

REGULAR MEETING
CYPRESS CITY COUNCIL
October 8, 2018
6:00 P.M.

A regular meeting of the Cypress City Council was called to order at 6:00 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 Conference with Legal Counsel – Existing Litigation, pursuant to Government Code Section 54956.9(a) & (d)(1), Orange County Catholic Worker et al. v. Orange County, et al., Case No. SA CV 18-0155-DOC (JDEx), U.S. District Court, Central District.

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 Numbers 241-091-22 through 26, Inclusive, 13.329 Acres Located at the Northwest Corner of Katella Avenue and Winners Circle, Negotiating Party: City Manager, Parties Negotiating with:

- Lewis Land Developers, LLC and Province Group, LLC

The City Attorney reported that the City Council would be meeting in Closed Session regarding Conference with Legal Counsel – Significant Exposure to Litigation, pursuant to Government Code Section 54956.9(d)(2), Number of Cases: One Potential Case.

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: City Manager and Director of Finance and Administrative Services, Employee Group:

- Cypress Police Officers' Association

At 6:01 p.m., the Mayor recessed the meeting.

RECONVENE

The 7:00 p.m. session of the City Council meeting was called to order at 7:01 p.m. by Mayor Peat.

ROLL CALL

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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
Director of Community Development Doug Dancs
Interim Director of Recreation and Community Services Janeen Laudenback
Police Commander Jim Olson
City Planner Doug Hawkins
City Engineer Kamran Dadbeh
Maintenance Superintendent Kirk Streets
Senior Management Analyst Alisha Farnell
City Clerk Denise Basham

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

INVOCATION The invocation was given by Women's Ministry Director Autumn Igo, SeaCoast Grace Church.

REPORT OF WORKSHOP AGENDA/CLOSED SESSION

Mayor Peat 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 Conference with Legal Counsel – Existing Litigation, pursuant to Government Code Section 54956.9(a) & (d)(1), Orange County Catholic Worker et al. v. Orange County, et al., Case No. SA CV 18-0155-DOC (JDEx), U.S. District Court, Central District. He stated that no reportable action was taken.

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

PRESENTATIONS

Mayor Peat presented Battalion Chief Marc Stone and members of Station 17 with a “Fire Prevention Week” proclamation.

Mayor Peat presented Commander Olson and Community Outreach Officer Julie Marquez with a “Red Ribbon Week” proclamation.

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.

Katie Wiedel, Cypress, spoke regarding the one-year memorial fundraiser for Cypress Police Officer Matt Ward.

Shelley Henderson, Cypress, spoke regarding Agenda Item No. 1.

Anne Silavs, Superintendent, Cypress School District spoke regarding Measure M.

Tim McLellan, Assistant Superintendent, Cypress School District, spoke regarding Measure M.

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: Approve an Assisted Living Facility at 4775 and 4889 Katella Avenue – Amendment to Conditional Use Permit No. 3019 and Site Plan Review No. 3133

The City Planner provided background information on this item.

Council Member Johnson spoke regarding prior plans for the site and asked if there had been plans for retail in the front.

The City Planner responded in the affirmative, and stated that the project was originally part of the Barton Place senior housing and retail project approved in 2015.

Council Member Johnson asked why the project has changed from retail to assisted living, and if the lack of a left turn lane on Katella Avenue influenced the change.

The City Manager stated that the question should be asked of the applicant.

Council Member Johnson asked if a three-story project is acceptable.

The City Planner responded in the affirmative, and clarified that the maximum height allowable in that zone is 99 feet and this project is approximately 48 feet.

Council Member Yarc asked if the parties involved were aware of the lack of a left turn lane on Katella Avenue.

The City Planner responded in the affirmative.

Council Member Yarc commented on the potentially high volume of traffic created by an assisted living facility, and asked if the lack of a left turn lane on Katella Avenue was not a problem rather an excuse for the previous development.

The Director of Community Development stated that the applicant purchased the property from C33 and submitted a new application within the zone perimeters for an assisted living facility.

Council Member Yarc asked if the 2015 Environmental Impact Report (EIR) included an assisted living facility.

The Director of Community Development responded no, and clarified that is why an addendum to the EIR is necessary.

Council Member Yarc asked if an additional EIR could be done to include an assisted living facility.

The City Attorney stated that the original EIR did not include an assisted living facility, however the addendum did. He indicated that additional matters could be analyzed based on the City Council discretion.

The applicant, Andy Loos, SRM Development, provided background information on his firm. He stated the firm purchased the property approximately one year ago and that he has been working with staff to amend the original EIR.

