

REGULAR MEETING
CYPRESS CITY COUNCIL
February 26, 2018
5:30 P.M.

A regular meeting of the Cypress City Council was called to order at 5:30 p.m. by Mayor Peat in the Executive Board Room, 5275 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 Jon Peat
Mayor Pro Tem Stacy Berry
Council Member Rob Johnson
Council Member Paulo Morales
Council Member Mariellen Yarc

STAFF PRESENT

City Manager Peter Grant
City Attorney Anthony Taylor
Director of Finance and Administrative Services Matt Burton

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

None.

CLOSED SESSION

The City Attorney reported that the City Council would be meeting in Closed Session regarding Public Employee Performance Evaluation, pursuant to Government Code Section 54957, Title: City Manager.

The City Attorney reported that the City Council would be meeting in Closed Session regarding Conference with Labor Negotiator, pursuant to Government Code Section 54957.6, Agency Negotiators: Peter Grant and Matt Burton, Employee Groups:

- Cypress Employees' Association
- Cypress Maintenance Employees' Association

The City Attorney reported that the City Council would be meeting in Closed Session regarding Conference with Real Property Negotiators, pursuant to Government Code Section 54956.8, Real Property Identified by APN Number 241-221-23, Located at the Southeast Corner of Cerritos Avenue and Denni Street, Parties Negotiating with: Los Alamitos Race Course, Negotiating Party: City Manager, Under Negotiation: Term of Payment.

The City Attorney reported that the City Council would be meeting in Closed Session regarding Conference with Legal Counsel – Anticipated Litigation, discussion of Potential for Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4).

At 5:31 p.m., the Mayor recessed the meeting.

RECONVENE

At 6:25 p.m., the Mayor reconvened the meeting.

WORKSHOP SESSION

The City Attorney provided an update on New State Housing Laws and stated that the new housing laws would promote the development of affordable housing, discourage cities from denying affordable housing and discourage reductions in density, and provide more stringent requirements for housing elements and enforcement. He stated that the City's current housing element is through 2021 and indicates a City plan for affordable opportunity site locations.

The City Attorney provided a summarized overview of 15 new housing laws that most likely apply to Cypress. He stated that SB 167/AB 678 changes the legal standard in court for denying a housing project and makes cases easier to prove for housing advocates with increased penalties for non-compliance. He indicated that the State can review a city's actions at any time to determine housing element consistency. He stated that AB 879 requires annual housing reports by April 1 and this action previously did not apply to charter cities but now it does. He indicated that SB 166 provides that a housing inventory must be sufficient to meet the remaining Regional Housing Needs Assessment (RHNA) requirements for lower and moderate income households and it is unclear if it applies to charter cities such as Cypress. He stated that SB 35 requires charter cities to create a streamline process for qualifying housing projects. He outlined details of SB 35 that creates a streamlined ministerial approval process for qualifying zoning compliant multi-family housing development projects if the developer pays prevailing wages. He clarified that SB 35 does not go through a City Council, California Environmental Quality Act (CEQA), or environmental process and does not apply to single-family residential. He stated that the law only applies if the development is 10 or more units, if prevailing wages are paid, and only applies to Cypress based on a report if there are 10 percent or more affordable units provided. He indicated that the State may decide that SB 35 does not apply to Cypress.

The Director of Community Development stated that the State would decide on the 10 percent affordability units not the 50 percent affordability units.

Mayor Pro Tem Berry asked how the State makes its determination.

The Director of Community Development responded that staff contacted the State because the City meets the above reporting category and the State agreed to remove the City.

The City Attorney stated that SB 35 would restrict parking to a one parking space per unit allocation and expressly applies to charter cities including Cypress.

Council Member Johnson asked for clarification on the parking restrictions and if it is based on square footage.

The City Attorney responded no, and clarified that the parking restriction could include one parking garage or one parking stall per unit.

The City Attorney provided an overview of Cypress' RHNA for 2014-2021, and stated that there are 389 units pending approval. He indicated that new tools for affordable housing include SB 2 that makes funding available for the creation of affordable housing, AB 73 that provides incentive funding for establishing housing sustainability districts, and AB 1505 that allows cities to impose inclusionary housing ordinances including rent control on new apartment complexes.

Council Member Yarc asked if all laws have been voted and approved.

The City Attorney responded in the affirmative, and clarified that they have been signed into law by the Governor.

