

RESOLUTION NO. 23-09

A RESOLUTION OF THE LANCASTER REDEVELOPMENT AGENCY, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE SALE OF REAL PROPERTY BY AND BETWEEN THE LANCASTER REDEVELOPMENT AGENCY AND COMSITE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APN: 3112-001-902)

WHEREAS, this project is a benefit for the Redevelopment Plan for the Redevelopment Project Area 6 (the "Redevelopment Plan") was approved and adopted by the Council of the City of Lancaster on July 3, 1989, by Ordinance No. 321; and

WHEREAS, the Redevelopment Agency (the "Agency") is authorized and empowered under Community Redevelopment Law to enter into agreements for the acquisition, disposition, and development of real property and otherwise assist in the redevelopment of real property within a redevelopment project in conformity with a redevelopment plan adopted for such area, to acquire real and personal property within redevelopment project areas, to make and execute contracts and other instruments necessary or convenient to exercise its powers, and to incur indebtedness to finance or refinance redevelopment projects; and

WHEREAS, the Agency will own, subject to the terms of the DDA, that certain real property of approximately 4.8 acres in size located at the southwest corner of the intersection of Avenue K and 30<sup>th</sup> Street West (the "Site") shown in Exhibit "A" and further described in Exhibit "B"; and

WHEREAS, COMSITE LLC, ("the Developer"), desires to acquire the Site to construct a new 35,000 square foot commercial center and has agreed to the purchase of said real property. The use of the Site will be in accordance with the Redevelopment Plan and pursuant to the requirements of the adopted Lancaster Zoning Ordinance; and

WHEREAS, the Agency and the Buyer desire to enter into a Disposition and Development Agreement (the "Agreement"), pursuant to Community Redevelopment Law, for the sale and use of the real property in order to implement the provisions of the Redevelopment Plan. Such action will help to eliminate blight in the Redevelopment Project Area, increase the employment opportunities within the project area and generate additional sales and property taxes which that community can use to assist in providing and environment for the social, economic and psychological growth and well-being of the citizens of Lancaster; and

WHEREAS, pursuant to Sections 33431 and 33433 of the California Health and Safety Code, the Agency is authorized, with the approval of the City Council and Agency, after a duly noticed public hearing, to sell or lease property for development pursuant to the redevelopment plan upon a determination by the Agency and City Council that the disposition of the property

will assist in the elimination of blight, will improve underutilized property, and is consistent with the implementation plan adopted for the Redevelopment Project pursuant to the California Health and Safety Code Section 33490, and the consideration for such disposition is not less than either the fair market value or fair reuse value of the property in accordance with covenants and conditions governing the disposition and development costs required thereof; and

WHEREAS, the proposed Agreement, and a summary report meeting the requirements of California Health and Safety Code Section 33433, were available for public inspection consistent with the requirements of the California Health and Safety Code Section 33433; and

WHEREAS, on September 8, 2009 the Agency and City Council held a duly noticed joint public hearing on the proposed Agreement in accordance with the requirements of the California Health and Safety Code Sections 33431 and 33433, at which time the City Council and Agency board reviewed and evaluated all the information, testimony, and evidence presented during the joint public hearing; and

WHEREAS, Public Resources Code Section 21090 of CEQA provides that all public and private activities or undertakings pursuant to, or in furtherance of, a redevelopment plan shall be deemed to be a single project, and no additional environmental review of such activities is required unless pursuant to Public Resources Code Section 21155 such activities constitute a substantial change in the redevelopment plan or the circumstances under which the plan is being undertaken and such changes will require major revisions of the EIR prepared for the plan, or new information which could not have been known at the time the EIR was completed becomes available; and

WHEREAS, the Final EIR for the Redevelopment Plan and the Lancaster General Plan (categorized as a "community plan") were certified by the City Council on September 19, 1983 and October 27, 1997 (The "EIRs"), respectively; and

WHEREAS, a final project EIR was prepared to address any impacts from the change in land use designation by the project and said final EIR was certified by the City Council on December 11, 2007; and

WHEREAS, on December 11, 2007 the City Council held a duly noticed public hearing on the proposed General Plan Amendment and Zone Change at which time the City Council reviewed and evaluated all information, testimony and evidence presented and adopted the ordinance and resolution for the General Plan Amendment and Zone Change; and

WHEREAS, the project under the proposed Agreement (the "Project") is consistent with the Redevelopment Plan and the Lancaster General Plan requirements, and the project has no potential for causing significant effects on the environment which have not already been sufficiently addressed and mitigated by the measures outlined in the EIRs, and there is no substantial new information showing that any environmental impact will be more significant than that which is described in said EIRs; 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 the California Health and Safety Code Section 33433 and evaluated other information provided pertaining to the findings required pursuant to California Health and Safety Code Section 33433; and

WHEREAS, the Agency has duly considered all the terms and conditions of the proposed Agreement and believes that the disposition of the Site pursuant thereto is in the best interest of the City of Lancaster and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements.

NOW, THEREFORE, THE LANCASTER REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, DETERMINE, AND FIND AS FOLLOWS:

Section 1. The Agency finds and determines that, based upon evidence provided in the record before it, the consideration for the Agency's disposition of the Site 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.

Section 2. The Agency hereby finds and determines that the disposition of the Site pursuant to the Agreement will: (i) assist in the elimination of blight by providing for the development of the underutilized vacant land by constructing an approximate 35,000 square foot commercial center in accordance with the terms of the Agreement with COMSITE LLC, which will help serve as a catalyst for the development of other adjacent underutilized properties within the Redevelopment Plan and will also help create new employment opportunities, and (ii) is consistent with the implementation plan for the Redevelopment Project Area adopted by the Agency pursuant to the California Health and Safety Code Section 33490.

Section 3. The Agency has reviewed and considered the Final EIR for the Redevelopment Area 6 and the City's General Plan as certified by the City Council on September 19, 1983 and October 27, 1977, respectively; and the Agency finds and determines, based on all evidence in the record, that there is no substantial evidence that the Project will have a significant effect on the environment. None of the conditions set forth in CEQA Guidelines Section 15162 exist. There are no substantial changes in the Project or substantial changes with respect to the circumstances under which the Project is undertaken.

