

CC 06-02-20

Study Session # 1  
CIP

Presentation

# Study Session on the Capital Improvement Program (CIP)

June 2, 2020



**CITY OF  
CUPERTINO**



## Study Session Agenda

- FY20-21 Proposed projects
- FY19-20 Projects proposed for one-year deferral
- Financial uncertainty of COVID-19 on capital reserves



## FY20-21 Project Prioritization

- Council Priority
- City-wide and Community-wide Benefit
- Health and Safety
- Part of Master Plan or Condition Assessment
- Ongoing expenditure reduction
- Availability of external funding and/or grants
- Ability to complete Feasibility, Design and Construction phases

# FY20-21 Proposed Projects

#	Project	FY 20/21 Total Budget	External Funded	City Funded
1	Annual Playground replacement	\$300,000		\$300,000
2	BBF Golf Course Alternatives Analysis	\$50,000		\$50,000
3	Park Amenity Improvements- Citywide	\$200,000		\$200,000
4	Stevens Creek Blvd CI IV Bikeway Ph 2 - Design	\$350,000	\$350,000	\$0
5	Traffic Calming	\$200,000		\$200,000
6	Retaining Wall Repair - Cordova Road	\$25,000		\$25,000
7	Quinlan Community Center Emergency Generator	\$350,000	\$217,000	\$133,000
8	Quinlan Community Center HVAC Equip Evaluation	\$59,500		\$59,500
9	Sports Center Facility Needs Analysis	\$25,000		\$25,000
	<b>TOTAL</b>	<b>\$1,559,500</b>	<b>\$567,000</b>	<b>\$992,500</b>

# Annual Playground Replacement



Replacement of older playground equipment that is dated and worn starting with Creekside Park in Year 1 followed by Varian Park in Year 2

**Estimated Project  
Cost: \$300,000 annually**

# BBF Golf Course Alternatives Analysis



A study to determine options for the BBF Golf Course from minor repairs, major renovations to alternative use.

**ESTIMATED PROJECT COST: \$50,000**

# Park Amenity Improvements - City-wide



Funding for various park amenities such as benches, hydration stations, outdoor table tennis, cornhole, shade (structures and/or trees), dog-off-leash, pickleball striping, etc

Estimated Project Cost: \$1,000,000 (5-year total), \$200,000 annually



# Stevens Creek Blvd Class IV Bikeway Ph 2 Design



The next Phase of the SCB CI IV bikeway, from Wolfe Road to US-85. Design includes signal improvements and a concrete island separating vehicles from bicyclists.

**Estimated Project Cost: \$350,000**

Est. Measure B Funding: \$350,000

# Traffic Calming



Funding to respond to citizen requests for traffic calming to reduce vehicle speeds, improve pedestrian and bike safety. Improvements include RRFB's, speed tables, raised crosswalks, bulb-outs and bollards City-wide

**Estimated Project Cost:** \$1,000,000 (5-year total), \$200,000 annually

# Cordova Road Retaining Wall Repair



Replace failing retaining wall lagging with City forces

**Estimated Project Cost: \$25,000**

## Quinlan Community Center Emergency Generator



Provides reliable emergency back-up power for QCC which is a designated cooling center

**Estimated Project Cost: \$350,000**  
**(PG&E Grant: \$217,000)**



# Quinlan Community Center HVAC Equipment Evaluation



Evaluate the existing equipment and operations to identify cost effective heating and cooling solutions.

Estimated Project Cost: \$59,500

# Sports Center Facility Needs Analysis



Evaluate the potential long-term needs of the facility, the cost of renovations and repairs and the cost effectiveness of those improvements

Estimated Project Cost: \$25,000

# FY20-21 Budget Recommendations - New

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## FY20-21 Budget Recommendations – Multi - Year

#	Project	5-year Estimated Cost	Prior Years	FY 20/21	FY21/22	FY 22/23	FY 23/24	FY 24/25
1	ADA Improvements	\$475,000	\$325,000	\$85,000	\$90,000	\$95,000	\$100,000	\$105,000
2	Capital Project Support	\$250,000	\$150,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
3	CIP Preliminary Planning and Design	\$625,000	\$375,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
4	Street Light Installation - Annual Infill	\$375,000	\$105,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
	<b>TOTAL</b>	<b>\$1,725,000</b>	<b>\$955,000</b>	<b>\$335,000</b>	<b>\$340,000</b>	<b>\$345,000</b>	<b>\$350,000</b>	<b>\$355,000</b>





