# LONG-RANGE PROPERTY MANAGEMENT PLAN

## SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF PALMDALE

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# 1.0 Introduction

## 1.1 Background & Purpose

Health and Safety Code Section 34191.5 was established under Assembly Bill 1484 ("AB 1484", signed into law on June 27, 2012), and requires each successor agency to prepare and approve a Long-Range Property Management Plan ("PMP") addressing the disposition and use of the real properties of the former Palmdale Redevelopment Agency ("RDA"). Properties held by a successor agency cannot be disposed of until the State Department of Finance ("DOF") has approved the PMP. This document is the PMP for the Successor Agency to the former Palmdale Redevelopment Agency ("Successor Agency").

## 1.2 Legal Requirements

Pursuant to Health and Safety Code section 34191.5, a successor agency holding property owned by a former redevelopment agency is required to submit a LRPMP to the DOF for approval within six months after it receives a "Finding of Completion" from the DOF.[1] Prior to the submittal of the PMP to the DOF, the oversight board to the successor agency must review and approve the PMP. Pursuant to AB 1484 this PMP includes the following components:

1. An inventory of all properties in the Community Redevelopment Property Trust Fund ("Property Trust Fund"), established to serve as the repository of the former redevelopment agency's real properties. This inventory includes the following information:

    a. Date of acquisition of the property, the value of the property at that time, and an estimate of the current value of the property.
    b. Purpose for which the property was acquired.
    c. Parcel data, including address, lot size, and current zoning in the former redevelopment agency redevelopment plan or specific, community, or general plan.
    d. Estimate of the current value of the parcel including, if available, any appraisal information.
    e. Estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.
    f. History of environmental contamination, including designation as a brownfield site, and related environmental studies, and history of any remediation efforts.
    g. Description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

[1] As of October 20, 2015, the Successor Agency has not received an FOC. However, the DOF has confirmed their willingness to review the LRPMP prior to the issuance of an FOC.

h. Brief history of previous development proposals and activity, including the rental or lease of property.

2. A discussion of the proposed use or disposition of all properties in the Property Trust Fund. Permissible uses include:

    a. Retention for governmental use pursuant to subdivision (a) of Section 34181;
    b. Retention for future development;
    c. Sale of the property; or
    d. Use of property to fulfill an enforceable obligation.

3. Identification and a list of properties in the Property Trust Fund dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation. With respect to the use or disposition of all other properties, all the following apply:

    a. If the plan directs the use or liquidation of the property for a project identified in an approved redevelopment plan, the property shall be transferred to the city, county, or city and county.

    b. If the plan directs the liquidation of the property or the use of revenues generated from the property, such as lease or parking revenues, for any purpose other than (ii) to fulfill an enforceable obligation, or (ii) that specified in subsection 3(a) above, the proceeds from the sale shall be distributed as property tax to the taxing agencies.

    c. Property shall not be transferred to a successor agency, city, county, or city and county, unless the PMP has been approved by the oversight board and DOF.

## 1.3 Property Asset Summary

The former Redevelopment Agency of the City of Palmdale adopted redevelopment plans for four designated redevelopment areas within the City between 1975 and 1983. During that time, the former RDA used tax increment financing to provide infrastructure improvements, finance public projects and support private investment and economic development within the City.

The former RDA owned and controlled twenty-nine (29) real property assets prior to dissolution; all of which are now the responsibility of the Successor Agency to dispose of pursuant to the law. The twenty-nine (29) assets (Assets #1 - #29 in the list that follows) include a myriad of properties that fall under the categories of Governmental Use and Sale in terms of their ultimate disposition. Several of the aforementioned assets are along major streets and may be suitable for industrial, commercial and/or mixed-use development. Other assets are smaller within the City's downtown are scattered and may be suitable for some type of in-fill development.

Of the total twenty-nine (29) LRPMP assets, one of which consists of a public building that is proposed to be transferred to the City of Palmdale ("City") as a governmental use and the remaining twenty-eight (28) LRPMP assets are proposed to be sold and are currently vacant unimproved land. The assets designated for sale consist of seven (7) assets that were acquired for the development and expansion of auto dealerships in the City, six (6) of the assets were acquired for the development of a conference center, ten (10) assets for the development of a light industrial park, two (2) assets which were to be utilized to facilitate the development a business park, and the remaining three (3) were acquired for various public purposes.

The summary table below details the four permissible categories that real property assets of the former RDA may be disposed of in accordance with the requirements outlined in AB 1484.

**Table 1 – Summary of LRPMP Property Disposition Categories**

| **Palmdale Successor Agency**<br>***Summary of LRPMP Property Disposition Categories*** | |
|---|---|
| **Permissible Use Under AB1 1484** | # of Properties |
| Government Use | 1 |
| Sale of Property | 28 |
| Fulfill an Enforceable Obligation | 0 |
| Retain for Future Development | 0 |
| **Total** | 29 |

## 1.4 Asset Disposition Strategy

As part of the ultimate disposition of the assets identified in each respective area (Area A – Area D) for sale (Assets #1 - #3, #5 - #11, #17 - #27, and #28 - #29), the Successor Agency intends to develop and implement an asset disposition strategy ("Disposition Strategy") seeking to not only dispose of the assets in an "expeditious" manner but "in a manner aimed at maximizing value." Furthermore, the Agency seeks to maximize the interests of the City, community, State, and taxing entities within the confines of ABx1 26 and AB 1484. The Disposition Strategy would generally be applicable to all assets within each respective section designated for sale and would promote orderly planning, marketing, and disposition of the properties.

The Successor Agency's four (4) designated areas (Area A – Downtown, Area B – Trade & Commerce Area, Area C – Fairway Business Park, and Area D – Antelope Valley Business Park) represent groupings of assets that may be assembled and marketed for joint development opportunities in a coordinated and comprehensive manner. As such, the Successor Agency anticipates implementing a strategy to engage developers to complete the development of certain asset groupings and/or areas. The goals and objectives of the ultimate disposition of these assets contained in this section are aligned with the former RDA's adopted Amended and Restated Merged Redevelopment Plan and the 2010-2014 Amended Five-Year Implementation and Housing Plan, which are included herein as Appendix B and C, respectively.

The sale and ultimate disposition of the assets identified for sale within this PMP will be initiated upon approval of the PMP by the Oversight Board and subsequently DOF. The marketing component of this Disposition Strategy will include input from the Successor Agency as well as a review of local market conditions and specific cost-effective techniques that will effectively expose the properties to public and/or private prospects as appropriate. Techniques that may be employed by the Successor Agency may include direct marketing within the broker community, on-line marketing platforms, and/or creating and facilitating an RFQ/P process.

*It should be noted that subsequent to the sale of the properties, the resulting sales proceeds will be distributed to the affected taxing entities net of any existing enforceable obligations, as approved on the ROPS, as well as the future costs of the sale of the property, including but not limited to: appraisals, environmental documentation, title insurance, title report, and commissions.*

The major components of this Disposition Strategy will include methods, processes, and resources designed to achieve the desired outcome from the development of the parcels to provide the maximum benefits of future jobs and increased economic activity, public revenues, and public services to the City. As outlined in DOF's presentation given to the CSMFO (California Society of Municipal Finance Officers) called "AB-1484 So Many Moving Pieces," the two approved methods that can be employed with the sale of PMP assets to a third party are through a traditional brokerage sale and/or an auction.

However, the Successor Agency may choose to utilize the following resources to effectively market and sell the assets identified in this section, which include but are not limited to:

- Successor Agency staff, with assistance provided by title officers, escrow officers, real estate advisors/brokers, and appraisers to package and market the identified assets or implement an RFP/Q type process.

- Engage qualified brokerage firms with applicable experience who would perform all marketing and complete all sales transactions through a traditional sales process.

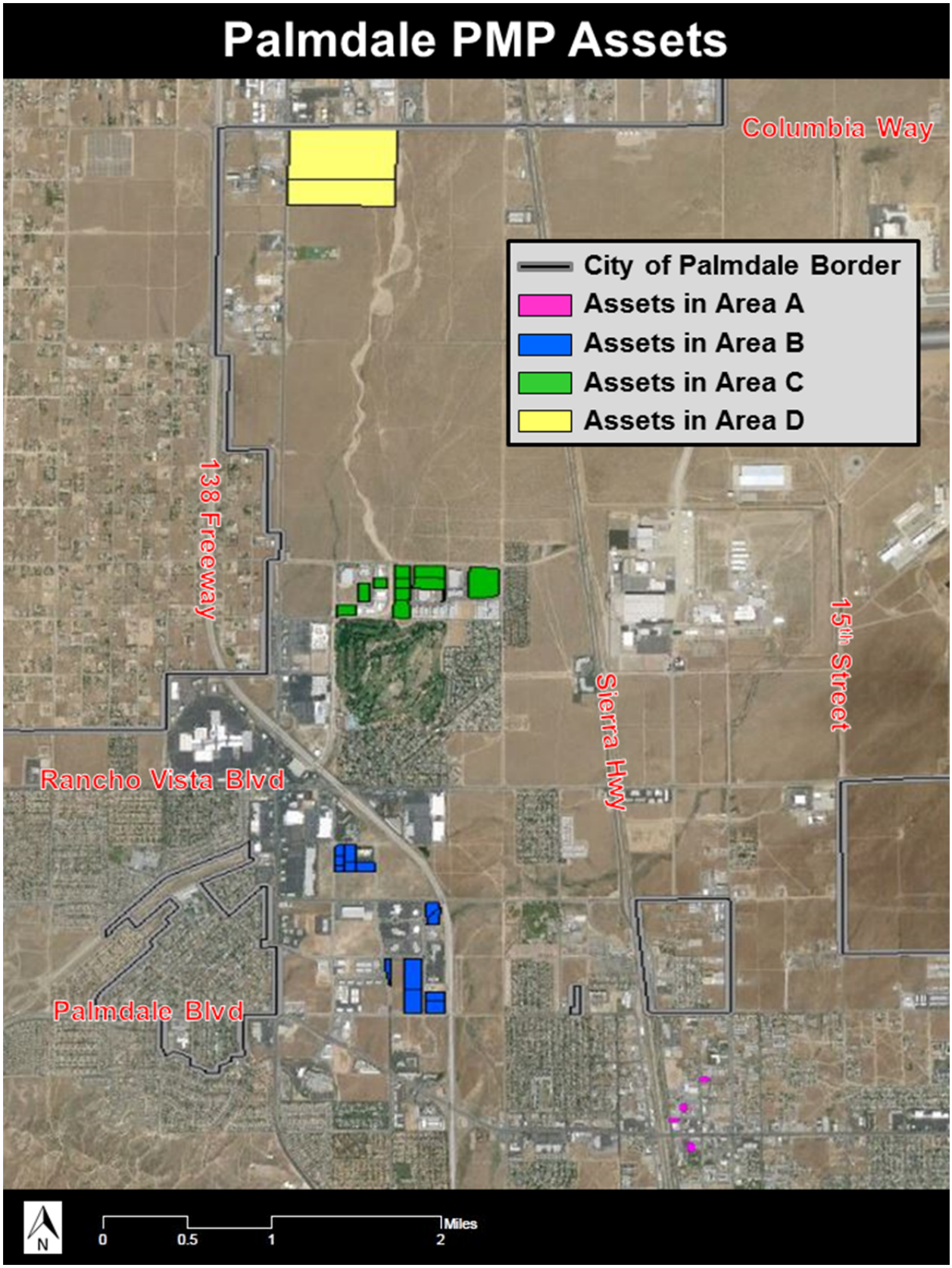
- Engage an online property auction site or auction company to market and complete the sale of the identified assets.

- A combination and/or a portion of all the above.

If the assets within the section have not sold within a reasonable period of time, the Successor Agency will, at that time, re-evaluate the approach to determine if further refinements will need to be made, which may include the adjustment of sale prices based on the local market or constraints related to land use or zoning regulations and/or whether the parcels should be grouped together or separated because of their adjacency, common features, or other related conditions. If it is determined the prices are too high, the Successor Agency will consider readjusting the asking prices and/or further engage real estate brokers, investors/buyers and other real estate professionals to revise the determined values as part of the Disposition Strategy.

The following map depicts the location of the various areas (Area A – Downtown, Area B – Trade & Commerce Area, Area C – Fairway Business Park, and Area D – Antelope Valley Business Park) presented in subsequent sections of this report.

## Palmdale SA LRPMP Assets



# 2.0 Successor Agency Long-Range Property Management Plan

As mentioned in the opening section of this report, the former RDA owned twenty-nine (29) assets prior to dissolution. Each of these assets has been designated an asset number, and grouped into four distinctive areas, which are based on parcel adjacencies and geographic location as follows:

- Area A (Assets #1 - #4)
- Area B (Asset #5 - #17)
- Area C (Assets #18 - #27)
- Area D (Assets #28 - #29)

In each designated subarea listed above, the individual assets display the permissible use categories identified in AB 1484:

- Governmental Use
- Enforceable Obligation
- Retain for Future Development
- Sale of Property

The asset numbers provided in the following sections of this Report corresponds to the "No." column in the DOF's approved inventory worksheet provided as Appendix A. Further, the DOF inventory worksheet provides all of the information required by Health and Safety Code Section 34191.5(c) under AB 1484.

## 2.1 Valuation Methodology

Pursuant to Health and Safety Code Section 34191.5(c) (1) (D), the Successor Agency is required to provide an estimate of current value for each property in the Long Range Property Management Plan ("PMP"). Valuations contained in this report, as well as the DOF's inventory worksheet (Appendix A) were determined based on available information including appraisals, title research, and analysis of market conditions. However, it should be noted that the marketplace will ultimately dictate what the properties will yield in terms of a sale price prior to ultimate liquidation of the assets.

In general, property values presented herein represent estimates of fair market value in consideration of individual property characteristics and local market considerations. Actual values achievable in the market could vary, especially if properties are sold on an individual versus aggregated basis, and/or with provisions requiring the installation of infrastructure improvements. Gross property values were initially estimated by reviewing recent property sales and values within the market area relevant to each property.

Values for properties that had potential impairments to value that were atypical of market comparables were adjusted by deducting the estimated cost of impairments from the gross estimated values. Examples of such impairments include the condition/status/availability of basic infrastructure and utility connections prior to development as well as annual assessments

as they relate to community facilities districts or other assessment districts. Additional discussions on methodologies are provided herein where appropriate.

# 3.0 Area A – Downtown Assets (Assets #1 - #4)

The four (4) assets (Assets #1 - #4) provided in this section are listed under the permissible use categories Retain as Governmental Use and For Sale. Those assets designated for sale will be offered and marketed pursuant to the disposition strategy as described in Section 1.4 of this Report, which is aligned with the goals and objectives of the Amended and Restated Merged Redevelopment Plan (Appendix B) and Amended 2010-2014 Redevelopment and Housing Implementation Plan (Appendix C). The information required by CRL Section 34191.5(c) is provided throughout this section for each asset and any remaining requirements are satisfied in the DOF property inventory included in Appendix A.

The LRPMP assets within the City's downtown are comprised of a public building and three (3) smaller vacant commercial properties. The former RDA acquired the aforementioned assets for the purpose of stimulating the redevelopment and revitalization of vacant, underutilized, and distressed properties in the Downtown. Activities of the former RDA included providing rehabilitation loans to property owners, initiating marketing and incentive programs to assist with downtown revitalization, business outreach, funding of façade improvement projects, and the creation and improvement of public recreational facilities such as parks.

The following table provides a summary of the permissible use categories for each individual asset contained in this section as legally required. An aerial is provided on the following page, which provides more detail on the location of each of the assets contained in this section.

**Table 2 – Summary of Area A LRPMP Property Disposition Categories**

| **Palmdale Successor Agency**<br>***Area A: Downtown Area - Property Disposition Categories*** | |
|---|---|
| **Permissible Use Under AB 1484** | # of Properties |
| Government Use | 1 |
| Sale of Property | 3 |
| Fulfill an Enforceable Obligation | 0 |
| Retain for Future Development | 0 |
| **Total** | **4** |

## Area A – Downtown Assets Aerial

# Asset 1: 802 E Avenue Q6

| Parcel Data | |
|---|---|
| **Address** | 802 E Avenue Q6 |
| **APN** | 3008-034-901 |
| **Lot Size** | 0.14 acres |
| **Use** | Commercial |
| **Zoning** | Downtown Commercial Mixed Use Overlay (C-D MX) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/22/1998 |
| **Purchase Price** | $76,213 |
| **Purpose** | Downtown Revitalization |
| **Estimate of Current Value** | $20,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

## Asset 2: 112 E Avenue Q7

| Parcel Data | |
|---|---|
| **Address** | 112 E Avenue Q7 |
| **APN** | 3008-035-903 |
| **Lot Size** | 0.14 acres |
| **Use** | Commercial |
| **Zoning** | Downtown Commercial Mixed Use Overlay (C-D MX) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 12/22/1994 |
| **Purchase Price** | $106,120.00 |
| **Purpose** | Downtown Revitalization |
| **Estimate of Current Value** | $21,000 |
| **Method of Valuation** | Market |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

## Asset 3: 38550 9th Street East

| Parcel Data | |
|---|---|
| **Address** | 38550 9th Street East |
| **APN** | 3008-038-901 |
| **Lot Size** | 0.10 acres |
| **Use** | Commercial |
| **Zoning** | Office Commercial Mixed Use Overlay (C-2 MX) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 05/15/1998 |
| **Purchase Price** | $22,359 |
| **Purpose** | Downtown Revitalization |
| **Estimate of Current Value** | $13,000 |
| **Method of Valuation** | Market |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

## Asset 4: 819 E Avenue Q9 (Public Building)

| Parcel Data | |
|---|---|
| **Address** | 819 E Avenue Q9 |
| **APN** | 3009-015-932 |
| **Lot Size** | 0.17 acres |
| **Use** | Public |
| **Zoning** | Downtown Commercial Mixed Use Overlay (C-D MX) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/1991 |
| **Purchase Price** | $31,731 |
| **Purpose** | Public Building – City Hall Expansion |
| **Estimate of Current Value** | $31,731 |
| **Method of Valuation** | Book Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property currently generates $3,000 annually in lease revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Further Implementation Plan goal to encourage the cooperation & participation of residents, businesses, business persons, public agencies and community organizations as well as accommodate the expansion of governmental and civic programs and activities. |

| Recommendation for Disposition | |
|---|---|
| **Retention as Governmental Use** | Retain the property as a government use due to its planned use for expansion of the City's civic center and City Hall. |

# 3.1 Area B: Trade & Commerce Area (Assets #5 - #17)

The thirteen assets (13) assets (Assets #5 - #17) provided in this section are listed under the permissible use category For Sale. The aforementioned assets designated for sale will be offered and marketed pursuant to the disposition strategy as described in Section 1.4 of this Report, which is aligned with the goals and objectives of the Amended and Restated Merged Redevelopment Plan (Appendix B) and Amended 2010-2014 Redevelopment and Housing Implementation Plan (Appendix C). The information required by CRL Section 34191.5(c) is provided throughout this section for each asset and any remaining requirements are satisfied in the DOF property inventory included in Appendix A.

The former RDA acquired the aforementioned assets to encourage and facilitate development of auto related uses, hotels, a conference center, and recreational facilities within the Palmdale Trade and Commerce area through the provision of rehabilitation loans to property owners, public facilities and infrastructure improvements, financial assistance, land acquisition, business outreach, as well as other economic development tools and resources.

The assets (Asset #5 - #11) are located within the City's auto mall area ("Auto Mall"), which is generally bounded by Ave. P-8 to the north, Ave. Q to the south, 5th Street to the west, and Antelope Valley Freeway to the east. Activities of the former RDA in this area include the marketing and sale of land to facilitate and encourage auto related development and diversify the City's economic base. In 2008, the RDA entered into negotiations with a major used car dealership for the sale of approximately 12 acres of land. However, prior to completing the agreement, the recession forced the dealership to decline to move forward.

The remaining formerly owned RDA assets (Assets #12 - #17) were acquired to encourage and facilitate the development of a Conference Center and for the provision of additional parking as part of the project and efforts were halted as a result of the dissolution of redevelopment. The former RDA acquired assets #12 - #16 from Palmdale T&C Partners, LLC ("PTCP") on November 12, 2008 and entered into a 7-acre Option Agreement for Repurchase of Real Property ("7 Acre Option Agreement") with PTCP concerning assets #12 - #16 (Appendix E). The 7 Acre Option Agreement specifically stated that if the former RDA failed to begin construction of a conference center by June 30, 2012, then PTCP would have the right to exercise an option to repurchase the assets at the same price paid by the former RDA, without reduction for the Seller's Credit, which is approximately $746,660.

The Successor Agency has not commenced development of a conference center and, therefore, proposes to sell these assets pursuant to an existing enforceable obligation and will engage PTCP concerning the exercise of the option to repurchase the site and, at which time, may subsequently sell the property pursuant to the price as stated in the 7 Acre Option Agreement ($746,660). The former RDA also entered into a 2-acre Option Agreement (Appendix F) to purchase real property from PTCP concerning Asset #17, which they exercised

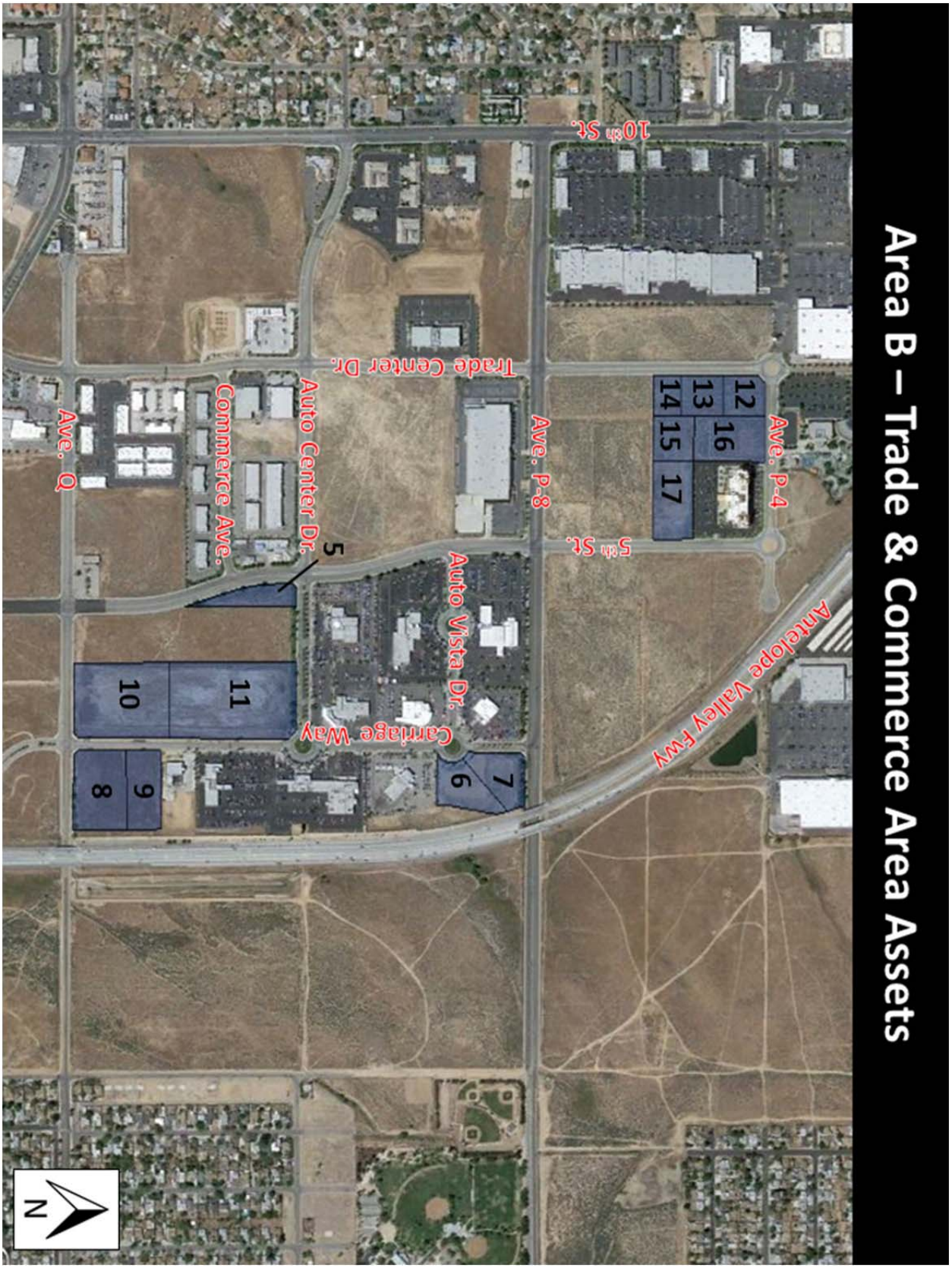
for provision of additional parking for the conference center project and would be subsequently sold in conjunction with assets #12 - #16.

The following table provides a summary of the permissible use categories for each individual asset contained in this section as legally required. An aerial is provided on the following page, which provides more detail on the location of each of the assets contained in this section.

**Table 2 – Summary of Area B LRPMP Property Disposition Categories**

| **Palmdale Successor Agency**<br>***Area B: Trade & Commerce Area- Disposition Categories*** | |
|---|---|
| **Permissible Use Under AB 1484** | # of Properties |
| Government Use | 0 |
| Sale of Property | 13 |
| Fulfill an Enforceable Obligation | 0 |
| Retain for Future Development | 0 |
| **Total** | **13** |

## Area B – Trade & Commerce Area Aerial



# Asset 5: SEC 5th St West & Auto Center Drive

| Parcel Data | |
|---|---|
| **Address** | SEC 5th Street West & Auto Center Drive |
| **APN** | 3003-002-909 |
| **Lot Size** | 1.23 acres |
| **Use** | Vacant Lot/Land |
| **Zoning** | Commercial (Specific Plan-Auto Center) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $216,730 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | $236,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | N/A |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 6: Eastside of Carriage Way and South of Avenue P8

| Parcel Data | |
|---|---|
| **Address** | Eastside of Carriage Way and South of Avenue P8 |
| **APN** | 3003-002-911 |
| **Lot Size** | 1.72 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Auto Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $97,647 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | $375,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 7: Eastside of Carriage Way and South of Avenue P8

| Parcel Data | |
|---|---|
| **Address** | Eastside of Carriage Way and South of Avenue P8 |
| **APN** | 3003-002-920 |
| **Lot Size** | 1.37 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Auto Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $143,693 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | $298,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 8: Northeast of Carriage Way and Avenue Q

| Parcel Data | |
|---|---|
| **Address** | Northeast of Carriage Way and Avenue Q |
| **APN** | 3003-002-917 |
| **Lot Size** | 3.10 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $141,311 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | $3,955,000 |
| **Method of Valuation** | Appraisal (2013) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 9: Eastside of Carriage Way and North of Avenue Q

| Parcel Data | |
|---|---|
| **Address** | Eastside of Carriage Way and North of Avenue Q |
| **APN** | 3003-002-924 |
| **Lot Size** | 2.04 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $246,103 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | See Asset #8 |
| **Method of Valuation** | Appraisal (2013) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

## Asset 10: Westside of Carriage Way between Auto Center Dr. and Avenue Q

| Parcel Data | |
|---|---|
| **Address** | Westside of Carriage Way between Auto Center Dr. and Avenue Q |
| **APN** | 3003-002-931 |
| **Lot Size** | 5.17 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $108,762 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | See Asset #8 |
| **Method of Valuation** | Appraisal (2013) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 11: Westside of Carriage Way between Auto Center Dr. and Avenue Q

| Parcel Data | |
|---|---|
| **Address** | Westside of Carriage Way between Auto Center Dr and Avenue Q |
| **APN** | 3003-002-932 |
| **Lot Size** | 6.99 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 5/21/1993 |
| **Purchase Price** | $1,286,591 |
| **Purpose** | Encourage development & expansion of auto dealerships. |
| **Estimate of Current Value** | See Asset #8 |
| **Method of Valuation** | Appraisal (2013) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 12: SEC Avenue P4 and Trade Center Dr. (Convention Center)

| Parcel Data | |
|---|---|
| **Address** | SEC Avenue P4 and Trade Center Dr. (Convention Center) |
| **APN** | 3003-081-922 |
| **Lot Size** | 1.26 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Palmdale Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 11/13/2008 |
| **Purchase Price** | $94,067 |
| **Purpose** | Acquisition and development of a convention center. |
| **Estimate of Current Value** | $746,660 |
| **Method of Valuation** | Pursuant to Agreement with Third Party |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Dispose of pursuant to Agreement with Third Party |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will sell the property pursuant to and as established by the agreement entered into between the RDA and PTCP. |

# Asset 13: SEC Avenue P4 and Trade Center Dr (Convention Center)

| Parcel Data | |
|---|---|
| **Address** | SEC Avenue P4 and Trade Center Dr (Convention Center) |
| **APN** | 3003-081-923 |
| **Lot Size** | 1.27 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Palmdale Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 11/13/2008 |
| **Purchase Price** | $94,515 |
| **Purpose** | Acquisition and development of a convention center. |
| **Estimate of Current Value** | See Asset #12 |
| **Method of Valuation** | Pursuant to Agreement with Third Party |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Dispose of pursuant to Agreement with Third Party |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will sell the property pursuant to and as established by the agreement entered into between the RDA and PTCP. |

# Asset 14: SEC Avenue P4 and Trade Center Dr (Convention Center)

| Parcel Data | |
|---|---|
| **Address** | SEC Avenue P4 and Trade Center Dr (Convention Center) |
| **APN** | 3003-081-924 |
| **Lot Size** | 0.84 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Palmdale Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 11/13/2008 |
| **Purchase Price** | $61,569 |
| **Purpose** | Acquisition and development of a convention center. |
| **Estimate of Current Value** | See Asset #12 |
| **Method of Valuation** | Pursuant to Agreement with Third Party |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Dispose of pursuant to Agreement with Third Party |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will sell the property pursuant to and as established by the agreement entered into between the RDA and PTCP. |

# Asset 15: SEC Avenue P4 and Trade Center Dr (Convention Center)

| Parcel Data | |
|---|---|
| **Address** | SEC Avenue P4 and Trade Center Dr (Convention Center) |
| **APN** | 3003-081-925 |
| **Lot Size** | 1.35 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Palmdale Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 11/13/2008 |
| **Purchase Price** | $100,701 |
| **Purpose** | Acquisition and development of a convention center. |
| **Estimate of Current Value** | See Asset #12 |
| **Method of Valuation** | Pursuant to Agreement with Third Party |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Dispose of pursuant to Agreement with Third Party |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will sell the property pursuant to and as established by the agreement entered into between the RDA and PTCP. |

# Asset 16: SEC Avenue P4 and Trade Center Dr (Convention Center)

| Parcel Data | |
|---|---|
| **Address** | SEC Avenue P4 and Trade Center Dr (Convention Center) |
| **APN** | 3003-081-926 |
| **Lot Size** | 2.4 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Palmdale Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 11/13/2008 |
| **Purchase Price** | $178,072 |
| **Purpose** | Acquisition and development of a convention center. |
| **Estimate of Current Value** | See Asset #12 |
| **Method of Valuation** | Pursuant to Agreement with Third Party |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Dispose of pursuant to Agreement with Third Party |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will sell the property pursuant to and as established by the agreement entered into between the RDA and PTCP. |

# Asset 17: 5th St W Near Technology Dr. (Convention Center)

| Parcel Data | |
|---|---|
| **Address** | 5th St W Near Technology Dr. (Convention Center) |
| **APN** | 3003-081-927 |
| **Lot Size** | 2.32 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Commercial (Palmdale Trade & Commerce Center Specific Plan) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 11/13/2008 |
| **Purchase Price** | $173,227 |
| **Purpose** | Acquisition and development of a convention center. |
| **Estimate of Current Value** | $40,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# 3.2 Area C – Fairway Business Park (Assets #18 - #27)

The assets (Assets #18 - #27) listed in this section fall under the permissible use category of Sale pursuant to AB 1484. A total of ten (10) assets within this section are listed for sale and will be offered and marketed pursuant to the disposition strategy as described in Section 1.4 of this Report, which is aligned with the goals and objectives of the Amended and Restated Merged Redevelopment Plan (Appendix B) and Amended 2010-2014 Redevelopment and Housing Implementation Plan (Appendix C). The information required by CRL Section 34191.5(c) is provided throughout this section for each asset and any remaining requirements are satisfied in the DOF property inventory included in Appendix A.

Since 2004, the Agency completed the acquisition of the aforementioned assets and construction of public infrastructure improvements in the Fairway Business Park, including the streets, utilities, and drainage improvements to the Amargosa Creek; as well as the common area landscape, signage and lighting surrounding the Business Park in an effort to support and facilitate business attraction, expansion, and retention activities within industrial zoned areas. Prior to dissolution, the former RDA sold 17 lots within the Fairway Business Park, which have been developed with a variety of build-to-suit and speculative manufacturing and office buildings. As a result, the Fairway Business Park is currently home to several major businesses such as U.S. Pole, Delta Scientific Corporation, Fed Ex Ground Distribution, eSolar, Davis Wholesale Electric, as well as other similar tenants.

The following table provides a summary of the permissible use categories for each individual asset contained in this section as legally required. An aerial is provided on the following page, which provides more detail on the location of each of the assets contained in this section.

**Table 2 – Summary of Area C LRPMP Property Disposition Categories**

| **Palmdale Successor Agency**<br>***Area C: Fairway Business Park - Disposition Categories*** | |
|---|---|
| **Permissible Use Under AB 1484** | # of Properties |
| Government Use | 0 |
| Sale of Property | 10 |
| Fulfill an Enforceable Obligation | 0 |
| Retain for Future Development | 0 |
| **Total** | **10** |

## Area C – Fairway Business Park Aerial

# Asset 18: Southwest Corner of Ave O and Legacy Lane

| Parcel Data | |
|---|---|
| **Address** | Southwest Corner of Ave O and Legacy Lane (Fairway Business Park) |
| **APN** | 3005-045-909 |
| **Lot Size** | 2.61 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | $7,885,963 (All of Fairway Business Park, Assets #18 - #25) |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $397,921 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 19: West Side of Legacy Lane

| Parcel Data | |
|---|---|
| **Address** | West Side of Legacy Lane (Fairway Business Park) |
| **APN** | 3005-045-910 |
| **Lot Size** | 2.29 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $349,133 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 20: West Side of Legacy Lane

| Parcel Data | |
|---|---|
| **Address** | West Side of Legacy Lane (Fairway Business Park) |
| **APN** | 3005-045-911 |
| **Lot Size** | 2.3 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $350,658 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 21: Southwest Corner of Grand Cypress Ave and Legacy Lane

| Parcel Data | |
|---|---|
| **Address** | Southwest Corner of Grand Cypress Ave and Legacy Lane (Fairway Business Park) |
| **APN** | 3005-045-920 |
| **Lot Size** | 4.04 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Light Industrial (M-1) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $571,943 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 22: Southwest Corner of St Andrew's Way and Jody Lane

| Parcel Data | |
|---|---|
| **Address** | Southwest Corner of St Andrew's Way and Jody Land (Fairway Business Park) |
| **APN** | 3005-045-923 |
| **Lot Size** | 2.21 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Light Industrial (M-1) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $336,937 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 23: Eastside of La Quinta Lane

| Parcel Data | |
|---|---|
| **Address** | West side of Legacy Lane (Fairway Business Park) |
| **APN** | 3005-045-927 |
| **Lot Size** | 2.04 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $311,018 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 24: Northwest Corner of St. Andrew's Way and La Quinta Lane

| Parcel Data | |
|---|---|
| **Address** | Northwest corner of St. Andrew's Way and La Quinta Lane |
| **APN** | 3005-045-929 |
| **Lot Size** | 2.75 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $419,265 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 25: Southwest Corner of Avenue Q and Division Street

| Parcel Data | |
|---|---|
| **Address** | Southwest Corner of Avenue Q and Division Street |
| **APN** | 3005-046-907 |
| **Lot Size** | 11.4 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $1,489,752 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 26: Southeast corner of Avenue O and Legacy Ln

| Parcel Data | |
|---|---|
| **Address** | Southeast corner of Avenue O and Legacy Ln |
| **APN** | 3005-046-912 |
| **Lot Size** | 5.17 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $675,616 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 27: Southeast Corner of Avenue O and Legacy Ln

| Parcel Data | |
|---|---|
| **Address** | Southeast Corner of Avenue O and Legacy Ln |
| **APN** | 3005-046-913 |
| **Lot Size** | 4.76 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | General Industrial (M-2) |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 6/28/2000 |
| **Purchase Price** | See Asset #18 |
| **Purpose** | Acquisition and development of light industrial business park. |
| **Estimate of Current Value** | $622,037 |
| **Method of Valuation** | Appraisal (2011) |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# 3.3 Area D – Antelope Valley Business Park (Assets #28 - #29)

The two (2) assets (Assets #28 - #29) provided in this section are listed for sale and will be offered and marketed pursuant to the disposition strategy as described in Section 1.4 of this Report, which is aligned with the goals and objectives of the Amended and Restated Merged Redevelopment Plan (Appendix B) and Amended 2010-2014 Redevelopment and Housing Implementation Plan (Appendix C). The information required by CRL Section 34191.5(c) is provided throughout this section for each asset and any remaining requirements are satisfied in the DOF property inventory included in Appendix A.

The assets are currently vacant unimproved property specifically located at the southeast corner of Columbia Way and 10th Street West, which is within the Antelope Valley Enterprise Zone and Palmdale Foreign Trade Zone and in close proximity to State Highway 14. The original owners of the assets were The M Street Partnership, The Palmdale M Partnership and the Lusk Company. The owners, at that time, envisioned a master planned business / industrial park called "The Antelope Valley Business Park."

However, in 1994, the Lusk Company development entity became insolvent and the City/RDA acquired title to the assets in August of 1994 and continued activities and efforts to stimulate development of the subject sites and create a diversified employment center in the City and provide employment opportunities for residents. Further, in pursuit of the original vision of the business/industrial park concept, the former RDA issued a Request for Qualifications ("RFQ") in March 2007 to market a commercial/industrial development opportunity. The RDA selected and entered into negotiations with a prospective developer, however, those negotiations were abandoned due in large part to the economic recession.

On August 13, 2007, the former RDA ordered an appraisal ("Appraisal") for the aforementioned assets, which provided an opinion of value of approximately $3.18 per square foot of land area for a total aggregate value of $15,700,000. However, it should be noted that there are current impediments/impairments and a lack of adequate public infrastructure that detract from the current market value of the assets and would need to be addressed to accommodate any future development. Furthermore, Amargosa Creek and its flood plain run north and south along the eastern boundary of the site and are within a flood-prone zone that experiences flooding during times of seasonal creek runoff.

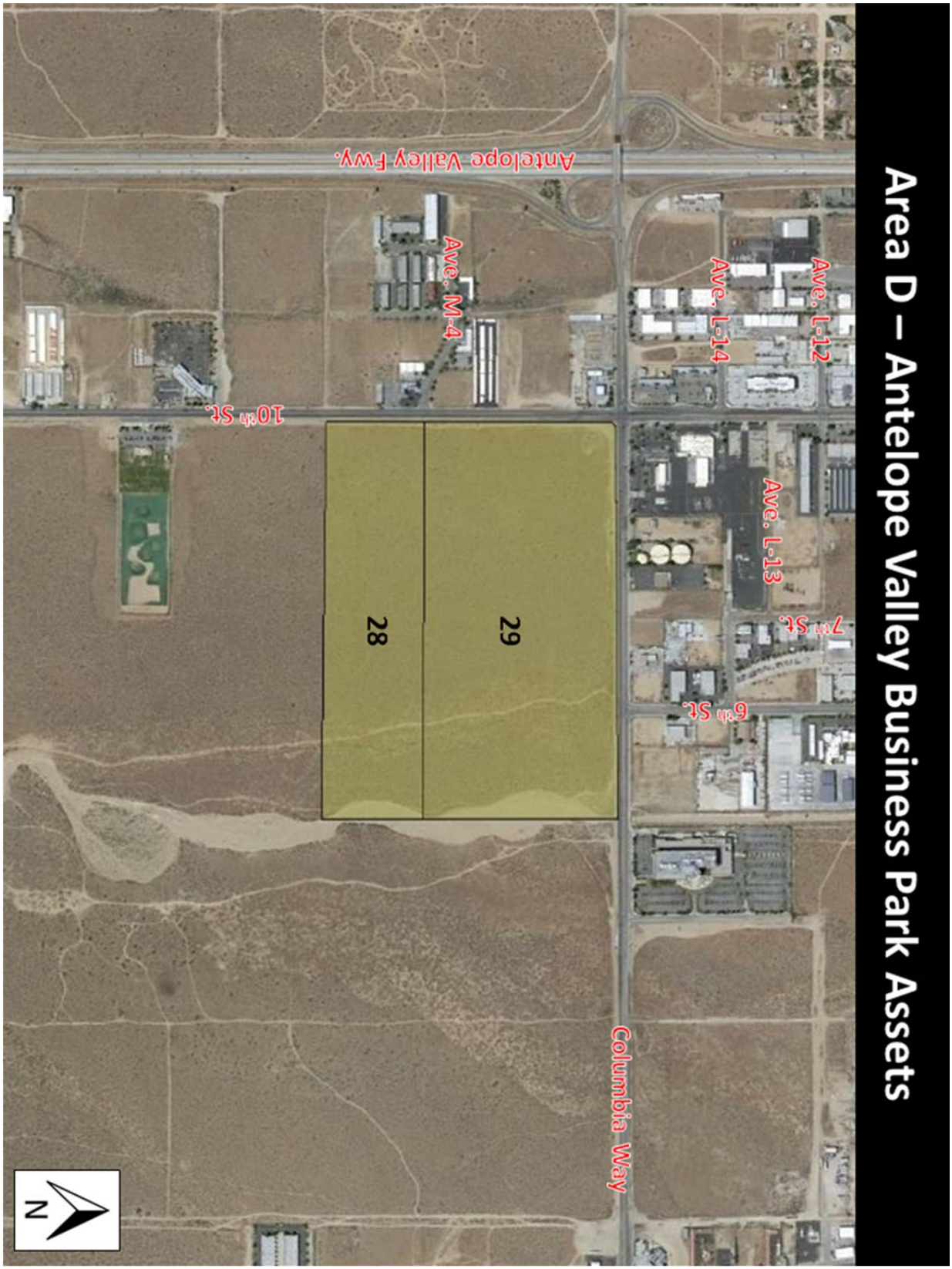
According to cost estimates provided in the Appraisal, all necessary infrastructure improvements such as street improvements, water systems, Amargosa Creek Flood Control Channel, engineering/geotechnical services, and other related costs would be approximately $8,666,860. The biggest portion is the Amargosa Creek Flood Control Channel improvements, which is estimated to cost approximately $4,300,000 or 50% of the total costs of the improvements. In this PMP, the estimated costs have been deducted from gross value estimates to approximate fair market value.

The following table provides a summary of the permissible use categories for each individual asset contained in this section as legally required. An aerial is provided on the following page, which provides more detail on the location of each of the assets contained in this section.