Section 4. There is no new substantial information that shows the Project to have one or more significant effects not discussed in the current Environmental Impact Report (EIR) or that the significance of one or more effects has been increased. The Agency further finds that the EIR sufficiently addresses all potential significant effects from this Project and there is no

new information showing that this Project will change the Redevelopment Plan or the circumstances under which it is being undertaken. Therefore, none of the conditions set forth in CEQA Guidelines Section 21166 exist.

Section 5. The Agreement, a copy of which is on file with the Secretary of the Agency, is hereby approved. The Agency's Executive Director is hereby authorized to execute the Agreement on behalf of the Agency, and to take such actions and execute such other documents on behalf of the Agency as necessary to implement the Agreement.

PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2009, 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  
REDEVELOPMENT AGENCY

I, \_\_\_\_\_, \_\_\_\_\_ Lancaster Redevelopment Agency,  
CA, do hereby certify that this is a true and correct copy of the original Resolution No. 23-09,  
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 \_\_\_\_\_, \_\_\_\_\_.

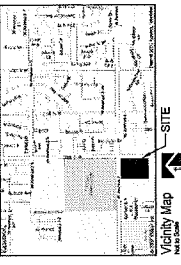
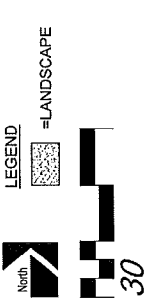
(seal)

\_\_\_\_\_

EXHIBIT "A"

Summary w/ Bank

Land	±4.5 AC	±196,031 SF
Building		33,780 SF
Land-to-Bldg Ratio		4.82/1
Coverage		17.2 %
Landscape Coverage		19.5 %
Parking Required		224 stalls
Parking Provided		224 stalls
Parking Ratio		6.63/1,000
Parking Required		76 stalls
Retail @ 1/250 (18,947 sf)		148 stalls
Rest. @ 1/100 (14,833 sf)		224 stalls
Total		224 stalls
Summary w/o Bank		
Land	±4.5 AC	±196,031 SF
Building		35,700 SF
Land-to-Bldg Ratio		4.5/1
Coverage		18.21 %
Landscape Coverage		19.5 %
Parking Required		242 stalls
Parking Provided		242 stalls
Parking Ratio		6.78/1,000
Parking Required		77 stalls
Retail @ 1/250 (19,200 sf)		165 stalls
Rest. @ 1/100 (16,500 sf)		242 stalls
Total		242 stalls



LEGAL DESCRIPTION OF SITE

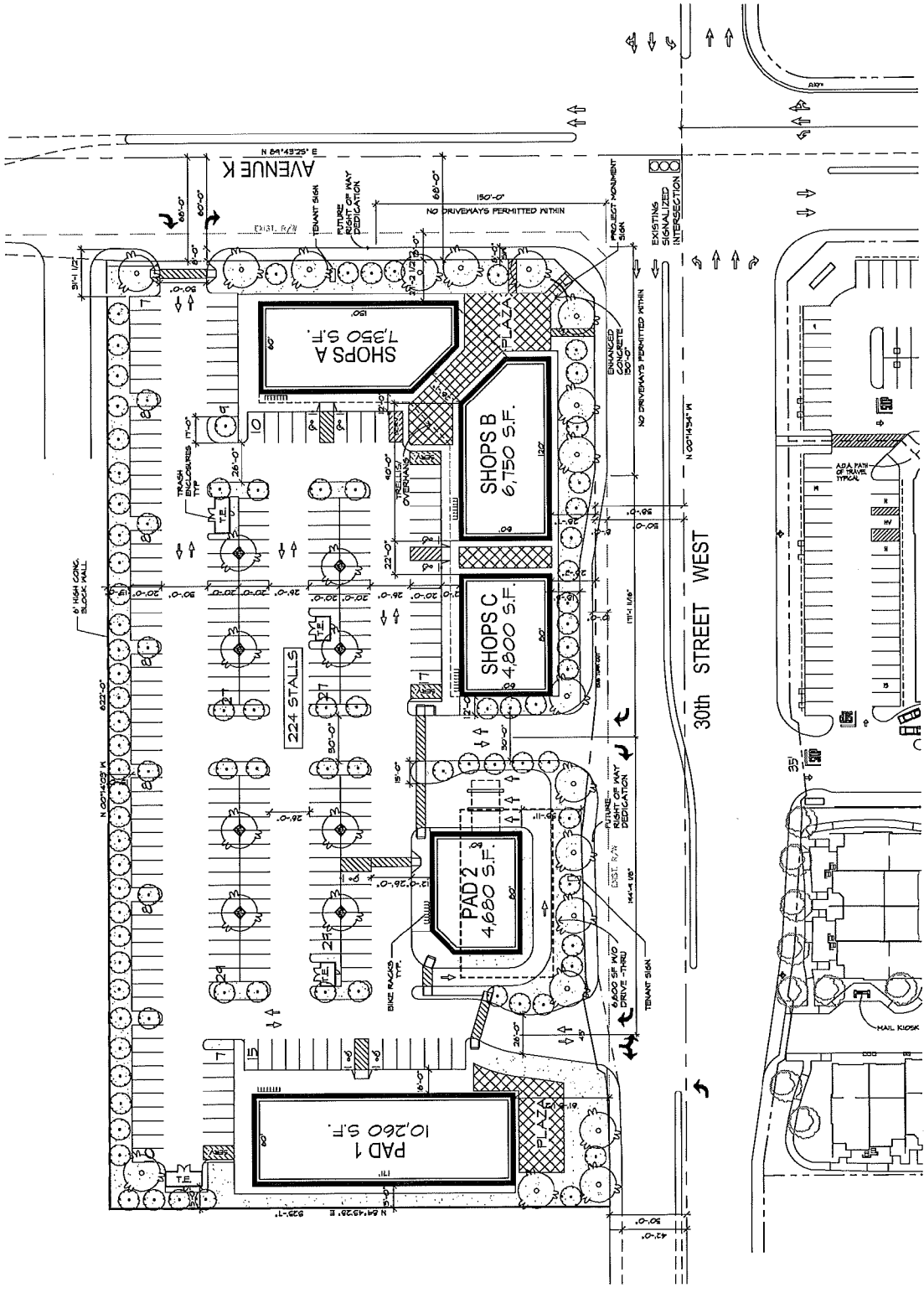
THE PROPERTY IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA DESCRIBED AS

FOLLOWING:

LOT 1 OF THE LAMAR TRACT IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 15 PAGE 28 OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAN JOAQUIN COUNTY, CALIFORNIA, EXCEPTING THEREFROM THE WESTERN 200 FEET OF SAID LOT.

