

CC 4-21-2026

#7

CDBG and BMR Fund
Allocations

Supplemental Report



COMMUNITY DEVELOPMENT DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3308
CUPERTINO.GOV

CITY COUNCIL SUPPLEMENTAL REPORT 1

Meeting: April 21, 2026

Agenda Item #7

Subject

Fiscal Year (FY) 2026-27 Community Development Block Grant (CDBG) Program and Below Market Rate Affordable Housing Fund (BMR AHF) funding allocations; authorization to execute funding agreements; and approval of a BMR AHF \$75,000 public service funding cap.

Recommended Action

1. Authorize the City Manager to execute the FY 2026-27 CDBG and BMR AHF funding agreements.
2. Approve Resolution No. 26-XXX (Attachment A) to approve an annual \$75,000 public service funding cap for the BMR AHF fund.

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

Q1: What is the fund balance of the Below Marker Rate Fund?

Staff response: The Below Market Rate (BMR) Fund began the fiscal year with a total fund balance of \$9,605,415. Of this amount, \$4,562,573 is not currently available, as it is tied to outstanding development loans and accrued interest receivable, resulting in an available beginning balance of \$5,042,842.

During the current fiscal year, the fund is projected to utilize approximately \$731,817 of available fund balance. This projection excludes approximately \$4.5 million in budgeted Housing Mitigation Fee revenue, as the associated development activity has not yet occurred and revenue has not been collected. Staff believes it is more prudent to exclude this revenue until it is realized. Accounting for the budget, the estimated ending balance for the fiscal year will be approximately \$4.3 million.

After accounting for current year use and \$3.0 million in committed funds related to the Mary Avenue Project, the adjusted ending available fund balance is approximately \$1.3 million.

Attachments Provided with Original Staff Report:

- A. Draft Resolution
- B. FY 2026-27 NOFA/RFP
- C. City Council April 15, 2025 Meeting Minutes
- D. Housing Commission Resolution No. 17-02 (CDBG Contingency Plan)
- E. Resolution No. 18-035
- F. FY 2026-27 CDBG and BMR AHF Funding Application Summary

CC 4-21-2026

#12

Second Amendment with
Cupertino Chamber of
Commerce

Desk Item



CITY MANAGER'S OFFICE

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3212
CUPERTINO.GOV

CITY COUNCIL STAFF REPORT DESK ITEM

Meeting: April 21, 2026

Agenda Item #12

Subject

Authorize the City Manager to execute a Second Amendment with the Cupertino Chamber of Commerce, initiating year three of the agreement and incorporating a revised scope of work with an annual amount not-to-exceed \$5,000

Recommended Action

Authorize the City Manager to execute a Second Amendment with the Cupertino Chamber of Commerce, initiating year three of the agreement and incorporating a revised scope of work with an annual amount not-to-exceed \$5,000

Background:

There was an error related to Section 4, "Other provisions", of the scope in Attachment D that was included with the agenda. The corrected version is included here as Attachment J.

Attachments Provided with Original Staff Report:

- A. Cupertino Chamber of Commerce Fully Executed Agreement & Scope of Work
- B. Quarterly Reports April 2024 through December 2025
- C. Chamber Relationships in Other Cities
- D. Revised Scope of Work (redline)
- E. Revised Scope of Work (clean)
- F. Revised Compensation (redline)
- G. Revised Compensation (clean)
- H. Revised Schedule of Performance (redline)
- I. Revised Schedule of Performance (clean)

Attachments Provided with Supplemental 1:

None

Attachments Provided with Desk Item:

- J. Corrected Revised Scope of Work (redline)

Attachment J (redline)
SCOPE OF WORK – CUPERTINO CHAMBER OF COMMERCE

Services to include, but not limited to, the following:

1. Technical Assistance:

- ~~a. Provide technical assistance services to existing and prospective businesses located in the City of Cupertino and seeking such assistance, including in person, phone, and email during normal business hours (Monday through Friday 9 am to 5 pm), as well as provide information online through the Chamber website. Information shall include, but not limited to topics such as:
 - ~~— How to open, operate, or grow your business in Cupertino~~
 - ~~— Contacts for City services and departments~~
 - ~~— Help ensure that individuals and organizations doing business in the City of Cupertino possess a current business license.~~
 - ~~— Community events above and beyond those not already provided by the Chamber~~
 - ~~— Recreational amenities~~
 - ~~— Retail shopping and dining amenities~~
 - ~~— Lodging and conference facilities~~
 - ~~— Refer businesses and individuals to other businesses located in Cupertino.~~
 - ~~— Other general information requests~~~~
- ~~b. Support business programs and initiatives developed by the City including but not limited to the Cupertino Business Outreach Program and business surveys.~~
- ~~e.a. Plan and host up to six (6) at least four (4) technical assistance seminars/webinars each year and select topics with the City that are pertinent to small businesses such as public safety in commercial areas, doing business in Cupertino focused on multi-lingual and multi-cultural businesses, green business practices, digital marketing, etc.~~
- ~~d. Participate in and secure business representation for exercises related to business resiliency and continuity as part of the City's Emergency Operations Plan (EOP) update.~~
- ~~e. Assist the City with economic development research or business stakeholder focus groups as needed to gather feedback from the business community.~~
- ~~f. Participate in Small Business Technology Platform as a resource provider and conduct outreach to onboard small businesses on the platform.~~
- ~~g. Coordinate ribbon cuttings for new business openings for businesses with a valid Cupertino business license and regardless of membership status with the Chamber.~~

2. Marketing & Promotion/Information Dissemination:

- ~~a. Develop and produce a Cupertino Dashboard with relevant Cupertino demographic and economic data in coordination with the City. This dashboard will be updated quarterly. The City will use this data for business attraction and retention efforts, and to identify emerging trends, and where appropriate, recommend new policies.~~
- ~~b. Support ad hoc requests for information and services from individuals, organizations, and businesses that pertain to the greater Cupertino community.~~
- ~~e. Market and promote business-related City events held in Cupertino.~~
- ~~d. Conduct outreach and education regarding prospective policy changes, and new city rules and regulations (wages, waste reduction, transportation, Single Use Plastics, etc.) to all businesses in the City.~~

- e. ~~Design and promote current and future marketing campaigns (for example #ShopCupertino and #CupertinoCares).~~
- f. ~~Support Small Business Saturday activities and highlight all small businesses in the City.~~
- g. ~~Create, produce, and maintain an online publication to include information on the City, community, and businesses of Cupertino. Digital publication to be updated quarterly.~~
- h. ~~At its office, the Chamber will make available information provided by the City, which may include, but not limited to:

 - ~~The Scene~~
 - ~~Recreation Brochure~~
 - ~~City Contact Information~~
 - ~~Other materials as they become available~~~~
- i. ~~As appropriate and or as requested by the City, the Chamber will promote community events, programs, services, and alerts.~~
- j. ~~Conduct and share surveys and survey results relevant to the economic health of Cupertino.~~
- k. ~~Working closely with the City Manager's Office, create a Cupertino promotion strategy for major regional events, including the Superbowl and World Cup Soccer, to present the City in a positive manner and to draw Cupertino into the events.~~

3.2. **Events/Meetings:**

- a. ~~Provide and promote opportunities for City representatives to present and connect with businesses at various Chamber and other meetings including but not limited to the Asian American Business Council, Legislative Action Committee, Chamber Board, and Chamber community forums.~~
- b.a. ~~Host up to four (4) a quarterly professional Women's business luncheon or speaker series to provide networking opportunities for women in business and hear from a speaker or special presenter on related topics at City facilities at no charge, or other venues around Cupertino, and online.~~
- c. ~~Assist city staff in scheduling and participate in Cupertino Business Outreach Program (CBOP) in-person and virtual meetings with Cupertino businesses.~~
- d. ~~Organize commercial and retail broker breakfasts.~~
- e.b. ~~Attend monthly 30-minute coordinationCity and other associated meetings with the City's Economic Development Manageras needed.~~

