

CC 10-20-20

#9

Interim Budget and Key
Projects Update

Presentation

Interim Budget and Key Projects Update

October 20, 2020



CUPERTINO



Budget Update - Revenues

- Sales tax at 56% of budget and 109% over FY 19-20
- Transient occupancy tax at 3% of budget and 86% below FY 19-20
- No net effect and no bottom-line adjustments recommended at this time



Budget Update – Fund Balance

- FY 19-20 General Fund fund balance projected at \$65.5M
 - \$28.4M in unassigned
- FY 20-21 General Fund fund balance projected at \$72.6M
 - \$31.7M in unassigned



Budget Update – Fund Balance

- Retain reserve to absorb COVID-19 impacts
- Transfer to Capital Reserve (Mid-Year)
- Increase Economic Uncertainty and Pension Reserves



Key Project Update

Regnart Creek Trail

- Fencing selections by residents finalized
- Permitting is ongoing
- Out-to-bid in November/December
- Council authorization in January/February



Key Project Update

Transit Center at SR85/SCB

- VTA Board accepted PAB recommendation on Oct. 1st
- Additional VTA analysis to occur for long median transit lane with stations
- Allocation of \$350M Measure B funds is unknown



Key Project Update

Gateway Process

- Amendments are being prepared based on input from City Council on 7/7/2020
- Presentation to Planning Commission slated for fall 2020 and City Council for winter 2020



Key Project Update

Vallco Engagement

- No longer applicable due to upheld SB 35 project



Key Project Update

Library Expansion

- Design Build contract awarded in August
- Design development is ongoing
- Demolition of existing structure is scheduled for February 2021
- Completion is scheduled for December 2021



Key Project Update

Lawrence Mitty

- Acquisition of property completed in September
- Annexation into Cupertino in process



Key Project Update

Objective Standards

- Proposed amendments are being evaluated
- General Plan amendments will be presented to City Council winter 2020



Questions?

CC 10-20-20

#10

Leaf Blower Regulations

Presentation

Leaf Blower Regulations

October 20, 2020



CUPERTINO



Background

- FY 20/21 CC Work Program Item
- Noise concerns
- Policies and ordinances in other cities



Current Regulations

- No specific regulations re: leaf blowers
- “Landscape maintenance activities” regulated under CMC Chapter 10.48 Community Noise Control
 - **Exempt** from noise standards:
 - Daytime: 60 decibels; Nighttime: 50 dBA
 - Hours of operation: As specified in the Code

Complaints – Data Jan. 2015 – Jul. 2020

Leaf Blowers				
	Commercial/ Office	Single-Family Residential	Multi- Family	Total
Too Loud	2	1	0	3
Too Early	4	2	1	7
Loud & Early	2	3	0	5
Total	8	6	1	15
Other Landscape Complaints (maybe Leaf Blowers)				
	Commercial/ Office	Single-Family Residential	Multi- Family	Total
Too Loud	1	1	0	2
Too Early	0	9	1	10
Loud & Early	0	0	0	0
Total	1	10	1	12

Comparison of Existing Leaf Blower Regulations

Jurisdiction	Residential Zones	All other Zones	Noise Level
Palo Alto	<ul style="list-style-type: none"> Gas blowers prohibited Electric blowers allowed 	<ul style="list-style-type: none"> Gas and electric blowers allowed 	65 dBA or less measured 50 feet from source*
Sunnyvale	<ul style="list-style-type: none"> Gas and electric blowers allowed 	<ul style="list-style-type: none"> Gas and electric blowers allowed 	65 dBA or lower at 50 feet on residential properties and non-residential sites adjacent to residential sites*
Los Altos	<ul style="list-style-type: none"> Gas blowers prohibited Electric blowers allowed 	<ul style="list-style-type: none"> Gas blowers prohibited Electric blowers allowed 	Limited by zoning district (45 dBA in R1 zones to 60 dBA in Commercial zones)*
Saratoga	<ul style="list-style-type: none"> Gas and electric blowers allowed 	<ul style="list-style-type: none"> Gas and electric blowers allowed 	65 dBA or less measured 50 feet from source*
Los Gatos	<ul style="list-style-type: none"> Gas blowers prohibited Electric blowers allowed 	<ul style="list-style-type: none"> Gas blowers prohibited Electric blowers allowed 	65 dBA or less measured 50 feet from source*
Cupertino (Existing - No specific regs)	<ul style="list-style-type: none"> Gas and electric blowers allowed 	<ul style="list-style-type: none"> Gas and electric blowers allowed 	Exempt from noise limits in Municipal Code

*ANSI Methodology or equivalent

Comparison of Hours of Operation

Jursidiction	Weekdays	Saturday	Sunday	Holidays
Palo Alto	9 a.m. to 5 p.m.	10 a.m. to 4 p.m.	Prohibited	Prohibited
Sunnyvale	8 a.m. to 8 p.m.	8 a.m. to 8 p.m.	8 a.m. to 8 p.m.	8 a.m. to 8 p.m.
Los Altos	9 a.m. to 5 p.m.	9 a.m. to 5 p.m.	9 a.m. to 5 p.m.	9 a.m. to 5 p.m.
Saratoga	8 a.m. to 5 p.m.	10 a.m. to 5 p.m.	Prohibited	No mention
Los Gatos	8 a.m. to 5 p.m.	9 a.m. to 4 p.m.	Prohibited	Prohibited
Cupertino (Current)	8 a.m. to 8 p.m.	9 a.m. to 6 p.m.	9 a.m. to 6 p.m.	9 a.m. to 6 p.m.

