CC 07-1-2025

Item No. 12

Public Hearing Townhome Development

Presentation

Housing Development 20840 Stevens Creek Boulevard

City Council July 1, 2025



Project Site

<u>Address</u> 20770, 20830, & 20840 Stevens Creek Blvd

Land Use Commercial/Residential *

<u>Zoning</u> P(CG, Res)*, Heart of the City



* Zoning and GP land use vested to January 2024 under state law

1

Project Background

Existing Uses

Two former restaurants (Fontana's & Pizza Hut) and Staples

Applications

- SB330 Preliminary Application January 29, 2024
- Formal Application July 22, 2024

Housing Element Context

- 2023-2031 Housing Element adopted May 2024
 - Priority Housing Sites #40-43
- SB330 application submitted prior to HE adoption

Applicable State Housing Laws

Housing Accountability Act (HAA)

Cannot make project infeasible or reduce density.

Housing Crisis Act ("SB 330" or "HCA")

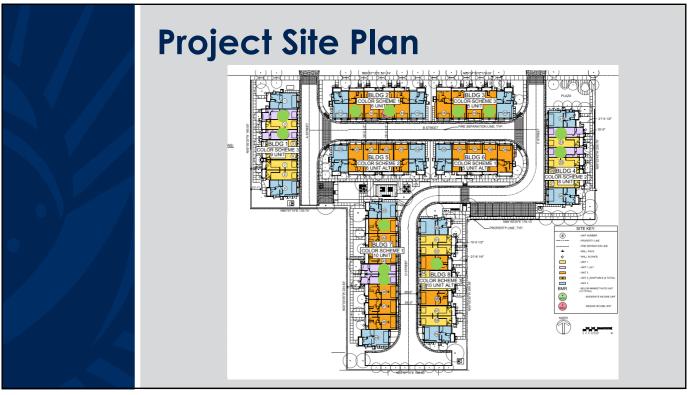
Streamlines permit processing and locks-in fees and standards. Vesting Date: <u>January 29, 2024</u>

Density Bonus Law

Allows for additional units, waivers, concessions, and reduced parking standards.

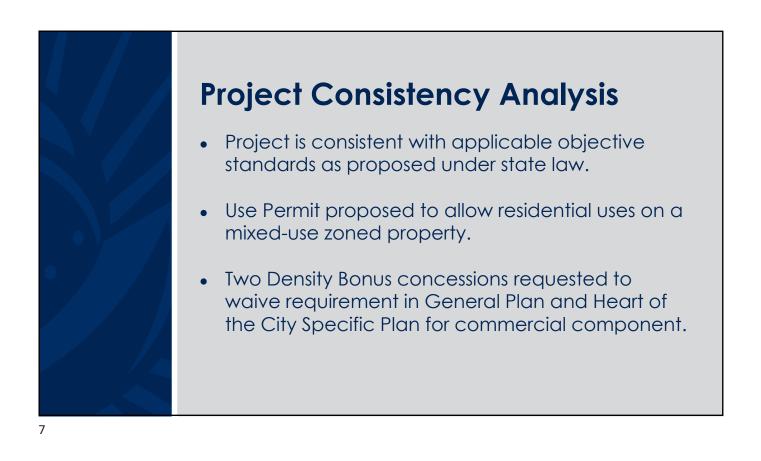
No Net Loss (SB 166)

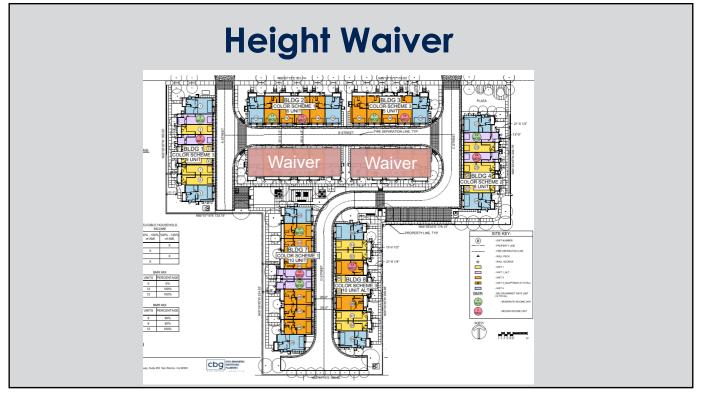
Sites to accommodate RHNA by income level must be available.

