

**INFORMATION SUMMARY (33433 REPORT)
FOR THE
SALE OF REAL PROPERTY
WITH PROPOSED HOMEBUYERS**

This summary is provided pursuant to Section 33433 of the California Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code).

1. Cost of Project to the Agency:

The Sale of Real Property California Residential Purchase Agreement and Joint Escrow Instructions between the Lancaster Redevelopment Agency and proposed homebuyers require the Agency to transfer property to the homebuyer to complete acquisitions of the properties. The cost of the properties to the Agency is determined based on the following information:

- a. Acquisition cost of the homes in the South Downtown neighborhood revitalization area range from \$42,000 to \$60,000. The project homes are vacant, bank-foreclosure properties acquired for the purpose of creating affordable homeownership and revitalizing the neighborhood.
- b. There are no clearance costs for this project.
- c. There are no relocation costs for this project.
- d. Improvement costs to the project homes include substantial rehabilitation including drought tolerant landscaping to meet the new California landscape standards, increased hardscape, energy efficient dual paned windows, and energy efficient appliances to assist and reduce the long-term costs for the new homeowners. Property rehabilitation costs range from \$48,167 to \$65,668.
- e. There are no finance costs for this project.

2. Estimated value of interest to be conveyed by the Agency to proposed homebuyers determined at highest and best use permitted by the Redevelopment Plan:

The estimated value of the interest to be conveyed at its "highest and best use" is based on the appraised value of each home upon entering into a purchase agreement. The appraised values of the homes will range from \$100,000 - \$130,000. The value is based on an independent appraisal of the property valued at the time of sale.

3. The estimated value of interest to be conveyed at the use and with the conditions, Covenants and Restrictions (CC&R's) required by the transfer of the property:

Section 33433 of the California Health and Safety Code requires the Agency to identify the value of the interests being conveyed at the highest use allowed by the properties' zoning and the requirements imposed by the redevelopment plan. The valuation must be based on the assumption that near-term development is required, but the valuation does not take into consideration any extraordinary use and/or quality restrictions being imposed on the development by the Agency.

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The Agency's properties are and will remain fully restricted for a 45-year affordability period. Pursuant to California Redevelopment Law, the Agency must utilize a portion of the redevelopment funding for low- and moderate-income housing. Restrictions on the residential properties in the program greatly reduce the resale viability of the units through affordability covenants, and mandatory equity sharing with the Agency at the time of sale, if it is sold prior to expiration of the agreement. The value to be conveyed is the fair market value of the Agency parcels based on the appraised value of such parcels at their "highest and best use," with restrictions on the property ownership and use. The estimated value of the interest to be conveyed may range from \$100,000 to 130,000, based on an independent appraisal of the property valued at the time of sale.

The Agency is authorized under the Community Redevelopment Law, Sections 33334.2 and 33334.6, *et seq.* to sell or lease property for less than its fair market or fair reuse value if the disposition of the properties meets the affordable housing requirements, as the properties in the South Downtown Neighborhood Revitalization area does. Analysis of the "estimated value of interest" must take into account the fair market value of the property and the Agency's obligation to assist with a growing need within the community for affordable housing.

4. The acquisition price which the homebuyer will be required to pay during the terms of The Sale of Real Property California Residential Purchase Agreement and Joint Escrow Instructions:

The homebuyer will receive title to the property subject to the terms and conditions as outlined within the Sale of Real Property California Residential Purchase Agreement and Joint Escrow Instructions. The disposition price of these properties, with a declaration of affordable housing and Conditions, Covenants and Restrictions (CC&R's) limiting the future sale of these properties, may range from \$100,000 to \$130,000.