Proposed Leaf Blower Regulations

- **Noise limitations:** Limit noise to 65dBA at 50 feet by allowing only “Certified leaf blowers”
- **Type of blower by use:**
 - Electric leaf blowers: Allowed in all zones
 - Gas leaf blowers: Allowed in all zones except single family residences, duplexes and tri-plexes
- **Hours of operation:** No changes proposed to hours of operation



Comparison of Proposed Regulations

Jurisdiction	Residential Zones	All other Zones	Noise Level
Palo Alto	<ul style="list-style-type: none"> ▪ Gas blowers prohibited ▪ Electric blowers allowed 	<ul style="list-style-type: none"> ▪ Gas and electric blowers allowed 	65dBA or less measured 50 feet from source*
Sunnyvale	<ul style="list-style-type: none"> ▪ Gas and electric blowers allowed 	<ul style="list-style-type: none"> ▪ Gas and electric blowers allowed 	65 dBA or lower at 50 feet on residential properties and non-residential sites adjacent to residential sites*
Los Altos	<ul style="list-style-type: none"> ▪ Gas blowers prohibited ▪ Electric blowers allowed 	<ul style="list-style-type: none"> ▪ Gas blowers prohibited ▪ Electric blowers allowed 	Limited by zoning district (45 dBA in R1 zones to 60 dBA in Commercial zones)*
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Cupertino (Proposed)	<ul style="list-style-type: none"> ▪ Gas blowers prohibited ▪ Electric blowers allowed 	<ul style="list-style-type: none"> ▪ Gas and electric blowers allowed 	65 dBA or less measured 50 feet from source*

*ANSI Methodology or equivalent



Proposed Effective Date

- Two-year grace period (similar to Saratoga)
 - Education and understanding
 - Acquisition of new equipment
- Outreach Plan:
 - Citywide postcard mailers
 - Local nurseries and landscape companies
 - Cupertino Scene
 - FAQ page on website



Planning Commission Review – 9.22.20

- Voted against adoption of proposed regulations 0-4-1 (absent – Saxena) for following reasons:
 1. Lack of necessity based on low number of complaints (~ three/year since 2015);
 2. Difficulties for Code Enforcement to regulate;
 3. Inequitably harm small business owners;
 4. Do not merit passage and is not worthy of advancing, and;
 5. Overregulation



Environmental Review

- Exempt from CEQA by:
 - Section 15061 (b) (3)
 - Section 15308



Public Noticing and Outreach

Notice of Public Hearing, Site Notice & Legal Ad

- Legal ad placed in newspaper (at least 10 days prior to hearing)
- Display ad placed in newspaper (at least 10 days prior to hearing)

Agenda

- Posted on the City's official notice bulletin board (four days prior to hearing)
- Posted on the City of Cupertino's Web site (four days prior to hearing)



Recommended Action

- Find that the proposed actions are exempt from CEQA, and;
- Conduct the first reading and consider adopting the Draft Ordinance.



Proposed Leaf Blower Regulations

	Certified Gas-Powered Leaf Blowers	Certified Electric Leaf Blowers
Residential (single family, duplexes, triplexes)	Prohibited	Permitted
Non-Residential and Multi-family, or Mixed-Use	Permitted	Permitted
City Property	Permitted	Permitted

Enforcement – Historical Data

Leaf Blowers (Jan. 2015-Jul. 2020)				
Property where noise generated Type of Complaint	Commercial/ Office	Single-Family Residential	Multi-Family	Total
Too Loud	2	1	0	3
Too Early	4	2	1	7
Loud & Early	2	3	0	5
Total	8	6	1	15

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#11

Minor Amendments to
Cupertino Municipal Code

Presentation

Minor Amendments to Cupertino Municipal Code

October 20, 2020



**CITY OF
CUPERTINO**



Cancellation of Regular City Council Meetings (Section 2.04.010)

- Currently, the Code does not provide a method to cancel a future meeting and the Clerk must adjourn the meeting at 6:45 p.m. the day of.
- Proposed amendment :
 - Allows Council to cancel a future regular meeting by majority vote.