**Table 2 – Summary of Area D LRPMP Property Disposition Categories**

| **Palmdale Successor Agency**<br>***Area D: Antelope Valley Business Park - Disposition Categories*** | |
|---|---|
| **Permissible Use Under AB 1484** | # of Properties |
| Government Use | 0 |
| Sale of Property | 2 |
| Fulfill an Enforceable Obligation | 0 |
| Retain for Future Development | 0 |
| **Total** | **2** |

## Area D – Antelope Valley Business Park Aerial



# Asset 28: Eastside of 10th St West, South of Columbia Way

| Parcel Data | |
|---|---|
| **Address** | Eastside of 10th St West, South of Columbia Way |
| **APN** | 3128-015-900 |
| **Lot Size** | 38.65 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Antelope Valley Business Park Specific Plan |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 8/15/1994 |
| **Purchase Price** | $1,546,727 |
| **Purpose** | Development of Antelope Valley Business Park |
| **Estimate of Current Value** | $770,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# Asset 29: SEC 10th St West and Columbia Way

| Parcel Data | |
|---|---|
| **Address** | SEC 10th St West and Columbia Way |
| **APN** | 3128-015-902 |
| **Lot Size** | 74.54 acres |
| **Use** | Vacant Lot / Land |
| **Zoning** | Antelope Valley Business Park Specific Plan |
| **Current Title** | Palmdale Redevelopment Agency |

| Acquisition & Valuation Information | |
|---|---|
| **Purchase Date** | 8/15/1994 |
| **Purchase Price** | $3,105,649 |
| **Purpose** | Development of Antelope Valley Business Park |
| **Estimate of Current Value** | $1,500,000 |
| **Method of Valuation** | Market Value |

| Revenues Generated by Property & Contractual Requirements | |
|---|---|
| **City / Successor Agency Lease Agreement** | This property does not generate revenues. |

| Overview of Environmental Contamination, Remediation Efforts and Other Deficiencies | |
|---|---|
| **None** | This property does not have a history of environmental contamination. |

| Transit-Oriented Development & Advancement of Agency Planning Objectives | |
|---|---|
| **Potential for TOD** | Not applicable |
| **Agency Planning Objectives** | Market and offer for sale (liquidate) |

| Recommendation for Disposition | |
|---|---|
| **Liquidate** | The Successor Agency will market and sell the property at fair market value pursuant to the disposition strategy outlined in Section 1.4. |

# 7.0 Appendices

**Appendix A -** Department of Finance LRPMP Tracking Worksheet

**Appendix B –** Amended and Restated Merged Redevelopment Plan

**Appendix C–** Amended 2010-2014 Redevelopment and Housing Implementation Plan

**Appendix D -** Department of Finance LRPMP Checklist

**Appendix E –** 7 Acre Option Agreement for Repurchase of Real Property (Assets #12 - #16)

**Appendix F -** 2 Acre Option Agreement for Purchase of Real Property (Asset #17)

# Appendix A
# Department of Finance
# LRPMP Tracking Worksheet

**Successor Agency: Palmdale**
**County: Los Angeles**

**LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA**

| | | HSC 34191.5 (c)(1)(C) | | | HSC 34191.5 (c)(2) | | | HSC 34191.5 (c)(1)(A) | | | | | SALE OF PROPERTY *(If applicable)* | | HSC 34191.5 (c)(1)(B) | HSC 34191.5 (c)(1)(C) | | HSC 34191.5 (c)(1)(D) | HSC 34191.5 (c)(1)(E) | | HSC 34191.5 (c)(1)(F) | HSC 34191.5 (c)(1)(G) | | HSC 34191.5 (c)(1)(H) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **No.** | **Area** | **Address or Description** | **APN** | **Property Type** | **Permissible Use** | **If Sale of Property, specify intended use of sale proceeds** | **Permissible Use Detail** | **Acquisition Date** | **Value at Time of Acquisition** | **Est. Current Value** | **Date of Estimated Current Value** | **Estimated Current Value Basis** | **Proposed Sale Value** | **Proposed Sale Date** | **Purpose for which property was acquired** | **Lot Size** | **Current Zoning** | **Estimate of Current Parcel Value** | **Annual Estimate of Income/Revenue** | **Are there any contractual requirements for use of income/revenue?** | **Has there been historic environmental contamination, studies, and/or remediation, and designation as a brownfield site for the property?** | **Does the property have the potential as a transit oriented development?** | **Were there advancements to the successor agency's planning objectives?** | **Does the property have a history of previous development proposals and activity?** |
| 1 | Area A | Southeast corner of Ave Q-6 and 8th St East (south of Hammack Center) 802 E Avenue Q6 (Q-6 & 8th St E) | 3008-034-901 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/22/1998 | $ 76,213 | $ 20,000 | 10/2015 | Market | $ 20,000 | TBD | Downtown Revitalization | 0.14 | Downtown Commercial Mixed Use Overlay (C-D MX) | $ 20,000 | $0 | No | No | No | Yes | No |
| 2 | Area A | 112 E Avenue Q7 (Q-7 & Sierra Hwy) | 3008-035-903 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 12/22/1994 | $ 106,120 | $ 21,000 | 10/2015 | Market | $ 21,000 | TBD | Downtown Revitalization | 0.14 | Downtown Commercial Mixed Use Overlay (C-D MX) | $ 21,000 | $0 | No | No | No | Yes | No |
| 3 | Area A | Lot at south east corner of Ave Q-4 and 9th St East (east of Hammack Center) 38550 9Th St E (Q-4 & 9th St E) | 3008-038-901 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/15/1998 | $ 22,359 | $ 13,000 | 10/2015 | Market | $ 13,000 | TBD | Downtown Revitalization | 0.10 | Office Commerical Mixed Use Overlay (C-2 MX) | $ 13,000 | $0 | No | No | No | Yes | No |
| 4 | Area A | 819 E Avenue Q9 (Chamber) | 3009-015-932 | Public Building | Governmental Use | N/A | Transfer as a Governmental Use | 6/28/1991 | $ 31,731 | $ 31,731 | N.A. | Book | Not Applicable | Not Applicable | Public Facility - Chamber of Commerce | 0.17 | Downtown Commercial Mixed Use Overlay (C-D MX) | $ 31,731 | $3,000 | No | No | No | Yes | No |
| 5 | Area B | Auto Mall-Southeast corner of 5th St West and Auto Center Drive | 3003-002-909 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 216,730 | $ 236,000 | 10/2015 | Market | $ 236,000 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 1.23 | Commercial (Specific Plan - Auto Center) | $ 236,000 | $0 | No | No | No | Yes | No |
| 6 | Area B | Auto Mall-Eastside of Carriage Way and south of Avenue P8 | 3003-002-911 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 97,647 | $ 375,000 | 10/2015 | Market | $ 375,000 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 1.72 | Commercial (Specific Plan - Auto Center) | $ 375,000 | $0 | No | No | No | Yes | No |
| 7 | Area B | Auto Mall-Eastside of Carriage Way, south of Avenue P-8 | 3003-002-920 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 143,693 | $ 298,000 | 10/2015 | Market | $ 298,000 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 1.37 | Commercial (Specific Plan - Auto Center) | $ 298,000 | $0 | No | No | No | Yes | No |
| 8 | Area B | Auto Mall-Northeast corner of Carriage Way and Avenue Q | 3003-002-917 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 141,311 | $ 3,955,000 | 5/9/2013 | Appraised | 3,955,000 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 3.10 | Commercial (Specific Plan - Trade & Commerce Center) | $ 3,955,000 | $0 | No | No | No | Yes | No |

**Successor Agency: Palmdale**
**County: Los Angeles**

**LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA**

| | | HSC 34191.5 (c)(1)(C) | | | HSC 34191.5 (c)(2) | | | HSC 34191.5 (c)(1)(A) | | | | | SALE OF PROPERTY *(If applicable)* | | HSC 34191.5 (c)(1)(B) | HSC 34191.5 (c)(1)(C) | | HSC 34191.5 (c)(1)(D) | HSC 34191.5 (c)(1)(E) | | HSC 34191.5 (c)(1)(F) | HSC 34191.5 (c)(1)(G) | | HSC 34191.5 (c)(1)(H) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **No.** | **Area** | **Address or Description** | **APN** | **Property Type** | **Permissible Use** | **If Sale of Property, specify intended use of sale proceeds** | **Permissible Use Detail** | **Acquisition Date** | **Value at Time of Acquisition** | **Est. Current Value** | **Date of Estimated Current Value** | **Estimated Current Value Basis** | **Proposed Sale Value** | **Proposed Sale Date** | **Purpose for which property was acquired** | **Lot Size** | **Current Zoning** | **Estimate of Current Parcel Value** | **Annual Estimate of Income/Revenue** | **Are there any contractual requirements for use of income/revenue?** | **Has there been historic environmental contamination, studies, and/or remediation, and designation as a brownfield site for the property?** | **Does the property have the potential as a transit oriented development?** | **Were there advancements to the successor agency's planning objectives?** | **Does the property have a history of previous development proposals and activity?** |
| 9 | Area B | Auto Mall-Eastside of Carriage Way and north of Avenue Q | 3003-002-924 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 246,103 | See #8 | 5/9/2013 | Appraised | See #13 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 2.04 | Commercial (Specific Plan - Trade & Commerce Center) | See #8 | $0 | No | No | No | Yes | No |
| 10 | Area B | Auto Mall-West side of Carriage Way between Auto Center Dr. and Ave Q | 3003-002-931 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 108,762 | See #8 | 5/9/2013 | Appraised | See #13 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 5.17 | Commercial (Specific Plan - Trade & Commerce Center) | See #8 | $0 | No | No | No | Yes | No |
| 11 | Area B | Auto Mall-West side of Carriage Way between Auto Center Dr. and Ave Q | 3003-002-932 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 5/21/1993 | $ 1,286,591 | See #8 | 5/9/2013 | Appraised | See #13 | TBD | Encourage the development & expansion of auto dealerships within Trade & Commerce Center | 6.99 | Commercial (Specific Plan - Trade & Commerce Center) | See #8 | $0 | No | No | No | Yes | No |
| 12 | Area B | SEC Avenue P-4 and Trade Center Dr | 3003-081-922 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Sell Property pursuant to and as established by agreement with third party. | 11/13/2008 | $ 94,067 | $ 746,660 | Pursuant to and established by agreement with third party | Pursuant to and established by agreement with third party | $ 746,660 | TBD | Acquisition and Development of Convention Center | 1.26 | Commercial (Specific Plan - Palmdale Trade & Commerce Center) | $ 746,660 | $0 | No | No | No | Yes | Yes |
| 13 | Area B | SEC Avenue P-4 and Trade Center Dr (Proj Area 4) | 3003-081-923 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Sell Property pursuant to and as established by agreement with third party. | 11/13/2008 | $ 94,515 | See #12 | Pursuant to and established by agreement with third party | Pursuant to and established by agreement with third party | See #17 | TBD | Acquisition and Development of Convention Center | 1.27 | Commercial (Specific Plan - Palmdale Trade & Commerce Center) | See #12 | $0 | No | No | No | Yes | Yes |
| 14 | Area B | SEC Avenue P-4 and Trade Center Dr (Proj Area 4) | 3003-081-924 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Sell Property pursuant to and as established by agreement with third party. | 11/13/2008 | $ 61,569 | See #12 | Pursuant to and established by agreement with third party | Pursuant to and established by agreement with third party | See #17 | TBD | Acquisition and Development of Convention Center | 0.84 | Commercial (Specific Plan - Palmdale Trade & Commerce Center) | See #12 | $0 | No | No | No | Yes | Yes |
| 15 | Area B | SEC Avenue P-4 and Trade Center Dr (Proj Area 4) | 3003-081-925 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Sell Property pursuant to and as established by agreement with third party. | 11/13/2008 | $ 100,701 | See #12 | Pursuant to and established by agreement with third party | Pursuant to and established by agreement with third party | See #17 | TBD | Acquisition and Development of Convention Center | 1.35 | Commercial (Specific Plan - Palmdale Trade & Commerce Center) | See #12 | $0 | No | No | No | Yes | Yes |

**Successor Agency: Palmdale**
**County: Los Angeles**

**LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA**

| | | HSC 34191.5 (c)(1)(C) | | | HSC 34191.5 (c)(2) | | | HSC 34191.5 (c)(1)(A) | | | | | SALE OF PROPERTY *(If applicable)* | | HSC 34191.5 (c)(1)(B) | HSC 34191.5 (c)(1)(C) | | HSC 34191.5 (c)(1)(D) | HSC 34191.5 (c)(1)(E) | | HSC 34191.5 (c)(1)(F) | HSC 34191.5 (c)(1)(G) | | HSC 34191.5 (c)(1)(H) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **No.** | **Area** | **Address or Description** | **APN** | **Property Type** | **Permissible Use** | **If Sale of Property, specify intended use of sale proceeds** | **Permissible Use Detail** | **Acquisition Date** | **Value at Time of Acquisition** | **Est. Current Value** | **Date of Estimated Current Value** | **Estimated Current Value Basis** | **Proposed Sale Value** | **Proposed Sale Date** | **Purpose for which property was acquired** | **Lot Size** | **Current Zoning** | **Estimate of Current Parcel Value** | **Annual Estimate of Income/Revenue** | **Are there any contractual requirements for use of income/revenue?** | **Has there been historic environmental contamination, studies, and/or remediation, and designation as a brownfield site for the property?** | **Does the property have the potential as a transit oriented development?** | **Were there advancements to the successor agency's planning objectives?** | **Does the property have a history of previous development proposals and activity?** |
| 16 | Area B | SEC Avenue P-4 and Trade Center Dr (Proj Area 4) | 3003-081-926 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Sell Property pursuant to and as established by agreement with third party. | 11/13/2008 | $ 178,072 | See #12 | Pursuant to and established by agreement with third party | Pursuant to and established by agreement with third party | See #17 | TBD | Acquisition and Development of Convention Center | 2.40 | Commercial (Specific Plan - Palmdale Trade & Commerce Center) | See #12 | $0 | No | No | No | Yes | Yes |
| 17 | Area B | 5th St West near Technology Dr-additional parking (Proj Area 4) | 3003-081-927 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 4/1/2010 | $ 173,227 | $ 40,000 | 10/2015 | Market | 40,000 | TBD | Acquisition and Development of Convention Center | 2.32 | Commercial (Specific Plan - Palmdale Trade & Commerce Center) | $ 40,000 | $0 | No | No | No | Yes | No |
| 18 | Area C | Southwest corner of Ave O and Legacy Lane (Fairway Business Park) | 3005-045-909 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | $ 7,885,963 | $ 397,921 | 12/23/2011 | Appraised | 397,921 | TBD | Acquisition & Development of Light Industrial Business Park | 2.61 | General Industrial (M-2) | $ 398,000 | $0 | No | No | No | Yes | Yes |
| 19 | Area C | West side of Legacy Lane (Fairway Business Park) | 3005-045-910 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 349,133 | 12/23/2011 | Appraised | 349,133 | TBD | Acquisition & Development of Light Industrial Business Park | 2.29 | General Industrial (M-2) | $ 349,000 | $0 | No | No | No | Yes | Yes |
| 20 | Area C | West side of Legacy Lane (Fairway Business Park) | 3005-045-911 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 350,658 | 12/23/2011 | Appraised | 350,658 | TBD | Acquisition & Development of Light Industrial Business Park | 2.30 | General Industrial (M-2) | $ 351,000 | $0 | No | No | No | Yes | Yes |
| 21 | Area C | South west corner of Grand Cypress Ave and Legacy Lane (Fairway Business Park) | 3005-045-920 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 571,943 | 12/23/2011 | Appraised | 571,943 | TBD | Acquisition & Development of Light Industrial Business Park | 4.04 | Light Industrial (M-1) | $ 572,000 | $0 | No | No | No | Yes | Yes |
| 22 | Area C | Southeast corner of St Andrew's Way and Jody Lane (Fairway Business Park) | 3005-045-923 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 336,937 | 12/23/2011 | Appraised | 336,937 | TBD | Acquisition & Development of Light Industrial Business Park | 2.21 | Light Industrial (M-1) | $ 337,000 | $0 | No | No | No | Yes | Yes |
| 23 | Area C | East side of La Quinta Lane (Fairway Business Park) | 3005-045-927 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 311,018 | 12/23/2011 | Appraised | 311,018 | TBD | Acquisition & Development of Light Industrial Business Park | 2.04 | General Industrial (M-2) | $ 311,000 | $0 | No | No | No | Yes | Yes |
| 24 | Area C | Northwest corner of St Andrew's Way and la Quinta Lane (Fairway Business Park) | 3005-045-929 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 419,265 | 12/23/2011 | Appraised | 419,265 | TBD | Acquisition & Development of Light Industrial Business Park | 2.75 | General Industrial (M-2) | $ 419,000 | $0 | No | No | No | Yes | Yes |

**Successor Agency: Palmdale**
**County: Los Angeles**

**LONG RANGE PROPERTY MANAGEMENT PLAN: PROPERTY INVENTORY DATA**

| | | HSC 34191.5 (c)(1)(C) | | | HSC 34191.5 (c)(2) | | | HSC 34191.5 (c)(1)(A) | | | | | SALE OF PROPERTY *(If applicable)* | | HSC 34191.5 (c)(1)(B) | HSC 34191.5 (c)(1)(C) | | HSC 34191.5 (c)(1)(D) | HSC 34191.5 (c)(1)(E) | | HSC 34191.5 (c)(1)(F) | HSC 34191.5 (c)(1)(G) | | HSC 34191.5 (c)(1)(H) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **No.** | **Area** | **Address or Description** | **APN** | **Property Type** | **Permissible Use** | **If Sale of Property, specify intended use of sale proceeds** | **Permissible Use Detail** | **Acquisition Date** | **Value at Time of Acquisition** | **Est. Current Value** | **Date of Estimated Current Value** | **Estimated Current Value Basis** | **Proposed Sale Value** | **Proposed Sale Date** | **Purpose for which property was acquired** | **Lot Size** | **Current Zoning** | **Estimate of Current Parcel Value** | **Annual Estimate of Income/Revenue** | **Are there any contractual requirements for use of income/revenue?** | **Has there been historic environmental contamination, studies, and/or remediation, and designation as a brownfield site for the property?** | **Does the property have the potential as a transit oriented development?** | **Were there advancements to the successor agency's planning objectives?** | **Does the property have a history of previous development proposals and activity?** |
| 25 | Area C | South west corner Avenue O and Division Street (Fairway Business Park) | 3005-046-907 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 1,489,752 | 12/23/2011 | Appraised | 1,489,752 | TBD | Acquisition & Development of Light Industrial Business Park | 11.40 | General Industrial (M-2) | $ 1,490,000 | $0 | No | No | No | Yes | Yes |
| 26 | Area C | South east corner Avenue O and Legacy Lane (Fairway Business Park) | 3005-046-912 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 675,616 | 12/23/2011 | Appraised | 675,616 | TBD | Acquisition & Development of Light Industrial Business Park | 5.17 | General Industrial (M-2) | $ 732,000 | $0 | No | No | No | Yes | Yes |
| 27 | Area C | South east corner Avenue O and Legacy Lane (Fairway Business Park) | 3005-046-913 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 6/28/2000 | See #18 | $ 622,037 | 12/23/2011 | Appraised | 622,037 | TBD | Acquisition & Development of Light Industrial Business Park | 4.76 | General Industrial (M-2) | $ 674,000 | $0 | No | No | No | Yes | Yes |
| 28 | Area D | East side of 10th Street West South of Columbia Way | 3128-015-900 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 8/15/1994 | $ 1,546,727 | $ 770,000 | 10/2015 | Market | 770,000 | TBD | Development of Antelope Valley Business Park | 38.65 | Antelope Valley Business Park Specific Plan | $ 770,000 | $0 | No | No | No | Yes | Yes |
| 29 | Area D | South east corner of 10th St West and Columbia Way | 3128-015-902 | Vacant Lot/Land | Sale of Property | Fulfill an Enforceable Obligation | Market & Sell Property pursuant to Section 1.4 in PMP | 8/15/1994 | $ 3,105,649 | $ 1,500,000 | 10/2015 | Market | 1,500,000 | TBD | Development of Antelope Valley Business Park | 74.54 | Antelope Valley Business Park Specific Plan | $ 1,500,000 | $0 | No | No | No | Yes | Yes |

# Appendix B
# Redevelopment Implementation Plan

# AMENDED AND RESTATED
# REDEVELOPMENT PLAN
# FOR
# THE MERGED PROJECT AREA

Adopted May 4, 2011
Ordinance No. 1418

COMMUNITY REDEVELOPMENT AGENCY
OF THE
CITY OF PALMDALE

May 4, 2011

## PREFACE

Pursuant to Ordinance No. 337, adopted on July 25, 1978, the City Council of the City of Palmdale ("City") adopted a redevelopment plan for the Redevelopment Project No. 2 Area ("Project Area No. 2"). Pursuant to Ordinance No. 491, adopted on March 10, 1983, the City Council of the City adopted a redevelopment plan for the Redevelopment Project No. 3 Area ("Project Area No. 3"). Pursuant to Ordinance No. 515, adopted on November 10, 1983, the City Council of the City adopted a redevelopment plan for the Redevelopment Project No. 4 Area ("Project Area No. 4").

The Redevelopment Plans for Project Area No. 2, Project Area No. 3, and Project Area No. 4 were amended by the City Council of the City pursuant to Ordinance Nos. 1042, 1043 and 1044 on March 24, 1994, which respectively, amended and restated in their entirety the Redevelopment Plans for Project Area No. 2, Project Area No. 3 and Project Area No. 4 and merged Project Area No. 2, Project Area No. 3 and Project Area No. 4 ("Merged Project Area").

Pursuant to Ordinance No. 1418, adopted on May 4, 2011, the City Council of the City added territory to the Merged Project Area ("Expansion Area" or "Component Area No. 5").

This document is intended to supersede and replace in their entirety the amended and restated Redevelopment Plans and all amendments thereto for Project Area No. 2, Project Area No. 3, Project Area No. 4 and to be the Amended and Restated Redevelopment Plan for the Merged Project Area, which includes Project Area No. 2, Project Area No. 3, Project Area No. 4, and the Expansion Area.

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# AMENDED AND RESTATED REDEVELOPMENT PLAN FOR THE MERGED PROJECT AREA

## I. [Section 100] INTRODUCTION

### A. [Section 101] General

This is the Amended and Restated Redevelopment Plan (the "Plan") for the Merged Project Area, consisting of Project Area No. 2, Project Area No. 3, Project Area No. 4 and the Expansion Area (collectively, the "Project" or "Project Area" or "Merged Project" or "Merged Project Area") in the City of Palmdale (the "City"), County of Los Angeles, State of California. This Plan consists of text (Sections 100 through 1000), the Redevelopment Plan Map (Exhibit "A"), a Legal Description of the Project Area (Exhibit "B"), and the Proposed Public Improvements and Facilities Projects (Exhibit "C"). This Plan was prepared by the Community Redevelopment Agency of the City of Palmdale (the "Agency") pursuant to the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*) (the "Community Redevelopment Law"), the California Constitution, and all applicable local codes and ordinances. All statutory references hereinafter shall be to the Health and Safety Code unless otherwise designated.

The definitions of general terms which are contained in the Community Redevelopment Law govern the construction of this Plan, unless more specific terms and definitions therefor are otherwise provided in this Plan.

Many of the requirements contained in this Plan are necessitated by and in accord with statutory provisions in effect at the time of adoption of this Plan. Such statutory provisions may be changed from time to time. In the event that any such changes affect this Plan's requirements, and contain language stating that they are applicable to the Agency, the Project, or this Plan (whether or not this Plan was formally amended to reflect such changes), then the requirements of this Plan that are so affected shall be superseded by such changes, to the extent necessary to be in conformity with such changes.

The Project Area includes all properties within the Project boundary shown on the Redevelopment Plan Map and described in the Legal Description of the Project Area.

The proposed redevelopment of the Project Area as described in this Plan conforms to the General Plan for the City of Palmdale, as applied in accord with local codes and ordinances.

This Plan provides the Agency with powers, duties and obligations to implement and further the program generally formulated in this Plan for the redevelopment, rehabilitation, and revitalization of the Project Area. This Plan does not present a specific plan or establish priorities for specific projects for the redevelopment, rehabilitation, and revitalization of any particular area within the Project Area. Instead, this Plan presents a process and a basic framework within which specific development plans will be presented, priorities for specific projects will be established, and specific solutions will be proposed, and by which tools are provided to the Agency to fashion, develop, and proceed with such specific plans, projects, and solutions.

B. [Section 102] Redevelopment Plan Goals and Objectives

In general, the goals and objectives of the redevelopment program in the Project Area are as follows:

1. To continue to contribute to the revitalization of blighted areas.

2. To upgrade and revitalize commercial activity in the Project Area.

3. To create a neighborhood shopping focus for surrounding neighborhoods.

4. To stabilize and improve conditions in the neighborhoods surrounding the Project Area by expanding, improving and preserving the community's supply of low and moderate income housing.

5. To provide adequate parking and improve circulation in the Project Area and surrounding areas.

6. To provide an environment which stimulates private investment.

7. To improve the City's economic health, tax base and employment opportunities.

Redevelopment of the Project Area pursuant to this Plan and the above goals and objectives will attain the purposes of the Community Redevelopment Law: (1) by the elimination of areas suffering from economic dislocation and disuse; (2) by the replanning, redesign and/or redevelopment of areas which are stagnant or improperly utilized, and which could not be accomplished by private enterprise acting alone without public participation and assistance; (3) by protecting and promoting sound development and redevelopment of blighted areas and the general welfare of the citizens of the City by remedying such injurious conditions through the employment of appropriate means; (4) through installation of new or replacement of existing public improvements, facilities and utilities in areas which are currently inadequately served with regard to such improvements, facilities and utilities; and (5) other means as determined appropriate.

C. [Section 103] Merged Project Area

All taxes attributable to Project Area No. 2, Project Area No. 3, Project Area No. 4 and the Expansion Area which are allocated to the Agency pursuant to Section 33670(b) of the Community Redevelopment Law are to be allocated to the entire Project Area for the purpose of paying the principal of, and interest on, indebtedness incurred by the Agency to finance or refinance, in whole or in part, the Project Area, except that any such taxes attributable to Project Area No. 2, Project Area No. 3, or Project Area No. 4 shall first be used to pay indebtedness in compliance with the terms of any bond resolution or other agreement pledging such taxes from Project Area No. 2, Project Area No. 3, or Project Area No. 4, which resolution or other agreement was adopted or approved by the Agency prior to the amendment adding the Expansion Area to the Merged Project Area. Except as otherwise noted above, tax increment revenue attributed to Project Area No. 2, Project Area No. 3, Project Area No. 4 and/or the Expansion Area may be used for any lawful purpose in any of the Project Area.

For financing purposes, and for any other purposes permitted or required by law, Project Area No. 2, Project Area No. 3, Project Area No. 4 and the Expansion Area together shall be called the "Merged Project Area." The Expansion Area may also be referred to as "Component Area No. 5."

## II. [Section 200] PROJECT AREA BOUNDARY AND LEGAL DESCRIPTION

The boundary of the Project Area is shown on the Redevelopment Plan Map attached as Exhibit "A," and is described in the Legal Description of the Project Area attached as Exhibit "B."

## III. [Section 300] PROPOSED REDEVELOPMENT ACTIVITIES

### A. [Section 301] General

The Agency proposes to eliminate and prevent the spread of blight and blighting influences, and to strengthen the economic base of the Project Area and the community, by some or all of the following:

1. Permitting participation in the redevelopment process by owners and occupants of properties located in the Project Area, consistent with this Plan and rules adopted by the Agency;

2. Acquisition of real property;

3. Management of property under the ownership and control of the Agency;

4. Relocation assistance to displaced occupants of property acquired by the Agency in the Project Area;

5. Demolition or removal of buildings and improvements;

6. Installation, construction, expansion, addition, extraordinary maintenance or reconstruction of streets, utilities, and other public facilities and improvements;

7. Disposition of property for uses in accordance with this Plan;

8. Redevelopment of land by private enterprise and public agencies for uses in accordance with this Plan;

9. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;

10. Rehabilitation, development, preservation or construction of low and moderate income housing within the Project and/or the City; and

11. Providing for the retention of controls and establishment of restrictions or covenants running with the land so that property will continue to be used in accordance with this Plan.

In the accomplishment of these activities, and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers to the extent now or hereafter permitted by law, which powers are not expressly limited by this Plan.

B. [Section 302] Owner Participation and Business Reentry Preferences

1. [Section 303] Owner Participation

Owners of real property within the Project Area shall be extended reasonable opportunities to participate in the redevelopment of property in the Project Area if such owners agree to participate in the redevelopment in conformity with this Plan and owner participation implementation rules adopted by the Agency.

Participation methods include remaining in substantially the same location either by retaining all or portions of the property, or by retaining all or portions of the property and purchasing adjacent property from the Agency or joining with another person or entity for the rehabilitation or development of the owner's property and, if appropriate, other property. An owner who participates in the same location may be required to rehabilitate or demolish all or part of his/her existing buildings, or the Agency may acquire the buildings only and then remove or demolish the buildings. Participation methods also include the Agency buying land and improvements at fair market value from owners and offering other parcels for purchase and rehabilitation or development by such owners, or offering an opportunity for such owners to rehabilitate or develop property jointly with other persons or entities.

Participation opportunities shall necessarily be subject to and limited by factors including but not limited to the following: (1) the elimination and changing of some land uses; (2) the construction, realignment, abandonment, widening, opening and/or other alteration or

elimination of public rights-of-way; (3) the removal, relocation, and/or installation of public utilities and public facilities; (4) the ability of potential participants to finance the proposed acquisition, development or rehabilitation in accordance with this Redevelopment Plan; (5) the ability and experience of potential participants to undertake and complete the proposed development; (6) any reduction in the total number of individual parcels in the Project Area; (7) the construction or expansion of public improvements and facilities, and the necessity to assemble areas for such; (8) any change in orientation and character of the Project Area; (9) the necessity to assemble areas for public and/or private development; (10) the requirements of this Plan and applicable rules, regulations, and ordinances of the City of Palmdale; (11) any Design Guide adopted by the Agency pursuant to Section 420 hereof; and (12) the feasibility of the potential participant's proposal.

2. [Section 304] Business Reentry Preferences

Business occupants engaged in business in the Project Area shall be extended reasonable preferences to reenter in business within the redeveloped area if they otherwise meet the requirements prescribed by this Plan and business reentry preferences implementation rules adopted by the Agency.

Whenever a business occupant will be displaced by Agency action from the Project Area, the Agency will, prior to such displacement, determine: 1) whether such business occupant desires to relocate directly to another location within the Project Area, or 2) if suitable relocation accommodations within the Project Area are not available prior to displacement, whether such business occupant would desire to reenter in business within the Project Area at a later date should suitable accommodations become available. For those business occupants who desire to relocate directly to another Project Area location, the Agency will make reasonable efforts to assist such business occupants to find accommodations at locations and rents suitable to their needs. A record of the business occupants who cannot be or do not want to be directly relocated within the Project Area, but who have stated that they desire to reenter into business in the Project Area whenever suitable locations and rents are available, will be maintained by the Agency. The Agency will make reasonable efforts to assist such business occupants to find reentry accommodations at locations and rents suitable to their needs.

Reentry preferences shall necessarily be subject to and limited by factors such as the following: (1) the extent to which suitable relocation or reentry accommodations exist or are rehabilitated or developed within the Project Area; (2) the extent to which suitable relocation or reentry accommodations are available to displaced business occupants within an acceptable time period or at rents and other terms that are acceptable to such displaced business occupants, and within their financial means; and (3) the requirements of this Plan or any Design Guide adopted by the Agency pursuant to this Plan.

3. [Section 305] Participation Agreements

The Agency may require that, as a condition to participate in redevelopment or to obtain a building permit pursuant to Section 421 hereof, each participant shall enter into a binding written participation agreement with the Agency by which the participant agrees to contribute, sell, lease, acquire, rehabilitate, develop or use the property in conformance with this Plan and to be subject to provisions hereof and such other provisions and conditions to which the parties may agree. In such agreements, participants who retain real property may be required to sign and join in the recordation of such documents as is necessary to make the provisions of this Plan and such participation agreement applicable to their properties. In the event an owner or participant fails or refuses to develop, or use and maintain, their real property pursuant to this Plan and such participation agreement, the real property or any interest therein may be acquired by the Agency and sold or leased for development in accordance with this Plan.

Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Project Area.

4. [Section 306] Implementing Rules

The provisions of Sections 302 through 305 shall be implemented according to rules adopted by the Agency, as the same may be amended by the Agency from time to time. Where there is a conflict between the participation and reentry preferences provisions in this Plan and such rules adopted by the Agency, the rules adopted by the Agency shall prevail.

C. [Section 307] Property Acquisition

1. [Section 308] Acquisition of Real Property Including Agency's Program to Acquire Real Property by Eminent Domain

The Agency may acquire, but is not required to acquire, any real property located in the Project Area (including, without limitation, right-of-way) by gift, devise, exchange, lease, purchase, eminent domain or any other lawful method.

It is in the public interest and is necessary in order to execute this Plan for the power of eminent domain to be employed by the Agency to acquire real property in all portions of the Project Area. The Agency may not, without the affected property owner's prior written consent, use the power of eminent domain to acquire or assemble any real property which contains residential uses for the purpose of conveying such property to others for private development.

The Agency shall not exercise the power of eminent domain to acquire any parcel of real property within the Expansion Area for which proceedings in eminent domain have not commenced within twelve (12) years after the adoption of the ordinance adopting this Plan. This time limitation may be extended only by amendment of this Plan, unless otherwise provided for by law. The Agency shall not exercise the power of eminent domain to acquire any parcel of real property in the Expansion Area on which any persons lawfully reside.

The Agency is authorized to acquire structures without acquiring the land upon which those structures are located. The Agency is also authorized to acquire any other interest in real property less than a fee.

Without the consent of the owner, the Agency shall not acquire property to be retained by an owner pursuant to a participation agreement if the owner fully performs under the agreement. The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner, unless such building requires structural alteration, improvement, modernization, or rehabilitation, or the site or lot on which the building is situated requires modification in size, shape or use, or it is necessary to impose upon such property any of the standards, restrictions and controls of this Plan or of any Design Guide adopted by the Agency pursuant to this Plan, and the owner fails or refuses to participate in the Plan or in conformance with any such Design Guide by executing a participation agreement.

2. [Section 309] Acquisition of Personal Property

Generally, personal property shall not be acquired by the Agency. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means.

D. [Section 310] Property Management

During such time as property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment, and such rental or lease shall be pursuant to such policies as the Agency may adopt.

E. [Section 311] Relocation of Occupants Displaced by Agency Acquisition

1. [Section 312] Relocation Housing Requirements

No persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents comparable to those at the time of their displacement. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary, and otherwise standard dwellings. The Agency shall not displace such persons or families until such housing units are available and ready for occupancy.

Permanent housing facilities shall be made available within three years from the time occupants are displaced. Pending the development of such facilities, there will be available to such displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement.

2. [Section 313] Replacement Housing Plan

Unless otherwise permitted by law, not less than thirty days prior to the execution of an agreement for acquisition of real property, or the execution of an agreement for the disposition and development of property, or the execution of an owner participation agreement, which agreement would lead to the destruction or removal of dwelling units from the low and moderate income housing market, the Agency shall adopt by resolution a replacement housing plan.

Unless otherwise permitted by law, the replacement housing plan shall include: (1) the general location of housing to be rehabilitated, developed, or constructed pursuant to Section 33413 of the Community Redevelopment Law; (2) an adequate means of financing such rehabilitation, development, or construction; (3) a finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained; (4) the number of dwelling units housing persons and families of low or moderate income planned for construction or rehabilitation; and (5) the timetable for meeting the plan's relocation, rehabilitation, and replacement housing objectives. Unless otherwise permitted by law, a dwelling unit whose replacement is required by Section 33413 but for which no replacement housing plan has been prepared, shall not be destroyed or removed from the low and moderate income housing market until the Agency has by resolution adopted a replacement housing plan.

Nothing in this section shall prevent the Agency from destroying or removing from the low and moderate income housing market a dwelling unit which the Agency owns and which is an immediate danger to health and safety. The Agency shall, as soon as practicable, adopt by resolution a replacement housing plan with respect to such dwelling unit.

3. [Section 314] Assistance In Finding Other Locations

The Agency shall assist all persons (including individuals and families), business concerns, and others displaced by Agency action in the Project Area in finding other locations and facilities. In order to carry out the Project with a minimum of hardship to persons (including individuals and families), business concerns, and others, if any, displaced from their respective places of residence or business, the Agency shall assist such persons, business concerns and others in finding new locations that are decent, safe, sanitary, within their respective financial means, in reasonably convenient locations, and otherwise suitable to their respective needs. The Agency may also provide housing inside or outside the Project Area for displaced persons.

4. [Section 315] Relocation Payments

The Agency shall make all relocation payments required by law to persons (including individuals and families), business concerns, and others displaced by the Agency from property in the Project Area. Such relocation payments shall be made pursuant to the California

Relocation Assistance Law (Government Code Section 7260 et seq.) and Agency rules and regulations adopted pursuant thereto as such may be amended from time to time. The Agency may make such other payments as it may deem appropriate and for which funds are available.

F. [Section 316] Payments to Taxing Agencies

The Agency may in any year during which it owns property in the Project that is tax exempt pay directly to the City, County, a district, including, but not limited to, a school district, or other public corporation for whose benefit a tax would have been levied upon the property had it not been exempt, an amount of money in lieu of taxes that may not exceed the amount of money the public entity would have received if the property had not been tax exempt.

As to Project Area No. 2, Project Area No. 3, and Project Area No. 4, the Agency may also pay to any taxing agency with territory located within Project Area No. 2, Project Area No. 3, and Project Area No. 4, as applicable, other than the City, any amounts of money which the Agency has found are necessary and appropriate to alleviate any financial burden or detriment caused to any taxing agency by Project Area No. 2, Project Area No. 3, or Project Area No. 4, as applicable. The payments to a taxing agency in any single year shall not exceed the amount of property tax revenues which would have been received by that taxing agency if all the property tax revenues from Project Area No. 2, Project Area No. 3, or Project Area No. 4, as applicable, had been allocated to all the affected taxing agencies without regard to the division of taxes required by Section 33670 of the Community Redevelopment Law, except that a greater payment may be established by agreement between the Agency and one or more taxing agencies, except a school district, if the taxing agency or agencies agreed to defer payments for one or more years in order to accomplish the purposes of Project Area No. 2, Project Area No. 3, or Project Area No. 4, as applicable, at an earlier time than would otherwise be the case. The amount of any greater payments shall not exceed the amount of payment deferred. Any such payments shall have been approved by a resolution, adopted by the Agency, which shall have contained findings supported by substantial evidence, that Project Area No. 2, Project Area No. 3, or Project Area No. 4, as applicable, will cause or has caused a financial burden or detriment to the taxing agency and that the payments are necessary to alleviate the financial burden or detriment.

The requirement that the Agency may make payments to a taxing entity only to alleviate a financial burden or detriment and only after approval by a resolution which contains specified findings, shall apply only to payments made by the Agency pursuant to an agreement between the Agency and a taxing entity which is executed by the Agency on or after January 1, 1985.

Each school district and community college district that may be eligible for payments under former Section 33401 of the Community Redevelopment Law shall request, in writing, that the Agency make those payments.

G. [Section 317] Demolition, Clearance, Public Improvements, Building and Site Preparation

1. [Section 318] Demolition and Clearance

The Agency is authorized to move or demolish and clear buildings, structures, and other improvements from any real property in the Project Area as necessary to carry out the purposes of this Plan.

2. [Section 319] Public Improvements

Within or outside the Project Area the Agency is authorized to install and construct, or to cause to be installed and constructed, the public improvements, facilities and utilities necessary to carry out this Plan. Such public improvements, facilities and utilities include, but are not limited to, the following: (1) over- and under-passes; (2) sewers; (3) storm drains; (4) electrical, natural gas, telephone and water distribution systems; (5) parks and plazas; (6) playgrounds; (7) parking and transportation facilities; (8) landscaped areas; (9) street and circulation improvements; (10) flood control improvements and facilities; and (11) other public facilities serving the needs of Project Area occupants, including, without limitation, the Palmdale Hybrid Power Plant or other power plant.

Without limiting the generality of the foregoing, within or outside the Project Area the Agency may pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure or other improvement set forth in this Section 319, including, without limitation, those set forth in Exhibit "C", Proposed Public Improvements and Facilities Projects.

As to Project Area No. 2, Project Area No. 3, and Project Area No. 4, there is not intended to be any changes to the list of proposed public improvements and facilities projects in Exhibit "C" from the lists of proposed public improvements and facilities projects included in the amended and restated Redevelopment Plans for Project Area No. 2, Project Area No. 3, Project Area No. 4 as they existed as of the date of adoption of this Plan.

3. [Section 320] Preparation of Building Sites

The Agency is authorized to prepare, or cause to be prepared, as building sites any real property in the Project Area owned or acquired by the Agency. In connection with such development the Agency is also authorized to construct foundations, platforms, and other structural forms necessary for the provision or utilization of air rights sites for buildings to be used for commercial, public, and other uses provided in this Plan, and may cause, provide or undertake or make provision with other agencies for the installation or construction of streets, utilities, parks, playgrounds and other public improvements necessary for carrying out this Plan in the Project Area.

The Agency may take any actions which it determines are necessary and which are consistent with other state and federal laws to remedy or remove a release of hazardous substances on, under or from property in the Project Area or to remedy or remove hazardous waste from property in accordance with the requirements of Health and Safety Code Section 33459 et seq.

H. [Section 321] Property Disposition and Development

1. [Section 322] Real Property Disposition and Development

a. [Section 323] General

For the purposes of this Plan, the Agency is authorized to sell, lease for a period not to exceed 99 years, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property. The Agency is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding but only after public hearing.

Before any interest in real property of the Agency acquired in whole or in part, directly or indirectly, with tax increment moneys is sold, leased, or otherwise disposed of for development pursuant to this Plan, such sale, lease or disposition shall be first approved by the City Council after public hearing in conformance with Section 33433 of the Community Redevelopment Law.

Except as otherwise permitted by law, all real property acquired by the Agency in the Project Area, except property conveyed by it to the City, shall be sold or leased to public or private persons or entities for development for the uses permitted in this Plan, and any such sale or lease may be for an amount at less than fair market value if necessary to effectuate the purposes of this Plan. Real property may also be conveyed by the Agency to the City and, where beneficial to the Project Area, to any other public body without charge or for an amount at less than fair market value.

All purchasers or lessees of property from the Agency shall be made obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

During the period of development in the Project Area, the Agency shall ensure that the provisions of this Plan and of other documents formulated pursuant to this Plan are being observed, and that development in the Project Area is proceeding in accordance with development documents and time schedules.

b. [Section 324] Disposition and Development Documents

The Agency shall reserve powers and controls in disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is expeditiously carried out pursuant to this Plan.

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, shall be made subject to the provisions of this Plan and any adopted Design Guide and other conditions imposed by the Agency by leases, deeds, contracts, agreements, declarations of restrictions, provisions of the

zoning ordinance of the City, conditional use permits, or other means. Where appropriate, as determined by the Agency, such documents or portions thereof shall be recorded in the Office of the Recorder of the County.

The leases, deeds, contracts, agreements, and declarations of restrictions may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provision necessary to carry out this Plan.

All deeds, leases, or contracts for the sale, lease, sublease, or other transfer of any land in the Project Area shall contain the nondiscrimination clauses prescribed in Section 33436. Lessees and purchasers of real property acquired in the Project Area and owners of property improved as a part of a redevelopment project shall refrain from restricting the rental, sale, or lease of the property on any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code. All deeds, leases, or contracts for the sale, lease, sublease, or other transfer of any land in the Project Area shall contain or be subject to the nondiscrimination or nonsegregation clauses prescribed in Section 33436. Notwithstanding the foregoing, with respect to familial status, the foregoing shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in the foregoing shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to the foregoing.

c. [Section 325] Development by the Agency or Other Public Bodies or Entities

To the extent now or hereafter permitted by law, the Agency may, with the consent of the City Council of the City, pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure, or other improvement which is publicly owned either within or outside the Project Area now or as hereinafter provided in law.

Specifically, the Agency may pay all or part of the value of the land for and the cost of the installation and construction of any building, facility, structure or other improvement set forth in Section 319 of this Plan, including, without limitation, those set forth in Exhibit "C", entitled Proposed Public Improvements and Facilities Projects.

d. [Section 326] Development Plans

All development plans (whether public or private) shall be processed in the manner provided by applicable City codes as they are or as they may be amended from time to time. All development in the Project Area must conform to City and Agency design review procedures, including any Design Guide adopted by the Agency pursuant to Section 420 hereof.

2. [Section 327] Personal Property Disposition

For the purposes of this Plan, the Agency is authorized to lease, sell, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property which is acquired by the Agency.

I. [Section 328] Cooperation with Public Bodies

Certain public bodies are authorized by state law to aid and cooperate with or without consideration in the planning, undertaking, construction, or operation of the Project. The Agency may seek the aid and cooperation of such public bodies and attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

The Agency, under the current Community Redevelopment Law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies which own or intend to acquire property in the Project Area. Any public body which owns or leases property in the Project Area will be afforded all the privileges of owner participation if such public body is willing to enter into a participation agreement with the Agency. All plans for development of property in the Project Area by a public body shall be subject to Agency approval.

The Agency may impose on all public bodies the planning and design controls contained in and authorized by this Plan to ensure that present uses and any future development by public bodies will conform to the requirements of this Plan. The Agency is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures, or other improvements (within or outside the Project Area) which land, buildings, facilities, structures, or other improvements are of benefit to the Project.

J. [Section 329] Rehabilitation, Conservation and Moving of Structures

1. [Section 330] Rehabilitation and Conservation

The Agency is authorized to rehabilitate and conserve, or to cause to be rehabilitated and conserved, any building or structure in the Project Area owned by the Agency. The Agency is also authorized to advise, encourage, and assist (through a loan program or otherwise) in the rehabilitation and conservation of property, buildings and structures in the Project Area not owned by the Agency. The Agency is also authorized to acquire, restore, rehabilitate, move and conserve buildings of historic or architectural significance.

It shall be the purpose of this Plan to allow for the retention of as many existing businesses as practicable and to add to the economic life of these businesses by a program of voluntary participation in their conservation and rehabilitation. The Agency is authorized to conduct a program of assistance and enforcement to encourage owners of property within the Project Area to upgrade and maintain their property consistent with this Plan and such standards as may be developed for the Project Area.

The extent of retention, conservation and rehabilitation in the Project Area shall be subject to the following limitations:

a. The rehabilitation of the structure must be compatible with land uses as provided for in this Plan;

b. Rehabilitation and conservation activities on a structure must be carried out in an expeditious manner and in conformance with the requirements of this Plan and such property rehabilitation standards as may be adopted by the Agency and the City.

c. The expansion of public improvements, facilities and utilities.

d. The assembly and development of areas in accordance with this Plan.

The Agency may adopt property rehabilitation standards for the rehabilitation of properties in the Project Area.

The Agency shall not assist in the rehabilitation or conservation of properties which, in its opinion, are not economically and/or structurally feasible, or which do not further the purposes of this Plan.

Within the Project Area, for any project undertaken by the Agency for building rehabilitation or alternation in construction, the Agency may take those actions which the Agency determines necessary and which are consistent with local, state, and federal law, to provide for seismic retrofits as follows:

(a) For unreinforced masonry buildings, to meet the requirements of Chapter 1 of the Appendix of the Uniform Code for Building Conservation of the International Conference of Building Officials.

(b) For any buildings that qualify as "historical property" under Section 37602 of the Health and Safety Code, to meet the requirements of the State Historical Building Code (Part 2.7 (commencing with Section 18950) of Division 13).

(c) For buildings other than unreinforced masonry buildings and historical properties, to meet the requirements of the most current edition of the Uniform Building Code of the International Conference of Building Officials.

2. [Section 331] Moving of Structures

As necessary in carrying out this Plan, the Agency is authorized to move or to cause to be moved, any standard structure or building or any structure or building which can be rehabilitated to a location within or outside the Project Area.

K. [Section 332] Low or Moderate Income Housing

1. [Section 333] Authority Generally

The Agency may, inside or outside the Project Area, acquire land, improve sites, or construct or rehabilitate structures or take any other actions authorized by the Community Redevelopment Law in order to provide housing for persons and families of low or moderate income. The Agency may also provide subsidies to, or for the benefit of, such persons and families or households to assist them in obtaining housing. The Agency may also sell, lease, grant, or donate real property owned or acquired by the Agency to the Housing Authority of the County of Los Angeles and/or the Housing Authority of the City of Palmdale and may otherwise cooperate with each such Housing Authority in carrying out the provisions of Section 335 hereinbelow. The Agency shall comply with all of the low and moderate income housing requirements of the Community Redevelopment Law which are applicable to this Plan, including but not limited to applicable expenditure, replacement, and inclusionary housing requirements, and in connection therewith, the Agency shall have all of the powers and authorization to act as may, from time to time, be provided by the Community Redevelopment Law and other applicable law.

2. [Section 334] Replacement Housing

Whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project, the Agency shall, within four years of such destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income an equal number of replacement dwelling units at affordable housing costs, as defined by Section 50052.5, within the Project Area or within the territorial jurisdiction of the Agency, in accordance with all of the provisions of Sections 33413 and 33413.5.

3. [Section 335] Increase, Improve and Preserve the Supply

Subject to the provisions of subdivisions (a) and (b) of Section 33486 of the Community Redevelopment Law, and except as otherwise permitted by law, not less than 20 percent of all

taxes which are allocated to the Agency pursuant to Section 33670 of the Community Redevelopment Law shall be deposited by the Agency into the Low and Moderate Income Housing Fund established for the Merged Project pursuant to Section 33487 of the Community Redevelopment Law, which fund shall include any moneys previously deposited into or deficits previously incurred by the Low and Moderate Income Housing Funds previously established for Project Area No. 2, Project Area No. 3 or Project Area No. 4. The Agency shall use the moneys in such fund to assist in the construction or rehabilitation of housing units which will be available to, or occupied by, persons and families of low or moderate income, and very low income households, as defined in Health and Safety Code Sections 50093 and 50105, respectively, for the period required by law. Notwithstanding the foregoing, the Agency may use any of the moneys in such fund for the purposes and in the manner permitted by Community Redevelopment Law Sections 33334.2 and 33334.3 subject to the provisions of Community Redevelopment Law Section 33334.14(b).

The expenditures or obligations incurred by the Agency pursuant to this subsection shall constitute an indebtedness of the Merged Project.

## IV. [Section 400] LAND USES AND DEVELOPMENT REQUIREMENTS

### A. [Section 401] Consistency with the General Plan

It is the intent of this Plan to be consistent with and implement the adopted General Plan of the City, as it may be amended from time to time, including all maps and text included in that document. The Redevelopment Plan Map attached hereto illustrates the location of the Project Area boundaries, identifies the major streets within the Project Area, and designates the major land uses authorized within the Project Area by the City's current General Plan. The City will from time to time update and revise the General Plan. It is the intention of this Redevelopment Plan that, without the need for amendment to this Plan, the major and other land uses to be permitted within the Project Area shall be as provided within the City's General Plan, as it currently exists or as it may from time to time be amended, and as implemented and applied by City ordinances, resolutions and other laws. The major land uses authorized within the Project Area by the current General Plan are described below. Other uses may be authorized from time to time by General Plan amendments.

B. [Section 402] Major Land Uses

Major land uses permitted within the Project Area shall include:

Residential

Commercial

Industrial

Public and Institutional

The areas shown on the Redevelopment Plan Map for the foregoing uses may be used for any of the various kinds of uses specified for or permitted within such areas by the General Plan and City ordinances, resolutions and other laws in effect from time to time.

C. [Section 403] Other Land Uses

1. [Section 404] Public Rights of Way

Major public streets within the Project Area are shown on the Redevelopment Plan Map. Additional public streets, alleys and easements may be created in the Project Area as needed for proper use and/or development. Existing streets and alleys may be abandoned, closed or modified as necessary for proper use and/or development. It is anticipated that Project development may entail acquisition of right-of-way or vacation and/or realignment of certain streets, alleys, and other rights-of-way.

Any changes in the existing street layout shall be in accord with the General Plan, as it currently exists or as it may from time to time be amended, the objectives of this Plan, and the City's design standards, and shall be effectuated in the manner prescribed by state and local law, and shall be guided by the following criteria:

1. A balancing of the needs of proposed and potential new developments for adequate pedestrian and vehicular access, vehicular parking, and delivery loading docks with similar needs of existing developments proposed or potentially proposed to remain. Such balancing shall take into consideration the rights of existing owners under the participation and preferences rules adopted by the Agency for the Project, and any participation agreements executed thereunder;

2. The requirements imposed by such factors as topography, traffic safety and aesthetics;

3. The potential need to serve not only the Project Area and new or existing developments, but to also serve areas outside the Project Area by providing convenient, efficient vehicular access and movement; and

4. The potential need or desire to accommodate the facilities and/or equipment of mass transportation modes.

The public rights-of-way may be used for vehicular and/or pedestrian traffic, as well as for public improvements, public and private utilities, and activities typically found in public rights-of-way. In addition, all necessary easements for public uses, public facilities, and public utilities may be retained, amended or created.

2. [Section 405] Other Public, Semi-Public, Institutional and Non-Profit Uses

In any area the Agency is authorized to permit the maintenance, establishment or enlargement of public, semi-public, institutional, or non-profit uses, including park and recreational facilities, libraries, educational, fraternal, employee, philanthropic, religious and charitable institutions, utilities, railroad rights-of-way, and facilities of other similar associations or organizations. All such uses shall conform so far as possible to the provisions of this Plan applicable to the uses in the specific area involved. The Agency may impose such other reasonable restrictions as are necessary to protect the development and uses in the Project Area.

D. [Section 406] Conforming Properties

The Agency may, at its sole and absolute discretion, determine that certain real properties within the Project Area meet the requirements of this Plan, and the owners of such properties may be permitted to remain as owners of conforming properties without a participation agreement with the Agency, provided such owners continue to operate, use, and maintain the real properties within the requirements of this Plan. A certificate of conformance to this effect may be issued by the Agency and recorded. An owner of a conforming property may be required by the Agency to enter into a participation agreement with the Agency in the event that such owner

desires to (1) construct any additional improvements or substantially alter or modify existing structures on any of the real property described above as conforming; or (2) acquire additional property within the Project Area.

E. [Section 407] Interim Uses

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Project Area for interim uses not in conformity with the uses permitted in this Plan. Such interim use shall conform to all applicable City codes.

F. [Section 408] Nonconforming Uses

The Agency is authorized to permit an existing use to remain in an existing building in good condition, which use does not conform to the provisions of this Plan, provided that such use is generally compatible with existing and proposed developments and uses in the Project Area, and abatement of such uses is not required by applicable City codes. The owner of such a property may be required to enter into a participation agreement, to record a covenant of restrictions against the property, and agree to the imposition of such reasonable restrictions as may be necessary to protect the development and uses in the Project Area.

The Agency may authorize additions, alterations, repairs or other improvements in the Project Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Project Area where, in the determination of the Agency, such improvements would be compatible with surrounding Project Area uses and development and are permitted under applicable City codes.

G. [Section 409] General Controls and Limitations

All real property in the Project Area is hereby made subject to the controls and requirements of this Plan. No real property shall be developed, rehabilitated, or otherwise changed after the effective date of the ordinance adopting this Plan, except in conformance with the provisions of this Plan.

1. [Section 410] Construction

All construction in the Project Area shall comply with all applicable state and local laws in effect from time to time.

In addition to applicable codes, ordinances, or other requirements governing development in the Project Area, additional specific performance and development standards may be adopted by the Agency to control and direct redevelopment activities in the Project Area, including property rehabilitation standards adopted pursuant to Section 330 hereof, and one or more Design Guides adopted pursuant to Section 420 hereof.

2. [Section 411] Limitation on the Number of Buildings

The approximate number of buildings in the Project Area shall not exceed the maximum number allowed under the densities permitted under the City's General Plan as it now exists or hereafter may be amended, as implemented and applied by local codes and ordinances.

3. [Section 412] Number of Dwelling Units

The number of dwelling units in the Project Area shall not exceed the maximum number allowed under the densities permitted under the City's General Plan as it now exists or hereafter may be amended, as implemented and applied by local codes and ordinances. The number of dwelling units in each component area of the Project Area is listed on the map of such component area attached as Exhibit "A".

4. [Section 413] Limitations on Type, Size, and Height of Buildings

Except as set forth in other sections of this Plan, the type, size, and height of buildings shall be as limited by the applicable federal, state and local statutes and ordinances.

5. [Section 414] Open Spaces, Landscaping, Light, Air, and Privacy

The approximate amount of open space to be provided in the Project Area is the total of all area which will be in the public rights-of-way, the public grounds, spaces around buildings, and all other outdoor areas not permitted to be covered by buildings. Landscaping shall be developed in the Project Area to ensure optimum use of living plant material.

In all areas, sufficient space shall be maintained between buildings to provide adequate light, air and privacy.

6. [Section 415] Signs

All signs shall conform to City requirements. Design of all proposed new signs shall be submitted prior to installation to the Agency and/or City for review and approval pursuant to the procedures permitted by this Plan.

7. [Section 416] Utilities

The Agency shall require that all utilities be placed underground whenever physically possible and economically feasible.

8. [Section 417] Incompatible Uses

No use or structure which in the Agency's opinion would, by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors, be incompatible with the surrounding areas or structures shall be permitted in any part of the Project Area.