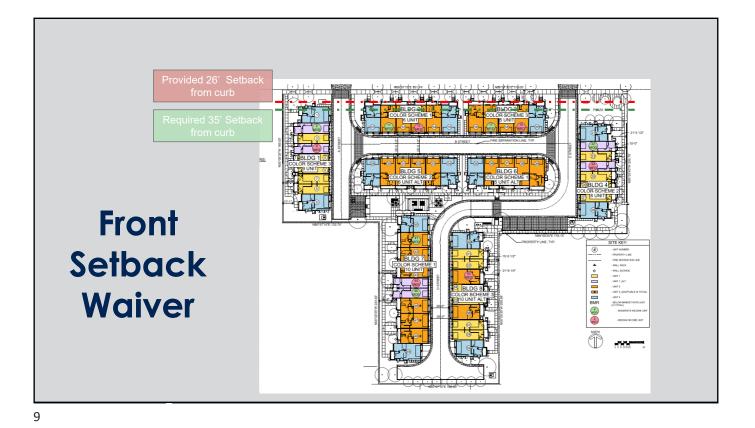


Project Design

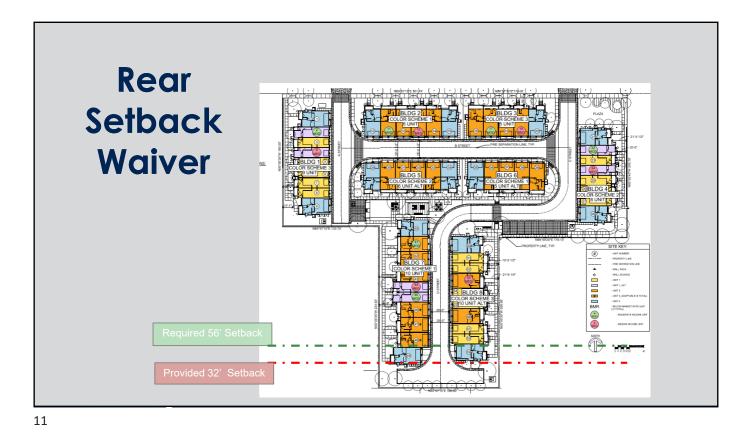


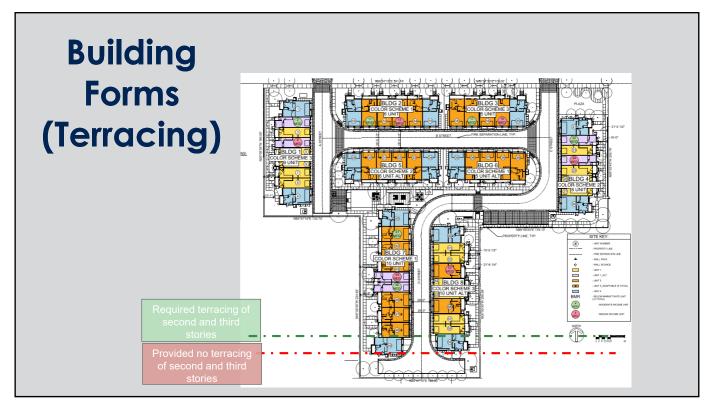


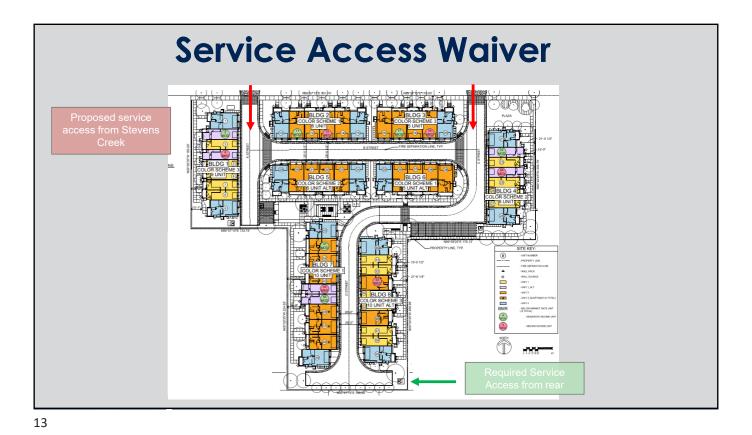


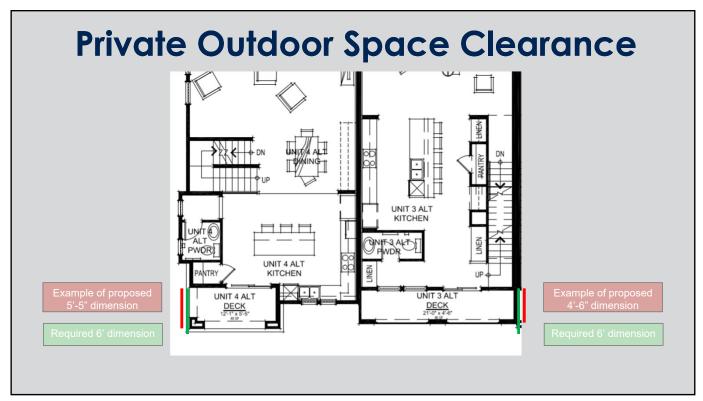


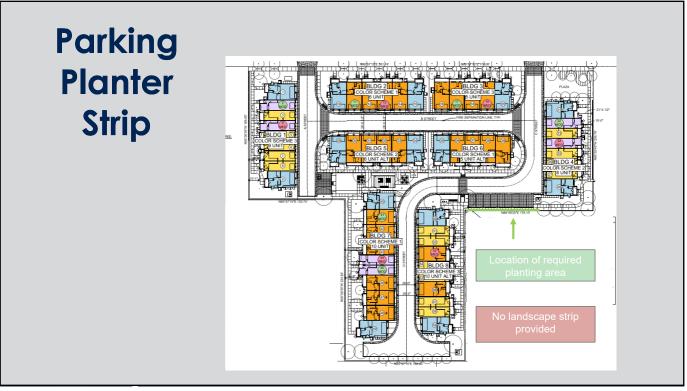
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Lot Coverage and Stall Size

Project Data	Required	Proposed
Lot Coverage	40% max.	43%
Parking Stall Size	10' x 20' min.	9'-10'' x 18'

Public Art and Park Land

Public Art Dedication

- Proposed public art plaza in the northeastern corner of property.
- To be reviewed and approved by Arts and Culture Commission after project approval.

Park Land Dedication

- Staff recommends payment of in-lieu fee.
- Project is conditioned to pay in-lieu fee of \$2,538,000 for the 47 market rate units.

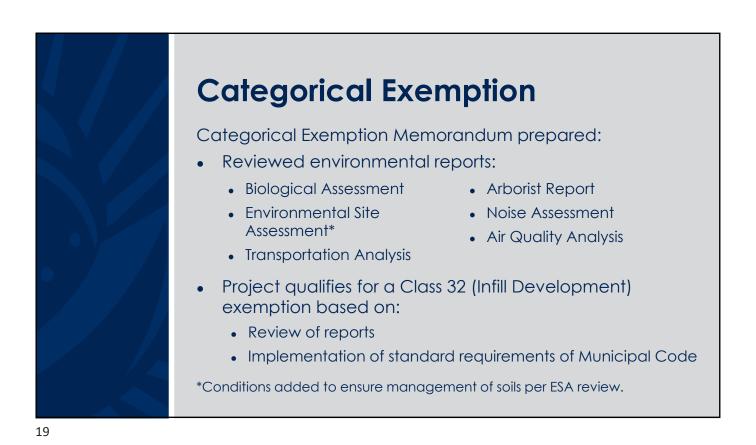
BMR Requirements

12 BMR units - 6 moderate and 6 median income

Proposed BMR units are comparable to market rate units in type and size:

	Number of Units	Number of Bedrooms	Average Unit Size
BMR Units	12	4	2,166 square feet
Market-Rate Units	15	3	1,799 square feet
	32	4	2,588 square feet

Average of all Market Rate Units – 2,336 sq. ft.



June 10th Planning Commission Hearing:

- Unanimous vote to recommend approval.
- Discussion:
 - Potential traffic concerns
 - Tree removals
 - Loss of retail
 - Lack of Very Low-Income housing
 - Use of stamped concrete at the driveway
 - Rear building setbacks
 - Public outreach

Recommended Actions

That the City Council adopt the resolutions to:

- 1. Find the project exempt from CEQA;
- 2. Make the required findings of No Net Loss; and
- 3. Approve the following permits:
 - a. Development Permit (DP-2024-002);
 - b. Use Permit (U-2024-007);
 - c. Architectural & Site Approval (ASA-2024-005);
 - d. Tentative Final Map (TM-2024-001); and
 - e. Tree Removal Permit (TR-2024-024).

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Item No. 13

FY 2025-26 Fee Schedule Update

Presentation

FY 2025-26 Fee Schedule Update

July 1, 2025



Agenda

- Background
 - What is a Fee?
 - Fee Study
 - Fee Rates

- Fiscal Impact
- Staff Recommendation

Background - What is a Fee?

A fee or rate charged to an individual or group that receives a *private benefit* from services provided by the City.

