

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

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09-08-09
MVB

DATE: September 8, 2009

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

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

SUBJECT: **Agreement for the Sale of Real Property by and between the Lancaster Redevelopment Agency and Comsite LLC (SWC 30<sup>th</sup> Street West & Avenue K)**

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**Redevelopment Agency Recommendation:**

Adopt **Resolution No. 23-09**, approving a Disposition and Development Agreement for the Sale of Real Property by and between the Lancaster Redevelopment Agency and Comsite LLC (APN: 3112-001-902) and authorize the Executive Director to execute all attendant documents related to the sale.

**City Council Recommendation:**

Adopt **Resolution No. 09-85**, approving a Disposition and Development Agreement for the Sale of Real Property by and between the Lancaster Redevelopment Agency and Comsite LLC (APN: 3112-001-902) and authorize the City Manager to execute all attendant documents related to the sale.

**Fiscal Impact:**

A concurrent escrow transaction will occur where the Redevelopment Agency will acquire the subject property from the Antelope Valley Community College for \$1,250,000 and then immediately sell the property to Comsite for \$1,250,000.

See attached Information Summary (33433 Report).

**Background:**

The Antelope Valley Community College currently owns the property at the southwest corner of 30<sup>th</sup> Street West and Avenue K. The College has approached the Agency with a strong interest to develop the site for commercial uses that would enhance and compliment their institution and neighboring community. The College sought out the Redevelopment Agency to help facilitate the college-centered commercial development of the site and entered into an Option to Purchase Agreement with the Redevelopment Agency.

Subsequently, the Agency, in partnership with the College, issued a Request For Proposal document to solicit proposals from the development community to construct the desired college-centered commercial development. After evaluating all proposals, Marinita Development

Company was awarded an Exclusive Negotiating Agreement. Marinita has formed the limited liability corporation, Comsite LLC, to develop the project and all principals in the firm remain with the newly formed LLC.

Since the award of the ENA, the Agency, College and Marinita have collaborated on the application for a General Plan Amendment and Zone Change from residential to commercial use which was approved by the City Council. The parties have now also completed its negotiations on the sale and development of the property and present the Disposition and Development Agreement for your consideration.

**Summary:**

This report involves the sale and development of approximately 4.8 acres of property located at the southwest corner of the intersection of 30<sup>th</sup> Street West and Avenue K adjacent to Redevelopment Project Area No.6 for the purpose of constructing an approximate 35,000 square foot commercial center.

The ultimate sale and development of this parcel represents a continued commitment by the College and the Agency to facilitate the creation of an “upscale” college-centered development. This ‘college-centered’ development would ideally include retail and services that would serve the student body’s multitude of needs such as banking, quick-serve restaurant, bookstore/coffee shop, cleaners and the like. This would provide the rapidly expanding student body of 14,000+ a convenient and all-inclusive center one could easily visit while on break in between classes or when traveling to and from campus.

The commercial development of this site will result in increased sales tax revenues to the City and new employment opportunities for local residents along with a community oriented space geared towards providing services utilized by residents and college students alike. The Agency in partnership with Antelope Valley College is committed to providing the much desired amenities this college-centered development would bring, all within a short walk from the college and surrounding community.

A Disposition and Development Agreement (the “Agreement”) has been prepared by Agency Counsel, and signed by Comsite LLC, based upon the following “deal points:”

- Site: An approximate 4.8-acre vacant parcel (APN: 3112-001-902)
- Facilities: Comsite LLC agrees to construct a new neighborhood commercial center of at least 35,000 square feet to include uses compatible with the adjacent community college.
- Price: Comsite agrees to pay a fair reuse rate of \$5.97/sq. ft. for a total sale purchase price of \$1,250,000.
- Improvements: Comsite LLC will be solely responsible for all on and off-site improvements required as part of the proposed project.
- Fees: Comsite LLC will be solely responsible for the payment of all development costs related to the proposed construction project, including all fees payable to the City as well as those owed to agencies other than the City.

The proposed use of the Site for the construction of the commercial center will be in full compliance with the development and land use requirements of the Lancaster's General Plan along with their respective Environmental Impact Reports (EIRs). An EIR was prepared for this project as required for the General Plan Amendment and Zone Change and has been previously certified by City Council. There are no substantial environmental impacts that will either be created or be more significant than that which has already been described and mitigated through the respective EIR. A copy of the Information Summary Report required by Section 33433 of the California Health and Safety Code is attached.

Staff recommends that the Disposition and Development Agreement between the Lancaster Redevelopment Agency and Comsite LLC., along with the related resolutions for the disposition and development of the property, be approved with authorization for the Executive Director to execute all attendant documents related to the sale.

VL:tbe

**Attachments:**

1. Agency Resolution No. 23-09, including Site Map and Information Summary (33433 Report)
2. City Resolution No. 09-85, including Site Map and Information Summary (33433 Report)