9. [Section 418] Subdivision of Parcels

No parcels in the Project Area, including any parcel retained by a participant, shall be consolidated, subdivided or re-subdivided without the approval of the appropriate City body, and, if necessary for purposes of this Plan, the Agency.

10. [Section 419] Minor Variations

The Agency is authorized to permit minor variations from the limits, restrictions and controls established by this Plan. In order to permit any such variation, the Agency must determine that:

a. The application of certain provisions of this Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of this Plan; and

b. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions, and controls; and

c. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area; and

d. Permitting a variation will not be contrary to the objectives of this Plan.

No such variation shall be granted which permits other than a minor departure from the provisions of this Plan. In permitting any such variation, the Agency shall impose such conditions as are necessary to protect the public health, safety, or welfare, and to assure compliance with the purposes of this Plan. Any such variation permitted by the Agency hereunder shall not supersede any other approval required under City codes and ordinances.

H. [Section 420] Design Guide

Within the limits, restrictions, and controls established in this Plan, the Agency is authorized to establish heights of buildings, land coverage, setback requirements, design and sign criteria, traffic circulation, traffic access, parking, and other development and design controls necessary for proper development and use of both private and public areas within the Project Area. These may be established by the approval of specific developments, by the adoption of general restrictions and controls by resolution of the Agency, or by the adoption of one or more Design Guides pursuant to this section.

No new improvement shall be constructed and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated except in accordance with architectural, landscape, and site plans submitted to and approved in writing by the Agency (or at the option of the Agency, approved in writing by the City) unless allowed pursuant to the procedures of Section 421 hereof. One of the objectives of this Plan is to create an attractive and pleasant environment in the Project Area. Therefore, such plans shall give consideration to good design, open space, and other amenities to enhance the aesthetic and architectural quality of the Project

Area. The Agency (or the City if the Agency has opted for such plans to be approved by the City) shall not approve any plans that do not comply with this Plan.

I. [Section 421] Building Permits

No permit shall be issued for the construction of any new building or any addition, construction, moving, conversion or alteration to an existing building in the Project Area from the date of adoption of this Plan until the application for such permit has been processed in the manner provided hereinbelow. Any permit that is issued hereunder must be in conformance with the provisions of this Plan, any Design Guide adopted by the Agency, any restrictions or controls established by resolution of the Agency, and any applicable participation or other agreement.

The Agency is authorized to establish permit procedures and approvals in addition to those set forth above where required for purposes of this Plan. A building permit shall be issued only after the applicant for same has been granted all approvals required by the City and the Agency at the time of application.

## V. [Section 500] METHOD OF FINANCING THE MERGED PROJECT

### A. [Section 501] General Description of the Proposed Financing Method

The Agency is authorized to finance the Project Area with tax increment funds; interest income; Agency bonds; donations; loans from private financial institutions; the lease or sale of Agency-owned property; owner participant or developer loans; sales, use or transient occupancy taxes; participation in development; or with financial assistance from the City, State of California, the federal government, or any other available source, public or private.

The Agency is also authorized to obtain advances, borrow funds, issue bonds, and create indebtedness in carrying out this Plan. The principal and interest on such indebtedness may be paid from tax increments or any other funds available to the Agency. Advances and loans for survey and planning and for the operating capital for administration of the Project may be provided by the City or any other available source, public or private, until adequate tax increment or other funds are available or sufficiently assured to repay the advances and loans and to permit borrowing of adequate working capital from other sources. The City, as it is able, may

also supply additional assistance through issuance of bonds, loans and grants and in-kind assistance.

The City or any other public agency may expend money to assist the Agency in carrying out the Project. As available, gas tax funds from the state and county may be used for street improvements and public transit facilities. All or a portion of the parking improvements may be installed through a parking authority or other public or private entities.

B. [Section 502] Tax Increment Funds

The Agency is authorized to make such pledges as to specific advances, loans and indebtedness as appropriate in carrying out the Project Area.

The portion of taxes divided and allocated to the Agency pursuant to Section 33670 from Project Area No. 2 shall not exceed a cumulative total of $530 million, except by amendment of this Plan or as otherwise authorized by law.

The portion of taxes divided and allocated to the Agency pursuant to Section 33670 from Project Area No. 3 shall not exceed a cumulative total of $296 million, except by amendment of this Plan or as otherwise authorized by law.

The portion of taxes divided and allocated to the Agency pursuant to Section 33670 from Project Area No. 4 shall not exceed a cumulative total of $1,045 million, except by amendment of this Plan or as otherwise authorized by law.

The portion of taxes divided and allocated to the Agency from Project Area No. 2, Project Area No. 3 and Project Area No. 4 shall not exceed a combined cumulative total of $1,871 million, except by amendment of this Plan or as otherwise authorized by law.

There shall be no limit on the portion of taxes divided and allocated to the Agency pursuant to Section 33670 from the Expansion Area.

1. Project Area No. 2

All taxes levied upon taxable property within Project Area No. 2 each year by or for the benefit of the State of California, the County of Los Angeles, the City of Palmdale, any

district or any other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the ordinance approving the original redevelopment plan for Project Area No. 2, shall be divided as follows:

a. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in Project Area No. 2 as shown upon the assessment roll used in connection with the taxation of that property by the taxing agency, last equalized prior to the effective date of the ordinance approving the original redevelopment plan for Project Area No. 2, shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of Project Area No. 2 on the effective date of the ordinance but to which that territory has been annexed or otherwise included after that effective date, the assessment roll of the County of Los Angeles last equalized on the effective date of the ordinance shall be used in determining the assessed valuation of the taxable property in Project Area No. 2 on the effective date); and

b. Except as provided in subdivision c. below, that portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, monies advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Merged Project. Unless and until the total assessed valuation of the taxable property in Project Area No. 2 exceeds the total assessed value of the taxable property in the

Project Area as shown by the last equalized assessment roll referred to in subdivision a. hereof, all of the taxes levied and collected upon the taxable property in the Project Area No. 2 shall be paid to the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in Project Area No. 2 shall be paid to the respective taxing agencies as taxes on all other property are paid.

c. That portion of the taxes in excess of the amount identified in subdivision a. hereof which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to and when collected shall be paid into, the fund of that taxing agency. This subdivision c. shall only apply to taxes levied to repay bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989.

The portion of taxes mentioned in subdivision b. above is hereby irrevocably pledged for the payment of the principal of and interest on the advance of monies, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance the Project Area, in whole or in part.

2. Project Area No. 3

All taxes levied upon taxable property within Project Area No. 3 each year by or for the benefit of the taxing agencies after the effective date of the ordinance approving the original redevelopment plan for Project Area No. 3, shall be divided as follows:

a. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable

property in Project Area No. 3 as shown upon the assessment roll used in connection with the taxation of that property by the taxing agency, last equalized prior to the effective date of the ordinance approving the original redevelopment plan for Project Area No. 3, shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of Project Area No. 3 on the effective date of the ordinance but to which that territory has been annexed or otherwise included after that effective date, the assessment roll of the County of Los Angeles last equalized on the effective date of the ordinance shall be used in determining the assessed valuation of the taxable property in Project Area No. 3 on the effective date); and

b. Except as provided in subdivision c. below, that portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, monies advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Merged Project. Unless and until the total assessed valuation of the taxable property in Project Area No. 3 exceeds the total assessed value of the taxable property in the Project Area as shown by the last equalized assessment roll referred to in subdivision a. hereof, all of the taxes levied and collected upon the taxable property in the Project Area No. 3 shall be paid to the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable

property in Project Area No. 3 shall be paid to the respective taxing agencies as taxes on all other property are paid.

c. That portion of the taxes in excess of the amount identified in subdivision a. hereof which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to and when collected shall be paid into, the fund of that taxing agency. This subdivision c. shall only apply to taxes levied to repay bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989.

The portion of taxes mentioned in subdivision b. above is hereby irrevocably pledged for the payment of the principal of and interest on the advance of monies, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance the Project Area, in whole or in part.

3. Project Area No. 4

All taxes levied upon taxable property within Project Area No. 4 each year by or for the benefit of the taxing agencies after the effective date of the ordinance approving the original redevelopment plan for Project Area No. 4, shall be divided as follows:

a. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in Project Area No. 4 as shown upon the assessment roll used in connection with the taxation of that property by the taxing agency, last equalized prior to the effective date of the ordinance approving the original redevelopment plan for Project Area No. 4, shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes by or for the taxing agencies on

all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of Project Area No. 4 on the effective date of the ordinance but to which that territory has been annexed or otherwise included after that effective date, the assessment roll of the County of Los Angeles last equalized on the effective date of the ordinance shall be used in determining the assessed valuation of the taxable property in Project Area No. 4 on the effective date); and

b. Except as provided in subdivision c. below, that portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, monies advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Merged Project. Unless and until the total assessed valuation of the taxable property in Project Area No. 4 exceeds the total assessed value of the taxable property in the Project Area as shown by the last equalized assessment roll referred to in subdivision a. hereof, all of the taxes levied and collected upon the taxable property in the Project Area No. 4 shall be paid to the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in Project Area No. 4 shall be paid to the respective taxing agencies as taxes on all other property are paid.

c. That portion of the taxes in excess of the amount identified in subdivision a. hereof which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the

interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to and when collected shall be paid into, the fund of that taxing agency. This subdivision c. shall only apply to taxes levied to repay bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989.

The portion of taxes mentioned in subdivision b. above is hereby irrevocably pledged for the payment of the principal of and interest on the advance of monies, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance the Project Area, in whole or in part.

4. Expansion Area

All taxes levied upon taxable property within the Expansion Area each year by or for the benefit of the taxing agencies after the effective date of the ordinance approving this Plan, shall be divided as follows:

a. That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Expansion Area as shown upon the assessment roll used in connection with the taxation of that property by the taxing agency, last equalized prior to the effective date of the ordinance approving the original redevelopment plan for the Expansion Area, shall be allocated to and when collected shall be paid to the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory of the Expansion Area on the effective date of the ordinance but to which that territory has been annexed or otherwise included after that effective date, the assessment roll of the County of Los Angeles last equalized on the effective date of

the ordinance shall be used in determining the assessed valuation of the taxable property in the Expansion Area on the effective date); and

b. Except as provided in subdivision c. below, that portion of the levied taxes each year in excess of that amount shall be allocated to and when collected shall be paid into a special fund of the Agency to pay the principal of and interest on bonds, loans, monies advanced to, or indebtedness (whether funded, refunded, assumed or otherwise) incurred by the Agency to finance or refinance, in whole or in part, the Merged Project. Unless and until the total assessed valuation of the taxable property in the Expansion Area exceeds the total assessed value of the taxable property in the Project Area as shown by the last equalized assessment roll referred to in subdivision a. hereof, all of the taxes levied and collected upon the taxable property in the Expansion Area shall be paid to the respective taxing agencies. When said bonds, loans, advances and indebtedness, if any, and interest thereon, have been paid, all monies thereafter received from taxes upon the taxable property in the Expansion Area shall be paid to the respective taxing agencies as taxes on all other property are paid.

c. That portion of the taxes in excess of the amount identified in subdivision a. hereof which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness for the acquisition or improvement of real property shall be allocated to and when collected shall be paid into, the fund of that taxing agency. This subdivision c. shall only apply to taxes levied to repay bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989.

The portion of taxes mentioned in subdivision b. above is hereby irrevocably pledged for the payment of the principal of and interest on the advance of monies, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed or otherwise) by the Agency to finance or refinance the Project Area, in whole or in part.

C. [Section 503] Agency Bonds

The Agency is authorized to issue bonds from time to time, if it deems it appropriate to do so, in order to finance all or any part of the Merged Project.

Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

The bonds and other obligations of the Agency are not a debt of the City, the State, or any of its political subdivisions and neither the City, the State, nor any of its political subdivisions is liable on them, nor in any event shall the bonds or obligations be payable out of any funds or properties other than those of the Agency; and such bonds and other obligations shall so state on their face. The bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The amount of bonded indebtedness to be repaid in whole or in part from the allocation of taxes to the Agency from the Merged Project Area which can be outstanding at any one time shall not exceed a cumulative total of $1,449,000,000 in principal amount, except by amendment of this Plan or as otherwise authorized by law.

D. [Section 504] Time Limit on Establishment of Indebtedness for Expansion Area

No loan, advance or other indebtedness to finance, in whole or in part, the Project and to be repaid from the division and allocation of taxes to the Agency pursuant to Section 33670 from the Expansion Area shall be established or incurred by the Agency after a period of twenty (20) years from the date of the adoption of this Plan, except by amendment of this Plan as authorized by law or as may be otherwise authorized by law from time to time. This limit, however, shall not prevent the Agency from incurring debt to be paid from the Low and Moderate Income Housing Fund for the Merged Project Area or establishing more debt in order to fulfill the Agency's housing obligations under subdivision (a) of Section 33333.8. The loans, advances, or

indebtedness may be repaid over a period of time longer than this time limit as provided by law. This limit shall not prevent the Agency from refinancing, refunding, or restructuring indebtedness after the time limit if the indebtedness is not increased and the time during which the indebtedness is to be repaid is not extended beyond the time limit to repay indebtedness.

There shall be no time limit to establish or incur loans, advances or other indebtedness for Project Area No. 2, Project Area No. 3, or Project Area No. 4.

E. [Section 505] Time Limit on Repayment of Indebtedness

1. Project Area No. 2

Except for a longer period of time as may be authorized by law and except as provided in subdivisions (g) and (h) of Section 33333.6, the Agency may not pay indebtedness or receive property taxes from Project Area No. 2 pursuant to Section 33670 after July 25, 2031.

2. Project Area No. 3

Except for a longer period of time as may be authorized by law and except as provided in subdivisions (g) and (h) of Section 33333.6, the Agency may not pay indebtedness or receive property taxes from Project Area No. 3 pursuant to Section 33670 after March 10, 2036.

3. Project Area No. 4

Except for a longer period of time as may be authorized by law and except as provided in subdivisions (g) and (h) of Section 33333.6, the Agency may not pay indebtedness or receive property taxes from Project Area No. 4 pursuant to Section 33670 after November 10, 2036.

4. Expansion Area

Except for a longer period of time as may be authorized by law, the Agency may not repay indebtedness with the proceeds of property taxes received from the Expansion Area pursuant to Section 33670 of the Community Redevelopment Law beyond a period of forty-five (45) years from the date of adoption of this Plan, except by amendment of this Plan as authorized by applicable law or as may be otherwise authorized by law from time to time. At the end of the

45-year period, the Agency may not receive property taxes for the Expansion Area pursuant to Section 33670 of the Community Redevelopment Law, except as necessary to comply with subdivision (a) of Section 33333.8 or except by amendment of this Plan as authorized by applicable law or as may be otherwise authorized by law from time to time.

F. [Section 506] Other Loans and Grants

Any other loans, grants, guarantees, or financial assistance from the United States, the State of California, or any other public or private source will be utilized if available as appropriate in carrying out the Merged Project. In addition, the Agency may make loans as permitted by law to public or private entities for any of its redevelopment purposes.

## VI. [Section 600] ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Actions by the City may include, but are not limited to, the following:

1. Institution and completion of proceedings for opening, closing, vacating, widening, or changing the grades of streets, alleys, and other public rights-of-way, and for other necessary modifications of the streets, the street layout, and other public rights-of-way in the Project Area. Such action by the City shall include the requirement of abandonment, removal, and relocation by the public utility companies of their operations in public rights-of-way as appropriate to carry out this Plan, provided that nothing in this Plan shall be construed to require the cost of such abandonment, removal, and relocation be borne by others than those legally required to bear such costs.

2. Institution and completion of proceedings necessary for changes and improvements in private and publicly-owned public utilities within or affecting the Project Area.

3. Revision of the zoning ordinance of the City or adoption of specific plans as appropriate within the Project Area to permit the land uses and development authorized by this Plan.

4. Imposition wherever necessary (by covenants or restrictions, conditional use permits or other means) of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.

5. Execution of statutory development agreements where necessary and appropriate to facilitate developments approved by the Agency.

6. Provision for administrative enforcement of this Plan by the City after development.

7. Performance of the above actions, and of all other functions and services relating to public health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.

8. Provision of services and facilities and the various officials, offices and departments of the City for the Agency's purposes under this Plan.

9. Provision of financial assistance in accordance with Section 500 of this Plan.

10. The undertaking and completing of any other proceedings necessary to carry out the Project.

The foregoing actions to be taken by the City may involve financial outlays by the City, but do not constitute a commitment to make such outlays.

## VII. [Section 700] ENFORCEMENT

The administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan, shall be performed by the Agency and/or the City.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies

may include, but are not limited to, specific performance, damages, reentry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners.

## VIII. [Section 800] DURATION OF THIS PLAN

The non-discrimination and non-segregation provisions imposed by the Agency shall run in perpetuity and the affordable housing covenants imposed by the Agency which shall continue in effect for a period as may be determined and specified by the Agency and as required by law.

### 1. Project Area No. 2

Except for a longer period of time as may be authorized by law, the provisions of this Plan as to Project Area No. 2 shall be effective until July 25, 2021; provided, however, that the Agency may issue bonds and incur obligations pursuant to this Plan which extend beyond the termination date, and in such event, this Plan shall continue in effect for the purpose of repaying such bonds or other obligations until the date of retirement of such bonds or other obligations. Except as provided in the previous sentence, after the time limit on the effectiveness of this Plan, the Agency shall have no authority to act pursuant to this Plan as to Project Area No. 2 except to pay previously incurred indebtedness, to comply with Section 33333. 8 and to enforce existing covenants, contracts, or other obligations and as otherwise permitted by law.

### 2. Project Area No. 3

Except for a longer period of time as may be authorized by law, the provisions of this Plan as to Project Area No. 3 shall be effective until March 10, 2026; provided, however, that the Agency may issue bonds and incur obligations pursuant to this Plan which extend beyond the termination date, and in such event, this Plan shall continue in effect for the purpose of repaying such bonds or other obligations until the date of retirement of such bonds or other obligations. Except as provided in the previous sentence, after the time limit on the effectiveness of this Plan, the Agency shall have no authority to act pursuant to this Plan as to Project Area No. 3 except to pay previously incurred indebtedness, to comply with Section 33333. 8 and to enforce existing covenants, contracts, or other obligations and as otherwise permitted by law.

3. Project Area No. 4

Except for a longer period of time as may be authorized by law, the provisions of this Plan as to Project Area No. 4 shall be effective until November 10, 2026; provided, however, that the Agency may issue bonds and incur obligations pursuant to this Plan which extend beyond the termination date, and in such event, this Plan shall continue in effect for the purpose of repaying such bonds or other obligations until the date of retirement of such bonds or other obligations. Except as provided in the previous sentence, after the time limit on the effectiveness of this Plan, the Agency shall have no authority to act pursuant to this Plan as to Project Area No. 4 except to pay previously incurred indebtedness, to comply with Section 33333. 8 and to enforce existing covenants, contracts, or other obligations and as otherwise permitted by law.

4. Expansion Area

Except for a longer period of time as may be authorized by law, the provisions of this Plan as to the Expansion Area shall be effective for the period ending 30 years from the date of adoption of this Plan. After the time limit on the effectiveness of this Plan, the Agency shall have no authority to act pursuant to this Plan as to the Expansion Area except to pay previously incurred indebtedness and to enforce existing covenants or contracts and as otherwise permitted by law, unless the Agency has not completed its housing obligations pursuant to subdivision (a) of Section 33333.8, in which case the Agency shall retain its authority to implement requirements under subdivision (a) of Section 33333.8, including its ability to incur and pay indebtedness for this purpose, and shall use this authority to complete these housing obligations as soon as is reasonably possible.

## IX. [Section 900] PROCEDURE FOR AMENDMENT

This Plan may be amended by means of the procedure established in the Community Redevelopment Law, or by any other procedure hereafter established by law.

## X. [Section 1000] SEVERABILITY

If any provision, section, subsection, subdivision, sentence, clause or phrase of this Plan is for any reason held to be invalid, unenforceable, or unconstitutional, such decision shall not affect the validity and effectiveness of the remaining portion or portions of the Plan. In the event

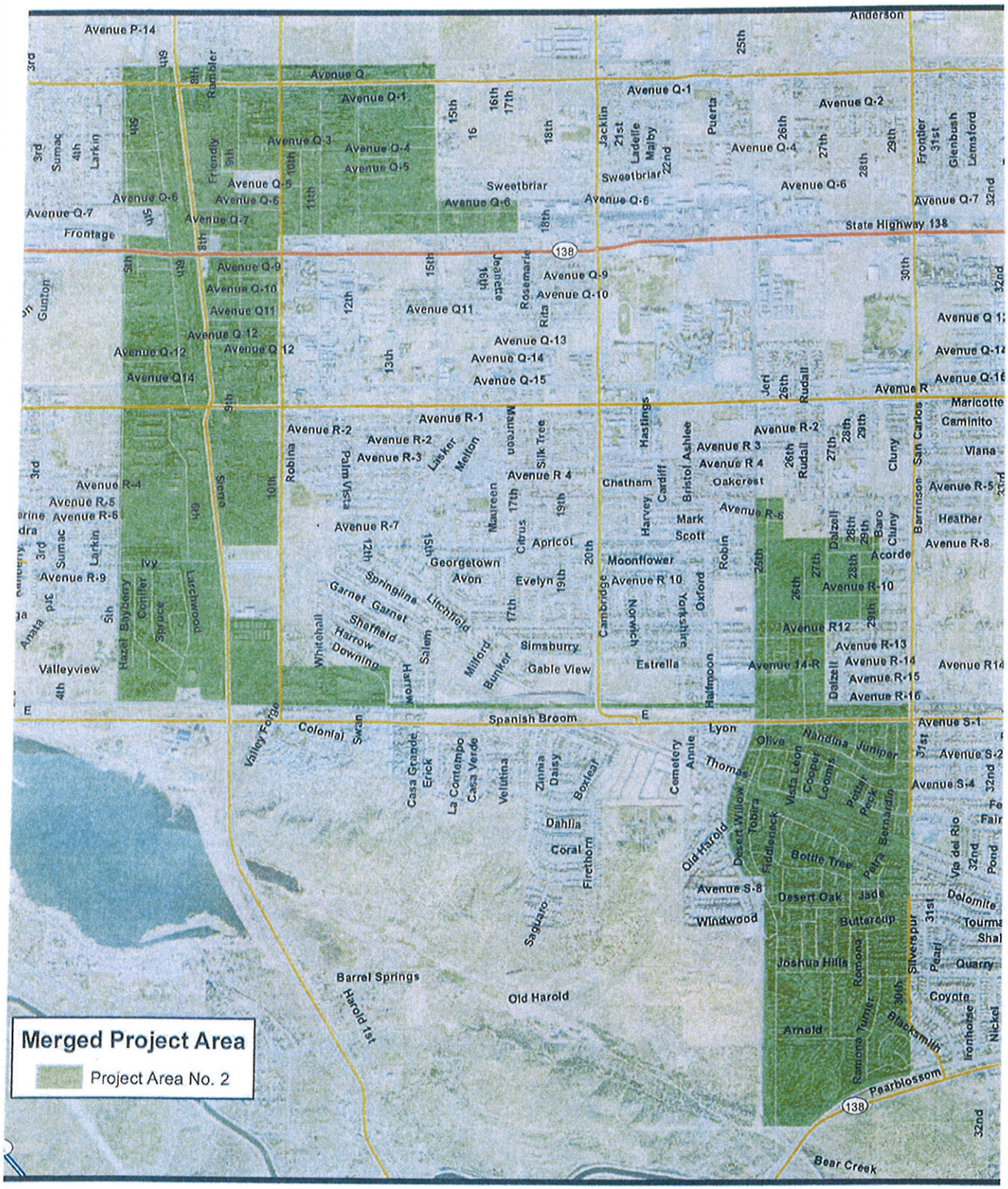
that any portion of the Project Area shall be determined to have been invalidly or incorrectly included in the Project Area that is the subject of this Plan, such portion of the Project Area shall be deemed severable from the remainder of the Project Area and the remainder of the Project Area shall remain fully subject to the provisions of this Plan.

EXHIBIT "A"

REDEVELOPMENT PLAN MAP

(Consists of ten maps attached behind this page)

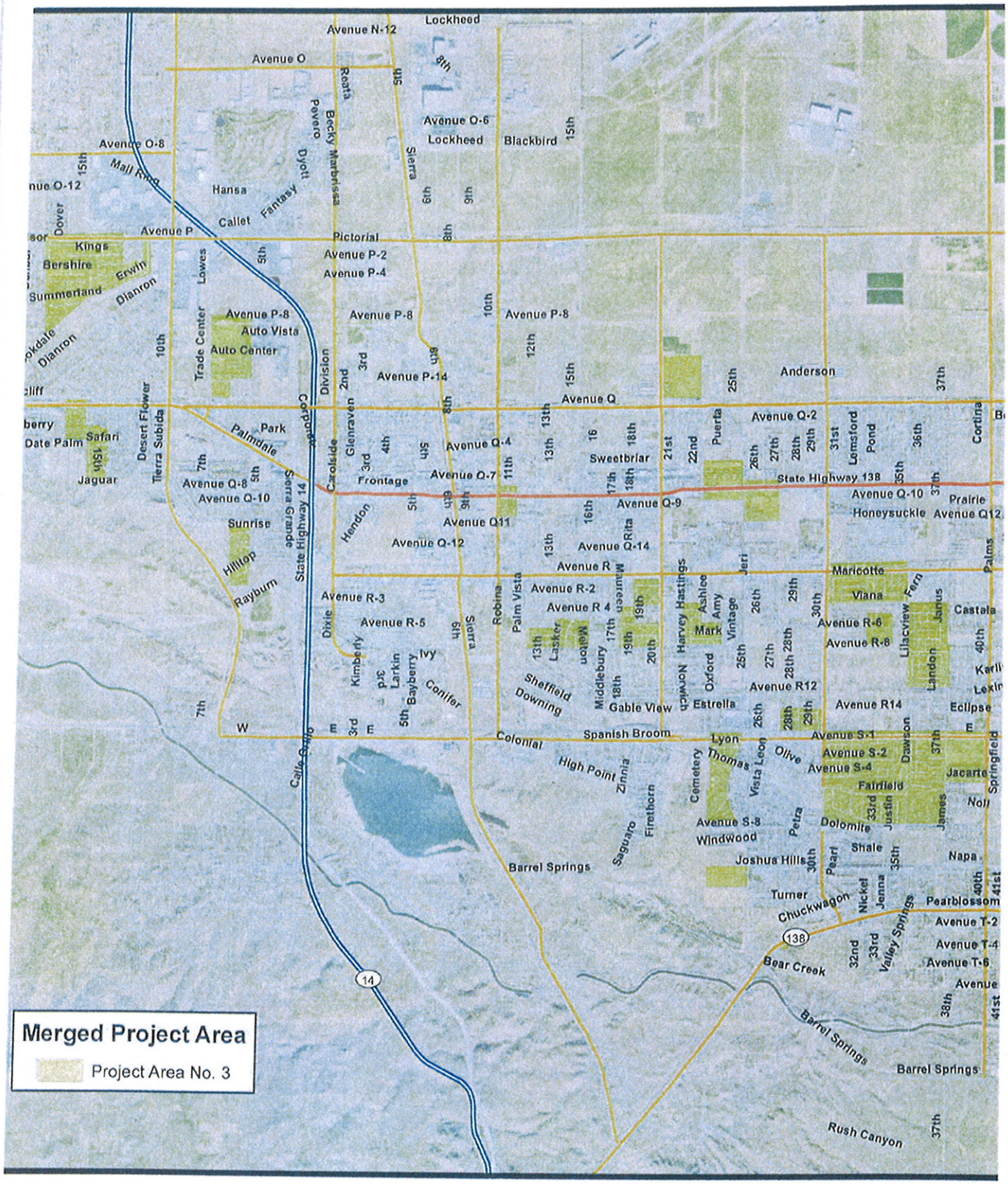
# PROJECT AREA NO. 2




RSG

*Sources: City of Palmdale and ESR*

# PROJECT AREA NO. 3

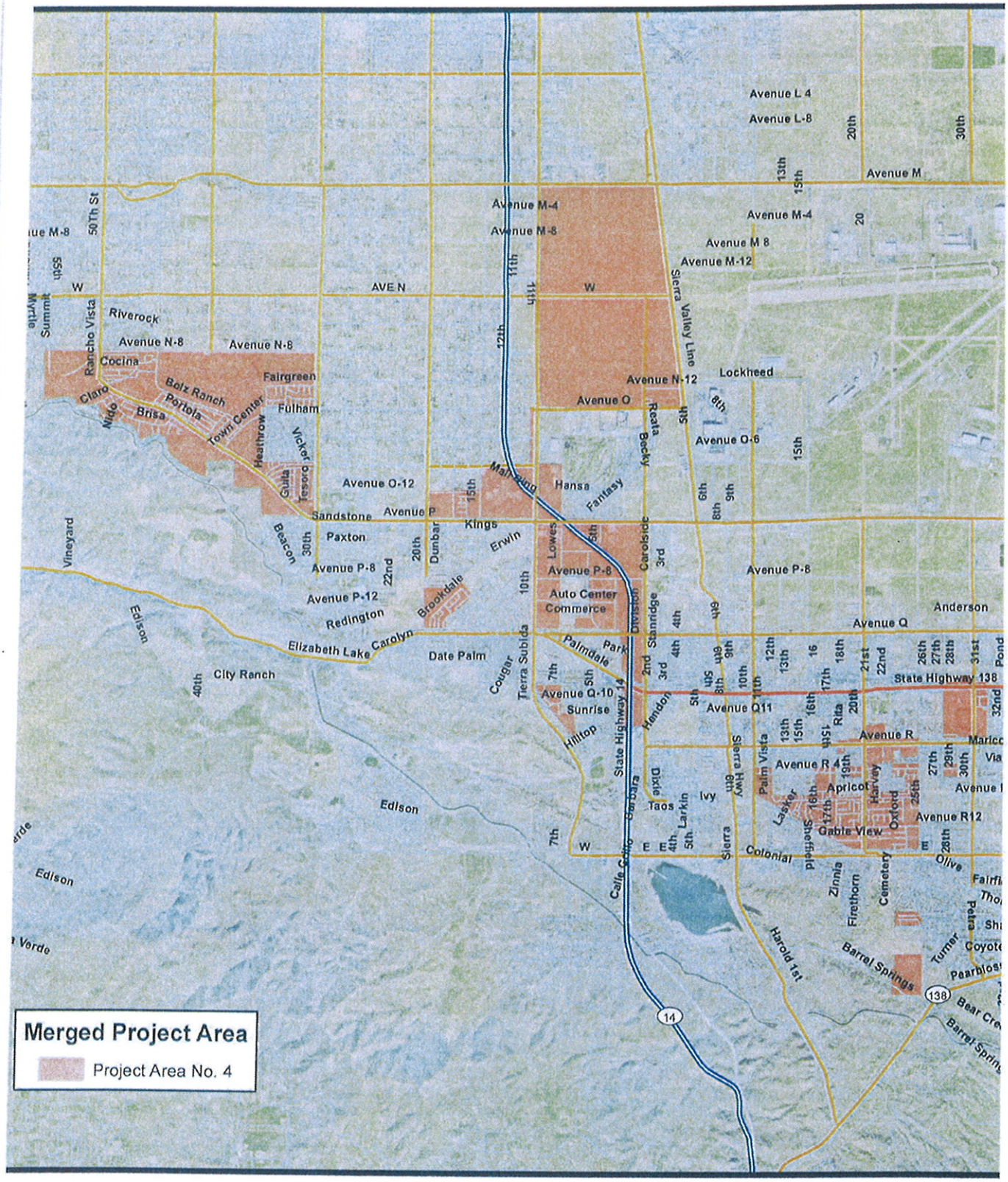



RSG

0 0.3 0.6 1.2 1.8 Mile

*Sources: City of Palmdale and ESR*

# PROJECT AREA NO. 4


Merged Project Area
Project Area No. 4
Avenue L 4
Avenue L-8
Avenue M
Avenue M-4
Avenue M-8
Avenue M 8
Avenue M-12
AVE N
Riverock
Avenue N-8
Cocina
Fairgreen
Bolz Ranch
Portola
Town Center
Fulham
Claro
Nido
Brisa
Heathrow
Vicker
Guata
Tesoro
Avenue N-12
Lockheed
Avenue O
Avenue O-6
Avenue O-12
Sandstone
Avenue P
Paxton
Kings
Erwin
Hansa
Fantasy
Avenue P-8
Avenue P-12
Redington
Brookdale
Auto Center
Commerce
Elizabeth Lake
Carolyn
Date Palm
City Ranch
Avenue Q-10
Sunrise
Hilltop
Avenue Q
Anderson
Avenue Q11
State Highway 138
Avenue R
Avenue R 4
Avenue R12
Apricot
Gable View
Colonial
Olive
Palm Vista
Harvey
Oxford
Cemetery
Firethorn
Zinnia
Snowfield
Larkin
Ivy
Taos
Dixie
Sierra Hwy
Sierra Valley Line
Reata
Becky
Caroloide
Stanridge
Division
Hendon
Palmdale
Park
Tierra Subida
Cougar
Lowes
Mainline
State Highway 14
Calle Como
Barbara
Harold 1st
Barrel Springs
Turner
Coyote
Pearblossom
Bear Creek
Edison
Vineyard
Summit
Myrtle
Rancho Vista
50Th St
Beacon
Dunbar
Verde
Pond
Marico
Via
Fairfi
Thor
Shi
Avenue I
Avenue M-8
Avenue N-8
Avenue P-8
Avenue Q-6
Avenue Q11
Avenue Q-10
Avenue R12
Avenue R 4
Avenue M-4
Avenue M 8
Avenue M-12
Avenue N-12
Avenue O-6
Avenue O-12
Avenue P-8
Avenue P-12
Avenue Q-10
Avenue Q11
Avenue R12
Avenue R 4
Avenue M-4
Avenue M-8
Avenue N-8
Avenue P-8
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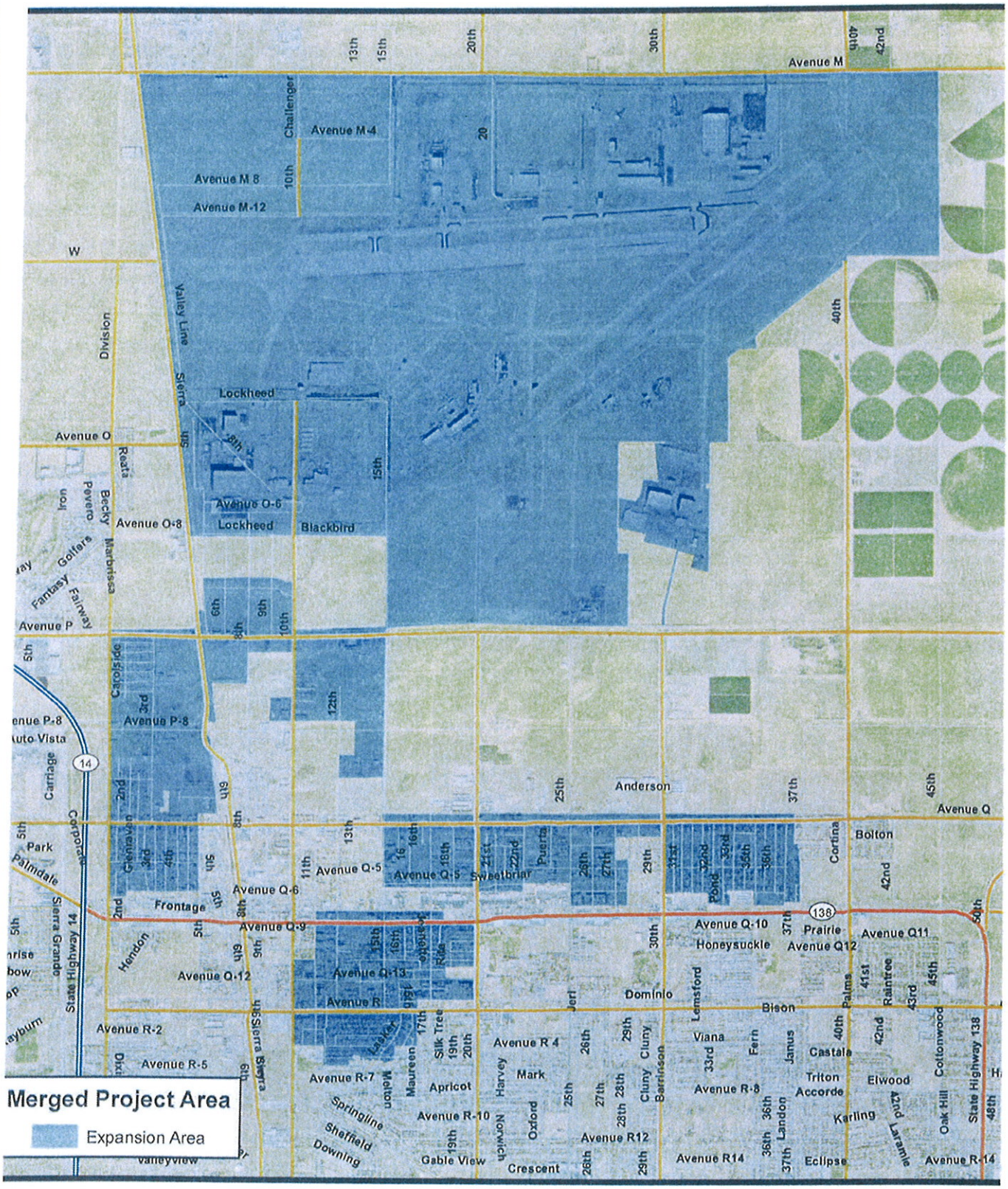
Avenue R12
Avenue R 4
Avenue M-4
Avenue M-8

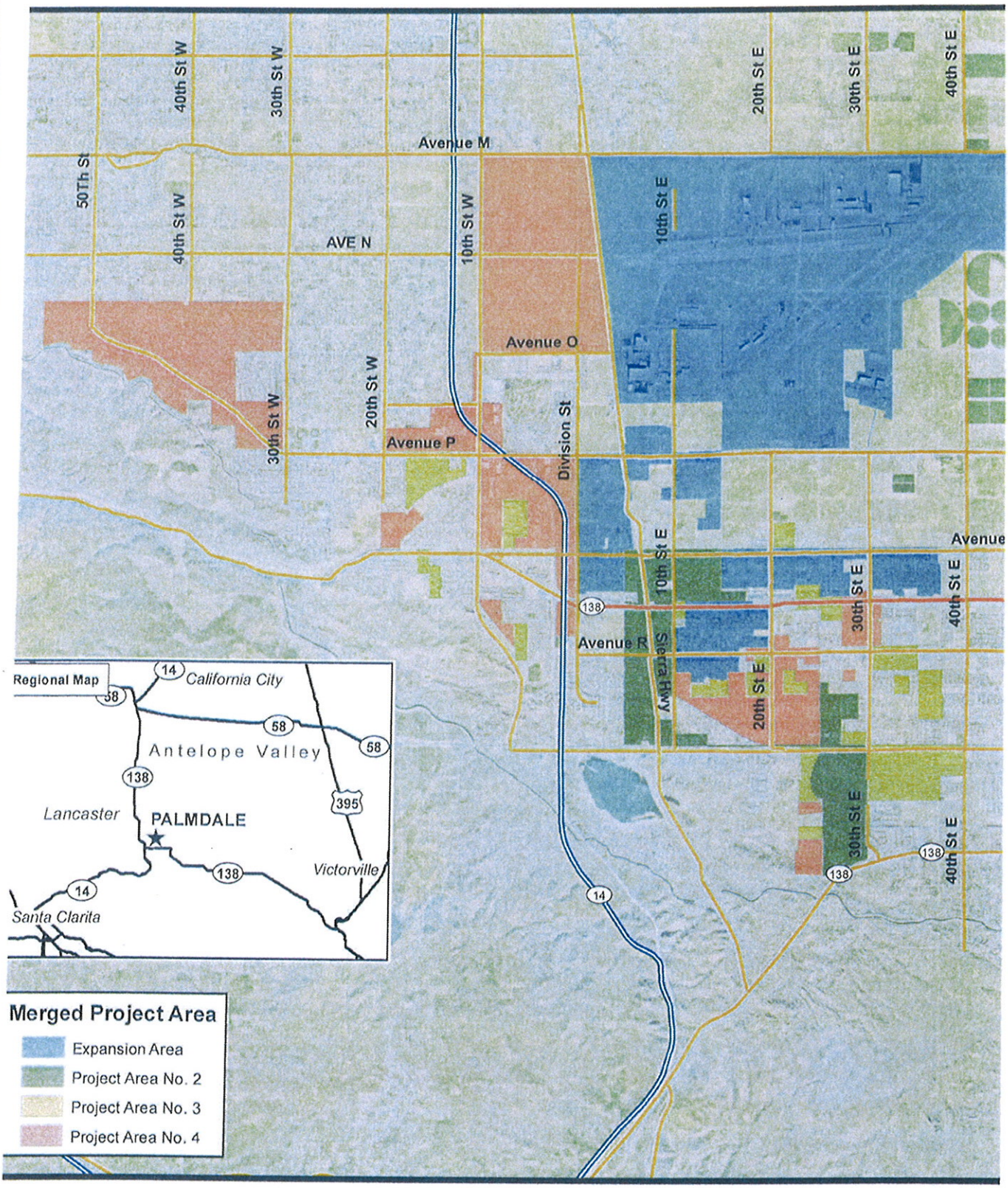
# EXPANSION AREA




RSG

*Sources: City of Palmdale and ESR*

## VICINITY MAP OF MERGED PROJECT AREA

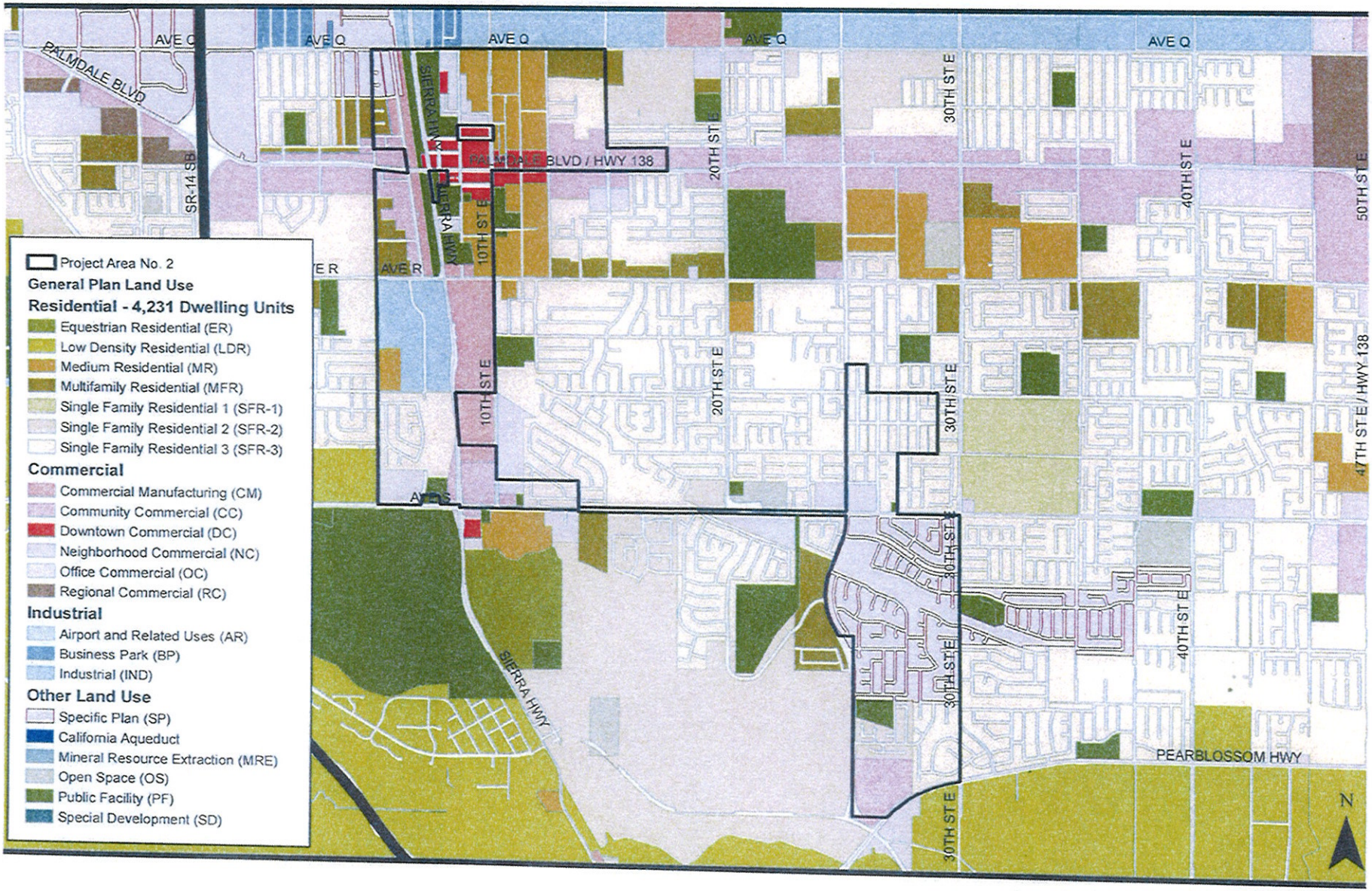



RSG

0 0.5 1 2 3 Miles

*Sources: City of Palmdale and ESR*

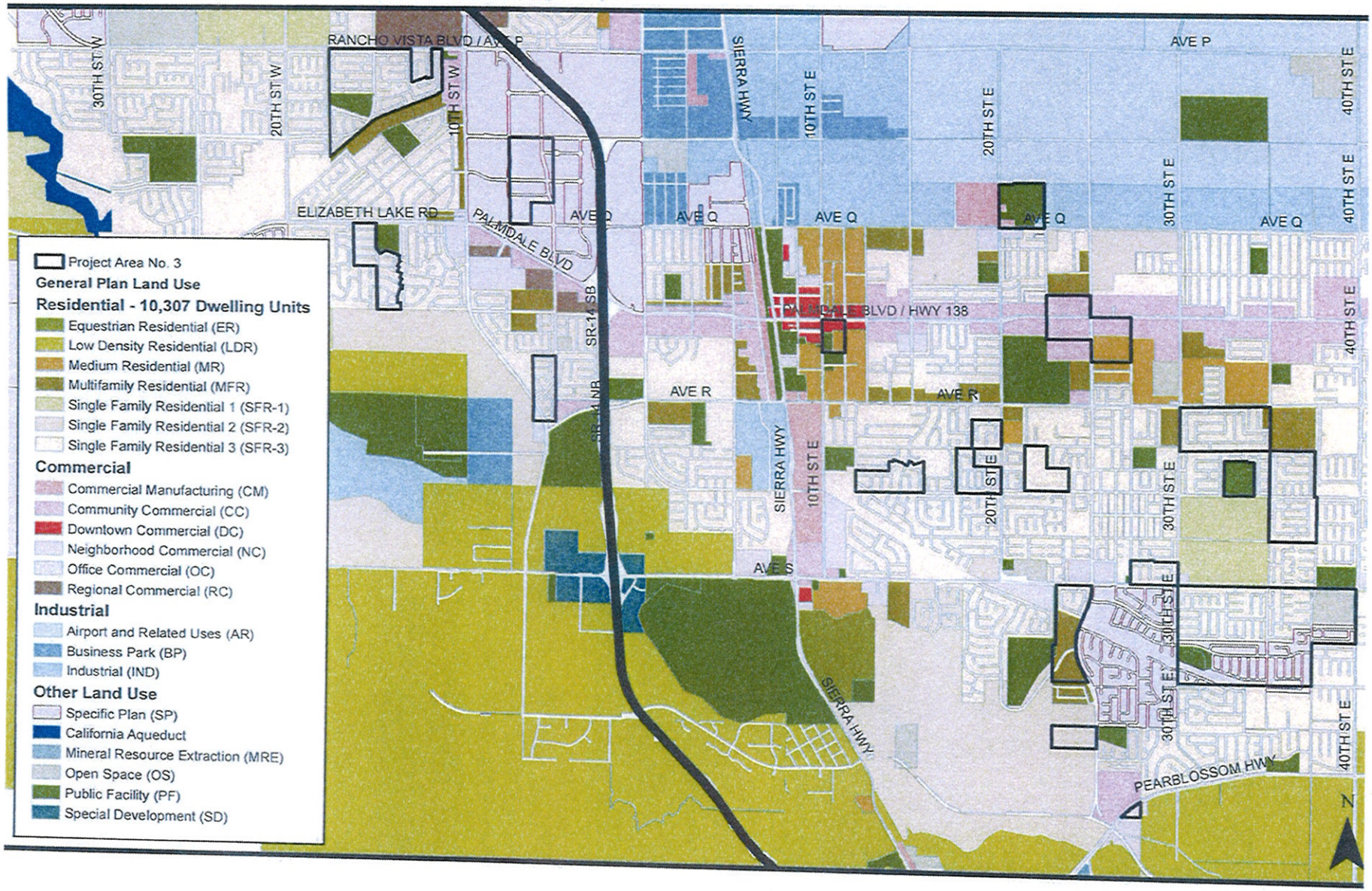
## PROJECT AREA NO. 2 GENERAL PLAN LAND USE