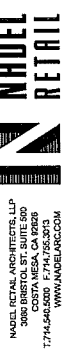
ALSO DESCRIBING THE UNDERLYING OIL AND GAS RIGHTS, BUT WITHOUT THE RIGHT TO USE THE SURFACE OR SUBSURFACE TO A DEPTH OF 10 FEET FROM THE SURFACE, AS PROVIDED IN A PRODUCTION SHARING AGREEMENT IN FULL FORCE AND EFFECT WITH THE UNITED STATES OF AMERICA, AND ALL OTHER RIGHTS AND INTERESTS OF ANY KIND, AS SHOWN ON THE RECORDED MAPS AND PLANS THEREON.

ALL BUILDINGS, IMPROVEMENTS, THEREAFTER AND THE USES AS SHOWN ON THIS PLAN ARE PRELIMINARY AND SUBJECT TO ACCEPTANCE AT THE DISCRETION OF THE CITY OF LANCASTER AND THE STATE OF CALIFORNIA. THE PLANNING DEPARTMENT AND THE CITY ENGINEER HAVE REVIEWED AND APPROVED THIS PLAN FOR CONFORMANCE WITH THE CITY AND STATE ZONING ORDINANCES AND THE CALIFORNIA ZONING ACT. THE CITY ENGINEER'S REVIEW IS LIMITED TO THE TECHNICAL ASPECTS OF THE PLAN AND DOES NOT CONSTITUTE A REPRESENTATION AS TO THE QUALITY OF THE DESIGN OR THE ACCURACY OF THE INFORMATION PROVIDED HEREON.



PRELIMINARY SITE PLAN - PS-3

COLLEGE PLAZA  
 SWC AVENUE K AND 30TH STREET WEST  
 LANCASTER, CA



DATE: 08-27-07  
 SCALE: AS SHOWN

NADEL RETAIL ARCHITECTS, LLP  
 3000 BRESTOL ST. SUITE 500  
 COSTA MESA, CA 92626  
 714-440-6688  
 WWW.NADELARCH.COM



PREPARED BY: MARINICA DEVELOPMENT COMPANY  
 DATE: 08-27-07

**Exhibit "B"**  
**Information Summary (33433 Report) for**  
**Sales Agreement**  
**with Comsite, LLC**

This summary is being 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 total cost to the Agency is zero. The Agency is acting as a conduit between the Antelope Valley College and Comsite LLC. The Agency is buying the property from Antelope Valley College for \$1,250,000.00 and in accordance with the Disposition and Development Agreement with Comsite LLC, the Agency will sell the property Comsite LLC for a purchase price of \$1,250,000.00 (\$5.97 per square foot) including escrow fees and improvement costs. As a result of this transaction there will be no net cost to the Agency. Comsite LLC will maintain a concurrent escrow while the Agency is in escrow with Antelope Valley College; Comsite LLC will forward the funds for the purchase price including closing costs to the Agency in order to close escrow with Antelope Valley College. This amount is based upon the following data:

- a. Acquisition Cost: The area of the property being sold to Comsite LLC is approximately 4.8 acres. This parcel is being purchased by the Agency as a future commercial center site from Antelope Valley College. Comsite LLC will maintain a concurrent escrow while the Agency is in escrow with Antelope Valley College; Comsite LLC will forward the funds for the purchase price including closing costs to the Agency in order to close escrow with Antelope Valley College.
- b. Clearance Costs: None.
- c. Relocation Costs: None.
- d. Improvement Costs: None.
- e. Finance Costs: None.

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

The estimated value of the interest to be conveyed at its "best reuse value" is \$1,250,000.00 (\$5.97 per square foot) for the development of a 35,000 square foot commercial center.

**3. The acquisition price which the Developer will be required to make during the term of the Agreement as conveyed by the Agency:**

Comsite LLC will acquire the property for the purchase price of \$1,250,000.00 plus closing costs to the Agency.

**4. Explanation( if appropriate) as to the reason why the sales price by the Agency may be less than the value of the property as determined at its highest and best use.**

The sale price and the value of the property are the same and therefore there is not net cost to the Agency as a result.

**5. Explanation as to the reason why the sale of the property will assist in the elimination of blight:**

This project is adjacent to the Project Area Number 6 and a finding of benefit to the project area has been determined. In connection with the adoption of the Redevelopment Plan for the Project Area Number 6 in 1989, 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 or more of the following factors:

- 1) deficiencies, deterioration and dilapidation;
- 2) defective design and character of physical construction;
- 3) faulty interior arrangement and exterior spacing;
- 4) age and obsolescence; and
- 5) mixed and incompatible buildings and land uses;



The Project Area is further characterized by properties which suffer from economic dislocation, deterioration, or disuse because of one or more of the following factors:

- a) the existence of structural blight within the Project Area constitutes a social liability upon the community because of the social problems associated with living or working in deficient structures;
- b) the overall lack of a positive aesthetic appearance, adequate parking surfaces and proper storage facilities contribute to the blighted appearance in many of the Project Area commercial properties;
- c) large underutilized parcels generate excessive dust conditions which creates hazards to motorists, prevents neighboring residents from fully utilizing their outdoor facilities and leads to soil erosion conditions;
- d) residential structures throughout the Project Area are characterized by advanced stages of deterioration due to the cumulative effects of age and deferred maintenance; and
- e) conflicting mixture of land uses is detrimental to a healthful living environment and may result in declining property values;

These conditions cause a reduction of, or lack of, proper 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 acting alone.

B. The City Council also declared that the purpose and intent of the City Council with respect to adopting the Redevelopment Plan were:

- 1) To eliminate the conditions of blight existing in the Project Area.
- 2) To prevent the recurrence of blighting conditions within the Project Area.
- 3) To provide for participation by owners and tenants and reentry preferences to persons engaged in business within 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.

- 4) 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 for the benefit of the Project Area and the general public as a whole.
- 5) 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 re-planning, redesigning, or developing portions of the Project Area which are stagnate or improperly utilized because of the lack of adequate utilities and because of other causes.
- 6) To provide housing as required to satisfy the needs and desires of the various age, income and ethnic groups of the community.

