



**CYPRESS CORPORATE CENTER
MASTER PLAN**

cypress
a development of land company

CYPRESS CORPORATE CENTER

MASTER PLAN

Prepared For:

Cypress Land Company
Brian L. Harvey, General Partner

Prepared By:

Gilbert Aja & Associates, Architects
POD, Inc., Landscape Architects
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Economics Research Associates
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Paul, Hastings, Janofsky & Walker, Attorneys-at-Law

APPROVED

CYPRESS
COMMUNITY DEVELOPMENT
DEPARTMENT

DATE: April 29, 81

BY: D. Kern

Modified

December 15, 1980

Mayor and City Council
City of Cypress
5275 Orange Avenue
Cypress, California 90630

Honorable Mayor and Members of the City Council:

For several years, the Cypress Land Company has been attempting to develop 110 acres of land zoned M-20,000. This acreage, which is located at the southeast quadrant of the intersection of Katella and Valley View, represents approximately one-fourth of the remaining prime industrial property as yet undeveloped in the City of Cypress. For this reason, the City's elected and appointed officials have expressed concern not only as to the quality of any proposed development but also the proposed land use despite the property's designation as industrial.

Concern over land use resulted from the passage of Proposition 13 in 1978 which reduced property taxes two-thirds and shifted the City's focus to sales tax as a primary source of revenues. Thus, land zoned commercial would produce a higher revenue yield to the City than industrial uses.

Proposition 13, supplemented by the Gann initiative passed in 1979, also reduced the City's capacity to pay for normally-provided maintenance services. Therefore, a third issue evolved: would the proposed development generate sufficient revenues to offset the cost of the City maintaining the development's infrastructure (streets, sewers, storm drains, landscaping) and other City services?

Because of the property's location adjacent to a substantial residential area, the City staff raised a fourth concern: that the proposed development be sufficiently buffered from its residential neighbors to the south.

Concern number five revolved about the extension of Holder Street south through the corporate

center to join with its extension in the residential area. Shown as an arterial highway on the City's Master Plan of Streets, two options are available: to terminate Holder Street within the corporate center or to construct it as an arterial highway.

A sixth concern has been raised since the recent Councilmatic elections: that owing to a lack of quality shopping facilities in Cypress, this property should be reserved for a shopping center complex, preferably of a regional size with major department stores.

Finally, the City staff has raised a procedural concern: that the property be rezoned from M-20,000 to PCM, a planned commercial/light industrial development zone.

The purpose of this document, therefore, is to address these seven concerns:

- The quality of the development.
- The revenue yield of the proposed development based on land use.
- More specifically, sufficient revenue to offset City services.
- The buffering of the Center from the residential development on the south.
- The extension of Holder Street.
- The desire for a shopping center.
- The rezoning of the property to PCM.

The various elements of this master plan discuss, in detail, each of these concerns. The following paragraphs represent a summary of our findings and recommendations.

Land Use

As pointed out previously, the proposed land use for the 110 acres affects the revenue yield to the City and the desire for shopping facilities. Two sources were utilized by the Cypress Land Company to arrive at the land use acreage contained herein: developers and brokers.

Their unanimous consensus is that the property in question is unsuitable for significant commercial development for the following reasons:

1. The trade area is already saturated with regional shopping centers.

2. Major tenants of a shopping center (i.e., department stores) will not locate new facilities in areas already being served by one of their stores. Furthermore, the only major retailer not serving this trade area is Montgomery Ward who has indicated that they have no interest in the area.
3. The site does not have major freeway exposure, an added disadvantage to attracting a shopping complex.
4. The three-mile trade area population will not support a large shopping complex.
5. The one-mile trade area population is insufficient to support a neighborhood shopping center.

To this list must be added a sixth reason: that no new residential construction can occur in Cypress by legal mandate of its citizens. Therefore, the trade area population cannot increase.

For these reasons, which are beyond the control of the developer, this master plan has designated sixteen acres on the westerly portion of the property as potential commercial and office development. Of these sixteen acres, eight acres are designated as retail commercial and eight acres as potential office sites. Such acreage would be sufficient to support a discount department store and other attendant commercial uses such as restaurants, banks, offices, etc.

This does not mean that the developer is limited to only sixteen acres of commercial/office use. On the contrary, commercial development often yields the highest return to a developer; and it is thus in our best interest to pursue as much commercial/retail as possible. However, the probabilities of significant commercial development occurring is highly doubtful based on the facts previously highlighted.

Fiscal Impact

Cypress Land Company commissioned Economics Research Associates to prepare a fiscal impact analysis of this development on the City of Cypress. Their report concluded that the development will result in a positive fiscal impact calculated at \$85,760 annually.

As explained in the report, these calculations assume the land use pattern as described in the previous section and that all in-tract streets are dedicated to the City of Cypress.

A Quality Development

Extensive attention and considerable expense have been directed towards ensuring that the Cypress Corporate Center will be an aesthetically pleasing, quality development. These efforts have resulted in the following three elements which will augment the City of Cypress' development requirements:

- A request to rezone the entire property to PCM, a planned commercial/light industrial development zone.
- The preparation of Design Guidelines which include development criteria for the site as a whole, for specific on-site developments and for the architecture of the buildings.
- The inclusion in the master plan of suggested Covenants, Conditions and Restrictions which further govern the development process as well as the day-to-day operations of businesses within the Center.

Holder Street

Pursuant to conversations with the City Engineer, this master plan effort includes two options concerning Holder Street: to extend Holder southward through the Center treating it as an arterial highway or to terminate Holder within the Center. The developer is requesting the City of Cypress to render a decision on this matter and will abide by that decision.

Residential Buffer

Recognizing the concern of the residents south of the Center, a six-foot high landscaped berm will be constructed along the entire south property line adjacent to the flood control channel. The height of the berm and the landscaping atop it coupled with the fact that the Center site itself is two feet below that of the land on which the houses are located will provide a

sufficient visual buffer between the Center and its residential neighbors. Specific dimensions of the berm are contained in the Design Guidelines.

Furthermore, to ensure adequate maintenance of the berm, the City Engineer has suggested that the berm be placed in a landscape maintenance district. Thus, the berm will be maintained by the City; and the Center owner(s) will pay for this maintenance. Cypress Land Company concurs with this recommendation.

Conclusion

This master planning effort is the result of countless discussions with the Cypress City staff and the employment of consultants recognized to be among the best in their areas of expertise. This entire team has attempted to address the concerns of all parties - the City Council, the staff, the neighboring residents. It also attempts to utilize realistic market parameters in determining the scope of development.

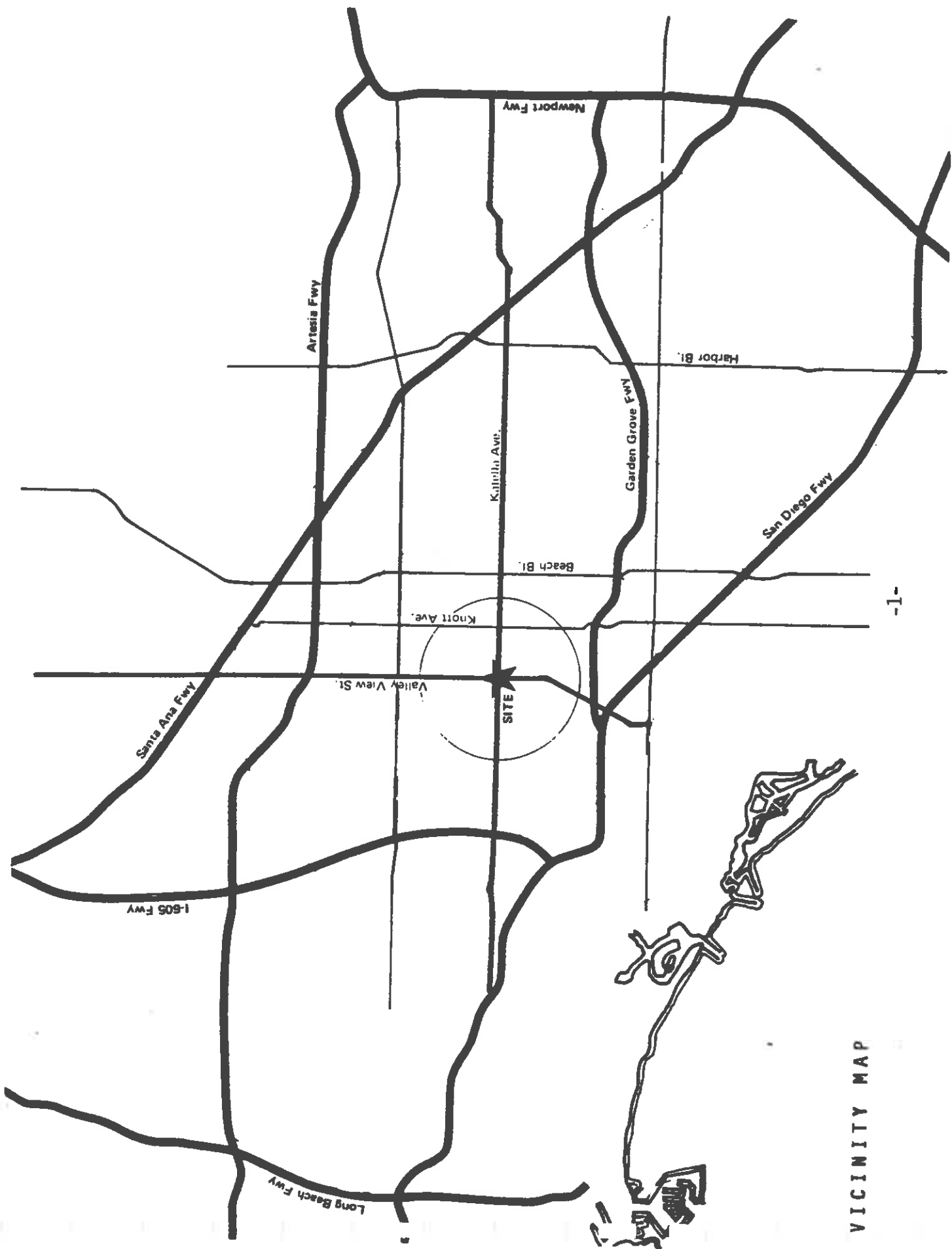
We trust the City of Cypress will look with favor on this effort.

Respectfully submitted,

Brian L. Harvey, General Partner
Cypress Land Company

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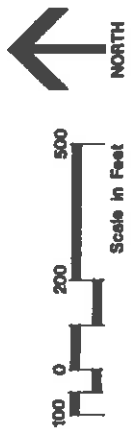
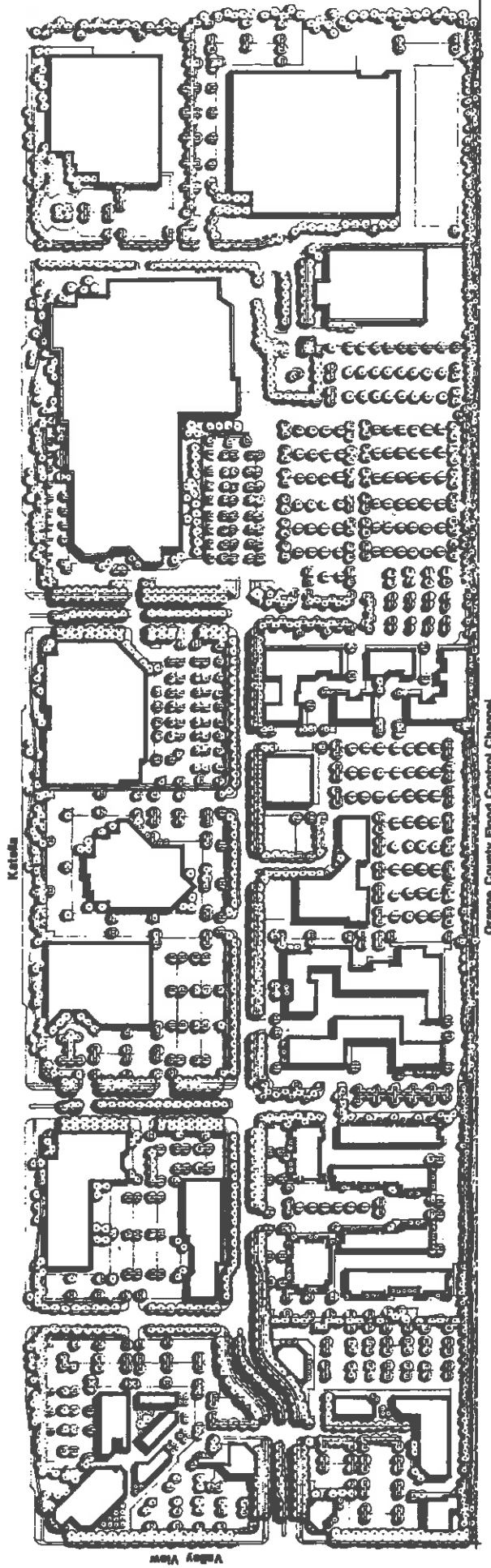


VICINITY MAP

PHASE 3

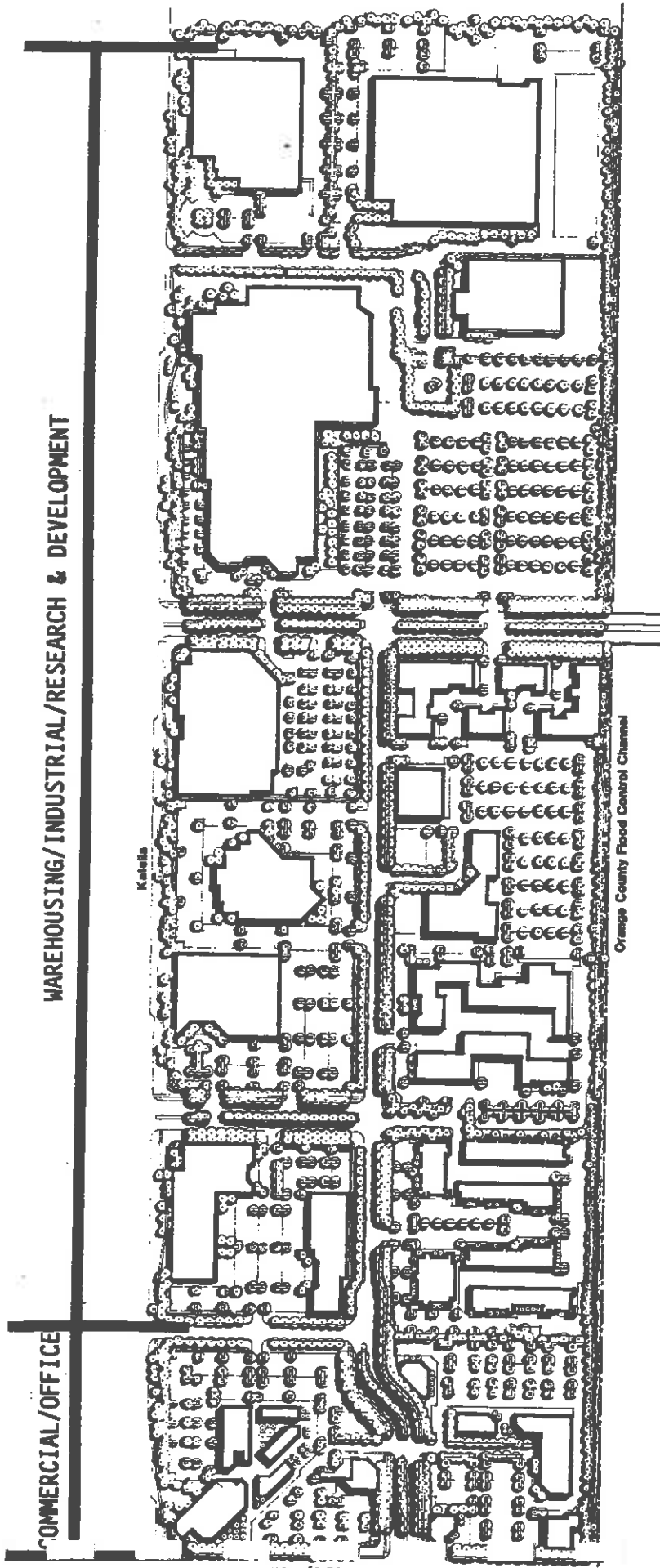
PHASE 2

PHASE 1



ILLUSTRATIVE PLAN - Holder not shown as an arterial street

WAREHOUSING/INDUSTRIAL/RESEARCH & DEVELOPMENT



ILLUSTRATIVE PLAN - Holder shown as an arterial street



Business Properties
BROKERAGE COMPANY

September 23, 1980

Mr. Richard Myer
CYPRESS LAND COMPANY
2630 El Presidio Street
Long Beach, California 90810

Dear Mr. Myer:

I am writing you this letter to express the consensus of opinion of the developers and tenants to whom I have personally spoken with regarding the Valley View/Katella site.

We have not had any success in talking to major tenants or to regional mall developers such as Ernest H. Hahn and John S. Griffith Co., both of whom are well established regional mall developers and have an impeccable track record. Both companies have declined interest in the site because they feel it does not meet the criteria of a regional mall. The reasons they gave were as follows:

1. There is too much competition in this particular area of Orange County. The Cerritos Mall is too close, the Buena Park is too close, and the Westminster Mall is too close. They feel the trading area is already covered by these three malls. They would not be able to get major tenants such as the larger department stores to even consider the site because of the competition. It would not be a benefit to a major department store, such as Sears, to put a store on this site when Sears has stores in Cerritos and Westminster. The competition for the site is too keen and all that would happen would be the stores would be hurting each other's business.
2. The site is not freeway oriented. Many tenants felt this would be a severe limitation.
3. Ernest H. Hahn recently turned down a site less than a mile from this site only last month.

Continued

Mr. Richard Myer
Page Two
September 23, 1980

All in all I feel that a regional mall will not work at this site as evidenced by Ernest W. Hahn and John S. Griffith Co. turning down this site on a joint venture proposal. I have down everything physically possible to persuade these individuals to consider the site for a regional mall. As you know, Cypress Land has proposed the property for a joint venture which is a very good deal for the regional mall developer however they have not been interested.

Possibly an alternative development plan would be for a community center or a single department store such as a discount store.

We have had difficulties in the past talking to supermarkets primarily because there is so much industrial surrounding this site. There are only 15,000 people in a one mile radius. In other areas of Orange County, i.e., Huntington Beach, it is common to find 25,000 people in a one mile radius. Markets feel that 90% of their business comes in a one mile radius. As you can see there would not be enough people surrounding this site to support a supermarket. Consequently supermarket have been reluctant to make a commitment to this site. I suspect our only realistic chance to develop this property is a discount department store and possibly other types of tenants such as restaurants, banks, savings & loans, shops, etc.

Sincerely,

BUSINESS PROPERTIES BROKERAGE COMPANY

Jeff Yeargain

/mm



ERNEST W. HAHN, INC.

200 CONTINENTAL BOULEVARD, EL SEGUIN, TEXAS 78840 • PHONE (512) 325-3300

September 26, 1980

Mr. Jeff Yeargain
Business Properties Brokerage Company
4590 MacArthur Boulevard, Suite 100
P. O. Box 7210
Newport Beach, California 92660

Re: Proposed Cypress Site

Dear Mr. Yeargain:

Thank you for bringing to our attention the 135 acre commercially zoned site at Valley View and Katella in Cypress, California, as a possible location for a regional mall.

We must inform you that we recently turned down a site within three miles of your location with better freeway exposure as a site unsuitable for retail development as a regional mall. In that case, the reason was that the trade in the area will not, in our opinion, support an additional regional mall of the size and scope that we specialize in.

As to your proposed site, we face the same general restrictions plus the added disadvantage that it does not have major freeway exposure.

To sum up, we must decline any interest in the site you proposed to us. However, thank you for thinking of the Hahn Company, and for your information, I have enclosed our latest annual report.

Very sincerely,

ERNEST W. HAHN, INC.

Daniel T. Felix
Redevelopment Manager
Development Division

DTF:lp
Enclosure

Grubb & Ellis Commercial Brokerage Company
4000 MacArthur Blvd. #1500, Newport Beach, California 92660
Telephone 714/933-2900



October 1, 1980

Mr. Richard L. Meyer
Cypress Land Company
2630 El Presidio
Long Beach, California 90801

**SUBJECT: REGIONAL SHOPPING CENTER PROPOSAL
SEC VALLEY VIEW AND KATELLA
CYPRESS, CALIFORNIA**

Dear Mr. Meyer:

Per our previous discussions, we have explored the possibility of locating a regional shopping center on the subject property with both major regional shopping center tenants and developers of regional shopping centers. A consensus of opinion from both tenants and developers was that this location lacked potential as a regional shopping center site for the following reasons:

- (1) This location is served by La Cerritos Center, Westminster Mall and the Buena Park Regional Center. All of the major retailers in these centers felt that a store at the subject location would severely impact their business in one or more of the regional centers in the primary service area. The only major retailer not serving this trade area, i.e., Montgomery Ward, indicated that they have no interest in this location.
- (2) Since this location does not have a major freeway location, the maximum trade area of this property is severely limited and would not normally exceed a 3 mile radius. The population within a 3 mile radius of this site is approximately 140,000 people while most regional centers are developed predicated upon a minimum trade area population of at least 200,000 people.
- (3) The tremendous industrial base in the immediate vicinity of this property has a very negative impact on the viewpoint of major retailers and developers alike.

Mr. Richard L. Meyer
Page 2
October 1, 1980

- (4) The configuration of this property would force orientation of the major shopping center towards Katella Avenue; whereas, Valley View Street provides a far superior retail identity.

Richard, for the above reasons, tenants and developers alike have indicated that this property presents a very poor location for a major regional shopping center. After you have an opportunity to review this letter, I will be happy to discuss and review any questions or comments you may have. In the meantime, if I can be of further assistance or if you need any additional information, please let me know.

Very truly yours,

GRUBB AND ELLIS
COMMERCIAL BROKERAGE COMPANY

A handwritten signature in dark ink, appearing to read "John O'Meara".

John O'Meara
Senior Marketing Consultant
Retail Division

JOM/tlp

FISCAL IMPACT ON THE CITY OF CYPRESS

INTRODUCTION

The Cypress Land Company, owner of a 123-acre parcel in the City of Cypress, is proposing development of a major corporate center. The property is bounded by Valley View Street on the west, Katella Avenue on the north, Dana Way on the east, and residential development on the south. The master plan for the property is in process; however, preliminary plans call for development of a mixed-use project consisting of retail (restaurants and shops), office and an industrial/warehouse center. The Cypress Land Company retained ERA to analyze the fiscal impact of this development plan on the City of Cypress and other affected jurisdictions.

This analysis is conducted under the existing provisions of Assembly Bill 8, which implements Proposition 13, and Proposition 4, the tax limitation initiative. It is difficult to precisely measure the fiscal impact of any project in the aftermath of Proposition 13. There are also potential one-time near-term, as well as long-term, effects of Proposition 4 on project-generated city revenues which are dependent on external factors. What happens to the existing level of state subventions, for example, will strongly influence whether or not the subject development approaches or exceeds the Gann "appropriations limit". Thus, the full long-term impact of the project can only be estimated by adopting a set of assumptions which have limited foundation.

The analysis of services is based on input from City of Cypress personnel in addition to the experience of other cities comparable in terms of density, population, and governmental structure. Since the subject property represents one of the last remaining large-scale development opportunities in the city, ERA has attempted to measure the marginal cost of providing services rather than average cost which would be expected if this development represented an element of long-term growth.

This analysis has been prepared by Raymond E. Braun and Gene P. Krekorian, Principals of Economics Research Associates. ERA acknowledges the invaluable assistance of City of Cypress

personnel for their contribution in the conduct of this study. Assumptions and judgments employed in the analysis, while based in many cases on direction from city staff, are those of Economics Research Associates. A listing of principal contacts at the City of Cypress and Orange County Structural Fire Protection District is contained in the appendix to this report.