0 0.15 0.3 0.6 0.9 1.2 Miles

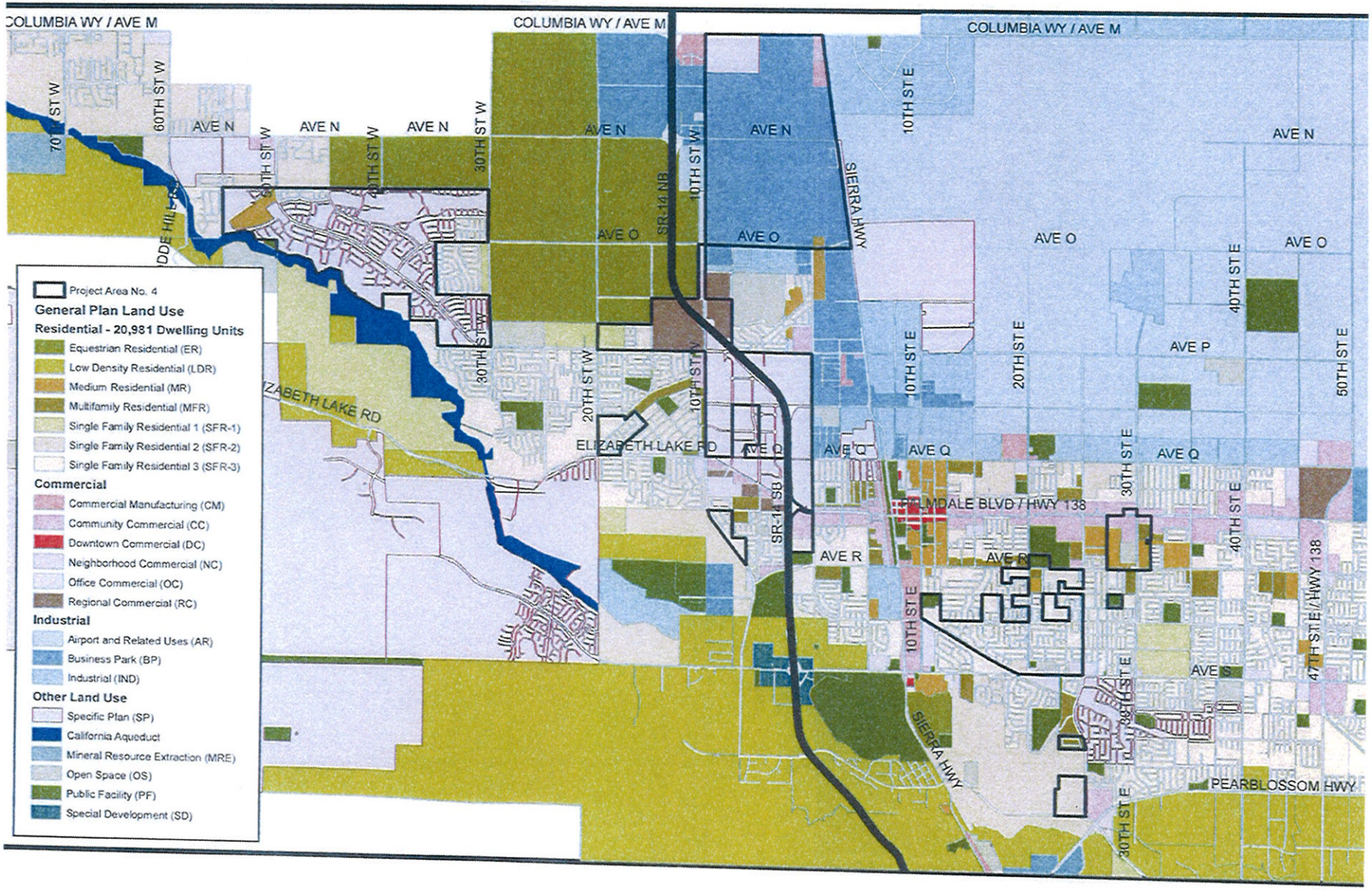
*Sources: City of Palmdale GIS*
*Prepared by RSG, Inc.*

# PROJECT AREA NO. 3 GENERAL PLAN LAND USE



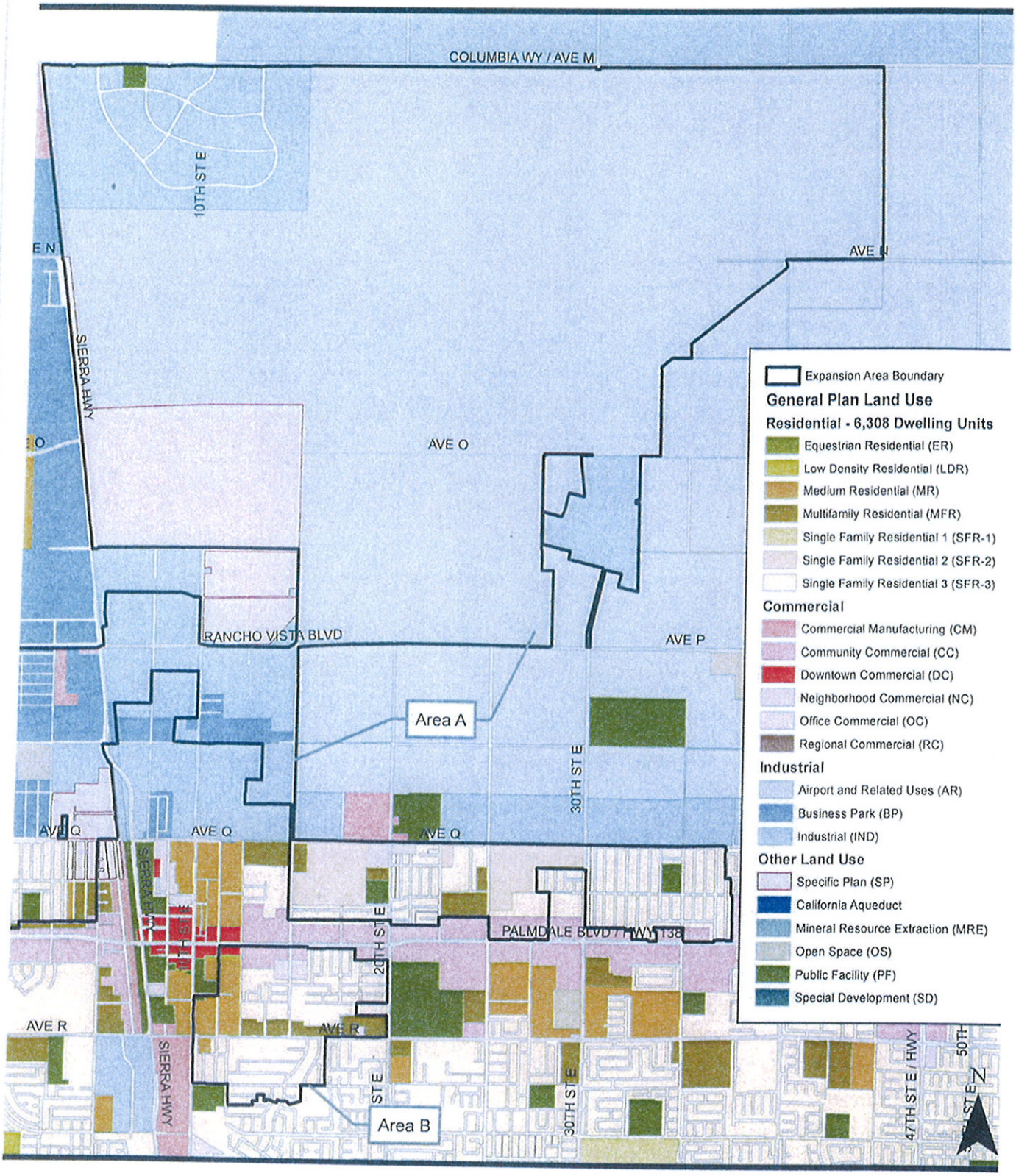

*Sources: City of Palmdale GIS*
*Prepared by RSG, Inc.*

# PROJECT AREA NO. 4 GENERAL PLAN LAND USE



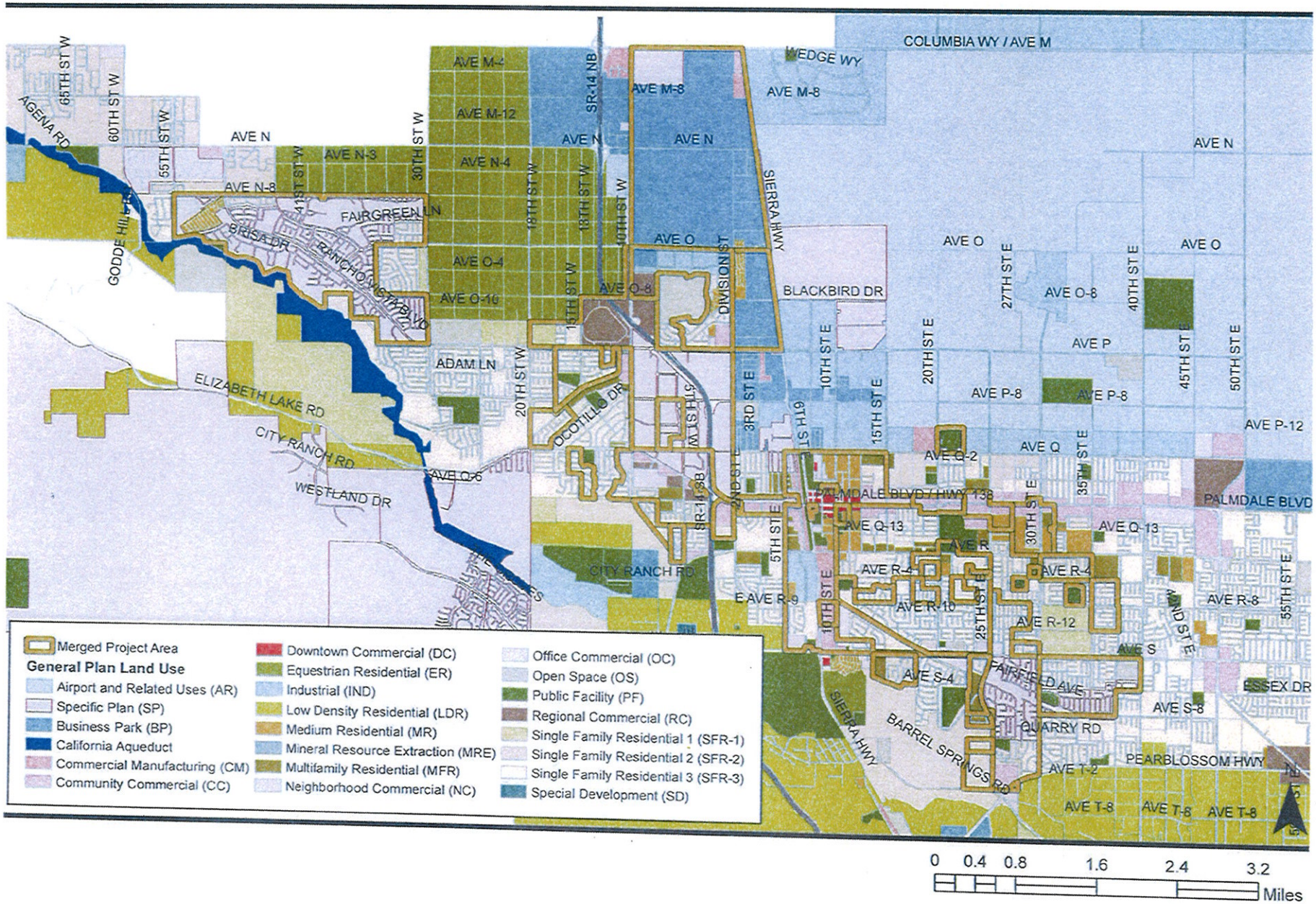

*Sources: City of Palmdale GIS*
*Prepared by RSG, Inc.*

# EXPANSION AREA GENERAL PLAN LAND USE




*Sources: City of Palmdale GIS*
*Prepared by RSG, Inc*

## MERGED PROJECT AREA GENERAL PLAN LAND USE




*Sources: City of Palmdale GIS*
*Prepared by RSG, Inc.*

EXHIBIT "B"
LEGAL DESCRIPTION OF MERGED PROJECT AREA

**PROJECT AREA NO. 2**
**(no change from existing)**

**(consists of 10 pages attached behind this page)**

LEGAL DESCRIPTION OF CITY OF PALMDALE
REDEVELOPMENT PROJECT NO. 2

THOSE PORTIONS OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, S.B.M., SECTIONS 25, 26, 35 AND 36, TOWNSHIP 6 NORTH, RANGE 12 WEST, S.B.M., SECTION 6, TOWNSHIP 5 NORTH, RANGE 11 WEST, S.B.M., AND SECTIONS 1 AND 2, TOWNSHIP 5 NORTH, RANGE 12 WEST, S.B.M. IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA AS SHOWN ON THE OFFICIAL PLAT THEREOF DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 25, T6N, R12W, S.B.M.; THENCE SOUTH ALONG THE WESTERLY LINE OF SAID NORTHEAST QUARTER OF SECTION 25 TO AN INTERSECTION WITH THE SOUTHERLY LINE OF TRACT NO. 18674 RECORDED IN BOOK 470, PAGES 48 TO 50, INCLUSIVE, OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE EASTERLY ALONG SAID SOUTHERLY LINE OF TRACT NO. 18674 AND THE EASTERLY PROLONGATION OF SAID SOUTHERLY LINE TO AN INTERSECTION WITH THE CENTER LINE OF 17TH STREET EAST WHICH CENTER LINE IS SHOWN AS BEING SOUTH 0° 46′ 10" EAST ON SAID TRACT MAP NO. 18674; THENCE SOUTH ON SAID CENTER LINE OF 17TH STREET EAST TO AN INTERSECTION WITH THE CENTER LINE OF PALMDALE BLVD. WHICH CENTER LINE IS ALSO THE EAST WEST CENTER LINE OF SAID SECTION 25, T6N, R12W, S.B.M; THENCE WESTERLY ALONG THE CENTER LINE OF SAID PALMDALE BLVD. TO THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SAID SECTION 25, T6N, R12W, S.B.M.; THENCE SOUTHERLY ALONG THE WESTERLY LINES OF SECTIONS 25 AND 36 BOTH IN T6N, R12W, S.B.M. TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 36, T6N, R12W, S.B.M.; THENCE EASTERLY ALONG SAID NORTH

LINE OF THE SOUTH HALF OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SAID SECTION 35 TO AN INTERSECTION WITH A LINE THAT IS PARALLEL TO AND DISTANT 1891.66 FEET EAST FROM THE WESTERLY LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36; THENCE SOUTHERLY ALONG LAST MENTIONED PARALLEL LINE TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH 50 FEET OF SAID SECTION 36; THENCE EASTERLY ON SAID NORTH LINE OF THE SOUTH 50 FEET OF SECTION 36 AND CONTINUING EASTERLY ON THE NORTH LINE OF THE SOUTH 50 FEET OF SECTION 31, T6N, R11W, S.B.M. TO AN INTERSECTION WITH THE WEST LINE OF THE EAST HALF OF SAID SECTION 31; THENCE NORTHERLY ALONG SAID WEST LINE OF THE EAST HALF OF SECTION 31 TO AN INTERSECTION WITH THE WESTERLY PROLONGATION OF THE NORTH LINE OF FINKS ADDITION TO PALMDALE, RECORDED IN BOOK 36, PAGE 30 OF MISCELLANEOUS RECORDS IN THE OFFICE OF SAID COUNTY RECORDER; THENCE EASTERLY ALONG SAID WESTERLY PROLONGATION OF AND THE NORTH LINE OF M.R. 36-30 TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE WESTERLY LINE OF A 20 FOOT WIDE ALLEY IN BLOCK M OF SAID M.R. 36-30; THENCE SOUTHERLY ALONG THE NORTHERLY PROLONGATION OF AND THE WEST LINE OF SAID 20 FOOT WIDE ALLEY IN BLOCK M OF M.R. 36-30 AND CONTINUING ON THE SOUTHERLY PROLONGATION OF SAID WEST LINE TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 31, T6N, R11W, S.B.M.; THENCE EASTERLY AND SOUTHERLY ALONG THE NORTHERLY AND EASTERLY LINES RESPECTIVELY OF SAID SOUTHEAST QUARTER OF SAID SECTION 31 AND CONTINUING SOUTHERLY IN SECTIONS 6 AND 7, T5N, R11W, S.B.M. ON THE CENTER LINE OF 30TH STREET EAST AS SAID CENTER LINE IS SHOWN ON C.S.B.-2744 TO AN INTERSECTION WITH THE

CENTER LINE OF PEARBLOSSOM HIGHWAY IN THE NORTHWEST QUARTER OF SAID SECTION 7; THENCE SOUTHWESTERLY ON THE CENTER LINE OF SAID PEARBLOSSOM HIGHWAY, AS SAID CENTER LINE IS SHOWN ON C.S.B. 1900-2 ON ALL ITS VARIOUS COURSES AND CURVES TO AN INTERSECTION WITH THE OUTSIDE PERIMETER BOUNDARY OF THE CITY OF PALMDALE ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 1, T5N, R12W, S.B.M.; THENCE ALONG SAID OUTSIDE PERIMETER BOUNDARY OF THE CITY OF PALMDALE WEST ALONG THE SOUTH LINE OF SAID SECTION 1 TO THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE NORTHERLY ALONG SAID EAST LINE TO THE EASTERLY LINE OF THE 100 FOOT STRIP OF LAND DESCRIBED IN DEED TO THE COUNTY OF LOS ANGELES FOR THE 25TH STREET EAST, RECORDED IN BOOK D-3376, PAGE 974 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER OF SAID COUNTY; THENCE NORTHERLY ALONG SAID EASTERLY LINE TO THE EAST LINE OF THE WEST HALF OF LOTS 1 AND 2 IN THE EAST HALF OF SAID SECTION; THENCE NORTHERLY ALONG SAID LAST MENTIONED EAST LINE TO THE NORTH LINE OF THE SOUTH 5 ACRES OF THE WEST HALF OF SAID LOT 2; THENCE WESTERLY ALONG SAID NORTH LINE TO AN INTERSECTION WITH THE CENTER LINE OF 25TH STREET EAST IN LOT 2 IN SAID EAST HALF OF SECTION 1; THENCE LEAVING SAID OUTSIDE PERIMETER BOUNDARY OF THE CITY OF PALMDALE, NORTHERLY ALONG THE CENTER LINE OF SAID 25TH STREET EAST AS SAID CENTER LINE IS SHOWN ON C.S.B. 2830 IN ALL ITS VARIOUS COURSES AND CURVES TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH 50 FEET OF SAID SECTION 1; THENCE WESTERLY ALONG SAID SOUTH LINE OF THE NORTH 50 FEET OF SAID SECTION 1 AND THE SOUTH LINE OF THE NORTH 50 FEET OF SECTION 2, T5N, R12W, S.B.M., TO AN INTERSECTION WITH THE

NORTHWEST CORNER OF TRACT NO. 31459 RECORDED IN BOOK 832, PAGES 43 TO 46, INCLUSIVE, OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE SOUTHERLY ALONG THE WEST LINE OF SAID TRACT 31459 TO THE MOST WESTERLY SOUTH CORNER OF SAID TRACT WHICH POINT IS ALSO A POINT IN THE SOUTH BOUNDARY OF THE CITY OF PALMDALE AS SAID BOUNDARY EXISTED ON MARCH 16, 1978; THENCE CONTINUING ALONG THE OUTSIDE PERIMETER BOUNDARY OF THE CITY OF PALMDALE AS FOLLOWS: SOUTH 78° 39′ WEST, 196.05 FEET; THENCE NORTH 65° 56′ WEST 280.90 FEET; THENCE NORTH 23° 45′ WEST 281.90 FEET; THENCE SOUTH 65° 19′ WEST 375.85 FEET; THENCE SOUTH 84° 44′ WEST 300 FEET; THENCE SOUTH 55° 21′ WEST 287.90 FEET; THENCE NORTH 81° 03′ WEST 235.65 FEET; THENCE NORTH 46° 50′ WEST 300 FEET; THENCE WEST TO A LINE PARALLEL WITH AND 445.50 FEET EASTERLY, MEASURED AT RIGHT ANGLES FROM THE EASTERLY LINE OF MINT CANYON ROAD (NOW SIERRA HIGHWAY), 60 FEET WIDE, AS DESCRIBED IN THE DEED TO THE SAID COUNTY OF LOS ANGELES, RECORDED IN BOOK 6517, PAGE 99 OF DEEDS, RECORDS OF SAID COUNTY; THENCE ALONG THE SAID PARALLEL LINE, NORTH 2° 06′ WEST TO A POINT 347 FEET SOUTH OF THE NORTHERLY LINE OF SAID SECTION 2; THENCE EASTERLY PARALLEL WITH THE NORTHERLY LINE OF SAID SECTION 2; N 89° 37′ 28" E 215 FEET; THENCE PARALLEL WITH THE EASTERLY LINE OF TRACT NO. 19535 AS SHOWN ON MAP RECORDED IN BOOK 533, PAGE 28, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, N 2° 29′ 02" W TO THE NORTHERLY LINE OF SAID SECTION 2; THENCE WESTERLY ALONG THE NORTHERLY LINE OF SAID SECTION 2 TO THE CENTER LINE OF SIERRA HIGHWAY, (FORMERLY MINT CANYON ROAD) 60 FEET WIDE, AS DESCRIBED IN DEED TO THE COUNTY OF LOS ANGELES RECORDED IN BOOK 6407, PAGE

179, OF DEEDS, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES; THENCE NORTHERLY ALONG SAID CENTER LINE TO THE NORTHERLY LINE OF THE SOUTHERLY 50 FEET OF SECTION 35, TOWNSHIP 6 NORTH, RANGE 12 WEST; THENCE WESTERLY ALONG SAID LAST MENTIONED NORTHERLY LINE TO THE WESTERLY LINE OF THE SOUTHERN PACIFIC RAILROAD COMPANY'S RIGHT OF WAY, 200 FEET IN WIDTH, IN SAID SECTION 35, AS GRANTED BY ACT OF CONGRESS ON MARCH 3, 1871; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID SOUTHERN PACIFIC RAILROAD COMPANY'S RIGHT OF WAY TO THE MOST EASTERLY SOUTHEASTERLY CORNER OF THAT CERTAIN PARCEL DEEDED TO JOHN CITRO AND ROSE CITRO AS DESCRIBED IN DEED RECORDED IN BOOK 44688, PAGE 431, OF OFFICIAL RECORDS, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES; THENCE WESTERLY ALONG THE BOUNDARY OF SAID PARCEL AND FOLLOWING THE SAME AND ALL ITS VARIOUS COURSES TO THE NORTHERLY LINE OF THE SOUTHERLY 30 FEET OF SAID SECTION 35; THENCE WESTERLY ALONG THE NORTHERLY LINE OF THE SOUTHERLY 30 FEET OF SAID SECTION 35 TO THE WESTERLY LINE OF THE EAST HALF OF SAID SECTION 35; THENCE LEAVING THE OUTSIDE PERIMETER BOUNDARY OF THE CITY OF PALMDALE, NORTHERLY ALONG SAID WESTERLY LINE OF THE EAST HALF OF SAID SECTION 35 AND ALONG THE WESTERLY LINE OF THE EAST HALF OF SECTION 26, T6N, R12W, S.B.M. TO AN INTERSECTION WITH THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF PALMDALE BOULEVARD, 142.00 FEET WIDE; THENCE EASTERLY ALONG THE EXISTING SOUTHERLY LINE AND ITS PROLONGATIONS OF SAID PALMDALE BOULEVARD, BEING OF VARIABLE WIDTH, TO THE WEST LINE OF LOT 56 AS SHOWN ON THE MAP OF TOWN AND SUBURBS OF PALMDALE RECORDED IN BOOK 52, PAGES 55 AND 56 OF MISCELLANEOUS RECORDS IN THE OFFICE OF SAID

COUNTY RECORDER; THENCE NORTHERLY ALONG THE WEST LINE OF SAID LOT 56 TO AN INTERSECTION WITH THE EASTERLY PROLONGATION OF THE NORTHERLY LINE OF THE ALLEY, 20.00 FEET WIDE, SHOWN ON THE SOUTHERLY BOUNDARY OF TRACT NO. 14561 RECORDED IN BOOK 410 PAGES 23 TO 27, INCLUSIVE, OF MAPS, IN THE OFFICE OF SAID COUNTY RECORDER; THENCE WESTERLY ALONG SAID NORTHERLY LINE AND EASTERLY PROLONGATION TO ITS INTERSECTION WITH THE CENTER LINE OF 5TH STREET EAST, 60 FEET WIDE, AS SHOWN ON SAID TRACT NO. 14561; THENCE NORTHERLY ALONG THE CENTER LINE OF 5TH STREET EAST AS SHOWN ON SAID TRACT NO. 14561 TO THE NORTH LINE OF SECTION 26, T6N, R12W, S.B.M.; THENCE EASTERLY ALONG THE NORTH LINES OF SECTIONS 26 AND 25 TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING PARCELS:

1. PARCEL 1 DESCRIBED ON EXHIBIT "A" ATTACHED HERETO
2. PARCEL B DESCRIBED ON EXHIBIT "B" ATTACHED HERETO
3. PARCEL E DESCRIBED ON EXHIBIT "C" ATTACHED HERETO
4. PARCEL 4 DESCRIBED ON EXHIBIT "D" ATTACHED HERETO
2. PARCEL 5 DESCRIBED ON EXHIBIT "E" ATTACHED HERETO

EXHIBIT "A" TO LEGAL DESCRIPTION OF
CITY OF PALMDALE REDEVELOPMENT PROJECT NO. 2

LEGAL DESCRIPTION

PARCEL 1

BEGINNING AT THE INTERSECTION OF THE CENTER LINES OF PALMDALE BLVD., 100' WIDE, AND SIERRA HIGHWAY, 80' WIDE, THENCE EASTERLY ON SAID CENTER LINE OF PALMDALE BLVD. TO AN INTERSECTION WITH THE NORTHERLY PROLONGATION OF THE EAST LINE OF LOT 11, BLOCK 16 OF TOWN AND SUBURBS OF PALMDALE RECORDED IN BOOK 52, PAGES 55 AND 56 OF MISCELLANEOUS RECORDS IN THE OFFICE OF SAID COUNTY RECORDER; THENCE SOUTHERLY ALONG THE NORTHERLY PROLONGATION OF AND THE EAST LINE OF SAID LOT 11 AND THE EAST LINE AND SOUTHERLY PROLONGATION OF LOT 22, BLOCK 16, M.R. 52, 55 AND 56 TO AN INTERSECTION WITH THE CENTER LINE OF AVENUE Q-9, 100' WIDE; THENCE WESTERLY ALONG THE CENTERLINE OF AVENUE Q-9 TO AN INTERSECTION WITH THE CENTERLINE OF 8TH STREET EAST, 50' WIDE; THENCE SOUTHERLY ALONG THE CENTERLINE OF 8TH STREET EAST TO AN INTERSECTION WITH THE CENTERLINE OF AVENUE Q-10, 80' WIDE; THENCE WESTERLY ON THE CENTERLINE OF AVENUE Q-10 TO AN INTERSECTION WITH THE CENTER LINE OF SAID SIERRA HIGHWAY; THENCE NORTHWESTERLY ALONG THE CENTER LINE OF SIERRA HIGHWAY TO THE POINT OF BEGINNING.

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PARCEL B

THAT PORTION OF SECTION 26 OF TOWNSHIP 6 NORTH, RANGE 12 WEST OF S.B.M. IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EASTERLY PROLONGATION OF THE SOUTHERLY LINE OF AVENUE Q-6, 60.00 FEET WIDE, WITH THE EASTERLY LINE OF 10TH STREET EAST 80.00 FEET WIDE; THENCE WESTERLY ALONG SAID SOUTHERLY LINE AND THE PROLONGATIONS THEREOF, TO ITS INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF 9TH STREET EAST, 68.00 FEET WIDE; THENCE NORTHERLY ALONG SAID WESTERLY LINE AND ITS PROLONGATION TO ITS INTERSECTION WITH THE WESTERLY PROLONGATION OF THE NORTHERLY LINE OF AVENUE Q-5, 60.00 FEET WIDE, AS SHOWN ON MAP FILED IN BOOK 26 PAGE 48 OF RECORD OF SURVEYS OF SAID COUNTY; THENCE EASTERLY ALONG SAID NORTHERLY LINE AND THE PROLONGATIONS THEREOF, TO ITS INTERSECTION WITH THE NORTHERLY PROLONGATION OF SAID EASTERLY LINE OF 10TH STREET EAST; THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO THE POINT OF BEGINNING.

PARCEL E

THAT PORTION OF SECTION 35, AND SECTION 36, TOWNSHIP 6 NORTH, RANGE 12 WEST OF S.B.M. IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY LINE OF AVENUE R-8 WITH THE NORTHERLY PROLONGATION OF THE EASTERLY LINE OF SIERRA HIGHWAY, OF VARIABLE WIDTH; THENCE SOUTHERLY ALONG SAID EASTERLY LINE TO ITS INTERSECTION WITH THE SOUTHERLY LINE OF THE LAND DESCRIBED IN DEED RECORDED AUGUST 25, 1971, AS INSTRUMENT NO. 350, OF OFFICIAL RECORDS OF SAID COUNTY; THENCE EASTERLY ALONG SAID SOUTHERLY LINE TO ITS INTERSECTION WITH THE EASTERLY LINE OF 10TH STREET EAST, OF VARIABLE WIDTH; THENCE NORTHERLY ALONG SAID EASTERLY LINE TO THE EASTERLY PROLONGATION OF SAID NORTHERLY LINE OF SAID AVENUE R-8; THENCE WESTERLY ALONG SAID NORTHERLY LINE TO THE POINT OF BEGINNING.

Parcel 4: That portion thereof located in Section 2, T5N, R12W, S.B.M. lying westerly of the west line and its northerly prolongation to an intersection with the north line of said Section 2 of Tract No. 31459 recorded in Book 832, Pages 43 to 46 inclusive of maps in the office of said County Recorder.

Parcel 5: That portion thereof located in said Section 31, T6N, R11W, S.B.M. Described as follows: Beginning at the intersection of the centerlines of 27th Street East and Avenue S; thence northerly on the centerline of said 27th Street East to an intersection with the centerline of Avenue R-12; thence easterly on said centerline of Avenue R-12 to an intersection with the centerline of 29th Street East; thence northerly on said centerline of 29th Street East to an intersection with the centerline of Avenue R-8; thence easterly on said centerline of Avenue R-8 to an intersection with the centerline of 30th Street East, which centerline is also the east line of said Section 31; thence southerly on said centerline of 30th Street East to an intersection with the centerline of said Avenue S, which centerline is also the south line of said Section 31; thence westerly along said centerline of Avenue S to the point of beginning; all as shown in Palmdale Colony Lands recorded in Book 11, pages 11 and 12 of miscellaneous records in the office of said County Recorder.

**PROJECT AREA NO. 3**
**(no change from existing)**

**(consists of 18 pages attached behind this page)**

EXHIBIT "B"

# LEGAL DESCRIPTION OF CITY OF PALMDALE
# REDEVELOPMENT PROJECT NO. 3

AREA A:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WHICH CORNER IS ALSO THE INTERSECTION OF AVENUE S AND 30TH STREET EAST, WHICH CORNER IS ALSO AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAID BOUNDARY EXISTED ON AUGUST 2, 1982 AND WHICH POINT IS ALSO A POINT ON THE NORTH LINE OF SECTION 6, TOWNSHIP 5 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE EAST ON THE BOUNDARY OF THE CITY OF PALMDALE ON THE NORTH LINES OF SECTIONS 6 AND 5, TOWNSHIP 5 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN TO THE EAST LINE OF THE WEST ONE HALF OF LOT 2 IN THE NORTHWEST QUARTER OF SAID SECTION 5; THENCE SOUTHERLY ALONG SAID EAST LINE TO THE SOUTH LINE OF THE WEST ONE HALF OF SAID LOT 2; THENCE WESTERLY ALONG SAID SOUTH LINE TO AN INTERSECTION WITH THE EAST LINE OF SECTION 6, TOWNSHIP 5 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTHERLY ALONG SAID EAST LINE TO THE EAST QUARTER CORNER OF SAID SECTION 6; THENCE WESTERLY ALONG THE SOUTH LINE OF THE NORTH ONE HALF OF SAID SECTION 6 TO AN INTERSECTION WITH THE CENTERLINE OF 30TH STREET EAST AS SAID CENTERLINE IS SHOWN ON LOS ANGELES COUNTY SURVEY BOOK NO. 2744; THENCE NORTH ALONG SAID CENTERLINE TO THE POINT OF BEGINNING.

AREA B:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WHICH CORNER IS AN ANGLE POINT IN THE BOUNDARY LINE OF THE CITY OF PALMDALE AS SAID BOUNDARY EXISTED ON AUGUST 2, 1982; THENCE WESTERLY ALONG SAID

CITY BOUNDARY LINE AND THE SOUTH LINE OF SAID SECTION 1 TO AN INTERSECTION WITH THE CENTERLINE OF PEARBLOSSOM HIGHWAY; THENCE NORTHEASTERLY ON SAID CENTERLINE OF PEARBLOSSOM HIGHWAY AS SAID CENTERLINE IS SHOWN ON C.S.B. 1900-2 ON ALL OF ITS VARIOUS COURSES AND CURVES TO AN INTERSECTION WITH THE EAST LINE OF SAID SECTION 1; THENCE SOUTHERLY ON SAID EAST LINE TO THE POINT OF BEGINNING.

AREA C:

BEGINNING AT THE CENTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE EAST ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 1 TO THE NORTHEAST CORNER OF THE NORTH ONE HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 1 WHICH POINT IS ALSO ON THE CENTERLINE OF 25TH STREET EAST PER DEED TO THE COUNTY OF LOS ANGELES RECORDED IN BOOK D-3376 PAGE 974 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID NORTH ONE HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1 AND THE CENTERLINE OF 25TH STREET EAST TO THE SOUTH LINE OF SAID NORTH ONE HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1; THENCE WESTERLY AND NORTHERLY ALONG THE SOUTH AND WEST LINES RESPECTIVELY OF SAID NORTH ONE HALF OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 1 TO THE POINT OF BEGINNING.

AREA D:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 2 IN THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN WHICH CORNER IS ALSO AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAID BOUNDARY EXISTED ON AUGUST 2, 1982; THENCE NORTHERLY ALONG THE BOUNDARY OF THE CITY OF PALMDALE ON THE WEST LINE OF SAID LOT 2 WHICH IS ALSO THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1 NORTH 0 DEGREES 00 MINUTES 46 SECONDS WEST 1,124.59 FEET; THENCE CONTINUING ALONG SAID CITY OF PALMDALE BOUNDARY NORTH 89 DEGREES 59 MINUTES 25 SECONDS EAST 100 FEET; THENCE CONTINUING ALONG SAID CITY OF PALMDALE BOUNDARY NORTHERLY ON A LINE PARALLEL WITH AND 100.00 FEET EAST OF THE WEST LINE OF SAID NORTHEAST QUARTER OF SECTION 1 TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTHERLY 40.00 FEET OF SAID NORTHEAST QUARTER OF SECTION 1; THENCE EASTERLY ALONG SAID SOUTH LINE TO AN INTERSECTION WITH THE CENTERLINE OF 25TH STREET EAST PER DEED TO THE COUNTY OF LOS ANGELES RECORDED IN BOOK D-3376 PAGE 974 OF OFFICIAL RECORDS IN THE OFFICE OF THE RECORDER OF SAID COUNTY; THENCE SOUTHERLY ALONG SAID CENTERLINE OF 25TH STREET EAST ON ALL ITS VARIOUS COURSES AND CURVES TO AN INTERSECTION WITH THE SOUTH LINE OF SAID LOT 2 IN THE NORTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE WEST ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

AREA E:

BEGINNING AT THE CENTER OF SECTION 32, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WHICH POINT IS AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED ON AUGUST 2, 1982; THENCE SOUTHERLY ALONG THE NORTH SOUTH QUARTER SECTION LINE OF SAID SECTION ON THE CITY BOUNDARY LINE SOUTH 0 DEGREES 32 MINUTES 59 SECONDS WEST 1,363.21 FEET TO AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED ON AUGUST 2, 1982; THENCE SOUTH 89 DEGREES 56 MINUTES 15 SECONDS EAST 1,423.71 FEET ON THE CITY BOUNDARY LINE TO AN INTERSECTION WITH THE EAST LINE OF LOT "A" TRACT NO. 4030 AS SHOWN ON MAP FILED IN BOOK 43 PAGE 88 OF MAPS IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES WHICH POINT OF INTERSECTION IS ALSO AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED ON AUGUST 2, 1982; THENCE NORTHERLY ON THE CITY BOUNDARY LINE AND THE EAST LINE OF SAID LOT "A" OF TRACT NO. 4030 AND ITS NORTHERLY PROLONGATION NORTH 0 DEGREES 21 MINUTES 57 SECONDS EAST 1,376.86 FEET TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION, WHICH POINT OF INTERSECTION IS LOCATED NORTH 89 DEGREES 30 MINUTES 38 SECONDS EAST 1,419.47 FEET ALONG THE SAID NORTH LINE FROM THE CENTER OF SAID SECTION 32; THENCE WESTERLY ALONG SAID NORTH LINE TO AN INTERSECTION WITH THE EAST LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 32; THENCE NORTHERLY, WESTERLY AND SOUTHERLY ALONG THE EAST, NORTH AND WEST LINES RESPECTIVELY OF SAID SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 32 TO THE POINT OF BEGINNING.

AREA F:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 32, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE EAST ALONG THE NORTH LINE OF SAID SECTION 32 TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 32; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID NORTHWEST QUARTER OF SECTION 32 TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH ONE HALF OF SAID NORTHWEST QUARTER OF SECTION 32; THENCE WESTERLY ALONG SAID SOUTH LINE TO AN INTERSECTION WITH THE WEST LINE OF SAID SECTION 32; THENCE NORTHERLY ALONG SAID WEST LINE TO THE POINT OF BEGINNING.

AREA G:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WHICH CORNER IS ALSO AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED ON AUGUST 2, 1982; THENCE NORTH 0 DEGREES 33 MINUTES 05 SECONDS EAST ALONG THE EAST LINE OF SAID SECTION 31 AND THE BOUNDARY OF THE CITY OF PALMDALE 700.33 FEET TO AN INTERSECTION WITH THE EASTERLY PROLONGATION OF THE SOUTH LINE OF TRACT NO. 35561 RECORDED IN BOOK 916 PAGES 24 - 26 OF MAPS RECORDS OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 89 DEGREES 55 MINUTES 54 SECONDS WEST 713.99 FEET ALONG SAID EASTERLY PROLONGATION OF AND THE SOUTH LINE OF SAID TRACT NO. 35561 TO THE SOUTHWEST CORNER OF SAID TRACT NO. 35561; THENCE NORTH 0 DEGREES 04 MINUTES 32 SECONDS WEST 41.21 FEET ALONG THE WEST LINE OF SAID TRACT NO. 35561 TO AN INTERSECTION WITH THE SOUTHEAST CORNER OF TRACT NO. 35562 RECORDED IN BOOK 924 PAGES 80 - 82 OF MAPS RECORDS OF THE

LOS ANGELES COUNTY RECORDER; THENCE SOUTH 89 DEGREES 55 MINUTES 28 SECONDS WEST 146.07 FEET, SOUTH 0 DEGREES 04 MINUTES 32 SECONDS EAST 14.00 FEET, SOUTH 89 DEGREES 55 MINUTES 28 SECONDS WEST 288.00 FEET, NORTH 0 DEGREES 04 MINUTES 32 SECONDS WEST 2.60 FEET, AND SOUTH 89 DEGREES 55 MINUTES 28 SECONDS WEST 269.91 FEET ALONG THE SOUTH LINES OF SAID TRACT NO. 35562 AND THE WESTERLY PROLONGATION OF SAID SOUTH LINE TO AN INTERSECTION WITH THE CENTERLINE OF 27TH STREET EAST; THENCE SOUTH 0 DEGREES 03 MINUTES 08 SECONDS EAST 729.86 FEET ON SAID CENTERLINE OF 27TH STREET EAST TO AN INTERSECTION WITH THE SOUTH LINE OF SAID SECTION 31; THENCE EASTERLY ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

AREA H:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTH 0 DEGREES 03 MINUTES 40 SECONDS EAST 2,563.20 FEET ALONG THE EAST LINE OF SAID SECTION 31 WHICH IS ALSO THE CENTERLINE OF THE 20TH STREET EAST TO AN INTERSECTION WITH THE CENTERLINE OF AVENUE R-8; THENCE NORTH 89 DEGREES 56 MINUTES 20 SECONDS EAST 700.63 FEET TO AN INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THE WEST LINE OF LOT 17 OF PALMDALE COLONY LANDS IN SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS PER MAP RECORDED IN BOOK 11 PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER WHICH POINT OF INTERSECTION IS THE TRUE POINT OF BEGINNING; THENCE NORTHERLY ALONG SAID SOUTHERLY PROLONGATION OF AND THE WESTERLY LINE OF SAID LOT 17 AND CONTINUING NORTHERLY ON THE WEST LINE OF THE EAST ONE HALF OF LOT

5 OF PALMDALE COLONY LANDS IN SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS PER MAP RECORDED IN BOOK 11 PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER TO AN INTERSECTION WITH THE NORTH LINE OF SAID LOT 5; THENCE EASTERLY AND SOUTHERLY ALONG THE NORTH AND EAST LINES RESPECTIVELY OF SAID LOT 5 TO AN INTERSECTION WITH THE NORTHWEST CORNER OF LOT 16 OF PALMDALE COLONY LANDS IN SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS PER MAP RECORDED IN BOOK 11 PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE EASTERLY AND SOUTHERLY ALONG THE NORTH AND EAST LINES AND THE SOUTHERLY PROLONGATION RESPECTIVELY OF THE EAST LINE OF SAID LOT 16 TO AN INTERSECTION WITH THE CENTERLINE OF SAID AVENUE R-8; THENCE SOUTH 89 DEGREES 56 MINUTES 20 SECONDS WEST 1,321.25 FEET ALONG THE CENTERLINE OF AVENUE R-8 TO THE TRUE POINT OF BEGINNING.

AREA I:

BEGINNING AT THE CENTER OF SECTION 32, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WHICH POINT IS AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED ON AUGUST 2, 1982; THENCE WESTERLY ON THE CITY BOUNDARY AND THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 32 TO AN INTERSECTION WITH THE EAST LINE OF THE WEST 210 FEET OF THE EAST ONE HALF OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 32 WHICH POINT OF INTERSECTION IS THE TRUE POINT OF BEGINNING; THENCE NORTHERLY ALONG SAID EASTERLY LINE TO THE NORTH LINE OF THE SOUTH 1,000 FEET OF THE EAST ONE HALF OF THE SOUTHEAST QUARTER OF SAID

NORTHWEST QUARTER OF SECTION 32; THENCE WESTERLY ALONG SAID NORTH LINE TO AN INTERSECTION WITH THE WEST LINE OF THE EAST ONE HALF OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 32; THENCE NORTHERLY 40.16 FEET MORE OR LESS ON SAID WEST LINE TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH 5.76 ACRES OF THE NORTH ONE HALF OF THE WEST ONE HALF OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 32; THENCE WESTERLY AND SOUTHERLY ALONG SAID NORTH LINE AND WEST LINE OF SAID WEST ONE HALF OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 32, RESPECTIVELY, TO AN INTERSECTION WITH THE SOUTH LINE OF SAID NORTHWEST QUARTER OF SECTION 32; THENCE EASTERLY ON SAID SOUTH LINE WHICH IS ALSO THE CITY BOUNDARY LINE TO THE TRUE POINT OF BEGINNING.

AREA J:

BEGINNING AT THE CENTER OF SECTION 36, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH 89 DEGREES 40 MINUTES 25 SECONDS EAST 342.91 FEET ALONG THE SOUTH LINE OF THE NORTH ONE HALF OF SAID SECTION 36 TO AN INTERSECTION WITH THE WESTERLY LINE OF THE EAST TEN ACRES OF THE WEST 670 FEET OF THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36; THENCE NORTH 0 DEGREES 35 MINUTES 55 SECONDS WEST 930.71 FEET ON SAID WEST LINE TO AN INTERSECTION WITH THE SOUTHEAST CORNER OF TRACT NO. 20053 AS PER MAP RECORDED IN BOOK 636 PAGES 91 AND 92 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 72 DEGREES 30 MINUTES 52 SECONDS WEST 319.18 FEET, NORTH 38 DEGREES 08 MINUTES 49 SECONDS WEST 92.63 FEET, NORTH 75 DEGREES 46

MINUTES 33 SECONDS WEST 88.18 FEET, SOUTH 80 DEGREES 33 MINUTES 16 SECONDS WEST 65.91 FEET, NORTH 74 DEGREES 12 MINUTES 46 SECONDS WEST 125.09 FEET, SOUTH 08 DEGREES 49 MINUTES 56 SECONDS WEST 72.51 FEET, NORTH 78 DEGREES 21 MINUTES 55 SECONDS WEST 115.00 FEET, NORTH 58 DEGREES 02 MINUTES 48 SECONDS WEST 64.50 FEET AND NORTH 80 DEGREES 51 MINUTES 37 SECONDS WEST 123.79 FEET ALONG THE SOUTH LINES OF SAID TRACT NO. 20053 TO AN INTERSECTION WITH THE EAST LINE OF LOT 51 OF TRACT NO. 20937 AS SHOWN ON MAP RECORDED IN BOOK 554 PAGES 22 AND 23 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 0 DEGREES 22 MINUTES 35 SECONDS EAST 46.91 FEET TO THE SOUTHEAST CORNER OF SAID LOT 51 OF TRACT NO. 20937; THENCE SOUTH 89 DEGREES 37 MINUTES 25 SECONDS WEST 126.00 FEET, SOUTH 0 DEGREES 22 MINUTES 35 SECONDS EAST 283.00 FEET, SOUTH 89 DEGREES 37 MINUTES 25 SECONDS SOUTHWEST 986.00 FEET ON THE SOUTH AND EAST BOUNDARIES OF SAID TRACT NO. 20937 TO THE SOUTHWEST CORNER OF SAID TRACT NO. 20937; THENCE SOUTH 0 DEGREES 54 MINUTES 26 SECONDS EAST 454.86 FEET; THENCE SOUTH 0 DEGREES 50 MINUTES 08 SECONDS EAST 177.60 FEET TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 36; THENCE NORTH 89 DEGREES 40 MINUTES 25 SECONDS EAST ON SAID SOUTH LINE 1,700.09 FEET TO THE POINT OF BEGINNING.

AREA K:

BEGINNING AT THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 36, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE WESTERLY ON THE SOUTH LINE OF SAID NORTHEAST QUARTER OF SECTION 36 TO AN INTERSECTION WITH THE WEST LINE OF

THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36; THENCE NORTHERLY ON SAID WEST LINE TO THE NORTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER 517.49 FEET MORE OR LESS TO AN INTERSECTION WITH THE EAST LINE OF THE WEST 15 ACRES OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE SOUTHERLY ON SAID EAST LINE 533.29 FEET MORE OR LESS TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH 15 ACRES OF THE EAST 25 ACRES OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE EASTERLY 816.82 FEET MORE OR LESS ON SAID NORTH LINE TO AN INTERSECTION WITH THE EAST LINE OF SAID SECTION 36 THEN SOUTHERLY ON SAID EAST LINE TO THE POINT OF BEGINNING.

AREA L:

BEGINNING AT THE NORTHEAST CORNER OF SECTION 36, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTHERLY ON THE EAST LINE OF SAID SECTION 36 TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH 460 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36 SAID POINT OF INTERSECTION IS THE TRUE POINT OF BEGINNING; THENCE WESTERLY 881.26 FEET MORE OR LESS ON SAID NORTH LINE TO AN INTERSECTION WITH THE EAST LINE OF THE WEST 13.86 ACRES OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE SOUTHERLY ON SAID EAST LINE TO AN INTERSECTION WITH THE SOUTH LINE OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE EASTERLY AND NORTHERLY ON THE SOUTH AND EAST LINES RESPECTIVELY OF SAID

NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36 TO THE TRUE POINT OF BEGINNING.

AREA M:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 25, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTHERLY ON THE WEST LINE OF SAID SOUTHWEST QUARTER OF SECTION 25 142.18 FEET TO THE INTERSECTION OF THE CENTERLINE OF PALMDALE BOULEVARD AND 10TH STREET EAST WHICH POINT OF INTERSECTION IS THE TRUE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 37 MINUTES 35 SECONDS EAST 677.54 FEET ALONG THE CENTERLINE OF PALMDALE BOULEVARD TO AN INTERSECTION WITH THE CENTERLINE 11TH STREET EAST; THENCE SOUTHERLY ALONG THE CENTERLINE OF 11TH STREET EAST TO AN INTERSECTION WITH THE EASTERLY PROLONGATION OF THE NORTH LINE OF MELVILLE J. COURSON PARK AS SAID PARK IS SHOWN ON C.S.B. 1922; THENCE WESTERLY ON SAID EASTERLY PROLONGATION AND THE NORTH LINE OF MELVILLE J. COURSON PARK AND THE WESTERLY PROLONGATION OF SAID NORTH LINE 677.54 FEET TO AN INTERSECTION WITH THE WEST LINE OF SAID SECTION 25 WHICH WEST LINE IS ALSO THE CENTERLINE OF 10TH STREET EAST; THENCE NORTH 0 DEGREES 41 MINUTES 05 SECONDS WEST 992.54 FEET ALONG SAID CENTERLINE TO THE TRUE POINT OF BEGINNING.

AREA N:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 19, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE EASTERLY ON THE SOUTH LINE OF SAID SECTION 19 TO AN INTERSECTION WITH THE

SOUTHERLY PROLONGATION OF THE EAST LINE OF LOT 13 IN SECTION 19, TOWNSHIP 6 NORTH, RANGE 11 WEST, OF PALMDALE COLONY LANDS AS SHOWN ON MAP RECORDED IN BOOK 11 PAGES 11 AND 12 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES; THENCE NORTHERLY ALONG SAID SOUTHERLY PROLONGATION AND SAID EAST LINE TO THE NORTH LINE OF SAID LOT 13 WHICH NORTH LINE IS ALSO ON THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED ON AUGUST 2, 1982; THENCE WESTERLY ALONG SAID NORTH LINE AND THE BOUNDARY OF THE CITY OF PALMDALE TO THE EASTERLY LINE OF THE WESTERLY 400.00 FEET OF SAID LOT 13; THENCE SOUTHERLY ALONG SAID LAST MENTIONED EASTERLY LINE WHICH IS ALSO THE CITY OF PALMDALE BOUNDARY LINE TO THE SOUTHERLY LINE OF THE NORTHERLY 48.00 FEET OF SAID LOT 13; THENCE WESTERLY ON THE BOUNDARY OF THE CITY OF PALMDALE ALONG SAID LAST MENTIONED SOUTHERLY LINE AND ITS WESTERLY PROLONGATION TO THE WEST LINE OF SAID SECTION 19; THENCE SOUTHERLY ON THE BOUNDARY OF THE CITY OF PALMDALE ON SAID WEST LINE OF SECTION 19 TO THE POINT OF BEGINNING.