5. 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 Redevelopment Project Area 5 in 1984, 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 laying out of lots in disregard of the contours and other topography or physical characteristics of the ground and surrounding conditions;

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- (3) the existence of inadequate public improvements, public facilities, open spaces, and utilities which cannot be remedied by private or governmental action without redevelopment;
- (4) the prevalence of depreciated values, impaired investments and social and economic maladjustments;
- (5) 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 Redevelopment Plan will redevelop the Project Area in conformity with the Community Redevelopment Law of the State of California in the interests of the public peace, health, safety, and welfare;
- (c) The adoption and carrying out of the Redevelopment Plan is economically sound and feasible;
- (d) The Redevelopment Plan conforms to the General Plan of the City of Lancaster;
- (e) The carrying out of the Redevelopment Plan will promote the public peace, health, safety and welfare of the City of Lancaster and will effectuate the purposes and policies of the Community Redevelopment Law of the State of California;
- (f) The Agency has a feasible method or plan for the relocation of families and persons to be temporarily or permanently displaced from housing facilities in the Project Area;
- (g) There are provided in the Project Area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons displaced from the Project Area, if any, decent, safe and sanitary dwellings equal in number to the number of and available to such displaced families and persons and reasonably accessible to their places of employment;
- (h) Inclusion within the Project Area of any lands, buildings or improvements which are not detrimental to the public health, safety or welfare is necessary for the effective redevelopment of the area of which they are a part; and any such area included is necessary for effective redevelopment of the Project Area and is not included for the purpose of obtaining the allocation of tax increment revenues from such area pursuant to Section 33670 of the community Redevelopment law without other substantial justification for its inclusion;

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- (i) The elimination of blight and redevelopment of the Project Area cannot reasonably be expected to be accomplished by private enterprise acting along without the aid and assistance of the Agency; and
- (j) The provision of low-and moderate-income housing outside the Project Area will be of benefit to the Project.

The City Council also declared that the purpose and intent of the City Council in adopting the Redevelopment Plan were:

- “(a) To eliminate the conditions of blight existing in the Project Area.
- “(b) To prevent recurrence of blighting conditions within the Project Area.
- “(c) To provide the participation by owners and tenants and reentry preferences to persons engaged in business with the Project Area to participate in the redevelopment of the Project Area; to encourage and ensure the development of the Project Area in the manner set forth in the proposed Redevelopment Plan; and to provide for the relocation of any residents, if any, displaced by the effectuation of the proposed Redevelopment Plan.
- “(d) To improve and construct or provide for the construction of public facilities, roads, and other public improvements and to improve the quality of the environment in the Project Area to the benefit of the Project Area and the general public as a whole.
- “(e) To encourage and foster the economic revitalization of the Project Area by protecting and promoting the sound development and redevelopment of the Project Area and by replanning, redesigning, or developing portions of the Project Area which are stagnant or improperly utilized because of the lack of adequate utilities and because of other causes.
- “(f) To provide housing as required to satisfy the needs and desires of the various age, income and ethnic groups of the community.

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 Project Area No. 5 are indicated on the Project Area Map (Exhibit “A”).” The Project Area consists of approximately 4,500 acres divided among (7) subareas.

“The basic goals for the Project Area are as follows:

“A. The desire to revitalize and upgrade the commercial and industrial areas within the Project order to increase sales and business tax revenues, provide adequate roadways, provide adequate parking, reduce the cost of providing City services, create jobs for area residents, assure

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social and economic stability, and promote aesthetic and environmental actions and improvements that will make the City of Lancaster a better place to live, work, shop and enjoy leisure time.

“B. the purposes of the California Community Redevelopment Law would be achieved by the Project Area 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.

In connection with the adoption of the Redevelopment Plan for the Redevelopment Project Area Central Business District 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;

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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;

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 creation and development of local job opportunities and the preservation of the area’s existing employment base.
- “(6) The replanning, 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.

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“(10)The reduction of the City’s annual costs of the provision of local services to and within the Project Area resulting from blighting condition.”

The purposes of the California Community Redevelopment Law would be attained by the proposed Redevelopment Project Area 5 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:

The Neighborhood Foreclosure Home Preservation Program preserves housing and removes blight in the city’s mature neighborhoods through substantial rehabilitation. It also provides affordable homeownership opportunities for those who qualify. Without encouraging homeownership, the value attributed to the land as a resource would otherwise continue to experience conditions of physical deterioration and blight due to poor use of the property, squatting and illegal dumping.