Background – Fee Study

2016 & 2023 Fee Studies

Cost Allocation Plan

User Fee Cost Recovery Policy

- Adopted in 2024
- Cost of Services -Sets the cap on cityprovided services

Background - Fees for City Services

Fee Schedule	Description
Schedule A - General Fees	Miscellaneous fees not associated with one department(abatement fees, false alarms, PRA request, etc.)
Schedule B - Engineering Fees	Public Works – Engineering: Design and Inspection Services
Schedule C - Planning Fees	Community Development – Planning: Current, Mid, and Long-Term Planning
Schedule D - Building Fees	Community Development – Building: General Building, Construction Plan Check, and Building Code Enforcement

Fiscal Impact

Fee Schedule	Estimated Additional Revenue	Factor and Basis
Schedule A – General Fees	\$809	Cost-recovery plus 2.7% CPI
Schedule B – Engineering Fees	\$113,402	Cost-recovery plus -0.79% CCI, 9.7% Labor
Schedule C – Planning Fees	\$88,546	Cost-recovery plus 2.7% CPI, 9.7% Labor
Schedule D – Building Fees	\$451,812	Cost-recovery plus 9.7% Labor

Staff Recommendation

Adopt Resolution approving FY 2025-26 Fee Schedules, effective September 1, 2025



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Item No. 14

FY 2025-26 Internal Audit Work Plan

Presentation



City of Cupertino FY25-26 Internal Audit Program

City Council Meeting July 1, 2025



Internal Audit Overview

- The City retained Baker Tilly (Moss Adams) to serve as the designated Internal Auditor and conduct projects focusing on:
 - Risks
 - Internal controls
 - Efficiency and effectiveness
 - Best practices
 - Compliance
- Work is being completed under appropriate industry standards (IIA, GAGAS, AICPA)

Internal Audit Program Components



Risk Assessment Results

RISK CATEGORY	OVERALL RISK LEVEL	
Funding and Economics	High	
Capital Improvement Program	Moderate to High	
Compliance and Financial Reporting	Moderate to High	
Human Resources	Moderate to High	
Planning and Strategy	Moderate to High	
Asset Management	Moderate	
Governance	Moderate	
Internal Controls	Moderate	
Management and Leadership	Moderate	
Operations and Service Delivery	Moderate	
Organization and Staffing	Moderate	
Policies and Procedures	Moderate	
Procurement and Contracting	Moderate	
Reputation and Public Perception	Moderate	
Risk Programs	Moderate	
Accounting and Finance	Low to Moderate	
Ethics and Fraud, Waste, and Abuse	Low to Moderate	
Information Technology	Low to Moderate	
Public Safety and Security	Low to Moderate	

Program Review

- Enterprise Risk Assessments
- Internal Controls Projects Completed
- Performance/Efficiency Projects Completed
- Policies Reviewed
- Recommendations Delivered
- Ethics Hotline Reports Received
- Recommendations Validated in FY25

2021, 2024
3
6
139
52
33 reports
45

Recommended FY25-26 Internal Audit Projects

- Council-Wide Policy Review Inventory (already approved by City Council): Review and provide recommendations to align council policies with best practices (16 weeks, \$40,000)
- 2. City-Wide Internal Controls Review: Conduct a review of the City's internal controls framework in key areas that are deemed important to protecting City assets and resources (16 weeks, \$45,000)
- **3.** Investment/Cash Flow Policy Review/Recommendation: Review and provide best practices recommendations over the City's Investment/Cash Flow policy (8 weeks, \$10,000)
- 4. Ongoing Internal Audit Services: Attend Audit Committee and Council meetings, prepare status reports, recommendation validation, manage internal audit program, and monitor FWA hotline (\$25,000)

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Item No. 16

Study Session -Oversized Vehicle Parking

Presentation

Oversized Vehicle Parking Ordinance Update

City Council Study Session



Floy Andrews Interim City Attorney

Oversized Vehicle Parking*

- Consider amending Municipal Code
- Address enforcement loopholes, resident concerns, safety and aesthetics
- Balance quality of life, safety, legal risks and enforcement

*This is a City Work Program item.

