

**STAFF REPORT**  
City of Lancaster, California

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Date: April 24, 2007

To: Mayor Hearn and City Council Members

From: Elizabeth Brubaker, Housing and Neighborhood Revitalization Director

Subject: **Acceptance of reimbursement from the Underground Storage Tank Cleanup Fund established by Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 for property located at 610 West Avenue I**

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**Recommendation:**

Acceptance of reimbursement from the Underground Storage Tank Cleanup Fund established by Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 for costs related to cleanup activities for property located at 610 West Avenue I. The maximum amount allowed for reimbursement is \$1,500,000 less the applicable level of financial responsibility.

Appropriate funds, not to exceed the maximum reimbursement amount of \$1,500,000 to revenue account number 349-3301-101 and expenditure account number 349-4542-771.

**Fiscal Impact:**

The City will receive the reimbursement of funds not to exceed \$1,500,000 from the Underground Storage Tank Cleanup Fund established by Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 for costs related to cleanup activities for property located at 610 West Avenue I.

**Background:**

On December 13, 2005, the Lancaster Redevelopment Agency Board Members directed staff to acquire property located at 610 West Avenue I in order to construct affordable housing and undertake actions necessary to implement and complete the approved North Downtown Transit Village (NDTV). The NDTV although shaped irregularly in some blocks is generally bounded by Avenue I, Kettering Avenue, Sierra Highway, and Fern Avenue.

## **Acceptance of Reimbursement from the Underground Storage Tank Cleanup Fund**

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Upon acquisition of the property located at 610 West Avenue I, the Agency assumed a claim for reimbursement of costs related to cleanup activities that have been in progress at this site since 1997 due to the removal of underground storage tanks used when Everest Economy Gas Station was located at the site. The Agency is eligible for reimbursement from the Underground Storage Tank Cleanup Fund established by the Barry Keene Underground Storage Tank Cleanup Trust Fund Act of 1989 for a maximum amount of \$1,500,000 less the applicable level of financial responsibility.

Therefore, Staff recommends the acceptance of reimbursement from the Underground Storage Tank Clean up Fund, which shall be appropriated to revenue account number 349-3301-101 and expenditure account number 349-4542-771.