



# ***Agenda Report***

## ***Fullerton City Council***

**MEETING DATE:** JULY 20, 2021

**TO:** CITY COUNCIL / SUCCESSOR AGENCY

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

**PREPARED BY:** KELLEE FRITZAL, ACTING DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT  
HEATHER ALLEN, PLANNING MANAGER

**SUBJECT:** GOODMAN LOGISTICS CENTER – FIRST AMENDMENT TO DEVELOPMENT AGREEMENT TO REVISE WATER WELL EASEMENT PUBLIC BENEFIT

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### **SUMMARY**

Request to amend Public Benefit with respect to “Water Well Easement” identified in the Development Agreement between the City and GLC Fullerton LLC (Applicant). No other changes are proposed. Government Code Section 65868 provides that the parties may amend the Development Agreement upon mutual agreement following a Public Hearing before the Planning Commission and City Council. The Planning Commission considered and unanimously recommended approval of the First Amendment at a noticed public hearing on June 23, 2021.

### **RECOMMENDATION**

Introduce Ordinance XXXX for first reading by title only and waive further reading of the Ordinance.

**ORDINANCE NO. XXXX – AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA APPROVING THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FULLERTON AND GLC FULLERTON LLC CONCERNING GOODMAN LOGISTICS CENTER, FULLERTON PROJECT**

### **PRIORITY POLICY STATEMENT**

This item matches the following Priority Policy Statements:

- Infrastructure and City Assets
- Fiscal and Organizational Stability.

## FISCAL IMPACT

The City currently has an easement over the Applicant's property which allows a water well. At the City's request, the Applicant agreed to increase the area covered by the easement by an additional 8,332 square feet. The approved Development Agreement established the fair market value for the additional easement area as \$590,739 (\$70.90 per square foot). The City now desires to reduce the expansion area to 5,735 square feet which proportionally reduces the fair market value to \$406,611. The City will continue to make five equal annual installment payments following final parcel map recordation. Staff will include the first installment as a CIP budget carry forward from Fiscal Year 2020-21 to 2021-22. The First Amendment reduces the cost to the City by \$184,128.

## DISCUSSION

In November 2020, City Council approved the redevelopment of the 65.4-net-acre former Kimberly-Clark site located at 2001 East Orangethorpe Avenue, at the northeast corner of Orangethorpe and Acacia Avenues. The project included a Development Agreement which provided the Applicant and the City certain assurances and obligations. Subsequent to the approval, the City and Applicant desire to amend the Public Benefit with respect to the "Water Well Easement" identified and mapped on Attachment 1 to reduce the easement area required by the City and proportionally reduce the City's cost to purchase the easement.

### Attachments:

- Attachment 1 – Easement Area Comparison Exhibit
- Attachment 2 – Draft Ordinance No. XXXX