SUMMARY OF CONCLUSIONS

The fiscal impact on the City of Cypress and other affected jurisdictions resulting from development of the Cypress Land Company corporate center is summarized in Tables 1 through 5. The preliminary land use plan calls for a mixed-use development consisting of 1,204,400 square feet of light industrial/warehouse, 80,700 square feet of professional office, a 7,000 square foot financial institution, 29,700 square feet of restaurant, and 32,200 square feet of retail outlets.

Table 1 presents annual revenues to the City of Cypress, calculated at \$233,410 per year. As indicated, project-generated sales tax represents roughly 50 percent of total revenue to the city.

Table 2 presents the distribution of property taxes generated by the project. As indicated, those districts which will not be providing any service directly to the proposed development -- schools, parks and recreation, other special districts -- are the major beneficiaries of revenues generated by the project. As indicated, more than \$550,000 per year is paid to jurisdictions other than the City of Cypress and the County Fire Protection District.

Table 3 shows one-time revenues generated by the project. As indicated, the City of Cypress receives \$490,740 in one-time revenues, excluding building permit fees. Since the city's fee schedules have been established with the intention of covering cost of service, ERA believes that one-time revenues will be totally offset by engineering inspection and processing services.

The developer is responsible for all off-site improvements required as a result of the project. General off-site and on-site improvement costs are estimated at \$4.2 million. Thus, the project will have no capital cost impact on the City of Cypress, County Structural Fire Protection District, or any other jurisdiction.

Table 4 presents estimated annual service costs attributable to the project. As shown, City of Cypress annual service costs total \$147,650. Police service costs represent about 70 percent of

Table 1

ANNUAL REVENUES TO THE CITY OF CYPRESS
(Constant 1980 Dollars)

	<u>Annual Revenues</u>
Property Taxes ^{1/}	\$ 75,960
Business License Fees	34,290
City Sanitation Fees	2,580
Sales Tax	
On-site Components	114,500
Off-site Employee Generated	6,080
TOTAL	\$ 223,410

^{1/} Secured and unsecured taxes.

Source: Economics Research Associates.

Table 2
PROPERTY TAXES PAID TO LOCAL JURISDICTIONS

<u>Jurisdiction</u>	<u>Annual Property Taxes</u>
City of Cypress	\$ 75,960
County Structural Fire District	55,240
Cypress Recreation and Parks	64,220
Cypress Elementary	132,580
Anaheim High School	59,380
Garden Grove Unified	84,930
Cypress Lighting District	13,120
All other Jurisdictions	<u>205,070</u>
TOTAL	\$ 690,500

Source: Economics Research Associates

Table 3
ONE-TIME REVENUES GENERATED BY PROJECT

	<u>One-Time Revenues</u>
<u>City of Cypress</u> ^{1/}	
Public Works Fees	\$ 6,940
Tentative and Final Subdivision Map	500
Plan Check and Inspection	348,000
Drainage Fees	135,300
Total City of Cypress	\$ 490,740
<u>Orange County</u>	
<u>Sanitation District #2</u>	
Sewer Connection Fee	\$ 60,930

1/ Excludes building permit fees.
Source: Economics Research Associates.

Table 4
ANNUAL SERVICE COSTS RESULTING FROM
PROPOSED PROJECT

	<u>Annual Service Costs</u>
<u>City of Cypress</u>	
Police Services	\$ 100,000
Public Works	
In-Tract Street Maintenance	9,500
Street and Storm Drain Maintenance	10,000
Median Landscaping Maintenance	6,400
Traffic Signal Maintenance	<u>3,000</u>
Subtotal	28,950
City General Administrative and Overhead	<u>18,700</u>
Total City of Cypress	\$ 147,650
<u>County Fire District</u>	
Fire Protection Services	\$ 60,000
<u>Cypress Lighting District</u>	
Operation and Maintenance	\$ 7,840

Source: Economics Research Associates.

Table 5

NET ANNUAL FISCAL IMPACT

CITY OF CYPRESS

AND COUNTY FIRE PROTECTION DISTRICT

	<u>Net Annual Impact</u>
<u>City of Cypress</u>	
Annual Revenues	\$ 233,410
Annual Service Costs	<u>147,650</u>
Net Annual Impact	\$ 85,760
<u>County Fire Protection District</u>	
Annual Revenues	\$ 55,240
Annual Service Costs	60,000
Net Annual Impact	(\$ 4,760)
<u>Cypress Lighting District</u>	
Annual Revenues	\$ 13,120
Annual Service Costs	<u>7,840</u>
Net Annual Impact	\$ 5,280

Source: Economics Research Associates.

total City of Cypress costs. Fire Protection costs (borne by County Fire District) attributable to the project are estimated at \$60,000 per year.

Net annual fiscal impact resulting from the project relative to the City of Cypress and fire district are shown in Table 5. As indicated, it is expected that development of the Cypress Land Company property will result in a positive fiscal impact calculated at \$85,760 annually.

It should be noted that, in addition to the City and Fire District impacts shown in Table 5, an additional \$559,000 is generated by the project which is distributed to other jurisdictions, with negligible direct offsetting costs.

It also should be noted that the above analysis assumes development of the entire undeveloped acreage (412 acres) in the general area of Katella and Valley View. If the Cypress Land Company property is the only project on this undeveloped acreage which is actually developed, the cost of providing services to the entire area would be reduced but the overall net fiscal impact of the Cypress Land Company property on the City of Cypress could be reduced to a net positive impact of \$15,000.

Proposition 4 is not seen to have significant impact on revenues generated by the project. The City of Cypress is substantially below its "appropriations limit" at this time. Furthermore, with the likelihood that state surplus funds are nearly exhausted and the potential for other state subventions to be reduced over time, maintaining and increasing revenue levels is the City's primary objective. Thus the revenues generated by this project are not expected to be affected by the provisions of Proposition 4 in the foreseeable future.

UNDERLYING ASSUMPTIONS

The Land Use Plan for the project is preliminary; however, the planning team has formulated the following land use plan:

<u>Land Use</u>	<u>In-Tract Acres</u>	<u>Building Area (square feet)</u>
Professional Office	--	80,700
Bank/Savings & Loan	--	7,000
Restaurant	--	29,700
Retail Outlets	--	<u>32,200</u>
Subtotal	16.5	149,600
Industrial/Warehousing	79.0	<u>1,204,400</u>
Total	95.5	1,354,000

Other basic underlying assumptions include:

- All impacts are measured in constant 1980 dollars. No allowance has been made for inflationary increases.
- Impact is measured at full development and occupancy. No attempt has been made to calculate impact on a time-phased basis, even though development of the Cypress property would likely take place over a several-year period.
- Since development plans have not been finalized, the estimates of fiscal impact are based on the best available information and thus should be regarded as "preliminary estimates". Measurement of impact for many services, particularly fire and police, is based on informed judgments of officials who had limited information regarding the subject property development plan.

- Revenues accruing to the City of Cypress and other affected jurisdictions are calculated under the provision of AB 8 and Proposition 4, the tax limitation initiative.
- The analysis assumes that all in-tract streets are dedicated to the City of Cypress such that street maintenance and repair are the responsibility of the City. Maintenance of the berm and in-tract landscape are the responsibility of the developer.
- It is assumed that the 123-acre parcel is transferred to a new entity responsible for development of the property.
- Several City of Cypress community profile factors are utilized in the fiscal impact analysis including:

Population	40,326		
Land Area	6.21 square miles		
<u>Land Use</u>		<u>Area</u> (square miles)	<u>Percent</u> <u>Distribution</u>
Residential			
Single Family		3.79	61%
Townhouse		0.43	7
Multiple		<u>0.43</u>	<u>7</u>
Subtotal		4.65	75%
Commercial		0.43	7
Industrial		<u>1.12</u>	<u>18</u>
Total		6.21	100

ANNUAL REVENUES

Property Taxes -- Secured		
Market Value		
Land (112.3 acres @ \$174,146)		\$ 19,567,150
Improvements		
Industrial (1,204,400 sq. ft. @ \$20/sq.ft.)		24,088,000
Professional Office (80,700 sq.ft. @ \$60/sq.ft.)		4,842,000
Bank/Savings & Loan (7,000 sq.ft. @ \$75/sq.ft.)		525,000
Restaurants ((29,700 sq.ft. @ \$100/sq.ft.)		2,970,000
Retail Outlets (32,200 sq.ft. @ \$75/sq.ft.)		<u>2,415,000</u>
Subtotal		\$ 34,840,000
Total Market Value		\$ 54,407,150
Assessed Value (25% of Market)		\$ 13,601,780
Basic Property Taxes ^{1/} (\$4/\$100)		\$ 544,070

^{1/} Excludes bonded indebtedness.

ANNUAL REVENUES (cont.)

Property Taxes -- Unsecured

Based on an unsecured to secured industrial property ratio of .3 and a ratio of .2 for commercial land uses, property taxes are calculated as follows:

Assessed Value*	
Industrial	\$ 2,821,280
Commercial	<u>839,500</u>
TOTAL	\$ 3,660,780
Basic Property Taxes ^{1/} (\$4/\$100)	\$ 146,430
Therefore, per year total property taxes are calculated at	\$ 690,500

Distribution of Property Taxes

	<u>Property Taxes</u>	<u>Percent Distribution</u>
City of Cypress	\$ 75,960	11.0%
County Structural Fire District	55,240	8.0
Cypress Recreation and Parks	64,220	9.3
Cypress Elementary School	132,580	19.2
Anaheim High School	59,380	8.6
Garden Grove Unified	84,930	12.3
Cypress Lighting District	13,120	1.9
All Other Jurisdictions	<u>205,070</u>	<u>29.7</u>
TOTAL	\$690,500	100.0%

* Assumes proration of land assessed valuation to industrial and commercial uses.

ANNUAL REVENUES (cont.)

Business License Fees		
Industrial		
Total Square Footage		1,204,400
Employees (based on 2.2 per 1,000 square feet)		2,650
Value of Shipments (using a composite of \$75,000 per employee)	\$198.8 million	
Business License Fees (using an average of \$.14 per \$1,000)		27,830
Commercial		
Office (assume 40 professional tenants @ \$93.20 fixed rate)		3,730
Bank (one @ \$93.20)		90
Restaurants (gross sales -- 29,700 sq.ft. @ \$250/sq.ft.; business license fee based on composite of \$.23/\$1,000 of gross receipts)		1,710
Retail Outlets (gross sales -- 32,200 sq.ft. @ \$125/sq.ft.; business license fee based on composite of \$.23/sq.ft.)		<u>930</u>
Subtotal	\$	6,460
Total Business License Fees		34,290

Again, during the first year of a firm's operation, the business license fee is a fixed \$25 per employer. Thereafter, it is based on gross receipts or the cost of operations.

ANNUAL REVENUES (cont.)

City Sanitation Fee

Industrial -- 120 businesses at 10,000 square feet each, 22 employees per business, four water closets per business -- sanitation fee of \$18 per business per year	\$ 2,200
Commercial -- 149,600 square feet total, one water closet per 2,000 square feet yields 75 water closets @ \$5 each	<u>380</u>
Total Sanitation Fee	\$ 2,580

Sales Tax

Restaurants (29,700 square feet, 30 square feet per seat yields 990 seats; sales volumes of \$7,500 per seat yields \$7,425,000 -- sales tax 6 %)	\$445,500
Retail Shops (32,200 square feet @ \$125 per square foot sales volume yields \$4,025,000 -- sales tax 6 percent)	<u>241,500</u>
Total Sales Tax	\$687,000
City's Share (one-sixth)	\$114,500

Employee Generated Off-Site Sales Tax

Sales tax generated off-site by employees is estimated at \$.75 per day, 250 days per year -- 3,200 employees.

Total Sales Volume	\$607,500
Sales Tax (6 percent)	36,450
City's Share (one-sixth)	\$ 6,080

ONE-TIME REVENUES*

Public Works Fees	
Curb and Gutter Construction (6,800 linear feet @ \$.10)	\$ 680
Pavement (306,000 square feet @ \$.02)	6,120
Excavation for Conduit (6,800 linear feet A \$.02)	140
Tentative and Final Subdivision Map	500
Plan Check and Inspection (based on 4 percent of off-site and in-tract site improvement costs, estimated at \$8.7 million)	\$348,000
Drainage Fees (123 acres @ \$1,100 per acre)	\$135,300
Orange County Sanitation District (\$45 per \$1,000 square feet)	\$ 60,930

CAPITAL/ONE-TIME COSTS

The proposed project will require substantial off-site improvements including widening of Katella Avenue between Valley View and Dana Way, landscaping of the Katella median, a bridge crossing of the Holder Culvert, and buffering the area between the proposed development and the residential areas to the south of the project. General on-site and all off-site improvement costs for this project are estimated at \$4,232,000. All off-site costs will be borne by Cypress Land Company. Neither the city of Cypress nor any other jurisdiction will be required to fund any off-site or on-site improvement costs.

The City of Cypress will encounter planning costs, engineering inspection, plan checking, and building inspection. It is difficult to evaluate the cost of these services; however, the fee

* Excludes building permit fees.

schedules for the city have been adopted in an attempt to offset costs, including a departmental overhead allocation. Thus, it is assumed that planning, engineering, and building inspection costs are equivalent to one-time revenues for these services, thus producing a "net zero" impact.

ANNUAL OPERATING EXPENSES

Police Protection

It is difficult for the police department to accurately predict what level of resources would be required to provide sufficient police protection for the proposed development. Police requirements depend on land use type, type of structures, traffic levels, crime level, access and egress, and many other factors which are not known at this time.

As with many services, law enforcement is typically provided in discrete amounts -- that is, with respect to many police functions, the same level of protection must be provided whether 100 acres are developed or 1,000 acres. Undeveloped acreage in the general area of Katella Avenue and Valley View Street totals roughly 412 acres, of which the subject property represents 123 acres, or about 30 percent. The police department indicated that if the entire 412 acres were fully developed in primarily corporate center/warehousing type uses, the equivalent of one full-time (seven days per week, 24 hours per day) patrol unit would be required for law enforcement (general law and traffic patrol, investigative services, crime prevention). A patrol unit (one-man unit -- all shifts) requires 4.7 sworn officers. Addition of 4.7 officers represents about a 10 percent increase in the city's current sworn manpower level.

The average cost per officer, including direct salary, benefits, services, supplies, and police overhead functions, is calculated at about \$58,000 per year. Thus, police service costs for the entire 412-acre area are estimated at about \$275,000 annually. The amount allocated to the Cypress Land Company property, on the basis of acreage, is 30 percent, or \$82,500 per year. However, with increased traffic volumes associated with the 16.5 acres of rental/office development, the police costs would likely be slightly higher. ERA, thus, has estimated police costs at \$100,000 annually.

The police department also pointed out that if only the 123 acre Cypress Land property were developed, then police requirements for the general area would be reduced (estimated at the equivalent of at least three officers) but all of this protection would be attributable to the subject property. Under this situation, therefore, the police cost attributable to the subject property is estimated at \$175,000 per year.

Since this analysis addresses the impact of the project at buildout or stabilization, it is assumed that the entire 412 acres in the Katella/Valley View area are developed. Thus, annual police costs allocated to the project are estimated at \$100,000 for this analysis.

Public Works

The project will have an impact on off-site public works, principally as a result of increased traffic volumes. The primary impact on public work includes:

- Increased street and storm drain maintenance on the portions of Katella Avenue and Valley View lying within Cypress city limits.
- Traffic signal maintenance at the intersection of Dana and Katella (one-half attributable to Cypress Land), Hope and Katella (one-half), and Valley View and project entry (100 percent).
- Katella median landscape maintenance between Valley View and Dana Way (one-half attributable to Cypress Land).
- Street maintenance and repair, traffic safety, and street cleaning on in-tract streets.

It is estimated that street and storm drain maintenance on Katella and Valley View currently costs, on an average annual basis, roughly \$50,000 per year. Traffic volumes along these major arterials range from 15,000 to more than 30,000 ADT, depending on the section, averaging about 25,000 ADT. The subject project would generate in the range of 10,000 to 15,000 ADT, split in three or four directions. Thus, the proposed project could increase overall ADT on Katella and Valley View by an average of approximately 5,000 ADT in each direction, or by the equivalent of 20 percent. Applying this methodology suggests the proposed project could increase off-site street and storm drain maintenance by \$10,000. Clearly, depending on the type and weight of vehicles and traffic generation of specific land uses, the impact could be substantially smaller or larger than indicated.

The in-tract public works costs (street maintenance and repair, street cleaning, and traffic safety) are based on 265,000 square feet of street area (excluding Katella and Valley View) and \$4,850 lineal feet of streets. In-tract costs are calculated as follows:

Street Maintenance and Repair (265,000 sq.ft. @ \$.016)	\$ 4,240
Street Cleaning (1.84 miles @ \$300)	550
Traffic Safety (.92 miles @ \$1,270)	1,170
Miscellaneous	<u>2,000</u>
Subtotal	\$ 7,960
Departmental Overhead (20%)	<u>1,590</u>
Total In-Tract Public Works	\$ 9,550

Traffic signal maintenance currently averages about \$1,500 per traffic signal. Thus, since the proposed project will affect three off-site signalized intersections, costs are estimated at \$4,500, with one-half of two signals and all of a third signal allocated to the subject development, or \$3,000.

Median landscape maintenance currently costs an average of \$20,000 per mile per year. The lineal distance along Katella between Valley View and Dana Way is roughly 3,400 feet. Thus, landscape maintenance of this median is estimated at \$12,800 per year, with 50 percent, or \$6,400, allocated to the subject development.

City of Cypress General Overhead Costs

The proposed project will have some impact on the city's general administrative and overhead functions. The current budget allocation of these overhead departments -- City Council, City Attorney, City Manager, Personnel, City Clerk, Central Services and Finance -- is \$714,660 per year. These overhead costs represent about 14.5 percent of direct city of Cypress departmental costs. Applying this overhead factor to the police and public works costs attributable to the project yields the following:

Annual City Overhead Costs

Police Costs	\$ 100,000
Public Works	<u>28,950</u>
Total	\$ 128,950
Overhead at 14.5 Percent	\$ 18,700

Alternatively, on an acreage basis, current city overhead amounts to \$180 per acre city-wide. Applying this average per-acre overhead cost to the 123-acre subject development yields an estimate of \$22,000 per year. Since some municipal departmental services will not be required by the project, the values derived from the first approach are used in the fiscal impact analysis.

Fire Protection

Fire protection for the City of Cypress is currently provided by the Orange County Structural Fire Protection District. Although there is a possibility that the district may be restructured or disbanded, thus mandating fire protection responsibility to the City of Cypress, this analysis is based on the county structural fire protection district continuing to provide service to the City of Cypress. Station No. 17 (Cerritos and Moody) currently provides initial response to the subject site.

In the vicinity of Valley View and Katella, there is approximately 412 acres of undeveloped property, including the 123-acre Cypress Land Company holding. Most of this property will be developed as industrial with a limited amount of office/retail development. County fire district officials indicated that an additional fire station probably would not be required by the industrial/corporate center development in the Valley View/Katella area. However, the projects in this area will contribute to the cumulative manpower needs of the area. Fire department officials could not specify the magnitude of these additional manpower levels, indicating that there are a number of issues and factors which must be considered. With appropriate built-in fire protection mechanisms (sprinkler systems, other special fire protection features), it is estimated that the general area of Katella and Valley View (412 acres) will require the

equivalent of one-half four-man engine company. Thus, the proposed developments would require an additional six firefighters, equivalent to a one-half four-man engine company. This would cost roughly \$200,000 per year. Allocating this cost to the proposed developments on an acreage basis would result in the subject property bearing 30 percent of the overall cost, or \$60,000 per year for fire protection. Again, this cost relates to the County Structural Fire Protection District, not the City of Cypress.

Lighting District

ERA also has measured the impact of the project on the Cypress Lighting District assuming the developer funds the street lighting capital costs and dedicates the improvements to the District. The impact is measured as follows (assumes 10 lights on Holder, 14 lights on Katella, 7 lights on Valley View, and 25 lights on in-tract streets):

Property Tax Revenue	\$ 13,120
Operation and Maintenance (56 lights @ \$140 per light)	<u>7,840</u>
Net Positive Impact	\$ 5,280

As indicated, the project is expected to generate \$5,280 in net annual revenue to the Cypress Lighting District.

IMPACT OF RECENT LEGISLATION

It is very difficult to analyze the impact of recent legislation as it relates to this particular project because of a number of unknown factors. With the state surplus nearly exhausted, some state officials have indicated local government "bail-out" funds and/or other subventions are likely to be cut back in the near future. If this occurs, local jurisdictions will be seeking additional sources of revenue. Further, the City of Cypress is substantially (about 20 percent) below its Gann "appropriations limit" at this time. This implies that the city will want to maximize its net revenue (revenue less cost of services) from any new project, with little concern for the city's Gann "appropriations limit".

If state funds continue without interruption, then the Gann limit may eventually come into effect, particularly for a city like Cypress. Cities which have relatively stable or declining population are susceptible, in the long run, to exceeding their Gann limit, since the government limit is adjusted for population growth and the cost of living.¹⁷ In the extreme case where population remains stable, existing revenue sources increase in proportion to the cost of living, and the city is at its appropriations limit, revenue generated from a new project would be over and above the appropriations limit. The revenue would have to be returned to the populace and city services (costs) reduced.

It is ERA's belief that Proposition 4 will not impact the City of Cypress relative to proposed development in the foreseeable future. Maintaining revenues would appear to be the city's major concern at this time, particularly in light of the city being about 20 percent below the Gann limit at this time.

Assembly Bill 8 has provisions which became effective July 1, 1980, as a result of voter approval of Proposition 4, the constitutional amendment which limits state and local spending. AB 8 (Section 100.2) stipulates that the state controller reduce the cigarette tax subvention and, if necessary, other subventions, by an amount equal to what is defined as excess sales tax and property tax generated in a city and that this amount be transferred to the State School Building Lease-Purchase Fund. Excess tax revenue is basically that amount of sales or property tax revenue in a year above the corresponding amount for the previous year, after adjustment for population growth and cost of living. AB 8 indicates that one-half of the increase in sales tax and one-fourth of the increase in property tax, after adjustments, shall be identified as excess tax revenue.

Since excess tax revenue is the difference between revenue estimated for the next fiscal year and that realized for the current fiscal year, only real growth in sales and property tax revenue (adjusted for cost of living) will be treated as excess tax revenue. Thus, the reduction in the cigarette tax subvention based on the excess tax revenue calculation will be a short-term phenomenon, if it becomes effective at all.

If existing city sales tax and property tax revenue sources increase in proportion to the cost of living and population growth, then the reduction in the cigarette tax subvention is estimated at \$79,300.

¹⁷ Or personal income growth, whichever is lower.

This estimated impact is considered to be a "worst-case" scenario, with the actual reduction believed to be somewhat less. After the project reaches build-out, the impact from this provision of AB 8 is believed to be negligible.

