

STAFF REPORT
Lancaster Redevelopment Agency
City of Lancaster

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7/28/09
MVB

Date: July 28, 2009

To: Mayor Parris and City Council Members
Chairman Parris and Agency Board Members

From: Elizabeth Brubaker, Housing & Neighborhood Revitalization Director

Subject: **Disposition strategy for properties acquired by the Lancaster Redevelopment Agency under the Piute Master Vision Plan**

City Recommendation:

Adopt **Resolution No. 09-70**, a resolution of the City Council of the City of Lancaster, California, approving a disposition strategy for the sale of single-family residences acquired in the Piute Master Vision Plan area.

Agency Recommendation:

Adopt **Resolution No. 14-09**, a resolution of the Lancaster Redevelopment Agency, Lancaster, California, approving a disposition strategy for the sale of single-family residences acquired in the Piute Master Vision Plan area.

Fiscal Impact:

Property sales costs will likely range from \$120,000 to \$140,000 plus closing costs. Homebuyers will provide funding to purchase the homes. Revenue from the home sales to be deposited into Account No. 938-3620-113.

Background:

On November 25, 1984, the City Council directed staff to undertake actions necessary to implement and complete the approved the Redevelopment Plans for Redevelopment Project Areas No. 5 (the "Redevelopment Plan") approved and adopted by the City Council of the City of Lancaster by Ordinance No. 360, as amended, to assist with the redevelopment of this project area.

On January 13, 2009, the Agency Board directed staff to undertake actions necessary to implement and complete the Piute Master Vision Plan, generally bounded by Division Street to the west, West Avenue H-8 to the north, 7th Street East to the east and East Avenue I to the south. The Lancaster Redevelopment Agency owns several parcels and will be marketing and selling each to potential homeowners agreeable to purchasing the property for the appraised value, including 45 year Covenants, Conditions, and Restrictions (CC&R's) with affordability requirements and restrictions on the resale of the property. The properties will be listed and sold through the Greater Antelope Valley Association of Realtors members, via the local area Multiple Listing Service (MLS) to qualified homebuyers.

Staff Report: Disposition Strategy for properties acquired under the Piute Master Vision Plan

July 28, 2009

Page 2

One significant component of the removal of blight and revitalization of mature neighborhoods is the rehabilitation of older housing stock. During the current economic downturn, there have been a substantial number of foreclosures on mortgages throughout the City. The Redevelopment Agency has purchased and substantially rehabilitated several vacant foreclosed properties in the Piute neighborhood. The homes purchased are typically those in need of the most assistance and not purchased by homeowners or investors when listed on the local Multiple Listing Service (MLS.) The properties have been substantially rehabilitated with energy efficient features, such as dual paned windows, Energy Star appliances, and drought tolerant landscaping was installed: all in an effort to reduce the maintenance cost of the home to the new homeowners.

The Neighborhood Foreclosure Program helps to eliminate blight in the neighborhoods, and it assists the community by providing much needed affordable homeownership for families. Sale of the rehabilitated Piute properties to homeowners will also help provide a better balance of homeowners to investors in this neighborhood. By encouraging homeownership, the value attributed to the land as a resource increases, as the conditions of physical deterioration and blight due to poor use of the property, squatting and illegal dumping have been removed. The rejuvenation of this property is further bolstered with the real potential of providing long-term affordable homeownership.

Attachments:

1. Site Map
2. Listing of Properties
3. 33433 Report
4. City Resolution 09-70
5. Agency Resolution 14-09