## **FY19-20 Projects Recommended for One-Year Deferral**

- All-Inclusive Play Area
- Stevens Creek Corridor Master Plan
- Bike Boulevard Project Phases 1, 2, 3  
(permanent improvements only)
- Orange Avenue Sidewalk

# All-Inclusive Play Area

- Jollyman Park
- County grant
- Fundraising is key aspect
- Working with County to adjust goal





## Stevens Creek Corridor MP

- Draft preferred alternative presented April 2016 - no action taken
- Citywide Parks & Rec Master Plan proceeded
- No deadline for this MP
- Golf Course decision is key for MP
  - Alternatives analysis is recommended for FY 20-21

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## **Bike Boulevard Phases 1, 2, 3**

- Phase 1 (Portal and Merritt) completed with speed tables and pop-up bulb-outs
- Pop-up bulb-outs effective as interim solution in most instances
- Phases 2 and 3 can be similarly improved with less permanent options

## Examples of completed interim improvements





## Orange Avenue Sidewalk

- Byrne Ave Sidewalk project completed FY19-20
  - Provides reasonable ped access for neighborhood
- Orange Ave ROW donations delayed due to COVID-19



## Completed Improvements on Bryne Ave.





## Effect of Covid-19 Financial Uncertainty on Capital Reserves

- Prior year GF contributions to reserves
- Zero GF contributions for the next 5 years
- Need to maintain minimum of \$2M in capital reserve for unknowns





## FY19-20 Projects Funding and Status

- Financial information for the CIP can be accessed [here](#) on OpenGov
- Project status can be accessed [here](#) on CIP dashboard



## Next Steps

- Receive Council direction on new projects.
- Receive Planning Commission approval that the Proposed CIP is in Conformance with General Plan
- Incorporate Comments and return for Budget Adoption on June 16, 2020



# Comments and Questions

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FY 2020-21 City Work  
Program

Presentation

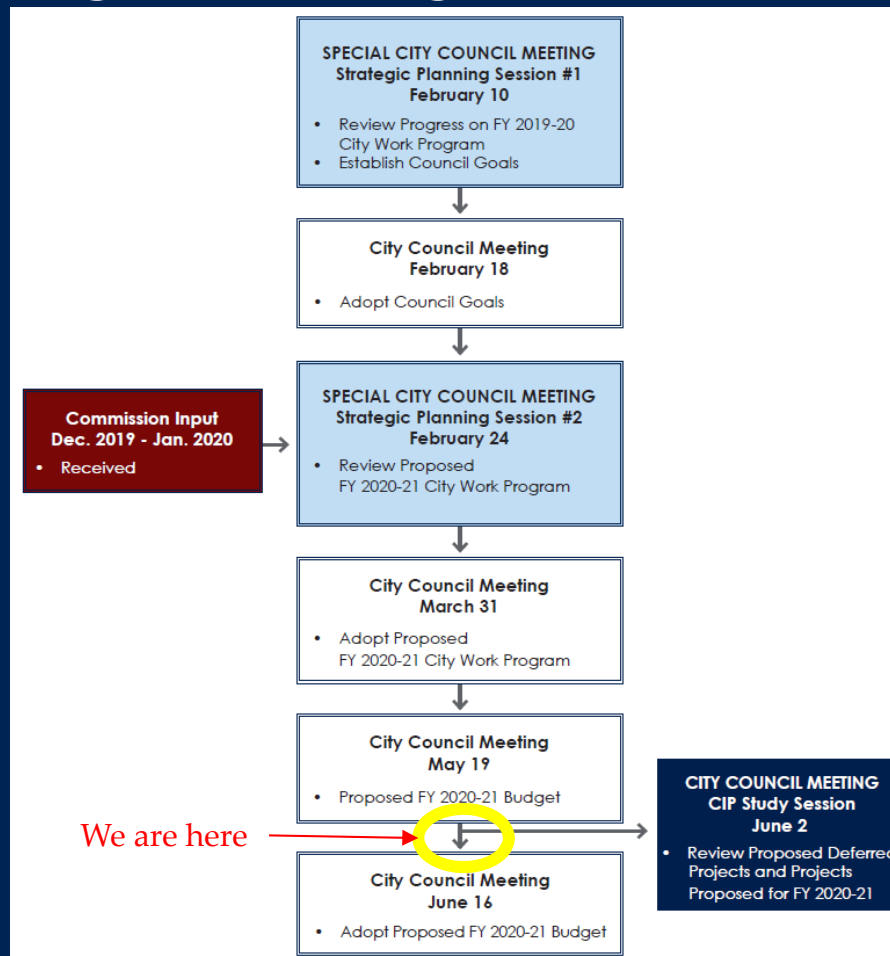
# Update FY 2020-21 City Work Program

June 2, 2020



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# Strategic Planning Process