4. **Other Provisions:**

- a. ~~Provide Chamber membership for the City at no charge currently set at \$3,000 for the established rate for employers with 201 to 300 employees. Benefits of this membership to include registration and meals for two City staff (City Manager and/or designee) as well as all Councilmembers at events hosted by the Chamber including:

 - ~~Chamber Star Awards~~
 - ~~LAC in-person meetings~~
 - ~~Lunar New Year Luncheon~~
 - ~~Other events as hosted by the Chamber~~~~
- b. ~~Chamber activities not related to this or other agreements with the City, will be regulated by the Municipal Code and Policies of the City of Cupertino.~~
- e. ~~The City of Cupertino will provide quarterly updates of City of Cupertino business license holders upon request of the Chamber via email.~~

Reporting Requirements:

~~The Chamber will track information on a quarterly basis directly related to this Agreement and report to the City a summary of services referenced below rendered to Chamber members and non-members. These reports may include, but not limited to:~~

~~1. Technical Assistance:~~

- ~~○ Number of businesses served.~~
- ~~○ Sector and size of businesses served, and services rendered.~~
- ~~○ Number of ribbon cuttings or grand openings held for Cupertino businesses.~~

~~2. Marketing & Promotion/Information Dissemination:~~

- ~~○ Summary of ad-hoc requests for information.~~
- ~~○ Summary of business seminars and events organized including topics, attendees, other pertinent outcomes.~~
- ~~○ Summary of outreach efforts around new city policies, rules, regulations.~~
- ~~○ Summary online impressions generated for marketing and promotions of campaigns.~~

~~3. Events/Meetings:~~

- ~~○ Key performance indicators (KPIs) around marketing efforts including social media metrics.~~
- ~~○ Summary of the outreach conducted for events.~~
- ~~○ Summary of broker breakfasts, in partnership with the City, including attendee contact information and leads generated.~~

~~4. Key successes achieved during the period.~~

~~5. Recommendations for future endeavors that advance the common goals of the agreement.~~

~~The reports will be in a format mutually agreed to in writing by the City and the Chamber. The City, where appropriate, will provide publicly available data to Chamber staff when partnering to implement activities outlined in this scope of work.~~

CC 4-21-2026

#12

Second Amendment with
Cupertino Chamber of
Commerce

Supplemental Report



CITY MANAGER'S OFFICE

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3212
CUPERTINO.GOV

CITY COUNCIL SUPPLEMENTAL REPORT 1

Meeting: April 21, 2026

Agenda Item #12

Subject

Authorize the City Manager to execute a Second Amendment with the Cupertino Chamber of Commerce, initiating year three of the agreement and incorporating a revised scope of work with an annual amount not-to-exceed \$5,000

Recommended Action

Authorize the City Manager to execute a Second Amendment with the Cupertino Chamber of Commerce, initiating year three of the agreement and incorporating a revised scope of work with an annual amount not-to-exceed \$5,000.

Background:

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

Q1: The Attachment C has a comparison table between cities. To give a full picture of the support from the City of Cupertino to the Chamber, please provide the amount for the membership fee, fee waivers for festivals, any fee waivers for conference rooms, etc.

Staff response:

Under the existing agreement, the Cupertino Chamber of Commerce provides the City of Cupertino with membership at no charge.

The Cupertino Chamber of Commerce produces two annual cultural festivals. The Diwali Festival, held on October 11, 2025, received a total of \$15,571 in waived fees. The Holi Festival, held on March 28, 2026, received a total of \$9,491 in waived fees.

The Cupertino Chamber of Commerce does not receive waived fees for facility rentals. Fee waivers are granted only in connection with Council-approved festival fee waivers. During calendar year 2025, the Chamber rented City facilities on five occasions and paid the standard nonprofit rate, totaling \$620.