#### REASONS FOR SELECTING THE PROJECT AREA

The Report to the City Council in connection with the adoption of the Redevelopment Plan sets forth the reasons for selection of the Project Area as follows:

“For many years the citizens and governmental officials of the City of Lancaster have been aware of the adverse conditions within the Project Area boundaries. The conditions in this Area have contributed to the physical deterioration of structures and infrastructure both within and surrounding the Project Area, a lack of proper utilization of the Area, a decline in the economic viability of the Area, impaired investments, and social and economic maladjustment. The result has been a serious physical, social and economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone.”

“The redevelopment of the Project Area would attain the purpose of Community Redevelopment Law of the State of California. The Area is in need of, and particularly suitable for, redevelopment under the provisions of the California Redevelopment statutes. Most of the parcels throughout the Project Area exhibit a complete or growing lack of economically productive utilization. Some of the properties exhibit structures that have become dilapidated and obsolescent. The age, obsolescence and ensuing deterioration of structures and the economic underutilization of the Project Area is a serious physical and economic liability requiring redevelopment. The proposed Project will assist in the redevelopment of these underutilized and deficient properties.”

“The selection of the boundaries of this Redevelopment Project Area was guided by City staff, the Lancaster General Plan, the Lancaster Redevelopment Agency, specific examples of structural and non-structural blight as discussed in detail in this Report, and the following facts and principles:

“A. The desire to revitalize and upgrade the existing commercial areas within the Project Area in order to increase sales and business tax revenues, provide adequate roadways, reduce the hazard of flooding, provide adequate parking, reduce the cost of providing City services, create jobs for Project Area residents, assure 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 through the removal or rehabilitation of physically obsolete or substandard structures and other blighting influences; the elimination of nonproductive and/or nonconforming land uses; the rehabilitation, with owner participation, of existing commercial 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 and treatment 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; 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 of the Project Area would implement the California Community Redevelopment Law. The basis for implementing the Redevelopment Law can be stated as follows:

“1) The City has a need to provide and make improvements to certain public facilities and services in the Project Area in order to reduce the continuing process of deterioration which cannot be provided by private or governmental action without redevelopment.”

“2) Redevelopment can provide a means to assist existing owners in upgrading and improving their property.”

“3) The Redevelopment Project provides the means of eliminating or rehabilitating deteriorating commercial, industrial and residential structures and other blighting influences which constitute poor environments in which to live, work, shop and recreate.”

“4) The commercial areas of the Project Area need revitalization and upgrading. The Redevelopment Project can assist the City in attaining the market potential for this area, based on market demands.”

**Section 33433 Report: Comsite LLC**

**September 8, 2009**

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“5) The Project Area is currently characterized by economic blight caused by properties which suffer from an economic disuse due to impaired investments, properties which suffer from irregular shape and inadequate size for proper use and the existence of inadequate public facilities, improvements and utilities.”

“6) Portions of the Project Area currently contain characteristics of physical blight caused by buildings which exhibit advanced stages of deterioration due to age and obsolescence.”

“7) These deficient conditions dominate and injuriously affect the Project Area such that the Project Area is deficient as a whole.”

“8) The blighted conditions constitute a serious physical, social, and economic burden on the City.”

“9) The City has the desire to improve the Project Area in order that the existing deficient conditions which constitute physical, social and economic liabilities can be reduced or eliminated in the interest of the health, safety, and general welfare of the people of the City of Lancaster.”

“10) The blighted conditions which exist in the Project Area are a hindrance to the proper development of the City and cannot be eliminated or improved without public assistance.”

“11) There is, generally, poor visual quality to much of the Project Area including:

“a) Inadequate landscaping, buffering and setbacks from public rights-of-way;

“b) Inadequately maintained buildings;

“c) Unsightly overhead utility lines and poles;

“d) Poorly maintained vacant lots;

“e) Rights-of-way lacking landscaping; and

“f) Public improvements in need of extensive repairs and/or modifications.”

“C. The redevelopment of the Project Area may include, but will not be limited to, the actions outlined below. The Agency proposes to eliminate and prevent the spread of blight within the Project Area by the following actions:

“1) Installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, gutters, sidewalks, handicap ramps, and other public improvements as permitted in accordance with the Lancaster General Plan and the City's Zoning Ordinance.”

“2) Construction and/or reconstruction of various flood control and storm drainage facilities.”

“3) Provision and/or upgrading of traffic signals, channelization, lighting and signing of various intersections, and correction of other existing circulation deficiencies within the Project Area.”

“4) Completion of various water system projects including the replacement, construction, and improvement of water lines, fire hydrants, water storage and treatment facilities, and water meters in order to provide adequate fire flows and domestic water supplies.”

“5) Replacement, installation and improvement of domestic sewage collection and treatment facilities to reduce public health and safety hazards.”

“6) Undergrounding of utilities in the Project Area.”

“7) Improvement and development of recreational facilities, parks and a community center.”

“8) Construction and improvement of community facilities including police, fire and library facilities.”

“9) Construction and improvement of vehicle parking facilities.”

“10) Improvement, as needed, of various utility distribution systems including electrical, gas and telephone.”

“11) Improvements to streetscapes and urban design.”

“12) Provisions for senior citizen, low to moderate income and handicapped housing.”

“13) Purchase of land, construction, reconstruction or rehabilitation of structures, for the purpose of providing necessary community uses such as parking and recreational facilities, etc.”

The Redevelopment Plan of the Project will help to implement California Redevelopment Law. The basis for implementing the Redevelopment law can be stated as follows:

The land upon which the Project will be located was acquired by the Agency in order to implement the Redevelopment Plan for the Redevelopment Project Area 6 and to carry out the declared purposes of the City Council in the adoption of the Redevelopment Plan.

The Project included the sale of land to a developer to facilitate the development of an approximately 4.8 acre commercial center. It is anticipated that this new commercial center will bring approximately 140 new jobs to the project area. Until the completion of the development of all of the property in this portion of the Project Area, the purposed of the City Council in adopting the Redevelopment Plan will remain unfulfilled.