The City Attorney indicated that the Hyatt Die Cast site was discussed in the City's current housing element and currently has industrial uses, however it could have up to 346 units and potential for SB 35 streamlining for qualifying multifamily projects on the site that pay prevailing wages and meet affordability requirements. He stated that it is unclear whether or not SB 166 applies to charter cities and would require replacement sites.

Council Member Morales asked what the City current regulations would permit for the Hyatt Die Case site.

The City Planner indicated that 346 units is based upon the maximum density of 30 units per acre.

Council Member Morales asked if that is a State requirement.

The City Planner responded that it is a City requirement.

Mayor Peat asked if SB 166 or other laws mandate the housing maximum.

The City Attorney responded that the laws come close to mandating the housing maximum and that it remains a goal.

Mayor Peat asked if all of the RHNA are met, could the State change the requirement.

The City Attorney responded in the affirmative, and clarified that the numbers are not static.

The City Manager stated that the City RHNA numbers are expected to increase.

Mayor Peat asked about the possible effects of the Town Center 2.0 ballot measure.

The City Attorney indicated that the new housing laws do not affect the current Los Alamitos Race Track zone, however if the ballot measure passes there are potential SB 35 requirements for multi-family project sites.

The City Manager stated that the State cannot make changes to single-family zoning and SB 35 does not allow a density increase for multi-family zoning.

Mayor Peat asked how the new laws would affect the proposed senior housing on the Los Alamitos Race Track site.

The City Attorney responded that SB 35 could affect any multi-family zoning.

The City Attorney indicated that the City's 13 acre site is rezoned for some multi-family residential with potential SB 35 impacts and future housing elements to meet the affordability requirements. He stated that various hotels and motels on Lincoln Avenue could be affected by SB 35 and future housing elements opportunity sites.

Council Member Yarc asked if the cities of Beverly Hills and Newport Beach would be affected similarly.

The City Attorney responded that the City of Beverly Hills has been found to be in compliance and that most cities are not close to achieving the goal numbers.

The City Attorney stated that SB 827 allows the State to create additional density near transit stops, however it does not apply to Cypress.

Council Member Yarc asked about the City RHNA compliance should builders not comply with paying prevailing wages.

The City Attorney indicated that the City would create an opportunity for developers who can create affordable housing and that paying prevailing wages increases the speed of the development process.

Mayor Peat asked about density bonus requirements.

The City Planner indicated that the density bonus would be based on affordability levels.

The City Manager indicated that the League of California Cities expressed concern with meeting RHNA requirements since the loss of redevelopment funding.

The City Attorney indicated that the available funding to cities that meet RHNA numbers is undetermined.

The City Manager stated that various portions of the revised SB 35 report do not apply to Cypress.

At 6:50 p.m., the Mayor recessed the meeting.

RECONVENE

The 7:00 p.m. session of the City Council meeting was called to order at 7:00 p.m. by Mayor Peat.

ROLL CALL

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

Mayor Jon Peat
Mayor Pro Tem Stacy Berry
Council Member Rob Johnson
Council Member Paulo Morales
Council Member Mariellen Yarc

STAFF PRESENT

City Manager Peter Grant
City Attorney Anthony Taylor
Director of Finance and Administrative Services Matt Burton
Chief of Police Rodney Cox
Director of Community Development Doug Dancs
Director of Recreation and Community Services June Liu
City Engineer Kamran Dadbeh
City Planner Doug Hawkins
Water Quality Manager Gonzalo Vazquez
Public Works Superintendent Kirk Streets
Information Technology Manager Adrian Smith
Recreation Supervisor Jeff Draper
Senior Management Analyst Alisha Farnell
City Clerk Denise Basham

PLEDGE OF ALLEGIANCE The Pledge of Allegiance was led by Council Member Johnson.

INVOCATION The invocation was given by Associate Pastor Brandon Beukelman, West Cypress Church.

REPORT OF WORKSHOP AGENDA/CLOSED SESSION

The Mayor asked for the report of the Closed Session Agenda items discussed earlier in the evening.

The City Attorney reported that the City Council met in Closed Session regarding Public Employee Performance Evaluation, pursuant to Government Code Section 54957, Title: City Manager. He stated that no reportable action was taken.

The City Attorney reported that the City Council met in Closed Session regarding Conference with Labor Negotiator, pursuant to Government Code Section 54957.6, Agency Negotiators: Peter Grant and Matt Burton, Employee Groups: Cypress Employees' Association, Cypress Maintenance Employees' Association. He stated that no reportable action was taken.