AREA O:

BEGINNING AT THE CENTER OF SECTION 30, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH ON THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 30 TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH ONE HALF OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER OF SECTION 30; THENCE WESTERLY ON SAID NORTH LINE TO AN INTERSECTION WITH THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 30; THENCE SOUTHERLY ON SAID WEST LINE AND THE WEST LINE OF THE NORTHEAST

QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30 TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH ONE HALF OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 30; THENCE EASTERLY ON SAID SOUTH LINE TO AN INTERSECTION WITH THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 30; THENCE SOUTHERLY 673.99 FEET MORE OR LESS ALONG SAID EAST LINE TO AN INTERSECTION WITH THE SOUTHWEST CORNER OF LOT 31 OF PALMDALE COLONY COMPANY LANDS IN SECTION 30, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN PER MAP RECORDED IN BOOK 52 PAGE 71 OF MISCELLANEOUS RECORDS OF THE LOS ANGELES COUNTY RECORDER; THENCE EASTERLY ALONG THE SOUTH LINES OF LOTS 31, 30, 29, AND 28 OF SAID MR 52-71 AND THE EASTERLY PROLONGATION OF SAID LINES TO AN INTERSECTION WITH THE CENTERLINE OF 27TH STREET EAST; THENCE NORTHERLY ALONG THE CENTERLINE OF 27TH STREET EAST TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 30 WHICH NORTH LINE IS ALSO THE CENTERLINE OF PALMDALE BOULEVARD; THENCE WESTERLY ALONG SAID CENTERLINE OF PALMDALE BOULEVARD TO THE POINT OF BEGINNING.

AREA P:

BEGINNING AT THE CENTER OF SECTION 22, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE WESTERLY ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 22 TO AN INTERSECTION WITH THE WEST LINE OF THE EAST ONE HALF OF SAID SOUTHWEST QUARTER OF SAID SECTION 22; THENCE SOUTHERLY ON SAID WEST LINE TO THE SOUTH LINE OF SAID SECTION 22; THENCE EASTERLY OF SAID SOUTH LINE TO AN INTERSECTION WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF

THE SOUTHEAST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 22; THENCE NORTHERLY AND EASTERLY ON THE WEST AND NORTH LINES OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 22 TO AN INTERSECTION WITH THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 22; THENCE NORTHERLY ON SAID EAST LINE TO THE POINT OF BEGINNING.

AREA Q:

BEGINNING AT THE CENTER OF SECTION 27, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTHERLY ON THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 27 TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 27 WHICH POINT OF INTERSECTION IS THE TRUE POINT OF BEGINNING; THENCE WESTERLY ON THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER TO AN INTERSECTION WITH THE WEST LINE OF THE EAST ONE HALF OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27; THENCE SOUTHERLY ON SAID WEST LINE AND THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTHERLY AND EASTERLY ON THE WEST AND SOUTH LINES RESPECTIVELY OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 34 TO THE EAST LINE OF SAID NORTHWEST QUARTER OF SECTION 34 THENCE NORTHERLY ON SAID EAST LINE AND THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 27 TO THE TRUE POINT OF BEGINNING.

AREA R:

BEGINNING AT THE INTERSECTION OF THE SOUTH LINE OF THE NORTH 30 FEET OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN WITH THE WEST LINE OF SAID NORTHEAST QUARTER OF SECTION 28 WHICH POINT IS ON THE BOUNDARY OF THE CITY OF PALMDALE AS SAID BOUNDARY EXISTED ON SEPTEMBER 9, 1982; THENCE SOUTHERLY ON SAID WEST LINE OF THE NORTHEAST QUARTER OF SECTION 28, 746.00 FEET; THENCE SOUTH 30 DEGREES 10 MINUTES EAST 185.00 FEET; THENCE NORTH 59 DEGREES 50 MINUTES EAST 200.00 FEET; THENCE SOUTH 68 DEGREES 18 MINUTES EAST 420.00 FEET, MORE OR LESS, TO THE WESTERLY LINE OF THE EAST HALF OF SAID WEST HALF; THENCE SOUTHERLY ALONG SAID LAST MENTIONED WESTERLY LINE TO A POINT THAT IS DISTANT THEREON, NORTH 0 DEGREES 40 MINUTES 44 SECONDS WEST, 1507.14 FEET FROM THE SOUTHWEST CORNER OF THE EAST HALF OF SAID WEST HALF; THENCE NORTH 89 DEGREES 19 MINUTES 16 SECONDS EAST, 20.50 FEET; THENCE SOUTH 23 DEGREES 02 MINUTES 58 SECONDS WEST 184.21 FEET; THENCE SOUTH 66 DEGREES 57 MINUTES 02 SECONDS EAST, 56.82 FEET; THENCE SOUTH 23 DEGREES 02 MINUTES 58 SECONDS WEST, 152.00 FEET; THENCE SOUTH 66 DEGREES 57 MINUTES 02 SECONDS EAST, 132.37 FEET; THENCE SOUTH 23 DEGREES 02 MINUTES 58 SECONDS WEST 145.16 FEET; TO SAID LAST MENTIONED WESTERLY LINE; THENCE ALONG SAID WESTERLY LINE SOUTH 0 DEGREES 40 MINUTES 44 SECONDS EAST, 4.28 FEET; THENCE SOUTH 66 DEGREES 57 MINUTES 02 SECONDS EAST, 72.52 FEET; THENCE SOUTH 23 DEGREES 02 MINUTES 48 SECONDS WEST 164.98 FEET, TO SAID WESTERLY LINE; THENCE ALONG SAID WESTERLY LINE SOUTH 0 DEGREES 40 MINUTES 44 SECONDS EAST 49.49 FEET; THENCE SOUTH 76 DEGREES 01 MINUTES 25 SECONDS EAST,

89.10 FEET; THENCE SOUTH 14 DEGREES 33 MINUTES 18 SECONDS WEST, 100.00 FEET TO A POINT IN A CURVE, CONCAVE NORTHERLY, AND HAVING A RADIUS OF 1473.00 FEET, A RADIAL LINE TO SAID LAST MENTIONED POINT BEARS SOUTH 14 DEGREES 33 MINUTES 18 SECONDS WEST; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 1 DEGREE 47 MINUTES 11 SECONDS AN ARC DISTANCE OF 45.93 FEET, TO A LINE THAT IS RADIAL TO SAID CURVE AND PASSES THROUGH A POINT IN SAID LAST MENTIONED WESTERLY LINE THAT IS DISTANT THEREON NORTH 0 DEGREES 40 MINUTES 44 SECONDS WEST 597.43 FEET FROM THE SOUTHWEST CORNER OF THE EAST HALF OF SAID WEST HALF; THENCE ALONG SAID LAST MENTIONED RADIAL LINE AND THE SOUTHWESTERLY PROLONGATION THEREOF, SOUTH 16 DEGREES 20 MINUTES 29 SECONDS WEST, 252.10 FEET; THENCE SOUTH 0 DEGREES 40 MINUTES 44 SECONDS EAST 189.91 FEET; THENCE SOUTH 89 DEGREES 35 MINUTES 52 SECONDS EAST 89.00 FEET; THENCE SOUTH 0 DEGREES 40 MINUTES 44 SECONDS EAST, 217.00 FEET TO THE SOUTHERLY LINE OF SAID NORTHEAST QUARTER; THENCE WESTERLY ALONG SAID SOUTHERLY LINE TO THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER; THENCE NORTHERLY ALONG THE WESTERLY LINE OF SAID NORTHEAST QUARTER TO AN INTERSECTION WITH THE SOUTH LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 28; THENCE WESTERLY AND NORTHERLY ON THE SOUTH AND WEST LINES RESPECTIVELY OF SAID EAST HALF OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 28 TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH 30 FEET OF SAID SECTION 28; THENCE EASTERLY ON SAID SOUTH LINE OF THE NORTH 30 FEET OF SECTION 28 TO THE POINT OF BEGINNING.

AREA S:

BEGINNING AT THE NORTH QUARTER CORNER OF SECTION 21, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTH 89 DEGREES 44 MINUTES 45 SECONDS WEST 1,335.51 FEET ALONG THE NORTH LINE OF SAID SECTION 21; THENCE SOUTH 0 DEGREES 46 MINUTES 14 SECONDS WEST 3,314.40 FEET; THENCE NORTH 48 DEGREES 31 MINUTES 00 SECONDS EAST 1,645.92 FEET TO THE BEGINNING OF A TANGENT 1,060.05 FOOT RADIUS CURVE WHICH BEARS CONCAVE TO THE SOUTHEAST; THENCE ALONG SAID 1,060.05 FOOT RADIUS CURVE THROUGH A CENTRAL ANGLE OF 19 DEGREES 27 MINUTES 31 SECONDS AN ARC LENGTH OF 360.01 FEET TO A TANGENT; THENCE NORTH 67 DEGREES 58 MINUTES 31 SECONDS EAST 1,629.25 FEET TO THE BEGINNING OF A 939.95 FOOT RADIUS CURVE WHICH BEARS CONCAVE TO THE NORTHEAST; THENCE ALONG SAID 939.95 FOOT RADIUS CURVE THROUGH A CENTRAL ANGLE OF 19 DEGREES 09 MINUTES 36 SECONDS AN ARC LENGTH OF 314.32 FEET TO AN INTERSECTION WITH A LINE THAT BEARS NORTH 0 DEGREES 33 MINUTES 55 SECONDS WEST, THE RADIAL LINE TO SAID POINT OF INTERSECTION BEARS SOUTH 41 DEGREES 11 MINUTES 05 SECONDS EAST; THENCE NORTH 0 DEGREES, 33 MINUTES 55 SECONDS WEST 1,275.35 FEET TO THE NORTH LINE OF SAID SECTION 21; THENCE ALONG SAID NORTH LINE SOUTH 89 DEGREES 44 MINUTES 45 SECONDS WEST 303.50 FEET; THENCE SOUTH 0 DEGREES 33 MINUTES 55 SECONDS EAST 872.00 FEET; THENCE SOUTH 89 DEGREES 31 MINUTES 44 SECONDS WEST 105.39 FEET; THENCE SOUTH 75 DEGREES 45 MINUTES 07 SECONDS WEST 54.00 FEET; THENCE NORTH 15 DEGREES 14 MINUTES 53 SECONDS WEST 47.18 FEET; THENCE SOUTH 68 DEGREES 44 MINUTES 45 SECONDS WEST 142.61 FEET; THENCE SOUTH 67 DEGREES 58 MINUTES 31 SECONDS WEST 299.81 FEET; THENCE NORTH 19

DEGREES 00 MINUTES 13 SECONDS WEST 82.13 FEET; THENCE NORTH 0 DEGREES 33 MINUTES 55 SECONDS WEST 940.00 FEET TO AN INTERSECTION WITH THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 21; THENCE SOUTH 89 DEGREES 44 MINUTES 45 SECONDS WEST 1,100.50 FEET ALONG SAID NORTH LINE TO THE POINT OF BEGINNING.

**PROJECT AREA NO. 4**
**(no change from existing)**

**(consists of 11 pages attached behind this page)**

EXHIBIT "B"

# LEGAL DESCRIPTION OF CITY OF PALMDALE
# REDEVELOPMENT PROJECT NO. 4

AREA A: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH THIRTY FEET OF SECTION 18, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN AND THE WEST LINE OF THE EAST FIFTY FEET OF SAID SECTION 18 WHICH INTERSECTION IS AN ANGLE POINT IN THE BOUNDARY OF THE CITY OF PALMDALE AS SAID BOUNDARY EXISTED ON JULY 14, 1983 AND WHICH POINT OF INTERSECTION IS ALSO THE MOST SOUTHERLY SOUTHEAST CORNER OF RECORD OF SURVEY AS SHOWN ON MAP FILED IN BOOK 85, PAGES 62, 63, AND 64 OF RECORDS OF SURVEY IN THE OFFICES OF THE COUNTY RECORDER OF LOS ANGELES; THENCE FOLLOWING THE BOUNDARY OF THE CITY OF PALMDALE AND THE BOUNDARY OF SAID RECORD OF SURVEY FILED IN BOOK 85, PAGES 62, 63, AND 64 OF RECORD OF SURVEY IN THE OFFICES OF THE RECORDER OF THE COUNTY OF LOS ANGELES AS FOLLOWS: NORTH 89 DEGREES 38 MINUTES 05 SECONDS WEST 2,641.22 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE SOUTHEAST ONE QUARTER OF SAID SECTION 18; THENCE NORTH 01 DEGREE 10 MINUTES 05 SECONDS WEST 1,294.91 FEET ALONG SAID WEST LINE TO THE SOUTHEAST CORNER OF THE NORTHEAST ONE QUARTER OF THE SOUTHWEST ONE QUARTER OF SAID SECTION 18; THENCE ALONG THE SOUTH AND EAST LINES OF SAID NORTHEAST ONE QUARTER OF THE SOUTHWEST ONE QUARTER OF SECTION 18 NORTH 89 DEGREES 51 MINUTES 55 SECONDS WEST 1,338.34 FEET AND NORTH 0 DEGREES 50 MINUTES 42 SECONDS WEST 1,319.54 FEET RESPECTIVELY TO THE NORTHWEST CORNER OF SAID NORTHEAST ONE QUARTER OF THE SOUTHWEST ONE QUARTER OF SAID SECTION 18; THENCE NORTH 89 DEGREES 54 MINUTES 35 SECONDS WEST 1,330.79 FEET ALONG THE SOUTH LINE OF THE NORTHWEST ONE QUARTER OF SAID SECTION 18 TO THE WEST QUARTER CORNER OF SAID SECTION 18; THENCE SOUTH 0 DEGREES 31 MINUTES 10 SECONDS EAST 775.76 FEET ALONG THE EAST LINE OF THE SOUTHEAST ONE QUARTER OF SECTION 13, TOWNSHIP 6 NORTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN TO AN INTERSECTION WITH THE NORTH LINE OF THE CALIFORNIA AQUEDUCT RIGHT-OF-WAY; THENCE NORTH 83 DEGREES 34 MINUTES 00 SECONDS WEST 278.77 FEET; THENCE NORTH 56 DEGREES 19 MINUTES 10 SECONDS WEST 824.34 FEET; THENCE NORTH 67 DEGREES 18 MINUTES 15 SECONDS WEST 390.61 FEET; THENCE NORTH 0 DEGREES 31 MINUTES 59 SECONDS WEST 138.60 FEET; THENCE NORTH 89 DEGREES 55 MINUTES 24 SECONDS WEST 131.77 FEET; THENCE NORTH 43 DEGREES 44 MINUTES 35 SECONDS WEST 662.12 FEET; THENCE NORTH 09 DEGREES 12 MINUTES 55 SECONDS WEST 650.51 FEET; THENCE NORTH 75 DEGREES 13 MINUTES 20 SECONDS WEST 601.65 FEET; THENCE SOUTH 64 DEGREES 50 MINUTES 55 SECONDS WEST 724.19 FEET; THENCE NORTH 26 DEGREES 27 MINUTES 55 SECONDS WEST 743.90 FEET; THENCE NORTH 64 DEGREES 18 MINUTES 20 SECONDS WEST 249.99 FEET; THENCE NORTH 72 DEGREES 42 MINUTES 05 SECONDS WEST 484.40 FEET; THENCE SOUTH 89 DEGREES 15 MINUTES 00 SECONDS WEST 492.15 FEET; THENCE NORTH 65 DEGREES 53 MINUTES 30 SECONDS WEST 125.09 FEET; THENCE

NORTH 18 DEGREES 22 MINUTES 07 SECONDS EAST 20.00 FEET; THENCE NORTH 77 DEGREES 22 MINUTES 12 SECONDS WEST 100.00 FEET; THENCE NORTH 65 DEGREES 53 MINUTES 30 SECONDS WEST 354.64 FEET TO AN INTERSECTION WITH THE WEST LINE OF SAID SECTION 13, TOWNSHIP 6 NORTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH 0 DEGREES 33 MINUTES 45 SECONDS WEST 530.84 FEET ALONG SAID WEST LINE OF SECTION 13 TO THE NORTHWEST CORNER OF SAID SECTION 13; THENCE NORTH 89 DEGREES 22 MINUTES 40 SECONDS WEST 1,049.60 FEET ALONG THE SOUTH LINE OF SECTION 11, TOWNSHIP 6 NORTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH 23 DEGREES 46 MINUTES 00 SECONDS WEST 350.82 FEET; THENCE NORTH 74 DEGREES 18 MINUTES 05 SECONDS WEST 413.51 FEET; THENCE SOUTH 78 DEGREES 39 MINUTES 05 SECONDS WEST 760.05 FEET; THENCE SOUTH 80 DEGREES 53 MINUTES 05 SECONDS WEST 334.98 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 11; THENCE NORTH 0 DEGREES 16 MINUTES 20 SECONDS WEST 2,398.75 FEET ALONG SAID WEST LINE TO THE CENTER OF SAID SECTION 11; THENCE SOUTH 89 DEGREES 59 MINUTES 35 SECONDS EAST 2,648.97 FEET ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER OF SECTION 11 TO THE EAST ONE QUARTER CORNER OF SAID SECTION 11; THENCE NORTH 89 DEGREES 50 MINUTES 00 SECONDS EAST 5,088.27 FEET ALONG THE NORTH LINE OF THE SOUTH HALF OF SECTION 12, TOWNSHIP 6 NORTH, RANGE 13 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTH 0 DEGREES 10 MINUTES 25 SECONDS EAST 200.00 FEET; THENCE NORTH 89 DEGREES 50 MINUTES 00 SECONDS EAST 200.00 FEET TO AN INTERSECTION WITH THE EAST LINE OF SAID SOUTH HALF OF SECTION 12; THENCE NORTH 0 DEGREES 10 MINUTES 25 SECONDS WEST 200.00 FEET ALONG SAID EAST LINE TO THE EAST QUARTER CORNER OF SAID SECTION 12; THENCE NORTH 89 DEGREES 29 MINUTES 10 SECONDS EAST 5,263.45 FEET ALONG THE NORTH LINE OF THE SOUTH HALF OF SECTION 7, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO AN INTERSECTION WITH THE WEST LINE OF THE EAST FIFTY FEET OF SAID SECTION 7; THENCE SOUTH 0 DEGREES 51 MINUTES 40 SECONDS WEST 2,673.79 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF SAID SECTION 7; THENCE SOUTH 89 DEGREES 36 MINUTES 55 SECONDS WEST 2,582.71 FEET ALONG SAID SOUTH LINE TO THE SOUTH QUARTER CORNER OF SAID SECTION 7; THENCE SOUTH 01 DEGREE 10 MINUTES 05 SECONDS EAST 2,655.91 FEET ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SECTION 18, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO THE CENTER OF SAID SECTION 18; THENCE NORTH 89 DEGREES 54 MINUTES 35 SECONDS EAST 2,612.11 FEET ALONG THE SOUTH LINE OF SAID NORTHEAST QUARTER OF SECTION 18 TO AN INTERSECTION WITH THE WEST LINE OF THE EAST FIFTY FEET OF SAID SECTION 18; THENCE SOUTH 01 DEGREE 47 MINUTES 20 SECONDS EAST 2,641.53 FEET ALONG SAID WEST LINE OF THE EAST FIFTY FEET OF SECTION 18 TO THE POINT OF BEGINNING.

AREA B: BEGINNING AT THE SOUTHWEST CORNER OF SECTION 10, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN WHICH IS AN ANGLE POINT ON THE BOUNDARY OF THE CITY OF PALMDALE AS SAME EXISTED JULY 14, 1983; THENCE NORTH 0 DEGREES 17 MINUTES 05 SECONDS EAST 5,298.02 FEET ALONG THE WEST LINE OF SAID SECTION 10 TO THE NORTHWEST CORNER OF SAID SECTION 10 THEREOF; THENCE NORTH 0 DEGREES 00 MINUTES 10 SECONDS EAST 5,313.77 FEET ALONG THE WEST LINE OF SECTION 3, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO THE NORTHWEST CORNER OF SAID SECTION 3; THENCE NORTH 89 DEGREES 48 MINUTES 45 SECONDS EAST 5,354.41 FEET ALONG THE NORTH LINE OF SAID SECTION 3 TO THE NORTHEAST CORNER OF SAID SECTION 3; THENCE NORTH 89 DEGREES 48 MINUTES 00 SECONDS EAST 460.20 FEET ALONG THE NORTH LINE OF SECTION 2, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO AN INTERSECTION WITH THE CENTERLINE OF SIERRA HIGHWAY, SIXTY FEET WIDE PER RECORD OF SURVEY FILED IN BOOK 66, PAGE 40 OF RECORD OF SURVEYS OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 07 DEGREES 26 MINUTES 56 SECONDS EAST 5,402.01 FEET ALONG SAID CENTERLINE OF SIERRA HIGHWAY TO AN INTERSECTION WITH THE NORTH LINE OF SECTION 11, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE CONTINUING ON SAID CENTERLINE SOUTH 14 DEGREES 20 MINUTES 32 SECONDS EAST 205.79 FEET; THENCE SOUTH 07 DEGREES 21 MINUTES 51 SECONDS EAST 5,207.93 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF SAID SECTION 11; THENCE SOUTH 88 DEGREES 59 MINUTES 57 SECONDS WEST 1,923.74 FEET ALONG SAID SOUTH LINE OF SECTION 11 TO THE SOUTHWEST CORNER OF SECTION 11; THENCE NORTH 88 DEGREES 40 MINUTES 35 SECONDS WEST 5,345.06 FEET ALONG THE SOUTH LINE OF SECTION 10, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO THE POINT OF BEGINNING.

AREA C: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH THIRTY FEET AND THE WEST LINE OF SECTION 21, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH 0 DEGREES 57 MINUTES 35 SECONDS WEST 1,969.47 FEET ON SAID WEST LINE TO THE NORTHWEST CORNER OF PARCEL 2 OF PARCEL MAP NO. 3499 AS SHOWN ON MAP FILED ON BOOK 41, PAGE 82 OF PARCEL MAPS, IN THE OFFICE OF THE RECORDER OF THE COUNTY OF LOS ANGELES; THENCE NORTH 89 DEGREES 34 MINUTES 01 SECONDS EAST 1,331.78 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 2; THENCE SOUTH 0 DEGREES 53 MINUTES 12 SECONDS EAST 161.72 FEET; THENCE NORTH 48 DEGREES 31 MINUTES 00 SECONDS EAST 655.55 FEET; THENCE SOUTH 41 DEGREES 29 MINUTES 00 SECONDS EAST 305.05 FEET; THENCE NORTH 48 DEGREES 31 MINUTES 00 SECONDS EAST 12.00 FEET; THENCE SOUTH 41 DEGREES 29 MINUTES 00 SECONDS EAST 589.10 FEET TO AN INTERSECTION WITH THE NORTHWEST LINE OF TRACT NO. 20398 RECORDED IN BOOK 608, PAGES 56 AND 57 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE ALONG

THE BOUNDARY OF SAID TRACT NO. 20398 SOUTH 48 DEGREES 31 MINUTES 00 SECONDS WEST 1,662.42 FEET; THENCE SOUTH 24 DEGREES 04 MINUTES 38 SECONDS WEST 180.86 FEET; THENCE SOUTH 0 DEGREES 21 MINUTES 45 SECONDS EAST 314.60 FEET TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH THIRTY FEET OF SAID SECTION 21; THENCE WEST ON SAID NORTH LINE 1,080.33 FEET TO THE POINT OF BEGINNING.

AREA D: BEGINNING AT THE SOUTHWEST CORNER OF SECTION 22, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH ALONG THE WEST LINE OF SAID SECTION 22 TO THE NORTHWEST CORNER THEREOF; THENCE WEST ALONG THE SOUTH LINE OF SECTION 16, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO THE SOUTHWEST CORNER OF SAID SECTION 16; THENCE NORTH 0 DEGREES 04 MINUTES 15 SECONDS WEST 1,332.92 FEET ON THE WEST LINE OF SAID SECTION 16 TO THE SOUTHWEST CORNER OF RECORD OF SURVEY AS SHOWN ON MAP FILED IN BOOK 70, PAGE 42 OF RECORDS OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES; THENCE NORTH 89 DEGREES 33 MINUTES 23 SECONDS EAST 2,669.56 FEET ALONG THE SOUTH LINE OF SAID RECORD OF SURVEY BOOK 70, PAGE 42 TO THE SOUTHEAST CORNER THEREOF; THENCE NORTH 0 DEGREES 08 MINUTES 07 SECONDS WEST 1,341.96 FEET ALONG THE EAST LINE OF SAID RECORD OF SURVEY BOOK 70, PAGE 42 TO THE CENTER OF SAID SECTION 16; THENCE NORTH 89 DEGREES 21 MINUTES 53 SECONDS EAST 2,334.70 FEET ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 16 AND THE SOUTH LINE OF RECORD OF SURVEY AS SHOWN ON MAP FILED IN BOOK 65, PAGE 18 OF RECORDS OF SURVEY IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES TO THE SOUTHWEST CORNER OF PARCEL 25 OF SAID RECORD OF SURVEY BOOK 65, PAGE 18; THENCE NORTH 0 DEGREES 11 MINUTES 12 SECONDS WEST 2,699.90 FEET ALONG THE WEST LINES OF PARCELS 25, 24, 9, AND 8 OF SAID RECORD OF SURVEY BOOK 65, PAGE 18 TO THE NORTHWEST CORNER OF SAID PARCEL 8; THENCE NORTH 88 DEGREES 58 MINUTES 50 SECONDS EAST 333.18 FEET ALONG THE NORTH LINE OF SAID PARCEL 8, WHICH LINE IS ALSO THE NORTH LINE OF SECTION 16, TO THE NORTHEAST CORNER OF SAID SECTION 16; THENCE SOUTH 0 DEGREES 11 MINUTES 40 SECONDS EAST 2,702.12 FEET ALONG THE EAST LINE OF SAID SECTION 16 TO THE EAST QUARTER CORNER OF SAID SECTION 16; THENCE EAST ALONG THE NORTH LINE OF THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO THE NORTHEAST CORNER OF SAID WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 15; THENCE SOUTH ALONG THE EAST LINE OF SAID WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 15 TO THE SOUTH LINE OF SAID SECTION 15; THENCE EAST ALONG THE SOUTH LINE OF SAID SECTION 15 WHICH LINE IS ALSO THE NORTH LINE OF SECTION 22, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO AN INTERSECTION WITH THE WEST LINE OF THE EAST FORTY FEET OF SAID SECTION 22; THENCE SOUTH ON SAID WEST LINE OF THE EAST FORTY FEET OF

SECTION 22 AND THE WEST LINE OF THE EAST FORTY FEET OF SECTION 27, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 27; THENCE WEST ON SAID SOUTH LINE OF THE NORTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 27 1,165 FEET MORE OR LESS TO AN INTERSECTION WITH THE EAST LINE OF THE STATE OF CALIFORNIA RIGHT OF WAY FOR ROUTE 14, THE ANTELOPE VALLEY FREEWAY; THENCE ALONG SAID RIGHT OF WAY AS FOLLOWS: NORTH 0 DEGREES 56 MINUTES 57 SECONDS WEST 503.56 FEET; THENCE NORTH 01 DEGREE 13 MINUTES 19 SECONDS WEST 250.00 FEET; THENCE NORTH 01 DEGREE 00 MINUTES 18 SECONDS EAST 900.68 FEET; THENCE IN A DIRECT LINE NORTHERLY ACROSS THE PALMDALE BOULEVARD INTERSECTION TO THE NORTHERLY END OF A 600 FOOT RADIUS CURVE ON THE EAST LINE OF FREEWAY NORTH TURN ON RAMP; THENCE NORTH 01 DEGREE 13 MINUTES 19 SECONDS WEST 275.00 FEET; THENCE NORTH 04 DEGREES 51 MINUTES 18 SECONDS WEST 710.25 FEET; THENCE NORTH 01 DEGREE 13 MINUTES 19 SECONDS WEST 636.18 FEET; THENCE NORTH 57 DEGREES 00 MINUTES 17 SECONDS EAST 17.65 FEET; THENCE NORTH 01 DEGREE 13 MINUTES 19 SECONDS WEST 103.78 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF AFOREMENTIONED SECTION 22, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE WEST ON SAID SOUTH LINE OF SECTION 22 TO AN INTERSECTION WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 22; THENCE NORTHERLY AND EASTERLY ON THE WEST AND NORTH LINES OF SAID SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 22 TO AN INTERSECTION WITH THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 22; THENCE NORTH ON SAID EAST LINE TO THE CENTER OF SAID SECTION 22; THENCE WEST ON THE NORTH LINE OF SAID SOUTHWEST QUARTER OF SECTION 22 TO AN INTERSECTION WITH THE WEST LINE OF THE EAST HALF OF SAID SOUTHWEST QUARTER OF SECTION 22; THENCE SOUTH ON SAID WEST LINE TO THE SOUTH LINE OF SAID SECTION 22; THENCE WEST ON SAID SOUTH LINE TO THE POINT OF BEGINNING.

AREA E: BEGINNING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN AS SHOWN ON PARCEL MAP NO. 3323 RECORDED IN BOOK 48, PAGE 80 OF PARCEL MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 0 DEGREES 43 MINUTES 29 SECONDS EAST 1,340.80 FEET ALONG THE EAST LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27 TO THE NORTHWEST CORNER OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SOUTHWEST QUARTER OF SECTION 27; THENCE NORTH 89 DEGREES 45 MINUTES 10 SECONDS EAST 674.89 FEET AND SOUTH 0 DEGREES 49 MINUTES 07 SECONDS WEST 1,339.16 FEET ALONG THE NORTH AND EAST LINES OF SAID WEST HALF OF

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27 TO THE SOUTH LINE OF SAID SECTION 27; THENCE SOUTH 89 DEGREES 36 MINUTES 50 SECONDS WEST 15.68 FEET ALONG SAID SOUTH LINE OF SECTION 27 TO AN INTERSECTION WITH THE CENTERLINE OF TIERRA SUBIDA AVENUE AS SHOWN ON SAID PARCEL MAP NO. 3323; THENCE NORTH 38 DEGREES 23 MINUTES 10 SECONDS WEST 2,599.19 FEET ALONG SAID CENTERLINE OF TIERRA SUBIDA AVENUE TO THE BEGINNING OF A 2,000 FOOT RADIUS CURVE WHICH BEARS CONCAVE TO THE NORTHEAST; THENCE ALONG SAID 2,000 FOOT RADIUS CURVE THROUGH A CENTRAL ANGLE OF 20 DEGREES 48 MINUTES 05 SECONDS AN ARC DISTANCE 726.11 FEET TO AN INTERSECTION WITH THE NORTH LINE OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27, THE RADIAL BEARING TO SAID 2,000 FOOT RADIUS CURVE AT SAID POINT OF INTERSECTION IS SOUTH 72 DEGREES 24 MINUTES 55 SECONDS WEST; THENCE NORTH 89 DEGREES 53 MINUTES 35 SECONDS EAST 1,257.54 FEET ALONG SAID NORTH LINE OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27 TO THE POINT OF BEGINNING.

AREA F: BEGINNING AT THE CENTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN PER TRACT NO. 31919 AS SHOWN ON MAP RECORDED IN BOOK 928, PAGES 57 TO 65 INCLUSIVE OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTH 0 DEGREES 00 MINUTES 46 SECONDS WEST 662.20 FEET ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 1 TO THE TRUE POINT OF BEGINNING; THENCE NORTH 0 DEGREES 00 MINUTES 46 SECONDS WEST 662.48 FEET ALONG SAID WEST LINE TO THE NORTHWEST CORNER OF LOT 1 IN SAID NORTHEAST QUARTER OF SECTION 1; THENCE NORTH 89 DEGREES 49 MINUTES 32 SECONDS EAST 1,142.65 FEET ALONG THE NORTH LINE OF SAID LOT 1 TO AN INTERSECTION WITH A 1,500 FOOT RADIUS CURVE ON THE CENTERLINE OF 25TH STREET EAST THAT BEARS CONCAVE TO THE SOUTHWEST, THE RADIAL BEARING TO THE CURVE AT SAID POINT OF INTERSECTION IS NORTH 59 DEGREES 39 MINUTES 54 SECONDS EAST PER SAID TRACT NO. 31919; THENCE SOUTHERLY ALONG SAID 1,500 FOOT RADIUS CURVE THROUGH A CENTRAL ANGLE OF 26 DEGREES 31 MINUTES 28 SECONDS AN ARC DISTANCE OF 694.48 FEET TO A POINT WHERE THE RADIAL BEARING TO SAID 1,500 FOOT RADIUS CURVE IS NORTH 86 DEGREES 11 MINUTES 32 SECONDS EAST; THENCE SOUTH 89 DEGREES 39 MINUTES 35 SECONDS WEST 1,344.58 FEET TO THE POINT OF BEGINNING.

AREA G: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTH FIFTY FEET OF THE SOUTHWEST QUARTER OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WITH THE EAST LINE OF SAID SOUTHWEST QUARTER OF SECTION 31; THENCE WEST ALONG SAID NORTH LINE OF THE SOUTH FIFTY FEET OF THE SOUTHWEST QUARTER OF SECTION 31 AND THE NORTH LINE OF THE SOUTH FIFTY FEET OF SECTION 36, TOWNSHIP 6 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN

TO AN INTERSECTION WITH THE NORTHEASTERLY LINE OF THE SOUTHERN PACIFIC COMPANY RIGHT OF WAY DISTANT WEST 484.86 FEET MORE OR LESS FROM THE EAST LINE OF SAID SECTION 36; SAID POINT OF INTERSECTION WITH THE SOUTHERN PACIFIC COMPANY RIGHT OF WAY IS ON A 11,409.17 FOOT RADIUS CURVE THE RADIAL TO WHICH BEARS SOUTH 21 DEGREES 57 MINUTES 59 SECONDS WEST; THENCE ALONG SAID 11,409.17 FOOT RADIUS CURVE WHICH BEARS CONCAVE TO THE NORTHEAST THROUGH A CENTRAL ANGLE OF 08 DEGREES 29 MINUTES 29 SECONDS AN ARC LENGTH OF 1,690.87 FEET TO A TANGENT THAT BEARS NORTH 59 DEGREES 32 MINUTES 32 SECONDS WEST; THENCE ALONG SAID TANGENT NORTH 59 DEGREES 32 MINUTES 32 SECONDS WEST 3,836.3 FEET TO AN INTERSECTION WITH THE WESTLINE OF SAID SECTION 36, WHICH WEST LINE IS ALSO THE CENTERLINE OF 10TH STREET EAST; THENCE NORTH ON SAID WEST LINE TO AN INTERSECTION WITH THE SOUTHWEST CORNER OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SAID SECTION 36 WHICH CORNER IS ALSO THE SOUTHWEST CORNER OF TRACT NO. 18458 AS SHOWN ON MAP RECORDED IN BOOK 526, PAGES 42, 43, AND 44 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTH 89 DEGREES 36 MINUTES 25 SECONDS EAST 921.82 FEET ALONG THE SOUTH LINE OF SAID NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 36 AND THE SOUTH LINE OF SAID TRACT NO. 18458 TO THE NORTHWEST CORNER OF TRACT NO. 20937 AS SHOWN ON MAP RECORDED IN BOOK 554, PAGES 22 AND 23 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 0 DEGREES 54 MINUTES 07 SECONDS EAST 697.53 FEET TO THE SOUTHWEST CORNER OF SAID TRACT NO. 20937; THENCE SOUTH 0 DEGREES 54 MINUTES 07 SECONDS EAST 454.86 FEET; THENCE SOUTH 0 DEGREES 50 MINUTES 08 SECONDS EAST 177.60 FEET TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF SECTION 36; THENCE NORTH 89 DEGREES 40 MINUTES 25 SECONDS EAST 2,040.00 FEET ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 36 TO AN INTERSECTION WITH THE WESTERLY LINE OF THE EAST TEN ACRES OF THE WEST 670 FEET OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36; THENCE NORTH 0 DEGREES 35 MINUTES 55 SECONDS WEST 930.71 FEET ON SAID WEST LINE TO AN INTERSECTION WITH THE SOUTHEAST CORNER OF TRACT NO. 20053 AS SHOWN ON MAP RECORDED IN BOOK 636, PAGES 91 AND 92 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTH 0 DEGREES 35 MINUTES 55 SECONDS WEST 400.90 FEET ALONG THE EAST LINE OF SAID TRACT NO. 20053 TO AN INTERSECTION WITH THE SOUTH LINE OF TRACT NO. 17369 AS SHOWN ON MAP RECORDED IN BOOK 437, PAGES 8, 9, 10, AND 11 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTH 89 DEGREES 37 MINUTES 25 SECONDS EAST 638.39 FEET ALONG SAID SOUTH LINE OF TRACT NO. 17369 TO THE SOUTHEAST CORNER OF SAID TRACT NO. 17369, WHICH CORNER IS ALSO THE SOUTHWEST CORNER OF TRACT NO. 39381 AS SHOWN ON MAP RECORDED IN BOOK 987, PAGES 92, 93, 94, 95, AND 96 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTH 89 DEGREES 37 MINUTES 27 SECONDS

EAST 353.04 FEET; ALONG THE SOUTH LINE OF SAID TRACT NO. 39381 TO AN INTERSECTION WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36; THENCE SOUTHERLY ON SAID WEST LINE TO THE SOUTHWEST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE EASTERLY ON THE SOUTH LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36 TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER OF SECTION 36; THENCE NORTH ON THE EAST LINE OF SAID SECTION 36 TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH 15 ACRES OF THE EAST 25 ACRES OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE WESTERLY 816.82 FEET MORE OR LESS ON SAID NORTH LINE TO AN INTERSECTION WITH THE EAST LINE OF THE WEST 15 ACRES OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE NORTHERLY ON SAID EAST LINE 533.29 FEET MORE OR LESS TO AN INTERSECTION WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE EASTERLY ON SAID NORTH LINE 816.82 FEET MORE OR LESS TO AN INTERSECTION WITH THE EAST LINE OF SAID SECTION 36; THENCE NORTH 0 DEGREES 14 MINUTES 40 SECONDS WEST 873.56 FEET ALONG SAID EAST LINE OF SECTION 36 TO AN INTERSECTION WITH THE SOUTH LINE OF THE NORTH 460 FEET OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 36; THENCE WESTERLY 860.25 FEET MORE OR LESS ON SAID SOUTH LINE TO AN INTERSECTION WITH THE EAST LINE OF THE WEST 13.86 ACRES OF SAID NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 36; THENCE SOUTHERLY ON SAID EAST LINE 270 FEET MORE OR LESS TO AN INTERSECTION WITH THE MOST EASTERLY NORTHEAST CORNER OF AFOREMENTIONED TRACT NO. 39381; THENCE ALONG THE BOUNDARIES OF SAID TRACT NO. 39381 AS FOLLOWS: SOUTH 89 DEGREES 34 MINUTES 30 SECONDS WEST 453.05 FEET AND NORTH 0 DEGREES 25 MINUTES 17 SECONDS WEST 730.00 FEET TO AN INTERSECTION WITH THE NORTH LINE OF SAID SECTION 36; THENCE NORTH 89 DEGREES 34 MINUTES 30 SECONDS EAST 1,338.43 FEET ALONG SAID NORTH LINE TO THE NORTHEAST CORNER OF SAID SECTION 36 WHICH CORNER IS ALSO THE SOUTHWEST CORNER OF SECTION 30, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE NORTH ON THE WEST LINE OF SAID SECTION 30 TO AN INTERSECTION WITH THE NORTHERLY LINE OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30; THENCE ALONG SAID NORTHERLY LINE TO AN INTERSECTION WITH THE EASTERLY LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 30; THENCE SOUTH ALONG SAID EASTERLY LINE TO AN INTERSECTION WITH THE NORTH LINE OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SECTION 31 TO THE NORTH QUARTER CORNER OF SAID SECTION 31; THENCE SOUTHERLY ON THE EAST LINE OF THE NORTHWEST QUARTER OF SAID SECTION 31 TO AN

INTERSECTION WITH THE EASTERLY PROLONGATION OF THE NORTH LINE OF THE SOUTHERLY 282.00 FEET OF LOT 3 OF PALMDALE COLONY LANDS IN SAID SECTION 31 AS PER MAP RECORDED IN BOOK 11, PAGES 11 AND 12 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE WESTERLY ON SAID EASTERLY PROLONGATION AND SAID NORTH LINE 940.00 FEET TO AN INTERSECTION WITH THE WESTERLY LINE OF THE EAST 900 FEET OF SAID LOT 3; THENCE NORTHERLY ON SAID WESTERLY LINE 280.00 FEET; THENCE WEST PARALLEL WITH THE SOUTH LINE OF SAID LOT 3 300.00 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE EAST 1,200 FEET OF SAID LOT 3; THENCE SOUTH ON SAID WEST LINE 562.00 FEET TO AN INTERSECTION WITH THE SOUTH LINE OF SAID LOT 3; THENCE EASTERLY ON SAID SOUTH LINE OF LOT 3 AND ITS EASTERLY PROLONGATION TO AN INTERSECTION WITH THE EAST LINE OF THE WEST HALF OF SAID SECTION 31; THENCE SOUTHERLY ON SAID EAST LINE OF SECTION 31 TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED AREA WHICH IS PART OF REDEVELOPMENT PROJECT NO. 3:

BEGINNING AT THE NORTHWEST CORNER OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE SOUTH 0 DEGREES 03 MINUTES 40 SECONDS EAST 2,563.20 FEET ALONG THE WEST LINE OF SAID SECTION 31 WHICH IS ALSO THE CENTERLINE OF 20TH STREET EAST TO AN INTERSECTION WITH THE CENTERLINE OF AVENUE R-8; THENCE NORTH 89 DEGREES 56 MINUTES 20 SECONDS EAST 700.63 FEET TO AN INTERSECTION WITH THE SOUTHERLY PROLONGATION OF THE WEST LINE OF LOT 17 OF PALMDALE COLONY LANDS IN SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS PER MAP RECORDED IN BOOK 11, PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER WHICH POINT OF INTERSECTION IS THE TRUE POINT OF BEGINNING; THENCE NORTHERLY ALONG SAID SOUTHERLY PROLONGATION OF AND THE WESTERLY LINE OF SAID LOT 17 AND CONTINUING NORTHERLY ON THE WEST LINE OF THE EAST ONE HALF OF LOT 5 OF PALMDALE COLONY LANDS IN SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS PER MAP RECORDED IN BOOK 11, PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER TO AN INTERSECTION WITH THE NORTH LINE OF SAID LOT 5; THENCE EASTERLY AND SOUTHERLY ALONG THE NORTH AND EAST LINES RESPECTIVELY OF SAID LOT 5 TO AN INTERSECTION WITH THE NORTHWEST CORNER OF LOT 16 OF PALMDALE COLONY LANDS IN SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS PER MAP RECORDED IN BOOK 11, PAGE 11 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE EASTERLY AND SOUTHERLY ALONG THE NORTH AND EAST LINES AND THE SOUTHERLY PROLONGATION RESPECTIVELY OF THE EAST LINE OF SAID LOT 16 TO AN INTERSECTION WITH THE CENTERLINE OF SAID AVENUE R-8;

THENCE SOUTH 89 DEGREES 56 MINUTES 20 SECONDS WEST 1,321.25 FEET ALONG THE CENTERLINE OF AVENUE R-8 TO THE TRUE POINT OF BEGINNING.

AREA H: BEGINNING AT THE SOUTHEAST CORNER OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 5 NORTH, RANGE 12 WEST, SAN BERNARDINO MERIDIAN; THENCE WESTERLY ON THE SOUTH LINE OF SAID SECTION 1 TO AN INTERSECTION WITH THE WEST LINE OF THE EASTERLY 175 FEET OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 1; THENCE NORTHERLY ON SAID WEST LINE TO AN INTERSECTION WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 1; THENCE EASTERLY ALONG THE NORTH LINE TO AN INTERSECTION WITH THE WEST LINE OF SAID SOUTHEAST QUARTER OF SECTION 1; THENCE NORTH ON SAID WEST LINE TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTH HALF OF THE NORTH HALF OF SAID WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 1; THENCE EASTERLY ON SAID NORTH LINE TO THE EAST LINE OF SAID WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 1; THENCE SOUTHERLY ON SAID EAST LINE TO THE POINT OF BEGINNING.

AREA I: BEGINNING AT THE SOUTHEAST CORNER OF SECTION 30, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE WEST ON THE SOUTH LINE OF SAID SECTION 30 1,575 FEET MORE OR LESS TO AN INTERSECTION WITH THE CENTERLINE OF 27TH STREET EAST AS SAID STREET IS SHOWN ON MAP OF A PORTION OF PALMDALE COLONY COMPANY LANDS FILED IN BOOK 52, PAGE 71 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTHERLY ON THE CENTERLINE OF SAID 27TH STREET EAST TO AN INTERSECTION WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 30, WHICH LINE IS ALSO THE CENTERLINE OF PALMDALE BOULEVARD; THENCE EASTERLY ALONG SAID CENTERLINE OF PALMDALE BOULEVARD ON SAID NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 30 TO AN INTERSECTION WITH THE CENTERLINE OF 28TH STREET EAST AS SAID CENTERLINE IS SHOWN ON RECORD OF SURVEY MAP FILED IN BOOK 61 PAGE 25 OF RECORD OF SURVEYS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE NORTH ON SAID CENTERLINE OF 28TH STREET EAST TO AN INTERSECTION WITH NORTH LINE OF PARCEL 58 OF SAID RS 61-25; THENCE EAST ON THE NORTH LINES OF PARCELS 58 AND 57 OF SAID RS 61-25 TO AN INTERSECTION WITH THE WEST LINE OF SAID SECTION 30, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN WHICH LINE IS ALSO THE CENTERLINE OF 30TH STREET EAST; THENCE SOUTH ON SAID CENTERLINE OF 30TH STREET EAST TO AN INTERSECTION WITH THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF SECTION 29, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SOUTHWEST QUARTER OF SECTION 29, WHICH NORTH LINE IS ALSO THE CENTERLINE OF PALMDALE BOULEVARD, TO AN INTERSECTION WITH THE NORTHERLY

PROLONGATION OF THE EAST LINE OF PARCEL 7 OF LICENSED SURVEY MAP FILED IN BOOK 22, PAGE 12 OF RECORD OF SURVEYS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTHERLY ON SAID NORTHERLY PROLONGATION AND THE EAST LINES OF PARCELS 7, 15, 21, 27, AND 33 OF SAID LS 22-12 1,206 FEET TO AN INTERSECTION WITH THE NORTH LINE OF PARCEL 38 OF SAID LICENSED SURVEY 22-12; THENCE WESTERLY, SOUTHERLY, AND EASTERLY ALONG THE NORTH, WEST, AND SOUTH LINES OF SAID PARCEL 38 TO AN INTERSECTION WITH THE WEST LINE OF THE EAST HALF OF LOT 13 IN SECTION 29, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN OF PALMDALE COLONY LANDS PER MAP FILED IN BOOK 11, PAGES 11 AND 12 OF MISCELLANEOUS RECORDS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER AND AS SHOWN ON TRACT NO. 29323 PER MAP RECORDED IN BOOK 799, PAGES 18, 19, AND 20 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTHERLY ON SAID WEST LINE OF THE EAST HALF OF SAID LOT 13 MR 11, PAGES 11 AND 12 PER SAID TRACT NO. 29323 TO THE SOUTH LINE OF SAID SECTION 29; THENCE SOUTH 88 DEGREES 27 MINUTES 40 SECONDS WEST 693.36 FEET ON SAID SOUTH LINE OF SECTION 29 TO THE POINT OF BEGINNING.

AREA J: BEGINNING AT THE NORTHEAST CORNER OF SECTION 31, TOWNSHIP 6 NORTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN AS SHOWN ON TRACT NO. 26549 RECORDED IN BOOK 799, PAGES 66 AND 67 OF MAPS IN THE OFFICE OF THE LOS ANGELES COUNTY RECORDER; THENCE SOUTH 89 DEGREES 57 MINUTES 35 SECONDS WEST 1,467.92 FEET ALONG THE NORTH LINE OF SAID SECTION 31 TO AN INTERSECTION WITH THE CENTERLINE OF 27TH STREET EAST; THENCE SOUTH 0 DEGREES 04 MINUTES 05 SECONDS EAST 1,212.73 FEET; THENCE NORTH 89 DEGREES 56 MINUTES 01 SECONDS EAST 40.00 FEET TO THE NORTHWEST CORNER OF LOT 9 IN SAID SECTION 31 OF PALMDALE COLONY LANDS PER MAP FILED IN BOOK 11, PAGES 11 AND 12 OF MISCELLANEOUS RECORDS OF THE LOS ANGELES COUNTY RECORDER WHICH CORNER IS THE TRUE POINT OF BEGINNING; THENCE NORTH 89 DEGREES 56 MINUTES 01 SECONDS EAST 660 FEET, SOUTH 0 DEGREES 04 MINUTES 05 SECONDS EAST 660 FEET, SOUTH 89 DEGREES 56 MINUTES 01 SECONDS WEST 660 FEET, AND NORTH 0 DEGREES 04 MINUTES 05 SECONDS WEST 660 FEET ON THE NORTH, EAST, SOUTH, AND WEST LINES OF SAID LOT 9 TO THE POINT OF BEGINNING.

## EXPANSION AREA

**(consists of 13 pages)**

This boundary description is to be used in conjunction with the boundary map of the Expansion Area Amendment for the Palmdale Community Redevelopment Agency. The course numbers shown on this description correspond with the course numbers of the boundary map. The description is for that portion of real property in the City of Palmdale, of the County of Los Angeles, State of California described as follows:

**Sub- Area A**

P.O.B.

