

CITY COUNCILMEMBER REPORT*

Meeting: Wednesday, September 4th, 2024

+for the "Councilmember Reports" agenda item under the "COUNCIL REPORTS" section

Reporting Councilmember: Councilmember Liang Chao

Report Dates: 6/26/24 to 8/26/24

<u>Section 1: Activities by Date (Date, Title, and Description):</u>

NOTE:

- This list does not include internal meetings with staff only, such as prep sessions or meetings with the City Manager.
- This list includes activities to "represent the community I am elected to serve", "to respond to community needs and complaints," and "to communicate policies and programs to residents," among other <u>responsibilities</u> of a City Councilmember.
- Due to my work schedule, I have cut down on the event attendance for ceremonial purposes, especially those I have attended almost every year in the past. Instead, I focus more of my time on constituent services.

2024-06-30 Visit to Special Olympics Games at Cupertino High

- The weekend games have 650 Special Olympics athletes, 200 coaches, and over 1,000 volunteers
- Many participants who are seniors have been participating since their teenage years.
- There are all kinds of sports from walking to running to all kinds of field sports.
- The demonstration games add new categories, such as Bocce Balls..

2024-07-04 Fourth of July Flag Raising and Parade at Memorial Park

- The flag raising ceremony was well attended by families as usual, with flag raising performed by a Scout troop.
- There were no costumes for Councilmembers, but we still had a fun Children's Parade around the Memorial Park.

2024-07-13 The <u>unveiling of the "Thank You, America" Monument</u> at Vietnamese Heritage Garden in San Jose, honoring the veterans of the U.S. and the Republic of Vietnam and the Allies who fought to protect the freedom of South Vietnam

- "City officials allocated \$150,000 during the 2023-24 budget to prepare for the statue's installation and begin work on grading, drainage, creating a defined walking path, tree planting, installing benches, irrigation and vegetation. But plans for the monument date back to 2011 when community leaders began discussing ideas for a memorial to honor American and South Vietnamese soldiers who fought in the Vietnam War." (San Jose Spotlight)

2024-07-16 Followup to the concern about deadline for ACFR: The amended staff report on <u>ACFR for the July 16 Council Meeting</u> confirmed that the concerns brought up by community members about late submittal were valid. The City Staff had confirmed that the FU 2023-24 ACFR is on schedule to be submitted on time.

- "Additionally, there were two questions posed by the City Council relating to the "legal deadline" requirements and the status of the FY 2023-24 audit. In California, there is no "legal deadline" for the ACFR. However, the GFOA's Certificate of Achievement for Excellence in Financial Reporting deadline is December 31 following the end of a June 30 fiscal year unless an extension is filed, which the City has submitted. The City's debt covenants require a draft by March 31, and the City has been working closely with its consultant to ensure compliance. Lastly, the FY 2023-24 audit is on schedule to be completed and presented to the Audit Committee in a special meeting in December" (from the July 16 staff report)
- In the <u>last Council Report</u>, I shared that Cupertino has been submitting ACFR late for the past 10 years, while other cities submitted their ACFRs by December of each year. I would like thank the community members who keep bringing up the issue so that the city can take steps to improve our financial reporting.

2024-07-17 <u>Update from the City Emergency Manager Tom Chin</u> about encampments, in light of recent Supreme Court decision on the issue and the inquiries from residents

"... in light of the recent Supreme Court decision in City of Grants Pass v. Johnson, U.S. Supreme Court Case No. 23-175. This decision overturned the Ninth Circuit Court of Appeals ruling in Martin v. City of Boise. This decision provides the City more flexibility to address encampments in violation of specific local and state ordinances, regardless of the availability of shelter space. However, the City should continue to seek efficient and effective solutions to address encampments in our community while maintaining the health and safety of all residents and businesses." (from the Update)

2024-07-18 interview with Harker student on a research project on Asian women, why they run for public office and the challenges they face when running and while serving as elected officials.