## Background

- FY 2020-21 City Work Program was adopted on March 31
- Subsequently revised in response to impacts from COVID-19
- COVID-19 also delayed some items in FY 2019-20 City Work Program scheduled for completion by June 2020
  - These items will continue to be worked on and completed



## **FY 2019-20 City Work Program Items Delayed Due to COVID-19**

- Smart City
  - Public Safety Surveillance
    - Shelter in Place (SiP) has delayed installation of City surveillance cameras
- Public Engagement
  - Consider New Commissions and Committees
    - SiP has delayed meeting with the Economic Development Committee
  - Marketing Project
    - SiP has delayed meeting with the Fine Arts Commission





## **FY 2019-20 City Work Program Items Delayed Due to COVID-19**

- Operational Efficiency
  - Workforce Planning
    - COVID-19 work has taken priority for Administrative Services and this work was delayed
- Public & Private Partnerships
  - Art in Unexpected Places
    - SiP has delayed meeting with the Fine Arts Commission
- Community Livability
  - Lawn Buster Drought Tolerant Planting Pilot
    - Due to the economic impacts of COVID-19, the scope was revised to reduce costs, delaying contracting and implementation



## **FY 2019-20 City Work Program Items Delayed Due to COVID-19**

- Community Livability (Continued)
  - Short-Term Rentals (STRs)
    - Draft Ordinance is complete but the item is delayed to determine what TOT and STR activity might be expected to offset enforcement costs
  - Lawrence Mitty
    - The County has delayed their review of sale due to their focus on COVID-19
  - Use of Athletic Fields in Parks
    - SiP has delayed meeting with the Parks and Recreation Commission



## **FY 2019-20 City Work Program Items Delayed Due to COVID-19**

- Community Livability (Continued)
  - Comparative studies...for mixed use developments and high density residential guidelines...
    - COVID-19 has become the focus of other cities and has slowed coordination
  - Dark Sky/Lights Out Policy and Bird Safe Design Guidelines
    - COVID-19 has slowed coordination efforts



## Recommended Updates to FY 2020-21 City Work Program

- Public Engagement and Transparency
  - New City Seal/Logo
    - Recommended for removal as it is not a high priority and can be deferred to future years (est. \$150,000 savings)
- Housing
  - Housing Strategies
    - Updated to specify that it referred to “Affordable Housing Strategies” and to include a density bonus ordinance update



## Recommended Updates to FY 2020-21 City Work Program

- Sustainability and Fiscal Strategy
  - Single-Use Plastics Ordinance
    - While continuing with development of the ordinance, the item was revised to delay implementation as additional regulations for businesses may not be timely given the economic impacts of COVID-19
  - Climate Action & Adaptation Plan Updates
    - Revised to incorporate a phased approach to bring portions of the project in-house to manage costs (est. \$150,000 savings, though costs in FY 2021-22 will be determined based on the analysis completed in FY 2020-21)



