CC 09-03-2025

#12

Accounts Payable

Desk Item



ADMINISTRATIVE SERVICES DEPARTMENT

CITY HALL 10300 TORRE AVENUE • CUPERTINO, CA 95014-3255 TELEPHONE: (408) 777-3220 • FAX: (408) 777-3109 CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

DESK ITEM

Meeting: September 3, 2025

Agenda Item #12

Subject

Ratifying Accounts Payable for the period ending July 18, 2025

Recommended Action

A. Adopt Resolution No. 25-XXX ratifying Accounts Payable for the Period ending July 18, 2025

Background:

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

QI:	Could	you	please	elaborat	e	a	bit	what	these	items	are	for?
		•	•	С	ash)							
736921	07/17/2025	Open					Accounts	Payable	Joint Venture S	Illcon Valley		\$19,676.00
	Invoice		Dat	e D	escription	on					Amount	
	11914COScupertin		06/2				/enture SIII	con Valley Co	-Star Real		7,176.00	
					state Se							
	11887EDAcupertin		06/0				con Valley	Economic De	velopment		\$5,000.00	
					Illance D							
	11854NETc	upertin	04/1	15/2025 J\	VSV Pul	blic in	vestment –	Fiscal Year 2	025-2026		7,500.00	

Staff Response: The first two payments are related to Economic Development:

- The Co-Star Real Estate Service subscription provides detailed data on commercial real estate, including property listings, lease rates, vacancies, and market trends accessible through the CoStar platform. Staff utilizes this service to search for available commercial space for businesses looking to expand or locate in Cupertino.
- The Silicon Valley Economic Development Alliance (SVEDA) Dues is an annual membership. The SVEDA membership collaborates by sharing resources and best practices, while collectively promoting member cities to key industries within the economic development sector. SVEDA is comprised of 30 municipalities spanning San Mateo, Santa Clara, Santa Cruz, and southern Alameda counties. In 2024, SVEDA hosted a Silicon Valley commercial real estate broker breakfast, featuring economic development speakers from the cities of Cupertino, Mountain View, and Sunnyvale.

The Public Investment payment is an annual payment that the City makes directly to Joint Venture Silicon Valley for their efforts throughout the region. Cupertino is one of 70 public sector investors (<u>listed here</u>), including ALL Santa Clara County cities. This investment allows Joint Venture to provide analysis, research, and innovative solutions related to climate change, transportation, and other regional issues.

Q2: Do we have a contract with SV Ventures to specify the services provided?

Staff Response: No, there is no contract with Joint Venture Silicon Valley. The payments for SVEDA and the Public Investment are annual membership payments. The payment for Co-Star is an annual subscription payment for data collection.

Q3: What's the total payment budgeted for in the FY 2025-26? What's the total payment in the past 5 years?

Staff Response: For FY 2025-26, the budgeted amount for each payment is as follows:

SVEDA: \$5,160Co-Star: \$8,500

• Public Investment: \$7,500

For total payments in the past 5 years, the request is outside the scope of the Accounts Payable ratification item. Staff will provide a response separately to City Council.

Q4: What services Cupertino receive from California Product Stewardship Council (CPSC) with \$3000 association fees?

In fact, I am glad to see that Cupertino contributes to California Product Stewardship Council (CPSC) since I learned about the great work they perform at the County RWRC Committee, where they give updates on their advocacy work.

However, I have been on the Council for 7 years and I am not aware of the services provided by CPSC directly to Cupertino. So, I hope to get more clarify on that.

42819	07/17/2025 Open			California Product Stewardship Council	\$3,000.00
	Invoice	Date	Description	Amount	
	FY26-069-AF	07/01/2025	Associate Fees FY25-28	\$3,000.00	
	Paying Fund		Cash Account	Amount	
	520 - Resource Recovery		520 100-100 (Cash & Investments Asset Cash)	ts Operating \$3,000.00	

Staff Response: The services provided as described on the invoice include:

CPSC provides local governments with legislative updates and a toolkit that allows them to better support current and future sustainability and producer responsibility programs.

The toolkit includes, although it is not limited to, monthly participation in the exclusive Policy & Education Advisory Committee (PEAC), which discusses and monitors current legislation affecting

solid waste and recycling in California as it relates to sustainability, product stewardship, and extended producer responsibility. The PEAC also advises the CPSC Board on policy direction. Also included is participation in the monthly Associates calls wherein the latest projects, programs, and public education information is discussed in these same topic areas.

CPSC continues to push for the mitigation of end-of-life costs of products away from California local governments to manufacturers in an effort to account for the full cost of recycling and disposal of their products and get manufacturers to design greener and more sustainable products.