2024-07-25 Taichung City Delegation Visit

- The delegation's visit to the City of Cupertino was at 3:30pm. I was not able to attend since it is

- the middle of the day. And in the past, it was usually the Mayor or Vice Mayor who greeted the deletion, not the full Council.
- I attended the Meet and Greet at the <u>Chicha San Chen Tea House</u> at 4:30pm instead. It was great to hear the interaction between reporters and the Vice Mayor of Taichung City.
 - "This city government vows to construct 10,000 Social Housing Units in the next 8 years to supply affordable housing units" (source) Taichung City Vice Mayor said that there is a 6-year limit for residency with 50% rent reduction in the first year and the rent subsidies reduce every year to support citizens to transition to market-rate housing while building up their savings.
- Besides Bubba tea drinks, <u>Chicha San Chen Tea House</u> also offers free tee making demonstration hourly to showcase Taiwan's tea culture.

2024-07-25 Memo on "<u>Scofield Drive SB330 Preliminary Application pursuant to Builder's Remedy</u>" was posted (The memo was requested by the Council at the July 2 Council meeting after hearing public concerns on the project)

- The memo provides the legal requirements and the city's responsibilities for SB 330 applications and for Builders' Remedy.
- It also includes a list of eight SB330 applications received so far. Four of them are utilizing the Builders' Remedy (BR) provisions of HAA".
- The staff will create a web page soon to provide updates on these projects.

2024-07-28 Residents requested to not shutdown Farmers' Market at De Anza College or find another location for the West Coast Farmers' Market

- Sample emails from residents
- Email from the West Coast Farmers' Market Operator: "West Coast Farmers Market Association has now collected more than 5,000 signatures in support of our Sunday Market ... Secondly I have asked for a Street Closure on Torre Ave. I'm wanting to work with the City and have your Council hit. Home run . Your Residents are asking why did Staff Present such Bogus Expenses when the Creek Side Park is being rented out for \$1.00 a year! With your permission I will put together the best attended and loved Community Service Market Cupertino has ever seen. I request a meeting with City Staff and to be added to your Council Meeting agenda."
- Support letter from West Valley Community Services: "To underscore the impact of WCFMA, over the two-year period from June 1, 2022, to May 31, 2024, the market has donated nearly 245,000 pounds of produce, including baked goods. This remarkable contribution highlights the market's role in combating food insecurity within our community."

2024-07-29 Residents near the 10231 Adriana Avenue expressed concerns about the site that has been rezoned in the Housing Element

- <u>Sample emails</u> from the residents
- <u>Staff response</u> to my questions

2024-08-16 Spoke to residents who are concerned about the lane reduction on De Anza Blvd due to the construction of Buffered Bike Lanes

- Email from resident: "I am a 35-year resident of Cupertino living on Rodrigues Ave. A recent news article on San Jose Spotlight brought to my attention a very concerning change to De Anza Blvd slated for construction later this month. I am asking that you please postpone this project until City Council has had a chance to further study its impact on all residents and local businesses."
- The <u>resident emailed the City Manager and the City Attorney</u> to state that the project approval process is inappropriate: "This CIP was originally approved by City Council in the FY2022-2023 budget on June 9, 2022, with a budget modification and contract awarded on April 16, 2024. In both instances, when Staff presented this project to City Council for budget approval, there was specifically no mention of lane reductions that would occur on De Anza Blvd to accommodate the buffered bike lanes. This was a blatant omission of a key element to this project that would have likely changed or garnished additional discussion from City Council on the project's merits."

2024-08-18 Attended a meeting hosted by the developer of the 20739 Scofield Drive, where a Builder's Remedy/SB 330 pre-application has been filed to build 23 units on an R1 lot.

- According to <u>Cupertino Property Information</u>), the site has 0.19 acre and the currently allowed density is 1-5 units/acre, (according to <u>Cupertino Property Information</u>)
- The developer expressed a willingness to reduce the units to 8-10 units if possible. But some neighbors wish it remained an R1 site or duplex with up to 4 units.
- About 20-30 residents attended the meeting. The main concerns are traffic safety for students going to school at Faria Elementary School, which is an alternative program, where most students do not live in the neighborhood. Another concern is a reduction in property value when such multifamily projects appear in a neighborhood.