LIST OF PRINCIPAL CONTACTS

Donald Lamm	City of Cypress -- Planning
Lee Powell	City of Cypress -- Finance
Chief Orbrey Duke	City of Cypress -- Police
Mr. Wheaton	City of Cypress -- Public Works
Melissa Buhre	City of Cypress -- Planning
Chief Jim Farrell	Orange County Fire District
Neil Gruber	Orange County Auditor
Jim Harmon	Orange County Assessor

DEVELOPMENT GUIDELINES

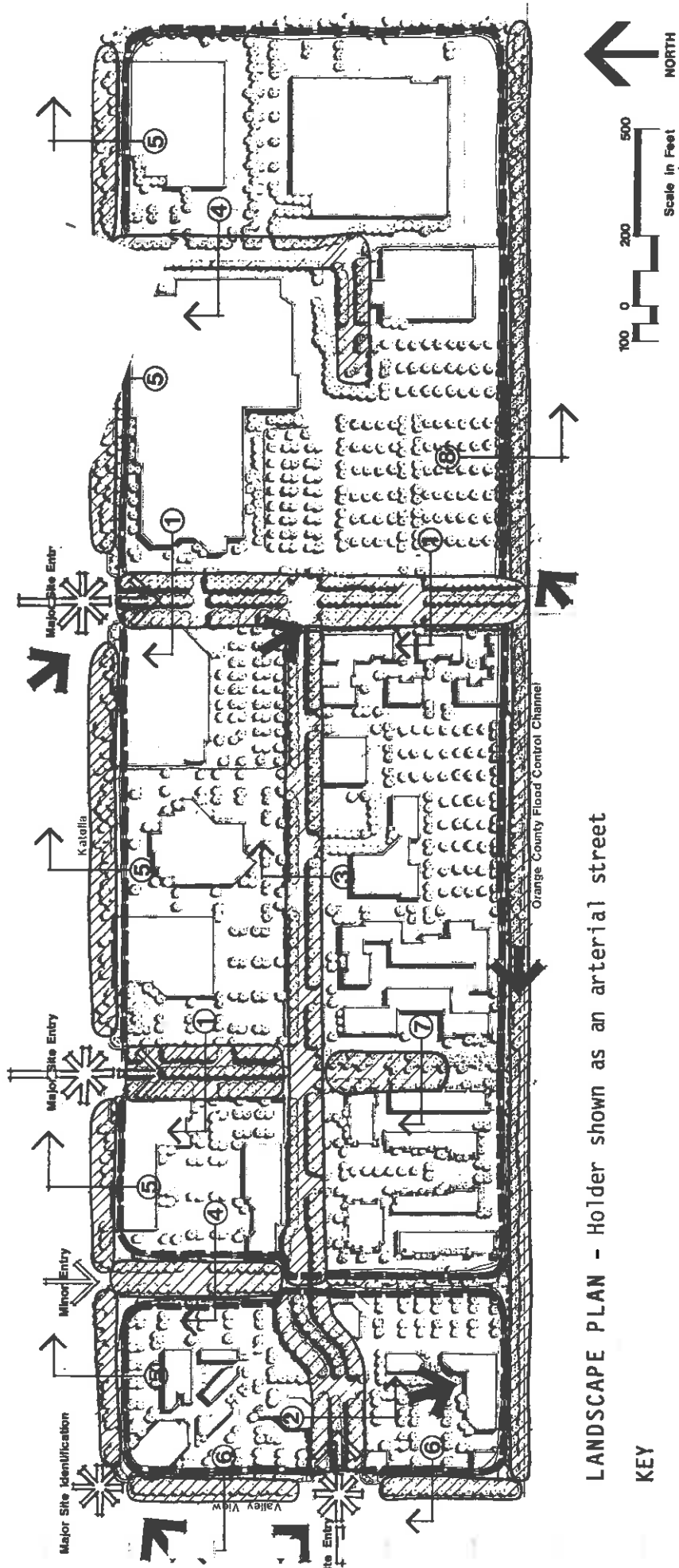
INTRODUCTION

The development of the Cypress Corporate Center as well as each site within the Park will be controlled and restricted by Covenants, Conditions and Restrictions (hereinafter referred to as "C C & R's") and applicable statutes and codes of the State of California and the City of Cypress. The C C & R's are directed towards achieving the desired character and quality level of site development that will set Cypress Corporate Center apart from other business developments.

The purpose of these Development Guidelines is to further define and augment the requirements which are specifically and generally stated in the C C & R's. Furthermore, these Guidelines serve as an aid to the plans submittal process by providing more detailed information on which to base a review. However, governmental statutes and codes and the C C & R's take precedence should conflicts arise between these regulations and the Development Guidelines.

The Guidelines are divided into three parts:

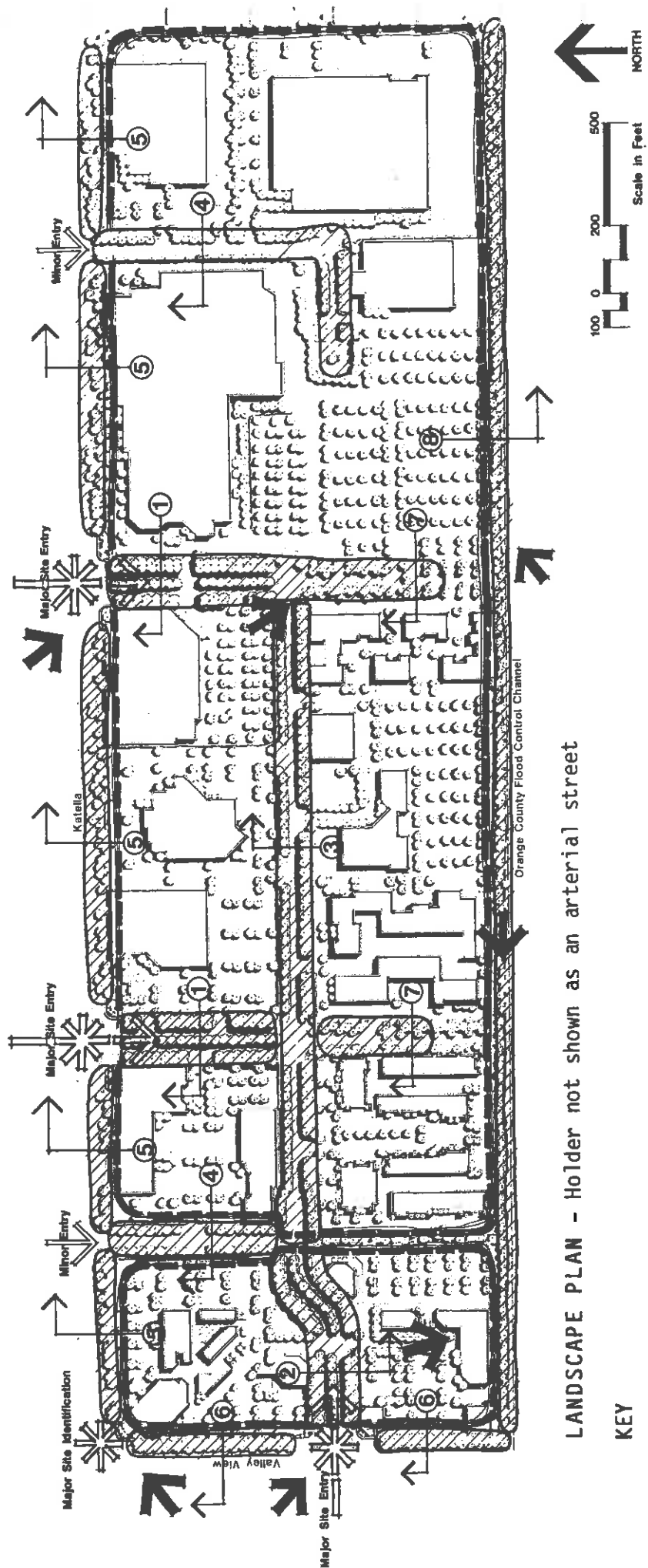
- The Master Plan which deals with the Cypress Corporate Center as a whole;
- The Site Plan which deals with specific development(s) within the Park; and
- The Architectural Guidelines which are parameters for building design.



LANDSCAPE PLAN - Holder shown as an arterial street

KEY

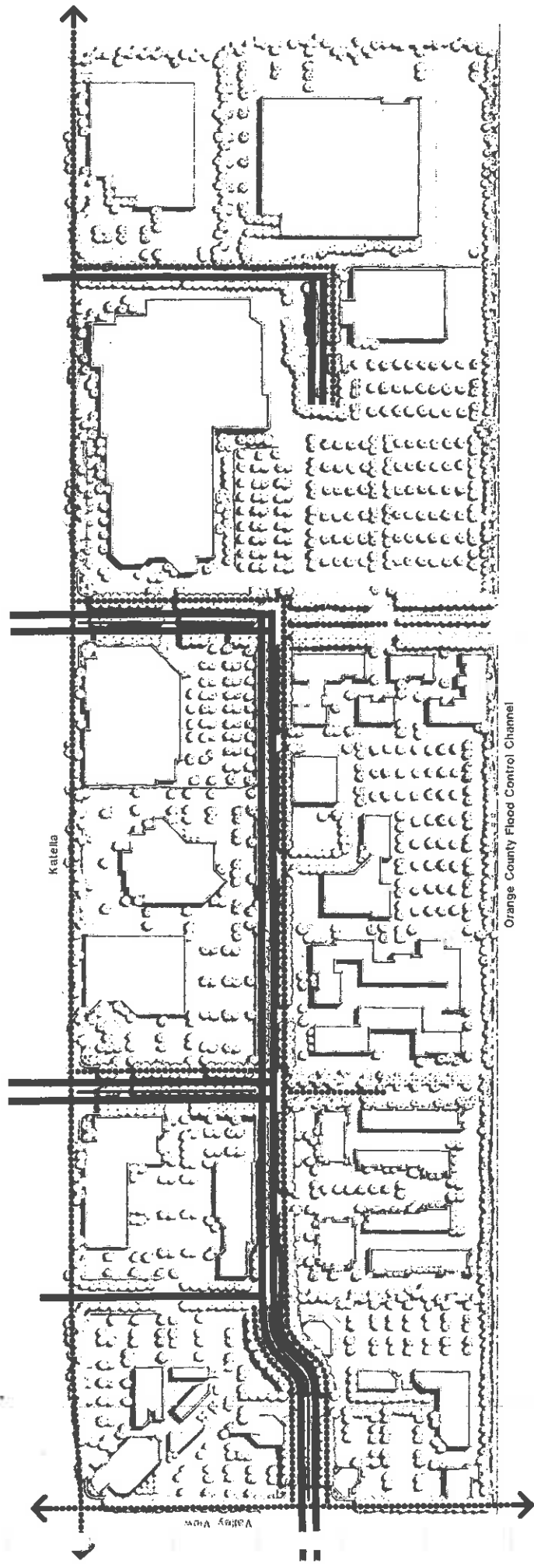
- 1 - Main entrance - corporate center
- 2 - Main entrance - commercial
- 3 - Major roadways - internal
- 4 - Minor roadway - internal
- 5 - Corporate center roadway edge
- 6 - Commercial roadway edge
- 7 - Common access drives
- 8 - Landscape berm



LANDSCAPE PLAN - Holder not shown as an arterial street


KEY

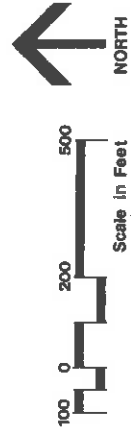
- 1 - Main entrance - corporate center
- 2 - Main entrance - commercial
- 3 - Major roadways - internal
- 4 - Minor roadway - internal
- 5 - Corporate center roadway edge
- 6 - Commercial roadway edge
- 7 - Common access drives
- 8 - Landscape berm



CIRCULATION PLAN

KEY

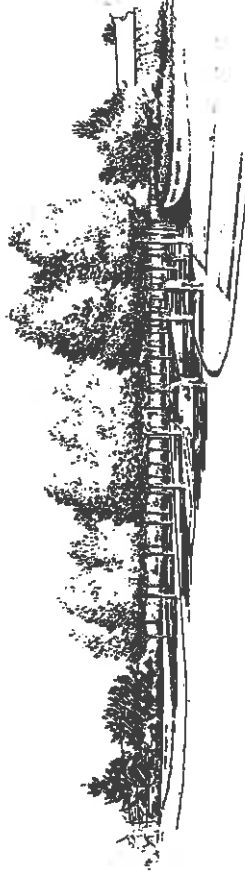
-  Major roadways
-  Minor roadways
-  Pedestrian circulation



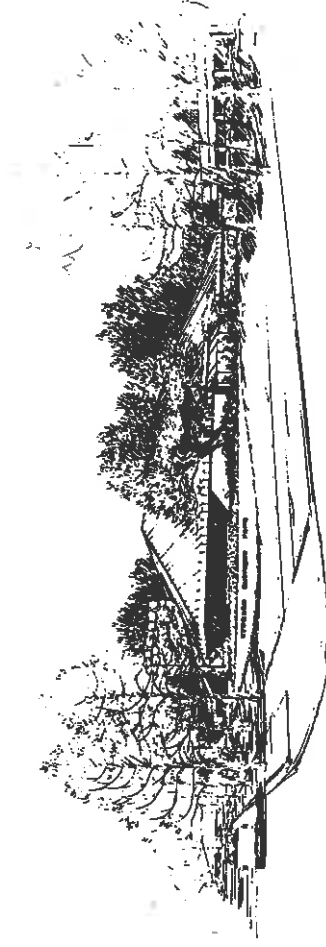
1.0 MASTER PLAN GUIDELINES

1.1 Main Entrances

1.1.1 Three main entrances will provide ingress/egress to and from the Cypress Corporate Center as well as an aesthetic, landscaped focus and entry statement: two servicing the Project from Katella and one from Valley View.



Main entrance to business park off Katella

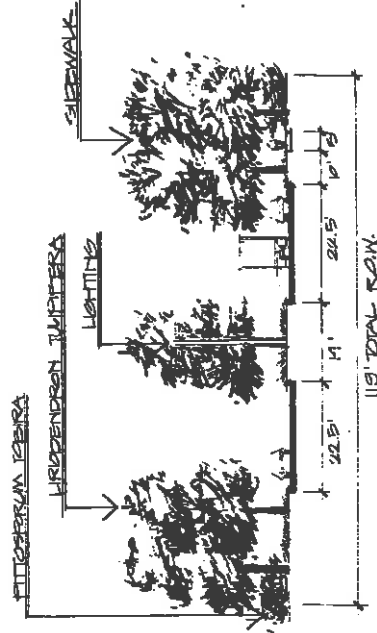


Main entrance to commercial off Valley View

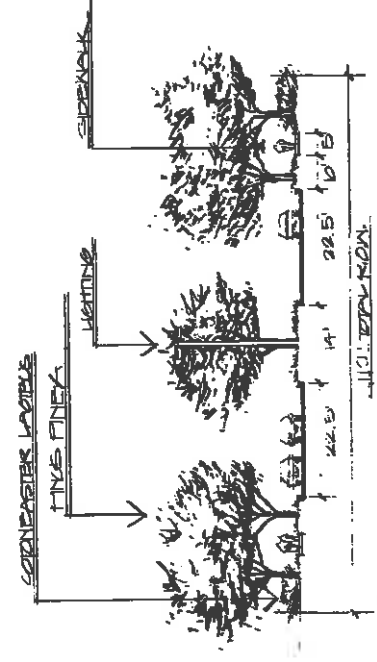
1.1.1.2

Each entrance will be 119 feet wide and 150 feet deep containing the following:

- a. A 59 foot dedicated paved street, including median.
- b. A 30 foot property owner maintained landscaped area abutting the street on each side. Each landscaped zone will contain columnar trees aligned in a double row paralleling a five foot sidewalk. (Note: In industrial areas, sidewalks will be on one side of the street only.) Medium height, dense shrubs will screen parking and service areas.
- c. Within the street, a 14 foot wide dedicated landscaped median necking down to a four foot width at the intersection to provide a left turn pocket. One row of columnar trees and appropriate street lighting will be located within the median strip.



1. Business Park Boulevard



2. Commercial Area Boulevard

d. Plant materials for main entrances on Katella Avenue as follows:

Trees: Liriodendron tulipifera (Tulip Tree)

Shrubbery: Pittosporum tobira (Mock Orange)

Lawn: Bluegrass/Perennial Rye Mix

e. Plant materials for the main entrance on Valley View as follows:

Trees: Pinus pinea (Italian Stone Pine)

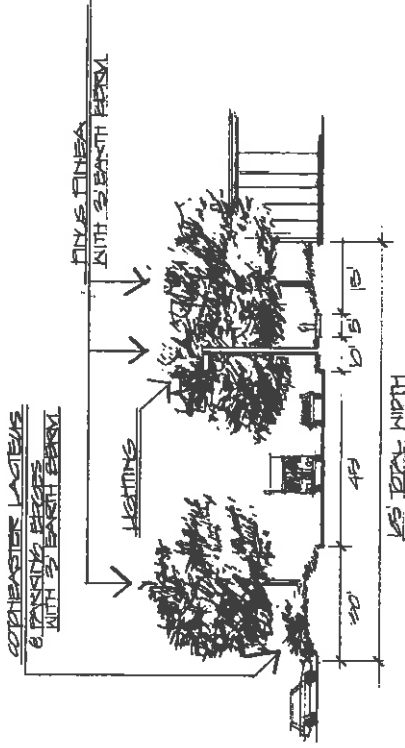
Shrubbery: Cotoneaster lacteus (Parney Cotoneaster)

Lawn: Bluegrass/Perennial Rye Mix

1.2 Major Roadways - Internal

1.2.1 Each internal major roadway will be 105 feet wide containing the following:

- a. A 45 foot dedicated paved street.
- b. A 30 foot property owner maintained landscaped area abutting the street on each side. One lanuscape area will contain two rows of canopy trees paralleling a five foot sidewalk; street lighting will be located within the double row of trees. The second lanuscape area will contain two rows of canopy trees. Each area will contain a three foot landscaped berm with shrubbery to screen parking and service areas between the row(s) of trees and the property line except that shrubbery will not be used where a building edge abuts the landscaped area.



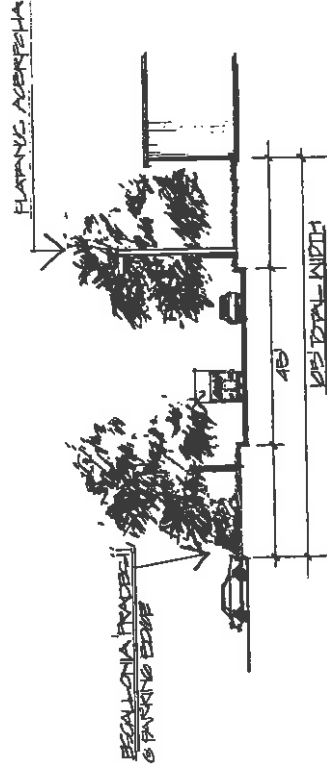
3. Major Internal Roadway

c. Plant materials as follows:

- Trees: Pinus pinea (Italian Stone Pine)
- Shrubbery: Cotoneaster lacteus (Parney Cotoneaster)
- Lawn: Bluegrass/Perennial Rye Mix

1.3 Minor Roadways - Internal

- 1.3.1 Each internal minor roadway will be 105 feet wide containing the following:
- A 45 foot dedicated paved street.
 - A 30 foot property owner maintained landscaped area abutting the street on each side. A single row of canopy shade trees will parallel the street. Street lights will be located on one side of the street only.



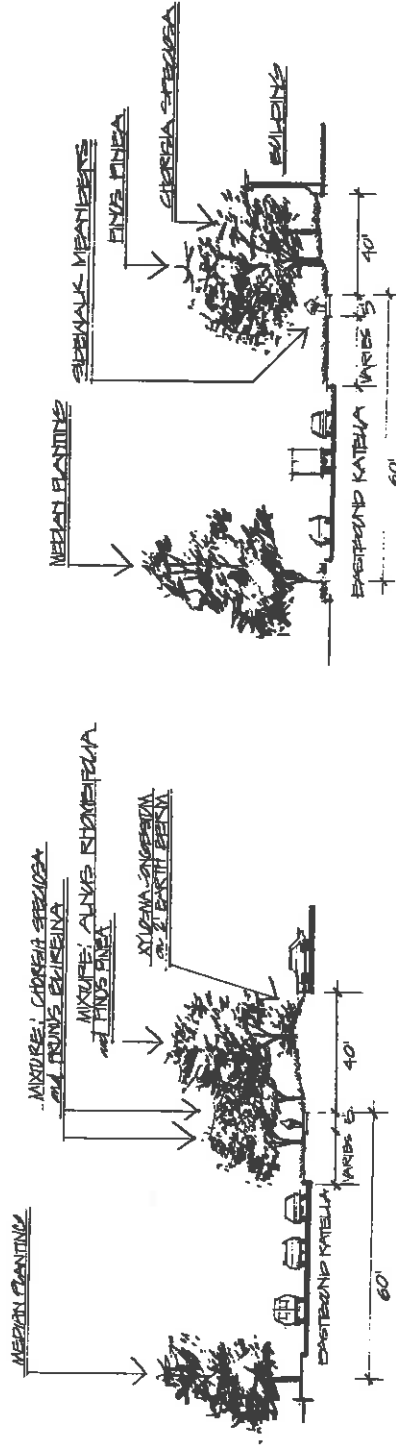
4. Minor Internal Roadway

- c. Plant materials as follows:
- | | |
|------------|----------------------------------------|
| Trees: | Platanus acerfolia (London Plane Tree) |
| Shrubbery: | Escallonia fradesii (Escallonia) |
| Lawn: | Bluegrass/Perennial Rye Mix |

1.4 CORPORATE CENTER ROADWAY EDGE (Katella)

1.4.1 Abutting the roadway edge will be 10 foot dedicated right-of-way and a 40 foot property owner maintained landscaped area containing the following:

- A meandering five foot sidewalk within the 10 foot right-of-way.
- A two foot berm planted with a mix of evergreens and accent flowering trees within the landscaped area.



5a. Katella Roadway at Parking/Service Edge

5b. Katella Roadway at Building Edge

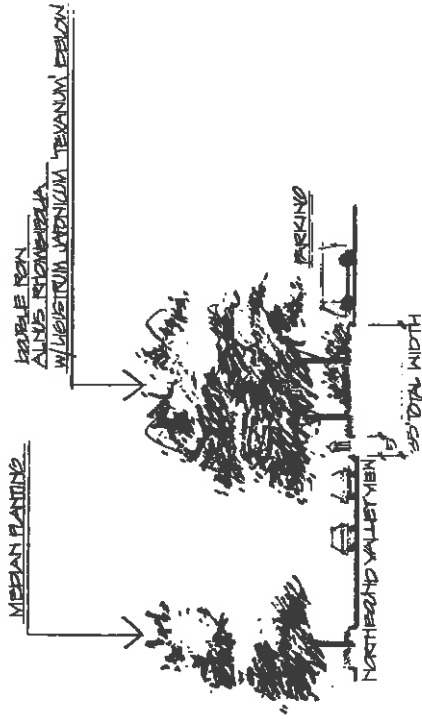
c. Plant material as follows:

Trees:

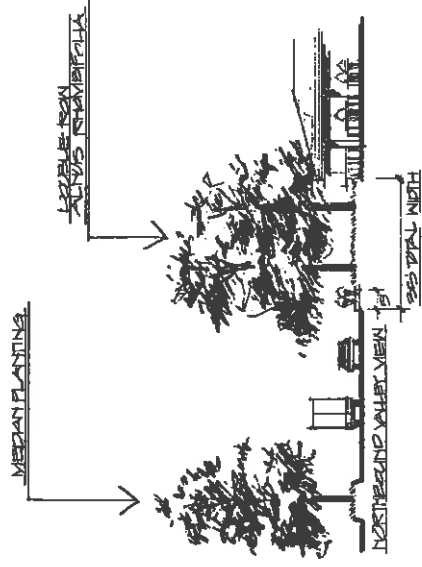
- Dominant: *Alnus rhombifolia* (White Alder)
Pinus pinea (Italian Stone Pine)
- Mixture: *Chorisia speciosa* (Floss Silk Tree)
Prunus bireina (Purple Leaf Plum)
- Shrubbery: *Xylosma congestum* (Xylosma)
- Lawn: Bluegrass/Perennial Rye Mix

1.5 Commercial Roadway Edge (Valley View)

1.5.1 Abutting the roadway edge will be a five foot sidewalk followed by a 30 foot property owner maintained landscaped area containing a double row of canopy trees.



