



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

Item No. _____

FROM: City Manager

SUBJECT: RESOLUTION TO APPROVE FINAL TRACT MAP NO. 83334, SUBDIVISION IMPROVEMENT AGREEMENT, AND SECURITIES ASSOCIATED WITH THE DIVISION OF LAND 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

MEETING DATE: November 25, 2025

RECOMMENDATION:

It is recommended that the City Council consider:

1. Adopting Resolution No. ____:
 - a. Approving Final Tract Map No. 83334, for the properties located at 7316 Gage Avenue ("Developer's Property") and 6364 Zindell Avenue ("City Property") and authorizing staff to release the map for final recordation;
 - b. Approving a Subdivision Improvement Agreement for required public improvements associated with the final map in compliance with Subdivision Map Act § 66462; and
2. Taking such additional, related, action that may be desirable.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

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 final map were previously analyzed and mitigated by the Environmental Impact Report (State Clearinghouse No. 2019080312) for the Modelo Project that was certified on February 22, 2022. The EIR adequately describes and considers the proposed final map. Accordingly, the final map approval is not subject to further environmental review.

BACKGROUND:

The Modelo Project was previously approved by City Council on February 15, 2022 and February 22, 2022 at duly noticed public hearings. The Modelo Project will be developed by Comstock Realty Partners (“Developer”) and was approved to include the following construction:

- Up to 850 residential units,
- Up to 165,000 square feet of commercial uses,
- A new public community center and museum, and
- Approximately five acres of park and open space.

At the February 15 and February 22, 2022 City Council meetings, among other actions, the City Council approved the Modelo Project entitlements including:

- Site Plan Review No. 997;
- Master Sign Plan;
- Vesting Tentative Tract Map No. 83334;
- Zone Change;
- General Plan Amendment;
- Modelo Specific Plan;
- Development Agreement; and
- Environmental Impact Report (SCH# 2019080312).

The Modelo Project Site is generally situated in the southernmost portion of the City of Commerce at existing Veterans Memorial Park located at 6364 Zindell Avenue, and an adjacent vacant parcel at 7316 East Gage Avenue and is comprised of two contiguous sites and in combination, measure approximately 17.5 acres in size. It is adjacent to the communities of Bell Gardens, Downey, Montebello, and Pico Rivera. It is directly adjacent to, and within close proximity of Interstate Five (“I-5”) Freeway. Zindell Avenue is the primary point of access to the Modelo Project Site, although a smaller access road at the northernmost portion of the site provides access to Gage Avenue.

The first parcel, which is addressed as 7316 East Gage Avenue (red parcel below), is a vacant undeveloped lot measuring approximately eight acres and owned by Comstock Realty Partners (“Developer”). The second site, which is addressed as 6364 Zindell Street (green parcel below), measures approximately 9.4 acres and is the site of the Veterans Memorial Park (“City’s Parcel”). The Project Site is directly adjacent to the crossing of the I-5 Freeway and the Rio Hondo channel within the City of Commerce. To facilitate the development, the existing Veterans Memorial Park will be demolished and incorporated in a different form but still as a public park into the total Project Site to allow for the development of the Modelo Project.

Modelo Project Site Aerial:



Additionally, due to the previous use of the Project Site as a landfill, the Project includes the remediation of the entire Modelo Project Site to allow for safe implementation of the Project and will consist of excavating the impacted soil pursuant to a Remedial Action Plan overseen by the Los Angeles Regional Water Quality Control Board (RWQCB).

Modelo Project Site Plan:



ANALYSIS:

Final Tract Map

In conjunction with the Modelo Project entitlements, the Developer obtained approval of a Vesting Tentative Tract Map No. 83334 to subdivide the Modelo Project Site into three (3) legal parcels and allow for airspace subdivision to allow for the sale of residential units at the Modelo Project Site. The Developer obtained approval to construct up to 850 residential dwelling units. Of these, 110 units will be offered as for-sale units. To sell these units individually, the Developer obtained approval and permission to proceed with the Vesting Map.