The City Attorney reported that the City Council met in Closed Session regarding Conference with Real Property Negotiators, pursuant to Government Code Section 54956.8, Real Property Identified by APN Number 241-221-23, Located at the Southeast Corner of Cerritos Avenue and Denni Street, Parties Negotiating with: Los Alamitos Race Course, Negotiating Party: City Manager, Under Negotiation: Term of Payment. He stated that no reportable action was taken.

The City Attorney reported that the City Council met in Closed Session regarding Conference with Legal Counsel – Anticipated Litigation, discussion of Potential for Initiation of Litigation Pursuant to Government Code Section 54956.9(d)(4). He stated that no reportable action was taken.

No other action was taken in Closed Session, nor was any solicited.

The Mayor asked for the report of the Workshop Session Agenda items discussed earlier in the evening.

The City Attorney reported that the City Council met in Workshop Session regarding new State housing laws. He stated that questions were asked and information was provided to the City Council.

PRESENTATIONS

Adrian Smith, Information Technology Manager, made a presentation on the Council Chambers Audiovisual Technology Enhancements.

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

Mayor Peat asked anyone who wished to speak on any topic not included on the meeting Agenda to come forward.

Cody Quirarte, Lake Forest, spoke regarding O.C. Fire Authority dispatcher negotiations.

Ms. Klisowska, Sunburst Youth Academy, spoke regarding the program.

Doug Bailey, Cypress, presented the Mayor with his golf club he recently lost.

PUBLIC HEARINGS

Public comments – five minutes per speaker, unless extended by the City Council.

Council Members should disclose communications with anyone relevant to a Public Hearing item.

Item No. 1: Amend the Water Quality Ordinance Regarding Sanitary Sewer Overflows

The Water Quality Manager provided background information on this item.

The public hearing was opened.

Mario Bica, Cypress, asked how the sewer spill amount is calculated.

The Director of Community Development stated that the Sewer Spill Estimation Guide is an attachment to the Agenda Report.

Mayor Peat clarified that the Agenda Report is available to the public on the City's website.

Nettie Bryan, Cypress, spoke in favor of the item but expressed concern that fines would be passed on to the residents.

The public hearing was closed.

It was moved by Council Member Johnson and seconded by Council Member Morales, to introduce for first reading an Ordinance, by title only, amending Chapter 13-28 of the Cypress Municipal Code regarding sanitary sewer overflows.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Johnson, Morales, Yarc, Berry and Peat
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

Ordinance No.

An Ordinance of the City Council of the City of Cypress, California, Amending Chapter 13-28 of the Cypress Municipal Code

CONSENT CALENDAR

All matters listed on the Consent Calendar are to be approved with one motion unless a Council Member requests separate action on a specific item.

Council Member Morales stated that Agenda Item No. 16, the Warrant Register, includes warrant no. 45373 for \$480.29 for a reimbursement he receives as a retired employee of the City of Cypress. He indicated that in voting for any motion to approve the Warrant Register, he would not be voting on warrant no. 45373 for the reason disclosed.

It was moved by Council Member Johnson and seconded by Council Member Yarc, to approve Consent Calendar Items No. 2 through 16.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Johnson, Morales, Yarc, Berry and Peat
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

Mayor Peat introduced new Traffic Commissioner Blaze Bhence.

Item No. 2: Approve Minutes – Meetings of January 22, January 23, and February 12, 2018

Recommendation: Approve as submitted.

Item No. 3: Introduce and/or Adopt All Ordinances and Resolutions Presented for Consideration by Title Only and to Waive Further Reading

Item No. 4: Proclaim the Month of February 2018 as “Career Technical Education Month”

Recommendation: Proclaim the month of February 2018 as “Career Technical Education Month.”

Item No. 5: Appoint Blaze Bhence to the Traffic Commission

Recommendation: Appoint Blaze Bhence to the Traffic Commission.

Item No. 6: Receive and File Periodic Reviews of Two Existing Cellular Antenna Facilities

Recommendation: Receive and file this report.

Item No. 7: Approve Lease of Smart Waste and Recycling Systems

Recommendation: Approve a five-year service agreement with Bigbelly Inc. for maintenance, software, and leasing of smart waste and recycling systems.

