



Agenda Report

Fullerton City Council

MEETING DATE: NOVEMBER 4, 2025

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEPHEN BISE, P.E., DIRECTOR OF PUBLIC WORKS

PREPARED BY: STEPHEN BISE, P.E., DIRECTOR OF PUBLIC WORKS
DAISY PEREZ, DEPUTY CITY MANAGER
MATT LANINOVICH, SENIOR CIVIL ENGINEER
BARON BETTENHAUSEN, ASSISTANT CITY ATTORNEY

SUBJECT: PORTION OF WEST COMMONWEALTH AVENUE EAST
OF 1747 WEST COMMONWEALTH AVENUE
ABANDONMENT

SUMMARY

Consider abandoning right-of-way easement located south and east of 1747 West Commonwealth Avenue (APN 030-252-01) and ratify Real Estate Purchase Agreement and Joint Escrow Instructions.

PROPOSED MOTION

1. Adopt Resolution No. 2025-XXX.

RESOLUTION NO. 2025-XXX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING ABANDONING AND VACATING A PORTION OF COMMONWEALTH AVENUE EAST OF 1747 WEST COMMONWEALTH AVENUE (APN 030-252-01)

2. Ratify Real Estate Purchase Agreement and Joint Escrow Instructions and authorize City Manager to execute related documents, in a form approved by the City Attorney, subject to non-substantive changes.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Deny vacation request and reject Real Estate Purchase Agreement and Joint Escrow Instructions
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

This item would generate reduced maintenance costs and calls for service to maintain right-of-away area. The City would receive \$43,000 in one-time revenue based on the appraised fair property value, minus certain specified fees by selling the right-of-way not needed for public use. See Real Estate Purchase Agreement and Joint Escrow Instructions (Attachment 8) for more information.

BACKGROUND AND DISCUSSION

The City received grants to the public street segments proposed for abandonment (Attachment 3) by various instruments. The Stern Nicolas' Subdivision "dedicate for public use the roads and avenues" in 1903 creating a 60-foot-wide easement area constituting the original Commonwealth alignment including the West Commonwealth Avenue subject area. The easement area expanded in 1948 by ten feet on each side for a total 80 foot easement width. The City of Fullerton received the deed to real property described as a portion of Lots 9 and 10 of the Stern Nicolas' Subdivision in 1961. The instrument did not declare the purpose but the transaction facilitated the railroad grade separation.

The grade separation realigned Commonwealth Avenue and created surplus right-of-way north of West Commonwealth Avenue, east of 1747 West Commonwealth Avenue. The City possesses easement and fee title to portions of this property. Grace Ministries International (GMI) owns the property at 1747 West Commonwealth Avenue, located on the northwest corner of Brookhurst Road and West Commonwealth Avenue. GMI expressed interest in acquiring this right-of-way from the City to create a secured parking lot and expand parking space for their adjacent properties.

GMI submitted a master application for staff to review a potential parking lot project within 1747 West Commonwealth Avenue and the subject area on August 2, 2023. The Development Coordination Review Committee (DCRC) completed one round of review. GMI subsequently requested focusing discussions on acquiring the surplus right-of-way to support their parking lot plans.

City Council adopted Resolution No. 2023-031 (Attachment 6) on May 16, 2023 declaring the subject property as not necessary for City use and determining such property exempt surplus per Government Code Section 54221 and in compliance with

the Surplus Land Act. City Council requested staff conduct a tree assessment to determine tree removal impacts in the subject area.

The Department of Housing and Community Development Division of Housing Policy Development sent a letter to the City dated June 30, 2023 (Attachment 7), confirming the subject property qualifies as “exempt surplus land” under Government Code section 54221 and the City may proceed with the sale.

The City executed a Real Estate Purchase Agreement and Joint Escrow Instructions (Attachment 8) with GMI on October 23, 2024 to convey the subject area portions held by the City in fee title. The agreement follows City Council closed session discussions regarding the potential transfer of a City-owned remnant right-of-way parcel located immediately east of 1747 West Commonwealth Avenue. The parcel resulted from a 1960s grade separation project to realign West Commonwealth Avenue, leaving the area landlocked and unsuitable for independent development or City use. Access to the site is available only through the adjacent Grace Ministries International (GMI) property. GMI obtained an independent appraisal valuing the property at \$43,000, reflecting the limited marketability and restricted utility. City Council directed staff to prepare a Purchase and Sale Agreement consistent with Government Code Section 54221(f)(1)(E) which allows the City to convey former right-of-way to an adjacent property owner as exempt surplus land.