Exhibit A of Attachment 1 contains Vesting Tract Map No. 83334 submitted by the Developer for final approval. The City Engineer has reviewed the submitted final map and has verified that the final map filed herein is in substantial compliance with the approved tentative map and complies with all of the requirements of the California Government Code, the City's subdivision ordinance, including Chapter 18.01 (LA County Subdivision Ordinance), and is in conformance with the Subdivision Map Act. The final map has been approved by the City Engineer. All conditions are finalized and will be recorded as part of the final map. Upon approval, the Final Tract Map will be signed by the appropriate City representatives and released for recordation with the Los Angeles County Recorder's Office.

Related to the final map approval, Section 5.3 of the Development Agreement reads: "Concurrently with the recordation of the Final Map in the Official Records of the County of Los Angeles, the City and Comstock shall complete the Land Exchange in accordance with the Real Property Exchange Agreement." The Land Exchange Agreement is being brought before City Council concurrently with the final map as a separate action.

Subdivision Improvement Agreement

In conformance with Subdivision Map Act § 66462, if the required public improvements associated with the subdivision have not been completed and accepted by the City at the time of the approval of the final map, the Developer is required to enter into a Subdivision Improvement Agreement with the City for the unfinished public improvements and must provide a surety bond to guarantee completion of the required public improvements.

Exhibit B of Attachment 1 contains a draft Subdivision Improvement Agreement between the City and the Developer which details the required public improvements, such as roads, utilities and sewers, and requires that the Developer post a bond or bonds to guarantee the completion of the required public improvements. The attached Subdivision Improvement Agreement allows for the phased commencement and completion of required public improvements and the phased provision of bonds for the associated improvements. The Subdivision Improvement Agreement and associated bonds have been negotiated and reviewed by City Staff and are recommended for approval.

CONTINGENT APPROVAL

Based on a teleconference with Developer on Monday afternoon November 24, 2025, the Developer requested and the staff has approved contingent approval of the Land Exchange Agreement. The City had requested that certain documents relating to the Modelo Project be submitted to the staff for approval, but Developer was unable to timely provide all of the requested documents. As a compromise city staff has agreed to recommend contingent approval of the Land Exchange Agreement and other entitlements.

Thus, the Resolution presented for your consideration conditionally approves the Subdivision Final Map and Subdivision Improvement Agreement in substantially the form attached hereto as Exhibits 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 Develop 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.

Until the above five contingencies have been satisfactorily completed the approval of the Subdivision Final Map and Subdivision Improvement Agreement will not be effective.

FISCAL IMPACT

Approval of this Final Tract Map and Subdivision Improvement Agreement can be carried out without any fiscal impact to the City's General Fund.

ALTERNATIVES:

1. Approve recommendation;
2. Reject recommendation; or
3. Provide staff with further direction.

RELATIONSHIP TO STRATEGIC GOALS:

This item relates to the 2016 Strategic Action Plan's goal of: Economic growth - Guiding Principles 1 to "Create and strengthen our identity, as a community that promotes opportunity and success for business that meets the strategic focus for economic growth, will have a positive impact on the quality of life and the City's financial sustainability," and 3 "Support a long-range planning vision through the City's General Plan, zoning ordinance, and related land use planning documents that incorporate community and stakeholder input and provide a compass for strategic economic growth, infrastructure investments and city fiscal planning."

Recommended by:	Jessica Serrano, Director of Community Development
Reviewed by:	Shahid Abbas, Director of Public Works
Approved as to form:	Noel Tapia, City Attorney
Respectfully submitted:	Ernie Hernandez, City Manager

ATTACHMENTS:

1. Resolution No. ____, including:
 - a. Exhibit A – Vesting Tract Map No. 83334
 - b. Exhibit B – Subdivision Improvement Agreement