## Recommended Updates to FY 2020-21 City Work Program

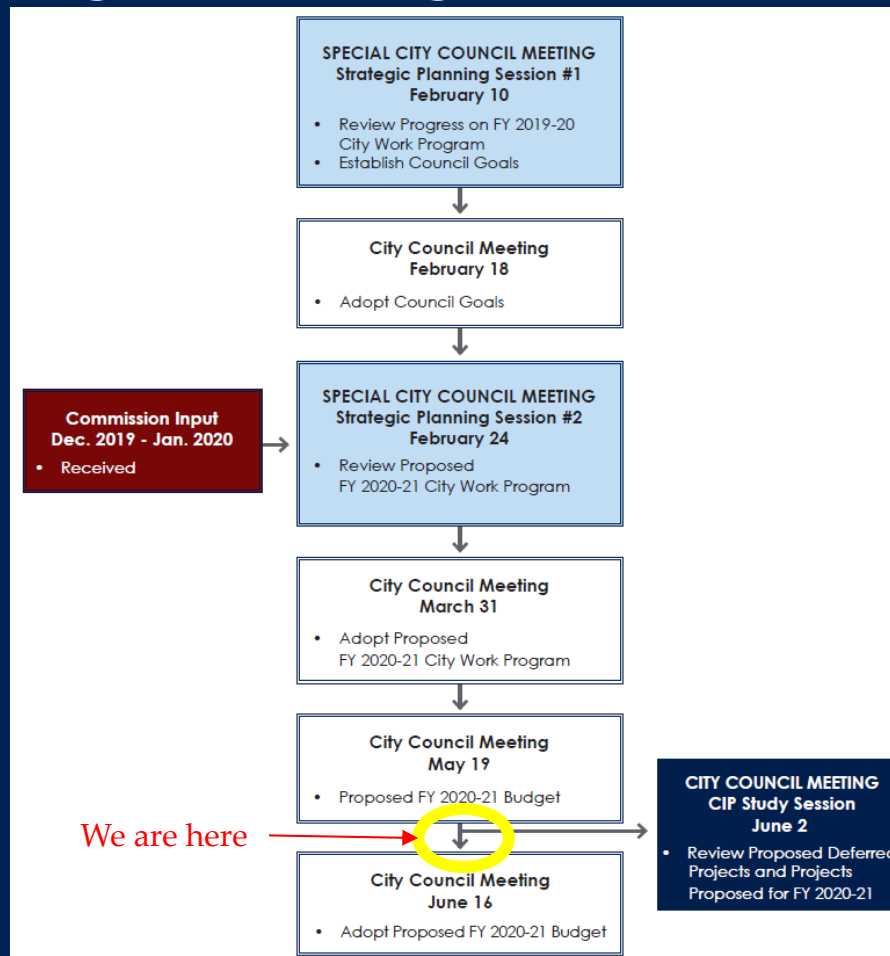
- Sustainability and Fiscal Strategy (Continued)
  - Pilot – Trash Collection Based on Volume (at City-owned properties only)
    - Recommended for removal as it can be deferred to future years (est. \$30,000 savings)
  - Public Infrastructure Financing Strategy
    - Revised to reflect updated timelines
- Modernize Business Tax & Analyze Potential Revenue Measures
  - Recommended for removal as the timing is not ideal given the economic impacts of COVID-19 (est. \$25,000 savings)



## Recommended Updates to FY 2020-21 City Work Program

- Quality of Life
  - Emergency Services Continuity of Operations Plan (COOP)
    - Revised to reflect a lower budget due to contract negotiation (est. \$13,000 savings)
  - Heart of the City Plan
    - Recommended for removal as it can be deferred to future years (est. \$1,000,000 savings)
  - Review and Update General Plan & Muni Code
    - Revised to reflect progress by the Planning Commission
  - Vallco Specific Plan
    - Recommended for removal (est. \$650,000 savings)

# Strategic Planning Process





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Tax Measure Polling and  
Strategy for November  
2020 ballot

Presentation

# Tax Measure Polling and Strategy

June 2, 2020



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# Background

- Property tax increases from 6.25% to 7.0%
- Transient occupancy tax (TOT) increased from 10% to 12% in 2012
- Sales tax increases through localization agreements

# Current Status

- COVID-19
- Sharp revenue declines
- Recessionary period
- Structural deficit
- Capital financing

# Tax Measures - TOT

Pros	Cons
\$1.7M annually	May not be sufficient to help General Fund long-term
Paid by non-residents	Increase would make City one of the highest in region
Relatively high approval rates	

# Tax Measures – Transaction and Use Tax (TUT)

Pros	Cons
\$3M-\$4M annually	Sales tax correlated with overall economic trends
Maintains local control	TUT not applicable to B2B
City remains fairly proportional	Affects up to 60% of sales tax base
Burden spread across residents, businesses, visitors	Burden spread across residents, businesses, visitors

# Tax Measures – Parcel Tax

Pros	Cons
\$3.6M annually	Flat rate often considered regressive
Not impacted by economic downturns	Variable rate has larger impact on commercial/office/industrial
Flexibility in design/structure	Burden confined to residents and businesses

# Tax Measures – Utility Users Tax (UUT)

Pros	Cons
\$1.3M for 1% increase	Forecast revenues show no or declining growth
Less volatile to economic declines	Success rates are lower
Not a strong deterrent to business compared to other regions	Doubling the current 2.4% rate would put City atop of regional range



# Tax Measures – Business Tax (Head Tax)

Pros	Cons
Generate largest amount of annual revenue (\$8M-\$10M)	Would require a tiered application to businesses
Less impacted by overall economic trends	Commonly said to be a tax on jobs that could impact prospect in community
Inflationary indices may be applied	

