

RESOLUTION NO. _____

A RESOLUTION TO APPROVE A LAND EXCHANGE AGREEMENT BETWEEN THE CITY OF COMMERCE ("CITY") AND COMSTOCK GAGE LLC ("DEVELOPER") FOR THE PROPERTIES LOCATED AT 7316 GAGE AVENUE ("DEVELOPER'S PROPERTY") AND 6364 ZINDELL AVENUE ("CITY PROPERTY") (ASSESSOR'S PARCEL NUMBERS ("APN'S") 6357-018-005, 6357-019-904, 6357-019-905 AND 6357-018-900, COLLECTIVELY "MODELO PROJECT SITE"), IN THE CITY OF COMMERCE

WHEREAS, on February 22, 2022, the City Council considered and adopted a Resolution, approving all entitlements and a Development Agreement for development of a mixed residential and commercial use project located approximately at 7316 Gage Avenue and 6364 Zindell Avenue (APN's 6357-018-005, 6357-019-904, 6357-019-905 and 6357-018-900), known as the Modelo Project ("Project") by Comstock Gage LLC ("Developer"); and

WHEREAS, adoption or approval of the entitlements constitutes a "project" under the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq., Title 14 California Code of Regulations Section 15000 et seq. (CEQA Guidelines); and

WHEREAS, as part of the approvals of the Modelo project entitlements, the City agreed to exchange part of the City Property for part of the Developer's Property, and following the exchange, the City will own the parcel identified as Lot 2 ("Exchange Property") on Vesting Tract Map No. 83334 (Exhibit "A"); and

WHEREAS, Section 5.3 of the Development Agreement contemplates that concurrently with the recordation of the Final Map, the City and Developer shall complete the land exchange pursuant to the terms of a Land Exchange Agreement (Exhibit "B"); and

WHEREAS, The California Surplus Land Act (California Government Code section 54220 et seq. "SLA") requires that the City make their surplus land available for the development of affordable housing unless the property meets one of the exemptions of the SLA. An exchange of properties for City use in accordance with the Development Agreement allows the exchange to be exempt from the SLA affordable housing requirements. By Resolution No. 22-37 approved by the City Council on April 12, 2022, the City determined that the City Property located at 6364 Zindell Avenue, commonly known as Veterans Memorial Park, meets this exchange exemption pursuant to California Government Code Section 54221(f)(1)(c). No additional action is required to comply with the SLA requirements.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COMMERCE DOES HEARBY RESOLVE AND ORDER AS FOLLOWS:

Section 1. The City Council declared that pursuant to the California Environmental Quality Act (Public Resources Code §§ 21000, et seq. “CEQA”) and the regulations promulgated thereunder (14 Cal. Code of Regs. §§ 15000, et seq., the “CEQA Guidelines”), the City reviewed the environmental impacts of the Modelo Project. Potential impacts from approval of the Land Exchange Agreement were previously analyzed and mitigated by the Environmental Impact Report (State Clearinghouse No. 2019080312) for the Model Project that was certified on February 22, 2022. The EIR adequately describes and considers the proposed Land Exchange Agreement. Accordingly, the Land Exchange Agreement approval is not subject to further environmental review.

Section 2. The Land Exchange Agreement between the City and Developer is hereby conditionally approved in substantially the form attached hereto as Exhibit “B” contingent upon complete performance of the following contingencies by Developer:

1. Delivery to the City Attorney of the Remediation Bond Commitment Letter referenced in Section 1 of the Land Exchange Agreement between Developer and the City of Commerce, and receipt of written approval of the form of the Remediation Bond Commitment Letter from the City Attorney and/or the City Manager.

2. Delivery to the City Attorney of the form of the Remediation Bond referenced in Section 1 of the Land Exchange Agreement between Developer and the City of Commerce, and receipt of written approval of the form of the Remediation Bond from the City Attorney and/or the City Manager.

3. Delivery to the City Attorney of a portion or portions of the terms of the remediation agreement between Developer and Suffolk Construction Company indicating the scope of the remediation work to be performed in accordance with the Development Agreement, and receipt of written approval of the terms by the City Attorney and/or the City Manager.

4. Delivery to the City Attorney of a portion or portions of the terms of the remediation agreement between Developer and Suffolk Construction Company indicating that Suffolk will provide Developer with a remediation performance bond for the completion of the remediation work required by the Development Agreement, and that the City of Commerce is a co-obligee of the bond such that the City of Commerce may enforce the bond to have the remediation work completed. The Developer must receive written approval of such terms by the City Attorney and/or the City Manager.

5. Delivery to the City Attorney of an Access Easement Grant Deed for Access to the City Parcel created as Lot 2 of Final Tract Map 83334, and receipt of written approval of the Access Easement Grant Deed by the City Attorney and/or the City Manager.

PASSED, APPROVED and ADOPTED this 25th day of November, 2025

Ivan Altamirano, Mayor

ATTEST:

Melanie Park, Deputy City Clerk

EXHIBIT "A"
Vesting Tract Map No. 83334

EXHIBIT "B"
Land Exchange Agreement