Mr. Loos stated that the Province Group marketed the property for approximately one year but was unable to secure retail interest. He spoke regarding concerns related to lack of vehicle access to retailers, and stated that both retained sites, which are approximately 14,000 square feet, would be marketed as retail. He stated that they have contracted with CBRE for retail marketing, the site would accommodate food use, and the properties would be retained on a long-term basis.

Mr. Loos stated that he agreed with the conditions of approval.

Council Member Yarc spoke in support of the need for restaurants in the city and alternate locations for an assisted living facility.

Council Member Johnson spoke regarding the potential for retail development.

Mr. Loos stated that it is anticipated that the market place would attract retail interest, and that a left turn lane on Katella Avenue would further increase that interest.

Council Member Johnson stated that a majority of Katella Avenue is owned by the City of Los Alamitos.

The Director of Community Development indicated that the City owns one westbound lane closest to the curb, with the remainder of the lanes owned by the City of Los Alamitos.

Mr. Loos stated that he spoke to the Province Group and commented on the potential for retail development on the 13 acre site.

Council Member Morales expressed concerns with changing the remaining square footage.

Mr. Loos responded that development on the remaining area would have to be approved by the City Council.

Council Member Morales commented on the difficulty for the City Council denial when code requirements are met.

Mr. Loos stated that he is unsure of the type of development to be placed at the site.

Council Member Morales expressed concerns regarding the deviation from the original site development proposal, and asked Mr. Loos if he would be willing to discuss with the City of Los Alamitos the possibility of a left turn lane on Katella Avenue.

Mr. Loos responded in the affirmative.

Mayor Pro Tem Berry spoke regarding the need for an assisted living facility and the potential interest for retail development. She asked about the timeframe for development of the remaining property.

Mr. Loos replied that construction would not begin until he is approached by a retailer.

Mayor Pro Tem Berry asked about the types of businesses the 14,000 square foot site could accommodate.

Mr. Loos responded that two restaurants could fit into the area.

Mayor Pro Tem Berry asked if the previous owners spoke about the amenities at the corner of Enterprise Drive and Katella Avenue promised to the City Council.

Mr. Loos responded in the affirmative, and stated that the amenities would not change.

Mayor Peat asked about similar projects.

Mr. Loos spoke regarding successful mixed-use developments in Washington.

Mayor Peat spoke regarding the agreement with the City of Los Alamitos and asked about potential constraints of obtaining a signal or left turn lane on Katella Avenue.

The City Manager stated that the agreement between the City of Cypress, City of Los Alamitos, and Cottonwood Church does not apply to this intersection. He stated that there would still be a need to coordinate signalization between both cities.

The City Planner stated that a section of the agreement addresses the intersection in question and would have to be amended.

Mayor Peat asked about the possibility of amending the agreement and the need for the City Council to be proactive.

The public hearing was opened.

The public hearing was closed.

It was moved by Council Member Morales and seconded by Council Member Johnson, to continue the item for staff to further review the agreement.

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

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 Yarc requested Agenda Item No. 8 be pulled from the Consent Calendar.

Council Member Morales stated that Agenda Item No. 9, the Warrant Register, includes warrant no. 48008 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. 48008 for the reason disclosed.

It was moved by Council Member Johnson and seconded by Mayor Pro Tem Berry, to approve Consent Calendar Items No. 2 through 7 and No. 9.

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. 2: Approve Minutes – Meeting of September 24, 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 Week of October 7-13, 2018 as “Fire Prevention Week”**

Recommendation: Proclaim the week of October 7-13, 2018 as “Fire Prevention Week.”

Item No. 5: Proclaim the Week of October 21-27, 2018 as “Childhood Lead Poisoning Prevention Week”

Recommendation: Proclaim the week of October 21-27, 2018 as “Childhood Lead Poisoning Prevention Week.”

Item No. 6: Proclaim the Week of October 22-28, 2018 as “Red Ribbon Week”

Recommendation: Proclaim the week of October 22-28, 2018 as “Red Ribbon Week.”

Item No. 7: Excuse Absence of Recreation and Community Services Commissioner Linda Croce

Recommendation: Excuse the absence of Recreation and Community Services Commissioners Linda Croce.

Item No. 9: Approve Register of Warrants, Transfers, and Wires Issued for the Period of September 15, 2018 through September 28, 2018

Recommendation: Approve the attached payment register summarized below for the period of September 15, 2018 through September 28, 2018:

- Electronic Funds Transfers 4787 through 4886
- Warrants 47936 through 48068
- Payroll Transfer W1372

Regarding Item No. 8: Approve an Agreement With the Orange County Employees Retirement System for the Funding of Pension Liabilities, the Director of Finance and Administrative Services provided background information on this item.

Council Member Yarc asked about the \$740,000 transfer from the Recreation and Park District’s General Fund.

