

CC - 07-07-2026

#4

Exchange Agreement 10480
Finch Avenue

Desk Item



FINANCE DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
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CITY COUNCIL STAFF REPORT

DESK ITEM

Meeting: July 7, 2026

Agenda Item #4

Subject

Approval of the Exchange Agreement for 10480 Finch Avenue (“Finch Property”) and Allocation of \$10.4 Million for Acquisition of the Finch Property (“Exchange Agreement”), and find the action to qualify for a categorical exemption from CEQA review.

Recommended Action

1. Adopt Resolution No. 26-XXX (Attachment D) approving the Exchange Agreement between the City of Cupertino and Cupertino Union School District for the Finch Property, authorizing the City Manager to execute the agreement and related documents, and approving allocation of \$10.4 million from the Parkland Dedication Fund for acquisition of the property; and
2. Find that the acquisition is categorically exempt from the California Environmental Quality Act (“CEQA”).

Background:

Additional clarification on the Parkland Dedication Fund balance is provided below in italics.

Q1: What is the available fund balance of the Parkland Dedication Fund?

Staff Response: The Parkland Dedication Fund began Fiscal Year 2025-26 with a fund balance of approximately \$20.9 million. After accounting for \$5.8 million in budgeted appropriations for the Lawrence-Mitty Park and Trail project and approximately \$500,000 in projected interest earnings, the estimated available fund balance at the end of Fiscal Year 2025-26 is approximately \$15.6 million.

Q2: What would be the remaining fund balance if this exchange agreement is approved?

Staff Response: If Council approves the proposed \$10.4 million exchange agreement, the estimated available fund balance would decrease from approximately \$15.6 million to \$5.2 million. This estimate does not include approximately \$300,000 in budgeted interest earnings for Fiscal Year 2026-27 or any future revenues or expenditures that may occur during the fiscal year.

Attachments Provided with Original Staff Report:

- A - Appraisal
- B - Phase 1 Environmental Assessment
- C - DTSC Removal Action Certification
- D - Draft Resolution
- E - Exchange Agreement

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#12

Ballot Measure Survey
Results

Supplemental Report



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CITY COUNCIL STAFF REPORT

SUPPLEMENTAL 1

Meeting: July 7, 2026

Agenda Item #12

Subject

Receive a Report on Ballot Measure Survey Results and Provide Direction on Potential Ballot Measures for the November 3, 2026 General Municipal Election

Recommended Action

1. Receive a report on ballot measure survey results;
2. Consider whether to place a ballot measure related to the Utility Users Tax, a ballot measure related to Parkland Rezoning, both ballot measures, or neither ballot measure before the voters; and
3. Designate Councilmember(s) to draft primary argument and rebuttal argument for any ballot measure placed before the voters.

Background:

Staff's responses to questions received from councilmembers are shown in italics.

Q1: If the Utility Users Tax (UUT) is expanded to include video/streaming services, how would Cupertino residents see the tax reflected on their monthly bills?

Staff Response: Based on discussions with the City of Santa Barbara, which currently applies its UUT to streaming services, streaming providers generally itemize the tax as a separate line on the customer's monthly bill. For example, if a resident pays \$15.00 per month for a streaming service, the bill would likely include a separate UUT line of approximately \$0.36 (based on the current 2.4% tax rate), resulting in a total monthly charge of \$15.36. In this example, the tax does not change the advertised subscription price but instead appears as a separately identified local tax on the billing statement.

Attachments Provided with Original Staff Report:

A – Topline Report