Beginning at a point on the existing city boundary of Palmdale as existed on April 12, 2005, said point also being at intersection of the centerline of Sierra Highway, variable width, and the centerline of Columbia Way, also known as Avenue M, variable width; thence

Course 1. Easterly along said last described centerline of Avenue M a distance of 23,571 feet, more or less, to the midpoint on the Northerly line of Section 4, Township 6 North, Range 11 West, said point also being along the said last described existing city boundary of Palmdale; thence

Course 2. Southerly in a direct line along said last described city boundary a distance of 5,310 feet, more or less, to the midpoint in the Southerly line of said last described Section 4 and the centerline of Avenue N, 60 feet wide; thence

Course 3. Westerly along said last described centerline to its intersection with the centerline of 40th Street East, 60 feet wide; thence

Course 4. Southerly along said last described centerline a distance of 195 feet, more or less, to its intersection with the Northeasterly prolongation of the Northerly line of Parcel 270, as shown on Book 3022, Page 33, of Los Angeles County Tax Assessor's Maps, last revision May 25, 2004; thence

Course 5. South 51° 39' 06" West along said last described Northerly line, a distance of 3,392 feet, more or less, to the Westerly line of said last describe Parcel 270; thence

Course 6. Southerly along said last described Westerly line a distance of 393 feet, more or less, to the Northwest corner of Parcel 272, as shown on Book 3022, Page 33, of Los Angeles County Tax Assessor's Maps, last revision May 25, 2004, said corner also being on the existing city boundary of Palmdale as existed on April

12, 2005; thence

Course 7. Westerly, Southwesterly, Southerly, Westerly, Southerly along said last described city boundary to its intersection with the Northeast corner of Parcel 274, as shown on Book 3022, Page 29, of Los Angeles County Tax Assessor's Maps, last revision May 25, 2004; thence

Course 8. South 89° 57' 47" West along the Northerly line of said last described Parcel 274 a distance of 100 feet, more or less, to the Westerly line of said Parcel; thence

Course 9. South 01° 17' 01" East along the said last described Westerly line a distance of 100 feet, more or less, to the Southerly line of said Parcel; thence

Course 10. North 89° 57' 47" East along the said last described Southerly line a distance of 100 feet, more or less, to the Southeast corner of said Parcel, said corner also being on the existing city boundary of Palmdale as existed on April 12, 2005; thence

Course 11. Southerly, Northwesterly, Northeasterly, Northwesterly, Southwesterly, Southerly, Westerly, Northerly, Northeasterly, Northwesterly, Northeasterly, Northwesterly, along said last described city boundary to its intersection with the Easterly right of way line of 27th Street East, 30 feet wide; thence

Course 12. Northerly along said last described Easterly right of way line to its intersection with the Southerly corner of Parcel 274, as shown on Book 3022, Page 29, of Los Angeles County Tax Assessor's Maps, last revision May 25, 2004, said corner also being on the existing city boundary of Palmdale as existed on April 12, 2005; thence

Course 13. Southeasterly, Northeasterly, Southeasterly, Northerly, Westerly, Southwesterly, along said last described city boundary and its Southeasterly prolongation to its intersection with the Westerly right of way line of 27th Street East, 30 feet wide; thence

Course 14. Southerly along said last described Westerly right of way line to its intersection with the centerline of Avenue 0-8, 30 feet wide; thence

Course 15. Easterly along said last described centerline to its intersection with the existing city boundary of Palmdale as existed on April 12, 2005; thence

Course 16. Southerly, Easterly, Southerly, Westerly, Southerly, and Easterly along said last described city boundary and its intersection with the Northwest corner of Parcel 4, as shown on Book 3022, Page 14, of Los Angeles County Tax Assessor's Maps, last revision 2007, said corner also being on the Easterly right of way line of 15th

Street East, 80 feet wide; thence

Course 17. Southerly along said last described Easterly right of way line to its intersection with the centerline of Avenue Q, 60 feet wide; thence

Course 18. Easterly along said last described centerline to its intersection with the centerline of 37th Street East, 64 feet wide; thence

Course 19. Southerly along said last described centerline to its intersection with the centerline of Las Palmas Avenue Street, 64 feet wide; thence

Course 20. Easterly along said last described centerline a distance of 103 feet, more or less, to its intersection of the Northerly prolongation of the Westerly line of Parcel 53, as shown on Book 3021, Page 34, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 21. Southerly along said last described Northerly prolongation and Westerly line of said last described Parcel a distance of 133 feet, more or less, to its intersection Southerly line of said Parcel; thence

Course 22. Easterly along the said last described Southerly line a distance of 33 feet, more or less, to its intersection Easterly line of Parcel 28, as shown on Book 3021, Page 34, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 23. Southerly along the said last described Easterly line and Easterly lines of Parcels 27, 26, 25, 24, inclusive as shown on Book 3021, Page 34, of Los Angeles County Tax Assessor's Maps, last revision 2007, a distance of 332 feet, more or less, to its intersection Northerly line of Parcel 23, as shown on Book 3021, Page 34, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 24. Easterly along the said last described Northerly line a distance of 34 feet, more or less, to its intersection Easterly line of said last described Parcel 23; thence

Course 25. Southerly along the said last described Easterly line and Easterly lines of Parcels 23, 22, 21, 20, 19, 18, 17, 16, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1, inclusive as shown on Book 3021, Page 34, of Los Angeles County Tax Assessor's Maps, last revision 2007, and Book 3021, Page 14, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008 and Southerly prolongation of the Easterly line of said last described Parcel 1, a distance of 1,255 feet, more or less, to its intersection with the centerline of Palmdale Blvd, 142 feet wide; thence

Course 26. Westerly along said last described centerline to its intersection with the centerline of 35th Street East, 80 feet wide; thence

Course 27. Northerly along the said last described centerline a distance of 419 feet, more or less, to its intersection Easterly prolongation of the Northerly line of Parcel 27, as shown on Book 3021, Page 22, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008; thence

Course 28. Westerly along said last described Easterly prolongation and Northerly line of said last described Parcel and Northerly line of Parcel 26, as shown on Book 3021, Page 22, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008, a distance of 770 feet, more or less, to its intersection Westerly line of said last described Parcel 26; thence

Course 29. Southerly along the said last described Westerly line a distance of 120 feet, more or less, to its intersection with the Northerly line of Parcels 23, as shown on Book 3021, Page 22, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008; thence

Course 30. Easterly along said last described Northerly line and Northerly line of Parcel 24, as shown on Book 3021, Page 22, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008, a distance of 76 feet, more or less, to its intersection Easterly line of said last described Parcel 24; thence

Course 31. Southerly along said last described Easterly line and its Southerly prolongation a distance of 300 feet, more or less, to its intersection with the centerline of Palmdale Blvd, 100 feet wide; thence

Course 32. Westerly along said last described centerline a distance of 643 feet, more or less, to its intersection with the Southerly prolongation of the Easterly line of Parcel 42, as shown on Book 3021, Page 29, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008; thence

Course 33. Northerly along said last described Southerly prolongation and Easterly line of said last described Parcel a distance of 359 feet, more or less, to its intersection with the Southerly line of Parcel 8, as shown on Book 3021, Page 24, of Los Angeles County Tax Assessor's Maps, last revision May 2, 2008; thence

Course 34. Westerly along said last described Southerly line a distance of 151 feet, more or less, to its intersection with the centerline of Avenue Q-7, 42 feet wide; thence

Course 35. Continuing Westerly along said last described centerline to its intersection with the centerline of 30th Street East, 100 feet wide; thence

Course 36. Northerly along said last described centerline to its intersection with the centerline of Avenue Q-2, 60 feet wide, said centerline also being the Easterly prolongation of the Southerly line of Parcel 11, as shown on Book 3018, Page 19, of Los

Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 37. Westerly along said last described centerline to its intersection with the centerline of 27th Street East, 60 feet wide, said centerline also being the Westerly prolongation of the Southerly line of Parcel 17, as shown on Book 3018, Page 19, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 38. Southerly along said last described centerline to its intersection with the centerline of Avenue Q-4, 60 feet wide, said centerline also being the Northerly line of Parcel 1, as shown on Book 3018, Page 23, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 39. Easterly along said last described centerline a distance of 335 feet, more or less, to its intersection the Easterly line of said last described Parcel 1; thence

Course 40. Southerly along said last described Easterly line of said last described Parcel 1 and Westerly lines of Parcel 16, 17, and 25, as shown on Book 3018, Page 23, of Los Angeles County Tax Assessor's Maps, last revision 2005, and Easterly lines of Parcel 17, 2, 15, inclusive, as shown on Book 3018, Page 24, of Los Angeles County Tax Assessor's Maps, last revision 2005, and Southerly prolongation of said Easterly line of said last described Parcel 15 a distance of 1,325 feet, more or less, to its intersection with the centerline of Palmdale Blvd, 100 feet wide; thence

Course 41. Westerly along said last described centerline to its intersection with the centerline of 25th Street East, 130 feet wide; thence

Course 42. Northerly along said last described centerline a distance of 665, more or less, to its intersection with Easterly prolongation of the Southerly line of Parcel 74, as shown on Book 3018, Page 14, of Los Angeles County Tax Assessor's Maps, last revision March 13, 2009, and

Course 43. Westerly along said last described Easterly prolongation and Southerly line of said last described Parcel 74, and Northerly line of Parcel 97, as shown on Book 3018, Page 17, sheet 2, of Los Angeles County Tax Assessor's Maps, last revision 2007, and Southerly lines of Parcel 29 and 28, as shown on Book 3018, Page 14, of Los Angeles County Tax Assessor's Maps, last revision March 13, 2009, and Westerly prolongation of said Southerly line of said last described Parcel 28, a distance of 1,325 feet, more or less, to its intersection with the centerline of 22nd Street East, variable width; thence

Course 44. Southerly along said last described centerline a distance of 248, more or less, to its intersection with the centerline of Unnamed Alley, 30 feet wide; thence

Course 45. Westerly along said last described centerline a distance of 1,375, more or less, to

its intersection with the centerline of 20th Street East, 80 feet wide; thence

Course 46. Northerly along said last described centerline to its intersection with the centerline of Avenue Q-6, 60 feet wide; thence

Course 47. Westerly along said last described centerline to its intersection with the Westerly right of way line of 15th Street East, 55 feet wide; thence

Course 48. Northerly along said last described Westerly right of way line and its various courses a distance of 3,169 feet, more or less, to its intersection with the Southerly line of Parcel 9, as shown on Book 3022, Page 15, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 49. Westerly along said last described Southerly line and Southerly line of Parcel 11, as shown on Book 3022, Page 15, of Los Angeles County Tax Assessor's Maps, last revision 2005, a distance of 1,290 feet, more or less, to its intersection with the Westerly line of said last described Parcel 11; thence

Course 50. Northerly along said last described Westerly line a distance of 326 feet, more or less, to its intersection with the Northerly line of said Parcel 11; thence

Course 51. Easterly along said last described Northerly line a distance of 30 feet, more or less, to its intersection with the Westerly line of Parcel 23, as shown on Book 3022, Page 15, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 52. Northerly along said last described Westerly line of said last described Parcel a distance of 326 feet, more or less, to its intersection with the Northerly line of said Parcel 23; thence

Course 53. Easterly along said last described Northerly line of said Parcel 23 a distance of 432 feet, more or less, to its intersection with the Easterly line of Parcel 2, as shown on Book 3022, Page 15, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 54. Northerly along said last described Easterly line and Easterly line of Parcel 19, as shown on Book 3022, Page 15, of Los Angeles County Tax Assessor's Maps, last revision 2005, and Northerly prolongation of said last described Easterly line of Parcel 19 a distance of 988 feet, more or less, to its intersection with the centerline of Avenue P-8, 25 feet wide; thence

Course 55. Westerly along said last described centerline a distance of 1,793 feet, more or less, to its intersection with the centerline of 10th Street East, variable width, said intersection also being on the existing city boundary of Palmdale as existed on

April 12, 2005; thence

Course 56. Continuing Westerly along said last described city boundary a distance of 662 feet, more or less, to its intersection with the Southerly prolongation of the Easterly line of Parcel 1, as shown on Book 3022, Page 2, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 57. Northerly along said last described Southerly prolongation and Easterly line a distance of 678 feet, more or less, to its intersection with the Southerly line of Parcel 15, as shown on Book 3022, Page 2, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 58. Easterly along said last described Southerly line and Easterly prolongation of said Southerly line a distance of 660 feet, more or less, to its intersection with the centerline of 10th Street East, 80 feet wide; thence

Course 59. Northerly along said last described centerline a distance of 1,320 feet, more or less, to its intersection with the Easterly prolongation of the Southerly line of Parcel 5, as shown on Book 3022, Page 2, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 60. Westerly along said last described Easterly prolongation and Southerly line of said last described Parcel 5 and Southerly line of Parcel 23, as shown on Book 3022, Page 2, of Los Angeles County Tax Assessor's Maps, last revision 2007, a distance of 1,315 feet, more or less, to its intersection with centerline 8th Street East, 50 feet wide; thence

Course 61. Southerly along said last described centerline a distance of 895 feet, more or less, to its intersection with the Easterly prolongation of the Southerly line of Parcel 902, as shown on Book 3022, Page 1, of Los Angeles County Tax Assessor's Maps, last revision 2009; thence

Course 62. Westerly along said last described Easterly prolongation and Southerly line of said last described Parcel a distance of 1,052 feet, more or less, to its intersection Westerly line of Parcel 5, as shown on Book 3022, Page 1, of Los Angeles County Tax Assessor's Maps, last revision 2009; thence

Course 63. Southerly along the said last described Westerly line and Westerly lines of Parcel 6, 9, 10, 8, inclusive as shown on Book 3022, Page 1, of Los Angeles County Tax Assessor's Maps, last revision 2009, and Southerly prolongation of Westerly line of said last described Parcel 8, a distance of 1,110 feet, more or less, to its intersection with the centerline of Avenue P-8, 50 feet wide; thence

Course 64. Westerly along said last described centerline a distance of 310 feet, more or less,

to its intersection with the centerline of Sierra Highway, variable width; thence

Course 65. Southeasterly along said last described centerline to its intersection with the centerline of 6th Street East, 60 feet wide; thence

Course 66. Southerly along said last described centerline to its intersection with the centerline of Avenue Q, variable width; thence

Course 67. Westerly along said last described centerline to its intersection with the centerline of 5th Street East, 60 feet wide; thence

Course 68. Southerly along said last described centerline to its intersection with the centerline of Avenue Q-7, 60 feet wide; thence

Course 69. Westerly along said last described centerline to its intersection with the centerline of 2nd Street East, 60 feet wide; thence

Course 70. Southerly along said last described centerline to its intersection with the centerline of unnamed alley, 20 feet wide; thence

Course 71. Westerly along said last described centerline to its intersection with the centerline of Division Street, variable width; thence

Course 72. Northerly along said last described centerline to its intersection with the centerline of Rancho Vista Blvd also known as Avenue P, variable width; thence

Course 73. Easterly along said last described centerline to its intersection with the Westerly right of way line of 5th Street East, variable width; thence

Course 74. Northerly along said last described Westerly right of way line a distance of 902 feet, more or less, along the Westerly line of Parcels 9 and 5, as shown on Book 3022, Page 25, of Los Angeles County Tax Assessor's Maps, last revision 2007; thence

Course 75. Northerly along the most Westerly line of Parcel 5 and 1, a distance of 575 feet, more or less, to its intersection with the centerline of Avenue O-12, 60 feet wide; thence

Course 76. Easterly along said last described centerline and its various courses to its intersection with the centerline of Challenger Way also known as 10th Street East, variable width; thence

Course 77. Southerly along said last described centerline to its intersection with the Northerly right of way line of Rancho Vista Blvd also known as Avenue P, variable width; thence

Course 78. Easterly along said last described Northerly right of way line to its intersection with the centerline of the 15th Street East, variable width; thence

Course 79. Northerly along said last described centerline to its intersection with the centerline of the Avenue O-8 also known as Lockheed Way, variable width; thence

Course 80. Westerly along said last described centerline to its intersection with the centerline of the Sierra Highway, variable width; thence

Course 81. Northwesterly along said last described centerline to the point of beginning

*Except there from Sub- Area A:*

Parcels 7 and 2 are excluded from the project Sub-Area A.

P.O.B.

Beginning at a point on the existing city boundary of Palmdale as existed on April 12, 2005, said point also being at the Northwest corner of Parcel 7, as shown on Book 3006, Page 8, of Los Angeles County Tax Assessor's Maps, last revision 2006; thence

Course 1. Easterly along the Northerly line of said last described Parcel 7 a distance of 137 feet, more or less, to its intersection with the Easterly line of said Parcel 7; thence

Course 2. Southerly along said last described Easterly line and its Southerly prolongation a distance of 664, more or less, to its intersection with the centerline of Avenue Q, variable width; thence

Course 3. Westerly along said last described centerline of Avenue Q a distance of 235 feet, more or less, to its intersection with the Southerly prolongation of the Westerly line of Parcel 2, as shown on Book 3006, Page 8, of Los Angeles County Tax Assessor's Maps, last revision 2006; thence

Course 4. Northerly along said last described Southerly prolongation and Westerly line of said Parcel 2 a distance of 180 feet, more or less, to its intersection with the Northerly line of said Parcel 2; thence

Course 5. Easterly along said last described Northerly line of said Parcel 2 a distance of 100 feet, more or less, to its intersection with the Westerly line of said last described Parcel 7; thence

Course 6. Northerly along said last described Westerly line of said Parcel 7 a distance of 485 feet, more or less, to the point of beginning.

Total approximate acres in excluded area = 2 Acres

Total approximate acres in added Sub-Area A = 7,790 Acres

**Sub- Area B**

P.O.B.

Beginning at a point on the centerline of Palmdale Blvd, also known as Highway 138, variable width and the Northerly prolongation of the Westerly line of Parcel 24, as shown on Book 3014, Page 21, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 1. Southerly along said last described Northerly prolongation and Westerly line a distance of 395 feet, more or less, to the Southwest corner of said Parcel 24; thence

Course 2. Easterly along the Southerly line of said last described Parcel 24 and Southerly lines of Parcels 39, 55, and 37, as shown on Book 3014, Page 21, of Los Angeles County Tax Assessor's Maps, last revision 2005, and Westerly prolongation of the said last described Southerly line of Parcel 37, a distance of 922 feet, more or less, to the centerline of 20th Avenue East, variable width; thence

Course 3. Southerly along said last described centerline to its intersection with the centerline of Avenue Q-13, 60 feet wide; thence

Course 4. Westerly along said last described centerline a distance of 869 feet, more or less, to the Northerly prolongation of the Westerly line of Parcel 18, as shown on Book 3014, Page 26, of Los Angeles County Tax Assessor's Maps, last revision May 5, 2004; thence

Course 5. Southerly along said last described Northerly prolongation and Easterly line and Southerly prolongation of the said last described Westerly line, a distance of 313 feet, more or less, to the centerline of Avenue Q-14, 60 feet wide; thence

Course 6. Easterly along said last described centerline to its intersection with the centerline of 20th Street East, 80 feet wide; thence

Course 7. Southerly along said last described centerline to its intersection with the centerline of Avenue R, variable width; thence

Course 8. Westerly along said last described centerline a distance of 1,695 feet, more or less, to the Northerly prolongation of the Easterly line of the Parcel 1, as shown on Book 3012, Page 19, of Los Angeles County Tax Assessor's Maps, last revision October 15, 1962; thence

Course 9. Southerly along the said last described Easterly line and Easterly lines of Parcels 2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21, inclusive as shown on Book 3012, Page 19, of Los Angeles County Tax Assessor's Maps, last revision October 15, 1962, and Southerly prolongation of said last described Easterly line of Parcel 21, a distance of 1,322 feet, more or less, to its intersection with the centerline of Avenue R-4, variable width; thence

Course 10. Westerly along said last described centerline a distance of 638 feet, more or less, to the Northerly prolongation of the Easterly line of the Parcel 51, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 11. Southerly along said last described Northerly prolongation and Easterly line of Parcel 51 and Easterly line of Parcel 19 and 18, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision May 11, 2004, a distance of 412 feet, more or less, to the Northerly line of Parcel 52, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 12. Southwesterly along said last described Northerly line a distance of 319 feet, more or less, to the Southerly line of Parcel 15, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 13. Northwesterly along said last described Southerly line a distance of 93 feet, more or less, to its intersection with the Southerly line of Parcel 14, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 14. Northwesterly along said last described Southerly line and its Northwesterly prolongation a distance of 119 feet, more or less, to the centerline of Lasker, 60 feet wide; thence

Course 15. Southwesterly along said last described centerline a distance of 27 feet, more or less, to the Southeasterly prolongation of the Northerly line of Parcel 63, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 16. Northwesterly along said last described Southeasterly prolongation and Northerly line a distance of 155 feet, more or less, to its intersection with the Westerly line of said last described Parcel 63; thence

Course 17. Southerly along said last described Westerly line and Westerly line of Parcel 64, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005, a distance of 71 feet, more or less, to the Southerly line of Parcel 1, as shown on Book 3012, Page 27, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 18. Northwesterly along said last described Southerly line and Northwesterly prolongation of said last described Parcel 1 a distance of 145 feet, more or less, to its intersection with the centerline of Gilworth Avenue, 60 feet wide; thence

Course 19. Northerly along said last described centerline a distance of 49 feet, more or less, to the Easterly prolongation of the Northerly line of Parcel 83, as shown on Book 3012, Page 10, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 20. Northwesterly along said last described Easterly prolongation and Northerly line of said last described Parcel 83 a distance of 154 feet, more or less, to Westerly line of said last described Parcel 83; thence

Course 21. Southerly along said last described Westerly line a distance of 47 feet, more or less, to the Southerly line of Parcel 32, as shown on Book 3012, Page 10, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 22. Westerly along said last described Southerly line a distance of 63 feet, more or less, to the Westerly line of said last described Parcel 32; thence

Course 23. Northerly along said last described Westerly line and Northerly prolongation of said line a distance of 142 feet, more or less, to centerline of Avenue R-5, 60 feet wide; thence

Course 24. Westerly along said last described centerline a distance of 189 feet, more or less, to the Northerly prolongation of the Easterly line of Parcel 28, as shown on Book 3012, Page 10, of Los Angeles County Tax Assessor's Maps, last revision 2005; thence

Course 25. Southerly along said last described Northerly prolongation and Easterly line a distance of 142 feet, more or less, to the Southerly line of said Parcel 28; thence

Course 26. Westerly along said last described Southerly line and Northerly line of Parcel 36, as shown on Book 3012, Page 10, of Los Angeles County Tax Assessor's Maps, last revision 2005, a distance of 126 feet, more or less, to the Westerly line of said last described Parcel 36; thence

Course 27. Southerly along said last described Westerly line and Southerly prolongation of said line a distance of 142 feet, more or less, to centerline of Avenue R-6, 60 feet wide; thence

Course 28. Westerly along said last described centerline to its intersection with the centerline of Palm Vista Avenue, variable width; thence

Course 29. Northerly along said last described centerline to its intersection with the centerline of Avenue R-4, variable width; thence

Course 30. Westerly along said last described centerline to its intersection with the centerline of Challenger Way, also known as 10th Avenue East, 40 feet wide; thence

Course 31. Northerly along said last described centerline to its intersection with the centerline of Avenue Q-12, 60 feet wide; thence

Course 32. Easterly along said last described centerline to its intersection with the centerline of 11th Avenue East, various width; thence

Course 33. Northerly along said last described centerline to its intersection with the centerline of Palmdale Blvd, also known as Highway 138, various width; thence

Course 34. Easterly along said last described centerline to the point of beginning.

Total approximate acres in added Sub-Area B = 408Acres

Total approximate acres in added Sub-Area A and Sub-Area B = 8,198 Acres

*For assessment purposes only. The description of land is not a legal property description as defined by the Subdivision Map Act and may not be used as a basis for an offer for sale of the land described.*

EXHIBIT "C"

PROPOSED PUBLIC IMPROVEMENTS AND FACILITIES PROJECTS

**PROJECT AREA NO. 2**
**(no change from existing)**

I. DRAINAGE IMPROVEMENTS

Construction of local and regional storm drain facilities.

1. Anaverde Detention Basin at the intersection of Avenue R and Tierra Subida Avenue[1].
2. Local line along Palmdale East Boulevard from 5th Street East to Sierra Highway.
3. Regional line along Sierra Highway from Avenue Q to just north of Avenue R, then west to 5th Street West and south to Avenue R-4.
4. Local line along Avenue Q between 15th Street East and 9th Street East, then south on 9th Street East to Avenue Q-3.
5. Local line along Palmdale Boulevard from 15th Street East to Tenth Street East, then south on Tenth Street East to Avenue Q-11.
6. Local line along 6th Street East between Avenue R and R-8.
7. Local line along 10th Street East between Avenue R and Avenue R-8.

II. SEWER IMPROVEMENTS

Expansion of sewer lines and replacement of undersized pipes.

1. 6th Street East between Avenue Q and Avenue R.
2. 12th Street West between Avenue Q and Palmdale Boulevard.
3. Intersection of R-8 and 29th Street East.

III. TRAFFIC IMPROVEMENTS

New Signal Intersection Locations

1. Barrel Springs Road and Sierra Highway.
2. Avenue Q and 5th Street East.
3. Avenue Q and 10th Street East.
4. Avenue Q and 15th Street East.
5. Palmdale Boulevard and 5th Street East.
6. Avenue R-8 and Sierra Highway
7. Avenue R and 15th Street.
8. Avenue R and 17th Street.

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[1] Includes fair share funding for the retention basin which is partially within the City of Palmdale and partially within an unincorporated area of Los Angeles County.

9. Avenue R-8 and 20th Street East.
10. Avenue R-8 and 25th Street East.
11. Avenue R-8 and 30th Street East.
12. Avenue S and 5th Street East.
13. Avenue S and 10th Street East.
14. Avenue S and 35th Street East.

Proposed Traffic Signal Upgrade intersection Locations

1. Palmdale Boulevard and Sierra Highway.
2. Palmdale Boulevard and 6th Street East.
3. Palmdale Boulevard and 10th Street East.
4. Avenue R and 10th Street East.
5. Sierra Highway and Avenue R.
6. Avenue Q and Sierra Highway.
7. Avenue S and Sierra Highway.
8. Avenue S and 30th Street East.

Street Widenings

1. Palmdale Boulevard between 10th Street West and 47th Street East from 4 to 6 lanes.
2. Avenue R between Tierra Subida Road and the Antelope Valley Freeway from 2 to 6 lanes.
3. Avenue R between the Antelope Valley Freeway and 10th Street East from 4 to 6 lanes.
4. Avenue R-8 between Division Street and 5th Street East from 2 to 4 lanes.
5. Avenue R-8 between Division and 10th Street East from 0 to 4 lanes.
6. Avenue S between 20th Street East and 25th Street East from 2 to 6 lanes.
7. Avenue S between 25th Street East and 30th Street East from 4 to 6 lanes.
8. Barrel Springs Road between the Antelope Valley Freeway and the Sierra Highway from 2 to 4 lanes.
9. Barrel Springs Road between the Sierra Highway and 25th Street East from 0 to 4 lanes.
10. Sierra Highway between Avenue P and R from 4 to 6 lanes.
11. Sierra Highway between Avenue R and Barrel Springs Road from 2 to 4 lanes.
12. 10th Street East between Avenue Q and Palmdale Boulevard from 2 to 6 lanes.
13. 10th Street East between Palmdale Boulevard and Avenue S from 2 to 4 lanes.
14. 15th Street East between Avenue Q and Avenue R from 2 to 4 lanes.
15. 30th Street East between Palmdale Boulevard and Avenue R from 4 to 6 lanes.

Freeway Improvements

1. Widening of State Route 14.
2. Construction of a new State Route 138 interchange at State Route 14.

Grade Separation Improvements
Grade separations between arterial roads and the Southern Pacific Railroad.

1. Avenue S grade separation.
2. Avenue R grade separation.
3. Palmdale Boulevard Grade separation.

Streetscape Improvements

1. Construction of landscaped median islands on Palmdale Boulevard from 17th Street East to 22nd Street East.

## IV. DOWNTOWN RENOVATIONS AND IMPROVEMENTS

Partial funding of Downtown revitalization projects.

1. Relocation of overhead utility lines to an underground system beneath Palmdale Boulevard between the Sierra Highway and 30th Street East.
2. Rehabilitation and infill development within the Downtown including, facade rehabilitation and new development along Sierra Highway, Palmdale Boulevard, 10th Street East and 3rd Street East.

## V. PUBLIC FACILITIES AND UTILITIES IMPROVEMENTS

1. Maryott Theater Renovation and Expansion.
2. Civic Center expansion.
3. Public facilities yards.
4. Rehabilitation of the main library and construction of two new libraries.
5. University site acquisition assistance.
6. Full-service hospital site acquisition assistance.
7. State Route 138 freeway right-of-way acquisition assistance.
8. Convention Center Hotel site acquisition assistance and public improvements (water, sewer, storm drains, street improvements) assistance.
9. Park and recreation facilities.

Note 1: Public improvements may border and benefit more than one project area.

Note 2: This listing of proposed public improvements and facilities is set forth for planning purposes, and shall not be deemed as a limitation on the Agency's authority to implement the Amended and Restated Redevelopment Plan.

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## PROJECT AREA NO. 3
**(no change from existing)**

I. DRAINAGE IMPROVEMENTS

Construction of local and regional storm drain facilities.

1. Local line along Juniper Tree Road between Elizabeth Lake Road and Chetta Way.
2. Regional line in a diagonal generally following Lasker Avenue from R-8 to Avenue S.
3. Local line along Palmdale Boulevard from 25th Street East to 22nd Street East, then south on Avenue Q-11.
4. Local line along P-12 between 21 Street East and 25th Street East.
5. Regional line along 25th Street East from P-12 to Barrel Springs Retention Basin.
6. Local line in alignment with Lemsford Avenue between Avenue R and R-4, then continuing along Avenue R to 37th Street East.
7. Regional line along 37th Street East between Avenue R and S-4 then, continuing in a southwesterly direction to R-8.
8. S-45 Detention Basin at the southwest corner of Avenue S and 37th Street East.
9. Barrel Springs Detention Basin north of Barrel Springs Road near Old Harold Road.

II. SEWER IMPROVEMENTS

Expansion of sewer lines and replacement of undersized pipes.

1. Intersection of Avenue R-4 and 22nd Street.
2. 30th Street East between Avenue R and Avenue R-4.
3. Marye Avenue between 31st Street East and 32nd Street then, continuing north to Avenue S between 32nd Street East and 35th Street East.
4. Intersection of Avenue S-2 and 31st Street East.

III. TRAFFIC IMPROVEMENTS

New Signal Intersection Locations

1. Tierra Subida Road and Rayburn Road.
2. Avenue P-8 and Trade Center Drive.
3. Trade Center Drive and Auto Center Drive.
4. Auto Center Drive and 5th Street West.
5. Avenue Q and 20th Street East.
6. Avenue R-8 and Lasker Avenue.
7. Avenue R and 35th Street East.
8. Avenue R-8 and 35th Street East.
9. Avenue R and 40th Street East.
10. 40th Street East and Avenue S.
11. 40th Street East and Avenue S-8.

12. 25th Street East and Old Harold Road.

Proposed Traffic Signal Upgrade Intersection Locations

1. 40th Street East and Pearblossom Highway.
2. Avenue P and 13th Street West.
3. Palmdale Boulevard and 20th Street East.
4. Palmdale Boulevard and 22nd Street East.
5. Palmdale Boulevard and 25th Street East.

Proposed Street Widenings

1. Avenue Q between 15th Street East and 25th Street East from 2 to 6 lanes.
2. Avenue R between 30th Street East and 47th Street East from 2 to 6 lanes.
3. Avenue R-8 between 10th Street East and 12th Street East.
4. Avenue S between 30th Street East and 47th Street East from 2 to 6 lanes.
5. Avenue R-8 between 25th Street East and 27th Street East.
6. Old Harold Road between Barrel Springs Road and 25th Street East from 0 to 4 lanes.
7. 25th Street East between Avenue Q and Avenue R from 4 to 6 lanes.
8. 30th Street East between Avenue R and S-8 from 4 to 6 lanes.
9. 35th Street East between Avenue R and Avenue S from 2 to 4 lanes.
10. 40th Street East from Avenue S to the Pearblossom Highway from 2 to 6 lanes.

Freeway Improvements

1. Widening of State Route 14.
2. Construction of a new State Route 128 interchange at State Route 14.

Grade Separation Improvements

Grade separations will allow traffic to move freely below the Southern Pacific Railroad.

1. Avenue S grade separation.

Streetscape Improvements

1. Construction of landscaped median islands on Palmdale Boulevard from 17th Street East to 22nd Street East.

## IV. PUBLIC FACILITIES AND UTILITIES IMPROVEMENTS

1. Maryott Theatre Auditorium renovation and expansion.
2. Civic Center expansion.
3. Public facilities yards.
4. Rehabilitation of the main library and construction of two new libraries.
5. University site acquisition assistance.
6. Full-service hospital site acquisition assistance.
7. State Route 138 right-of-way acquisition assistance.
8. Convention center hotel site acquisition assistance and public improvements (water, sewer, storm drains, street improvements) assistance.

9. Park and recreation facilities.

Note 1: Public improvements may border and benefit more than one project area.

Note 2: This listing of proposed public improvements and facilities is set forth for planning purposes, and shall not be deemed as a limitation on the Agency's authority to implement the Amended and Restated Redevelopment Plan.

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## PROJECT AREA NO. 4
**(no change from existing)**

1. DRAINAGE IMPROVEMENTS

Construction of local and regional storm drain facilities.

1. Almond Heights Detention Basin near the intersection of 55th Street West and Avenue N-8.
2. Regional line from 55th Street West south to the Almond Heights Basin.
3. Local line from 45th Street West to the intersection of 50th Street West and Avenue O.
4. Local line from 43 Street West to Avenue 0-4.
5. Regional line from Avenue N-8 Basin westerly to intersection of 45th Street West and Avenue 0-8.
6. Local line along Tennis Club Drive between 40th Street West and 38th Street West.
7. N-8 Detention Basin at Avenue N-8 and 38th Street West.
8. Local line along Fairgreen Lane between Tennis Club and Heathrow Drive.
9. Local line from intersection of Fieldcrest Drive and Tennis Club Drive easterly along Tennis Club Drive to Cricket Land and then south on Cricket Land Dive to the California Aqueduct.
10. Local line along Avenue 0-8 between 40th Street West and 35th Street West.
11. Local line 0-8 between Palmetto Drive and 30th Street West.
12. Regional line from N-8 Detention Basin easterly to the intersection of 30th Street West and Avenue P.
13. Amargosa Detention Basin.
14. Local line along Avenue 0-12 between 10th Street West and the Amargosa Creek.
15. Local line along N-12 between 10th Street East and 5th Street West then south along 5th Street West, to Avenue 0.
16. Regional line containing Amargosa Creek from Avenue M to a retention basin near the intersection of Tierra Subida Road and Rayborn Road.
17. Local line along Division Street between Avenue M and Avenue M-12.
18. Regional line along Sierra Highway between Avenue M and N, then continuing west to Division Street, and then south along Division Street between Avenue N and Avenue O.
19. Local line along the Sierra Highway between Avenue N and Avenue O.
20. Local improvement in alignment with Avenue P-4 from Tierra Subida Road to 5th Street West continuing in a diagonal direction to the intersection of P-2 and Division Street.
21. Local line P-8 between the Antelope Valley Freeway and 10th Street West.
22. Local line P-12 between the Antelope Valley Freeway and 10th Street West.
23. Local improvement Division Street from Avenue P-8 to Avenue R.
24. Local line along Maureen Street between R-4 and R-8.
25. Regional line along 20th Street East between Avenue Q-13 and Avenue S.

26. Local serving line along Palmdale Boulevard between 27th Street East and 30th Street Eastand along 27th Street East between Palmdale Boulevard and Avenue Q-11.
27. Local line along Avenue R from 27th Street to 25th Street East and 27th Street East between Avenue R and Avenue R-6.
28. Local line along Avenue R-8 between 22nd Street East and 25th Street East.
29. Local line along Avenue R-12 between 22nd Street East and 25th Street East.
30. Regional line along 30th Street East between Avenue Q-7 and Dolomite Drive.
31. Local line in alignment with Avenue S-8 between Spanish Broom Road and 30th Street East.
32. Local line extending from the intersection of 30th Street East and Quarry Road in a southwesterly diagonal to Spanish Broom Road.

II. SEWER IMPROVEMENTS

Expansion of sewer lines an replacement of undersized pipes.

1. Avenue N-8 between 38th Street West and 36th Street West.
2. Avenue O at the intersection of Palmetto Drive.
3. Avenue Q-3 between Division and 3rd Street East.
4. 20th Street East between Avenue R and Avenue R-4.
5. 20th Street East between Avenue R-6 and Avenue R-8.

III. TRAFFIC IMPROVEMENTS

New Signal Intersection Locations

1. Avenue N-8 and 55th Street West.
2. Avenue N-8 and 50th Street West.
3. Avenue N-8 and 45th Street West.
4. Avenue N-8 and 30th Street West.
5. Rancho Vista Boulevard and Peonza Lane.
6. Rancho Vista Boulevard and Towncenter Drive.
7. Rancho Vista Boulevard and Avenue 0-8.
8. Bolz Ranch Road.
9. Bolz Ranee Road and Peonza Lane.
10. 10th Street West and Auto Center Drive.
11. 15th Street West and the Antelope Valley Mall.
12. 25th Street East and Barrel Springs Road
13. 30th Street West and Avenue 0.
14. 30th Street West and Avenue 0-8.
15. Avenue M and 4th Street West.
16. 5th Street West and Avenue M-4.
17. Avenue M-8 and 10th Street West.
18. Avenue M-8 and 5th Street West.
19. Avenue M-8 and Division Street.
20. Avenue M-8 and Sierra Highway.
21. Avenue N and 5th Street West.

22. Avenue N and Division Street.
23. Avenue N and Sierra Highway.
24. Avenue N-8 and 10th Street West.
25. Avenue N-8 and 5th Street West.
26. Avenue N-8 and Division Street.
27. Avenue N-8 and the Sierra Highway.
28. Avenue O and 10th Street West.
29. Avenue 0 and 5th Street West.
30. Avenue O and Division Street.
31. Avenue O and the Sierra Highway.
32. Avenue 0-8 and 15th Street West.
33. Avenue 0-8 and Sierra Highway.
34. Avenue P and 20th Street West.
35. Avenue P and Division Street.
36. Avenue P and 3rd Street East.
37. Avenue P-8 and 20th Street West.
38. Avenue P-8 and 3rd Street East.
39. Avenue P-8 and the Antelope Valley Freeway.
40. Avenue P-8 and Division Street.
41. Avenue P-8 and the Sierra Highway.
42. Elizabeth Lake Road and 20th Street West.
43. Avenue Q and Trade Center Drive.
44. Avenue Q and Division Street.
45. Palmdale Boulevard and Trade Center Drive.
46. Palmdale Boulevard and the Antelope Valley Freeway (west side).
47. Palmdale Boulevard and the Antelope Valley Freeway (east side).
48. Avenue R and Division Street.
49. Avenue S and Casa Verde Drive.
50. Avenue S and 20th Street East.
51. Tierra Subida Road and Rayburn Road.
52. Tierra Subida Road and 5th Street West.

Proposed Traffic Signal Upgrade Intersection Locations

1. Avenue M and 10th Street West.
2. Avenue M and 6th Street West.
3. Avenue M and the Sierra Highway.
4. Avenue N and 10th Street West.
5. Avenue P and the Antelope Valley Freeway
6. Avenue P and Sierra Highway.
7. Elizabeth Lake Road and 10th Street West.
8. Avenue Q and 5th Street West.
9. Palmdale Boulevard and 5th Street West.
10. Palmdale Boulevard and Division Street.
11. Palmdale Boulevard and 3rd Street East.
12. Palmdale Boulevard and 30th Street East.

13. Pearblossom Highway and 25th Street East.
14. Avenue R and 20th Street East.
15. Avenue R and 25th Street East.
16. Avenue R and 30th Street East.
17. State Highway 14 and 10th Street West.

Street Widening Improvements

1. Rancho Vista Boulevard between Avenue N-8 and 35th Street West from 4 to 6 lanes.
2. Tennis Club Drive between Avenue N-8 and 34th Street West from 2 to 4 lanes.
3. Towncenter Drive between 30th Street West and Heathrow Court from 2 to 6 lanes.
4. Towncenter Drive between Rancho Vista Boulevard and Heathrow Court from 0 to 6 lanes.
5. Avenue O between 10th Street West and Sierra Highway from 0 to 6 lanes.
6. Avenue 0-8 between Rancho Vista Boulevard and 30th Street West from 2 to 4 lanes.
7. Avenue P from 30th Street West to 15th Street West from 2 to 6 lanes.
8. Avenue P between the Antelope Valley Freeway and the Sierra Highway from 4 to 6 lanes.
9. Elizabeth Lake Road between 20th Street West and 10th Street West from 4 to 8 lanes.
10. Avenue Q between Sierra Highway and 15th Street East from 2 to 6 lanes.
11. Avenue R between 10th Street East and 30th Street East from 4 to 6 lanes.
12. Avenue S between the Antelope Valley Freeway and the Sierra highway from 2 to 6 lanes.
13. Avenue S between the Sierra Highway and 10th Street East from 4 to 6 lanes.
14. Avenue S between 10th Street East and 20th East from 2 to 6 lanes.
15. Avenue M between the Antelope Valley Freeway and the Sierra Highway from 4 to 8 lanes.
16. Avenue M-8 between 10th Street West and the Sierra Highway from 0 to 4 lanes.
17. Avenue N between 10th Street West and the Sierra Highway from 2 to 6 lanes.
18. Avenue N-8 between 10th Street West and Sierra Highway from 0 to 4 lanes.
19. 20th Street West between Avenue 0-8 and Avenue P from 2 to 6 lanes.
20. 20th Street West between Avenue P and Avenue P-8 from 2 to 4 lanes.
21. 20th Street West between Avenue P-8 and Elizabeth Lake Road from 0 to 4 lanes.
22. 15th Street West between Avenue 0-8 and Avenue P-8 from 2 to 4 lanes.
23. 5th Street West between Avenue M and Avenue 0-8 from 0 to 6 lanes.
24. 5th Street West between Avenue 0-8 and Avenue P from 2 to 6 lanes.
25. Sierra Highway between Avenue M and Avenue P from 4 to 8 lanes.
26. 20th Street East between R-12 and Avenue S from 2 to 4 lanes.
27. 25th Street East between Avenue S and the Pearblossom Highway from 2 to 6 lanes.
28. 25th Street East from Avenue S to the Pearblossom Highway from 2 to 6 lanes.
29. 30th Street East between Palmdale Boulevard and Avenue R from 4 to 6 lanes.

Freeway Improvements

1. Widening of State Route 14.
2. Construction of a new State Route 138 interchange at State Route 14.

Grade Separation Improvements

Grade separations between arterial roads and the Southern Pacific Railroad.

1. Avenue M grade separation.
2. Avenue S grade separation.

Streetscape Improvements

1. Construction of landscaped median islands on Palmdale Boulevard from 17th Street East to 22nd Street East

## VIII. PUBLIC FACILITIES AND UTILITIES

Fair share funding of public facilities and utilities.

1. Maryott Theatre renovation and expansion.
2. Civic Center expansion.
3. Public facilities yards.
4. Rehabilitation of the main library and construction of two new libraries.
5. University site acquisition assistance.
6. Full-service hospital site acquisition assistance.
7. State Route 138 freeway right-of-way acquisition assistance.
8. Convention center hotel site acquisition assistance and public improvements (water, sewer, storm drains, street improvements) assistance.
9. Park and recreation facilities.

Note 1: Public improvements may border and benefit more than one project area.

Note 2: This listing of proposed public improvements and facilities is set forth for planning purposes, and shall not be deemed as a limitation on the Agency's authority to implement the Amended and Restated Redevelopment Plan.

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## EXPANSION AREA

The following is a compilation of proposed public projects that the Agency may undertake to achieve the goals and objectives of this Plan. These projects are not listed in order of priority.

### Public Infrastructure Projects

Sanitary sewer collection system
Sanitary sewer pump station & force main
Sanitary sewer system improvements
Water distribution system (Fire and Domestic)
Storm water drain improvements
Flood control and culverts
Noise attenuation

### Utilities

Electricity
Gas
Telephone
Cable TV
Fiber Optics
Internet

### Traffic and Circulation Projects

On-site concrete work
Roads/parking
Off-site road widening and overlay
Street construction
Street repair/replacement
Landscaping and irrigation
Traffic signals
Street signage
Street light additions/repair
Sidewalk, curb, and gutter installation and repair
Street tree planting
Grade separation
Bikeways
Pedestrian improvements
Circulation improvements
Parkways and medians
Freeway interchanges
Over and underpasses

Traffic Systems including multi-modal rail, aircraft, freeways, and other public transportation

**Public and Community Facilities**

Retaining walls
Parks and recreational facilities
Community centers
Open spaces
Plazas
Cultural centers
Library facilities
School facilities
City maintenance facilities
Public safety including fire and police facilities
Transportation centers and facilities
Parking facilities
Palmdale Hybrid Power Plant or other power plant
Facilities at Plant 42

Note 1: Public improvements may border and benefit more than one project area.

Note 2: This listing of proposed public improvements and facilities is set forth for planning purposes, and shall not be deemed as a limitation on the Agency's authority to implement the Amended and Restated Redevelopment Plan.

# Appendix C
# Amended 2010-2014 Redevelopment and Housing Implementation Plan

## I. EXECUTIVE SUMMARY

This Amended Implementation Plan has been prepared pursuant to the requirements of Section 33451.5 (c)(7) and 33352(c) of the California Community Redevelopment Law, Health and Safety Code Section 33000, et. seq. ("CRL"). The CRL requires the preparation and amendment to an existing implementation plan if an agency proposes to merge or change the boundaries of an existing redevelopment project area. The Community Redevelopment Agency of the City of Palmdale is in the process of adding territory (Expansion Area) to the Agency's Merged Project Area (Project Area No. 2, No. 3, and No. 4), referred to as the Expansion Area Amendment. This document is the amendment to the 2010-2014 Redevelopment Implementation Plan adopted on December 2, 2009 for the Agency's Redevelopment Project Area No. 1 and Merged Project Area and reflects changes as part of the proposed Expansion Area Amendment. Information included in the Original Implementation Plan has not been amended.

The joint public hearing for the Expansion Area Amendment is anticipated to be held in May 2011. The Amended Implementation Plan will be considered as part of the Report to Council during the joint public hearing scheduled for the Expansion Area Amendment.

## II. INTRODUCTION

BACKGROUND AND LEGISLATIVE REQUIREMENTS

Assembly Bill 1290 (Stats 1993, Chapter 942) known as the Community Redevelopment Law Reform Act of 1993, went to effect on January 1, 1994. The bill, more commonly referred to as "AB 1290," reformed Community Redevelopment Law (H&S Code §§ 33000 et. seq.) by refocusing the redevelopment process on the statewide concerns of alleviating blighted conditions, stimulating economic conditions, and providing affordable housing for low- and moderate-households.

One of the measures mandated under AB 1290 (H&S Code § 33490) is the requirement that each redevelopment plan adopt a Five Year Implementation Plan. The Implementation Plan requires inclusion of the following key elements to be addressed during the five year planning period:

- Goals and Objectives for the Project Area
- Specific Programs for Attainment of Goals & Objectives
- Potential Projects
- Proposed Estimated Period Expenditures
- Explanation of how Goals, Objectives, Programs, and Expenditures will eliminate Blight

- A discussion of how the indicated goals, objectives, programs, and expenditures will implement and advance the low- and moderate-income housing set-aside and housing production requirements of redevelopment law; inclusive of the Agency's plan to address affordable housing requirements.

PLAN ADOPTION AND REVIEW REQUIREMENTS

In accordance with the provisions of AB 1290, the Palmdale Redevelopment Agency adopted its initial Implementation Plan in 1993 for the 1994-1999 planning period. Similarly, an Implementation Plan was adopted in accordance with state law in 1999 for the 2000-2004 planning period, and in 2004 for the period between 2005 and 2009.

AB 1290 (H&S § 33490 [a][3][c]) also requires Agency review of the Implementation Plan and evaluation of the progress of the redevelopment project at least once during the five-year term of the Plan. The Agency is further required to conduct a public hearing and receive public testimony during the course of the adoption and subsequent mid-point review.

AMENDMENTS TO REDEVELOPMENT LAW

Legislation adopted subsequent to the Agency's approval of its 2005-2009 Implementation Plan and November 2007 Midpoint Review provided changes to state redevelopment law. The major adopted bills were AB 1389 and AB 26 4x.

**AB 1389**

Certain provisions of AB 1389 were successfully challenged by the California Redevelopment Association in Sacramento Superior Court, and based on this success the ERAF payment described below was invalidated and is not operative. In the interest of providing an overview of the legislation, a summary of its key provisions is provided below.

AB 1389 requires an Educational Revenue Augmentation Fund (ERAF) payment from redevelopment agencies to help address the state budget shortfall in fiscal year 2008-09. Prior to May 10, 2009, each redevelopment agency was required to remit its share of a cumulative contribution to the county ERAF fund totaling the greater of (i) five percent of the statewide total tax increment apportioned to redevelopment agencies or (ii) $350,000,000 (§33685(a)(2)(A)).

One-half of each agency's contribution is based on the agency's percentage share of the total statewide net tax increment revenues. The other half of each agency's contribution is based on the agency's percentage share of total statewide gross tax increment revenue (§33685(a)(2)(B)(K)). The required ERAF payment is subordinate to any existing bonded indebtedness (§33685(a)(3)).

Initially the State of California appealed the Superior Court decision that eliminated the ERAF payment; however, it dropped this appeal in October 2009 meaning there is no threat of an ERAF payment for fiscal year 2008-09.

In addition to the ERAF requirement that was later overturned, AB 1389 has other issues significant to redevelopment agencies that were not overturned. Based on a 2007 State Controller's Office Report, the statutory pass through payments required to be paid to taxing entities pursuant to the California Redevelopment Law were incorrectly calculated for a significant number of redevelopment agencies statewide. In order to correct this error in part, the Legislature enacted AB 1389 to require each redevelopment agency to file an initial report for the prior five years, and then annually thereafter, detailing, among other things, the contractual and statutory pass through obligations to each taxing entity by project area, as well as the payments made against those obligations. The report was designed to identify unpaid obligations and require agencies to make those payments or face severe sanctions.
AB 1389, as codified in Health and Safety Code Sections 33607.5, 33607.7, 33684, provides for the protocols mandated for the submission of calculation procedures for pass-through payments. Based on these submissions, the State Controller would submit a report to the State Department of Education and Board of Governors of the California Community Colleges, identifying the extent to which the local education agencies received overpayments from the State to backfill funds that the local educational agencies should have received in the form of statutory pass through payments from redevelopment agencies (Health and Safety Code Section 33684(h)).

**AB 26 4x**

In response to the continued State budget shortfall, AB 26 4x was adopted in July 2009 to assist the State in meeting its Prop 98 obligations to education. AB 26 4x calls for the deposit of $2.05 billion in redevelopment funds ($1.7 billion in FY 2009-2010 and $350 million in FY 2010-2011) into County Supplemental Educational Revenue Augmentation Funds (SERAF) to be disbursed to schools.

