



# ***Agenda Report***

## ***Fullerton City Council***

**MEETING DATE:** MAY 18, 2021

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

**SUBMITTED BY:** ACTING CITY MANAGER STEVE DANLEY

**PREPARED BY:** MATT FOULKES, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT

**SUBJECT:** SURPLUS PROPERTY DECLARATION FOR ASSESSORS PARCEL NUMBER 029-032-21 – TRIANGULAR LOT LOCATED ON THE NORTH SIDE OF ELLIS PLACE, EAST OF HARBOR BOULEVARD

---

### **SUMMARY**

Declare the property located on the north side of Ellis Place, east of Harbor Boulevard (Assessor's Parcel Number 029-032-21) as surplus land pursuant to California Government Code Sections 54220-54234.

### **RECOMMENDATION**

Adopt Resolution No. 2021-XX.

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, DECLARING THE ASSESSORS PARCEL NUMBER 029-032-21 AS SURPLUS PROPERTY PURSUANT THE SURPLUS LAND ACT (CALIFORNIA GOVERNMENT CODE SECTIONS 54220-54234)

### **PRIORITY POLICY STATEMENT**

This item matches the following Priority Policy Statements:

- Infrastructure and City Assets
- Fiscal and Organizational Stability.

### **FISCAL IMPACT**

This property requires appraisal as part of the disposition process at an estimated cost of \$2,000. Staff does not request an appropriation to cover appraisal costs.

## DISCUSSION

Assembly Bill 1486, signed by the Governor in October 2019, amended the process governing the disposition of surplus land. The Surplus Property Land Act (Government Code Sections 54220-54234), defines surplus land as “land owned by any agency of the state, or any local agency, that is determined to be no longer necessary for the agency’s use, except property being held by the agency for the purpose of exchange.” The bill expanded the definition of local agency to include land held in the Community Redevelopment Property Trust Fund and land designated in the long-range property management plan either for sale or for future development. Additionally, the term ‘Agency Use’ applies to land used or planned for used pursuant to a written plan adopted by the City Council for: utility sites, watershed property, land used for conservation purposes, land for demonstration, exhibition or educational purposes related to greenhouse gas emissions and buffer sites near sensitive governmental uses such as wastewater treatment plants.

If City Council declares the property as surplus, the City will send a notice of availability to sell or long-term lease the surplus property to the entities and agencies identified in Government Code Section 54222 et seq. If one of the entities or agencies desires to purchase the property after having received notice, it must indicate its intent to do so in writing within 60 days of receiving the notice and the City and the other entity or agency may enter “good faith” negotiations on the price and terms for the disposition of the property. The disposition process will also likely include another contractual arrangement with the City such as a Disposition and Development Agreement (DDA) or Purchase and Sale Agreement (PSA).

Nothing prevents the City from obtaining fair market value for the disposition of surplus land. If the parties cannot agree upon price or terms after 90-days of negotiation with the selected entity, the City may dispose of the land without further regard to the Surplus Land Act requirements, except if the City then enters into an agreement with another entity which results in the construction of ten or more residential units, the new entity shall provide at least 15 percent of the units as affordable.

At its May 4, 2021 meeting, City Council voted to continue action on this item to allow time for City staff to meet with representatives from Crittenton who utilize the adjacent parcel to the east of the site for employee parking for their facility on the north side of the flood control channel. The City has had a long-standing verbal agreement with Crittenton to allow them to use up to ten parking spaces within the city-owned lot (Triangle Lot) for additional employee parking. This agreement dated back to when the City removed on-street parking from the front of their facility on Harbor Boulevard. The City can easily accommodate the needed parking spaces in the Fox Block parking structure planned for the surface lot on the south side of Ellis Place.

## Attachments:

- Attachment 1 - Resolution No. 2021-XX