

STAFF REPORT

City of Lancaster

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6/10/2025
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Date: June 10, 2025

To: Mayor Parris and City Council Members

From: Larissa De La Cruz, Assistant City Manager
Sydney Yeseta, Manager - Economic Development

Subject: Real Estate Option Agreement with L Street Properties, LLC

Recommendations:

1. Authorize the City Manager, or his designee, with the concurrence of the City Attorney, to negotiate, finalize and execute the Real Estate Option Agreement and all related documents.
2. Appropriate \$150,000.00 from General Fund to 101.24000.8010, as consideration for the Real Estate Option Agreement.

G.C. Section 84308: No

Fiscal Impact:

Appropriate \$150,000.00 from General Fund to 101.24000.8010, as consideration for the Real Estate Option Agreement.

An annual payment of \$256,680.00 will be required for each year the Option remains in effect. The term of the agreement is three years, with the option of two one-year extensions, and all annual payments will be due on December 31 of each year. The initial annual payment will be prorated in the amount of \$128,340.00 and will be due on December 31, 2025.

Background:

The Parkway Village Specific Plan area is a forward thinking plan that will guide the development of a vibrant new neighborhood unlike anything that exists in the Antelope Valley today. Encompassing over 430 acres of land, Parkway Village is envisioned as a walkable, mixed use community that aims to bring together a dynamic blend of housing, shopping, health care, recreation, and public spaces right in the heart of the City.

In December 2021, then Assessor's Parcel Number (APN) 3128-004-023 was a roughly 70 acre parcel owned by L Street Properties, LLC. At the time, the parcel was split into two, and the City purchased a 45.75 acre portion of the parcel, now known as APN 3128-004-903. The remaining

25.05 acre parcel, now known as APN 3128-004-025, was to be sold to a private developer as part of a larger project in the area. That developer is no longer interested in pursuing the project.

The proposed Real Estate Option Agreement (Agreement) would allow the City to secure strategic control over the additional 25.05 acre parcel (APN 3128-004-025). This property is a key site for the successful development of the Parkway Village Specific Plan. The Agreement would grant the City the exclusive right to purchase the property and the ability to assign the option to a private developer, when there is interest.

The Agreement positions the City to take advantage of a key acquisition opportunity by securing a fixed purchase price in an increasingly competitive real estate market.

Parkway Village has the ability to transform the future of Lancaster. As the future home of a brand new, state of the art aquatics center and various other uses, site control is crucial to bringing the Parkway Village concept to life.

SY/hb

Attachments:

Real Estate Option Agreement

Exhibit B of the Real Estate Option Agreement