This property is located across from Antelope Valley College located at the southwest corner of the intersection of Avenue K and 30<sup>th</sup> Street West. This property has remained undeveloped and blighted even since Antelope Valley College completed construction in 1959. The Agency and the City have worked diligently with Antelope Valley College to make this property more attractive to developers and now, as a commercial center, the property will continue to improve in value and create jobs for our local residents.

The sale of this parcel helps fulfill the need for additional shopping and dining opportunities in the area. The immediate area includes Antelope Valley College which is home to over 14,000 students every semester and a growing demographic of residential neighborhoods. If the Agency had not been proactive in this area, this property would still be undeveloped and the shopping and dining opportunities that are expected to occur would not be generated as quickly.

RESOLUTION NO. 09-84

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE SALE OF REAL PROPERTY BY AND BETWEEN THE LANCASTER REDEVELOPMENT AGENCY AND COMSITE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APN: 3112-001-902)

WHEREAS, the Redevelopment Plan for the Redevelopment Project Area 6 (the "Redevelopment Plan") was approved and adopted by the Council of the City of Lancaster on July 3, 1989, by Ordinance No. 321; and

WHEREAS, the Redevelopment Agency (the "Agency") is authorized and empowered under Community Redevelopment Law to enter into agreements for the acquisition, disposition, and development of real property and otherwise assist in the redevelopment of real property within a redevelopment project in conformity with a redevelopment plan adopted for such area, to acquire real and personal property within redevelopment project areas, to make and execute contracts and other instruments necessary or convenient to exercise its powers, and to incur indebtedness to finance or refinance redevelopment projects; and

WHEREAS, the Agency will own, subject to the terms of the DDA, that certain real property of approximately 4.8 acres in size located at the southwest corner of the intersection of Avenue K and 30<sup>th</sup> Street West (the "Site") shown in Exhibit "A" and further described in Exhibit "B"; and

WHEREAS, COMSITE LLC, ("the Developer"), desires to acquire the Site to construct a new 35,000 square foot commercial center and has agreed to the purchase of said real property. The use of the Site will be in accordance with the Redevelopment Plan and pursuant to the requirements of the adopted Lancaster Zoning Ordinance; and

WHEREAS, the Agency and the Buyer desire to enter into a Disposition and Development Agreement (the "Agreement"), pursuant to Community Redevelopment Law, for the sale and use of the real property in order to implement the provisions of the Redevelopment Plan. Such action will help to eliminate blight in the Redevelopment Project Area, increase the employment opportunities within the project area and generate additional sales and property taxes which that community can use to assist in providing and environment for the social, economic and psychological growth and well-being of the citizens of Lancaster; and

WHEREAS, pursuant to Sections 33431 and 33433 of the California Health and Safety Code, the Agency is authorized, with the approval of the City Council and Agency, after a duly noticed public hearing, to sell or lease property for development pursuant to the redevelopment plan upon a determination by the Agency and City Council that the disposition of the property

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WHEREAS, the proposed Agreement, and a summary report meeting the requirements of California Health and Safety Code Section 33433, were available for public inspection consistent with the requirements of the California Health and Safety Code Section 33433; and

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WHEREAS, Public Resources Code Section 21090 of CEQA provides that all public and private activities or undertakings pursuant to, or in furtherance of, a redevelopment plan shall be deemed to be a single project, and no additional environmental review of such activities is required unless pursuant to Public Resources Code Section 21155 such activities constitute a substantial change in the redevelopment plan or the circumstances under which the plan is being undertaken and such changes will require major revisions of the EIR prepared for the plan, or new information which could not have been known at the time the EIR was completed becomes available; and

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WHEREAS, a final project EIR was prepared to address any impacts from the change in land use designation by the project and said final EIR was certified by the City Council on December 11, 2007; and

WHEREAS, on December 11, 2007 the City Council held a duly noticed public hearing on the proposed General Plan Amendment and Zone Change at which time the City Council reviewed and evaluated all information, testimony and evidence presented and adopted the ordinance and resolution for the General Plan Amendment and Zone Change; and

WHEREAS, the project under the proposed Agreement (the "Project") is consistent with the Redevelopment Plan and the Lancaster General Plan requirements, and the project has no potential for causing significant effects on the environment which have not already been sufficiently addressed and mitigated by the measures outlined in the EIRs, and there is no substantial new information showing that any environmental impact will be more significant than that which is described in said EIRs; 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 Council has reviewed the summary report required pursuant to the California Health and Safety Code Section 33433 and evaluated other information provided pertaining to the findings required pursuant to California Health and Safety Code Section 33433; and

WHEREAS, the City Council has duly considered all the terms and conditions of the proposed Agreement and believes that the disposition of the Site pursuant thereto is in the best interest of the City of Lancaster and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements.

NOW, THEREFORE, THE LANCASTER REDEVELOPMENT AGENCY DOES HEREBY RESOLVE, DETERMINE, AND FIND AS FOLLOWS:

Section 1. The City Council finds and determines that, based upon evidence provided in the record before it, the consideration for the Agency's disposition of the Site 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.

Section 2. The City Council hereby finds and determines that the disposition of the Site pursuant to the Agreement will: (i) assist in the elimination of blight by providing for the development of the underutilized vacant land by constructing an approximate 35,000 square foot commercial center in accordance with the terms of the Agreement with COMSITE LLC, which will help serve as a catalyst for the development of other adjacent underutilized properties within the Redevelopment Plan and will also help create new employment opportunities, and (ii) is consistent with the implementation plan for the Redevelopment Project Area adopted by the Agency pursuant to the California Health and Safety Code Section 33490.

Section 3. The City Council has reviewed and considered the Final EIR for the Redevelopment Area 6 and the City's General Plan as certified by the City Council on September 19, 1983 and October 27, 1977, respectively; and the Agency finds and determines, based on all evidence in the record, that there is no substantial evidence that the Project will have a significant effect on the environment. None of the conditions set forth in CEQA Guidelines Section 15162 exist. There are no substantial changes in the Project or substantial changes with respect to the circumstances under which the Project is undertaken.

Section 4. There is no new substantial information that shows the Project to have one or more significant effects not discussed in the current Environmental Impact Report (EIR) or that the significance of one or more effects has been increased. The Agency further finds that the EIR sufficiently addresses all potential significant effects from this Project and there is no

new information showing that this Project will change the Redevelopment Plan or the circumstances under which is it being undertaken. Therefore, none of the conditions set forth in CEQA Guidelines Section 21166 exist.

