking and commerce in the Downtown Specific Plan area.
4. The Agency paid fair market value to acquire the Agency parcels in order to prevent further deterioration of the business district. This cost was justified in order to stop the spiraling decline of this section of the City. The Agency now has an opportunity to improve an existing business and to return previously publicly owned property to the tax roles. Additionally, there is an opportunity to assist a long time Lancaster business to expand.