The Director of Finance and Administrative Services stated that the liability as of December 2016 was \$653,000 and the additional amount represents interest earned between January 1, 2017 and when the payment would be made next month.

Council Member Yarc asked if the funds are readily available.

The Director of Finance and Administrative Services responded in the affirmative, and clarified that monies would be paid from the Recreation and Park District Reserves.

Council Member Yarc asked about fund estimates as of this date.

The Director of Finance and Administrative Services responded that fund estimates would be difficult to calculate.

Council Member Yarc asked about repercussions should the City not be able to pay the pension liabilities.

The City Attorney stated that unpaid pension liabilities would require either a court-ordered or County of Orange payment plan with interest.

It was moved by Council Member Johnson and second by Council Member Morales, that the City Council:

1. Approve an Agreement with the Orange County Employees Retirement System (OCERS) for the Ongoing Funding of Accrued Pension Liabilities; and
2. Appropriate a \$740,000 transfer from the Recreation and Park District's General Fund to the Employee Benefits Internal Service Fund to provide for the FY 2018-19 OCERS payment.

The motion was carried by the following roll call vote:

AYES: 4 COUNCIL MEMBERS: Johnson, Morales, Berry and Peat
 NOES: 1 COUNCIL MEMBERS: Yarc
 ABSENT: 0 COUNCIL MEMBERS: None

NEW BUSINESS

Item No. 10: Adopt the Strategic Plan Update and Six-Month Objectives

The City Manager provided background information on this item.

Council Member Johnson expressed concerns for a comprehensive update of the Lincoln Avenue Specific Plan, and asked about funding and staff time associated with the objective.

The City Manager responded that the item includes a scope of work and budget recommendation be brought to the City Council for consideration, and that it would likely cost six-figures.

Mayor Peat concurred with Council Member Johnson, and asked why the objective is necessary since a recent Lincoln Avenue evaluation had been done.

It was moved by Council Member Johnson and seconded by Mayor Peat, to adopt the updated Strategic Plan and Six-Month Objectives, with the removal of the consideration of options for a comprehensive update of the Lincoln Avenue Specific Plan.

Council Member Yarc stated that the objective was her suggestion, and spoke regarding the opportunity for Council Members to express their concerns at the Strategic Plan Workshop.

A substitute motion was made by Mayor Pro Tem Berry and seconded by Council Member Yarc, to adopt the updated Strategic Plan and Six-Month Objectives, as presented.

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

AYES: 3 COUNCIL MEMBERS: Morales, Yarc, and Berry
 NOES: 2 COUNCIL MEMBERS: Johnson and Peat
 ABSENT: 0 COUNCIL MEMBERS: None

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

Ed Brondo, Cypress, spoke regarding Lincoln Avenue.

COUNCIL MEMBER REPORTS AND REMARKS

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

Council Member Johnson:

Attended a Cypress College Foundation Golf Tournament. Attended a BRAIN dinner. Reminded of the Fire Station 17 Open House.

Mayor Pro Tem Berry:

Hosted the West Orange County Women’s Conference. Participated with the Children’s Advocacy Council in the distribution of shoes at King Elementary School. Attended an OCCOG Board meeting. Attended the Farmers Market. Attended a Woman’s Club of Cypress Inspiration breakfast. Attended a SCAG Community Education and Human Development Committee meeting. Attended a SCAG Regional Council meeting. Attended the BRAIN dinner. Attended Open Mosque Day at the West Islamic Society.

Council Member Morales:

Attended the Cypress College Foundation Golf Tournament. Spoke with Lincoln Avenue businesses.

Council Member Yarc:

Hosted the West Orange County Women’s Conference. Attended an O.C. Sanitation District Board meeting. Attended a Woman’s Club of Cypress Inspiration breakfast. Attended an O.C. Sanitation District Committee meeting. Attended the Farmers Market.

Mayor Peat:

Attended the Cypress College Foundation Golf Tournament. Attended the BRAIN dinner. Met with Cub Scout Troop 660. Announced the Cypress Community Clean-Up Day on October 20.

CITY MANAGER REMARKS

The City Manager recommended that the City Council select a date for the continuation of the public hearing, and suggested that it be held at the first meeting in November.

It was moved by Council Member Johnson and seconded by Council Member Yarc to continue the public hearing to November 13, 2018.

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 spoke regarding the memorial fundraiser for and support of Cypress Police Officer Matt Ward’s family.

The City Attorney stated that based upon a decision by the Court of Appeal, the City is in compliance with its established three minutes per speaker regulation for Oral Communications at the beginning of each City Council meeting.

ADJOURNMENT

Mayor Peat adjourned the meeting at 8:24 p.m. to an adjourned Regular Meeting, to be held on Monday, October 22, 2018, 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