Section 5. The Agreement, a copy of which is on file with the Secretary of the Agency, is hereby approved. The Agency's Executive Director is hereby authorized to execute the Agreement on behalf of the Agency, and to take such actions and execute such other documents on behalf of the Agency as necessary to implement the Agreement.

PASSED, APPROVED, and ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2009, 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 COUNCIL

I, \_\_\_\_\_, \_\_\_\_\_ City of Lancaster, CA, do hereby  
certify that this is a true and correct copy of the original Resolution No. 09-84, for which the  
original is on file in my office.

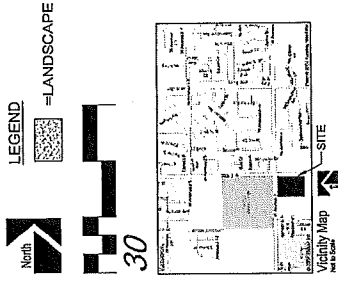
WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this  
\_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(seal)

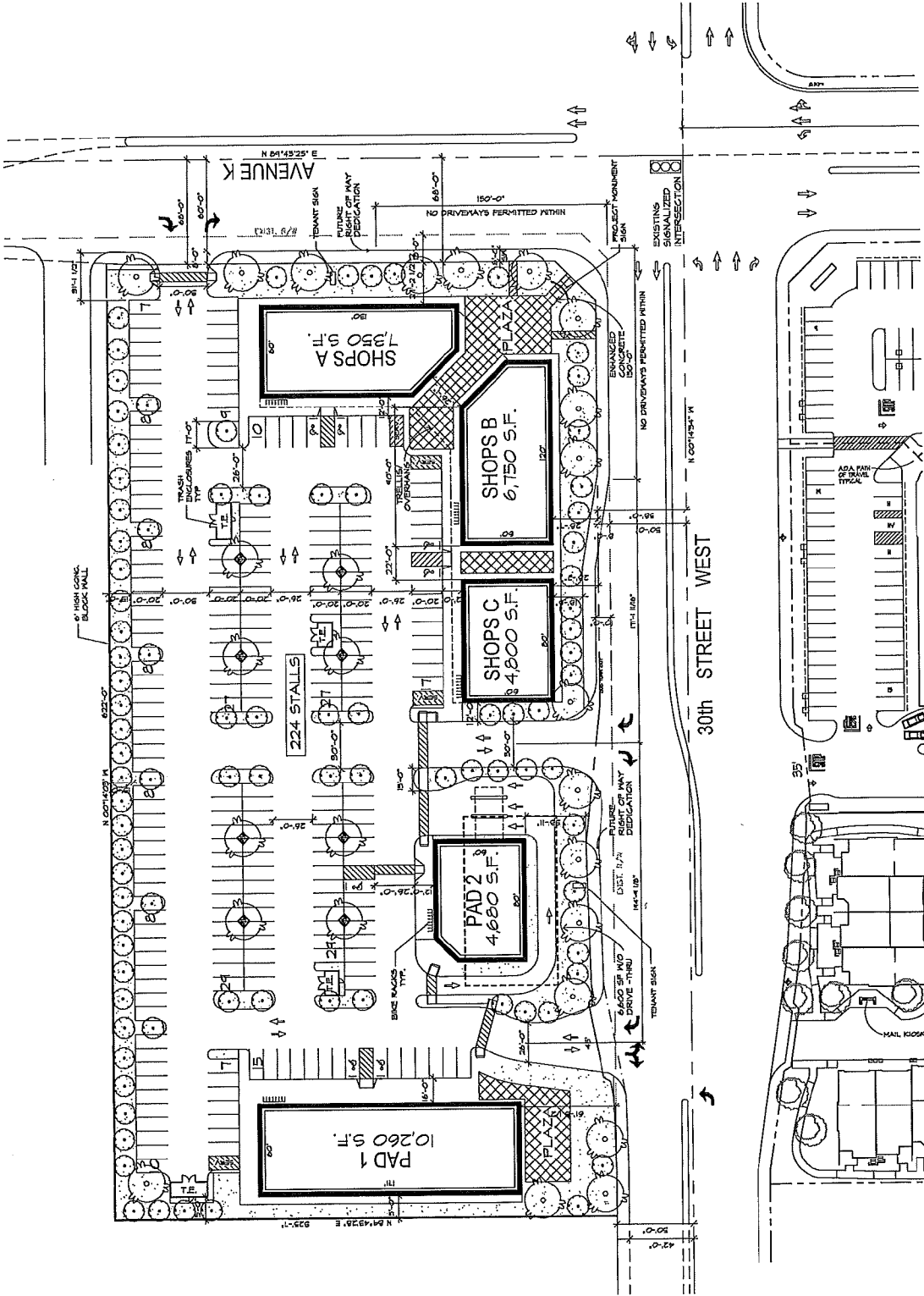
\_\_\_\_\_

EXHIBIT "A"

<b>Summary w/ Bank</b>	
Land	±4.5 AC ±196,031 SF
Building	33,780 SF
Land-to-Bldg Ratio	4.82/1
Coverage	17.2 %
Landscape Coverage	19.5 %
Parking Required	224 stalls
Parking Provided	224 stalls
Parking Ratio	6.63/1,000
Parking Required	76 stalls
Retail @ 1/250 (18,947 sf)	148 stalls
Rest. @ 1/100 (14,833 sf)	224 stalls
<b>Total</b>	
<b>Summary w/o Bank</b>	
Land	±4.5 AC ±196,031 SF
Building	35,700 SF
Land-to-Bldg Ratio	4.5/1
Coverage	18.21 %
Landscape Coverage	19.5 %
Parking Required	242 stalls
Parking Provided	242 stalls
Parking Ratio	6.78/1,000
Parking Required	77 stalls
Retail @ 1/250 (19,200 sf)	165 stalls
Rest. @ 1/100 (16,500 sf)	242 stalls
<b>Total</b>	