Item No. 8: Approve the Purchase of a Sewer Cleaning Truck

Recommendation:

1. Approve the purchase of a sewer cleaning truck for \$500,404 from Super Products, LLC; and
2. Appropriate \$500,404 from the Equipment Replacement Fund; and
3. Approve a repayment agreement between the City's General Fund and the AB 2766 Fund for \$490,874 to be repaid to the Equipment Replacement Fund with future AB 2766 revenues from the South Coast Air Quality Management District (SCAQMD).

Item No. 9: Approve Joint Agreements with Anaheim and Buena Park for the Cerritos Avenue Arterial Overlay, Project 196

Recommendation: Approve agreements with Anaheim and Buena Park to share the cost of asphalt overlay improvements on Cerritos Avenue.

Item No. 10: Approve Plans and Specifications and Award Contracts for the Annual Concrete Rehabilitation, Project 199

Recommendation:

1. Approve Plans and Specifications for the Annual Concrete Rehabilitation, Project 199; and
2. Award a contract to CT&T Concrete Paving, Inc., Diamond Bar, CA for \$540,614.40, and authorize a contingency of \$81,100; and
3. Approve a Task Order for Construction Inspection Services to AndersonPenna Partners, Inc., for \$64,092.50, and authorize a contingency of \$9,650.

Item No. 11: Receive and File Plans and Specifications for Rubberized Play Surface at Veterans and Willow Park, Project 202

Recommendation: Receive and file plans and specifications for Rubberized Play Surface at Veterans and Willow Park, Project 202.

Item No. 12: Adopt the FY 2018-19 Budget Calendar

Recommendation: Adopt the Fiscal Year 2018-19 budget calendar.

Item No. 13: Approve Mid-Year Budget Adjustments for Fiscal Year 2017-18

Recommendation: Approve FY 2017-18 Mid-Year Review appropriations, changes to estimated revenues, and operating transfers detailed in Attachment A.

Item No. 14: Approve Short-Term and Long-Term Fiscal Health Strategies

Recommendation: Approve strategies for ensuring the City's short-term and long-term fiscal health.

Item No. 15: Receive and File the Investment Report for the Month Ended January 31, 2018

Recommendation: Receive and file the attached investment report.

Item No. 16: Approve Register of Warrants, Transfers and Wires Issued for the Period of January 8, 2018 through February 9, 2018

Recommendation: Approve the attached payment register summarized below for the period of January 8, 2018 through February 9, 2018:

- Warrants 45120 through 45605
- Electronic Funds Transfers 3731 through 3827
- Payroll Transfers W1353 through W1354

NEW BUSINESS

Item No. 17: Receive and File the North Orange County Public Safety Task Force Status Report

The Chief of Police provided background information on this item.

Mayor Pro Tem Berry spoke in support of the program and asked about available funding for Fiscal Year 2018-19.

The Chief of Police stated that funding is being sought from other avenues and the \$224,000 Task Force allocation is guaranteed.

Council Member Yarc congratulated the Chief of Police on the success of the Task Force.

Mayor Peat spoke in support of the Task Force and the Sunburst Youth Academy.

It was moved by Mayor Pro Tem Berry and seconded by Council Member Morales, to receive and file the North Orange County Public Safety Task Force Status Report.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Johnson, Morales, Yarc, Berry and Peat
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

The City Manager thanked the Public Works Department, homeless liaison officers, and the Police Department for the success of the Task Force.

Item No. 18: Approve Amendments to the Athletic Facility Allocation, Usage and Scheduling Policy

The Director of Recreation and Community Services provided background information on this item.

Council Member Johnson thanked the Recreation staff and the Recreation and Community Services Commissioners for their efforts with the policy and spoke in support of accommodations for Next Leagues.

Mayor Pro Tem Berry asked if there is enough field space to accommodate Next Leagues.

The Director of Recreation and Community Services stated that charging for field use would keep Next Leagues in line for usage, as a loss of some of the other leagues would allow field availability.

Mayor Pro Tem Berry asked if Next Leagues would take away players from Base Leagues.

The Director of Recreation and Community Services stated that the leagues are hopeful that Next Leagues would save the Base Leagues and not lose the players to travel ball or other components of higher competitive play.

Mayor Peat asked if residency requirements include private schools.

The Director of Recreation and Community Services responded no, and clarified that at this time only schools that are part of the Cypress School District (CSD) and Anaheim Union High School District (AUHSD) Joint Use Agreements are included in the residency count.

Mayor Peat asked if Grace Christian Elementary School is part of the Cypress School District Joint Use Agreement.

The Director of Recreation and Community Services responded no.