6a. Valley View Roadway at Parking Edge



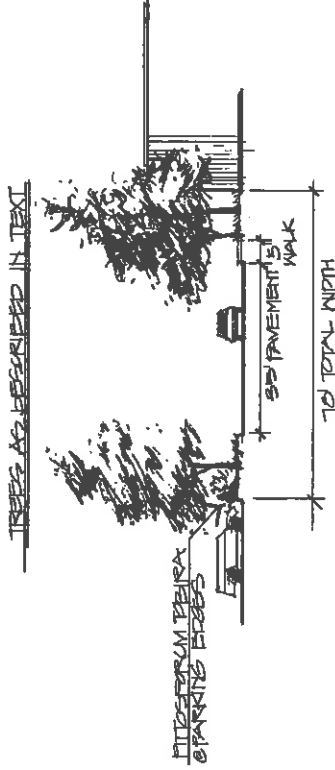
6b. Valley View Roadway at Building Edge

1.5.2 Plant materials designated are:

- | | | |
|----------|-----------------------------|--------------------------|
| Trees: | <i>Alnus rhombifolia</i> | (White Alder) |
| Shrubby: | <i>Ligustrum japonicum</i> | "Texanum" (Texas Privet) |
| Lawn: | Bluegrass/Perennial Rye Mix | |

1.6 Common Access Drives

- 1.6.1 Common access drives will be located at the southerly terminus of each of the two main ingress/egress streets emanating from Katella.
- 1.6.2 Each common access drive will be 78 feet wide and contain the following:
- a. a 35 foot paved street.
 - b. a 5 foot wide sidewalk on one side of the access drive.
 - c. a 19 foot landscaped area abutting the access drives on one side and the sidewalk on the other side. Each landscaped area will contain the following plant material planted informally:



7. Common Access Drive

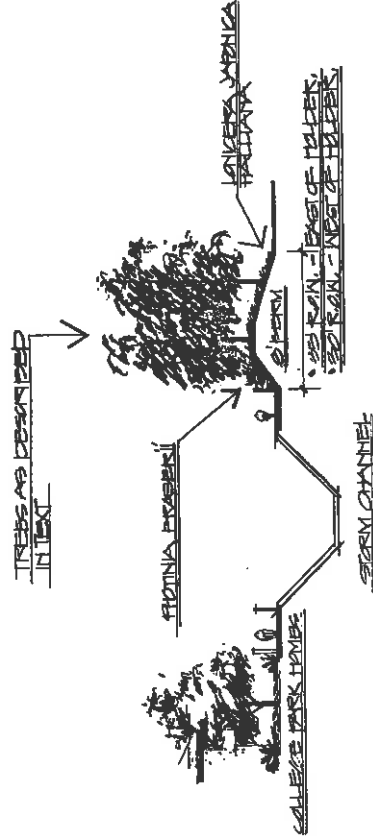
- Trees:
- Pinus pinea Italian Stone Pine
 - Alnus rhombifolia (White Alder)
- Mixture
- Platanus acerfolia (London Plane Tree)
 - Chorisia speciosa (Floss Silk Tree)
 - Prunus blireina (Purple Leaf Plum)
 - Liriodendron tulipifera (Tulip Tree)
- Lawn: Bluegrass/Perennial Rye Mix

1.7 South Boundary

1.7.1 Paralleling the flood control channel on the southerly perimeter of the Cypress Business Park is an area designed to buffer residences south of the channel from uses in the Park.

1.7.2 The buffer zone will be comprised of the following:

- a. A six foot high chain link fence on the north edge of a ten or fifteen foot service road maintained by the Orange County Flood Control District.
- b. A six foot high landscaped berm densely planted.

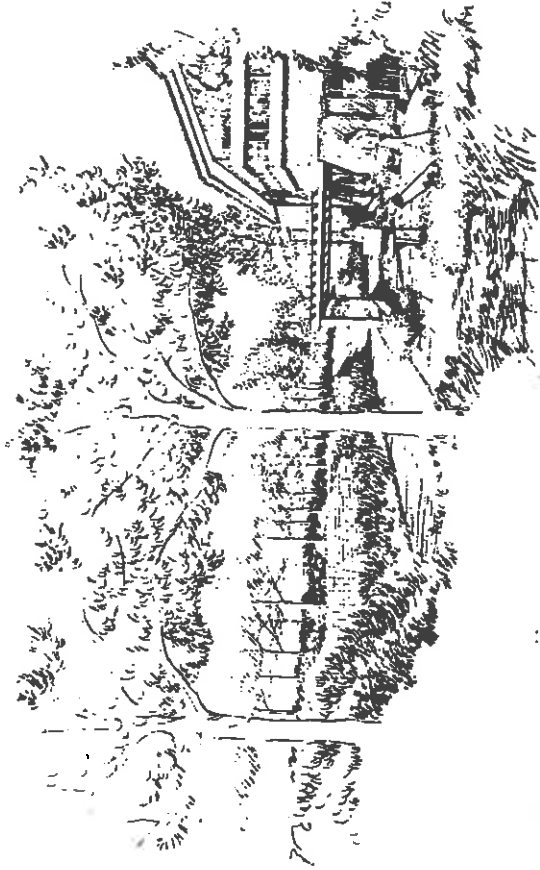


8. South Boundary

c. Plant material as follows:

Trees:

- Mixture Pinus halipensis (Aleppo Pine)
 Brachychiton populneus (Bottle Tree)
- Shrubbery: Acacia longifolia (Sydney's Golden Wattle)
 Carissa grandiflora 'Tuttle' (Compact Natal Plum)
- Groundcover: Lonicera japonica 'Halliana' (Hall's honeysuckle)



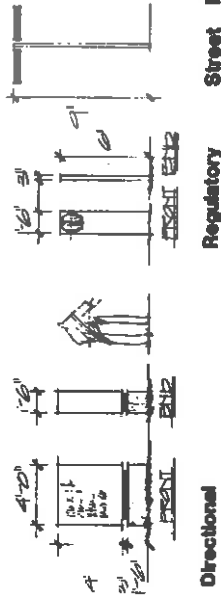
View from existing residential development

1.8 Landscaping - General

- 1.8.1 Plant materials shall be as specified herein or an approved alternate to achieve a similar character.
- 1.8.2 Landscaping and irrigation will be installed as a continuous linear system. Demolition of this system at vehicular access points will be necessary during the process of the access drive installation. It is the responsibility of the property owner to maintain the flow of the irrigation system during construction and to re-establish the planting, grading and final irrigation layout that has been altered.
- 1.8.3 All planting and irrigation details and specifications shall conform to City of Cypress design standards.
- 1.8.4 Sites that are not improved or built upon shall be maintained in a clean and neat appearance by the property owner. Weeds, brush and trash will be removed twice a year, once in the spring and once in the fall.

1.9 Sign Guidelines

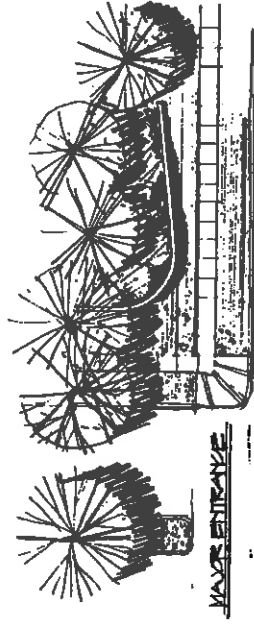
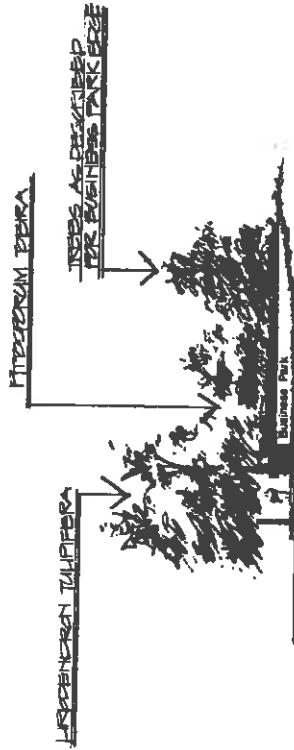
- 1.9.1 An overall sign program shall be submitted as part of the preliminary plan submittal to the Director of Planning.
- 1.9.2 All informational signs shall be constructed with a concrete base and a metal or fiberglass message area to dimensions shown in the illustration. The message portion shall be colored semi-gloss white. All lettering shall be Helvetica, medium black in color, four inches in height.
- 1.9.3 Vehicular control signs shall be constructed to dimensions shown in the illustration. Signs shall be colored semi-gloss white. Symbols shall be Department of Transportation (D.O.T.) standards.



- 1.9.4 Street signs shall be of the character shown in the illustration. Support poles shall be white, and message panels shall be black background with white copy.
- 1.9.5 No business name, symbol or advertising of any sort shall be permitted on any information or vehicular control sign.
- 1.9.6 No informational or vehicular control sign shall be located so as to reduce the safe flow of vehicles or pedestrians.
- 1.9.7 No informational or vehicular control sign shall be internally illuminated or illuminated from the ground.

1.10 Major Identification Sign Walls

- 1.10.1 Major identification walls shall be located at the two main project entries on Katella, the main entry on Valley View and the corner of Valley View and Katella.
- 1.10.2 The walls shall be constructed of poured-in-place concrete in the character shown in the illustrations. The project name will be provided in three dimensional metal letters attached to the wall.



Plan 1-20-0
Major Identification Sign

1.11 Lighting Guidelines

- 1.11.1 All lighting potentially visible from an adjacent street, except bollard lighting less than forty-two (42) inches high, shall be indirect or shall incorporate a full cut-off shield type fixture.
- 1.11.2 Street illumination lights shall be similar in character to Sterner "Executive II" series. Light poles and fixture housings shall be white.

1.12 Utilities

- 1.12.1 All exterior on-site utilities including, but not limited to, drainage systems, sewers, gas lines, water lines, and electrical, telephone and communications wires and equipment shall be installed and maintained underground.

2.0 SITE PLANNING GUIDELINES

2.1 Building Site Coverage

2.1.1 Site Coverage (defined as the building-ground contact area divided by the total net lot area) shall not exceed 60% or the amount specified in the current City of Cypress Zoning Ordinance (whichever is the more restrictive).

2.2 Building Heights

2.2.1 Building heights shall be subject to limitations imposed by the Federal Aviation Agency, which governs the flight patterns of the Los Alamitos Naval Air Station, and shall be approved by the Director of Planning when in excess of thirty-five (35) feet high.

2.3 Setbacks

2.3.1 The building setback from sideyard property lines shall average thirty (30) feet. Average sideyard setback shall be provided by one sideyard setback or a combination of both sideyards.

2.3.2 No building shall be permitted to be constructed within twenty (20) feet of the rear property line.

2.3.3 Following are plant materials required for all sideyard and rearyard setbacks. Any tree or shrub may be used as long as they are used in the combinations indicated. Lawn, in all cases, is a bluegrass perennial rye mix:

TREES

Botanical Name	(Common Name)	Botanical Name	(Common Name)
Liriodendron tulipifera	(Tulip Tree)	Pittosporum tobira	(Mock Orange)
Pinus pinea	(Italian Stone Pine)	Cotoneaster lacteus	(Parney Cotoneaster)
Platanus acerfolia	(London Plane Tree)	Escallonia fradesii	(Escallonia)
Alnus rhombifolia	(White Alder)	Ligustrum japonicum "Texanum"	(Texas Privet)

SHRUBS

2.3.4 The building setback from frontyard property lines shall be thirty (30) feet for all major and minor internal roadways and the commercial (Valley View) roadway edge and forty (40) feet for the industrial (Katella) roadway edge.

2.4 Parking Areas

- 2.4.1 All on-site parking requirements shall conform to City of Cypress standards as detailed in Section 14 of the Zoning Ordinance.
- 2.4.2 Designated "Handicap Parking" spaces, twelve (12) feet in width, shall be provided. Such parking spaces shall be given preferential locations near building entrances which provide full and convenient handicap access.
- 2.4.3 Designated "Cycle Parking" areas shall be considered for the convenience of employees using bicycles or motorcycles. In order to avoid the clutter of cycles parked in unplanned locations, it is recommended that planned "Cycle Parking" areas be conveniently located to employee entrances and be provided with racks having security locking capabilities.
- 2.4.4 Tree wells and planter areas within paved parking areas shall provide a minimum of three (3) foot clear planting space.
- 2.4.5 Tree well and planting edge curbs should be used in lieu of wheel stops.
- 2.4.6 Following are plant materials for tree well plantings in paved on-site parking areas:
- | | |
|--------------|-------------------------------------------------|
| Trees: | Ulmus parvifolia
(Chinese Elm) |
| | Ficus retusa
(Indian Laurel Fig) |
| | Cupinia anacardioides
(Carrotwood) |
| | Pyrus calleryana "aristocrat" (Aristocrat Pear) |
| Groundcover: | Gazania uniflora
(Columbia Garzania) |

2.5 Access Drives

- 2.5.1 Access drives shall be coordinated with adjacent lots so as not to impede the efficient flow of peak period traffic. Consideration shall be given to adequate separation of adjacent access drives or the development of common access drives.
- 2.5.2 Access drive designs shall incorporate provisions for efficient vehicle stacking during peak periods of use.
- 2.5.3 Access drives shall be located such that their construction results in a minimal disruption of the street side landscaping and utilities located within designated landscape area.
- 2.5.4 No objects higher than thirty (30) inches above the top of the curb at the access drive curb opening, including but not limited to shrubs, trees, signs, and earth berms, shall be permitted within ten feet of either side of an access drive extending ten feet in from the curbline of a public street.

2.6 Storage, Service and Loading Areas

2.6.1

Storage, service, maintenance and loading areas must be constructed, maintained and used in accordance with the following conditions:

- a. Unless approved in writing by the Director of Planning, no materials, supplies or equipment, including trucks or other motor vehicles, shall be stored upon a site except inside a closed building or behind a visual barrier screening such materials, supplies or vehicles from adjacent sites so as not to be visible from neighboring properties and streets. Any storage areas screened by visual barriers shall be located upon the rear and/or side portions of a site.
- b. Provisions shall be made on each site for any necessary vehicle loading, and no on-street vehicle loading shall be permitted.
- c. Loading dock areas shall be set back, recessed or screened. In no event shall a loading dock be closer than seventy-five (75) feet from a property line fronting upon a street unless otherwise approved in writing by the Director of Planning.

2.7 Refuse Collection Areas

- 2.7.1 All outdoor refuse containers shall be visually screened within a durable 6' - 0" or higher concrete or masonry enclosure, so as not to be visible from adjacent lots, sites or streets. No refuse collection areas shall be permitted between a street and the front of a building.
- 2.7.2 Refuse collection areas should be effectively designed to contain all refuse generated on-site and deposited between collections. Deposited refuse should not be visible from outside the refuse enclosure.
- 2.7.3 Refuse collection enclosures should be designed of durable materials with finishes and colors which are unified and harmonious with the overall architectural theme.
- 2.7.4 Refuse collection areas should be so located upon the lot as provide clear and convenient access to refuse collection veh to and thereby minimize wear-and-tear to on-site and off-site icles developments.
- 2.7.5 Refuse collection areas should be designed and located on the lot so as to be convenient for the deposit of refuse generated on-site.

2.8 Fences and Walls

2.8.1 All fences and walls shall be in conformance with the City of Cypress standards as detailed in Section 11.6 of the Zoning Ordinance.

2.8.2 All fences and walls shall be designed as an integrated part of the overall architectural and site design. All materials shall be durable and finished in textures and colors complimentary of the overall architectural design.

2.8.3 Where chain link fencing is to be employed, it shall be and screened with plant materials and/or earth mounding.

2.8.4 All fences shall be planted with vines as selected from the list below:

Lonicera Japonica "Halliana" (Hall's Honeysuckle)

Bougainvillea ("San Diego Red")

Hedera canariensis (Algerian Ivy)

2.9 Utilities

- 2.9.1 On-site underground utilities shall be designed and installed to minimize the disruption of off-site utilities, paving, and landscape during construction and maintenance and shall be of such a design so as not to place excessive burdens upon off-site utility systems during the course of use.
- 2.9.2 Temporary overhead power and telephone facilities are permitted during construction.

2.10 Grading

- 2.10.1 Site grading design should compliment and reinforce the architectural and landscape design character by helping to screen parking, loading and service areas, by helping to reduce the perception of height and mass on larger buildings, by providing reasonable transitions between on-site uses, by providing elevation transitions contributing to the efficiency of on-site and off-site movement systems, and by providing reasonable transitions between lots.

2.11 Performance Standards

- 2.11.1 All performance requirements shall conform to City of Cypress standards as detailed in Section 11.3 of the Zoning Ordinance.

2.12 Sign Guidelines

- 2.12.1 All signs shall be in conformance with the City of Cypress standards as detailed in Section 15 of the Zoning Ordinance.
- 2.12.2 An overall sign program including any (1) detached business identification signs, (2) building mounted business or building identification signs and (3) informational and vehicular control signs shall be submitted as part of the preliminary plan submittal to the Director of Planning.



Detached Business Sign



Detached Business Sign

- 2.12.3 Detached business identification signs shall be limited to the display of the name and/or symbol of the business or businesses occupying the site. No messages or advertising of any kind including, but not limited to, advertising of products, services, or job openings shall be permitted.

- 2.12.4 No more than one detached business identification sign shall be permitted on each street frontage of a development parcel.
- 2.12.5 All detached business identification signs shall be permanent monument type signs and shall not exceed a height of six (6) feet above the underlying finish grade unless otherwise approved in writing by the Director of Planning.
- 2.12.6 All detached business identification signs shall achieve the appearance shown in the illustration and shall have a concrete base constructed to the indicated dimensions. The upper message portion shall be constructed of appropriate metals or fiberglass to achieve the dimensions shown and shall be semi-gloss white. Message copy and business symbol(s) or logo(s) may be to an individual's color and type style but shall not exceed forty percent (40%) coverage of the sign face area. The sign area is defined as the area of the surface or surfaces which displays letters or symbols identifying the business or businesses occupying the site. The sign area shall not include the base or pedestal to which the sign is mounted.
- 2.12.7 Detached business identification signs shall not exceed seventy-five (75) square feet in area.

- 2.12.8 Illumination: Detached business identification signs may be illuminated by continuous and uniform internal illumination, backlighting, or ground lighting. No flashing or moving lights will be permitted. No unprotected lamp providing sign illumination shall be directly visible when viewed at any angle from a distance of twenty (20) feet or more. No sign illumination shall cast a glare which will be visible from any street or access drive.
- 2.12.9 Location: Detached business identification signs shall be located ten feet from the curbline of a fronting street or access drive.
- 2.12.10 Where applicable, the business address shall be applied to the streetside face of the detached business sign.
- 2.12.11 Addresses for businesses having a building mounted sign shall be affixed to the buildings street-fronting face.
- 2.12.12 Business addresses shall be Helvetica medium type style not exceeding twelve inches in height.
- 2.12.13 All information and vehicular control signs shall be in conformance with Section 1.9 of these Guidelines.

- 2.12.14 Only one temporary development sign plus one financing sign shall be permitted per development parcel. No additional individual signs shall be permitted. Cypress Corporate Center or its representatives have the right to remove unpermitted signs and charge the individual tenant or property owner for the cost of such removal.
- 2.12.15 Temporary development signs shall be of a uniform size, area, height, color, and design and shall, at a minimum, identify Cypress Corporate Center and the business or company developing the parcel. The remaining sign area shall be limited to identification of the following and no other information:
1. a concise identification of the nature of the development
 2. the projected date of completion
 3. the construction lender
 4. the real estate brokerage firm
 5. the general contractor
 6. the architect
 7. the structural engineer
 8. the civil engineer
 9. the mechanical engineer
 10. the electrical engineer
 11. the landscape architect
- 2.12.16 No temporary development sign shall be located so as to reduce the safe flow of vehicles and pedestrians.
- 2.12.17 All temporary development signs shall be removed prior to occupancy.

2.13 Lighting Guidelines

- 2.13.1 All lighting potentially visible from an adjacent street, except bollard lighting less than forty-two (42) inches high, shall be indirect or shall incorporate a full cut-off shield type fixture.
- 2.13.2 Street and parking area illumination lights shall be similar in character to Sterner "Executive II" series. Light poles and fixture housings shall be white.
- 2.13.3 Service area lighting shall be contained within the service yard boundaries and enclosure walls. No light spillover should occur outside the service area. The light source should not be visible from the street.

3.0 ARCHITECTURAL GUIDELINES

3.1 Specific Architectural Guidelines

- 3.1.1 All design shall appear as an integrated part of an overall site design concept.
- 3.1.2 Contemporary building forms and materials will be encouraged.
- 3.1.3 Pre-engineered metal buildings will not be permitted. Metal clad buildings will be permitted only if designed by an architect and only if specifically approved in writing by the Director of Planning.
- 3.1.4 Design consideration should be given to:
 - a. energy conservation through facility design
 - b. potential environmental hazards
 - c. enhancement of the overall landscape
 - d. decorative pedestrian plazas and walkways
 - e. vehicular and pedestrian circulation
 - f. expressions of a facility's functional organization

3.2 Screening of Exterior Mechanical Equipment

- 3.2.1 Exterior components of plumbing, processing, heating, cooling, and ventilating systems (including but not limited to piping, tanks, stacks, collectors, heating, cooling, and ventilating equipment, fans, blowers, ductwork, vents, louvers, meters, compressors, motors, incinerators, ovens, etc.) shall not be directly visible from a height of 5' - 0" above any ground or ground floor elevation at a distance closer than 500 feet from the closest building wall on any lot, unless otherwise approved in writing by the Director of Planning.
- 3.2.2 In the case of roof mounted mechanical equipment, building parapets shall be, if possible, of such a height that roof mounted screening devices not be required. If building parapets do not provide the required screening, mechanical equipment shall be screened by an unobtrusive screening device that will appear as an integrated part of the overall architectural design.
- 3.2.3 Any devices employed to screen exterior components of plumbing, processing, heating, cooling, and ventilating systems from direct view shall appear as an integrated part of the architectural design, and as such, be constructed of complimentary and durable materials and finished in a complimentary texture and color scheme to the overall architectural design.

3.3 Screening of Exterior Electrical Equipment and Transformers

3.3.1 Transformers that may be visible from any primary visual exposure area shall be screened with either planting or a durable non-combustible enclosure (of a design configuration acceptable to Southern California Edison). Where possible, it is recommended that refuse containers and transformers be integrated into the same enclosure.

3.3.2 Transformer enclosures should be designed of durable materials with finishes and colors which are unified and harmonious with the overall architectural theme.

3.3.3 Electrical equipment shall be mounted on the interior of a building wherever possible. When interior mounting is not practical, electrical equipment shall be mounted in a location where it is substantially screened from public view. In no case shall exterior electrical equipment be mounted on the street-side or primary exposure side of any building.

3.4 Sign Guidelines

- 3.4.1 Building mounted business or building identification signs shall be limited to the display of the building name or the name and/or symbol of the business occupying the site. No message or advertising of any kind including, but not limited to the advertising of products, services or job openings, shall be permitted.
- 3.4.2 No more than one building mounted sign shall be permitted for each street frontage of a development parcel.
- 3.4.3 Business or building identification signs may be mounted to any vertical surface of a building or building associated wall provided such signs appear as an integral part of the overall architectural and site design concept.
- 3.4.4 For each use, one single-faced lighted building mounted business or building identification sign is permitted. Said sign shall not exceed one square foot of area for each lineal foot of building or portion thereof up to a maximum of one-hundred (100) square feet. The building mounted sign area is defined as the area of the surface or surfaces which display(s) letters or symbols identifying the business or businesses occupying the site or when the sign is of freestanding letters, the single rectangular area which fully encloses all letters or symbols identifying the business or businesses occupying the site.
- 3.4.5 Building mounted business or building signs shall not extend beyond a height above the ground floor which is the lesser of thirty-two (32) feet or the maximum height permitted by the City of Cypress.
- 3.4.6 Building mounted business or building identification signs may be illuminated by internal illumination or backlighting provided that the color and intensity of such lighting appears as an integral part of the overall architectural and site design concept. No flashing or moving lights will be permitted. No sign illumination shall cast a glare which will be visible from any street or access drive.

3.5 Lighting Guidelines

3.5.1

Building illumination and architectural lighting shall be indirect in character, (no light source visible) with no harshness or glare. Indirect wall lighting or "wall washing" overhead down lighting, or interior illumination which spills outside is encouraged. Architectural lighting should articulate and animate the particular building design as well as provide the required functional lighting for safety and clarity of pedestrian movement.

DECLARATION OF COVENANTS, CONDITIONS

AND RESTRICTIONS FOR

CYPRESS CORPORATE CENTER

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS (this "Declaration") is executed as of the _____ day of _____, 1980 by CYPRESS LAND COMPANY, a California limited partnership ("Declarant").

RECITALS

- A. Declarant is the owner of that certain real property in the City of Cypress, County of Orange, State of California more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property").
- B. It is the desire and intention of Declarant to develop all of the Property as a commercial and industrial center.
- C. It is the desire and intention of Declarant to impose upon the Property mutually beneficial restrictions under a general plan of improvement, development and maintenance for the benefit of all of the Property, the improvements thereon and the future owners thereof.