2024-08-21 Attended <u>Cupertino Sanitary District Meeting</u> at the request of a resident who is concerned about a request from the Rise (formerly Vallco) to reduce the sewage fees from \$21M a minimal payment by threatening a lawsuit

- One <u>resident wrote</u> "First and foremost, your other customers must not subsidize this project. ... The Vallco owners have just negotiated away \$77M of the over \$120M in City-fees for their Rise project and now they're looking to reduce their sewer-system fees of an estimated \$21M. What will be next?
 - We need to make sure that they pay their fair share. Single family homes are already paying over \$700 annually in property taxes to the Cupertino Sanitary District. If Vallco's costs are higher than the fees they're paying, our taxes will go up."
- The <u>letter from VPO (Vallco Property Owners)</u> to the <u>Sanitary District</u> states: "Despite this limited scope of the proposed horizontal work, the District has recently indicated this work will trigger the requirement to pay the full Sewer Development and Treatment Plant Capacity Fees (referred

- to as the "Fees" here) required for the en Θ re project. We understand that the Fees are estimated to total \$21.6 million (which assumes the initial phase of the project's retail component will be 100% made up of restaurant uses). ... To that end, VPO proposes to provide \$1,000,000 to the District as a good faith deposit at the Θ me of issuance of the main permit for the horizontal work."
- My comment at the Sanitary District meeting: "All that means is just that any rule/policy that applies to all developers should be applied to all developers. Those who have the power to litigate should not be given any leeway that other developers do not get.
 I have heard from other developers that Sanitary District is very strict in applying the adopted policies and ensuring full sewage fees are paid ahead of time before any horizontal construction can start, not just before permits are pulled
 Before you give in to the demand of one developer, please consider whether the same relaxed

<u>2024-08-22 Unhoused Update</u> from Cupertino Emergency Manager Tom Chin on cleanup of encampment

rules would be applied to all other projects?" (from the Comment)

- "The City of Cupertino conducted a coordinated encampment resolution at Saich Way near Target on August 19, 2024. ... The City posted a notice to vacate three business days in advance at the location. The notice informed the individual that any abandoned personal property would be collected and stored for up to 90 days with instructions to retrieve the items." (From the Update)
- "In light of the recent Supreme Court decision in Grants Pass v. Johnson, the City will evaluate the legal and practical options for addressing the encampment in coordination with the County and adjacent jurisdictions. Please note that continuous removal of encampments will incur additional expenses for safe handling, debris removal, and storage of items of apparent value. The City will continue to monitor the situation and respond to any health and safety issues that may arise." (from the Update)

2024-08-22 Commented at the CUSD Board Meeting for the options on Finch Property to clarify that the role of Parkland Impact Fund versus the General Fund, at the request of community members

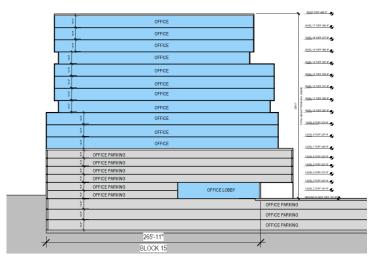
- At the annual update of properties owned by CUSD (<u>presentation</u>), the district has invited a
 consultant to present options for the Finch property, the site next to Sedgwick Elementary School,
 formerly called Sedgwick Expansion site, which CUSD purchased in 2015.
 - 1.5 acres and zoned Low Density 1-5 units/acre
 - Among the 4 options proposed, the second option is city acquisition with the statement "CUSD staff informed City has no funding". But the Council has never discussed this option.
 - I wrote to the CUSD Board (email) to clarify that the Parkland Impact Fees are paid by each development project, which is different from the General Fund. There is certainly enough funding from the Parkland Impact Fees of approved, not built and future projects planned in the Housing Element. The Council decides how to spend the funding.
 - The <u>Presentation</u> includes pro forma analysis of the cost of construction, options to develop as residential projects (to exchange with for-profit developers) or workforce housing, and the potential income generated or subsidies required for these options.