Mayor Peat asked if Next Leagues would be able to use school facilities.

The Director of Recreation and Community Services stated that the AUHSD would allow Next Leagues that are practicing and under the ACUAF affiliated aspect, but not inter-league play.

Mayor Peat asked how the field usage would be managed.

The Director of Recreation and Community Services stated that the ACUAF Policy requires the submittal of schedules.

Mayor Peat thanked staff for their efforts with the policy.

It was moved by Council Member Johnson and seconded by Council Member Morales, to approve proposed amendments to the Athletic Facility Allocation, Usage and Scheduling Policy.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Johnson, Morales, Yarc, Berry and Peat
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

Item No. 19: Receive and File a Request for Qualifications for Mixed-Use Development at Katella Avenue and Winners Circle

The City Attorney stated that a new offer to purchase the property was received today which could be discussed in Closed Session at the next regular City Council meeting.

Mayor Peat asked if the City Council could ask questions.

The City Attorney responded in the affirmative, and clarified property purchase offers would typically be discussed in Closed Session.

Council Member Morales asked if the item should be continued to a future City Council meeting.

The City Attorney stated that an option would be for the City Council to continue this item to the next regular City Council meeting so that the matter could be agendized on the Closed Session.

It was moved by Mayor Pro Tem Berry and seconded by Council Member Morales, to continue this item to the next regular City Council meeting.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Johnson, Morales, Yarc, Berry and Peat
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

Item No. 20: Receive and File the Strategic Plan Six-Month Objectives Update

The City Manager provided background information on this item.

It was moved by Council Member Johnson and seconded by Mayor Pro Tem Berry, to receive and file the strategic plan six-month objectives update.

The motion was unanimously carried by the following roll call vote:

AYES: 5 COUNCIL MEMBERS: Johnson, Morales, Yarc, Berry and Peat
 NOES: 0 COUNCIL MEMBERS: None
 ABSENT: 0 COUNCIL MEMBERS: None

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

None.

COUNCIL MEMBER REPORTS AND REMARKS

Mayor Peat requested reports from the Council Members on their respective committee assignments.

Council Member Yarc:

Attended the multi-day State Board of California Federation of Woman's Clubs meeting. Attended a Cypress Chamber of Commerce Board meeting.

Council Member Morales:

Attended an O.C. Mosquito and Vector Control District Board meeting. Attended an Association of California Cities O.C. Homeless Partnership meeting. Attended a Multi-City Chamber of Commerce reception at Great Wolf Lodge.

Council Member Johnson:

Attended the Buena Park State of the City. Attended an O.C. Waste and Recycling Commission meeting. Attended the Cypress College Americana Awards. Attended a Los Alamitos Race Course Ad-Hoc Subcommittee meeting.

Mayor Pro Tem Berry:

Volunteered at the Cypress Senior Citizens Center's Valentine's Day luncheon. Attended the Employee Service Awards luncheon. Attended the 10th Anniversary of the Groundwater Replenishment System at the O.C. Water District. Attended a Cypress Children's Advocacy Council meeting. Attended a Woman's Club Board meeting. Attended the Third Annual Every Student Succeeding breakfast. Attended an OCCOG Board meeting. Attended the O.C. Fire Authority Best and Bravest Awards. Attended the Farmers Market. Attended a Los Alamitos Race Course Ad-Hoc Subcommittee meeting.

Mayor Peat:

Attended the Cypress College Americana Awards. Attended the Employee Service Awards luncheon. Had lunch with Senator Josh Newman and his staff. Attended Opening Night for Cypress Pony Baseball League. Attended a Rotary Club of Cypress luncheon. Attended a breakfast meeting with Supervisor Michelle Steel. Attended the

Third Annual Every Student Succeeding breakfast. Attended the O.C. Fire Authority Best and Bravest Awards.

CITY MANAGER REMARKS

The City Manager stated that strategic planning would be held on March 6, 2018. He announced that the Cypress Chamber of Commerce Student & Business Mentoring Breakfast would be held on March 7, 2018. He stated that the Boys and Girls Club of Cypress groundbreaking would be held soon.

ADJOURNMENT

Mayor Peat adjourned the meeting at 8:14 p.m. to an adjourned Special Meeting, to be held on Tuesday, March 6, 2018, beginning at 8:30 a.m. at the Cypress Community Center.

MAYOR OF THE CITY OF CYPRESS

ATTEST:

CITY CLERK OF THE CITY OF CYPRESS