Q2: The staff report states that the amount expended the first year was \$23,150 and the second year was \$4,150. But the staff report listed many activities that other chambers of commerce provide and the Cupertino Chamber used to provide, regardless of the city sponsorship. Could you please provide more detailed list of services the City is being

charged for in the first and the second year?

Staff response:

The Cupertino Chamber of Commerce provided services to the City of Cupertino in accordance with the adopted scope of work during the first two years of the agreement. In the first year of the agreement, \$23,150 was expended for services performed. In the second year, only \$4,250 has been expended to date for services rendered. The services delivered during the first and second years are summarized below and are also included in the staff report:

1. Technical Assistance

- Planned and hosted 10 technical assistance City seminars/webinars and selected topics with the City that are pertinent to small businesses.*
- Supported business programs and initiatives developed by the City such as Cupertino Business Outreach Program, SVEDA Broker Breakfast, Restaurant Week, Dine Out July Fourth, National Small Business Week, Small Business Saturday.*
- Participated in exercises related to business resiliency and continuity as part of the City's Emergency Operations Plan (EOP) update.*
- Assisted the City with outreach to businesses for stakeholder focus group meetings to gather feedback from the business community.*
- Participated in the City's Small Business Technology Platform (i.e. Cupertino Business Resource Hub) as a resource provider and conducted outreach to small businesses.*
- Coordinated four ribbon cutting events.*

2. Marketing & Promotion

- Marketed and promoted 20 business-related City events held in Cupertino such as Women Business Luncheons, Technical Assistance Workshops, Ribbon Cuttings, Retail Theft Webinar, Restaurant Week, Dine Out July Fourth.*
- Conducted outreach and education regarding prospective policy changes, and new City rules and regulations such as Cupertino Minimum Wage and Cupertino Tobacco Retailer Permit Ordinance.*
- Designed and promoted over 15 marketing campaigns related to the City's Technical Assistance Workshops, Women Business Luncheons, Shop Local initiatives.*
- Supported the City's Small Business Saturday activities such as National Small Business Week and Small Business Saturday promotional video.*
- Produced 2 online publications to include information on the City, community, and businesses of Cupertino.*
- Promoted, at the City's request, community events, programs, services, and alerts such as State of the City, CREST Awards, City Commission vacancies relevant to the business community.*

3. Events & Meetings

- *Provided and promoted opportunities for City representatives to present and connect with businesses at Chamber meetings such as Legislative Action Committee.*
- *Hosted 5 quarterly professional Women's business luncheons to provide networking opportunities for women in business and hear from a speaker or special presenter.*
- *Assisted city staff in scheduling and participating in 6 Cupertino Business Outreach Program meetings with Cupertino businesses such as Mirapath, KeyPoint Credit Union, Local Kitchens.*

4. Other Provisions

- *Provided Chamber membership to the City, including registration for two City staff as well as all Councilmembers at events hosted by the Chamber.*

Q3-1: For this task "Plan and host up to six (6) technical assistance seminars/webinars each year and select topics with the City that are pertinent to small businesses such as public safety in commercial areas, doing business in Cupertino focused on multi-lingual and multi-cultural businesses, green business practices, digital marketing, etc.", is this a task that the Chamber of Commerce would not perform as a benefit to their own members anyway?

Staff response:

The technical assistance seminars/webinars under the agreement are distinct in that they are designed to serve the broader Cupertino business community rather than Chamber members exclusively. These seminars are planned in close coordination with City staff, therefore, the topics, outreach, and delivery are also aligned with City priorities to ensure consistent programming that supports City initiatives, including shop-local efforts, and provides a broader public benefit to Cupertino-based businesses. If the Chamber was to program these activities without the agreement in place, these could be limited to the Chamber members, and the City may not be able to provide input on specific topics.