The bill includes a number of provisions, which are summarized as follows:

1. By November 15th of each year, the State Department of Finance is required to calculate the amount that each Agency must deposit, based on the State Controller's net tax increment (50%) and gross tax increment (50%) data for FY 2006-2007.

2. Payments are required by May 10th of the applicable year.

3. Agencies which do not pay by May 10th must increase their housing set-aside payment to 25%.

4. If an Agency is unable to pay the required amount due to existing indebtedness, then it must adopt a resolution by December 31st of the applicable year.

5. The Agency must report to the County Auditor by March 1st on how it intends to fund its SERAF payment.

6. Timely SERAF payments will entitle Agencies to a one year extension of their AB 1290 time limits. This extension does not trigger pass-through payments under Health and Safety Code Section 33607.7.

7. The Agency may suspend all or part of its 2009-2010 20% contribution to its Low and Moderate Income Housing Fund in order to make its SERAF payment. Accumulated funds from prior years may not be used.

8. If utilized, repayment to the LMI Housing Fund must be made by June 30, 2015. Failure to make a timely repayment will increase the required LMI Housing Fund contribution to 25% for as long as the project areas receives tax increment funds.

9. SERAF funds must be distributed to schools or a county office of education serving pupils living in the project area, or in housing which is supported by redevelopment funds.

10. The City may make the SERAF payment on behalf of the Agency, and the Agency is then authorized to make repayment to the City from tax increment funds.

11. Agencies may pay less than the required SERAF amount if it finds that it has pre-existing obligations, set-aside or reserved funds during the applicable fiscal year (such as bond indebtedness). An Agency exercising such payment reduction must adopt a resolution by December 31, 2009, detailing the payments required during the applicable fiscal year.

12. An Agency failing to make a timely SERAF payment (even after considering No. 11 above) is subject to the following penalties until all required payments are made:

    a. may not adopt a new redevelopment plan
    b. may not amend an existing plan to add territory
    c. may not further encumber funds or expend funds except to pay pre-existing indebtedness, contractual obligations, and 75% of the amount expended on Agency Administration in the preceding fiscal year.

Payment liability for the Palmdale Redevelopment Agency for the 2009-2010 SERAF is $11,594,496, and the estimated 2010-2011 SERAF payment liability is $2,387,102, or a two-year total of $13,981,598.

On October 20, 2009, the California Redevelopment Association filed a lawsuit in Sacramento Superior Court challenging the constitutionality of this State budget trailer bill.

**Pending Legislation SB 182**

Currently there is pending legislation, SB 182, which has been approved by the Senate and is being considered by the Assembly that provides certain clean up language to AB 26 4x.

## II. AGENCY BACKGROUND

The Palmdale Redevelopment Agency adopted plans for four designated redevelopment areas within the City between 1975 and 1983. Subsequently, the Agency adopted amended and restated redevelopment plans, which merged Project Areas 2, 3 and 4. This action was taken to establish a comprehensive and coordinated set of Agency assisted activities directly related to real estate development, public infrastructure improvements, and other projects in support of economic development within the City of Palmdale. Following are the specific approval dates for each project area:

**Project Area No. 1:** Adopted June 25, 1975 by Ordinance No. 265; land area deleted by amendment by Ordinance No. 275 November 20, 1975; and land area added by amendment adopted by Ordinance No. 396 February 12, 1981.

**Project Area No. 2:** Adopted by Ordinance No. 337 on July 25, 1978.

**Project Area No. 3:** Adopted by Ordinance No. 491 on March 10, 1983.

**Project Area No. 4:** Adopted by Ordinance No. 515 on November 10, 1983.

Amended and Restated Redevelopment Plans effectuating the merger of Project Areas 2, 3 and 4 were adopted by Ordinance Nos. 1042, 1043 and 1044, respectively on March 24, 1994.

On December 12, 2002, the Agency adopted Ordinance No. 1203, which implements the provisions of SB 211, and eliminates the time limit on the establishment of loans, advances and indebtedness for the merged project area.

The SB 211 amendment allows the Agency to incur debt up until the deadline for the effectiveness of the plan. Additionally, the Agency is required to pay the statutory pass-through payments required under Health and Safety Code Section 33607.7 to each affected taxing entity with which the redevelopment agency does not already have a pre-1994 pass-through agreement. Statutory pass-through payments become due in the first year after the previous expiration date for incurring debt, with the adjusted base year for determining the statutory pass-through amounts established as the year in which the deadline would have taken effect.

Additionally, on February 11, 2004, the Agency adopted Ordinance No. 1234 and Ordinance No. 1235, which extends the time limit for the effectiveness of the redevelopment plans, and the repayment or indebtedness and receipt of tax increment expiration dates. These ordinances were adopted under the authority of SB 1045, which permitted Agencies to amend time limits within their plans for one additional year based on the Educational Revenue Augmentation Fund (ERAF) shit mandated under the same Senate Bill.

On January 3, 2007 the Agency Adopted Ordinance 1297 and on June 20, 2007, Ordinance 1296, which respectively amended the redevelopment plans for the merged redevelopment project areas and redevelopment project number 1 to extend time limits as provided under SB 1096. SB 1096 allowed additional extensions due to the additional ERAF shift.

The net effects of Ordinance No. 1296 and 1297 are as follows:

| **Summary of Amended Plan Limits** | | | |
|---|---|---|---|
| Redevelopment Project Area | | Plan Effectiveness Expiration | Receipt of Tax Increment and Repayment of Indebtedness |
| Project Area 1 - Original Area | | June 25, 2018 | June 25, 2028 |
| Project Area 1 – Added Area (Project Area 1A) | | February 12, 2024 | February 12, 2034 |
| Merged Project Area (Project Area 2) | Project Area 2 | July 25, 2021 | July 25, 2031 |
| | Project Area 3 | March 10, 2026 | March 10, 2036 |
| | Project Area 4 | November 10, 2026 | November 10, 2036 |

If adopted, the Expansion Area Amendment will amend the Merged Project Area by adding additional territory and establishing eminent domain authority over non-residential properties in the Expansion Area. The proposed time limits for the Expansion Area are as follows:

| **Summary of Expansion Area Proposed Limits** | | | |
|---|---|---|---|
| Redevelopment Project Area | Plan Effectiveness Expiration | Receipt of Tax Increment and Repayment of Indebtedness | Eminent Domain |
| Expansion Area | 2041 | 2056 | 2023 |

On July 18, 2007, the Agency adopted Ordinances 1328 and 1329, which respectively described the Agency's program to acquire property within redevelopment Project Area No.1 and the Merged Redevelopment Project Areas by eminent domain, in compliance with the requirements of SB53.

Since the adoption of these redevelopment plans, the Agency has made significant progress towards its redevelopment goals and objectives, and continues to make progress in eliminating blight within its Redevelopment Project Areas.

Notable prior period Agency accomplishments include numerous commercial, industrial, residential, cultural, recreational, and public improvements, inclusive of:

- Antelope Valley Community Arts Center
- Focus Neighborhood Improvement Program
- Hammack Recreation Center and Cultural Center refurbishment
- Mortgage Revenue Bonds to provide for affordable housing
- Agency financed widening and reconstruction of Palmdale Boulevard
- Received approval for a State sanctioned Enterprise Zone
- Received federal designation for Foreign-Trade Zone
- Provided residential and commercial rehabilitation grants and loans
- Palmdale Regional Medical Center
- Palmdale Cultural and Civic Center
- Desert Florist and Gift Shop
- Palmdale Mart
- Home Fed Bank
- Marriott Apartments
- Facilitated the single-family housing development near the intersection of Avenue R-8 and 20th Street East
- Provided on- and off-site improvements to facilitate residential and commercial development, inclusive of the Antelope Valley Mall and Brattain Homes development
- Initiated marketing and incentive programs for businesses that wish to relocate to Palmdale, and continued its participation in the Greater Antelope Valley Economic Alliance
- Implemented a Business Retention/Expansion Program
- Provided First Time Homebuyer opportunities for over 250 households
- Formulated a Relocation Employee Assistance Program
- Acquired properties necessary to redevelop the downtown area, and industrial sites aimed at generating new focused development activities within the Palmdale Industrial Incentive Zone
- Acquired and rehabilitated three (3) mobile home parks containing a total of 786 spaces
- Facilitated the acquisition and rehabilitation of in excess of 200 senior apartment units
- Facilitated the acquisition and rehabilitation of in excess of 80 family apartment units

- Facilitated new construction of 235 senior units (Whispering Palms, Cielo Azul and Summer Terrace projects)
- Provided direct residential loan and grant assistance to over 460 households
- Provided mobile home tenant assistance to over 150 households
- Formulated methods for the removal or mitigation of financial and development barriers for sites within the project areas
- Played a significant role in the creation of new income opportunities, which resulted in the expansion of the City's retail/service base and its housing markets, and generated significant rehabilitation and new development throughout the area
- Support South Valley WorkSource Center providing low and no cost services to employees and employers including skills assessments, job training, job placement, employment workshops and career resources.
- Provided comprehensive incentive package to Senior Systems Technology for the development of a 130,000 sf computer chip manufacturing facility generating several hundred jobs.
- Purchased 120 acres of vacant land to develop a light industrial business park, now known as the Fairway Business Park, which is now home to several major businesses including U.S. Pole, Delta Scientific Corporation, Fed Ex Ground Distribution, eSolar, Davis Wholesale Electric, Squirty's Auto Body, as well as numerous other tenants. Several spec buildings are available for lease or sale, and 9 lots remain available for sale and development.
- Participated in an agreement with the Los Angeles County Sanitation District to install a 2 mile long sewer line in 10th St. West between Avenue O and Avenue M. The Agency's cost was approximately $386,000 and made necessary public infrastructure available to those properties fronting 10th St. West, including two parcels totaling approx. 117 acres owned by the Agency at the corner of 10th St. West and Avenue M.
- Provided $180,000 (one of multiple funding sources) for the Tierra Subida street improvement project. This second phase of a four-phase project provides street improvements from Avenue Q-8 to Rayburn Road, and is expected to be completed in 2010.

Despite these accomplishments, further redevelopment efforts are required to remediate blighting conditions, which continue to be present within each of the Project Areas at the time of preparation of this Plan.

## III. IDENTIFIED CONDITIONS OF BLIGHT

The Reports to Council, prepared in connection with the adoption of Redevelopment Plans for Redevelopment Project Areas 1, 2, 3, 4, and Expansion Area and subsequent Amended and Restated Plans, describes the conditions of blight within each project area; summarized as follows:

(1) The areas contain blight, as defined in California Community Redevelopment Law, which constitutes social and economic liabilities requiring redevelopment in the interest of the health, safety, and general welfare of the people of the City of Palmdale.

(2) Many buildings and structures in the areas used for living, commercial and industrial purposes are vacant, aged, obsolescent, dilapidated, and of shifting uses. In many instances, commercial and industrial uses directly adjoin residential properties resulting in incompatible conditions.

(3) Irregular parcelization of land, and the ownership of land by many different persons and/or corporations, makes it difficult to assemble land for proper development. Many of the Expansion Area parcels are inadequately sized per citywide zoning regulations and thus hinder the viable use of these properties.

(4) The areas are characterized by economic dislocation, deterioration, and disuse resulting in depreciated land values, impaired investments, and social and economic maladjustment, all contributing to the reduced capacity of the area to generate taxes.

(5) Hazardous waste in the Expansion Area is impairing property values and negatively influencing lease a vacancy rates.

(6) High vacancy rates and low lease rates are prevalent throughout Expansion Area industrial properties. Current economic conditions, zoning and land use restrictions, aged and obsolete buildings, and lack of infrastructure are impacting these rates.

(7) The growing or total lack of proper utilization of the areas has resulted in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare.

(8) A high crime rate in the Expansion Area is deterring private investment and perpetuating conditions of blight.

(9) Inadequate infrastructure improvements are prevalent throughout the Expansion Area.

The Community Redevelopment Law Reform Act of 1993 (AB 1290) revised certain definitions of blight. Palmdale's Redevelopment Project Areas suffer from the following redefined blighting conditions:

(1) Buildings in which it is unsafe or unhealthful for persons to live and work due to dilapidation and deterioration (H&S Code § 33031 (a)(1)) .

(2) Factors that prevent or substantially hinder the economically viable use or capacity of buildings or lots due to substandard design and/or lack of parking (H&S Code § 33031(a)(2)).

(3) Incompatible uses which prevent the economic development of the subject parcels or other portions of the project area (H&S Code § 33031(a)(3)).

(4) The existence of subdivided lots of irregular form and shape and inadequate size for proper usefulness and development that are in multiple ownership (H&S Code § 33031(a)(4)).

(5) Depreciated or stagnant property values and impaired investments (H&S Code § 33031(b)(1)).

(6) Abnormally high business vacancies and excessive vacant lots within areas developed for urban use and served by utilities (H&S Code § 33031(b)(2)).

(7) A lack of necessary commercial facilities that are normally found in neighborhoods including grocery stores, drug stores, banks and other lending institutions (H&S Code § 33031(b)(3)).

## IV. LONG TERM OBJECTIVES OF THE PALMDALE REDEVELOPMENT AGENCY

Implementation of the Redevelopment Plans for Project Areas 1, 2, 3, 4 and Expansion Area is intended to achieve the following long-term objectives:

(1) To eliminate and prevent the spread of blight and deterioration and to conserve, rehabilitate and redevelop the project areas in accordance with (a) the Redevelopment Plans; (b) the General Plan; and, (c) local codes and ordinances.

(2) To remedy, remove and prevent physical blight and economic obsolescence in the project areas through implementation of the Redevelopment Plans.

(3) To encourage and foster the economic revitalization of the project areas through the promotion of new and continuing private sector investment.

(4) To encourage the cooperation and participation of residents, businesses, business persons, public agencies and community organizations in the redevelopment of the project areas.

(5) To achieve an environment reflecting a high level of concern for architectural, landscape and urban design principles appropriate to the objectives of the Plan.

(6) To provide relocation assistance to residents and business owners in the project areas as needed.

(7) To alleviate certain environmental deficiencies, including substandard vehicular circulation systems, public improvements, insufficient off-street parking and other substandard conditions that constrain the development of various parcels in the project areas, the cost of which cannot be borne by private enterprise acting alone.

(8) To recycle and/or develop under-utilized parcels to accommodate higher and better economic uses thereby improving the financial viability of the community as a whole.

(9) To address parcels of property that are inadequately sized for proper usefulness and development, and which are held in divided and widely scattered ownership.

(10) To replan, redesign and redevelop areas within the project areas that are economically stagnating and/or improperly utilized.

(11) To provide opportunities citywide for the expansion of the community's supply of housing, including housing opportunities for low and moderate-income households.

(12) To upgrade and revitalize commercial activity while creating a neighborhood shopping focus for surrounding neighborhoods.

(13) To provide adequate parking and improve circulation.

(14) To improve the City’s economic health, tax base and employment opportunities.

## V. FIVE YEAR PROJECT GOALS

The following represents the goals of the Amended Implementation Plan. The goals are intended to guide the implementation of the Redevelopment Plan. It is anticipated that the majority of the projects and activities undertaken by the Palmdale Redevelopment Agency (except those resulting from emergency situations) will meet these goals:

(1) Provide a broad range of public service infrastructure improvements to induce private investment in the project areas. This goal will be achieved through the design and construction of needed public improvements.

(2) Enhance the public safety and welfare by providing improved community services. This goal will be achieved through the design and construction of needed public facilities and utilities.

(3) Promote the preservation and enhancement of commercial areas within the project areas. This goal will be achieved through the regulation of land uses, the establishment of development standards and the rehabilitation and improvement of obsolete, deteriorated, or inappropriate buildings.

(4) Promote the economic revitalization of the project areas. This goal will be achieved through the retention and expansion of existing businesses and the encouragement of new businesses in and around the project areas.

(5) Protect and improve housing opportunities for low and moderate-income residents. This goal will be achieved through the rehabilitation, repair, and replacement of currently marginal or substandard residential units, or by providing subsidies or other support to qualified low and moderate-income households.

(6) Remove economic impediments to land assembly and in-fill development in areas which are not properly subdivided for development. This goal will be achieved through the consolidation of existing parcels to induce or expand residential, commercial, and industrial development.

## VI. REVENUE ANALYSIS

The following table reflects projected anticipated revenues for Project Area No. 1 and the Merged Project Area during the 2010-2014 Implementation Plan period:

| Projected Tax Increment Revenues 2010-2014 | | | | |
|---|---|---|---|---|
| **2010** | **2011** | **2012** | **2013** | **2014** |
| $45,374,600 | $45,374,600 | $45,374,600 | $45,828,345 | $46,744,910 |

Annual growth is projected at 0.0% for the initial three years of the plan, 1.0% for year four, and 2.0% for year five.

| Projected Housing Set-aside Revenues 2010-2014 | | | | |
|---|---|---|---|---|
| **2010** | **2011** | **2012** | **2013** | **2014** |
| $9,074,920 | $9,074,920 | $9,074,920 | $9,165,669 | $9,348,982 |

The following table reflects projected anticipated revenues for the Expansion Area during the 2010-2014 Implementation Plan period:

| Expansion Area Projected Tax Increment Revenues 2010-2014 | | | | |
|---|---|---|---|---|
| **2010** | **2011** | **2012** | **2013** | **2014** |
| $0 | $0 | $929,327 | $1,427,993 | $1,950,583 |

Annual growth is projected at 3.0% for all years of the proposed plan and includes new development projections.

| Expansion Area Projected Housing Set-aside Revenues 2010-2014 | | | | |
|---|---|---|---|---|
| **2010** | **2011** | **2012** | **2013** | **2014** |
| $0 | $0 | $232,332 | $356,998 | $487,646 |

The above indicated revenues represent gross amounts, and do not take into account any required pass through agreement obligations, nor the established recurring or fixed obligations of the Agency. Additionally, the impact of the potential borrowing of LMI funds due to the Agency's SERAF payment obligation has not been factored into the above estimates.

Given the current state of the economy and the real estate assessments against which the tax increment amounts are based, the above projections are reflective of the anticipated slow rise in revenues during the

period under review. Redevelopment program expenditures are adjusted annually during the budgeting process to accommodate revenue fluctuations.

## VII. PROPOSED IMPLEMENTATION ACTIVITIES

To achieve the five-year project goals presented in Section V, a number of programs are proposed for implementation. Proposed programs are provided herein as a framework for the accomplishment of goals. This document does not serve to approve any specific program or activity, which will be independently approved on a program-by-program basis by the Agency.

Projects and programs identified in this section encompass redevelopment activities for Project Area No. 1, the Merged Project Area, and the Expansion Area. The following projects and programs are anticipated to occur between 2010 and 2014. The Expansion Area Amendment's Preliminary Report, Report on Blight, and Report to Council details proposed implementation programs that the Agency may undertake in the Expansion Area over the term of the effectiveness and are less specific than the projects identified in the Amended Implementation Plan.

The Amended Implementation Plan programs are separated into the following seven categories and apply to all of the Agency's redevelopment project areas. The projects and programs identified in the Expansion Area correspond with the Agency's existing redevelopment programs (identified in the list below).

1. Downtown Revitalization – acquire property, provide rehabilitation loans to property owners, and initiate marketing and incentive programs to assist with the revitalization of downtown Palmdale. This program addresses the following Expansion Area projects and programs:
    a. Economic Development Activities and In-fill Development Program – Acquisition, Business Outreach, and Façade Improvement Projects
    b. Affordable Housing Program – Acquisition and Rehabilitation Projects

2. Industrial Development for Job Creation – concentrate economic development activities in industrial areas, create an Enterprise Zone, participate in business relocation to Palmdale, implement business retention and expansion program, intensify marketing activities, focus development activities in the industrial portion of the City, encourage development of a Foreign-Trade Zone, and provide financial assistance to businesses to help create additional industrial jobs. This program addresses the following Expansion Area projects and programs:
    a. Public Facilities and Infrastructure Improvements – Acquisition, Flood Control, Sewer Replacement, and Street and Traffic Improvement Projects
    b. Transportation – Infrastructure Improvement Project
    c. Economic Development Activities and In-fill Development Program – Acquisition, Business Outreach, Enterprise Zone and Foreign Trade Zone Projects, Property Disposition Projects
    d. Environmental Remediation and Brownfields Revitalization – Clean-up and Remediation Project

3. Retail Development in the Trade and Commercial Areas – encourage and provide development assistance in the Palmdale Trade and Commercial Center, provide rehabilitation loans to property owners, encourage development of hotels, a conference center, and recreational facilities. This program addresses the following Expansion Area projects and programs:
    a. Public Facilities and Infrastructure Improvements – Acquisition, Flood Control, Sewer Replacement, and Street and Traffic Improvement Projects
    b. Economic Development Activities and In-Fill Development – Acquisition, Business Outreach, and Property Disposition Projects

4. Recreation Facility Development – Create and improve public recreational facilities. This program addresses the following Expansion Area projects and programs:
    a. Public Facilities and Infrastructure Improvements – Parks and Recreational Facilities

5. Education District Contributions – provide funding to education districts through property acquisition and facility improvements. This program does not address Expansion Area projects and programs.

6. Medical Facility – Support the establishment of a medical facility in Palmdale and associated affordable housing. This program does not address Expansion Area projects and programs.

7. Low and Moderate Income Housing – assist in increasing, improving, and preserving the supply of housing to persons or families of low and moderate income. This program addresses the following Expansion Area projects and programs:
    a. Affordable Housing – Acquisition, Rehabilitation, New Construction, and First-time Homebuyer Projects

| DOWNTOWN REVITALIZATION | | |
|---|---|---|
| Program | | Proposed Activities |
| 1. | Acquire properties necessary to redevelop the downtown area. Short-term acquisitions include vacant and distressed properties. | As an on-going activity, the Courson Connection Project has accomplished many of the goals for which it was originally established.<br><br>Previous accomplishment include:<br>1. Project Document approval by Planning Commission.<br>2. Acquisition of all 45 required parcels.<br>3. Completion and lease-out of 75 units of senior housing (74 assisted).<br>4. An additional 78 units of senior housing currently under construction.<br>5. Initiation of Project Document |

| DOWNTOWN REVITALIZATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | amendment to increase the number of units from 253 to 297 units.<br>6. Initiation of construction on the Senior Citizens Center, with anticipated completion by December 2009.<br><br>While additional sites are not required for the completion of the project, 2 parcels (2009 parcel map) remain under Agency control for the development of an additional 144 units of affordable housing.<br><br>Upon completion of the Project Document update and the identification of required funding, an RFP will be released for the development of the final phase. |
| 2. | Offer grants and loans to downtown businesses to be used for rehabilitation. | The Agency will continue to provide financial assistance through its Commercial Façade Renovation Program.<br><br>During the previous five year period (2004-2009) the Agency provided $222,450 in funding for the completion of one (1) commercial rehabilitation. In addition, the Agency facilitated the expenditure of $359,899 in CDBG funds; providing façade improvements for 20 businesses. |
| 3. | Initiate marketing and incentive programs for businesses that wish to relocate to Palmdale. | The Agency will continue to accept and consider requests from business concerns for assistance in relocating to Palmdale. Proposals are evaluated individually, and approved based on merit, conformance with Agency goals and objectives, and funding availability.<br><br>The Agency will also continue to market the benefits of relocating to Palmdale via the re-institution of its publication and distribution of Growth Factors on a bi-annual basis. |

| DOWNTOWN REVITALIZATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | The City's Economic Development Department will continue their aggressive marketing campaign focused on highlighting the excellent quality of life and business opportunities available in Palmdale. The campaign will continue to reinforce a positive image of the Palmdale community.<br><br>Agency partnerships with the Greater Antelope Valley Alliance (GAVEA), the Antelope Valley Board of Trade, and the Los Angeles Economic Development Corporation (LAEDC), will be evaluated on a year-to-year basis subject to funding availability.<br><br>During the previous five year period (2004-2009) the Agency initiated a number of updated marketing and outreach programs. Funding for these new initiatives will be considered on a case-by-case basis, subject to funding availability and need:<br>1. Partnership with the City of Lancaster and local area businesses for a "Shop Local" television media campaign. This campaign focused on the importance of shopping locally to encourage revenue retention, local business support, and jobs retention within the community.<br>2. The "Palmdale's BEST" (Business Economic STimulus) program, which provided $300,000 in funding to stimulate local purchases. Purchasers of a new vehicle (666 participants) from a Palmdale dealer received a $300 gift card for businesses within the Antelope Valley Mall, while purchasers of a new motorcycle (15 participants) were entitled to receive a $100 gift card.<br><br>In addition, shoppers who spent a minimum of $300 in Palmdale retail |

| DOWNTOWN REVITALIZATION | | |
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| Program | | Proposed Activities |
| | | venues received a $30 Visa gift card (3,333 participants).<br><br>The Agency will continue the updating of its marketing materials and website presence to reflect new media options. This re-vamping will include the expanded availability of information databases to provided developers and businesses with a resource for required decision making information.<br><br>The Agency will continue its innovative "Palmdale Prospector" site selection and business attraction program for commercial and industrial properties. This interactive internet based tool combines property information, demographic information, GIS layers and broker listing detail to allow users to search and compare properties meeting their specific needs.<br><br>The Agency will continue its Annual Business Appreciation Breakfast. While demonstrating the City's appreciation for local area businesses, the meeting also serves as a business resource and networking tool. Previous guest speakers detailed the tax benefits of the City's Enterprise Zone, as well as resources available from the South Antelope Valley Work Source Center, the Small Business Development Center, the LAEDC, and the Employment Training Panel.<br><br>The Agency will explore the viability of conducting a quarterly Business Roundtable. These discussions will provide a forum for representatives from varied business sectors, to develop strategies focusing on the enhancement and strengthening of the Palmdale business community.<br><br>The Agency will continue to employ the services of a film liaison to increase the number of film |

| DOWNTOWN REVITALIZATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | permits issued within Palmdale. Location filming permits increased by 50% (17 permits issued) during the first year of utilizing a film liaison. This resulted in an estimated $500,000 economic impact to local area businesses (hotels, restaurants, retail).<br><br>Beginning in fiscal year 2008-2009 Agency staff began sending quarterly questionnaires to Palmdale hotels and motels requesting economic information on the number of rooms and revenues related to film production and sports tourism. Staff will create a database and analyze information received.<br><br>The Agency will continue its monthly local business outreach efforts. An outreach team, composed of the Mayor and City staff will attempt to meet with approximately 5 businesses each month to provide information on available resources in the City of Palmdale. |
| 4. | Enhance the residential rehabilitation programs and provide relocation assistance to residential users displaced as a result of revitalization efforts. | The Agency is obligated under State law to provide relocation assistance under defined conditions. The Agency adheres to all statutory requirements. |
| 5. | Utilize Community Development Block Grant or Section 108 funding, as available, in order to assist property owners with rehabilitation of store fronts and job creation for target populations. | The Agency continues to provide financial assistance through its Commercial Façade Renovation Program as detailed above in item #2. |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| 1. | Concentrate economic development efforts on industrially zoned property located within the boundaries of a redevelopment area, Foreign-Trade Zone, Enterprise Zone and a specific plan. Target property will be free of environmental, drainage, and financial problems. | Continue providing support for the Rancho Vista/Sierra Highway Grade Separation project. The Agency has provided $788,220 for the Rancho Vista Boulevard/Sierra Highway Grade Separation project. This project is funded with multiple funding sources and is expected to take several years to complete. Ultimately this project will facilitate the movement of goods and services from the Antelope Valley Freeway (State Route 14) to US Air Force Plant 42 and the Palmdale Regional Airport. The phase funded by the Agency primarily provides funding for the project's environmental studies, as well as some right-of-way acquisition from the railroad.<br><br>Continue support for the development of a 550-megawatt power plant. Since 2006 the Agency has budgeted approximately $7.5 million to assist with the entitlement process related to the City development of a power plant. The facility will combine gas turbine (500 megawatt) and solar (50 megawatt) technologies in order to provide a reliable source of power to US Air Force Plant 42 and other businesses within Palmdale.<br><br>Notable accomplishments relative to the Fairway Business Park are detailed in Item No. 4 below.<br><br>Continue preparing the necessary submissions required for the request of a time limit extension of the State Enterprise Zone. The City's State Enterprise Zone is set to expire in February 2012, and staff anticipates completion of the extension application in 2010. |
| 2. | Encourage development of industrial facilities by participating in a regional financial assistance program. | The Agency continues to explore options regarding the establishment of a regional financial assistance program. |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| 3. | Develop financing programs that involve the private sector, incentive and loan programs, and the existing Relocation Employee Assistance Program. | The Agency continues to examine and seek public-private partnerships that will assist businesses and personnel in their relocation efforts. |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| 4. | Focus development in the Palmdale industrial zoned areas to serve as a catalyst for other development. The Community Redevelopment Agency has acquired over 220 acres aimed at anchoring activities in this area. | The Agency continues to support and facilitate business attraction, expansion, and retention activities within industrial zoned areas.<br><br>Since 2004, the Agency completed the public infrastructure in the Fairway Business Park, including the streets, utilities, and drainage improvements to the Amargosa Creek; as well as the common area landscape, signage and lighting surrounding the Business Park.<br>The Agency has sold 17 of the 26 lots, which have been developed with a variety of build-to-suit and speculative manufacturing and office buildings, including:<br>• US Pole - 100,000 s.f. light pole manufacturing plant<br>• Delta Scientific - 125,000 s.f. vehicle control access manufacturing facility and their 59,586 s.f. expansion for production, staging areas for shipping and receiving, product testing and demonstration<br>• FedEx Ground Distribution Center – 55,000 s.f. distribution facility<br>• Squirty's Auto Body – 23,000 s.f. auto body and repair facility<br>• Davis Wholesale Electric – 10,000 s.f. facility<br>• Medical Records Storage Facility – 20,000 s.f.<br>• Spec Light Industrial (Rodio) – 66,520 s.f.; leased to such tenants as Carney Educational Services, Big John's Custom Pools & Spas, Puppy Shop, Inc., and Premier Water Systems<br>• Spec Office/Light Industrial (Bell) – 80,392 s.f. completed; partially leased with space available<br>• Spec Office/Light Industrial (Urcis) – 57,391 s.f. completed<br>• eSolar (Giamella) – 51,097 s.f. assembly of solar panel tracking devices |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | • Spec Office/Light Industrial (Giamella) – one building totaling 72,720 s.f. completed and ready for sale/lease. |
| 5. | Continue to implement a Business Retention/Expansion Program to ensure participation of existing businesses in the City's loan and incentive programs, as well as their satisfaction with their location in Palmdale. | The Agency will continue its Business Retention/Expansion efforts, and will evaluate proposals based on their relative merits, conformance with Agency goals and objectives, and funding availability. |
| 6. | Intensify marketing efforts to include print, new technology (e.g. flash drives), website update and personal site visits. | The Agency and City continue to aggressively market the benefits of relocating to Palmdale via its re-publication and distribution of Growth Factors.<br><br>The Agency will continue the updating of its marketing materials and website presence to reflect new media options. This re-vamping will include the expanded availability of information databases to provided developers and businesses with a resource for required decision making information.<br><br>The Agency will continue its innovative "Palmdale Prospector" site selection and business attraction program for commercial and industrial properties. This interactive internet based tool combines property information, demographic information, GIS layers and broker listing detail to allow users to search and compare properties meeting their specific needs.<br><br>The Agency will continue its Annual Business Appreciation Breakfast. While demonstrating the City's appreciation for local area businesses, the meeting also serves as a business resource and networking tool. Previous guest speakers detailed the tax benefits of the City's Enterprise Zone, as well as resources available from the South Antelope Valley Work Source Center, the Small Business Development Center, the |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | LAEDC, and the Employment Training Panel.<br><br>The Agency will explore the viability of conducting a quarterly Business Roundtable. These discussions will provide a forum for representatives from varied business sectors, to develop strategies focusing on the enhancement and strengthening of the Palmdale business community.<br><br>The Agency will continue its monthly local business outreach efforts. An outreach team, composed of the Mayor and City staff will attempt to meet with approximately 5 businesses each month to provide information on available resources in the City of Palmdale. |
| 7. | The Agency will encourage the development of a Foreign-Trade Zone warehouse. | While market factors remain critical in the development of a Foreign-Trade Zone, the Agency remains committed to creating the necessary framework and support structure. |
| 8. | Promote Air Force Plant 42 (including Sites 9 and 10) as the construction site for the Joint Strike Fighter and other appropriate aerospace programs and projects. | The Agency and City continue to be diligent in its lobbying efforts to keep jobs in Palmdale. However, the federal government that largely funds these programs and continuity of funding is never assured.<br><br>Lockheed, Boeing, and Northrop continue to operate multiple projects creating new jobs. Total Plant 42 employment at January 2009 was 7,039 (previously 6,670 in 2007) with an annualized payroll of over $576 million (previously $498 million in January 2007).<br><br>Los Angeles World Airports (LAWA) owns the Site 9 building, which has been leased for several movie productions.<br><br>Most recently, LAWA signed a 25-year lease with NASA Dryden Flight Research to house 5 |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | science mission aircraft programs, including SOFIA, DC-8 and ER-2. An estimated 150 Dryden personnel, including both civil service and contractor employees will be transferred to the site. Visiting scientists will also be using the facility.<br><br>Over the years various carriers have provided intermittent commercial air service from the Palmdale Regional Airport. The City has worked hard to attract and retain a carrier at the Palmdale Regional Airport, which operates by using Air Force Plant 42 runways from a terminal on land leased from the Air Force.<br><br>United Airlines began providing service to San Francisco in July 2007 with the assistance of a $900,000 federal grant and $1.1 million in funds from Coalition partners, including $25,000 provided by the City of Palmdale. However, demand for service to San Francisco at the rates charged and at the times offered was not sufficient for United to make a long term commitment, and they terminated service in September 2008.<br><br>The City and Agency remain committed to obtaining a carrier to provide service from Palmdale Regional Airport. |
| 9. | Utilize Community Facilities District (CFD) and Assessment District (AD) to install public infrastructure and/or refinance past delinquencies, thereby stimulating development in the area. | The Agency will continue to explore new, and solutions for existing CFDs, as the need arises.<br><br>In February 2005 the City issued $28,500,000 of Special Tax Bonds, Series 2005-A and $1,500,000 of Special Tax Bonds Subordinate Series 2005-B for the acquisition and construction of certain public capital improvements necessary for the development of a 5,200-unit master-planned residential community known as Anaverde. The principal |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | and interest on the Bonds are to be paid from the collection of special taxes on the property in the Anaverde Community Facilities District No. 2003-1.<br><br>**Light Industrial/Commercial Areas**<br>Refinance only – no new project funds: In August 2005 the City issued $5,765,000 of Series A and $1,460,000 of Subordinate Series B Community Facilities District No. 05-1 (Trade & Commerce Center Area) 2005 Special Tax Refunding Bonds to refund a portion of the City's outstanding 10th St. West Assessment District No. 88-1 Series 1989-A Limited Obligation Improvement Bonds and refund certain outstanding CFD 99-1 (Trade & Commerce Center) special tax bonds. The principal and interest on the Bonds are to be paid from the collection of special taxes on the property in the Trade & Commerce Center Community Facilities District No. 05-1.<br><br>AD 90-2 covered some, but not all, of the same property that also had liens from AD 88-1. Proceeds from both the original AD 88-1 and AD 90-2 bonds were used to install infrastructure in the Palmdale Trade & Commerce Center in the early 1990s. Both districts subsequently suffered from a high rate of delinquency as the recession of the early 1990s plagued the area.<br><br>The AD 90-2 bonds were refinanced two years later in August 2007 with a complex combination of bonds issued by the City, including Limited Obligation Refunding Bonds, 7th St West Assessment District No. 90-2, Series A in the amount of $2,135,000, Series B in the Amount of $8,250,000 and Series C in the amount of $3,205,000; as well as $6,460,000 of Community Facilities District No. 05-1 2007 Special Tax Refunding Bonds, Series A. The principal and |

| INDUSTRIAL DEVELOPMENT FOR JOB CREATION | | |
|---|---|---|
| Program | | Proposed Activities |
| | | interest on the refinancing bonds are to be paid from the collection of special assessments and special taxes levied on the parcels affected by the refinancing. |

| RETAIL DEVELOPMENT IN THE TRADE AND COMMERCE CENTER | | |
|---|---|---|
| Program | | Proposed Activities |
| 1. | Formulate methods to remove the financial restrictions and barriers to development of the Palmdale Trade and Commerce Center. | The Agency continues to market the Palmdale Trade and Commerce Center and provide financial assistance to key anchors, as necessary. Additionally, infrastructure improvements will be evaluated and assisted as the need arises.<br><br>See also refinancing description in the Industrial Development for Job Creation, Item 9. |
| 2. | Implement a Community Facilities District (CFD) to refinance past delinquencies to stimulate development in the area. | The Agency continues to explore the implementation of CFDs as the need arises, and to the extent that economic conditions indicate their success. |
| 3. | Encourage the development of large hotels within the Palmdale Trade & Commerce Center. | The Agency will continue to encourage and facilitate, as necessary, the construction of hotel facilities within the Palmdale Trade & Commerce Center.<br><br>During the preceding five year period (2004-2009) a number of notable accomplishments were achieved:<br>1. The Hilton Garden Inn, with 104 rooms and 70,139 s.f. of constructed improvements opened in August 2008.<br>2. The Staybridge Suites, with 99 suites and 71,851 s.f. of constructed improvements opened in August 2008.<br>3. The Embassy Suites, with 150 suites and 136,200 s.f. opened in 2010.<br>In addition, several other hotels have entitlements for development but have not yet |

| RETAIL DEVELOPMENT IN THE TRADE AND COMMERCE CENTER | | |
|---|---|---|
| Program | | Proposed Activities |
| | | begun construction. Given current economic conditions, it is not clear when, or if, these hotels will move forward with construction. |
| 4. | Assist in the remodeling and expansion of the Antelope Valley Mall. | The Agency will continue to support and facilitate expansion and re-use efforts at the Antelope Valley Mall.<br><br>During 2005-2006, the Antelope Valley Mall (owned by Forest City) completed a $5 million renovation. The Agency provided staff support as needed, but did not participate financially in the remodel.<br><br>In September 2008 Forest City purchased a 117,880 s.f. anchor store for $12 million from Gottschalk's which was closing all of their store locations nation wide as a result of the recession. Agency staff is currently negotiating an agreement with Forest City to provide up to $5 million in Agency funds for a major remodel of this building in order to attract a nationally known tenant. The tenant desires to be open in time for the 2010 holiday shopping season.<br><br>Gottschalk's also occupied a second anchor store at the mall under a lease with a third party. Agency staff has attempted to contact the owner to express interest in assisting them with finding a new tenant and avoid having a large space (110,120 s.f.) vacant for an extended period of time.<br><br>The Agency provided $5.0 million to attract Macy's to the mall. Macy's is currently open for business. |
| 5. | Encourage the development and promotion of theaters and restaurants within the Trade and Commerce Center. | The Agency will continue to encourage the development and promotion of theaters within the Trade and Commerce Center. |

| RETAIL DEVELOPMENT IN THE TRADE AND COMMERCE CENTER | | |
|---|---|---|
| Program | | Proposed Activities |
| | | The City actively promoted the completion of the 16 screen, state of the art stadium seat style Cinemark movie theater at the Antelope Valley Mall in its publications.<br><br>Space inside the mall, once home to the theater, has been remodeled to provide space for 2 new restaurants, and 1 additional tenant. The Claim Jumper restaurant opened in one of these spaces in September of 2008; while a Yard House restaurant has an anticipated opening date of late 2011. The remaining space is being marketed as available.<br><br>Restaurants opening in and around the mall since 2004 included: Johnny Carino's, Famous Dave's BBQ, BJ's Restaurant & Brewery, Fresco II Mediterranean restaurant, Numero Uno Pizza, Buffalo Wild Wings, Sonic Burger, Fire Island Grill, and Shakey's Pizza, among others.<br><br>The On the Border Mexican restaurant closed as a result of the Breckenridge Group (John Gantes) bankruptcy filing. However, Agency staff has worked with another local restaurant to purchase this space, and the project is currently in escrow.<br><br>Breckenridge also owned a nearby Applebee's that also closed. After being vacant a short time, a new Applebee's franchise owner rehabbed the space and reopened in summer 2009.<br><br>Staff will continue to market Palmdale as a destination for new restaurants. |
| 6. | Encourage the development and expansion of auto dealerships within the Trade and Commerce Center | The Agency will continue to market land in the Auto Mall for development.<br><br>The Agency has provided for the sale of several lots in the Auto Mall. |

| RETAIL DEVELOPMENT IN THE TRADE AND COMMERCE CENTER | | |
|---|---|---|
| Program | | Proposed Activities |
| | | 1. August 2005 DDA approved with Taheri for the sale of 3.1 acres for development of a Cross Lander SRV sales facility. DDA later terminated due to developer failure to adhere to the schedule of performance.<br>2. FY 2006-2007 – Palmdale Supercycles opens new 9,152 s.f. dealership for motorcycles and watercraft.<br>3. Sept 2006– New Hyundai auto dealership opened.<br>4. New Volkswagen auto dealership opened.<br><br>In addition to the foregoing, the Agency also executed DDAs for the following:<br>1. November 2005 DDA approved for the sale of 5.5 acres for the development of a Harley Davidson motorcycle dealership. This project was terminated due to developer failure to perform.<br>2. December 2006 DDA approved with Johnson for the sale of 7 acres to develop an auto/truck sales and service facility. This project was also terminated due to developer failure to perform.<br><br>In 2008, the Agency negotiated with a major used car dealership for the sale of approx. 12 acres of land. However, prior to completing the agreement the recession forced the dealership to decline to move forward.<br><br>In late 2008, the Agency contributed funds to assist with shop local marketing efforts at the auto mall. In addition, the Agency funded $300,000 for the Palmdale's BEST local economic stimulus program; $200,000 of this was allocated to reward purchasers of new autos and motorcycles, directly impacting sales at the |

| RETAIL DEVELOPMENT IN THE TRADE AND COMMERCE CENTER | | |
|---|---|---|
| Program | | Proposed Activities |
| | | auto mall.<br><br>Staff will continue to meet with auto dealers regarding various projects and the potential sale of land in, and promotion of the Auto Mall. |
| 7. | Encourage the development of a Conference Center. | The Agency will continue to encourage and facilitate the development of a Conference Center in Palmdale.<br><br>In 2006, the City commissioned a conference center needs analysis and parking study.<br><br>In November 2008 the Agency closed escrow on approx. 7.12 acres of land for the proposed conference center. The Agency also purchased an additional 2.32 acres that might be needed for expanded parking.<br><br>Also during 2008, the Agency engaged an architect to complete the design of the Conference Center as well as a value engineer to oversee the cost estimates for the project. Conference center design was completed in 2010.<br><br>Financing alternatives continue to be evaluated for this project, and will be pursued more thoroughly after the design is completed and construction estimates are obtained. |

| RECREATIONAL FACILITIES | | |
|---|---|---|
| Program | | Proposed Activities |
| 1. | Support the development of recreational facilities and events with associated restaurants and hotels. | The Agency will continue to support and market Palmdale as a destination for recreational facilities and events in associated collateral marketing material. |

| | | |
|---|---|---|
| | | During 2007-08 the Agency provided advertising support for the new Palmdale Wine & Jazz Festival that was marketed throughout southern California.<br><br>Beginning in fiscal year 2008-09 Agency staff began sending quarterly questionnaires to Palmdale hotels and motels requesting economic information on the number of rooms and revenues related to film production and sports tourism. Staff will create a database and analyze information received. |
| 2. | Provide assistance as required to local recreational facilities and events. | The Agency will continue to provide technical and financial assistance, as necessary and as available, to local recreational facilities.<br><br>Agency funds were used to rehabilitate the roof for the Hammack Activity Center and to provide new dressing rooms and security fencing at the Palmdale Playhouse. |

| EDUCATIONAL FACILITIES | | |
|---|---|---|
| Program | | Proposed Activities |
| 1. | Support the development of educational facilities within the City of Palmdale. | The Agency will continue to explore, support and facilitate the development of educational facilities within the City of Palmdale.<br><br>In January 2004 the City approved a lease with the AERO Institute to provide space in the former Palmdale Courthouse, located in the heart of the City's Civic Center. Offering programs locally that are focused on engineering and science helps provide a labor pool for the local aerospace companies as well as other technology-based companies.<br><br>The City is now home to the Palmdale Institute of Technology, which houses the AERO Institute, the high technology Nanotechnology lab managed by Lockheed Martin and the NASA Dryden Office of Academic Investment. The AERO Institute represents a unique collaboration with the NASA Dryden Flight Research Center, the California Space Grant Consortium and the City of Palmdale. The Institute offers college-credit courses in business and multiple engineering disciplines from public and private colleges and universities from around the country.<br><br>AERO has become the first West Coast location for the prestigious Purdue University College of Engineering, and Pepperdine University's Graziadio Business School began offering an MBA Program in April 2008.<br><br>Other university partners include California State Polytechnic University, Pomona; University of Southern California Viterbi School of Engineering; University of California, San Diego Jacobs School of Engineering; California State Polytechnic University, San Luis Obispo; California State University, Los Angeles, Embry- |

| EDUCATIONAL FACILITIES | | |
|---|---|---|
| Program | | Proposed Activities |
| | | Riddle Aeronautical University and the premier California Institute of Technology, better known as Caltech.<br><br>After establishing a presence in Palmdale at the AERO Institute in 2008, DeVry University moved to a larger leased facility in the Trade & Commerce Center during 2009, expanding the higher education opportunities for Palmdale residents.<br><br>The AERO Institute also facilitates and manages research projects for NASA facilities nationwide including Ames, Glenn, Langley and JPL. The research includes our partner universities as well as other universities from around the country in addition to industry partners. The on-site Nanotechnology Laboratory provides additional research opportunities between industry and academia.<br><br>In continuation of its support efforts, the City invested over $332,000 in FY 2006-2007 for the purchase of nanotechnology equipment. It was anticipated that an additional $650,000 of City funds would be invested in nanotechnology equipment. However, the additional equipment was put on hold due to budget constraints.<br><br>Additionally, the Agency has worked to establish local job training and recruitment services in the south valley, distinct from the facility in Lancaster. In July 2005 a lease was approved to provide space in Palmdale for the South Valley WorkSource Center, which was designed to help match worker skills with company needs. The Center offers pre-screening services, skill-assessment, interviewing techniques, training, workshops, resume writing, referral assistance, job availability and job clubs. |

| MEDICAL FACILITY | | |
|---|---|---|
| | Program | Proposed Activities |
| 1. | Support the establishment of a medical facility in Palmdale and associated affordable housing. | The Agency will continue to support the establishment of a medical facility in Palmdale and associated affordable housing in Project Area 1.<br><br>The Agency completed acquisition of all project related parcels. In addition the Summer Terrace Apartments component of the project has been completed, with 80 affordable units reserved for very low- and low-income seniors.<br><br>Phase I of the hospital component, comprised of 170 beds, recently opened . An additional 69 beds will be phased in subsequent to completion. |

The Palmdale Redevelopment Agency has made significant strides in realizing their goals and objectives as effectuated through their programs and initiatives. These efforts have resulted in substantial physical improvements within the project areas, enhanced revenue streams to the Agency and City, job creation, affordable housing development, expanded services for its residents, and the foundation for expanded future activity. The preceding programs and activities are designed to build on the Agency's and City's successes to further enhance the quality of life for the City, its residents, and businesses.

## VIII. RELATIONSHIP BETWEEN IMPLEMENTATION ACTIVITIES OF THE PALMDALE REDEVELOPMENT AGENCY FOR 2010-2014 AND THE ELIMINATION OF BLIGHT

The list of potential redevelopment program activities scheduled for the five years addressed by the Amended Implementation Plan are shown below in Table I. The list identifies the blighting condition(s) which a particular project is expected to address. Completion of the identified redevelopment program activities will ensure continued progress toward the alleviation of existing blighting conditions by:

(1) improving public facilities and infrastructure in the project areas;
(2) promoting retention of existing businesses and encouraging new business opportunities;
(3) eliminating development hindrances;
(4) improving property conditions;
(5) creating a safer, more enticing neighborhood to live and conduct business in; and
(6) creating a physical environment within the project areas that will support economic development through private investment activities.

**Proposed Redevelopment Projects**
**Comparison of Proposed Activities and Blight Conditions**

| Implementation Activities | Blight Condition Addressed | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Improve Deteriorated Buildings | Correct Inadequate Parcel Size and Factors Hindering Viable Use | Provide Needed Public Facilities and Infrastructure | Promote Increased Private Investment | Promote Economic Revitalization | Address Low Lease and High Vacancy Rates | Reduce Crime | Hazardous Waste |
| Downtown Revitalization | X | X | X | X | X | X | X | |
| Industrial Development/Job Creation | | | X | X | X | X | | |
| Retail Development/ Trade & Commerce Center | X | | X | X | X | X | | |
| Recreation Facility Development | | | X | X | X | | X | |
| Educational Facility Development | | | X | X | X | | X | |
| Medical Facility Development | | | X | X | X | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Improve Housing Opportunities for Low/ Moderate Income Residents | X | X | X | X | X | | X | |
| Public Facilities and Infrastructure Improvements | X | X | X | X | X | X | X | |
| Transportation | X | X | X | X | X | | | |
| Economic Development Activities and In-Fill | X | X | X | X | X | X | | |
| Environmental Remediation and Brownfields | | | | X | X | | | X |

## IX. HOUSING SET-ASIDE REQUIREMENTS

The Palmdale Redevelopment Agency is required to set-aside twenty percent (20%) of its annual tax increment into a low- and moderate-income housing fund. The purpose of the housing set-aside fund is to produce, increase, improve and preserve the community's supply of low- and moderate-income housing. In carrying out the annual housing set-aside requirements, the Agency may exercise any or all of its powers, including the following:

A. Acquire real property or building sites subject to the provisions of H&S Code § 33334.16.

B. Improve real property or building sites with on-site or off-site improvements, but only if the improvements directly and specifically improve or increase the community's supply of low or moderate income housing.