2024-08-24 Kids Fun Festival at Memorial Park, hosted by community organizations of Taiwanese Americans

- It is great to see the Kids Fun Festival return to Cupertino after they held it at TECO in Milpitas, which I also attended.
- There are booths from 10 different nations, including Israel, Iran, Japan. India and some smaller countries, such as Cambodia, Lao, and Uzbekistan.
- Our friendly firemen made a stop with fire truck, in addition to many other fun activities for kids.

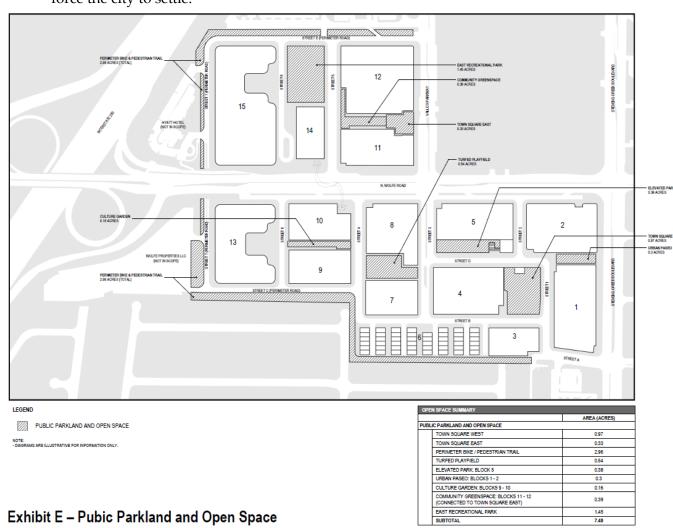
2024-08-25 interview with Monta Vista High student on the Rise (formerly Vallco) project for their student magazine El Estoque

- Office Space: I shared that the project has 2 million square feet of office space, which would likely accommodate 10,000 workers, with the industry standard of 200 sq. ft. per worker. Even with 50 people per bus load, that would mean 200 bus load of people who will commute to the site daily, since usually no more than 5% workers live within walking distance of their jobs.
- The student is curious how tall The Rise will be. I shared that the Vallco Shopping Mall had a height limit of 45-60 feet before, but the 2014 City Council (with 4:1 vote) removed that height limit when they gave away the 2 million sq.ft. office space. They had a chance to restore the height limit in November 2017 when SB 35 was signed into law and will be enacted in Jan. 1 2018, but the majority of the 2017 Council (with 3:2 vote) refused to restore height limit or remove the office allocation. These irresponsible decisions by these previous City Councilmembers have resulted in a SB 35 project with a large amount of office space to worsen the housing crisis, with no height limit.
- **Building Height:** Since the SB 35 project and its revision would not need the Council approval, I had to look up the Plan Set of the Nov. 2013 revision to find out the building height. The tallest building will be 18 stories tall with a height of 409 feet. My email response included screenshots from the Nov. 2013 Plan Set.



OKING SECTION - BLOCK 12, 14

- Green space: The student mentioned that other sources told her that The Rise gave the city 10 acres of green space in the <u>Settlement Agreement</u>. I did not think that information was accurate. Thus, I shared the information with screenshots from the Nov. 2013 Plan Set and the Settlement Agreement to show that the Settlement did not offer the city any additional greenspace then proposed. The total "public open space" (not parkland nor green space) is 7.48 acres, which consist of small pieces of open space here and there.
 - "City agrees that based on the Project program as approved, the Project yields a parkland demand of 9.61 acres, as calculated based on the City's requirement of three acres of park per 1,000 residents and the average household size of 1.8 person per multifamily unit." (From the Settlement Agreement) Out of the 7.38 acres, about 3.5 acres seem to be park or turfed area.
 - The so-called "benefits payments" mentioned in the <u>Settlement Agreement</u> does not cover the full amount of Parkland Impact Fees that VPO (Vallco Property Owner) should have paid the city, as any other developer, if they did not threaten the city with a lawsuit to force the city to settle.