For total past services received in the last 7 years, this is outside the scope of the Accounts Payable ratification item. Staff will provide a response separately to City Council.

Q5: What other associations the City pay membership fee to? Could we get a full of the associations, their fees and the benefits to the City? I hope such information could be made readily available so that we can take advantage of these membership benefits.

Staff Response: This request is outside the scope of the Accounts Payable ratification item. Staff can compile a list of the City's current association memberships, including annual fees and corresponding benefits, and provide this information separately to City Council.

Q6: The quarterly payment for Grassroots Ecology is \$24,034.26, which means the annual cost is \$96,137.04. I assume that this is for programs at the McClellan Ranch. But I hope to get more clarify on that. Do we have a contract? Is this covered by a grant? Are there other payments besides the quarterly payment?

42838	07/17/2025 Open		Accounts Payable Grassroots Ecology		\$24,034.26
	Invoice	Date	Description	Amount	
	CUST0625 06/30/2025		FY24-25 Quarterly Payment for MCRP Habitat	\$24,034.26	
			Restoration		
	Paying Fund		Cash Account	Amount	
	100 - General Fund		100 100-100 (Cash & Investments Assets Operating	\$24,034.26	
			Cash)		

Staff Response: Grassroots Ecology is for McClellan Ranch. The current contract went out for RFP in 2023 and was later awarded at the July 6, 2023, Council Meeting (Agenda item #9). The quarterly payments are the only payments made, but they are based on the work done in that quarter, but the annual amount is \$104,240.

Attachments Provided with Original Staff Report:

A – Draft Resolution 7.18.25

B – AP Payment Register for the Period Ending 7.18.25

CC 09-03-2025

#16

Accessory Dwelling Units Ordinance Amendments

Desk Item



CITY MANAGER'S OFFICE

CITY HALL 10300 TORRE AVENUE • CUPERTINO, CA 95014-3255 TELEPHONE: (408) 777-3223 • FAX: (408) 777-3366 CUPERTINO.ORG

CITY COUNCIL STAFF REPORT DESK ITEM

Meeting: September 3, 2025

Agenda Item #16

Subject

Introduce amendments to Municipal Code Chapters 19.08 (Definitions), and 19.112 (Accessory Dwelling Units) and Associated Environmental Review. (Application No. MCA-2025-001; Applicant: City of Cupertino; Location: City-wide)

Recommended Action

That the City Council Conduct the first reading of Ordinance No. 25-____ (Attachment A): "An Ordinance of the City Council of the City of Cupertino amending Municipal Code Chapters 19.08 (Definitions), and 19.112 (Accessory Dwelling Units) regarding Accessory Dwelling Units." Background:

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

Q1: I wonder whether the ADU update proposed for the 9/3 council agenda would address the issue faced by this resident? If not, what kind of changes might be necessary? (Resident email Attachment E)

Staff response: The Planning Commission recommendation for the ADU Ordinance update will not be addressing the residents' concerns as it relates to allowing streamlining of detached ADUs between the 800 – 1000 square feet. The City Council, within its discretion, may at its scheduled meeting on September 3, 2025, motion to amend the Ordinance to allow for detached ADUs of this size to be streamlined.

Q2: I hope to get some information on the progress of our ADU program. Please include the email below for the Public Comment for Agenda Item 16. More specifically, here were my questions from July 6, 2025.

I wonder what's the progress on the items mentioned in those sections, especially the ones with timeframe for June 2025 or December 2025? Specifically:

- \cdot "Incentives will be explored by June 2025," according to the staff comment in the GP 2024 Annual Report.
- · "Grants will be applied to provide as ADU production incentives as opportunities

become available," according to the staff comment in the GP 2024 Annual Report.

 \cdot "Evaluate effectiveness of ADU approvals annually, starting April 2024, and identify additional incentives within one year if ADU targets are not being met," per the 2023-031 Housing Element.

Staff response: The Housing Element objectives for ADU production are 192 ADUs by the end of the Housing Element Cycle (2031), or 24 ADUs annually. Since January 1, 2023, the City has received applications for 201 ADU permits. In 2023 alone, the City issued 50 building permits for ADUs, while in 2024, 41 ADU building permits were issued and 46 ADUs received certificates of occupancy. Therefore, the City is exceeding its projected targets.

The City of Cupertino has joined a regional effort in Santa Clara County to use a new survey to collect rent data on new ADUs built to determine affordability. The survey has been posted to the website and is active as of January 2025 and is required to be completed prior to final occupancy. The pre-approved ADU program continues to be offered and is utilizing the resources of the Santa Clara County Collaborative for support. No grant opportunities have become available for jurisdictions to utilize.

