

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

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10/28/08
MVB

DATE: October 28, 2008

TO: Mayor Parris and City Council Members  
Chairman Parris and Agency Board Directors

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

SUBJECT: **Purchase and Sale Agreement for the Sale of Real Property by and between the Lancaster Redevelopment Agency and the Antelope Valley Union High School District (APN: 3134-013-910), located in the former Lancaster Museum Art Gallery on the northwest corner of Sierra Highway and Milling Street.**

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**Redevelopment Agency Recommendation:**

Adopt **Resolution No. 07-08**, approving a Purchase and Sale Agreement for the Sale of Real Property by and between the Lancaster Redevelopment Agency and the Antelope Valley Union High School District, (APN: 3134-013-910) and authorize the Executive Director to execute all attendant documents related to the sale.

**City Council Recommendation:**

Adopt **Resolution No. 08-88**, approving a Purchase and Sale Agreement for the Sale of Real Property by and between the Lancaster Redevelopment Agency and the Antelope Valley Union High School District (APN: 3134-013-910) and authorize the City Manager to execute all attendant documents related to the sale.

**Fiscal Impact:**

The Lancaster Redevelopment Agency will receive \$1,000,045 from the Antelope Valley Union High School District.

**Background:**

The City of Lancaster has successfully brokered partnerships with the Antelope Valley Union High School District for over 30 years. The City Council has been a supporter and advocate for education because it represents our future and will determine the skill sets of our work force. The district office headquarters represent one of the largest employers in the entire downtown. These workers create traffic for downtown businesses and dine in our restaurants.

For many years our Museum Art Gallery has shared space with the district at 44801 Sierra Highway. The District has out grown its office space and has expressed an interest in purchasing the space currently occupied by the Museum. This would allow for needed offices to accommodate staff expansion necessary to keep pace with our growing population.

This expansion would necessitate a move by the Museum Art Gallery to another location to continue its mission. The Council has previously approved this relocation to the former Wells Fargo bank building at the north east corner of Lancaster Boulevard and Elm Street. This new more visible site will serve as a catalyst for our newest revitalization effort and be emblematic of the architectural diversity envisioned in the new form based codes.

This relocation also presents an opportunity to brand this new facility as an icon representing the beginning of a new tourism focus for the downtown. Cultural destinations like this will draw more affluent residents with more expendable income to frequent our restaurants and boutiques. This relocated facility will now be adjacent to the new five story artist lofts that will for the first time allow a live/work opportunity for talented entrepreneurs.

**Summary:**

This report involves the sale of approximately one acre of Agency-owned property located at the northwest corner of Sierra Highway and Milling Street in the Central Business District Project Area (the “Site”).

The basic deal points of this transaction are straight forward. The district has signed a Purchase and Sale Agreement which requires an all cash payment of \$1,000,045. We will be selling a fee simple interest in the property to include the approximately 8000 square foot of the structure that had encompassed the museum art gallery. At close of escrow we will also include in the deed clear title to the rest of the structure which will include a small parking lot south of the building where the district will retain the ability to restrict access to the parking as they have for more than a decade. This property is contained on a single parcel and when the deal is closed the District will be in title for the entire parcel.

A Purchase and Sale Agreement (the “Agreement”) has been prepared by Agency Counsel, and signed by the Antelope Valley High School District based upon the following “deal points:”

- Site: An approximate one-acre parcel (APN: 3134-013-910) within the Central Business District Redevelopment Project Area.
- Facilities: The Antelope Valley Union High School District will utilize the building to expand their offices.
- Price: The Antelope Valley Union High School District agrees to pay \$1,000,045. A recent appraisal confirms that the price is consistent with the fair market value.
- Improvements: The Antelope Valley High School District will be solely responsible for all future on-site improvements.
- Fees: Not applicable.

The Antelope Valley Union High School District Offices will be in full compliance with land use requirements of the Lancaster Downtown Specific Plan and Lancaster’s General Plan along with their respective Environmental Impact Reports (EIRs). There is no substantial new information

showing that additional environmental impacts will either be created or be more significant than that which has already been described and mitigated through the respective EIRs. A copy of the Information Summary Report required by Section 33433 of the California Health and Safety Code is attached.

Staff recommends that the Purchase and Sale Agreement between the Lancaster Redevelopment Agency and the Antelope Valley Union High School District, along with the related resolutions for the disposition of the property, be approved with authorization for the Executive Director and City Manager to execute all attendant documents related to the sale.

Attachments:

1. Legal Description (Exhibit A)
2. Site Map (Exhibit B)
3. Agency Resolution No. 07-08
4. City Resolution No. 08-88
5. Information Summary (33433 Report)