**LEGAL DESCRIPTION OF SITE**  
 REAL PROPERTY IN THE CITY OF LANCASTER, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS LOT 10 OF THE LANCASTER TRACT, IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 13 PAGE 2481 W/AS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.  
 EXCEPTING THEREFROM THE WESTERN 200 FEET OF SAID LOT.  
 ALSO EXCEPTING THEREFROM ALL UNRECORDED OIL AND GAS RIGHTS, BUT WITHOUT THE RIGHT TO USE THE SURFACE OR SUBSURFACE TO A DEPTH OF FORTY FEET FROM THE SURFACE AS PROVIDED IN DEEDS RECORDED MARCH 11, 1958 IN BOOK 13 PAGE 2481 W/AS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.  
 ALSO EXCEPTING THEREFROM ALL RIGHTS OF WAY, EASEMENTS AND INTERESTS IN THE SURFACE AND SUBSURFACE AS SHOWN ON MAP 211-001-002.  
 ALL EXISTING IMPROVEMENTS, THEIR OCCUPANTS AND THE USES AS SHOWN ON THIS PLAN ARE PRELIMINARY AND SUBJECT TO ADJUSTMENT AT THE OWNER'S DISCRETION WITHOUT NOTICE.  
 THE PRELIMINARY SITE PLAN IS BASED ON INFORMATION PROVIDED TO MAKE THESE PRELIMINARY PLANS. THE OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AGENCIES AND THE STATE OF CALIFORNIA. THE OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AGENCIES AND THE STATE OF CALIFORNIA. THE OWNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE LOCAL AGENCIES AND THE STATE OF CALIFORNIA.



PRELIMINARY SITE PLAN - PS-3

**COLLEGE PLAZA**  
 SWC AVENUE K AND 30TH STREET WEST  
 LANCASTER, CA



**mariposa**  
 DEVELOPMENT COMPANY



DATE: 08/24/07  
 MODEL JOB#: 0280059  
 NADEL RETAIL ARCHITECTS, LLP  
 3000 BRISTOL ST., SUITE 500  
 COSTA MESA, CA 92626  
 TEL: 714.541.1100  
 WWW.NADELARCH.COM

**Exhibit "B"**  
**Information Summary (33433 Report) for**  
**Sales Agreement**  
**with Comsite, LLC**

This summary is being 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 total cost to the Agency is zero. The Agency is acting as a conduit between the Antelope Valley College and Comsite LLC. The Agency is buying the property from Antelope Valley College for \$1,250,000.00 and in accordance with the Disposition and Development Agreement with Comsite LLC, the Agency will sell the property Comsite LLC for a purchase price of \$1,250,000.00 (\$5.97 per square foot) including escrow fees and improvement costs. As a result of this transaction there will be no net cost to the Agency. Comsite LLC will maintain a concurrent escrow while the Agency is in escrow with Antelope Valley College; Comsite LLC will forward the funds for the purchase price including closing costs to the Agency in order to close escrow with Antelope Valley College. This amount is based upon the following data:

- a. Acquisition Cost: The area of the property being sold to Comsite LLC is approximately 4.8 acres. This parcel is being purchased by the Agency as a future commercial center site from Antelope Valley College. Comsite LLC will maintain a concurrent escrow while the Agency is in escrow with Antelope Valley College; Comsite LLC will forward the funds for the purchase price including closing costs to the Agency in order to close escrow with Antelope Valley College.
- b. Clearance Costs: None.
- c. Relocation Costs: None.
- d. Improvement Costs: None.
- e. Finance Costs: None.

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

The estimated value of the interest to be conveyed at its "best reuse value" is \$1,250,000.00 (\$5.97 per square foot) for the development of a 35,000 square foot commercial center.

**3. The acquisition price which the Developer will be required to make during the term of the Agreement as conveyed by the Agency:**

Comsite LLC will acquire the property for the purchase price of \$1,250,000.00 plus closing costs to the Agency.

**4. Explanation( if appropriate) as to the reason why the sales price by the Agency may be less than the value of the property as determined at its highest and best use.**

The sale price and the value of the property are the same and therefore there is not net cost to the Agency as a result.

**5. Explanation as to the reason why the sale of the property will assist in the elimination of blight:**

This project is adjacent to the Project Area Number 6 and a finding of benefit to the project area has been determined. In connection with the adoption of the Redevelopment Plan for the Project Area Number 6 in 1989, 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 or more of the following factors:

- 1) deficiencies, deterioration and dilapidation;
- 2) defective design and character of physical construction;
- 3) faulty interior arrangement and exterior spacing;
- 4) age and obsolescence; and
- 5) mixed and incompatible buildings and land uses;

The Project Area is further characterized by properties which suffer from economic dislocation, deterioration, or disuse because of one or more of the following factors:

- a) the existence of structural blight within the Project Area constitutes a social liability upon the community because of the social problems associated with living or working in deficient structures;
- b) the overall lack of a positive aesthetic appearance, adequate parking surfaces and proper storage facilities contribute to the blighted appearance in many of the Project Area commercial properties;
- c) large underutilized parcels generate excessive dust conditions which creates hazards to motorists, prevents neighboring residents from fully utilizing their outdoor facilities and leads to soil erosion conditions;
- d) residential structures throughout the Project Area are characterized by advanced stages of deterioration due to the cumulative effects of age and deferred maintenance; and
- e) conflicting mixture of land uses is detrimental to a healthful living environment and may result in declining property values;

These conditions cause a reduction of, or lack of, proper 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 acting alone.

B. The City Council also declared that the purpose and intent of the City Council with respect to adopting the Redevelopment Plan were:

- 1) To eliminate the conditions of blight existing in the Project Area.
- 2) To prevent the recurrence of blighting conditions within the Project Area.
- 3) To provide for participation by owners and tenants and reentry preferences to persons engaged in business within 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.

- 4) 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 for the benefit of the Project Area and the general public as a whole.
- 5) 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 re-planning, redesigning, or developing portions of the Project Area which are stagnate or improperly utilized because of the lack of adequate utilities and because of other causes.
- 6) To provide housing as required to satisfy the needs and desires of the various age, income and ethnic groups of the community.

#### REASONS FOR SELECTING THE PROJECT AREA

The Report to the City Council in connection with the adoption of the Redevelopment Plan sets forth the reasons for selection of the Project Area as follows:

“For many years the citizens and governmental officials of the City of Lancaster have been aware of the adverse conditions within the Project Area boundaries. The conditions in this Area have contributed to the physical deterioration of structures and infrastructure both within and surrounding the Project Area, a lack of proper utilization of the Area, a decline in the economic viability of the Area, impaired investments, and social and economic maladjustment. The result has been a serious physical, social and economic burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone.”

