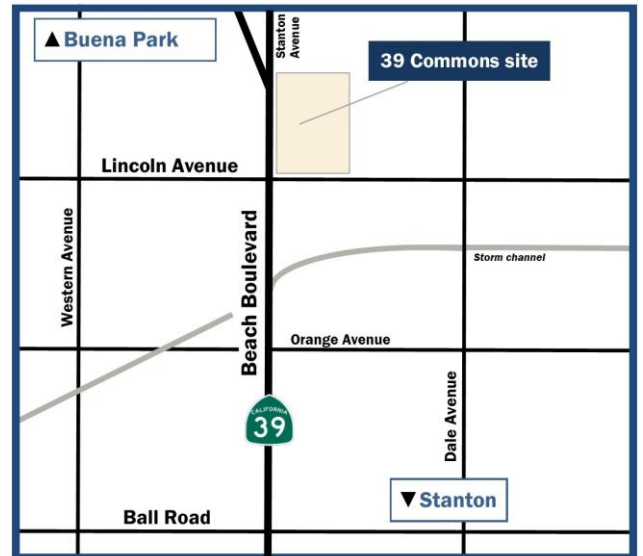




FactSheet

39 Commons Site

- **What:** 30 acres of land owned by the city of Anaheim being developed by 39 Commons Partners LLC as a shopping center, homes and community space
- **Where:** northeast corner of Beach Boulevard and Lincoln Avenue
- **City Council approval:** July 30, 2019, development agreement
- **Residential:** up to 65 townhomes for sale on 3.14 acres
- **Proposed 39 Commons center:**
 - High-end grocery store up to 35,000 square feet
 - 38,100 square feet of shops, restaurants and services
 - Outdoor, community spaces
 - Potential hotel, other uses
- **Jobs:** more than 400 during construction, 108 full-time after center opens
- **Projected 25-year revenue:** \$2.8 million
 - \$1.9 million, city share of sales tax
 - \$900,000, city share of property taxes
- **Transaction:**
 - Sale of 12 acres for \$5.6 million
 - Lease of 18 acres





FactSheet

39 Commons Site

- **Lease terms:**
 - 55 years
 - Rent, first five years: \$66,000 annually
 - Rent, years six through 10: \$132,000 annually
 - Rent increase, every five years after: 12.5 percent
 - City receives additional percentage rent if developer reaches profit milestones
 - City receives 5 percent of gross profit above initial lease value if developer acquires site
- **Developer requirements:**
 - \$150,000 forfeitable down payment
 - Grading permit by July 30, 2020
 - \$1.3 million forfeitable deposit for grocery store
 - 10-year grocery store lease by July 29, 2022
 - Within five years: build 50,000 square feet of retail, commercial space
 - Within 10 years: begin construction on additional 50,000 square feet of retail, commercial space
- **About 39 Commons LLC:** joint venture of Los Angeles-based Zelman Development Co. and Irvine-based Greenlaw Partners Inc.
- **About Zelman:** privately held real estate investor developer, specializing in shopping centers, industrial parks, office buildings, storage, airport parking
- **Notable project:** Burbank Empire Center, 618,562-square-foot shopping center with two hotels that opened in 2002, developed on former Lockheed Martin Corp. aircraft plant and remediated Superfund site
- **About Greenlaw:** privately held real estate investor and developer, specializing in residential, office, industrial, retail, entitlement and hospitality
- **Notable project:** The Triangle, a 210,000-square-foot entertainment center in Costa Mesa, acquired in 2010 with occupancy growing from 25 percent to 80 percent



FactSheet

39 Commons Site

- **Site history:**
 - **Pre-1940:** citrus orchard
 - **1940-1950:** sand and gravel pit
 - **1958-1960:** county landfill
 - **1960:** landfill closed; site covered with three feet of soil
 - **Early 1960s:** go-cart track
 - **1964-1985:** mobile home park with some retail, parking for nearby apartments; vacant since 1985
 - **2001:** acquired by city of Anaheim
- **Remediation:**
 - **1987-1996:** installation of groundwater monitoring wells
 - **2005-2012:** installation of landfill gas collection and ventilation system, soil surcharging and compaction
- **Anaheim site acquisition, remediation costs:** more than \$25 million