

SPECIAL MEETING  
CYPRESS CITY COUNCIL  
January 30, 2017

A special meeting of the Cypress City Council was called to order at 6:01 p.m. by Mayor Pro Tem Peat at the Cypress Community Center, 5700 Orange Avenue, Cypress, California.

**ROLL CALL**

Cypress City Council, also acting as the Ex-Officio Governing Board of Directors of the Cypress Recreation and Park District

Mayor Paulo Morales (arrived at 6:11 p.m.)  
Mayor Pro Tem Jon Peat  
Council Member Stacy Berry  
Council Member Rob Johnson  
Council Member Mariellen Yarc

**STAFF PRESENT**

City Manager Peter Grant  
City Attorney Anthony Taylor  
Director of Community Development Doug Dancs  
City Planner Doug Hawkins  
City Clerk Denise Basham

**PLEDGE OF ALLEGIANCE** The Pledge of Allegiance was led by Mayor Pro Tem Peat.

**ORAL COMMUNICATIONS** (Limited to 30 minutes – three minutes per speaker, unless extended by the City Council)

Patricia Rudner, Cypress, spoke regarding Agenda Item No. 1 stating her support of a park development at the location.

**NEW BUSINESS**

**Item No. 1: Presentations by Potential Development Partners at Katella Avenue and Winners Circle**

The City Manager provided background information on this item.

Council Member Yarc asked about current zoning of the property and when it was established.

The City Manager indicated that the property is set under a Specific Plan approved by the voters in 1990, allows for General Commercial and Retail uses, and does not permit for residential developments.

Rupesh Bhakta, Vice President of Acquisitions and Development, CenterCal Properties, provided background information on their company and recent development projects.

Council Member Berry asked if there are Orange County developments.

Mr. Bhakta responded no.

Council Member Berry asked about the smaller size of the Cypress development as compared to larger development examples given.

Mr. Bhakta spoke of smaller developments his company has done and commented that smaller developments are more viable.

Council Member Berry spoke regarding changes in retail developments and asked about foreseen changes within the next decade.

Mr. Bhakta stated that the soft goods market is heavily transitioned and he feels that good developers would sustain the online market competition. He spoke of the unique environment and optimism.

Council Member Berry asked about the strengths and weaknesses of the Katella Avenue property.

Mr. Bhakta responded that the Katella Avenue property offers a positive traffic count and spoke of retail developers' cautiousness.

Mayor Pro Tem Peat asked if the development design would be flexible and if there would be space for add-ons.

Mr. Bhakta responded in the affirmative, and clarified that most development projects are done in phases.

Council Member Johnson spoke in favor of long-term growth, creativity based on diversity and demographics of the community, and the true value of long-term assets. He commented on the need for Katella Avenue to attract consumers and asked about community outreach methods.

Mr. Bhakta replied that community outreach would include a process of community assistance in master planning the development.

Council Member Yarc asked what type of development and landscaping could be done on Katella Avenue.

Mr. Bhakta stated that creative designers would be imperative. Mayor Morales asked for clarification of NOI with regard to the Plaza 183 project.

Mr. Bhakta responded that the acronym NOI stands for Net Operating Income.

Brad Deck, Shea Properties, provided background information on their company and recent development projects.

Kevin McCook, Shea Properties, described the initial vision for the Cypress City Center which may include a 100-room hotel, specialty and gourmet grocery stores, restaurants, and a luxury cinema. He stated that the plan would focus on safe walkability, outdoor dining, and gathering areas, and that the entry at Katella Avenue and Winners Circle would be the focal point. He stated that the plan would be flexible and based on what the community wants. He discussed the potential for small gourmet grocery stores, as well as neighborhood specialty shops and services. He informed of community outreach based on the needs of the community and stakeholders, and spoke of recent project successes.

Council Member Johnson spoke of the importance of community outreach and a project development that brings the community together. He asked the project developer if there are questions that have not been asked that are important.

Mr. McCook responded that the question regarding why the site would be a community gathering location is relevant, and he stated that there is a high traffic flow in the area, as well as a dense office and residential population. He stated that an entertainment component would be beneficial.

Council Member Johnson asked about the development of a hotel and supermarket.

Mr. McCook responded that a hotel development would require approximately 2.5 acres per 100 rooms including amenities.

Council Member Johnson asked about layered shopping complexes.

Mr. McCook stated that there have been changes in retail due to the limited availability of big, expansive sites and developers have to be more creative on the property uses.

Council Member Yarc asked if there is a particular hotel interested in the development.

Mr. McCook responded in the affirmative, and stated that he has received a letter of interest.

Council Member Yarc spoke in support of restaurants and retail and asked about the need for a hotel.

Mr. McCook indicated that there would be a need for a hotel due to the dense office population.

Council Member Yarc asked about hotel parking.

Mr. McCook responded that the hotel would have self-parking.

Council Member Yarc asked if the site would provide sufficient parking.

Mr. McCook responded in the affirmative.

Council Member Berry asked for clarification on The Lot.

Mr. McCook responded that The Lot is an expanding cinema with two locations in San Diego, consideration of multiple locations in Southern California, and one location in Northern California. He stated that it would be an entertainment cinema with food.

Council Member Berry asked if the Cypress community would support a cinema.

Mr. McCook responded in the affirmative, and indicated that it could be a community hub and a unique draw for the area.

Council Member Berry asked if the schematic could be modified based on possible future changes to the Los Alamitos Race Course property.

Mr. McCook responded in the affirmative, and stated that the plan could be modified based on community outreach, as well as staff and City Council input.

Council Member Berry asked if the property would be too small to receive deserved attention from the developer.

Mr. McCook responded no, and stated that most of their neighborhood projects are 10 to 15 acres in size.

Mayor Pro Tem Peat spoke regarding residential concerns regarding the height of developments and stressed the importance of buildings not being too high.

Mayor Morales asked how the rendering information was determined.

Mr. McCook responded that the design team and development team created the rendering based on retailer interest, current market interests, the most viable solution for the site, as well as their experience.

Mr. Deck stated that a preliminary tenant outreach was done in order to create a vision that would be flexible.

Mayor Morales thanked the developers.

**ORAL COMMUNICATIONS** (Five minutes per speaker, unless extended by the City Council)

Shelley Henderson, Cypress, spoke regarding coordination of developments along Katella Avenue.

Patricia Rudner, Cypress, spoke in opposition to commercial development at Katella Avenue and Winners Circle and in favor of a youth facility development.

**ADJOURNMENT**

Mayor Morales adjourned the meeting at 7:10 p.m., to an adjourned Regular Meeting, to be held on Monday, February 13, 2017, beginning at 5:30 p.m. in the Executive Board Room.

  
MAYOR OF THE CITY OF CYPRESS

ATTEST:

  
CITY CLERK OF THE CITY OF CYPRESS