“The redevelopment of the Project Area would attain the purpose of Community Redevelopment Law of the State of California. The Area is in need of, and particularly suitable for, redevelopment under the provisions of the California Redevelopment statutes. Most of the parcels throughout the Project Area exhibit a complete or growing lack of economically productive utilization. Some of the properties exhibit structures that have become dilapidated and obsolescent. The age, obsolescence and ensuing deterioration of structures and the economic underutilization of the Project Area is a serious physical and economic liability requiring redevelopment. The proposed Project will assist in the redevelopment of these underutilized and deficient properties.”

“The selection of the boundaries of this Redevelopment Project Area was guided by City staff, the Lancaster General Plan, the Lancaster Redevelopment Agency, specific examples of structural and non-structural blight as discussed in detail in this Report, and the following facts and principles:



“A. The desire to revitalize and upgrade the existing commercial areas within the Project Area in order to increase sales and business tax revenues, provide adequate roadways, reduce the hazard of flooding, provide adequate parking, reduce the cost of providing City services, create jobs for Project Area residents, assure 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 through the removal or rehabilitation of physically obsolete or substandard structures and other blighting influences; the elimination of nonproductive and/or nonconforming land uses; the rehabilitation, with owner participation, of existing commercial 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 and treatment 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; 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 of the Project Area would implement the California Community Redevelopment Law. The basis for implementing the Redevelopment Law can be stated as follows:

“1) The City has a need to provide and make improvements to certain public facilities and services in the Project Area in order to reduce the continuing process of deterioration which cannot be provided by private or governmental action without redevelopment.”

“2) Redevelopment can provide a means to assist existing owners in upgrading and improving their property.”

“3) The Redevelopment Project provides the means of eliminating or rehabilitating deteriorating commercial, industrial and residential structures and other blighting influences which constitute poor environments in which to live, work, shop and recreate.”

“4) The commercial areas of the Project Area need revitalization and upgrading. The Redevelopment Project can assist the City in attaining the market potential for this area, based on market demands.”

“5) The Project Area is currently characterized by economic blight caused by properties which suffer from an economic disuse due to impaired investments, properties which suffer from irregular shape and inadequate size for proper use and the existence of inadequate public facilities, improvements and utilities.”

“6) Portions of the Project Area currently contain characteristics of physical blight caused by buildings which exhibit advanced stages of deterioration due to age and obsolescence.”

“7) These deficient conditions dominate and injuriously affect the Project Area such that the Project Area is deficient as a whole.”

“8) The blighted conditions constitute a serious physical, social, and economic burden on the City.”

“9) The City has the desire to improve the Project Area in order that the existing deficient conditions which constitute physical, social and economic liabilities can be reduced or eliminated in the interest of the health, safety, and general welfare of the people of the City of Lancaster.”

“10) The blighted conditions which exist in the Project Area are a hindrance to the proper development of the City and cannot be eliminated or improved without public assistance.”

“11) There is, generally, poor visual quality to much of the Project Area including:

- “a) Inadequate landscaping, buffering and setbacks from public rights-of-way;
- “b) Inadequately maintained buildings;
- “c) Unsightly overhead utility lines and poles;
- “d) Poorly maintained vacant lots;
- “e) Rights-of-way lacking landscaping; and
- “f) Public improvements in need of extensive repairs and/or modifications.”

“C. The redevelopment of the Project Area may include, but will not be limited to, the actions outlined below. The Agency proposes to eliminate and prevent the spread of blight within the Project Area by the following actions:

“1) Installation, construction, reconstruction, redesign, or reuse of streets, utilities, curbs, gutters, sidewalks, handicap ramps, and other public improvements as permitted in accordance with the Lancaster General Plan and the City's Zoning Ordinance.”

“2) Construction and/or reconstruction of various flood control and storm drainage facilities.”

“3) Provision and/or upgrading of traffic signals, channelization, lighting and signing of various intersections, and correction of other existing circulation deficiencies within the Project Area.”

“4) Completion of various water system projects including the replacement, construction, and improvement of water lines, fire hydrants, water storage and treatment facilities, and water meters in order to provide adequate fire flows and domestic water supplies.”

“5) Replacement, installation and improvement of domestic sewage collection and treatment facilities to reduce public health and safety hazards.”

“6) Undergrounding of utilities in the Project Area.”

“7) Improvement and development of recreational facilities, parks and a community center.”

“8) Construction and improvement of community facilities including police, fire and library facilities.”

“9) Construction and improvement of vehicle parking facilities.”

“10) Improvement, as needed, of various utility distribution systems including electrical, gas and telephone.”

“11) Improvements to streetscapes and urban design.”

“12) Provisions for senior citizen, low to moderate income and handicapped housing.”

“13) Purchase of land, construction, reconstruction or rehabilitation of structures, for the purpose of providing necessary community uses such as parking and recreational facilities, etc.”

The Redevelopment Plan of the Project will help to implement California Redevelopment Law. The basis for implementing the Redevelopment law can be stated as follows:

The land upon which the Project will be located was acquired by the Agency in order to implement the Redevelopment Plan for the Redevelopment Project Area 6 and to carry out the declared purposes of the City Council in the adoption of the Redevelopment Plan.

The Project included the sale of land to a developer to facilitate the development of an approximately 4.8 acre commercial center. It is anticipated that this new commercial center will bring approximately 140 new jobs to the project area. Until the completion of the development of all of the property in this portion of the Project Area, the purposed of the City Council in adopting the Redevelopment Plan will remain unfulfilled.

This property is located across from Antelope Valley College located at the southwest corner of the intersection of Avenue K and 30<sup>th</sup> Street West. This property has remained undeveloped and blighted even since Antelope Valley College completed construction in 1959. The Agency and the City have worked diligently with Antelope Valley College to make this property more attractive to developers and now, as a commercial center, the property will continue to improve in value and create jobs for our local residents.

The sale of this parcel helps fulfill the need for additional shopping and dining opportunities in the area. The immediate area includes Antelope Valley College which is home to over 14,000 students every semester and a growing demographic of residential neighborhoods. If the Agency had not been proactive in this area, this property would still be undeveloped and the shopping and dining opportunities that are expected to occur would not be generated as quickly.