

**STAFF REPORT**  
**City of Lancaster, California**

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Date: April 10, 2007

To: Mayor Hearn and City Council Members

From: Elizabeth Brubaker, Housing & Neighborhood Revitalization Director

Subject: **Approve Agreement for Acquisition of Real Property between the City of Lancaster and Sheila Cosby for property located at 1347 West Avenue J-3**

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**Recommendation:**

Approve Agreement for Acquisition of Real Property between the City of Lancaster and Sheila Cosby for property located at 1347 West Avenue J-3.

**Financial Impact:**

The purchase price of \$962,500.00 plus closing costs and residential tenant relocation costs will come from the Lancaster Redevelopment Agency's Low and Moderate Income Housing Fund for the Lowtree Neighborhood Project.

**Background:**

On September 27, 2005, the City Council directed staff to undertake actions necessary to implement and complete the Lowtree Neighborhood Project (LNP). The LNP is generally bounded by West Avenue J, 15<sup>th</sup> Street West, West Avenue J-8 and west of 12<sup>th</sup> Street West.

A significant component of the removal of blight and revitalization of the Lowtree Neighborhood Project is the construction of affordable housing for families of various ages and incomes in the community. Redeveloping this area with owner-occupied housing will improve the aesthetic appearance of the area and create a land use pattern compatible with the housing area to the north and to the west. The Agency anticipates that the affordable housing within the LNP will be for low or moderate income persons. Such units will be subject to occupancy and affordability restrictions recorded against the property as required by Health & Safety Code 33334.2(e)(2).

Ms. Sheila Cosby owns a four-unit apartment complex at 1347 West Avenue J-3 where new development will occur. An appraiser valued the apartment complex at \$875,000.00. During negotiations staff determined that the purchase price of \$962,500.00 was fair and equitable for both buyer and seller, taking into consideration the additional cost to the City, if the property had to be acquired through condemnation.

The City has successfully acquired the majority of properties in the area to continue the goals of blight removal and area revitalization. City staff believes that purchasing the properties at 1347 West Avenue J-3 is in accord with the overall proposed redevelopment of the area and, therefore, is recommending that the City Council approve the proposed acquisition of the properties.