NOW, THEREFORE, Declarant hereby declares as follows:

ARTICLE 1 GENERAL PROVISIONS

1.1 Establishment of Restrictions. Declarant hereby declares that the Property is now held and shall hereafter be held, transferred, sold, leased, conveyed, hypothecated, improved and occupied subject to the covenants, conditions, limitations and restrictions hereinafter set forth, each and all of which are and shall be for, and shall inure to the benefit of and pass with each and every area of land (a, any or the "Site") within the Property, the fee simple title to which is held by one Owner (a, any or the "Owner") and shall apply to and bind the heirs, assignees and successors in interest of each and every Owner. For purposes of this Declaration, an Owner shall be the owner of record, whether one or more individuals or entities, of the fee simple title to a Site, including, but not by way of limitation, a contract seller of a Site, but excluding those individuals and entities having such an interest merely as security for performance of an obligation.

ARTICLE 2 THE APPROVING AGENT

2.1 The Approving Agent. For purposes of this Declaration the Approving Agent (a, any or the "Approving Agent") shall mean and refer to, in the following order of precedence:

(i) So long as it owns an interest in the Property, and has not made the Association Election (the "Association Election") more particularly referred to in Section 2.1 (iii) hereof, Declarant, or at the election of Declarant, in its sole and absolute discretion, any individual, corporation, partnership, trust or association which has acquired an interest of fifty percent (50%) or more in Declarant, or any corporation, partnership, trust or association in which Declarant holds an interest of fifty percent (50%) or more, (a, any or the "Declarant Affiliate"), as evidenced by an instrument to such effect recorded in the Office of the County Recorder of the County of Orange, State of California, providing for an assumption of the Approving Agent's obligations hereunder arising subsequent to the recordation of such instrument by the Declarant Affiliate;

(ii) So long as neither Declarant nor any successor referred to in this Section 2.1 (ii) has made the Association Election, any (a) corporation, partnership, trust or other entity with which Declarant has been merged or consolidated or (b) individual, corporation, partnership, trust, association or other entity (a, any or the "Declarant Successor") acquiring all of the Declarant's beneficial and legal right, title and interest in and to the Property in one (1) or more transactions affecting not less than twenty-five percent (25%) of the total land area square footage of the Property, as evidenced by a instrument to such effect recorded in the Office of the County Recorder of the County of Orange, State of California, providing for assumption of the Approving Agent's obligations hereunder arising subsequent to the recordation of such instrument by the Declarant Successor; or thereafter,

(iii) At the written election of Declarant or any Declarant Successor or, in the absence of any Declarant Successor and in the event Declarant no longer owns any interest in the Property, at the election of Owners owning a majority of the land area square footage contained within the Property (the "Owned Square Footage"), which election is first delivered to all Owners, any nonprofit corporation or association (a, any or the "Owners' Association") organized by Declarant, by any Declarant Successor or by Owners owning a majority of the Owned Square Footage, for the purpose of performing the functions of the Approving Agent hereunder and in which membership is available to all Owners without charge and on a basis consistent with the

provisions hereof, as evidenced by an instrument to such effect recorded in the Office of the County Recorder of the County of Orange, State of California, providing for assumption of the Approving Agent's obligations hereunder arising subsequent to the recordation of such instrument by the Owner's Association.

2.2 Powers and Duties of the Approving Agent. In addition to the duties and powers provided elsewhere herein, the Approving Agent shall have the power to undertake any and all other action which may be necessary to convenient for the enforcement and furtherance of the purposes of this Declaration, including, but not by way of limitation, the power to undertake any applicable acts or action permitted or required of an Owners' Association pursuant to Section 10.4 hereof, provided, however, that none of the restrictions on action by the Owners' Association contained in Section 10.4 hereof shall apply to the Approving Agent so long as the Approving Agent is not an Owners' Association.

ARTICLE 3 ARCHITECTURAL CONTROL

3.1 Administrative Review. The construction, erection, placement, alteration, demolition or maintenance of any building, outbuilding, garage, carport, road, driveway, parking area, loading area, trackage, fence, wall, barrier, planter, screen, landscaping, stairs, deck, pole, sign, or other structural or landscaping improvement of any kind (a, any or the "Improvements") on any Site shall be prohibited unless and until the Owner of the Site, or the designee thereof, first obtains an approval therefor from the Architectural Committee, as that term is referred to in Section 3.10 hereof (the "Architectural Committee") pursuant to the provisions of this Article 3.

3.2 Application for Review. Any Owner proposing to construct any Improvements on a Site shall submit to the Architectural Committee for approval two (2) copies of such plans, specifications and other materials and documents (collectively, a, any or the "Plans") for the proposed Improvements as the Architectural Committee may from time to time reasonably request, including, but not by way of limitation, (i) a plot plan of the Site on which the Improvements are to be located showing (a) contour lines, (b) the location of all existing and proposed Improvements, (c) the proposed drainage plan, (d) the location of proposed and existing utility installations, and (e) the location and nature of landscaping, (ii) floor plans, (iii) drawings showing all elevations, (iv) a description of exterior materials and colors, with samples,

(v) construction specifications, (vi) the proposed schedule for construction of the Improvements and (vii) a reasonable plans inspection fee, in an amount to be set from time to time by the Architectural Committee in its reasonable discretion, which Plans shall be submitted over the signature of the Owner, or his designee.

3.3 Approval Standards. The Architectural Committee shall approve or disapprove the Plans based upon, among other things, the adequacy of the site dimensions, structural design and materials of the proposed Improvements with neighboring structures, the effect of the location and use of the proposed Improvements on neighboring Sites and Improvements, the relation of the topography, the grade and finished ground elevation of the Site being improved to that of neighboring Sites, the facing of the main elevations of the proposed Improvements to neighboring streets, the preservation of aesthetic beauty of the Property, the conformity of the Plans to the purposes and general plan of this Declaration, the conformity of the landscaping component, if any, of such proposed Improvements to the master landscaping plan, if any, developed by the Architectural Committee for the Property, and such other factors as the Architectural Committee may reasonably determine to be relevant to review of the Plans. One (1) complete set of the Plans submitted to the Architectural Committee shall, when approved, be marked and stamped "approved" with the date of approval attached, and one complete set thereof shall become the property of the Architectural Committee and shall constitute the permanent original record of the Plans, as approved.

3.4 Automatic Approval. If the Architectural Committee fails either to approve or disapprove of the Plans within forty-five (45) days after the same have been submitted to and received by the Architectural Committee, it shall be conclusively presumed that the Architectural Committee has approved the Plans. Upon receipt of approval from the Architectural Committee pursuant to this Section 3.4, the Owner or the Owner's designee to whom the same is given, shall as soon as practicable, satisfy all conditions of such approval and shall diligently proceed with the commencement and completion of all approved construction, and/or alteration, of the proposed Improvements. In each case, all conditions of such approval shall be satisfied, and work pursuant to the Plans commenced and completed within one (1) year from the date of such approval. Any and all Plans approvals given pursuant to this Article 3 shall be deemed revoked at the expiration of such period unless the Architectural Committee, upon written request made prior to the expiration of said one (1) year period, shall extend the time for commencing and completing the construction of such proposed Improvements.

3.5 Waiver of Liability. Neither the Declarant, any Declarant Affiliate, any Declarant Successor, the Approving Agent, nor the Architectural Committee nor any employee, agent, servant, representative, attorney, partner, director, officer, trustee, or member thereof shall be liable to any Owner, Owner's designee, lessee of a Site, or any other third party for any damage, injury, loss or prejudice suffered or claimed on account of (i) mistaken judgement, negligence or nonaction, arising out of or in connection with, the approval, disapproval or failure to approve any Plans, (ii) the construction or performance of any work on the Property, whether or not done pursuant to approved Plans, (iii) any other action, nonaction or omission of the Architectural Committee or the Approving Agent permitted, contemplated or required hereunder, including, but not by way of limitation, the enforcement, or lack of enforcement, of any provision of this Declaration, or (iv) the development or the manner of development of the Property. Each individual or entity who submits Plans or any other document or matter to the Architectural Committee or to the Approving Agent for approval shall be deemed to have agreed by submission of such Plans, document or other matter, and each Owner or lessee of a Site shall be deemed to have agreed by acquiring title thereto or an interest therein, that he will not bring any action or suit against the Declarant, any Declarant Affiliate, any Declarant Successor, the Approving Agent, the Architectural Committee or any employee, agent, servant, representative, attorney, partner, director, officer, trustee or member thereof, to recover any damages or other relief for such damage, injury, loss or prejudice.

3.6 Duties; Procedure. It shall be the duty of the Architectural Committee to consider and act upon such applications for approval of Plans, documents and other matters permitted, contemplated or required hereunder to be submitted to it from time to time, to formulate such master plans, rules and regulations as it deems appropriate to satisfy its obligations hereunder, and to perform any other duties set forth in this Declaration or from time to time delegated to it by the Approving Agent. The vote or written consent of any two (2) members thereof shall constitute an act by the Architectural Committee unless the unanimous decision of its members is otherwise required by this Declaration. The Architectural Committee shall keep and maintain a written record or evidence of all action from time to time taken by the Architectural Committee, including, but not by way of limitation, one (1) final set of all Plans approved. Unless authorized by the Approving Agent in its sole and absolute discretion, the members of the Architectural Committee shall not receive any compensation for services rendered, but shall be entitled to reimbursement for reasonable expenses incurred by them in connection with the performance of any Architectural Committee function.

3.7 Variances. The Architectural Committee may allow waiver of, or variances as to

(collectively, a, any or the "Variance"), any of the covenants, conditions, limitations or restrictions contained in this Declaration on such terms and conditions and in such cases as it shall determine, its sole and absolute discretion, to be consistent with the general plan for the improvement and development of the Property.

3.8 Non-Waiver. The approval by the Architectural Committee of any Plans, documents or other matters permitted, contemplated or required to be submitted to the Architectural Committee for approval under this Declaration, shall not be deemed to constitute a waiver of any right or authority to withhold approval as to any similar Plans, documents or other matters whenever subsequently or additionally submitted for approval.

3.9 Compliance Certificates. Within thirty (30) days after written demand therefor is delivered to the Architectural Committee by any Owner, and upon payment to the Approving Agent of a reasonable fee to be fixed from time to time by the Approving Agent, the Architectural Committee shall prepare and deliver a letter certificate executed by any one (1) of its members, certifying with respect to any Site of such Owner, that as of the date thereof either (a) all Improvements and other work made or done upon or within such Site comply with this Declaration, or (b) such Improvements and/or other work do not so comply, in which event such certificate shall also (i) identify the non-complying Improvements and/or work and (ii) set forth with particularity the cause or causes for such non-compliance. In connection with the preparation of such certificate, the Architectural Committee may require such Owner, at his sole cost and expense, to submit such Plans, additional documents and information as it deems appropriate, and further, in the event of any non-compliance, may extend the period of time permitted for delivery of such letter an additional thirty (30) days if reasonably necessary to adequately identify any non-complying Improvements and the causes thereof. Any purchaser from or lessee of such Owner, or any mortgagee or encumbrancer of the Owner's interest in such Site, shall be entitled to rely on the certificate with respect to the matters therein set forth, such matters being conclusive as between the Approving Agent, the Architectural Committee, all Owners, and such purchaser, lessee, mortgagee or other encumbrancer.

3.10 Appointment of Architectural Committee. The Architectural Committee shall consist of not less than three (3) individuals, which individuals (i) need not be Owners or meet any other qualification for membership on the Architectural Committee, (ii) shall remain in office three (3) years from the date of such appointment and (iii) shall be appointed by the Approving Agent, provided, however, that (a) for the first five (5) years from the date of recordation of this Declaration, the Declarant, and only the Declarant, shall have the right to appoint the members

of the Architectural Committee, and any successors or replacements required or permitted to be appointed within such period and (b) during any period when, for any reason, an Architectural Committee has not been so appointed, the Approving Agent shall act as the Architectural Committee.

3.11 Declarant's Improvements. The provisions of this Article shall not apply to the construction, erection, placement, alteration, repair, reconstruction, demolition or maintenance of any Improvements performed or caused to be performed by Declarant on any Site owned by Declarant at the time of such action.

ARTICLE 4 REGULATION OF IMPROVEMENTS

4.1 Excavation. No Excavation shall be made on any Site except in connection with the repair, alteration, construction or demolition of Improvements. In the event of any such excavation, upon completion thereof, exposed openings shall be backfilled and restored, and disturbed ground shall be graded and leveled to conform to the prior condition of the Site.

4.2 Landscaping. Landscaping, composed of living plants, permanently maintained and serviced by an automatic irrigation system, shall be provided on each Site on which permanent building Improvements have been constructed, of a nature and providing for coverage consistent with the provisions of the master landscaping plan, if any, developed by the Architectural Committee for the Property and in effect as of the date of commencement of construction of such permanent building improvements. All such landscaping, after approval thereof by the Architectural Committee pursuant to Sections 3.2 and 3.3 hereof, shall be provided by the Owner or lessee of the Site not later than the earlier of (i) business occupancy of the permanent building Improvements constructed on said Site, or (ii) sixty (60) days after substantial completion of the permanent building Improvements.

4.3 Parking Area. There shall be provided on each Site on which permanent building Improvements are constructed, off-street parking areas of a size, design and layout sufficient to accommodate in a safe and efficient manner all vehicular parking and pedestrian passage needs of the occupants, employees, visitors, invitees, licensees and customers of all business operations located on the Site. All areas located on the Site not otherwise required to be devoted to another use hereunder may be utilized for such parking purposes, provided, however, that no

parking facilities other than automobile overhangs, shall be permitted to be constructed closer than five (5) feet from an interior property line of a Site unless approved in writing by the Architectural Committee.

4.4 Storage and Waste Removal. No materials, supplies, waste materials, refuse, products or equipment, including trucks and other motor vehicles, shall be stored, dumped or permitted to remain on a Site, other than entirely within permanent building Improvements or behind a visual barrier, located upon the rear portion of the Site, but not within ten (10) feet of any interior property line of the Site, composed of landscaping, walls, buildings, rustic fencing, or any combination thereof, of such a nature as shall be approved in writing by the Architectural Committee, and in the case of a visual barrier screening waste material or refuse (a, any or the "Refuse Collection Enclosure"), such barrier shall be (i) not less than six (6) feet in height, (ii) composed of durable, non-combustible materials with finishes and colors which are unified and harmonious with the overall architectural theme of the Site, (iii) sufficient to screen such material or refuse so that such stored items would not be visible from outside the Refuse Collection Enclosure and (iv) located upon the Site so as to provide clear and convenient access for refuse collection vehicles so as to minimize wear and tear to any Improvements on the Site. Notwithstanding any provision to the contrary contained in this Section 4.4, a Refuse Collection Enclosure shall not be located between any building Improvements and any public or privately maintained street (a, any or the "Street") and any and all waste material and refuse stored on a Site shall be regularly removed therefrom and shall not be permitted to accumulate thereon.

4.5 Trucking and Loading. All vehicle loading facilities, truck or rail loading wells, docks, decks, loading doors, or other truck or rail loading facilities located on the Property shall be set back, recessed or screened so as not to be visible from any adjacent Site, Street or neighboring areas, and in no event shall a loading dock be closer than seventy-five (75) feet from a property line fronting on a Street, unless otherwise approved in writing by the Architectural Committee. Notwithstanding any provision to the contrary contained in this Section 4.5, there shall be no vehicle loading or unloading on any Street.

4.6 Permanent Building Improvements. Any permanent building Improvements constructed on the Property, excepting the trim and minor architectural features thereof, (i) shall be constructed of ceramics, masonry, concrete, stucco or of such other material or materials as shall be approved in writing by the Architectural Committee and (ii) shall be painted or suitably treated in a manner approved in writing by the Architectural Committee or in conformance with such reasonable guidelines as the Architectural Committee shall adopt from time to time. No building

Improvements shall exceed _____ () feet in height, and the first floor elevation of all building Improvements shall be approximately two (2) to three (3) feet above the flow line of adjacent Streets.

4.7 Drainage. Each Site shall be graded, and all slopes and terraces on each Site shall be maintained, by the Owner or lessee thereof so as (i) to cause the drainage of water from each Site and the Improvements thereon to flow onto adjacent Streets or public facilities provided for such purposes and not upon adjoining Sites, and (ii) to prevent the erosion of such Site or adjacent Sites and Streets.

4.8 Care, Maintenance and Repairs. All structures, walks, lawns, driveways, landscaping and other Improvements on each Site shall be maintained in good order, condition and repair by the Owner or lessee thereof and all exterior painted, shellacked, varnished or natural wood surfaces located on each Site shall be continuously maintained in first class condition by the Owner or lessee thereof.

4.9 Signs. Any and all signs erected, installed or maintained on each Site shall be approved by the Architectural Committee pursuant to such sign guidelines, criteria or standards as the Architectural Committee may determine in its sole and absolute discretion are suitable for the uses contained within, and the general plan of, the Property. An overall sign program including, but not by way of limitation, any (i) detached business identification signs, (ii) building mounted business or building identification signs, (iii) informational and vehicular control signs and (iv) temporary development signs, shall be submitted to the Architectural Committee as part of the Plans.

4.10 Fences and Walls. All fences and walls shall be designed as an integral part of the overall architecture and design of a Site and shall be approved by the Architectural Committee pursuant to such fence and wall guidelines, criteria or standards as the Architectural Committee may determine in its sole and absolute discretion are suitable for the uses contained within, and the general plan of, the Property.

4.11 Utilities and Lighting. Any and all utilities and lighting erected, installed or maintained on a Site shall be approved by the Architectural Committee pursuant to such utilities and lighting guidelines, criteria or standards as the Architectural Committee may determine in its sole and absolute discretion are suitable for the uses contained within, and the general plan

of, the Property, provided, however, that all external utilities located on any Site, including, but not by way of limitation, drainage systems, sewers, gas lines, water lines, and electrical, telephone, and communication wires and equipment shall be installed and maintained underground.

4.12 Subdivision. No Site may be subdivided without the prior written approval of the Architectural Committee in its sole and absolute discretion.

ARTICLE 5 USES

5.1 Permitted Uses. Each Site may be lawfully used for manufacturing, assembly, warehousing, distribution, processing, laboratory, commercial office, professional, research and development activities.

5.2 Other Uses. Commercial and industrial uses which are not specifically permitted pursuant to Section 5.1 hereof shall be permitted if (i) the establishment, maintenance and continuance of the use is permitted on the Site by applicable statutes, laws, rules, regulations, and orders of all governmental entities having jurisdiction over the Site, including, but not by way of limitation, the City of Cypress, and (ii) and application for the use has been submitted to and approved in writing by the Architectural Committee, which application shall contain such information as the Architectural Committee may reasonably require in order to determine whether such proposed use would be compatible with the uses located or permitted on neighboring Sites and with the general plan of the Property.

5.3 Prohibited Uses and Characteristics. Notwithstanding any provision to the contrary contained in this Article 5, (i) no boring, mining, quarrying, exploring for, or removing of oil or other hydrocarbons, minerals, gravel or earth or the refining or processing of the same shall be permitted on the Property, (ii) no use shall be permitted which causes or produces a nuisance to adjacent or adjoining Sites, including, but not by way of limitation, the causing or production of offensive, excessive or abnormal sound, light, dust or vibration, electro-mechanical disturbances or radiation, air or water pollution, or the emission of odorous or toxic matter and (iii) no residential uses shall be permitted on the Property.

ARTICLE 6 ENFORCEMENT

6.1 Nuisance. The result of every action or omission whereby any covenant, condition, limitation or restriction contained in this Declaration is violated in whole or in part is hereby declared to be and to constitute a nuisance, and every remedy allowed by law or at equity against an Owner, lessee thereof, or other Site occupant causing or permitting such a nuisance, either public or private, may be exercised by the Declarant, any Declarant Affiliate, any Declarant Successor, the Approving Agent or any Owner.

6.2 Self-Help. In addition to the right to proceed under Section 6.1 hereof for the enforcement of this Declaration, in the event any covenant, condition, limitation or restriction contained in this Declaration is violated in whole or part, the Approving Agent may, without liability for failure to do so, upon an Owner's failure, within sixty (60) days of such Owner's receipt of written notice from the Approving Agent to cure such violation, (i) to remedy said violation or (ii) if such violation cannot be reasonably be remedied within such period of time, to have commenced to remedy said violation and to have thereafter diligently and continuously pursued such remedial action to completion, enter upon the Site of such violation and take whatever action it may deem necessary to abate and remove any nonconforming use or to otherwise remedy such violation. Any and all costs and expenses of the Approving Agent incurred in remedying such violation shall be reimbursed (a, any or the "Non-Compliance Assessment") by the Owner of the Site of the violation remedied within thirty (30) days of such Owner's receipt of the written demand of the Approving Agent therefor.

6.3 Inspection. The Approving Agent may from time to time at any reasonable hour or hours, enter and inspect any Property subject to this Declaration to ascertain compliance therewith.

6.4 Failure to Enforce. The failure of the Approving Agent or any Owner to enforce any covenant, condition, limitation or restriction contained in this Declaration shall in no event be deemed to be a waiver of the right to do so thereafter nor of the right to enforce any covenant, condition, limitation or restriction contained herein.

ARTICLE 7 ASSESSMENTS

7.1 Personal Obligation of Assessments. Declarant, for each Site within the Property, hereby covenants and agrees to pay, and each Owner of a Site, by acceptance of a deed therefor, whether or not such obligation shall be expressed in any such deed or other conveyance, shall be deemed to have covenanted and agreed to pay to the Approving Agent, any and all Regular Assessments and Special Assessments, as those terms are defined in this Article 7, and Non-Compliance Assessments to be fixed and established and collected from time to time by the Approving Agent pursuant to the provisions of this Declaration.

7.2 Purpose of Assessments. Any and all Regular or Special Assessments established or administered by the Approving Agent shall be used exclusively for the purposes of promoting the social welfare and the common good of the Owners in the development and maintenance of the Property and for the administration and enforcement of this Declaration.

7.3 Regular Assessments.

7.3.1 Fiscal Year Estimate. Within sixty (60) days prior to the commencement of each assessment period period (a, any or the "Assessment Period") which shall be either a calendar or fiscal year, the Approving Agent shall estimate (the "Assessment Period Estimate") the costs and expenses, if any, to be incurred by the Approving Agent during the Assessment Period performing the functions authorized hereunder, including, but not by way of limitation, a reasonable provision for contingencies and replacements, and shall subtract from such estimate, an amount equal to the anticipated balance (exclusive of any reserves for reasonable contingencies and replacements, if any) of funds then held by the Approving Agent for such purpose.

7.3.2 Assessment. Each Owner subject to assessment pursuant to Section 7.6 hereof shall be assessed (a, any or the "Regular Assessment"), pursuant to a written notice setting forth the amount of the Regular Assessment given at least thirty (30) days prior to the commencement of the Assessment Period, a pro rata share of the Assessment Period Estimate, in the proportion that the total square footage ("Owned Square Footage") of land area contained in the Site or Sites then owned by such Owner bears to the total square footage of the Property then subject to assessment pursuant to Section 7.6 hereof.

7.4 Special Assessments. In addition to any and all Regular Assessments, the Approving Agent

may levy and all special assessments (a, or any "Special Assessment" and together with Regular Assessments and Non-Compliance Assessments, collectively, any or the "Assessments") deemed appropriate by the Approving Agent to carry out the purposes of this Declaration and any Supplementary Declarations, provided, however, that all Special Assessments shall be applicable only to the calendar year in which such Special Assessments are assessed.

7.5 Uniform Rate of Assessments. Both Regular Assessments and Special Assessments shall be fixed at a uniform rate for all Sites then subject to assessment on the basis of Owned Square Footage and may be collected on a monthly, quarterly, semi-annual or annual basis as determined by the Approving Agent in its sole and absolute discretion.

7.6 Commencement of Assessments. Any and all Assessments provided for herein and adopted by the Approving Agent shall commence as to each Site as of the first day of the month following the filing of a notice of completion of the permanent building Improvements contained on the Site or on the first day of the month following the final inspection, approval and issuance of an effective notice of completion as to such permanent building Improvements by the local building department authority, whichever event shall first occur.