Additionally, the transfer of these properties will also help to eliminate blight by promoting rehabilitation of not only the Agency’s project homes, but those around them. Sale of the rehabilitated homes is the second phase of a multi-pronged approach to revitalizing this neighborhood.

RESOLUTION NO. 11-20

A RESOLUTION OF THE CITY OF LANCASTER FOR
CONSIDERATION OF A DISPOSITION STRATEGY
FOR PROPERTIES ACQUIRED BY THE LANCASTER
REDEVELOPMENT AGENCY UNDER THE UNDER
THE NEIGHBORHOOD FORECLOSURE HOME-
OWNERSHIP PRESERVATION PROGRAM IN THE
SOUTH DOWNTOWN NEIGHBORHOOD

WHEREAS, the Redevelopment Plans for Redevelopment Project Area 5 (the "Redevelopment Plan") approved and adopted by the City Council of the City of Lancaster on November 25, 1984 by Ordinance No. 360, as amended, in compliance with all requirements of the law. This summary is being prepared pursuant to Section 33433 of the California Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code, commencing with Section 33000).

WHEREAS, the Lancaster Redevelopment Agency (the "Agency") Agency is authorized and empowered under the Community Redevelopment Law, to enter into agreements for the acquisition, disposition 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 Agency owns residential property in the City of Lancaster, Los Angeles County, State of California, further described shown in Exhibit "A" (the "Property"), and is engaged in activities necessary to execute and implement the Redevelopment Plan; and

WHEREAS, the Agency desires to enter into a California Residential Purchase Agreement and Joint Escrow Instructions (the "Agreement") in order to implement the provisions of the Redevelopment Plan by providing for the sale of property generally, located in the City of Lancaster Redevelopment Project Area 5, further described in Exhibit "A" (the "Property"), 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, the Agreement does not create any new or additional environmental impacts than were considered in the Redevelopment Plans, or any environmental requirements applicable to the proposed use of the Property pursuant to the City's Zoning Ordinance. The Agreement to dispose 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 Redevelopment Plan 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 Redevelopment Plan and applicable state and local laws and requirements; and

WHEREAS, pursuant to Section 33433 of the Community Redevelopment Law, California Health and Safety Code Sections 33000, et seq. (the "CRL"), the Agency is authorized, with the approval of the City Council after a duly noticed public hearing, to sell or lease 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 fair 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 CRL Section 33433, were available for public inspection consistent with the requirements of CRL Section 33433; and

WHEREAS, on April 26, 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 City 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 City has reviewed the summary report required pursuant to CRL Section 33431 and 33433 and evaluated other information provided to it pertaining to the findings required pursuant to CRL Section 33433; and

WHEREAS, the City 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 application state and local laws and requirements.

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

Section 1. The City Council hereby finds and determines that based upon substantial evidence provided in the record before it, (i) the disposition of the Property pursuant to the Agreement is in accordance with the covenants and conditions governing the transfer 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 City 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 as residential workforce housing, including affordable housing and (ii) is consistent with the implementation plan for the Redevelopment Project adopted by the City pursuant to Health and Safety Code Section 33490.

Section 2. The disposition of the Property by the Agency to potential homebuyers pursuant to the Agreements and any changes mutually agreed upon by the homebuyers and the Housing and Neighborhood Revitalization Director, substantial conformance with the Agreements, which establishes terms and conditions for the transfer of the property, are hereby approved by the City Council.

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

Section 4. The City Council hereby finds and determines that the environmental status of the project remains consistent with the environmental impact reports (EIR) prepared for Project Area 5 and the Agreement does not add new environmental impacts and neither a supplemental nor a subsequent EIR is required.