C. Donate real property to private or public persons or entities.

D. Finance insurance premiums.

E. Construct buildings or structures.

F. Acquire buildings or structures.

G. Rehabilitate buildings or structures.

H. Provide subsidies to, or for the benefit of, very low-income households, as defined by H&S Code § 50105, lower income households, as defined by H&S Code § 50079.5, or persons and families or low or moderate income, as defined by H&S Code § 50093, to the extent those households cannot obtain housing at affordable costs on the open market. (Housing units available on the open market are those units developed without direct government subsidies.)

I. Develop plans; pay principal and interest on bonds, loans, advance, or other indebtedness or pay financing or carrying charges.

J. Maintain the community's supply of mobile homes.

K. Preserve the availability to lower income households of affordable housing units in housing developments which are assisted or subsidized by public entities and which are threatened with imminent conversion to market rates.

L. The agency may use these funds to meet, in whole or in part, the replacement housing provisions if state redevelopment law.

M. The twenty- percent housing set-aside fund monies can also be used for planning and general administrative costs, when directly related to programs and activities associated with H&S Code § 33334.2(e). This includes the following activities:

1. Costs incurred for salaries, wages, and related costs of the Agency's staff or for services provided through inter-agency agreements, and agreements with contractors, including usual indirect related costs.

2. Costs incurred by a non-profit corporation, which are not directly attributable to a special project.

3. Legal, architectural, and engineering costs and other salaries, wages, and costs directly related to the planning and execution of a specific project which are authorized under subdivision (3) of H&S Code § 33334.2 and which are incurred by a non-profit housing sponsor and are not planning and administrative costs for the purpose of this Section, but are, instead, project costs.

## X. INCLUSIONARY AND REPLACEMENT HOUSING REQUIREMENTS

Legislative Requirements

Effective January 1, 1992, AB 315 required that an affordable housing plan be prepared by each redevelopment agency that has adopted, or amended by adding land, a redevelopment plan after December 31, 1975.

The Community Redevelopment Law Reform Act of 1993 (AB 1290) encompassed the former AB 315 requirements within its requirements to adopt, as a part of the mandated Implementation Plan, an annual housing program with sufficient detail to measure performance (H&S Code § 33490(a)(2)). The Implementation Plan must include the number of housing units developed, rehabilitated, price-restricted, otherwise assisted, or destroyed within that portion of the Project Area adopted or added by amendment after December 31, 1975. The Implementation Plan must also describe the Agency's plans for using annual deposits in the low and moderate income housing fund, including: making the funds available annually, transfer of the funds to a housing authority or other public entity, or the accrual of funds for specific projects.

If the Implementation Plan contains a project that will result in the destruction or removal of dwelling units that will have to be replaced pursuant to H&S Code § 33413, the Implementation Plan shall identify proposed locations suitable for those replacement dwelling units.

H&S Code § 33413 of the Community Redevelopment Law requires that:

(a) Whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project that is subject to a written agreement with the agency or where financial assistance has been provided by the agency, the agency shall, within four years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income, an equal number of replacement dwelling units that have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the agency. For dwelling units destroyed or removed, all of the replacement dwelling units shall be available at affordable housing cost to persons in the same or a lower income level as the persons displaced from those destroyed or removed units.

(1) Prior to the time limit on the effectiveness of the redevelopment plan, at least 30 percent of all new and substantially rehabilitated dwelling units developed by an agency shall be available at affordable housing cost to persons and families of low or moderate income. Not less than 50 percent of the dwelling units required to be

available at affordable housing cost to persons and families of low or moderate income shall be available at affordable housing cost to, and occupied by, very low income households.

(2) Prior to the time limit on the effectiveness of the redevelopment plan, at least 15 percent of all new and substantially rehabilitated units developed within a project area under the jurisdiction of an agency by public or private entities or persons other than the Agency shall be available at affordable housing cost to persons and families of low or moderate income. Not less than 40 percent of the dwelling units required to be available at affordable housing cost to persons and families of low or moderate income shall be available at affordable housing cost to very low income households.

(c) H&S Code § 33413 (b) (2) (A) (ii) of the Community Redevelopment Law provides that the Agency may satisfy its inclusionary housing requirements in whole or in part by causing dwelling units outside the redevelopment project area to be available at affordable housing costs to persons and families of low or moderate income, on the basis of providing two-units outside the project area for each unit that otherwise would have had to be available inside the project area.

(d) H&S Code § 33413 (b) (2) (A) (v) of the Community Redevelopment Law provides that the Agency may aggregate new or substantially rehabilitated units in one or more project areas, subject to making a finding that aggregating these units will not cause or exacerbate racial, ethnic or economic segregation.

(e) H&S Code § 33413 (b) (2) (B) of the Community Redevelopment Law provides that the Agency may satisfy the inclusionary housing requirement by the purchase or other acquisition of long-term affordability covenants on multifamily units. Of these units, not less than 50 percent must be for very low income households. However, H&S Code § 33413 (2) (C) provides that not more than half of the Agency's inclusionary housing requirement may be met by the purchase or other acquisition of long-term affordability covenants. This means that the requirement relating to the remaining units can be satisfied only by counting new or substantially rehabilitated units. The term "substantially rehabilitated" is defined in H&S Code § 33413 (b) (2) (A) (iv) to mean rehabilitation, the value of which constitutes 25 percent of the after rehabilitation value of the dwelling, inclusive of land.

(f) H&S Code § 33413 (b)(4) of the Community Redevelopment Law provides that the Agency's 5-year Implementation Plan shall insure that the inclusionary housing requirements are met every 10 years. If the inclusionary housing requirements are not met

by the end of each ten-year period, the Agency is required to meet these goals on an annual basis until the requirements for the ten-year period are met.

**Geographic Area Subject to Inclusionary Housing Requirements**

For the Palmdale Redevelopment Project Areas, the geographic areas added to the Redevelopment Project Areas after January 1, 1976 constitute the areas to which the inclusionary housing requirements of H&S Code § 33413 (b) are applicable. This includes the entirety of the Merged Project Area, the area added by amendment to Project Area 1, and the Expansion Area. The area originally included in Project Area 1 is not subject to this requirement because it was established as a project area before 1976.

## XI. HOUSING COMPLIANCE PLAN

Health and Safety Code § 33490(a)(2)(A) requires that the Agency develop a 10 Year Compliance Plan to ensure that the required number of very low-, low- and moderate-income housing units will be produced or substantially rehabilitated within the project area. The Compliance Plan was developed during the adoption of the 2005-2009 Implementation Plan, and addresses the ten-year planning period between 2005 and 2014.

Based on economic impacts that have lowered actual and projected tax-increment revenues, and collaterally, LMI Housing Set-aside revenues, as well as the SERAF requirements imposed by the State, the 2010-2014 revenue projections contemplated in the development of the Compliance Plan were rendered inaccurate.

As a result of the SERAF requirements imposed by the State, the Agency, to the extent allowable, will be using LMI Housing Set-aside funds to meet their SERAF payment obligation. This will severely impact both set-aside funded housing programs, and non-housing tax increment funds. The Agency is required to repay LMI funds which are provided to make the SERAF payment by June 30, 2015. Repayment of LMI funds could potentially occur beyond the 2005-2014 period of the Compliance Plan, which would severely impact the implementation of necessary housing programs for the period under review.

As a result of these unforeseeable occurrences, the Housing Compliance Plan is being re-examined to ascertain the effects of these severe revenue reductions on the proposed accomplishments of the Agency.

**Available Resources - Housing Set-Aside Projections for 2010-2014**

As of June 30, 2009, the Agency had an estimated $17,071,000 available in its L/M housing fund.

To estimate the Agency's ability to develop and preserve low and moderate income housing, a projection of Housing set-aside revenue was developed for the planning period. These monies are allocated towards the preservation, development and/or rehabilitation of very low-, low- and moderate- income housing units:

| Original Compliance Plan<br>Projected Annual Housing Set-aside Deposits<br>2010-2014 | | | | | |
|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Gross Set-aside | $9,669,211 | $10,462,087 | $11,319,978 | $12,248,217 | $13,252,570 |
| Estimated Debt Service Based on Existing Obligations | $1,772,088 | $1,771,621 | $1,774,568 | $1,672,680 | $1,769,071 |
| Estimated Residual for Operational Costs and Programs | $7,897,123 | $8,690,466 | $9,545,410 | $10,575,537 | $11,483,499 |

| Updated Compliance Plan<br>Projected Annual Housing Set-aside Deposits<br>2010-2014 | | | | | |
|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Gross Set-aside | $9,074,920 | $9,074,920 | $9,074,920 | $9,165,669 | $9,348,982 |
| Estimated Debt Service Based on Existing Obligations | $1,772,088 | $1,771,621 | $1,774,568 | $1,672,680 | $1,769,071 |
| Estimated Residual for Operational Costs and Programs | $7,309,886 | $7,296,871 | $7,294,409 | $7,390,641 | $7,573,686 |

| Expansion Area<br>Projected Annual Housing Set-aside Deposits<br>2010-2014 | | | | | |
|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 |
| Gross Set-aside | $0 | $0 | $232,332 | $356,998 | $487,646 |
| Estimated Residual for Operational Costs and Programs | $0 | $0 | $232,332 | $356,998 | $487,646 |

Based on the foregoing tables, the Agency anticipated that it would receive approximately $49,269,011 in additional housing set-aside funds during the 2010-2014 planning period.

## Housing Production Requirements

As previously cited, prior to the time limit on the effectiveness of the redevelopment plan, at least 15 percent of all new and substantially rehabilitated units developed with Agency assistance within a project area by public or private entities or persons shall be available at affordable housing cost to low or moderate income households. Not less than 40 percent of the dwelling units required to be available shall be available at affordable housing cost to very low income households.

To ascertain the Agency's estimated obligation with respect to housing production, an assessment of residential construction activity within the Project Areas was undertaken. This process entailed a review of the available permit activity data for residential construction, as summarized below:

| **Housing Units Developed or Substantially Rehabilitated In Project Areas by Entities Other than the Agency** | | | | | |
|---|---|---|---|---|---|
| | | Units Produced | Inclusionary Units Required | Affordable to L/M | Affordable to VL |
| From Plan Inception through 6/30/04 | Area 1 | 1,232 | 185 | 111 | 74 |
| | Merged Area | 4,801 | 720 | 432 | 288 |
| | Total | 6,033 | 905 | 543 | 362 |

In addition to the documented activity in the above table, an estimate of anticipated residential development within the Project Areas for the duration of the ten-year Compliance Plan, and for the remaining life of the Plans was also undertaken:

| **Estimated Housing Units to be Developed or Substantially Rehabilitated In Project Areas by Entities Other than the Agency** | | | | | |
|---|---|---|---|---|---|
| | | Estimated Units to be Produced | Inclusionary Units Required | Affordable to L/M | Affordable to VL |
| 10/1/04 to 6/30/10 | Area 1 | 210 | 32 | 19 | 13 |
| | Merged Area | 572 | 86 | 52 | 34 |
| | Subtotal | 782 | 118 | 71 | 47 |
| 7/1/10 to 6/30/14 | Area 1 | 190 | 29 | 17 | 12 |
| | Merged Area | 455 | 68 | 41 | 27 |
| | Expansion Area | 250 | 38 | 23 | 15 |

| | | | | | |
|---|---|---|---|---|---|
| | Subtotal | 895 | 135 | 81 | 54 |

| | | | | | |
|---|---|---|---|---|---|
| **Est. 10 Year Summary Table** | **Area 1** | **400** | **61** | **36** | **25** |
| | **Merged Area** | **1,027** | **154** | **93** | **61** |
| | Expansion Area | 250 | 38 | 23 | 15 |
| | **Total** | **1,677** | **253** | **152** | **101** |

| | | | | | |
|---|---|---|---|---|---|
| **Est. for Remaining Duration of Plan** | **Area 1** | **125** | **19** | **11** | **8** |
| | **Merged Area** | **760** | **114** | **68** | **46** |
| | **Expansion Area** | **1,250** | **188** | **113** | **75** |
| | **Total** | **885** | **133** | **79** | **54** |

| | | | | | |
|---|---|---|---|---|---|
| **10/1/04 Through the Life of the Plans** | **Area 1** | **525** | **80** | **47** | **33** |
| | **Merged Area** | **1,787** | **268** | **161** | **107** |
| | **Expansion Area** | **1,500** | **226** | **136** | **90** |
| | **Total** | **3,812** | **574** | **344** | **230** |

A review of building permit activity for the applicable redevelopment project areas from the period from 7/1/04 through 6/30/09 reflected the following activity:

**Housing Units Developed or Substantially Rehabilitated In Project Areas by Entities Other than the Agency 7/1/04 through 6/30/09**

| Project Area | Units Produced |
|---|---|
| Area 1 | 136 |
| Merged Area | 500 |
| Total | 636 |

Comparing the original estimated number of units to be produced during the five year timeframe against the actual units produced, reflects a negative variance of 146 units, or -18.5%, and a corresponding twenty-three (23) unit reduction to the inclusionary units required.

**Comparison of Original Estimate and**
**Actual Housing Units Developed or Substantially Rehabilitated**
**In Project Areas by Entities Other than the Agency**
**7/1/04 through 6/30/09**

| Project Area | Original Compliance Plan Estimate | Estimated Inclusionary Units Required | Actual Units Produced | Actual Inclusionary Units Required | Inclusionary Unit Variance |
|---|---|---|---|---|---|
| Area 1 | 210 | 32 | 136 | 20 | (12) |
| Merged Area | 572 | 86 | 500 | 75 | (11) |
| Total | 782 | 118 | 636 | 95 | (23) |

Given the current state of the housing and housing development market, as well as the broader state of the economy, adjustments may also be warranted for the estimates of projected units to be constructed between June 30, 2014 and the remaining life of the plans. Since this report focuses on the 5-year Implementation Plan period between 2010 and 2014, and the 10-year Housing Compliance Plan period ending on June 30, 2014, any further required adjustments will be deferred until preparation of the next 10-year Housing Compliance Plan cycle.

Adjustment of the estimated aggregate production requirements for the life of the plans, based on the reductions reflected in the above table are enumerated below:

| | | Estimated Units to be Produced | Inclusionary Units Required | Affordable to L/M | Affordable to VL |
|---|---|---|---|---|---|
| **Estimated Total for the Life of the Plans** | **Area 1** | **1,683** | **252** | **151** | **101** |
| | **Merged Area** | **6,516** | **977** | **586** | **391** |
| | **Expansion Area** | **1,500** | **226** | **136** | **90** |
| | **Total*** | **9,699** | **1,455** | **873** | **582** |

*The total variance between this table and aggregate production requirements prior to adjustment for actual housing development between 7/1/04 and 6/30/09 will not be consistent due to rounding.

## Agency Produced Housing

The above tables provide an assessment of anticipated inclusionary requirements. To determine the current status of the Agency's production needs, the inclusionary requirement quantities must be offset by the Agency's housing production accomplishments. The following table summarizes those accomplishments through the end of the 2003-2004 period:

**Housing Units Developed or Substantially Rehabilitated by the Agency From Plan Inception through 6/30/04**

| Project Area | Units Produced | Affordable to L/M | Affordable to VL |
|---|---|---|---|
| **Area 1** | **13** | **11** | **2** |
| **Merged Area** | **225** | **10** | **215** |
| **Outside Area** | **92** | **11** | **80** |
| **Total** | **330** | **32** | **297** |

In addition to the above indicated units, the Agency provided additional affordable units through the acquisition of Affordability Covenants. The following table summarizes these transactions:

**Housing Units Provided Through the Acquisition of Affordable Covenants From Plan Inception through 9/30/04**

| Project Area | Units Acquired by Covenant | Affordable to L/M | Affordable to VL |
|---|---|---|---|
| **Area 1** | 27 | 25 | 2 |
| **Merged Area** | 989 | 977 | 12 |
| **Outside Area** | 282 | 223 | 59 |
| **Total** | 1,298 | 1,225 | 73 |

The two tables above contain the number of housing units restricted to very low, and low or moderate-income residents. California Redevelopment Law does not allow the Agency to count all of these units equally in meeting their Inclusionary Housing Obligations. For every two units provided outside of the project areas, the Agency receives one housing unit credit toward their Inclusionary obligation. Additionally, only half of the Agency's Inclusionary Obligations can be obtained through the purchase of affordable covenants. The remainder of the obligation must be met through either new construction or substantial rehabilitation.

Based on these requirements, the following table reflects the Agency's adjusted housing production accomplishments:

| Summary of Housing Units Developed, Substantially Rehabilitated, or for which Affordability Covenants were Acquired by the Agency | | | | |
|---|---|---|---|---|
| **Project Area** | | **Units Produced** * | **Affordable to L/M** | **Affordable to VL** |
| From Plan inception through 6/30/04 | Area 1 | 21 | 17 | 4 |
| | Merged Area | 311 | 130 | 181 |
| | Outside Area | 38 | 1 | 37 |
| | Subtotal | 370 | 148 | 222 |

* Reflects Adjustment for units formerly covenanted, but released due to sale or payoff, and 2 for 1 prorated amount for units developed outside the project area.

Combining of the Agency's Inclusionary Obligation, net of its accomplishments results in the following projected Inclusionary Housing Obligation as of June 30, 2004:

| Total Inclusionary Housing Obligation Within the Project Areas through 6/30/04 | | | |
|---|---|---|---|
| **Income Level** | **Area 1** | **Merged Area** | **Totals** |
| Low/Moderate | 94 | 302 | 396 |
| Very Low | 70 | 107 | 177 |
| Outside Area Credit | (24) | (0) | (37) |
| **Totals** | **140** | **409** | **536** |

The following table reflects the Agency's actual inclusionary obligation at 6/30/09:

| Housing Units Developed or Substantially Rehabilitated In Project Areas by Entities Other than the Agency | | | | | |
|---|---|---|---|---|---|
| | | Units Produced | Inclusionary Units Required | Affordable to L/M | Affordable to VL |
| From Plan Inception through 6/30/09 | Area 1 | 1,368 | 205 | 123 | 82 |
| | Merged Area | 5,301 | 795 | 477 | 318 |

| | | | | | |
|---|---|---|---|---|---|
| | Total | 6,669 | 1,000 | 600 | 400 |

During the period between 7/1/04 and 6/30/09, the Agency was active in assisting in the production of housing that met its statutory obligations. The following table reflects the inclusionary housing produced during the period:

**Housing Production**
**Within the Project Areas**
**through 7/1/04 - 6/30/09**

| Income Level | Area 1 | Merged Area | Outside PA | Totals |
|---|---|---|---|---|
| Low/Moderate | 23 | 14 | .75 | 37.75 |
| Very Low | 57 | 164 | .50 | 221.50 |
| **Totals** | **80** | **178** | **1.25** | **259.25** |

Combining the above table with prior period accomplishments results in the following total production:

**Summary of Housing Units**
**Developed, Substantially Rehabilitated, or for which**
**Affordability Covenants were Acquired by the Agency**
**At June 30, 2009**

| Project Area | | Units Produced | Affordable to L/M | Affordable to VL |
|---|---|---|---|---|
| From Plan inception through 6/30/09 | Area 1 | 101 | 40 | 61 |
| | Merged Area | 489 | 144 | 345 |
| | Outside Area | 39.25 | 1.75 | 37.5 |
| | Subtotal | 629.25 | 185.75 | 443.5 |

Based on the Agency Obligation at June 30, 2004, and incorporating the above accomplishments, the following reflects the Agency Inclusionary Housing Obligation at June 30, 2009:

**Total Inclusionary Housing Obligation**
**Within the Project Areas**
**at 6/30/09**

| Income Level | Area 1 | Merged Area | Totals |
|---|---|---|---|
| Low/Moderate | 83 | 333 | 416 |
| Very Low | 21 | (27) | (6) |

| | | | |
|---|---|---|---|
| Outside Area Credit | (37.5) | (0) | (37.5) |
| **Totals** | **66.5** | **306** | **372.50** |

**Replacement Housing Requirements**

The Courson Connection Housing Project is within the Merged Project Area, and resulted in the destruction of 87 occupied dwelling units. A Replacement Housing Plan was developed in conformance with H&S §33413 et. seq.; reflecting that replacement housing will be constructed in the same area as the removed units. The Agency's replacement housing obligation was met for the Courson Connection Housing Project, through the construction and provision of affordable units within the Whispering Palms, Summer Terrace, and Cielo Azul developments. All replacement housing obligations were met based on conformance with the provisions of H&S §33413(f).

If, subsequent to the adoption of this Implementation Plan, additional projects are initiated that propose the destruction or removal of dwelling units from the low- and moderate-income housing market, the Palmdale Redevelopment Agency will prepare the required Replacement Housing Plan. The Replacement Housing Plan will describe the location of replacement dwelling units which will be developed, constructed, or rehabilitated within four years of the destruction or removal of low- and moderate-income dwelling units.

Such replacement housing units will be affordable to persons or families of low- to moderate-income and will contain an equal or greater number of bedrooms as destroyed or removed units. All replacement dwelling units will be affordable to persons and families of very low- to moderate-income income in the same proportion as the incomes of the persons and families displaced from the destroyed or removed units.

**Income Targeting Requirements**

Health and Safety Code § 33334.4 (a) requires that the Agency shall expend over each 10-year period, the moneys in the Low and Moderate Income Housing Fund to assist housing for persons of low income and housing for persons of very low income in at least the same proportion as the total number of housing units needed for each of those income groups bears to the total number of units needed for persons of moderate, low, and very low income within the community. The basis for the determination of this proportionate spending is the most recent census of the United States Census Bureau and the City's Regional Housing Needs Assessment allocation, as established by the Southern California Association of Governments.

In determining compliance with this obligation, the Agency may adjust the proportion by subtracting from the need identified for each income category, the number of units for persons of

that income category that are newly constructed over the duration of the implementation plan with other locally controlled government assistance, such as CDBG funds, and without Agency assistance, and that are required to be affordable to, and occupied by, persons of the income category for at least 55 years for rental housing and 45 years for ownership housing. For project areas in existence on December 31, 1993, the income targeting requirements must be met by December 31, 2014 and every ten years thereafter.

In conformance with these requirements, the following data reflects the established thresholds for the expenditure of L/M housing funds:

**City of Palmdale**
**Housing Need Based on Income Category**

| Income Category | Number of Units Required | % | Allowable Expenditures* |
|---|---|---|---|
| Moderate Income (81%-120% of AMI) | 2,487 | 42 % | $24,332,494 |
| Low Income Households (51%-80% of AMI) | 1,521 | 25 % | $14,477,675 |
| Very Low Income Households (0-50% of AMI) | 1,974 | 33 % | $19,110,531 |
| Total Households | 5,982 | 100 % | $57,920,700 |

* Gross expenditures, inclusive of administrative and program delivery costs over the ten year period.

Based on a review of expenditures over the 2004-2009 period, the following table reflects actual LMI expenditures incurred for each respective income category:

**LMI Expenditures by Income Category**
**2005-2009**

| | 2004-2005 | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | Total | % |
|---|---|---|---|---|---|---|---|
| **Moderate Income (81%-120% AMI)** | $192,343 | $1,062,220 | $436,527 | $104,789 | $107,049 | $1,902,928 | 4.2 |
| **Low Income (51%-80% AMI)** | $4,037,104 | $3,227,287 | $3,297,530 | $1,990,984 | $1,498,681 | $14,051,586 | 30.9 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Very Low Income (0-50% AMI)** | $7,626,912 | $5,735,582 | $7,519,820 | $4,890,137 | $3,746,703 | $29,519,154 | 64.9 |
| **TOTALS** | $11,856,359 | $10,025,089 | $11,253,877 | $6,985,910 | $5,352,433 | $45,473,668 | 100.0 |

Based on the foregoing summary expenditure table, the Agency has substantially exceeded the goals established under Health and Safety Code § 33334.4 (a).

The Agency is further required to expend over the duration of each Implementation Plan, L/M housing funds to assist housing that is available to all persons regardless of age in at least the same proportion as the population under age 65 years bears to the total population. Because the Project Areas were established before December 31, 1993, the Agency will have an additional five years (until December 31, 2014) to satisfy this proportionality requirement.

**City of Palmdale Population**
**Based on Senior / Non-Senior Distribution**
**Source: 2000 U.S. Census**

| Age Category | Number of Persons | % of Total Population |
|---|---|---|
| Under 65 | 110,150 | 94.4 |
| 65 and Over | 6,520 | 5.6 |
| Total | 116,670 | 100.0 |

Given the major capital developments that the Agency has, and is, undertaking, and the extended planning horizons for projects that are now being completed; commitments were made prior to adoption of the proportionate expenditure requirements.

**Actual Expenditures**
**Based on Senior / Non-Senior Distribution**
**Source: 2000 U.S. Census**

| Age Category | Number of Persons | % of Total Population | Actual Expenditures 2005-2009 | % of Actual Expenditures by Age Category |
|---|---|---|---|---|
| Under 65 | 110,150 | 94.4 | $30,820,219 | 67.8 |
| 65 and Over | 6,520 | 5.6 | $14,653,448 | 32.2 |
| Total | 116,670 | 100.0 | $45,473,667 | 100.0 |

Upon completion of these projects, the Agency will monitor its L/M housing fund expenditures with reference to the relative levels of need demonstrated by each income category, will conduct periodic reviews of expenditures, and will consider adjustments to expenditures as needed. The Agency may also consider adjusting these expenditures to increase the proportion of L/M housing funds that will be used to assist housing that is affordable to very-low and low income persons.

## XII. FIVE YEAR HOUSING PROGRAMS

The following housing programs are the initiatives through which the goals and objectives of the General Plan, the Redevelopment Plans and the City's Comprehensive Housing Affordability Strategy will be achieved. These housing programs are structured to meet the needs of Palmdale residents while also providing incentives for collateral developments and improvements.

| HOUSING PROGRAMS | | |
|---|---|---|
| Program | | Accomplishments |
| 1. | Target the downtown area for multi-family/townhouse development. Include senior housing as a major component of a planned mixed-use project. Provide rehabilitation loans to owners of multi-family rental housing. | The Agency remains committed to completion of the residential improvements within the downtown area.<br><br>The Courson Connection Project has made substantial progress in meeting the need for affordable housing:<br>1. Project Document approval by Planning Commission.<br>2. Acquisition of all 45 required parcels.<br>3. Completion and lease-out of 75 units of senior housing (74 assisted).<br>4. An additional 78 units of senior housing are currently under construction.<br>5. Initiation of Project Document amendment to increase the number of units from 253 to 297 units.<br>6. Initiation of construction on the Senior Citizens Center, with anticipated completion by December 2009. |
| 2. | Pursue land acquisition efforts directed at establishing residential units in close proximity to the Transit Village facility. | The Agency is committed to facilitating the development of residential units within proximity of the Transit Village facility.<br><br>Several vacant residential lots were acquired and developed with single-family affordable homes.<br><br>In addition, a development agreement has been approved with Better Housing Solutions for development of 300 units of single family residences and multi-family units in the Transit Village. |

| HOUSING PROGRAMS | | |
|---|---|---|
| Program | | Accomplishments |
| 3. | Continue negotiations with non-profit developers to facilitate the provision of affordable housing to varying target markets. | The Agency will continue to develop partnerships with affordable housing providers and facilitate the development of affordable housing.<br><br>Development Agreements have been previously approved with: Courson Senior Partners, LP for the provision of 75 units of senior housing in Courson Phase I; AMCAL Multi-Housing, Inc. for the provision of 80 units of senior housing at Avenue R and 27th Avenue East; and AMCAL Multi-Housing, Inc. for the development of 78 units senior housing in Courson Phase IV. |
| 4. | Complete the construction of a hospital and associated senior housing. | The Agency remains committed to the completion of the multi-phase hospital development.<br><br>Phase I of hospital construction is completed and Phase II is currently under construction. The Summer Terrace Apartments component has been completed and 80 units of affordable senior housing is being provided. |
| 5. | Provide a first-time homebuyer's program. | The Agency will continue to operate 4 first-time homebuyer programs: MAP, Special Trades MAP, MH MAP, and First Time Home Buyer.<br><br>During the FYs 2005-2009, 9 households were assisted and $512,571 in funding provided. |
| 6. | Provide single family, mobile home, and rental rehabilitation programs on a citywide basis. | The Agency will continue to provide its Single Family Rehabilitation Loan Program, Mobile Home Rehabilitation Grant/Loan Program, Emergency Grant Program, and Rental Housing Rehabilitation Program. |
| 7. | Continue the Emergency Repair Grant program. | The Emergency Grant Program remained operational, serving 273 households and providing $1,115,430 in program assistance during FYs 2005-2009. |

| HOUSING PROGRAMS | | |
|---|---|---|
| Program | | Accomplishments |
| | | |
| 8. | Continue administration of the Mobile Home Park Space Rent Control Ordinance. | The Agency will continue to oversee the provisions of the Mobile Home Park Space Rent Control Ordinance.<br><br>During the prior five year period, the Ordinance was modified to reflect recent court rulings, and to bring Palmdale's application process into conformance with industry standards relating the maintenance of net operating income analysis. Parks are also now required to register annually. |
| 9. | Continue Neighborhood Improvement grant programs for targeted areas. | The Agency is committed to operation of the Neighborhood Improvement Programs within Areas 4 and 5.<br><br>During the preceding 5-year period, a total of 270 units were assisted, and a total of $3,162,743 expended. Additionally, ADA compliant sidewalk ramps were provided utilizing CDBG funds. |
| 10. | Pursue opportunities to leverage available HOME, CDBG, and Section 108 resources for the provision of affordable housing. | The Agency will continue to pursue leveraging opportunities for all available funding sources. In addition the Agency will optimize the use of its newest resources: Federal Neighborhood Stabilization funds, Homeless Prevention funds, and Rapid Re-Housing Program funds.<br><br>During the preceding 5-years, internal resources were leveraged in conjunction with affordable housing projects, inclusive of: Low Income Tax Credits, Mortgage Revenue Bonds, CDBG, AHP Grants, State of California HOME and City HOME. |

As discussed previously, a number of the senior housing projects that are in process were commitments made prior to the imposition of AB637's proportionate expenditure requirements. As a result, expenditures are skewed toward this sector during the initial years of the Compliance Plan. Upon completion of these

projects, subsequent housing development efforts will be directed toward the provision of housing that addresses the non-senior population.

The presented housing programs should adequately address meeting the Agency's projected Inclusionary Housing obligation before the end of the current ten-year planning period, June 30, 2014.

The following represents the estimated housing units to be developed, rehabilitated, or assisted within the 2010-2014 planning period of the Implementation Plan:

| YEAR | HOUSING UNITS | | ESTIMATED EXPENDITURES |
|---|---|---|---|
| | L/M Income | Very Low Income | |
| 2010 | 45 | 120 | $ 6,115,000 |
| 2011 | 80 | 60 | 4,000,000 |
| 2012 | 85 | 40 | 4,000,000 |
| 2013 | 103 | 55 | 6,050,000 |
| 2014 | 90 | 40 | 5,000,000 |
| Totals | 403 | 315 | $25,165,000 |

While the annual production estimates provided in the 2005-2009 Implementation Plan were not met, the Agency has committed substantial resources toward the development of larger scale residential developments. Based on the projects currently under development, the Agency should exceed its estimated housing accomplishments as enumerated under this Implementation Plan, and exceed its 5-year and 10-year Inclusionary Housing Obligation.

# Appendix D
# Department of Finance
# LRPMP Checklist

# LONG-RANGE PROPERTY MANAGEMENT PLAN CHECKLIST

**Instructions:** Please use this checklist as a guide to ensure you have completed all the required components of your Long-Range Property Management Plan. Upon completion of your Long-Range Property Management Plan, email a PDF version of this document and your plan to:

Redevelopment_Administration@dof.ca.gov

The subject line should state "[Agency Name] Long-Range Property Management Plan". The Department of Finance (Finance) will contact the requesting agency for any additional information that may be necessary during our review of your Long-Range Property Management Plan. Questions related to the Long-Range Property Management Plan process should be directed to (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

Pursuant to Health and Safety Code 34191.5, within six months after receiving a Finding of Completion from Finance, the Successor Agency is required to submit for approval to the Oversight Board and Finance a Long-Range Property Management Plan that addresses the disposition and use of the real properties of the former redevelopment agency.

## GENERAL INFORMATION:

Agency Name**: Palmdale Successor Agency**

Date Finding of Completion Received**:** T.B.D.

Date Oversight Board Approved LRPMP: October 28, 2015

## Long-Range Property Management Plan Requirements

For each property the plan includes the date of acquisition, value of property at time of acquisition, and an estimate of the current value.

☒ Yes ☐ No

For each property the plan includes the purpose for which the property was acquired.

☒ Yes ☐ No

For each property the plan includes the parcel data, including address, lot size, and current zoning in the former agency redevelopment plan or specific, community, or general plan.

☒ Yes ☐ No

For each property the plan includes an estimate of the current value of the parcel including, if available, any appraisal information.

☒ Yes ☐ No

For each property the plan includes an estimate of any lease, rental, or any other revenues generated by the property, and a description of the contractual requirements for the disposition of those funds.

☒ Yes ☐ No

For each property the plan includes the history of environmental contamination, including designation as a brownfield site, any related environmental studies, and history of any remediation efforts.

☒ Yes ☐ No

For each property the plan includes a description of the property's potential for transit-oriented development and the advancement of the planning objectives of the successor agency.

☒ Yes ☐ No

For each property the plan includes a brief history of previous development proposals and activity, including the rental or lease of the property.

☒ Yes ☐ No

For each property the plan identifies the use or disposition of the property, which could include 1) the retention of the property for governmental use, 2) the retention of the property for future development, 3) the sale of the property, or 4) the use of the property to fulfill an enforceable obligation.

☒ Yes ☐ No

The plan separately identifies and list properties dedicated to governmental use purposes and properties retained for purposes of fulfilling an enforceable obligation.

☒ Yes ☐ No

---

## ADDITIONAL INFORMATION

- If applicable, please provide any additional pertinent information that we should be aware of during our review of your Long-Range Property Management Plan.

**Agency Contact Information**

| | | | |
|---|---|---|---|
| Name: | Kari Blackburn | Name: | |
| Title: | Senior Economic Dev Project Mgr. | Title: | |
| Phone: | 661-267-5125 | Phone: | |
| Email: | ktapia@cityofpalmdale.org | Email: | |
| Date: | 10.20.15 | Date: | |

**Department of Finance Local Government Unit Use Only**

DETERMINATION ON LRPMP: ☐ APPROVED ☐ DENIED

APPROVED/DENIED BY: _____ DATE: _____

APROVAL OR DENIAL LETTER PROVIDED: ☐ YES DATE AGENCY NOTIFIED: _____

Form DF-LRPMP (11/15/12)

# Appendix E
# 7 Acre Option Agreement for Repurchase of Real Property (Assets #12 - #16)

APPROVED PALMDALE CITY COUNCIL & CRA
5-0-0-0

DATE: August 6, 2008

SUBJECT: Approval of an Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City of Palmdale (City), the Community Redevelopment Agency of the City of Palmdale (Agency) and Palmdale T&C Partners LLC (PTCP) (A-2233); and approval as to form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approval as to form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b))

ISSUING DEPARTMENT: Economic Development

**SUMMARY**


Issues:
Should the City Council and the Agency Board approve an Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City, the Agency and PTCP (A-2233); and approve the form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approve the form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b))?

Recommendation:
It is recommended that the City Council and the Agency Board approve an Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City, the Agency and PTCP (A-2233); and approve the form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approve the form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b)).

Fiscal Impact:
The Purchase Agreement for the 7.12-acre site provides for a stated price as of February 29, 2008, then certain additional monthly amounts until the close of

escrow. If the Purchase Agreement is approved, staff estimates that escrow would close by the end of November 2008, resulting in a gross purchase price of $746,660. As described more fully below, the Purchase Agreement provides for a Seller's Credit in the amount of $582,670 to be used to reduce the amount that the Agency is required to pay to PTCP, resulting in a net cash payment of $163,990. In addition, the Agency would pay for escrow costs and title insurance totaling an additional $8,000 (approximate). Funds are available in 4626300-724525-7028 Conference Center.

Under a previous agreement with PTCP, the City is entitled to a reimbursement of certain costs previously paid totaling $582,670. Under this new Purchase Agreement, PTCP would be relieved of its obligation to pay the City this amount in exchange for applying it as a Seller's Credit against the purchase price of the property. In addition, the Agency would execute a promissory note in favor of the City for $582,670, which will be repaid at the time escrow closes. A Certification of Funds in the amount of $583,000 is attached to this staff report so that funds will be available in 4626300-724525-7028 Conference Center.

The Agency would also assume the obligation to pay the CFD 05-1 special taxes for the 7.12-acre site, which is estimated to be $153,390 annually. Funds are currently available in 4626300-724525-7028 Conference Center, and additional amounts will be annually budgeted as necessary.

In addition to the purchase of the 7.12-acre site, the Agency would enter an option agreement related to a nearby 2.32-acre site (2 Acre Option Agreement). Under the 2 Acre Option Agreement the Agency would pay the ad valorem and CFD 05-1 special taxes related to the 2.32-acre site for up to 18 months, which is expected to be approximately $54,650 per year. Funds are currently available in 4626300-724525-7028 Conference Center, and additional amounts will be annually budgeted as necessary.

During the option period, staff will evaluate whether the additional 2.32 acres is necessary for the proposed project, and if so, will return to the Agency Board for approval to exercise the option to purchase the additional land.

## BACKGROUND

In the spring of 2006 the Agency commissioned HVS International to prepare a Conference Center Feasibility Study. The study concluded that there were several

local demand sources for a new mid-sized conference center in Palmdale, and noted that with the recommended design, marketing strategy and visitor amenities, the proposed conference center could also attract a modest number of conferences, conventions, tradeshows and consumer shows from outside the area to augment local demand for meetings and banquets. The study emphasized the importance of having a full-service hotel adjacent to the conference center.

In early 2007, Sun Development and Management Company announced their plans to bring a full-service, seven story, 150-room Embassy Suites hotel to the Palmdale Trade & Commerce Center. Gene Fong and Associates is the architect for the Embassy Suites hotel. Plans for the Embassy Suites have been approved, and construction is currently underway. In February 2008 the Agency Board approved an agreement with Gene Fong and Associates to begin Phase I architectural design work for a conference center. Staff has had several productive meetings with Mr. Fong and his staff. A general site layout has been selected and the design is proceeding forward.

Concurrently with the site layout and design work, Agency staff has been negotiating with Palmdale T&C Partners, LLC (PTCP) to acquire land in the Palmdale Trade & Commerce Center, next to the Embassy Suites hotel. Staff believes that the conference center and associated parking will require at least 7 acres of land. Based on the long term relationship between the City, Agency and PTCP in resolving the complex delinquencies that previously plagued the Palmdale Trade & Commerce Center, and based on PTCP's desire to assist the City and Agency in developing a conference center, PTCP offered to sell the Agency 7.12 acres of land at their cost as of February 29, 2008 ($2.13/sf), plus the Agency would assume the CFD 05-1 special tax obligation (approx. $5.05/sf). The details of the purchase are memorialized in the attached Purchase Agreement.

Since PTCP is selling the 7.12 acres at their cost and foregoing profit on that site, they wanted the right to re-purchase the property if the Agency failed to begin construction of a conference center within a reasonable time period. Therefore, a form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)) has been drafted. If the Agency fails to begin construction of a conference center by June 30, 2012, then PTCP has the right to exercise their option to repurchase the 7.12-acre site at the same price paid by the Agency, without reduction for the Seller's Credit, which is approximately $746,660.

Further, since the design of the conference center is ongoing, it is presently uncertain whether the Agency might need additional acreage for parking. To accommodate this, a form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b)) has been drafted. The 2 Acre Option Agreement provides for the Agency to pay the ad valorem and CFD 05-1 special taxes on the 2.32 acre site for up to 18 months, during which time the design of the conference center will continue and construction costs will be estimated. If it is determined that the additional 2.32 acres is needed, then staff will return to the Agency Board for approval to exercise the option to purchase the additional acreage.

If the Purchase Agreement for the 7.12 acres is approved, then escrow will be opened and various documents currently in draft form will be finalized, executed and submitted into escrow, including but not limited to the following items:

- 7 Acre Option Agreement for Repurchase of Real Property (A-2233 (a))
- Memorandum of 7 Acre Option Agreement – to be recorded against the 7.12 acre site
- 2 Acre Option Agreement (A-2233 (b))
- Memorandum of 2 Acre Option Agreement – to be recorded against the 2.32 acre site
- CFD 05-1 Acknowledgment – acknowledging the assumption of the obligations of the CFD 05-1 special tax lien
- A-0409 Acknowledgement – acknowledging the full satisfaction of Section 6 of A-0409 requiring PTCP to reimburse the City for certain costs
- Grant Deed related to the 7.12 Acre Option Agreement
- Promissory Note – memorializing the Agency's obligation to repay the City $582,670

Escrow is expected to close within 90 days following approval of the Purchase Agreement.

The Purchase Agreement authorizes and directs the Agency's Executive Director, or his designee, to execute any and all documents necessary to complete the transactions contemplated in the Purchase Agreement, the 7 Acre Option Agreement for the Repurchase of Real Property and the 2 Acre Option Agreement. The Executive Director is also granted the full right, power and authority to accept the property on behalf of the Agency.

Staff recommends that that the City Council and the Agency Board approve the Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City, the Agency and PTCP (A-2233); and approve the form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approve the form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b)).

Respectfully submitted:

Jill K. Ward
Principal Project Manager

Danny R. Roberts
Assistant Executive Director/CRA

Reviewed by:

Laurie Lile
Assistant City Manager

Stephen H. Williams
City Manager/Executive Director

DATE: August 6, 2008

SUBJECT: Certification of Funds

ISSUING DEPARTMENT: Finance

I hereby certify that the additional $583,000 requested for that certain agreement entitled Agreement of Purchase and Sale and Joint Escrow Instructions by and Between the City of Palmdale, the Community Redevelopment Agency of the City of Palmdale and Palmdale T&C Partners, LLC (A-2233) for acquisition of land in the Palmdale Trade & Commerce Center is available from unappropriated reserves in the CRA Fund to be budgeted as follows:

| Account # | Purpose | Amount |
|---|---|---|
| 4626300-724525-7028 Conference Center | Agreement of Purchase and Sale and Joint Escrow Instructions by and Between the City of Palmdale, the Community Redevelopment Agency of the City of Palmdale and Palmdale T&C Partners, LLC (A-2233) | $583,000 |

Reviewed by,

Stephen H. Williams.
City Manager

Respectfully submitted,

Betsy St. John
Director of Finance

# Appendix F
# 2 Acre Option Agreement for Purchase of Real Property (Asset #17)

APPROVED PALMDALE CITY COUNCIL & CRA
5-0-0-0

DATE: August 6, 2008

SUBJECT: Approval of an Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City of Palmdale (City), the Community Redevelopment Agency of the City of Palmdale (Agency) and Palmdale T&C Partners LLC (PTCP) (A-2233); and approval as to form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approval as to form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b))

ISSUING DEPARTMENT: Economic Development

**SUMMARY**


Issues:
Should the City Council and the Agency Board approve an Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City, the Agency and PTCP (A-2233); and approve the form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approve the form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b))?

Recommendation:
It is recommended that the City Council and the Agency Board approve an Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City, the Agency and PTCP (A-2233); and approve the form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approve the form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b)).

Fiscal Impact:
The Purchase Agreement for the 7.12-acre site provides for a stated price as of February 29, 2008, then certain additional monthly amounts until the close of

escrow. If the Purchase Agreement is approved, staff estimates that escrow would close by the end of November 2008, resulting in a gross purchase price of $746,660. As described more fully below, the Purchase Agreement provides for a Seller's Credit in the amount of $582,670 to be used to reduce the amount that the Agency is required to pay to PTCP, resulting in a net cash payment of $163,990. In addition, the Agency would pay for escrow costs and title insurance totaling an additional $8,000 (approximate). Funds are available in 4626300-724525-7028 Conference Center.

Under a previous agreement with PTCP, the City is entitled to a reimbursement of certain costs previously paid totaling $582,670. Under this new Purchase Agreement, PTCP would be relieved of its obligation to pay the City this amount in exchange for applying it as a Seller's Credit against the purchase price of the property. In addition, the Agency would execute a promissory note in favor of the City for $582,670, which will be repaid at the time escrow closes. A Certification of Funds in the amount of $583,000 is attached to this staff report so that funds will be available in 4626300-724525-7028 Conference Center.

The Agency would also assume the obligation to pay the CFD 05-1 special taxes for the 7.12-acre site, which is estimated to be $153,390 annually. Funds are currently available in 4626300-724525-7028 Conference Center, and additional amounts will be annually budgeted as necessary.

In addition to the purchase of the 7.12-acre site, the Agency would enter an option agreement related to a nearby 2.32-acre site (2 Acre Option Agreement). Under the 2 Acre Option Agreement the Agency would pay the ad valorem and CFD 05-1 special taxes related to the 2.32-acre site for up to 18 months, which is expected to be approximately $54,650 per year. Funds are currently available in 4626300-724525-7028 Conference Center, and additional amounts will be annually budgeted as necessary.

During the option period, staff will evaluate whether the additional 2.32 acres is necessary for the proposed project, and if so, will return to the Agency Board for approval to exercise the option to purchase the additional land.

## BACKGROUND

In the spring of 2006 the Agency commissioned HVS International to prepare a Conference Center Feasibility Study. The study concluded that there were several

local demand sources for a new mid-sized conference center in Palmdale, and noted that with the recommended design, marketing strategy and visitor amenities, the proposed conference center could also attract a modest number of conferences, conventions, tradeshows and consumer shows from outside the area to augment local demand for meetings and banquets. The study emphasized the importance of having a full-service hotel adjacent to the conference center.

In early 2007, Sun Development and Management Company announced their plans to bring a full-service, seven story, 150-room Embassy Suites hotel to the Palmdale Trade & Commerce Center. Gene Fong and Associates is the architect for the Embassy Suites hotel. Plans for the Embassy Suites have been approved, and construction is currently underway. In February 2008 the Agency Board approved an agreement with Gene Fong and Associates to begin Phase I architectural design work for a conference center. Staff has had several productive meetings with Mr. Fong and his staff. A general site layout has been selected and the design is proceeding forward.

Concurrently with the site layout and design work, Agency staff has been negotiating with Palmdale T&C Partners, LLC (PTCP) to acquire land in the Palmdale Trade & Commerce Center, next to the Embassy Suites hotel. Staff believes that the conference center and associated parking will require at least 7 acres of land. Based on the long term relationship between the City, Agency and PTCP in resolving the complex delinquencies that previously plagued the Palmdale Trade & Commerce Center, and based on PTCP's desire to assist the City and Agency in developing a conference center, PTCP offered to sell the Agency 7.12 acres of land at their cost as of February 29, 2008 ($2.13/sf), plus the Agency would assume the CFD 05-1 special tax obligation (approx. $5.05/sf). The details of the purchase are memorialized in the attached Purchase Agreement.

Since PTCP is selling the 7.12 acres at their cost and foregoing profit on that site, they wanted the right to re-purchase the property if the Agency failed to begin construction of a conference center within a reasonable time period. Therefore, a form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)) has been drafted. If the Agency fails to begin construction of a conference center by June 30, 2012, then PTCP has the right to exercise their option to repurchase the 7.12-acre site at the same price paid by the Agency, without reduction for the Seller's Credit, which is approximately $746,660.

Further, since the design of the conference center is ongoing, it is presently uncertain whether the Agency might need additional acreage for parking. To accommodate this, a form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b)) has been drafted. The 2 Acre Option Agreement provides for the Agency to pay the ad valorem and CFD 05-1 special taxes on the 2.32 acre site for up to 18 months, during which time the design of the conference center will continue and construction costs will be estimated. If it is determined that the additional 2.32 acres is needed, then staff will return to the Agency Board for approval to exercise the option to purchase the additional acreage.

If the Purchase Agreement for the 7.12 acres is approved, then escrow will be opened and various documents currently in draft form will be finalized, executed and submitted into escrow, including but not limited to the following items:

- 7 Acre Option Agreement for Repurchase of Real Property (A-2233 (a))
- Memorandum of 7 Acre Option Agreement – to be recorded against the 7.12 acre site
- 2 Acre Option Agreement (A-2233 (b))
- Memorandum of 2 Acre Option Agreement – to be recorded against the 2.32 acre site
- CFD 05-1 Acknowledgment – acknowledging the assumption of the obligations of the CFD 05-1 special tax lien
- A-0409 Acknowledgement – acknowledging the full satisfaction of Section 6 of A-0409 requiring PTCP to reimburse the City for certain costs
- Grant Deed related to the 7.12 Acre Option Agreement
- Promissory Note – memorializing the Agency's obligation to repay the City $582,670

Escrow is expected to close within 90 days following approval of the Purchase Agreement.

The Purchase Agreement authorizes and directs the Agency's Executive Director, or his designee, to execute any and all documents necessary to complete the transactions contemplated in the Purchase Agreement, the 7 Acre Option Agreement for the Repurchase of Real Property and the 2 Acre Option Agreement. The Executive Director is also granted the full right, power and authority to accept the property on behalf of the Agency.

Staff recommends that that the City Council and the Agency Board approve the Agreement of Purchase and Sale and Joint Escrow Instructions by and between the City, the Agency and PTCP (A-2233); and approve the form of a 7 Acre Option Agreement for Repurchase of Real Property by and between the Agency and PTCP (A-2233 (a)); and approve the form of a 2 Acre Option Agreement for Purchase of Real Property (A-2233 (b)).

Respectfully submitted:

Jill K. Ward
Principal Project Manager

Danny R. Roberts
Assistant Executive Director/CRA

Reviewed by:

Laurie Lile
Assistant City Manager

Stephen H. Williams
City Manager/Executive Director

DATE: August 6, 2008

SUBJECT: Certification of Funds

ISSUING DEPARTMENT: Finance

I hereby certify that the additional $583,000 requested for that certain agreement entitled Agreement of Purchase and Sale and Joint Escrow Instructions by and Between the City of Palmdale, the Community Redevelopment Agency of the City of Palmdale and Palmdale T&C Partners, LLC (A-2233) for acquisition of land in the Palmdale Trade & Commerce Center is available from unappropriated reserves in the CRA Fund to be budgeted as follows:

| Account # | Purpose | Amount |
|---|---|---|
| 4626300-724525-7028 Conference Center | Agreement of Purchase and Sale and Joint Escrow Instructions by and Between the City of Palmdale, the Community Redevelopment Agency of the City of Palmdale and Palmdale T&C Partners, LLC (A-2233) | $583,000 |

Reviewed by,

Stephen H. Williams.
City Manager

Respectfully submitted,

Betsy St. John
Director of Finance