7.7 Certificate of Payment. The Approving Agent shall, within thirty (30) days of demand therefor, furnish to any Owner liable for any Assessment, a certificate in writing signed by the Approving Agent, or a representative thereof, stating, if applicable, that the Regular Assessments or Special Assessments assessed against the Site have been paid, or in the event that any payment is delinquent, the amount of such delinquency, which certificate shall be conclusive evidence of payment of any Assessment therein stated to have been paid. A reasonable charge may be made by the Approving Agent for the issuance of such certificates.

7.8 Exempt Property. All sites dedicated to and accepted by a governmental entity shall be exempt from any and all Assessments authorized pursuant to this Article 7.

7.9 Abandonment. Neither abandonment nor any other form of action or nonaction taken or omitted by any Owner shall exempt the Owner from personal liability for Assessments duly levied by the Approving Agent nor release the Site owned by the Owner from the liens and charges created hereunder.

7.10 Delinquency. Any Assessment not paid within fifteen (15) days after the due date thereof, shall be delinquent, and the Approving Agent may, at its election, require the Owner of such site

to pay a late charge (a, any or the "Late Charge") in a sum, to be determined by the Approving Agent not exceeding Twenty-Five Dollars (\$25) plus actual costs of collection, including, but not by way of limitation, attorneys' fees, for each such delinquent Assessment. Any such Assessment not paid within thirty (30) days after such delinquency date shall bear interest from the date of delinquency at the then maximum rate permitted by law, and the Approving Agent may, at its option, in its sole and absolute discretion, in addition to any other legal or equitable rights or remedies it may have, bring an action at law against the Owner personally obligated to pay the same, or upon compliance with the notice of claim of lien provisions set forth in Section 7.12 hereof, foreclose the lien provided for in Section 7.11 hereof against the Site. In addition, in lieu of judicially foreclosing the lien, the Approving Agent, at its option in its sole and absolute discretion, may foreclose the lien by proceeding under the power of sale provided in Section 7.13 hereof. Each Owner hereby vests in the Approving Agent and its successors and assigns the right and power to pursue any and all actions at law, or equity or lien foreclosure against such Owner and other Owners for purposes of collection of such delinquent Assessments.

7.11 Creation of Lien. Any and all Regular Assessments, Special Assessments, and Non-Compliance Assessments, together with any Late Charges applicable thereto and interest thereon calculated pursuant to the provisions of Section 7.10 hereof, shall be a charge against, and a continuing lien upon, each Site upon which such Assessments have been assessed. Each such lien shall become effective upon recordation of a notice of claim of lien pursuant to Section 7.12 hereof.

7.12 Notice of Claim of Lien. No action shall be brought to foreclose any Assessment lien or to proceed under the power of sale herein provided until (i) thirty (30) days after the date a notice of claim of lien reciting the legal description of the Site, the Owner or reputed Owner thereof, the amount claimed, and the name and address of the Approving Agent is deposited in the United States mail, certified or registered mail, postage prepaid addressed to the Owner of the Site subject to such delinquent Assessment at the address therefor shown on the books and records of the Approving Agent, and (ii) a copy thereof is placed in the records of the Approving Agent, and a copy thereof is recorded by the Approving Agent in the Office of the County Recorder, County of Orange, State of California.

7.13 Foreclosure Sale. The Approving Agent shall have a power of sale to foreclose any Assessment lien provided for herein in accordance with the provisions of Sections 2924, 2924 (b) and 2924(c) of the Civil Code of the State of California, applicable to the exercise of powers of sale in mortgages and deeds of trust. The Approving Agent, through its duly authorized agents, shall have the power to bid on any Site at a foreclosure sale and to acquire, hold, lease,

mortgage and convey the same.

7.14 Curing of Default. Upon the timely curing of any default for which a notice of claim of lien has been recorded by the Approving Agent, the Approving Agent is hereby authorized to file of record or record, as the case may be, an appropriate release of such notice, upon payment by the defaulting Owner of a fee to be reasonably determined by the Approving Agent to cover the cost of preparing, filing and recording such release, together with the payment of such other costs as shall have been incurred by the Approving Agent.

7.15 Cumulative Remedies. The Assessment lien and the rights to foreclosure and sale hereunder shall be in addition to but not a substitution for any and all other rights and remedies which the Approving Agent and its successors and assigns may have hereunder and pursuant to the laws of the State of California.

ARTICLE 8 TERM, TERMINATION AND MODIFICATION

8.1 Term. This Declaration, and each and every covenant, condition, limitation and restriction contained herein shall continue in full force and effect for a period of seventy-five (75) years from the date hereof unless sooner terminated pursuant to the provisions of Section 8.2. hereof.

8.2 Termination and Modification. This Declaration or any covenant, condition, limitation or restriction contained herein may be terminated, extended, modified or amended, as to the whole of the Property or any portion thereof, only by a declaration in writing duly executed and acknowledged by Declarant, andy Declarant Successor, so long as he is then an Owner, or if neither Declarant or any Declarant Successor is then an Owner, by Owners owning at least fifty-one percent (51%) of the Owned Square Footage then subject to this Declaration, recorded in the Office of the County Recorder for the County of Orange, State of California.

ARTICLE 9 COMPLIANCE WITH LAW

The ownership and operation of each Site and any and all activities taken with respect thereto by any Owner or lessee thereof, including, but not by way of limitation, the location, design,

configuration, size, height, width, construction and manner of construction of any Improvements, the manner, nature and characteristics of any use of any Site, or the grading, leveling or alteration of drainage thereon, shall be in full compliance with each and every applicable statute, law, rule, regulation, order, plan and ordinance of all national, state, county and local governmental entities having competent jurisdiction over the jurisdiction over the Property, including, but not by way of limitation, the City of Cypress, and the execution and recordation of this Declaration or any action permitted or authorized hereunder shall not in any way supersede, affect or impair any such statute, law, rule, regulation, order, plan or ordinance.

ARTICLE 10 OWNERS' ASSOCIATION

In the event that an Owners' Association is organized pursuant to the provisions of Section 2.1 thereof, the following provisions shall apply to the organization and operation of such Owners' Association.

10.1 Membership. Each Owner, by virtue of being an Owner and for so long as he is an Owner, shall be a member (a, any or the "Member") of the Owners' Association.

10.2 Transfer of Membership. Membership in the Owners' Association shall be appurtenant to, and may not be separated from, the fee ownership of each Site and shall not be transferred, pledged or alienated in any way except upon the sale of the fee interest in such Site and then only to the purchaser of such Site. Any attempt to transfer a membership in violation of the provisions hereof shall be void and of no force or effect whatsoever, and shall in no event be reflected upon the books and records of the Owners' Association. In the event any Owner shall fail or refuse to transfer the membership registered in his name to the purchaser of his Site, the Owners' Association shall have the right, without further authorization, to record the transfer of the membership upon the books of the Owners' Association to the purchaser of the fee title interest in such Site.

10.3 Voting Rights. Each Owner shall be entitled to (i) one (1) vote for each Site which he owns in fee simple and (ii) one (1) additional vote for each two (2) acres of land contained within such Site. When more than one (1) individual or entity owns a fee interest in any Site, all such individuals or entities shall be Members, provided, however, (i) that such Owners

collectively shall be only entitled to the number of votes to which a single individual Owner would otherwise be entitled and (ii) such votes shall only be valid if voted by a representative designated as such by all such Owners in a writing delivered to the Owners' Association.

10.4 Duties and Powers of the Owners' Association. In addition to the duties and powers enumerated in its Articles of Incorporation and Bylaws, if any, the Owners' Association shall:

- (i) Have the right to acquire real and personal property;
- (ii) Have the duty to maintain and otherwise manage any such property acquired by the Owners' Association;
- (iii) Have the duty to pay any taxes and charges assessed against the Owners' Association and to pay any real and personal property taxes and other charges assessed against any property acquired by the Owners' Association;
- (iv) Have the authority to obtain, for the benefit of any real property acquired by the Owners' Association, water, gas, electric, service, refuse collection and other utility and service facilities and services;
- (v) Have the duty to maintain such policies or policies of insurance as the board of directors or other governing body of the Owners' Association may deem necessary or desirable in furthering the purposes of this Declaration or in protecting the interests of the Owners' Association and its Members;
- (vi) Have the right to establish uniform rules and regulations pertaining to the use of any property acquired by the Owners' Association;
- (vii) Have the authority to suspend the voting rights of any Owner for any period during which any assessment against his Site remains unpaid and delinquent or for a period not to exceed thirty (30) days for each other infraction of the rules and regulations of the Owners' Association, provided, however, that any such suspension of voting rights shall be made only by the Owners' Association or a duly appointed and authorized committee thereof, after notice and hearing given and held in accordance with the Bylaws and Articles of Incorporation of the Owners' Association, if any;

(viii) Have the authority to employ a manager or other persons and to contact with independent contractors or managing agents to perform any or all of the duties and responsibilities of the Owners' Association hereunder, provided, however, that the amount and term of any such contract for materials and/or services shall not exceed the sum of Ten Thousand Dollars (\$10,000.00) or a duration of one (1) year, respectively, except with the prior written consent of Owners voting in accordance with the provisions of 10.3 hereof provided, further, however, that the board of directors or other governing body of the Owners' Association shall have the power to adjust the Contract Dollar Limit from time to time to reflect such increases as may occur following the date of recordation of this Declaration in the Consumer Price Index for Urban Wage Earners and Clerical Workers for Los Angeles - Long Beach - Anaheim (1967 = 100) published by the Bureau of Labor Statistics, United States Department of Labor or any similar index reasonably selected by such board of directors or other governing body;

(ix) Have the power to establish and maintain a working capital and contingency fund in the amount to be determined by the board of directors or other governing body of the Owners' Association; and

(x) Have the power and duty to enforce the provisions of this Declaration by appropriate means, including, but not by way of limitation, the expenditure of funds by the Owners' Association, the employment of legal counsel, and the commencement of any and all legal or other types of action authorized to be taken by the Approving Agent hereunder.

ARTICLE 11 ANNEXATION OF ADDITIONAL PROPERTY

11.1 Annexation Without Approval. All or any portion of that certain real property more particularly described on Exhibit "B" attached hereto (the "Annexation Property") may be annexed to and become subject to this Declaration by recordation by the Declarant or any Declarant Successor, so long as he is an Owner, of a Supplementary Declaration of Covenants, Conditions and Restrictions (a, any or the "Supplementary Declaration") in the form and manner prescribed by Section 11.3 hereof, without the approval, assent or vote of the other Owners, if any, provided, however, that:

(i) The zoning of the Annexation Property at the time of such annexation is substantially similar to and compatible with the zoning of the Property, as reasonably determined by the

Declarant or the Declarant Successor, as the case may be, and

(ii) Any annexation pursuant to this Section 11.1 shall be made prior to the expiration of fifteen (15) years from the date of recordation of this Declaration.

11.2 Annexation Pursuant to Approval. Owners owning not less than two-thirds (2/3) of the Owned Square Footage may annex and subject to this Declaration by recordation of a Supplementary Declaration pursuant to the provisions of Section 11.3 hereof, such other real property then contiguous to the Property determined by such Owners to be necessary or appropriate to be subjected to this Declaration in order to carry out the purposes of this Declaration.

11.3 Supplementary Declaration of Conditions Covenants and Restrictions. Any annexation of any real property to the Property pursuant to this Article 11 shall be effected by the recordation in the Office of the County Recorder of the County of Orange, State of California, of a Supplementary Declaration, encumbering the real property to be annexed, executed by the Declarant or the Declarant Successor in the event of an annexation pursuant to Section 11.1 hereof and by the Approving Agent in the event of an annexation pursuant to Section 11.2 hereof, and containing (i) each and every provision of this Declaration other than those provisions (a) deleted by the Declarant or the Declarant Successor, as the case may be in the case of annexation of the Annexation Property or (b) mutually deleted by the Approving Agent and the owners of the real property being annexed, (ii) such complimentary additions and modifications of the provisions contained herein as may be necessary this Declaration stating the date of recordation and the instrument number of this Declaration. Upon recordation of such Supplementary Declaration, the owners of the Sites contained in such annexed real property shall automatically become Owners, and the real property so annexed (i) shall become and constitute a part of the Property, (ii) shall become subject to this Declaration and encompassed within the general plan and scheme of the covenants, conditions, limitations and restrictions contained herein and (iii) shall become subject to assessment by the Approving Agent and to the functions, powers and jurisdiction of the Approving Agent hereunder.

ARTICLE 12 MISCELLANEOUS PROVISIONS

12.1 Constructive Notice and Acceptance. Every person or entity who now owns or hereafter acquires any right, title or interest in or to any portion of any Site or of the Property is and

shall be conclusively deemed to have consented and agreed to every covenant, condition, limitation and restriction contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person acquired or acquires an interest in such Site or Property.

12.2 Rights of Mortgagees. This Declaration and the rights, privileges, covenants, conditions, limitations and restrictions contained herein shall be deemed subject and subordinate to all mortgages, deeds of trust or other conveyances of a Site to secure the performance of an obligation (a, any or the "Deed of Trust") now or hereafter executed or created upon any real property subject to this Declaration, and none of the provisions hereof shall supersede or in any way reduce the security or affect the validity of any such Deed of Trust, provided, however, that if any portion of the Property is sold through foreclosure under the provisions of any Deed of Trust, any purchaser at such sale, and his successors and assigns, shall hold any and all Property so purchased subject to each and every covenant, condition, limitation and restriction contained in this Declaration.

12.3 Curing Default. Any mortgagee or beneficiary under a Deed of Trust who acquires title by judicial foreclosure, deed in lieu of foreclosure, or trustee's sale, shall not be obligated to cure any breach of the provisions of this Declaration which is noncurable or of a type which is not practical or reasonably feasible to cure. The good faith determination of the Approving Agent as to whether such a breach is noncurable or not reasonably feasible to cure, shall be final and binding on all such mortgagees and beneficiaries.

12.4 Mutuality, Reciprocity; Covenants Run With the Land. This Declaration and each and every covenant, condition, limitation and restriction contained herein are made for the direct, mutual and reciprocal benefit of each and every Site or part or parcel of the Property, shall create mutual, equitable servitudes upon each Site in favor of every other Site, shall create reciprocal rights and obligation among the respective Owners of all the Site and privity of contract and estate between all grantees of the Sites, their heirs, successors and assigns, and shall, as to the Owner of each Site, his heirs, successors and assigns, operate as covenants running with the land, for the benefit of each and every other Site.

12.5 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform plan for the development and operation of the Property. This Declaration shall be construed and governed under the laws of the State of California. Section headings, where used herein, are inserted for convenience only, and are not

intended to be a part of this Declaration or to any way define, limit or describe the scope or intent of the particular Section to which they refer.

12.6 Controversy. In the event of any controversy, claim or dispute between any Owners, the Declarant, any Declarant Affiliate, any Declarant Successor, and/or the Approving Agent arising out of or relating to this Declaration or in the event any legal or equitable proceeding is brought for the enforcement of this Declaration or to restrain any violation hereof, the prevailing party or parties shall be entitled to recover from the non-prevailing party or parties his reasonable expenses, including, but not by way of limitation, attorneys' fees.

12.7 Severability. Any and all provisions of this Declaration which may be prohibited by law or otherwise held invalid shall be ineffective only to the extent of such prohibition or invalidity and shall not invalidate or otherwise render ineffective any or all of the remaining provisions of this Declaration.

12.8 Notices. Any and all notices and other communications hereunder shall be in writing and shall have been deemed to have been duly given when delivered personally forty-eight (48) hours after being mailed certified or forty-eight (48) hours after being mailed certified or registered mail, return receipt requested, to the then current address of the party to whom the notice is being delivered.

IN WITNESS WHEREOF, the undersigned has executed this Declaration this _____ day of _____, 1980.

CYPRESS LAND COMPANY
a California limited partnership

BY _____
General Partner

TRAFFIC & CIRCULATION STUDY REPORT

INTRODUCTION

This report has been prepared with the purpose of determining the traffic and circulation impacts associated with the planned development of 111 gross acre parcel of vacant land located in the City of Cypress on the south side of Katella Avenue from Valley View Street easterly to approximately 1000 feet west of Knott Avenue. The site has been visited and site-area roadways inventoried. Existing traffic data have been obtained from the City of Cypress. Traffic generation forecasts have been prepared for the development based upon the anticipated building square footage of each component land use. That traffic has been distributed and assigned to the existing street network based upon a review of existing and proposed area development and street system. Existing volume-capacity relationships have been evaluated at four key intersections by means of the Intersection Capacity Utilization (ICU) method. Forecasted traffic volumes include the anticipated 1985 volumes on the existing street system plus forecasted project-generated traffic. The analysis also considers the cumulative impacts produced by the further addition of traffic generated by currently planned or approved developments within the Cypress industrial area.

LOCATION

The proposed Cypress Corporate Center is a 111 gross acre development consisting of general office, retail, research and development, light industry, warehousing and restaurants to be located in the southern portion of the City of Cypress. As shown in Exhibits 1 and 2, the site is bounded on the north by Katella Avenue, on the south by the Orange County Stanton Storm Channel, on the west by Valley View Street, and on the east by presently undeveloped properties which front onto Knott Avenue.

PROJECT DESCRIPTION

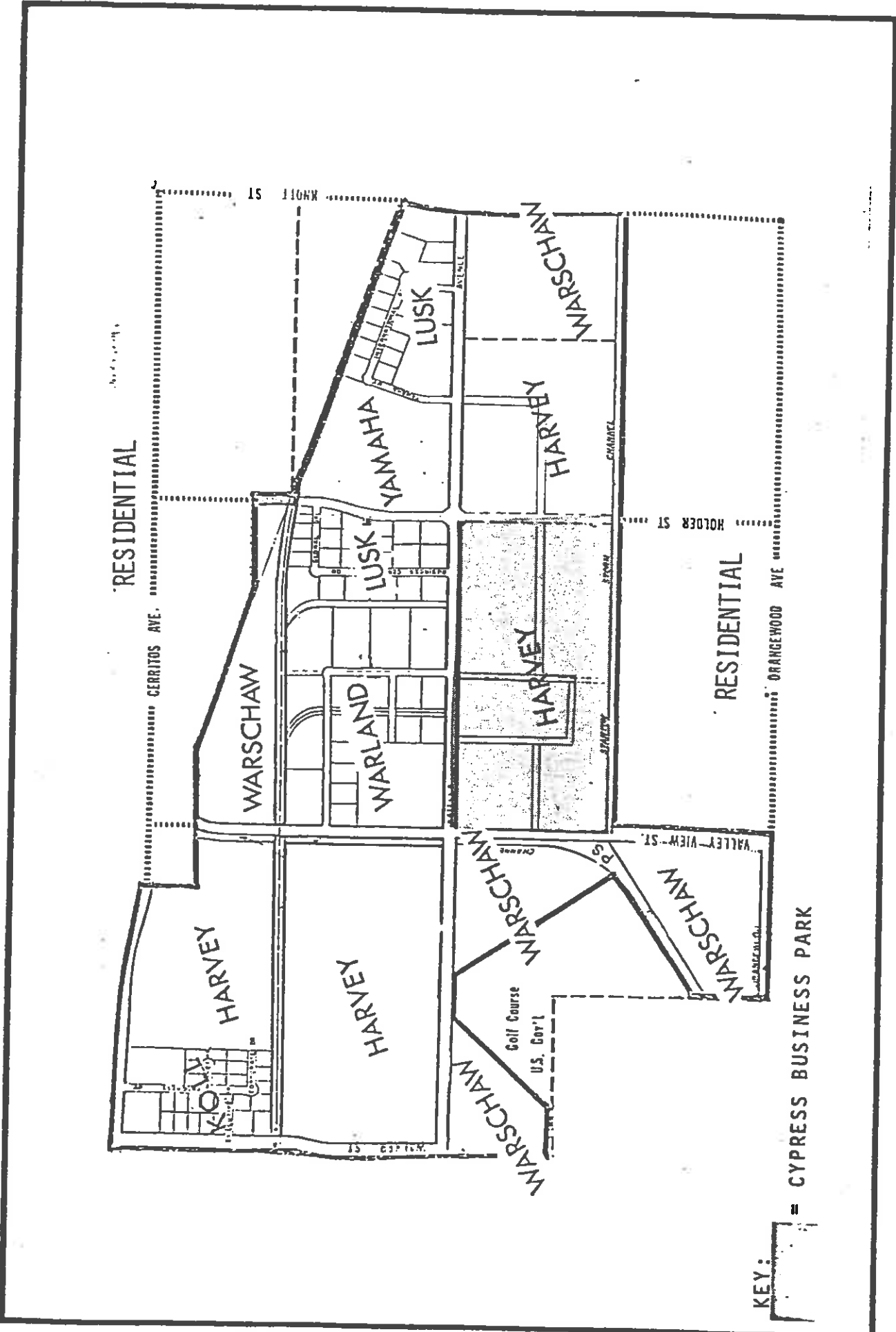
The project site consists of 111 gross acres of largely vacant land which is currently devoted to agricultural uses. The following is a tabulation of the uses proposed for the site:

PROPOSED LAND USAGE		
<u>LAND USE</u>	<u>BLDG. SIZE (SQ. FT.)</u>	<u>% OF TOTAL DEVELOPMENT</u>
Retail Commercial	151,650	8.9
Restaurant	20,000	1.2
Office General	176,650	10.4
Research & Development	589,400	34.7
Light Industrial	397,000	23.3
Warehousing	366,000	21.5
	<u>1,700,700</u>	<u>100.0</u>

At this point in time, the exact configuration and building sizes have not been determined. The building square footages listed above were therefore estimated based upon the city code requirement for parking spaces, landscaping, building setbacks, etc. for each specific use and parcel.

AREA DEVELOPMENT

The Cypress industrial area (Exhibit 3) lies generally south of Cerritos Avenue and north of the Stanton Storm Channel, which parallels Orangewood Avenue. This area is largely undeveloped and used primarily for agricultural purposes. The land is being developed with a variety of uses including industrial, research and development, and office facilities with some commercial retail uses proposed. Light industrial, office, and commercial development are planned for the area north of Katella Avenue between Valley View Street and Knott Street. Yamaha International Corporation has been completed and consists of warehousing, office and research/development facilities. The Los Alamitos Naval Air facility lies generally to the southwest of the proposed site, and the Los Alamitos Race Track lies generally to the northwest quadrant of the intersection of Orangewood Avenue and Knott Avenue. East of Knott Avenue the area is developed with a mixture of commercial and residential uses.



SOURCE: CITY OF CYPRESS

EXISTING STREET NETWORK

The site will be served by three major arterials. Katella Avenue, a divided arterial, will at full development provide three travel lanes situated with 38 feet of pavement in each direction with 22 foot wide dual left-turn lanes at major intersections. A raised median island will limit left turns to selected intersections. A free right turn is provided for the eastbound Katella Avenue approach at Valley View Street. This free right turn effectively removes eastbound to southbound turning traffic from the influence of the traffic signal. Farside bus turn-outs are provided at the intersection of Katella Avenue with Valley View Street.

Valley View Street will have the same geometric design as Katella Avenue at full width which includes three travel lanes in each direction plus dual left turn lanes at major intersections. However, single left turn lanes are currently provided on Valley View Street at the intersection with Orangewood Avenue.

Knott Avenue, a major north-south arterial, provides three lanes of traffic northbound plus a single left turn lane at its intersection with Katella Avenue. Three southbound lanes are provided on Knott Avenue north of Katella Avenue; however, the street is not improved to its ultimate width south of Katella Avenue and provides only two southbound traffic lanes.

EXISTING TRAFFIC COUNT DATA

Existing daily traffic is shown is shown on Exhibit 4. This data was obtained from the City of Cypress for the year 1979. Manual turning movement counts during the morning and evening peak hours have also been obtained from the City of Cypress. Those counts, expanded at the annual growth rate of one and one-half percent to the year 1985, have been used in evaluating future traffic conditions with and without the project.