EXHIBIT "A"

PROPERTIES LIST

| Property Address | Neighborhood | APN |
|-------------------------|---------------------|--------------|
| 44623 Elm Avenue | South Downtown | 3133-020-009 |
| 44638 Elm Avenue | South Downtown | 3134-024-900 |

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 OF LANCASTER

I, _____, _____ City of
Lancaster, California, do hereby certify that this is a true and correct copy of the original
Resolution No. 11-20, 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 _____, 2011.

(seal)

RESOLUTION NO. 08-11

A RESOLUTION OF THE LANCASTER REDEVELOPMENT AGENCY FOR CONSIDERATION OF A DISPOSITION STRATEGY FOR PROPERTIES ACQUIRED BY THE LANCASTER REDEVELOPMENT AGENCY UNDER THE NEIGHBORHOOD FORECLOSURE HOMEOWNERSHIP PRESERVATION PROGRAM IN THE SOUTH DOWNTOWN NEIGHBORHOOD

WHEREAS, the Redevelopment Plan for Redevelopment Project Area No. 5 (the "Redevelopment Plan") approved and adopted by the City Council of the City of Lancaster on November 25, 1984 by Ordinance No. 360, as amended, in compliance with all requirements of the law. This summary is being prepared pursuant to Section 33433 of the California Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code, commencing with Section 33000).

WHEREAS, the Lancaster Redevelopment Agency (the "Agency") is authorized and empowered under the Community Redevelopment Law, to enter into agreements for the acquisition, disposition 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 Agency owns residential property in the City of Lancaster, Los Angeles County, State of California, further described in Exhibit "A" (the "Property") and is engaged in activities necessary to execute and implement the Redevelopment Plan; and

WHEREAS, the Agency desires to enter into a California Residential Purchase Agreement and Joint Escrow Instructions (the "Agreement") in order to implement the provisions of the Redevelopment Plans by providing for the sale of property generally, located in the City of Lancaster Redevelopment Project Area No. 5, further described in Exhibit "A" (the "Property"), 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, the Agreement does not create any new or additional environmental impacts than were considered in the Environmental Impact Reports for Redevelopment Plans, or any environmental requirements applicable to the proposed use of the Property pursuant to the City's Zoning Ordinance. The Agreement to dispose 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 Redevelopment Plan 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 Redevelopment Plan and applicable state and local laws and requirements; and

WHEREAS, pursuant to Section 33433 of the Community Redevelopment Law, California Health and Safety Code Sections 33000, et seq. (the "CRL"), the Agency is authorized, with the approval of the City Council after a duly noticed public hearing, to sell or lease 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 fair 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 CRL Section 33433, were available for public inspection consistent with the requirements of CRL Section 33433; and

WHEREAS, on April 26, 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 33431 and 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 CRL Section 33433 and evaluated other information provided to it pertaining to the findings required pursuant to CRL 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 application 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 disposition of the Property pursuant to the Agreement is in accordance with the covenants and conditions governing the transfer 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 Lancaster Redevelopment Agency further finds and determines that the disposition of the Property pursuant to the Agreement (i) will assist in the elimination of blight by requiring maintenance of the Property in accordance with the Agreement as residential workforce housing 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 proposed homebuyers pursuant to the Agreement and any changes mutually agreed upon by the homebuyers and the Housing and Neighborhood Revitalization Director, in substantial conformance with the Agreement submitted herewith, which establishes terms and conditions for the transfer of the property, are hereby approved by the Lancaster Redevelopment Agency.

Section 3. The Lancaster Redevelopment Agency concurs in authorizing the Executive Director or a designee thereof to execute the Agreement and to take all steps, and to sign all documents (including the Grant Deed) 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 reports (EIR) prepared for Redevelopment Project Area 5 and the Agreement does not add new environmental impacts and neither a supplemental nor a subsequent EIR is required.

EXHIBIT "A"

THE PROPERTY

| Property Address | Neighborhood | APN |
|-------------------------|---------------------|--------------|
| 44623 Elm Avenue | South Downtown | 3133-020-009 |
| 44638 Elm Avenue | South Downtown | 3134-024-900 |

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. 08-11, 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 _____, 2011.

(seal)