# Timeline to November 2020 Ballot

Date	Action
Week of June 1 <sup>st</sup>	Contract award
Week of June 1 <sup>st</sup>	Project kick-off
Week of June 8 <sup>th</sup>	Finalize survey, conduct polling
Week of June 23 <sup>rd</sup>	Process and weight data
July 7 <sup>th</sup>	Presentation to Council
July to mid-August	Public information dissemination
July 21 <sup>st</sup>	1 <sup>st</sup> Reading of Ordinance
August 4 <sup>th</sup>	2 <sup>nd</sup> Reading of Ordinance
August 7 <sup>th</sup>	Registrar of Voters deadline
August 18 <sup>th</sup>	Submittal of impartial analysis
November 3 <sup>rd</sup>	Election Day

# Staff Recommendation

1. Provide direction to move forward with a polling and strategy firm to explore transient occupancy tax (TOT) measure for the November 2020 ballot
2. Approve a budget adjustment of \$55,000 to retain polling and strategy firm

**Questions?**

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#19

Recordkeeping Duties-  
Closed Sessions

Presentation

# **Recordkeeping Duties-Closed Sessions**

Cupertino City Council

June 2, 2020



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## Draft Resolution

Reaffirms the City Clerk as the  
designated closed session minute keeper



## **Draft Ordinance**

Clarifying amendments to Cupertino  
Municipal Code Section 2.20.010(C),  
Recordkeeping Duties of the City  
Clerk, Minute Book for Closed Sessions





## Draft Ordinance

- The City Council may authorize the City Manager and/or the City Attorney to view the minute book for specific entries.
- Consistent with FPPC regulations, councilmembers who recused themselves from specific meetings may not access the minutes for those meetings.
- Consistent with Gov Code section 54957.2, access is allowed to members of the City Council and to a court of general jurisdiction wherein the City lies.



## Recommended Action:

1. Adopt Resolution No. 20-070 rescinding Resolution No. 20-014 thereby removing the designation of the City Manager as the City employee/officer to attend City Council closed sessions and keep minutes and confirming the City Clerk as the Designated employee/officer to attend city council closed sessions and keep minutes; and
2. Conduct the first reading of Ordinance No. 20-2205: "An Ordinance of the City Council of the City of Cupertino Amending City Code Section 2.20.010 (Recordkeeping Duties-Closed Sessions) of Chapter 2.20 (City Clerk) To Title 2 (Administration and Personnel) to Clarify Limited Access to Closed Session Minutes."

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#21

Complete Streets  
Commission

Presentation

# Cupertino Complete Streets Commission



**CUPERTINO**

June 2, 2020



## **Staff Recommendation**

- Conduct the first reading of Ordinance 20-XXX; "an ordinance of the City Council of the City of Cupertino amending Chapter 2.92 of the Cupertino Municipal Code to establish the Complete Streets Commission."

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## Background

- Bicycle Pedestrian Commission established in 2002
- 5-member commission tasked with:
  - Update the Bike and Ped plans;
  - To receive public input pertaining to bike and ped transportation issues;
  - To make recommendations regarding the implementation of bike and ped transportation improvements and allocation of funds for bike and ped projects;



## Background

- Efficient to have one transportation commission that considers all modes of travel
- Growing need to consider transit needs
- Additional responsibilities proposed:
  - Traffic calming and enforcement
  - Work more closely with TICC, Public Safety and Sustainability Commissions
  - Expand to seven members



## Staff Proposal

- Create “Complete Streets Commission”
- Similar to models used in Menlo Park, Los Altos and Los Gatos
- Will still function as a bicycle and pedestrian advisory body in order to remain eligible for grant funding, but with expanded responsibilities





## Staff Proposal

- 7-member commission tasked with:
  - To help create multi-modal transportation solutions and policies that enable safe, attractive, comfortable, and independent access and travel for pedestrians, bicyclists, transit users, and motorists of all ages and abilities, and meet the regional requirements for functions and role of a Bicycle and Pedestrian Advisory Committee;
  - To advise the City Council on projects and priorities for transportation-related capital improvements;
  - To advise the City Council on City policies related to traffic congestion and traffic calming;
  - To provide for community engagement and serve as a conduit for community input



## **Recommended Action**

- Conduct the first reading of Ordinance 20-XXX; "an ordinance of the City Council of the City of Cupertino amending Chapter 2.92 of the Cupertino Municipal Code to establish the Complete Streets Commission."

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**Questions?**

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# **Cupertino Complete Streets Commission**



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June 2, 2020