2024-08-26 <u>Agenda request denied</u> for for the discuss lane reduction for the De Anza Buffered Bike Lane project

- Multiple residents have written in to request the Council discuss the lane reduction for the De Anza Buffered Bike Lane project
- A resident has written to point out that the project description presented to the Council when they approved it did not mention anything about the lane reduction. This is a change of scope for the project.
- To ensure that the community understand the rationale for the lane reduction and to ensure the Council understand the project being implemented, I have requested the item to be placed on the September 4th Council agenda since the agenda is pretty light next week. Since the project is going to be constructed soon, we cannot wait until the quarterly review of TBD agenda requests. Thus, I made the request directly to the Mayor, who replied "Staff will be distributing an informational memo on the De Anza design this week."

Section 2: Committee Assignment

2024-08-21 Attended Historic Society Board Meeting as an alternate for Councilmember Hung Wei

- I suggested ideas on how to collaborate with the city to increase visibility for events.

Section 3: Other Information of Interest to My Constituents:

- 1. **Recordings of Commission Meetings**: Starting in June, commission meetings will be recorded for viewing later, although no teleconferencing to allow remote participation.
 - Find the recordings here under each commission.
- 2. SB 330 Preliminary Application and Builders' Remedy Projects
 - An info memo is published on July 25: "<u>Scofield Drive SB330 Preliminary Application pursuant to Builder's Remedy</u>" was posted (The memo was requested by the Council at the July 2 Council meeting after hearing public concerns on the project)
 - The memo also includes a list of eight SB330 applications received so far. Four of them are utilizing the Builders' Remedy (BR) provisions of HAA". Here are their descriptions.

Location and Project	Status	Builder's Remedy/
Description		Density Bonus?
1. 20015 Stevens Creek	 Formal Application 	 Utilizing BR provisions
Blvd (Shan Restaurant	pursuant to SB330	of HAA for
etc.) – 142 apartments,	submitted on May 8,	development
including 28 affordable	2023.	standards including
units	 Project on hold at 	density.
	applicant's request	

Location and Project Description	Status	Builder's Remedy/ Density Bonus?
2. 20770, 20830, 20840, & 20850 Stevens Creek Blvd (Pizza Hut/ Fontana's/Staples) – 59 townhomes with 12 affordable units	 SB330 Preliminary Application submitted on January 29, 2024. Formal Application filed July 22, 2024. 	General Plan density compliant at time of SB330 Preliminary Application submittal. Density Bonus waivers and incentives requested.
United Furniture site – 55 townhomes, including 11 affordable units	 SB330 Preliminary Application submitted on February 14, 2024. No formal submittal. 180-day deadline ends on August 14, 2024. 	General Plan density compliant at time of SB330 Preliminary Application submittal. Density Bonus waivers and incentives requested.
Linda Vista (portion of former McDonald Dorsa quarry, APN 356 05 007) – 30 homes, including six affordable units, and a commercial gymnasium	 SB330 Preliminary Application submitted on February 20, 2024. No formal submittal. 180-day deadline ends on August 18, 2024. 	 Utilizing BR provisions of HAA for standards, including density and land use (commercial use proposed on residential property).
5. 20807, 20813, 20823, and 20883 Stevens Creek Boulevard (Stevens Creek Office Center/Panera Bread) – 139 units, including 28 affordable units, mix of single family, condos and townhomes	 SB330 Preliminary Application filed on April 1, 2024. No formal submittal. 180-day deadline ends on September 28, 2024. 	General Plan density compliant at time of SB330 Preliminary Application submittal. Density Bonus waivers and incentives have been requested.
 21911 Dolores Ave - 5 townhomes, including 1 affordable unit 	 SB330 Preliminary Application submitted on April 15, 2024. No formal submittal. 180-day deadline ends on October 15, 2024. 	 Utilizing BR provisions of HAA for standards including density.