Attachments Provided with Original Staff Report:

- A. Draft Ordinance (clean)
- B. Letter from the CA Department of Housing and Community Development dated April 24, 2025. (Review of Cupertino's Accessory Dwelling Unit (ADU) Ordinance under State ADU Law (Gov. Code, §§ 66310 66342))
- C. Planning Commission Resolution No. 2025-14
- D. Draft Ordinance (redline)

Attachments Provided with Supplemental Staff Report:

E. Resident email to City Council, dated July 14, 2025



Petition for Cupertino ADU ordinance update

From

Date Mon 7/14/2025 4:51 PM

To Liang Chao <lchao@cupertino.gov>; Kitty Moore <kmoore@cupertino.gov>; Sheila Mohan <smohan@cupertino.gov>; J.R. Fruen <jrfruen@cupertino.gov>; R "Ray" Wang <rwang@cupertino.gov>; City Council <citycouncil@cupertino.gov>

Cc Gian Martire <gianm@cupertino.gov>; Jelani Mora <jelanim@cupertino.gov>

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear Mayor Chao and Council Members, (Cc Gian and Jelani in the Planning Dept.)

I am a long-time Cupertino homeowner at and I respectfully request your support in amending the City's ADU ordinance to address a contradiction to the building code, and in approving my pending ministerial permit application.

I am applying for a permit to build a 999 square-foot one-story detached ADU with 2 bedrooms and 2 bathrooms, and 10 ft clear ceilings (matching the main house's 11 ft ceiling height). This is to house our elderly parents, both over 80 and living with chronic health conditions. The additional space beyond 800 square-foot is essential to provide separate sleeping and bathing areas and to accommodate mobility aids and care.

Over the past couple months, my architect and I have met multiple times with Senior Planner Gian Martire and his team to review the technical aspects of this project. Our R-1-6 lot backs onto a multi-unit apartment separated by a 95-inch concrete wall and abuts an R-1-10 parcel occupied by wheelchair-dependent residents. Given these circumstances, the ADU's scale, placement, and thoughtful design will have no adverse impact on neighbors' privacy, views, or enjoyment of their homes.

Cupertino's ADU ordinance contradicts building code

Under current regulations, our 999-square-foot detached ADU is classified as non-streamlined, subjecting it to setbacks of 10.5 feet on both the side and rear. In attempting to apply both CMC § 19.112.040 and CMC § 19.100.030, we discovered there is no practical way to achieve the four-foot setback envisioned by State ADU law—even if the ceiling height is reduced to the minimum seven feet required by the building code.

The building code mandates a minimum seven-foot plate height for habitable structures. Yet under CMC Table 19.100.030.2.h, a four-foot setback limits the "Wall Plane Height" to just 7'-8", which, once framing and insulation are accounted for, yields a top plate height of approximately 5'-8"—well below the code-required minimum. Consequently, the four-foot setback allowance is rendered functionally meaningless for code-compliant ADUs. These overlapping provisions therefore create an unintended technical barrier, contradict the intent of Government Code § 65852.2 and introduce ambiguity into Cupertino's ADU standards.

Regional Context & Community Benefit

Neighboring jurisdictions, e.g. San Jose, Los Altos, routinely apply reduced setbacks to

detached ADUs of this size without triggering full site-development reviews. Santa Clara County's Planning Division, for example, processes one-story detached ADUs up to 1,200 square foot through a simple Building Permit, exempting them from non-streamlined review. Adopting a similar approach in Cupertino—specifically a four-foot side and rear setback for detached ADUs up to 1,000 square foot—would align our ordinance with state law and regional norms, resolve existing code inconsistencies, and encourage compassionate infill housing that benefits our entire community.

Proposed Ordinance Amendment

I propose the city to consider amending CMC § 19.112.040.C to establish a uniform four-foot side and rear setback for all detached ADUs up to 1,000 square foot. I also request that habitable ADUs be exempted from the Wall Plane Height requirement in CMC § 19.100.030.2.h. Finally, I ask that my application for the 999 square foot ADU at the beautiful beautiful be approved ministerially under these clarified standards within the 60-day statutory review period.

Approving this amendment and my permit will not only allow me to care for my elderly parents in a safe, independent setting but also streamline Cupertino's ADU process for ALL residents. I appreciate your leadership in addressing housing innovation and stand ready to provide any additional technical information or participate in further discussions.

I plan to also bring this up at the upcoming City Council meeting on Tuesday 7/15 through an oral communication, and I look forward to your support in this petition.

Respectfully,