The traffic generation potential for the uses identified in this project is generally expressed in terms of trips per one thousand square feet of gross floor area where a trip end is a one-way vehicular movement either entering or exiting the generating land use.

Each vehicle trip has two trip ends, one at its origin, and one at its destination. Within a relatively large site with diverse uses such as the Cypress Corporate Center, it is possible to have a trip both begin and end within the site. These trips are termed internal trips and must be accounted for; otherwise, the same trip may be counted twice. It is estimated that 15 percent

of the total number of daily trips generated by the office, retail and research and development uses will be internal trips. Internal trips generated by the restaurants are estimated at 30 percent on a daily basis, due to the proximity of the restaurant to office and related uses. An estimated five percent of the trips generated by these components during the AM peak hour would be internal. Trip overlaps during the evening peak hour would total an estimated five percent of the inbound project traffic and 15 percent of the outbound traffic. The 15 percent will represent those persons either working or having business at the corporate center who stop at restaurants and at the retail shops on the western edge of the parcel prior to leaving the site. Those trips generated by the light industrial and warehousing uses will have a nominal number of internal trips both on a daily and peak hour basis. The adjusted trip generation, therefore, as shown on Table 1 represents the number of vehicles actually added to the surrounding street system on an AM peak hour, PM peak hour and 24 hour basis.

The trip generation rates used in this analysis were based upon the data developed and published by the Institute of Transportation Engineers as listed in Table 1. It should be noted that the retail usage represents approximately 42 percent of the total trips generated on this site with general office and research and development representing approximately 35 percent of the total trip generation. Although the office uses and research and development uses both generate significant morning and evening peak traffic volumes, the retail generation is much less during the AM peak period than in the PM peak period. This characteristic produces a PM peak hour generation forecast 35 percent larger than the morning peak hour forecast.

TRAFFIC DISTRIBUTION AND ASSIGNMENT

The forecasted traffic volumes of Table 1 have been distributed and assigned to the area street system based upon a review of the existing travel patterns and the locations and intensity of development within northern Orange County and southern Los Angeles County areas to which Cypress Corporate Center traffic might be expected to be oriented.

A separate trip distribution and assignment analysis was performed for each of the four land use types; i.e., 1) restaurant and retail, 2) office, research and development, 3) industrial, 4) warehousing traffic. The composite daily trip assignments for all uses is shown in Exhibit 5. Because of the scale of the drawings, only inbound trips are shown. Outbound trips are equal in number but opposite in direction of travel.

Exhibit 6 illustrates directional project-generated traffic assignments during the morning peak hour at key intersections within the vicinity of Cypress Corporate Center. Exhibits 7 and 8 present project traffic assignments in a similar format during the PM peak hour. Because the AM peak hour traffic volumes are less than during the PM peak and because the AM peak trip generation is less than during the PM peak, it was determined that the PM peak would represent the "worst case" condition.

TRAFFIC ANALYSIS

Existing and future cumulative traffic volumes, subsequent to completion of the Cypress Corporate Center, would be greatest during the PM peak hour. Existing operating conditions during that period were investigated at four key site-area intersections according to the Intersection Capacity Utilization (ICU) technique. This method computes the Level of Service (LOS) for an entire intersection based upon the volume-capacity relationships of key conflicting movements. Level of service is a relative measure of traffic flow conditions and ranges from A (free flow) to F (forced flow) congestion. ICU calculations were performed at each of the four intersections for the following conditions:

- 1985 base year (ambient) volumes. This analysis assumes that the project will be completed and fully occupied with traffic patterns established by that time. Existing (1979) traffic count data was expanded to 1985 at a 1-1/2% annual growth rate.
- 1985 base year plus project generated traffic volumes. Traffic generated by the project was added to the 1985 ambient traffic and their total used for the ICU calculations.
- Base year plus project traffic plus the cumulative traffic from adjacent projects in the Cypress Industrial area (approved or planned but not constructed).

Table 2 summarizes the ICU calculations according to the above conditions. Detailed ICU calculations as well as a description of the ICU method and Level of Service concept are presented in the Appendix.

TABLE 1

TRIP GENERATION

USE	AREA ¹ (In Sq.Ft.)	DATA SOURCE ²	DAILY 2-WAY RATE /TRIPS	AM PEAK HOUR		PM PEAK HOUR					
				Inbound RATE ³ /TRIPS	Outbound RATE ³ /TRIPS	Inbound RATE ³ /TRIPS	Outbound RATE ³ /TRIPS				
Retail	151650	ITE	60.4/9160	1.0*	1.0*	150	150	2.6	390	2.9	440
General Office	176650	ITE	12.3/2170	1.86	0.35	60	60	0.27	50	1.36	240
Research & Development	589400	ITE	9.33/5500	1.11	0.20	120	120	0.22	130	1.27	750
General Light Industrial	397000	ITE	5.45/2170	0.85	0.15	60	60	0.32	130	0.63	250
Warehousing	366000	ITE	5.01/1830	0.49	0.09	30	30	0.55	200	1.08	400
Less Internal Trips ⁴			(-15%)20830								
			<u>(3120)</u>								
			17710								
Restaurant	20000	ITE	56.3/1130	0.85	0.46	10	10	2.77	60	1.69	30
			1670			430			950		2110
Less Internal Trips ⁴			(-30%)(340)						(-5%)(50)		(-15%)(320)
TOTAL			18500	1590	410	910	1790				

*Estimated from available peak hour data for neighborhood shopping centers in other size categories.

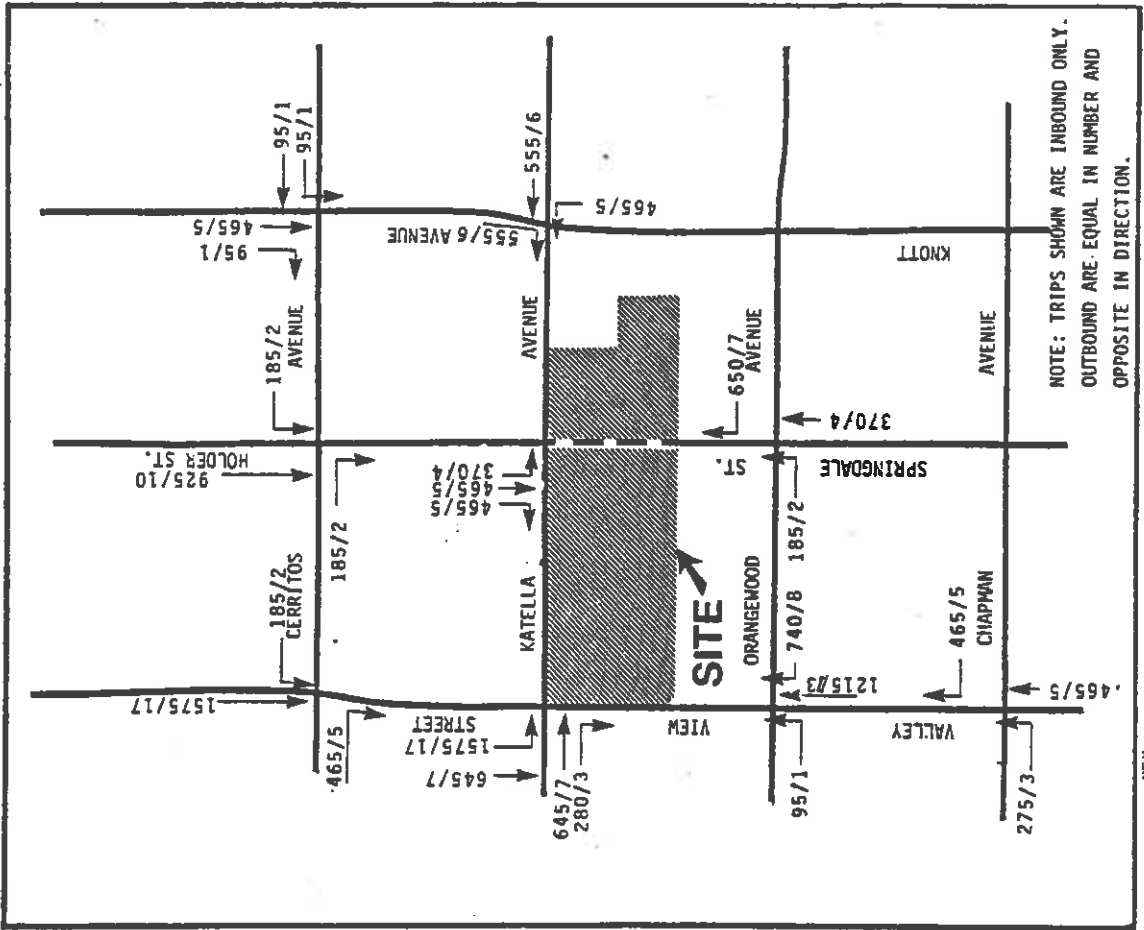
¹Source: P.O.D. Landscape Architecture, Santa Ana, California

²ITE - "Trip Generation, An Informational Report", Institute of Transportation Engineers, 1979; Caltrans 10th & 11th Progress Report on Trip Ends, California Department of Transportation.

³Rate is number of trips per 1000 square feet.

⁴See text for explanation of trip overlap (excludes industrial and warehouse trips).

NOTE: Trips are rounded to nearest 10.



5

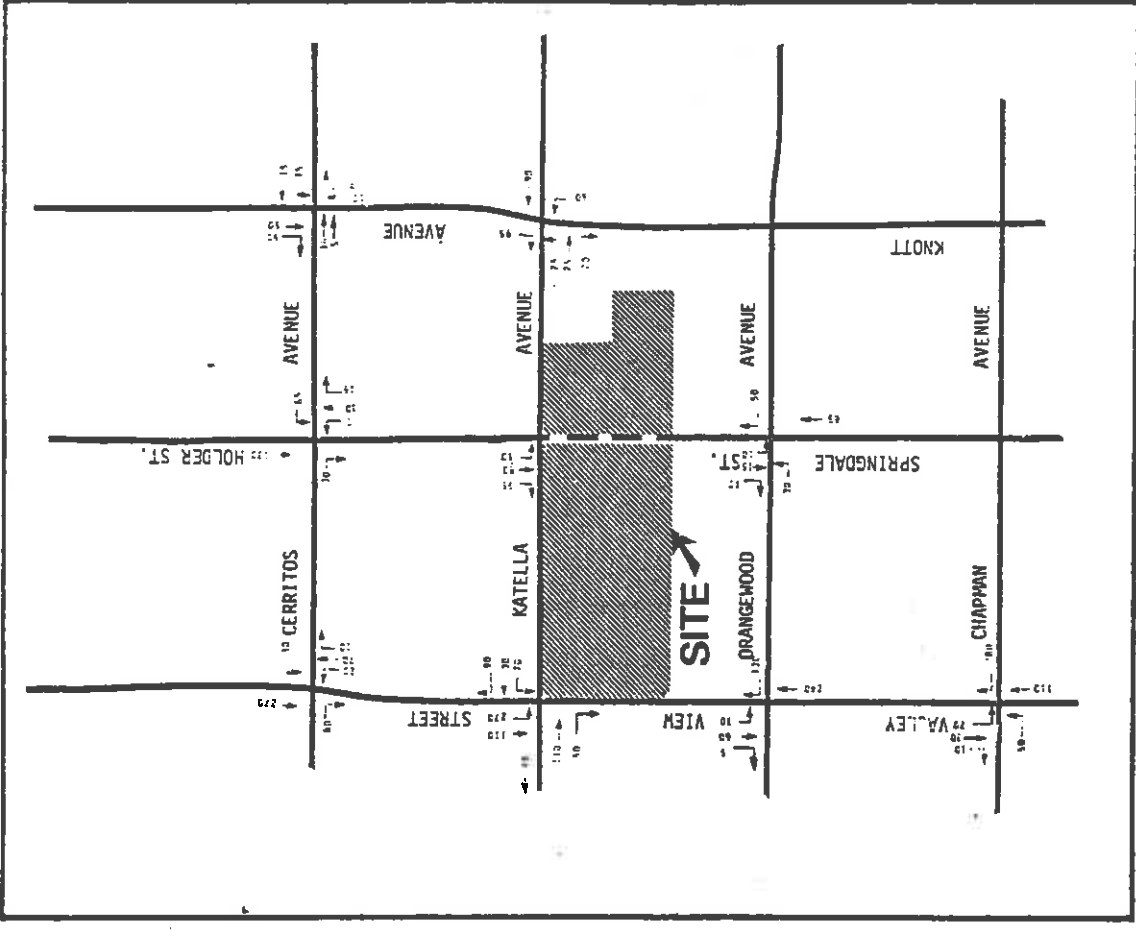
KEY
 NO. TRIPS/% OF TOTAL

TRIPS ROUNDED TO NEAREST 5 VEHICLES
 % ROUNDED TO NEAREST 1.0

DAILY TRAFFIC ASSIGNMENTS
 INBOUND

CYPRESS BUSINESS PARK

GG Linscott, Law & Greenspan, Inc., Engineers



6

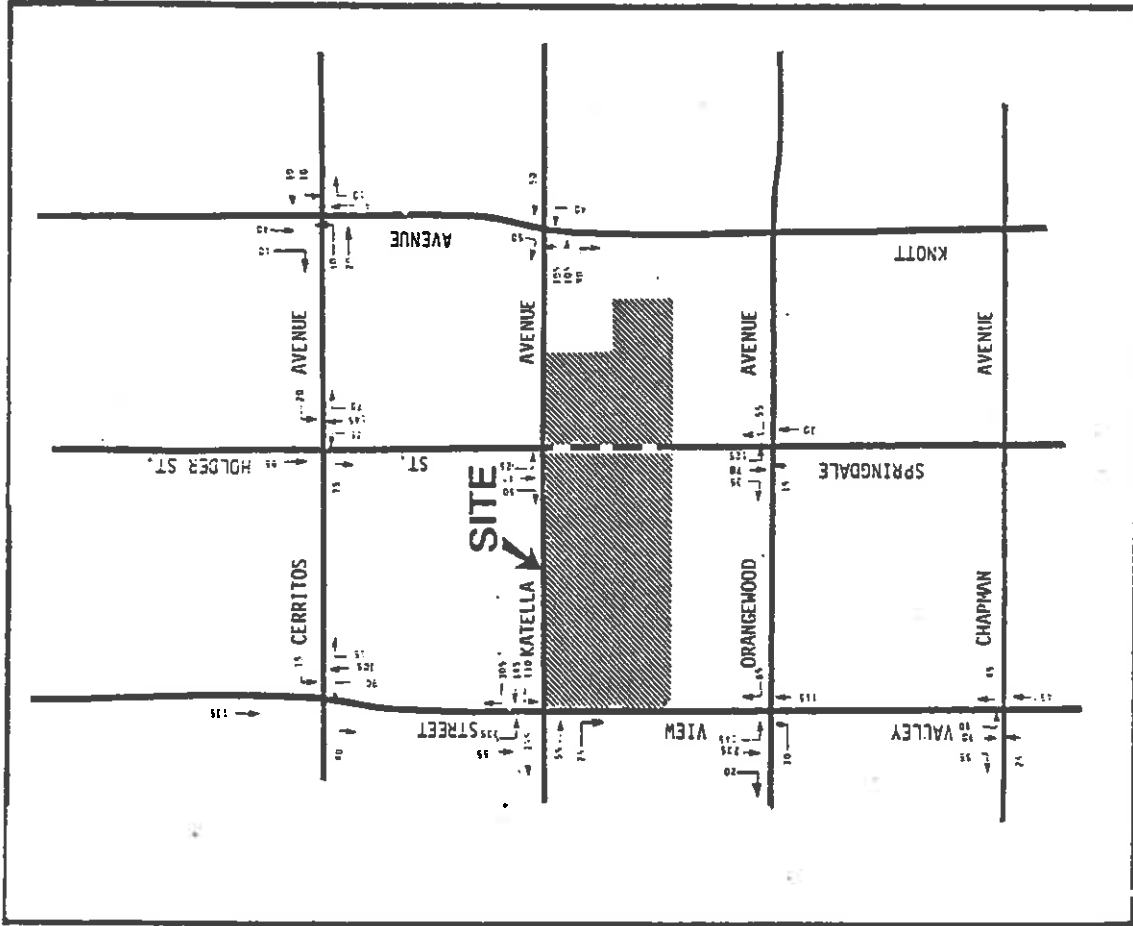
KEY
 00 -> PROJECT TRAFFIC VOLUME


NORTH TRIPS ROUNDED TO NEAREST 5 VEHICLES

PROJECT TRAFFIC VOLUME

CYPRESS BUSINESS PARK

GG Linscott, Law & Greenspan, Inc., Engineers




KEY
 - PROJECT TRAFFIC VOLUME
 NORTH
 TRIPS ROUNDED TO NEAREST 5 VEHICLES
 G Lunscott, Law & Greenspan, Inc., Engineers 1/4

7
 PM PEAK HOUR ASSIGNMENTS
 CYPRESS BUSINESS PARK

TABLE 2

VOLUME-CAPACITY ANALYSIS
PM Peak Hour

INTERSECTION	BASE YEAR 1985	INTERSECTION CAPACITY UTILIZATION (ICU) LEVEL OF SERVICE	BASE YEAR PLUS PROJECT	CUMULATIVE (PLUS ADJACENT DEVELOPMENTS)
Orangewood & Valley View	0.61-B		0.74-C	0.88-D
Katella & Valley View	0.55-A		0.63-B	0.78-C
Katella & Holder	0.38-A		0.72-C	0.81-D
Katella & Knott	0.47-A		0.56-A	0.67-B

The data listed in Table 2 indicates that the four key site-area intersections will operate at a Level of Service B or better during the PM peak hour in the year 1985. Addition of project traffic to the 1985 base year volumes will decrease the level of service by one level at the two Valley View intersections but will not impact the service level at the Katella/Knott intersection. Service level at Katella/Holder will decrease from A to C. Addition of cumulative traffic from other planned development within the Cypress Industrial Area will decrease the level of service by approximately one service level at each of the intersections analyzed. However, each of the analyzed intersections would be expected to provide an acceptable service level to 1985 plus cumulative peak hour traffic volumes as defined above.

SITE ACCESS

The proposed Cypress Corporate Center plan reflects the provision of six major access points. Four access locations would be provided along Katella Avenue as shown on Exhibit 2. Inasmuch as Katella Avenue is master-planned for a raised median island, median breaks would be available only at designated locations. At the present time median openings are proposed at the intersections of Katella Avenue with Yamaha Way/Dana Way, Holder Street and Hope Street. An additional access point is proposed approximately 711 feet east of the centerline of Valley View Street. A median opening has been proposed at this location to serve an approved development on the north side of Katella Avenue immediately east of Valley View Street. This median opening would allow eastbound left turns into that site via a separate left turn lane. It is recommended that the Cypress Corporate Center driveway at this location be designed to permit a corresponding westbound to southbound left turn lane into the site.

A major site access point is proposed to be located approximately 730 feet south of the centerline of Katella Avenue on Valley View Street. This access point would incorporate a median opening with a southbound left turn lane and is located at a sufficient distance south of Katella to allow back-to-back left turn lanes on Valley View Street.

Holder Street north of Orangewood Avenue will provide site access to and from the south and will receive minimal peak hour traffic. The single family residences west of Holder will be nominally impacted in that they do not have direct individual vehicular access from Holder Street. There will, however, be a minor impact on the multiple dwellings east of Holder Street south of the site. Although those buildings front onto Holder Street, they do not take individual vehicular access to Holder Street. Peak hour volumes are anticipated to be 145 vehicles northbound during the morning peak hour and 230 vehicles southbound during the evening peak hour. Such volumes should not materially impact those properties adjacent to Holder nor to the intersection of Holder and Orangewood.

At the current stage of site planning, additional access points along Valley View Street and Katella Avenue have not been identified. However, consideration should be given to an additional driveway onto Valley View Street due to the large amount of retail usage proposed within the western portion of the site. This driveway should be designed for a right turn in and right turn out as identified in Exhibit 9. Inclusion of such a driveway along Valley View Street would reduce the volume of project traffic directed through the major access point on Valley View Street.

Access requirements for future development along Katella Avenue has not been determined at this point in time. Access to these parcels should be provided from internal site roadways due to the relatively high Katella Avenue operating speeds.

ACCESS DRIVEWAY VOLUMES

PM peak hour project related driveway volumes are presented in Exhibit 8. The magnitude of these volumes would indicate that a traffic signal is warranted at both the intersection of Katella Avenue and Hope Street and at Katella Avenue and Dana Way. Review of anticipated traffic volumes at the Valley View Street access point indicates that a traffic signal would also be warranted at this location. However, because of the close proximity of this access point to the Katella Avenue intersection, installation of a traffic signal may present an impediment to traffic flow for southbound Valley View Street.

DRIVEWAY DESIGN

Suggested driveway designs are presented in Exhibit 10. These designs are based upon the City of Cypress standard street section of 44 feet of pavement for interior industrial streets. Because of the relatively heavy volumes at Hope Street and Dana Way, it is recommended that an additional six feet of width be provided so that a right turn lane can be provided at key locations. Holder Street would conform to City and County standards for a secondary arterial.

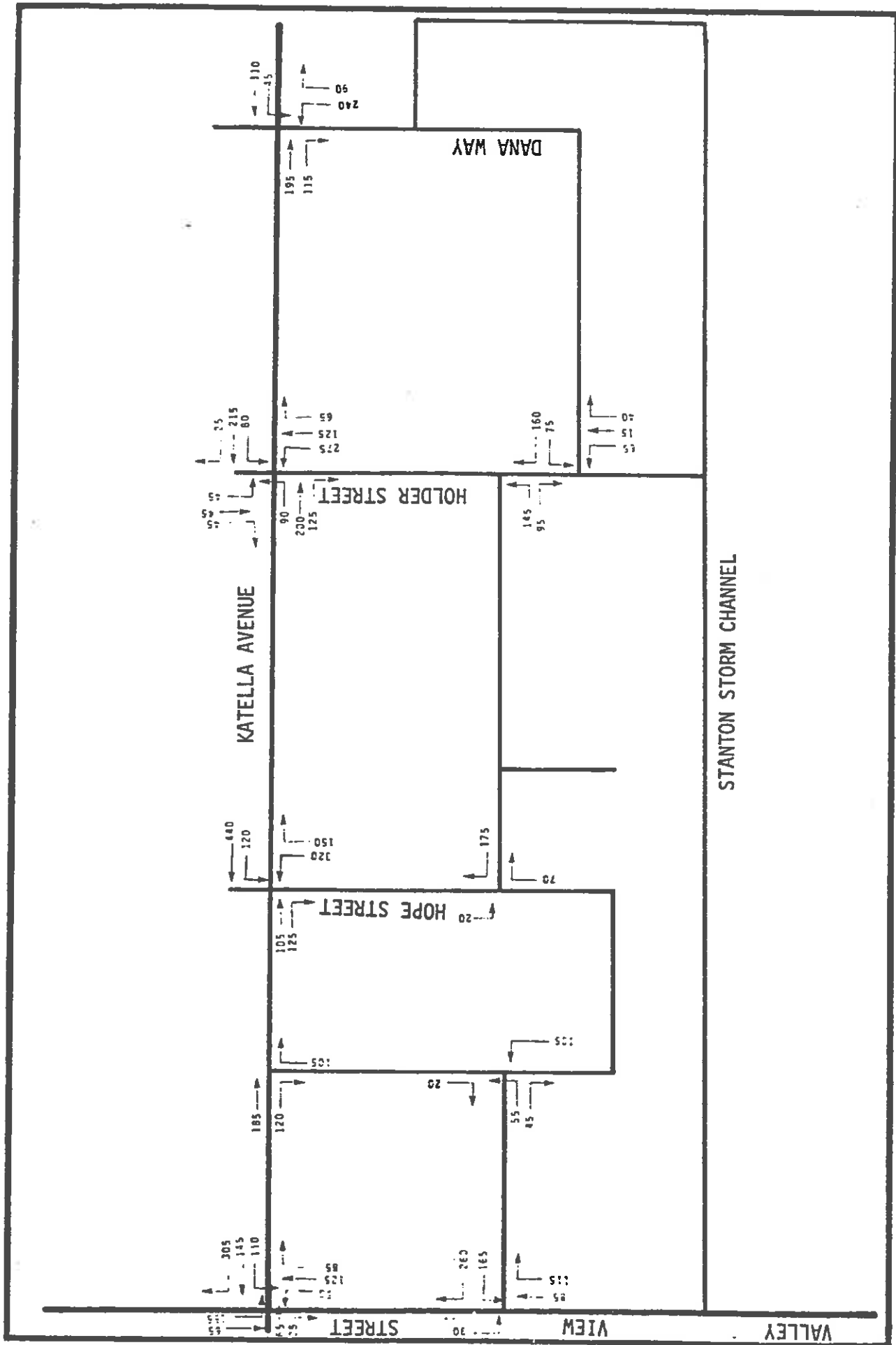
Because the access driveway currently proposed along Valley View Street may not be signalized, dual left turning lanes are not recommended at this location.