Location and Project Description	Status	Builder's Remedy/ Density Bonus?
7. 20085 Stevens Creek Blvd (Office buildings) - 55 townhomes, including 11 affordable units	 SB330 Preliminary Application submitted on June 27, 2024. No formal submittal. 180-day deadline ends on December 27, 2024. 	 General Plan density compliant at time of SB330 Preliminary Application submittal. Density Bonus waivers and incentives requested.
8. 11841 Upland Way - 6 homes, including two affordable units	 SB330 Preliminary Application submitted on July 15, 2024. No formal submittal. 180-day deadline ends on January 11, 2025. 	 Utilizes BR provisions of HAA for standards, including density.

3. Housing Element Update:

- Highlights of the HE: 4,588 units are required for the HE, but the current HE has planned 5,881 units, about 28% more than required. (May 14 Agenda Item 1, Minutes)
 - By not counting 1,500 units in already approved projects and underestimating the realistic capacity for mixed use projects (counting only 70%), **Cupertino upzoned more properties than required to meet the RHNA requirements.**
 - The density (units/acre) of many sites will increase from 20 units/acre to 50-65 units/acre and some will increase to 65-80 units/acre.
 - Some R1 lots in residential neighborhoods are upzoned to R3-TH designation to allow 5-10 units/acre.
 - R1 corner lots will be allowed to develop with R2 standards to allow duplex, triplex or quadruplex. (Every R1 lot already allows up to 3 ADUs due to state laws)

- Broken HE Process so far....

- The final draft of the Housing Element and the General Plan amendment are approved by the majority of the Council on May 14. Unfortunately, the environmental impact analysis has minimal information, even though we are looking at an unprecedented growth rate with over 6,200 units to be permitted in 8 years.
- Although this is the first Council meeting where the draft Housing Element is on the agenda for discussion, there were no written answers provided from the staff, as normally provided for other items on the Council agenda. Given the time constraints, only a few questions were covered on the dais. Thus, many questions from the community and the council members still left unanswered:
 - Here are some questions submitted and some with answers: <u>15 more questions</u> without answers, <u>questions are corner lots</u> with answers, <u>additional questions from the community</u> without answers.
- Latest: The ordinance to upzone properties is adopted at the July 2 Council meeting (Agenda Item 7, Minutes)

- The staff recommendation already meets all legal standards and HCD's requirements, but Cupertino adopted an ordinance to upzone thes HE sites plus unnecessary provisions proposed by Councilmembers Fruen and Wei to relax the zoning standards.
 - Chao moved and Moore seconded to approve the staff recommended action with minor adjustments. The motion did not pass. Councilmembers Fruen and Wei proposed several significant revisions to relax the zoning standards after the public comment closed, which increased allowed floor-area-ratio, increased allowed lot coverage, reduced parking standards. reduced setback and given the staff authority to make more changes to increase "flexibility". The Council voted 3-2 to pass the much relaxed zoning standards.
- **Next Step**: There will be design standard updates, such as R2 standards for the corner lots. and other ordinances to implement the policies outlined in the Housing Element.

3. Information Memo posted on the City website:

City Council Informational Memos are now available on the City website. The information can be accessed from the City website at cupertino.org/memos and the City Councilmembers page. You can also find the page via the "Our City" banner and by entering search terms in the "Search the Site" box at the top of the website. Anyone may use the eNotification signup to receive informational memo updates by email.

4. How to Search an agenda item:

A community member showed me a way to search for items on the past city meetings:

- Go to this page: https://cupertino.legistar.com/Calendar.aspx
 - Make sure that "Calendar" is selected from the top row of tabs and the "List View" is selected from the bottom row of tabs.
 - Enter the search term, such as "investment report". Choose the year or select "All Years"



(Last Activity Report in the <u>July 2, 2024 Council Meeting Agenda</u>.)