Notable deal points in the agreement include:

Section 1.02 establishes a \$43,000 purchase price, based on an independent appraisal. The Buyer must submit a \$5,000 deposit within three business days following execution of the Agreement, with the balance due at close of escrow.

Section 1.03 specifies the purchase price shall be applied toward planning fees related to the parcel map and the street right-of-way vacation, with the Buyer responsible for additional zoning and planning fees.

Section 4.04 requires a deed restriction, which requires the property be used only for open space and/or parking purposes. Any future change in use would require approval of both a General Plan Amendment and Zoning Amendment by the City.

Section 4.05 requires the Buyer to comply with CEQA and the City Community Forestry Ordinance (FMC Chapter 9.06) and implement the recommendations identified in the tree assessment titled “Recommendation on Trees for Proposed Grace Ministries International, Commonwealth Parking Lot Expansion,” dated February 1, 2024 (Attachment 9).

Section 5.01 establishes that closing shall occur within 30 days after the City Planning Commission makes a finding, pursuant to Government Code Section 65402, that the conveyance is consistent with the City General Plan and after the City has processed a vacation of the right-of-way. The transaction is also subject to City Council approval and the Buyer may extend the closing date by 30 days with written notice.

Section 5.02 requires the City to convey title to the Buyer by Quitclaim Deed that includes a recorded deed restriction limiting the use of the property to open space and/or parking, consistent with prior City Council surplus land determination.

Section 5.03 requires proration of real property taxes and assessments as of the closing date, in accordance with County procedures.

Section 5.04 outlines cost allocations, requiring the Seller (City) to pay applicable transfer taxes, title costs (up to \$3,000) and one-half of appraisal, survey, engineering and escrow fees, with the Buyer responsible for the remaining half and any additional recording costs.

Section 5.11 authorizes escrow to record the Quitclaim Deed and disburse funds once the following conditions are met:

- The City has processed the right-of-way vacation
- The Planning Commission has issued a finding of General Plan consistency and
- Both parties have deposited all required funds and documents, including a plat map prepared at the Buyer's expense.

Section 6.04 requires the Buyer to accept the property in its "as-is" condition and includes a comprehensive release of liability in favor of the City, except in cases of material misrepresentation.

The City of Fullerton Planning Commission adopted PC Resolution PC-2025-13 (Attachment 5) on September 10, 2025 recommending partial abandonment of the subject easement area.

The Fullerton City Council adopted Resolution No. 2025-054 (Attachment 4) on October 7, 2025 declaring the intention to vacate the subject easement and setting a public hearing for November 4, 2025.

Staff reviewed the proposed partial abandonment of the subject easement and concluded that it has merit, based on the following findings:

1. There are no plans, obligations or intentions to widen West Commonwealth Avenue.
2. The subject area will be deed restricted as open space and/or parking.
3. The buyer must fulfill recommendations in the tree assessment if any trees are removed within the subject area.
4. As a part of the proposed abandonment, a reservation is made for an easement dedicated to the City of Fullerton for public service and public utilities purposes over, under, along, across, and through the subject area.
5. Pursuant to Resolution PC-2025-13, the use and property shall be in substantial conformance with the plans, descriptions and statements provided by the applicant, excepting any modifications made by the Planning Commission. Upon significant changes to the plans, descriptions and statements provided by the applicant, as determined by the Director of Community and Economic Development, staff shall initiate a review of the vacation at a noticed public hearing before the Planning Commission.

Attachments:

- Attachment 1 – PowerPoint Presentation
- Attachment 2 – Vicinity Map
- Attachment 3 – Resolution 2025-XXX
- Attachment 4 – Resolution 2025-054 Notice of Intention to Vacate
- Attachment 5 – Resolution PC-2025-13 General Plan Conformity
- Attachment 6 – Resolution 2023-031 Exempt Surplus Land Determination
- Attachment 7 – HCD Exemption Approval Letter
- Attachment 8 – Real Estate Purchase Agreement & Joint Escrow Instructions
- Attachment 9 – Tree Assessment

cc: Interim City Manager Eddie Manfro