Q3-2: The City currently has one full-time employee for Economic Development. Does the Economic Development manager have no capacity to host 6 seminars/webinars with invited speakers, in partnership with other Chambers of Commerce, not limited to the Cupertino Chamber of Commerce?

Staff response:

The Economic Development Manager focuses on business expansion and retention, relocation assistance, permit facilitation, business outreach efforts, and other activation events such as Restaurant Week. He also serves as the staff liaison for the new Economic Development Committee. The Economic Development Manager is also working on three City Work Program projects focused on retail preservation, permit streamlining, and small business revitalization. Through business outreach, the Economic Development Manager is able to identify the issues and

topics of concern to the business community. Staff has also expanded City support to local businesses by implementing a new technology tool, the Cupertino Business Resource Hub, a centralized platform designed to streamline access to resources, technical assistance, and networking opportunities. Under the existing agreement, the Cupertino Chamber of Commerce provides implementation support to assist City staff with the delivery of these City technical assistance seminars/webinars, as outlined in the scope of work.

Q4-1: For this task "Host up to four (4) quarterly professional Women's business luncheons or speaker series to provide networking opportunities for women in business and hear from a speaker or special presenter on related topics at City facilities at no charge, or other venues around Cupertino, and online". It used to be conducted every month by the part-time Economic Development manager Angela Tsui and the budget for the simple pasta and salad lunch was only \$200. Is this a task that the full-time Economic Development Manager cannot conduct in house?

Staff response:

The City's Professional Women's Luncheon has evolved into a larger, more formal quarterly gathering of local businesses. Staff is involved in the development of the program, and under the existing agreement, the Cupertino Chamber of Commerce provides implementation support to assist staff with delivery of the Professional Women's Luncheon, as outlined in the scope of work. The current iteration of the Professional Women's Luncheon also includes new features, including participation from regional resource providers such as NOVAworks, SCORE, and Silicon Valley SBDC, who offer free assistance to participants needing business support. The cost of food has also gone up since pre-pandemic time. In addition, since the Chamber assisted in securing a local business to sponsor meals for these events, the City currently does not incur this cost. This sponsorship has been in place for the past two years of the agreement.

Q4-2: When I attended the Professional Women's luncheon, I was told that the food was donated by some business. If that's the case, what does the \$1800 budget (\$450/meeting) cover?

Staff response:

The City's Professional Women's Luncheon has had a local business sponsor that provides lunch for the event. The \$1800 budget to implement the luncheons covers the planning, coordination, and logistical execution of each luncheon, including tasks such as speaker coordination, day-of event setup, development of promotional materials (e.g., flyers), registration management, and outreach to local businesses.

Q5: When I attended concerts by the Cupertino Symphonic Band, they would announce at the beginning of each concert that they have received community grants from the City of Cupertino and thanked the City each time. When I attended the Chamber event, such as the Professional Women's luncheon, I did not get any impression that the luncheon is mainly funded by the City though. Maybe there is the requirement for organizations receiving the community grants, but not through contract?

Staff response:

The Professional Women's Luncheons is a City event, and staff will work to strengthen branding and messaging going forward to further ensure it is clearly understood as a City-funded event hosted by the City of Cupertino. This additional strengthening will build upon existing efforts to clearly communicate the City's role in the event. The luncheon will continue to include opening remarks from the Mayor, as well as communication at the beginning and end of the program highlighting that the luncheon is a City-funded event hosted by the City of Cupertino.

Attachments Provided with Original Staff Report:

- A. Cupertino Chamber of Commerce Fully Executed Agreement & Scope of Work
- B. Quarterly Reports April 2024 through December 2025
- C. Chamber Relationships in Other Cities
- D. Revised Scope of Work (redline)
- E. Revised Scope of Work (clean)
- F. Revised Compensation (redline)
- G. Revised Compensation (clean)
- H. Revised Schedule of Performance (redline)
- I. Revised Schedule of Performance (clean)

Attachments Provided with Supplemental 1:

None