MITIGATING MEASURES

The following measures are recommended to mitigate the traffic impacts of the proposed Cypress Corporate Center.

- Construct a traffic signal at the intersections of Katella Avenue and Hope Street and Katella Avenue and Dana Way.
- The median opening on Katella Avenue between Valley View Street and Hope Street should be designed to provide for left turns from westbound Katella into the site to match the proposed eastbound left turn lane to the parcel north of Katella Avenue.

- Dual left turns should be permitted for the northbound access road opposite Hope Street and Dana Way.
- Holder Street south of Katella should be constructed to City secondary standards, which specify a 64 foot curb-to-curb street width.



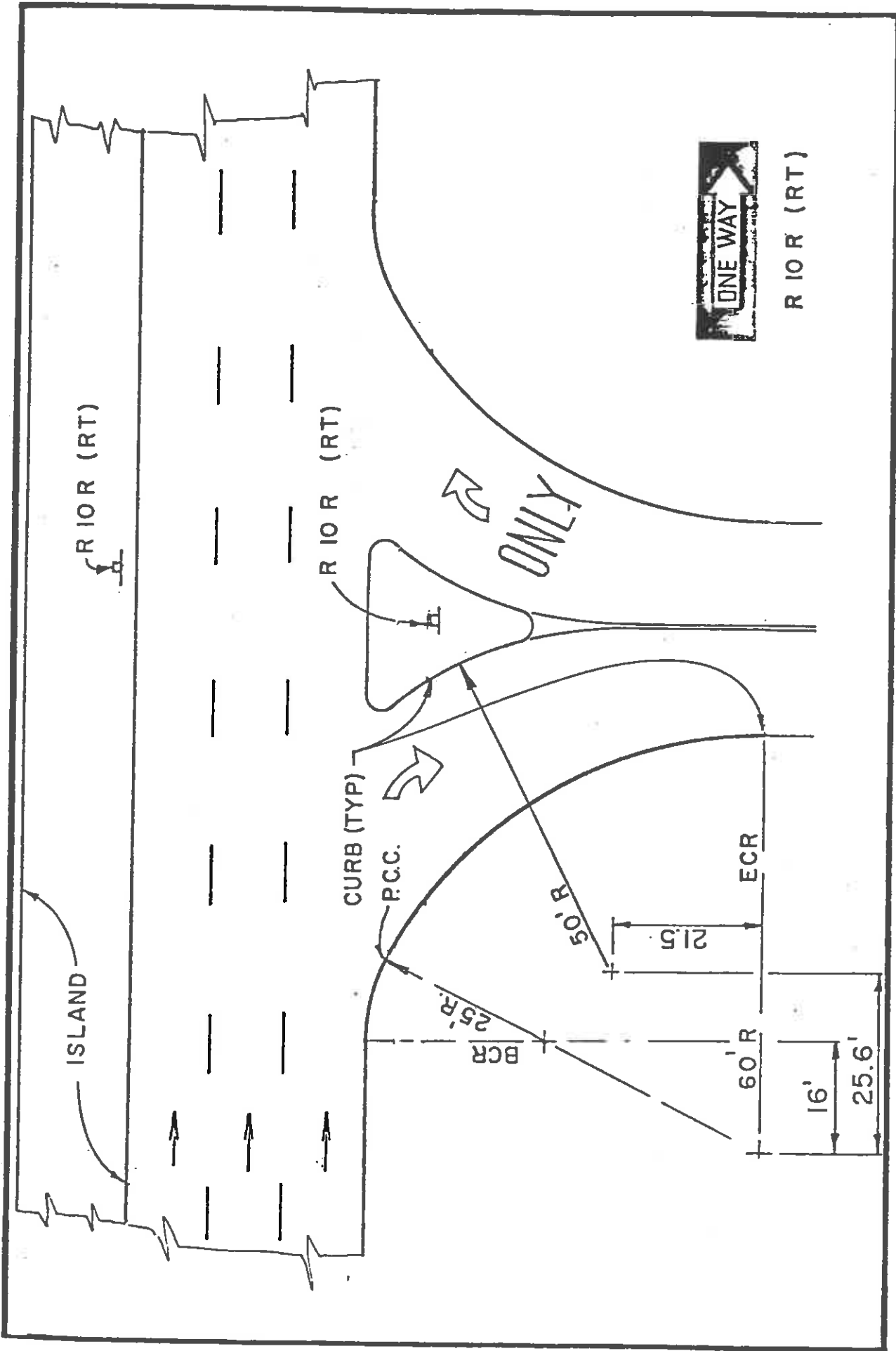
NORTH

KEY

00 → PROJECT TRAFFIC VOLUME (DIRECTIONAL)

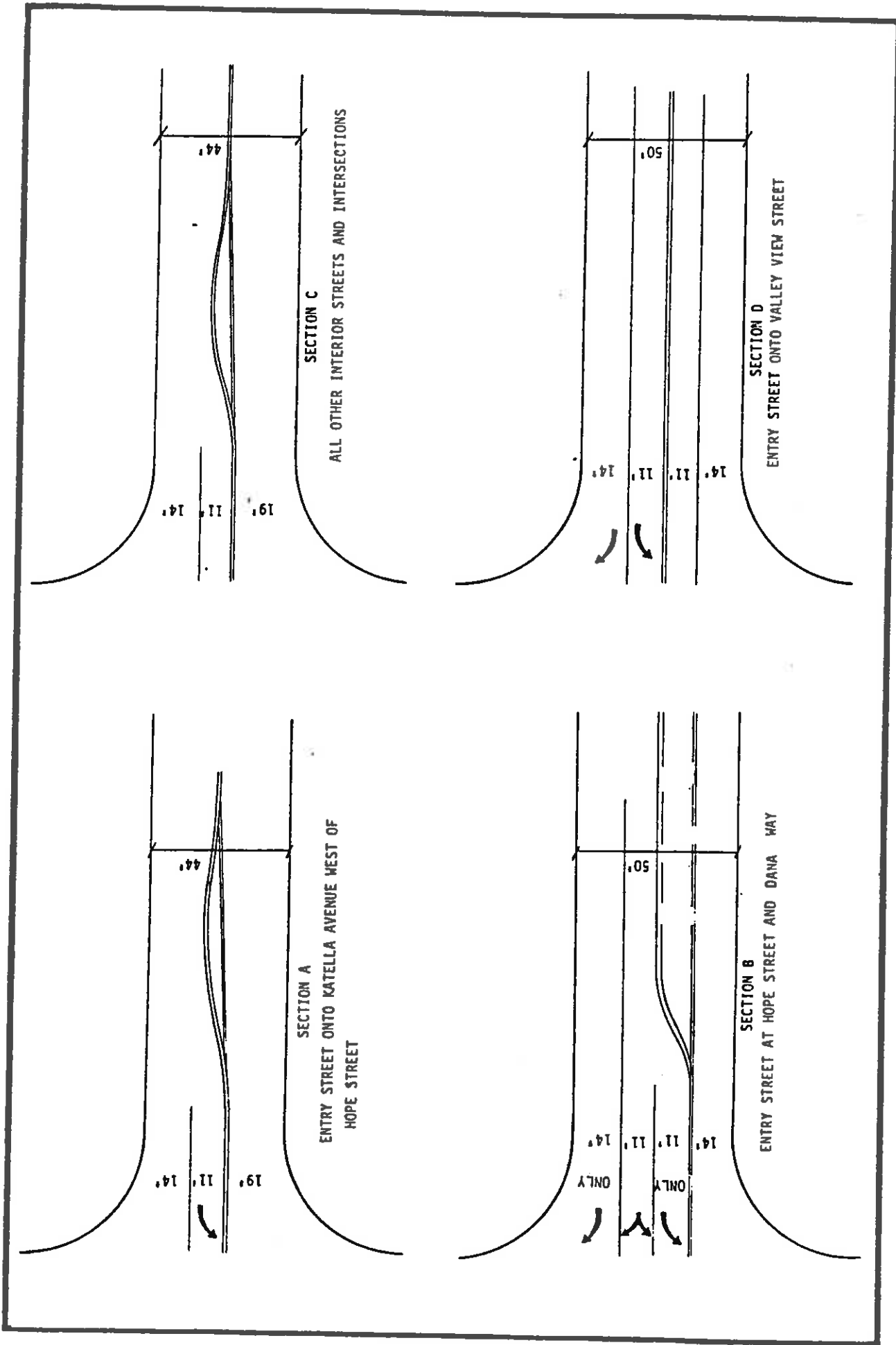
-103-

PROJECT TRAFFIC ASSIGNMENTS AT SITE
INBOUND AND OUTBOUND PM PEAK HOUR



SOURCE: CITY OF BUENA PARK

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APPENDIX A

Level of Service

and

Intersection Capacity Utilization (ICU) Analysis

Level of Service is a term which is used to describe prevailing conditions and their effect on traffic. Broadly interpreted, the Level of Service concept denotes any one of a number of differing combinations of operating conditions which may take place as a roadway is accommodating various traffic volumes. Level of Service is a qualitative measure of the effect of such factors as travel speed, travel time, interruptions to traffic, freedom to maneuver, safety, driving comfort and convenience.

Six levels of traffic service, Level of Service A through Level of Service F, have been defined in the Highway Capacity Manual. Level of Service A describes a condition of free flow, with low traffic volumes and relatively high speeds, while Level of Service F describes forced traffic flow at low speeds with occasional stoppages.

A recently developed method of capacity analysis has been used in our studies which directly relates available capacity to key intersection capacity, regardless of present signal timing. This method calculates the capacity per hour of green time for each approach according to the Highway Capacity Manual of 1965. It then determines the proportion of total signal time needed in a single hour by each conflicting key traffic movement and compares it to the total time available (100 percent of the hour), arriving at a percentage.

Conflicting key traffic movements are those opposing movements which, when combined, require the highest amount of green time. For example, if a northbound left turn opposed by a southbound through movement require 20 percent of the hour while the southbound left and the northbound through movements take only 15 percent, the northbound left turn and southbound through would be considered the key conflicting movements at the intersection in the north-south direction.

The ICU method for calculating operational time requirements translates to a level of service. ICU represents the proportion of the total hour required to accommodate intersection demand volumes if all approaches are operating at capacity (100 percent = Level of Service E). This

does not mean, however, that Level of Service E is appropriate for urban design, but that the evaluation of present and future operating conditions in terms of total capacity is more realistic than looking at a particular approach in terms of present signal timing.

When a level of service is determined for an intersection based on the ICU method, which looks only at the key conflicting movements, it does not necessarily indicate that the other movements through the intersection are also operating at a significantly better level of service.

The levels of service, as defined below and in the 1965 Highway Capacity Manual, are listed in the following table with their corresponding ICU and Load Factor equivalents.

Level of Service*	Load Factor	Equiv. ICU
A	0.0	0.0 - 0.6
B (rural design)	0.1	0.6 - 0.7
C (urban design)	0.3	0.7 - 0.8
D (maximum urban design)	0.7	0.8 - 0.9
E (capacity)	1.0	0.9 - 1.0
F (forced flow)	Not Applicable	Greater than 1.0

* Level of Service Definitions from 1965 Highway Capacity Manual.

Service Level A

There are no loaded cycles, and few are even close to loaded at this service level. No approach phase is fully utilized by traffic, and no vehicle waits longer than one red indication. Typically, the approach appears quite open, turns are made easily and nearly all drivers find freedom of operation.

Service Level B

This service level represents stable operation where an occasional approach phase is fully utilized and a substantial number are approaching full use. Many drivers begin to feel restricted within platoons of vehicles.

Service Level C

This level still represents stable operating conditions. Loading is still intermittent but more frequent than at Level B. Occasionally drivers may have to wait through more than one red signal indication, and backups may develop behind turning vehicles. Most drivers feel somewhat restricted, but not objectionably so.

Service Level D

This level encompasses a zone of increasing restriction approaching instability at the intersection. Delays to approaching vehicles may be substantial during short peaks within the peak period, but enough cycles with lower demand occur to permit periodic clearance of developing queues thus preventing excessive backups.

Service Level E

Capacity occurs at this service level. It represents the most vehicles that any particular intersection approach can accommodate. Full utilization of every signal cycle is seldom attained no matter how great the demand, unless the street is highly friction free.

APPENDIX A

VOLUME CAPACITY RELATIONSHIP

PEAK HOUR 4:15 TO 5:15 PM

INTERSECTION	DIRECTION	VOLUME	CAPACITY	Base Year 1985 ¹		1985 Plus Project		V/C	ADJACENT DEVELOPMENT	CUMULATIVE TOTAL VOLUME	V/C RATIO
				VOLUME	CAPACITY	TRAFFIC VOLUME	TOTAL VOLUME				
Orangewood & Valley View	NB Left	17	1500	0.01	-	17	0.01	-	17	0.01	
	NB Thru	1159	5040	0.23*	115	1274	0.25*	225	1499	0.30*	
	NB Right	79	1500	0.05	-	79	0.05	-	79	0.05	
	SB Left	320	1500	0.21*	145	465	0.31	140	605	0.40*	
	SB Thru	1187	6440	0.19	235	1494	0.23	562	2121	0.33	
	SB Right	52	1922	0.04*	10	87	0.05*	-	87	0.05*	
I.C.U./L.O.S.	WB Left	46	1500	0.03*	-	46	0.03*	-	46	0.03*	
	WB Thru & Right	60	2910	0.02	-	125	0.04	-	125	0.04	
	Clearance			0.10*			0.10*			0.10*	
				0.61/B			0.74/C			0.88/D	
Katella & Valley View	NB Left	420	2700	0.16*	50	400	0.17*	90	560	0.21*	
	NB Thru	811	5813	0.14	125	1021	0.17	135	1156	0.20	
	NB Right	61	2700	0.02	85	216	0.08	55	271	0.10	
	SB Left	61	2700	0.02	155	216	0.08	55	271	0.10	
	SB Thru & Right	737	6083	0.12*	65	802	0.13*	135	937	0.15	
	EB Left	84	2700	0.03	-	84	0.03	-	84	0.03	
	EB Thru	889	6083	0.15*	65	954	0.16	218	1172	0.19*	
	EB Right	817	Separate	Free Right Turn							
	WB Left	50	2700	0.02*	110	160	0.06	195	355	0.13	
	WB Thru	413	5968	0.07	145	863	0.14	377	1240	0.21	
I.C.U./L.O.S.	WB Right			0.10*			0.10*			0.10*	
	Clearance			0.55/A			0.63/B			0.78/C	

*Key conflicting movements the sum of which equals the I.C.U.
¹Base year is existing traffic extrapolated at a growth rate of 1.5% per annum compounded.

APPENDIX A

VOLUME CAPACITY RELATIONSHIP

PEAK HOUR 4:15 to 5:15 PM

INTERSECTION	DIRECTION	Base Year 1985 ¹				1985 Plus Project				CUMULATIVE	
		VOLUME	CAPACITY	V/C RATIO	TRAFFIC	TOTAL VOLUME	V/C RATIO	ADJACENT DEVELOPMENT	TOTAL VOLUME	V/C RATIO	
Katella & Holder	NB Left	140 ²	1500	0.09*	275	415	0.28*	5	420	0.28*	
	NB Thru	110 ²	3549	0.06	125	410	0.12	10	425	0.12	
	NB Right	110 ²			65						
	SB Left	120 ²	1500	0.08	45	165	0.11	90	255	0.17	
	SB Thru	90 ²	3549	0.05*	45	270	0.08*	35	375	0.11*	
	SB Right	90 ²			45			70			
	EB Left	100 ²	1500	0.06*	80	180	0.12*	35	215	0.14*	
	EB Thru	393	6440	0.06	215	633	0.10	495	1128	0.18	
	EB Right	0			25						
I.C.U./L.O.S.	WB Left	0	1500	0.00	90	90	0.06	30 ²	120	0.08	
	WB Thru	547	6440	0.08*	200	872	0.14*	265	1137	0.18*	
	WB Right				125						
	Clearance			0.10*			0.10*			0.10*	
				0.38/A			0.72/C			0.81/D	
Katella & Knott	NB Left	109	1500	0.07*	40	149	0.10*	50	199	0.13*	
	NB Thru	569	5247	0.13	-	699	0.13	80	779	0.15	
	NB Right	130			-						
	SB Left	54	1500	0.04	-	54	0.04	65	119	0.08	
	SB Thru	702	3675	0.19*	-	702	0.19*	80	782	0.21*	
	SB Right	25	1500	0.02	50	75	0.05	70	145	0.10	
	EB Left	27	1500	0.02	105	132	0.09*	70	202	0.13*	
	EB Thru	258	6440	0.06*	195	560	0.09	615	1175	0.18	
	EB Right	107			-						
	WB Left	81	1500	0.05*	-	81	0.05	-	81	0.05	
	WB Thru	412	6440	0.07	50	531	0.08*	80	676	0.10*	
WB Right	69						65				
I.C.U./L.O.S.	Clearance			0.10*			0.10*			0.10*	
				0.47/A			0.56/A			0.67/B	

*Ibid.
1 Ibid.
2 Ibid.

Figure 9-1C
TRAFFIC SIGNAL WARRANTS
KATELLA AVE & HOPE ST.
(Based on Estimated Average Daily Traffic - See Note 2)

URBAN <input checked="" type="checkbox"/> RURAL		Minimum Requirements EADT	
1. Minimum Vehicular		Vehicles per day on higher-volume minor-street approach (one direction only)	
Satisfied <input checked="" type="checkbox"/>	Not Satisfied	Urban	Rural
Number of lanes for moving traffic on each approach		Vehicles per day on major street (total of both approaches)	
Major Street	Minor Street	Urban	Rural
1	1	8,000	2,400
2 or more	1	9,600	2,400
2 or more	2 or more	9,600	2,400
1	2 or more	8,000	3,200
ACTUAL		3,200	
2. Interruption of Continuous Traffic		Vehicles per day on higher-volume minor-street approach (one direction only)	
Satisfied <input checked="" type="checkbox"/>	Not Satisfied	Urban	Rural
Number of lanes for moving traffic on each approach		Vehicles per day on major street (total of both approaches)	
Major Street	Minor Street	Urban	Rural
1	1	12,000	8,400
2 or more	1	14,400	10,000
2 or more	2 or more	14,400	10,000
1	2 or more	12,000	8,400
ACTUAL		8,400	
3. Combination		2 Warrants	
Satisfied <input checked="" type="checkbox"/>	Not Satisfied	2 Warrants	
No one warrant satisfied but following warrants fulfilled 80% or more		1	
		2	

NOTE:

- Left turn movements from the major street may be included with minor street volumes if a separate signal phase is to be provided for the left-turn movement.
- To be used only for NEW INTERSECTIONS or other locations where actual traffic volumes cannot be counted.

TS-10-C

Figure 9-1C
TRAFFIC SIGNAL WARRANTS
KATELLA AVE & DANA WAY
(Based on Estimated Average Daily Traffic - See Note 2)

URBAN <input checked="" type="checkbox"/> RURAL		Minimum Requirements EADT	
1. Minimum Vehicular		Vehicles per day on higher-volume minor-street approach (one direction only)	
Satisfied <input checked="" type="checkbox"/>	Not Satisfied	Urban	Rural
Number of lanes for moving traffic on each approach		Vehicles per day on major street (total of both approaches)	
Major Street	Minor Street	Urban	Rural
1	1	8,000	2,400
2 or more	1	9,600	2,400
2 or more	2 or more	9,600	2,400
1	2 or more	8,000	3,200
ACTUAL		3,200	
2. Interruption of Continuous Traffic		Vehicles per day on higher-volume minor-street approach (one direction only)	
Satisfied <input checked="" type="checkbox"/>	Not Satisfied	Urban	Rural
Number of lanes for moving traffic on each approach		Vehicles per day on major street (total of both approaches)	
Major Street	Minor Street	Urban	Rural
1	1	12,000	8,400
2 or more	1	14,400	10,000
2 or more	2 or more	14,400	10,000
1	2 or more	12,000	8,400
ACTUAL		8,400	
3. Combination		2 Warrants	
Satisfied <input checked="" type="checkbox"/>	Not Satisfied	2 Warrants	
No one warrant satisfied but following warrants fulfilled 80% or more		1	
		2	

NOTE:

- Left turn movements from the major street may be included with minor street volumes if a separate signal phase is to be provided for the left-turn movement.
- To be used only for NEW INTERSECTIONS or other locations where actual traffic volumes cannot be counted.

TS-10-C

ADDENDUM
TRAFFIC AND CIRCULATION STUDY REPORT
CYPRESS CORPORATE CENTER
Cypress, California

A suggestion has been made to leave unconstructed that portion of Holder Street extending from the Stanton Storm Channel, north of Orangewood Avenue, northerly to a point 800 feet south of the centerline of Katella Avenue. This addendum addresses the impact such an action would have.

Holder Street is listed as a secondary arterial in the City of Cypress circulation element of the general plan. The street is also so designated by the County Master Plan of Arterial Streets. As a secondary arterial street, Holder Street is planned as a facility to carry north-south traffic which might otherwise use either Valley View Street or Knott Avenue.

Should Holder Street be constructed as a secondary street through the Cypress Corporate Center, it will perform the following functions.

1. Inter-city travel will be made possible linking residential areas of the Cities of Garden Grove, Cypress and Buena Park. Such travel currently must be made on Knott Avenue or Valley View Street.
2. Traffic into and out of the Cypress Industrial area will be afforded a less congested travel route.
3. Current travel from Katella Avenue west of Valley View Street into the residential area south of the site will be offered an alternate route, thus avoiding the soon-to-be congested intersection of Orangewood Avenue and Valley View Street.

Construction of Holder Street as a secondary arterial will, however, introduce "thru" traffic into a largely residential area, carrying with it the perceived problems of speed, noise, fumes, and safety associated with arterial traffic. The street, while having trucks prohibited, will service the industrial and office uses to the north and may experience some violation of the truck prohibition.

Previous estimates by the City of Cypress forecast a 12,000 - 15,000 ultimate ADT on Holder Street. Although volumes of this magnitude are not high for a four-lane street, they will present a substantial additive volume to either Knott Avenue or Valley View Street, if Holder Street is not available for travel.

It is estimated that in 1985 during the PM peak hour there will be 320 vehicles per hour turning left from southbound Valley View Street to eastbound Orangewood Avenue. This heavy turn volume will consume 21 percent of the total available capacity of the intersection. It has been observed that many of these drivers are eastbound on Katella and must turn south on Valley View Avenue and left on Orangewood to reach their destination in the residential area between Knott Avenue and Valley View Street. If Holder Street were to be opened, 25 - 30 percent of these drivers would find it more convenient to continue east on Katella Avenue, turn south on Holder Street, thus reducing volume-capacity ratio (ICU from 0.21 to 0.11) or one full service level.

It has been estimated that 605 VPH will turn left from southbound Valley View to eastbound Orangewood after 1985 and completion of the currently planned development in the Cypress Industrial area. This left turn alone will consume 40 percent of the entire capacity of intersection, causing the intersection to operate at the upper threshold of Level of Service D. If Holder Street is not constructed as a thru street, it is estimated that 225 southbound vehicles during the PM peak hour would be required to use either Valley View Street or Orangewood Avenue. The addition of such a volume to Valley View Street would raise the left turns to 830 per hour which in turn would require 55 percent of the capacity of the intersection and would worsen the level of service from D (ICU-0.88) to F (ICU-1.03).