Municipal Code Sections Affected

- 11.24.130 (update current 72-hour parking limit)
- 11.24.200 (vehicle removal, unchanged)
- 11.28.010 (adding definition of oversized vehicle)
- 11.28.020 (parking regulations updates, incorporating current restriction on living or sleeping in vehicles)

Background: Current Practice

72-hour limit for all vehicles parking on public streets within the City Municipal Code Section 11.24.130

- Complaint-driven enforcement process
- Tire marking (not chalk)
- Re-inspection after 72 hours

Challenges in Current Enforcement

- Vehicles move inches to avoid citation
- Coordinated rotations among RV owners
- Allows vehicles to stay indefinitely
- Current Areas impacted:
 - Alves between Saich & Bandley (behind Target)
 - Stelling & Rainbow
 - Foothill/SCB and other intersections

Enforcement Statistics

• ~200 complaints annually, mostly RVs with tagging of 5+ vehicles/week

- Citations 2024-25: Only ~21 issued to RVs
- Revenue: ~\$1,700 from RV citations
- Total Revenue: ~\$180,000 from all citations

Definition of Oversized Vehicle

Based on CA Vehicle Code § 670 Vehicles exceeding: 22 feet in length 6 feet in width, and 7 feet in height (Includes trailers and loads)

* would not include even the largest pickup trucks (Ford F-450 Super Duty or Tesla Cybertruck)

Planning Commission Recommendations (1)

Citywide ban on oversized vehicles, except:
 3-hour parking limit in daytime (6AM – 8PM)
 1-hour limit overnight (8PM – 6AM)

 Allow <u>residents</u> to obtain annual permits to park oversized vehicles on City streets (one/household, no charge)

Planning Commission Recommendations (2)

• Allow <u>nonresidents</u> 5 permits to park annually (not within 1,500 feet of a commercial district)

- City should install signage at Alves and Bandley and other problem areas
- City should evaluate the program after one year
- * All permits require vehicles to be moved every 72 hours to a new location at least 1,500 ft away and stay away 72 hours.

Pros & Cons of General Ban Proposal

• Pros:

Allows signage at only City entrances, clears streets, improves visibility, deters long-term parking on City streets

• Cons:

Daytime and nighttime time limit exceptions are difficult to manage

Resident Permit Program (exception)

One permit per household for vehicle owned by resident

- No charge for permit
- Park up to 72 hours, then move 1,500 ft
- Unlimited 72-hour periods allowed if moved properly

"Resident" Defined

- Physically resides in a dwelling in a residential district within the City as their primary residence
- Provides evidence of residency, such as:
 - CA driver's license/ID card showing the resident address
 - utility bill displaying person's name and address
 - current lease or deed showing person's occupancy
 - current vehicle registration showing residential address
 - documentation acceptable to the Public Works Director
- A person need not own the dwelling unit to qualify as a resident.

Pros & Cons of Resident Permits

• Pros:

Residents maintain RV use close to home, balances needs of residents and their guests, eliminates need for multiple permits

• Cons:

Potential near-permanent street parking Neighborhood aesthetic concerns

Nonresident Permit Program (exception)

Up to 5 permits/year (15 days) for nonresidents

- Park up to 72 hours then move from City
- If using a second permit, move 1,500 ft
- No parking near commercial zones*

*(would need to provide map of commercial and residential zones when issuing permits)

Signage Rules and Costs

• If City posts signs, enforcement is more efficient, initial warning not required

 Citywide parking regulations allows for signs to be placed at City entrances only: cost ~\$25,000, 50 signs

Otherwise, signs must be posted on each City block: cost prohibitive (\$513 per sign, \$2,000 per block)

Local Cities' Large Vehicle Solutions

<u>Redwood City</u>: Vehicles may not park on public streets at night, with limited exceptions. Saratoga: Vehicles may not park in residential areas for 72+ hours; must be moved 1 mile. Los Gatos: Vehicles may not park where posted or on designated streets. Mountain View: Vehicles may not park on certain streets adjacent to class II bikeways or on certain narrow streets.

Legal Context

- Mountain View litigation & settlement
- Redwood City's safe RV lot approach
- Fremont litigation unhoused, not parking ordinance

Grants Pass Supreme Court Opinion (2024) Shifts rules in Ninth Circuit

Fiscal and Operational Considerations

- Signage: \$513 per sign, \$25,000 for entrance-only signage
- Signage: one city clock \$2,000 (well over \$3M for city)
- Permit processing cost: ~\$46.50 each permit
- Anticipated volume: 3-4 permits/week (may require more staff time if volume is greater)
- FY 2024 parking citation revenue: ~\$180,000
- Uniform Citywide rules: 1) reduce confusion and cost and 2) allows for entrance signs only

Other Local Options for Parking

We reached out to:

- West Valley Rotating Safe Car Park Program
- Amigos de Guadelupe
- 211 line
- Bill Wilson Center

None of these facilities allow RVs

We talked to West Valley Community Services manager who confirmed that they do not accept RVs, but they do allow camper vans.

Next Steps for Council

Council to consider:

- General Ban on oversized vehicles parking

 day/night parking windows
- Resident/Nonresident permit program
- Signage strategy
- Evaluate after first year

Questions