City Manager's Power to Sign Purchase Orders, Contracts, Conveyances, and Other Instruments (Section 2.28.040)

- Currently, state Government Code provides that the mayor signs unless another designee is authorized.
- Proposed amendment clarifies that:
 - The City Manager may sign these types of documents whenever such documents have been approved by the Council for execution by the City Manager.
 - Purchasing Officer as provided in the Municipal Code may sign documents that they have authority to approve or award.



Service Animals in City Buildings (Section 8.01.090)

- Currently, the Code prohibits animals in most City-owned or managed buildings except guide dogs.
- Proposed amendment :
 - Conforms to the Americans with Disabilities Act, allowing service animals in all public areas of facilities.



Bicycle Licensing and Registration (Chapter 11.08)

- Currently, bicycle license and registration is required but is not enforced or used for the original purpose of aiding law enforcement in recovery lost/stolen bikes.
- Proposed amendment :
 - Removes the bicycle licensing and registration requirement.



Allow City-Sponsored Programs During Park Curfew Hours (Section 13.04.190)

- Currently, the Code prohibits use of City parks during curfew hours (10 p.m. – 6 a.m.), including camping and parking.
- Proposed amendment :
 - Allows the Director of Parks and Recreation to waive park curfew, on a park-by-park basis, for the Cupertino Campout or other official City programming.



Recommended Action

- Conduct the first reading of Ordinance No. 20-2214: “An Ordinance of the City Council of the City of Cupertino amending Cupertino Municipal Code Section 2.04.010 (concerning regular meetings of the City Council); Section 2.28.040 (concerning powers and duties of the City Manager); Section 8.01.090 (concerning animals in City buildings); Chapter 11.08 (concerning bicycle licensing and registration); and Section 13.04.190 (concerning activities prohibited in City parks).”

CC 10-20-20

#12

Minimum Wage Update

Presentation

Ordinance for a One-Time Adjustment to Cupertino 2021 Minimum Wage

October 20, 2020

Angela Tsui, Economic Development Manager



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CUPERTINO**

A vertical decorative bar on the left side of the slide, featuring a dark blue background with a complex, abstract pattern of lighter blue geometric shapes, including triangles and curved lines, creating a sense of depth and movement.

Background

- In April 2016 Governor Brown signed the Minimum Wage Law SB 3, which increases the State minimum wage to \$15 by 2022.
- Recognizing the higher cost of living in Silicon Valley, the Cities Association recommended cities increase to \$15 by 2019.
- Key findings in the economic analysis indicated an increase to the minimum wage would significantly increase average earnings of low-wage workers and their families, with relatively minor impacts to businesses and consumers.

Background

- In 2016 City Council approved Ordinance 16-2151 and the minimum wage for 2017 was \$12 with the intent to reach \$15 in 2019.

Effective Date	Cupertino Schedule	State Schedule	
		More than 25 EE	25 or less EE
January 1, 2017	\$12.00	\$10.50	\$10.00
January 1, 2018	\$13.50	\$11.00	\$10.50
January 1, 2019	\$15.00	\$12.00	\$11.00
January 1, 2020	\$15.35	\$13.00	\$12.00
January 1, 2021	\$15.65*	\$14.00	\$13.00
January 1, 2022	\$16.00*	\$15.00	\$14.00
January 1, 2023	\$16.40*	\$15.30**	\$15.00

* Estimate based on the historical CPI-W in Bay Area Statistical Area of 2.2%

** Estimate based on the historical CPI-W in U.S. of 1.7%



Background

- At that time other South Bay cities adopted similar ordinances.
- Cupertino, along with the neighboring cities of Los Altos, Palo Alto, and Santa Clara established a \$12 minimum wage rate for 2017.
- Annual adjustment amounts for all four cities were the same for 2018 and 2019.
- Cupertino's minimum wage rate diverged in 2020 due to a calculation difference (rounding down vs. up).

Current Ordinance

(b) Effective January 1, 2017, the Minimum Wage shall be an hourly rate of twelve dollars (\$12.00). On January 1, 2018, the minimum wage shall be an hourly rate of thirteen dollars and fifty cents (\$13.50). On January 1, 2019, the minimum wage shall be an hourly rate of fifteen dollars (\$15.00), except when these scheduled increases are temporarily suspended under subdivision (f). To prevent inflation from eroding its value, beginning on January 1, 2020, and each January 1st thereafter, the Minimum Wage shall increase by an amount corresponding to the increase, if any, in the cost of living, not to exceed 5%. The prior year's increase in the cost of living shall be measured by the percentage increase, if any, as of August of the immediately preceding year of the Bay Area Consumer Price Index (Urban Wage Earners and Clerical Workers, San Francisco-Oakland-San Jose, CA for All Items) or its successor index as published by the U.S. Department of Labor or its successor agency, with the amount of the Minimum Wage increase rounded to the nearest multiple of five (\$.05) cents. If there is no net increase in the cost of living, the minimum wage shall remain unchanged for that year. The adjusted Minimum Wage shall be announced by October 1st of each year, or as soon as practicable thereafter if the Consumer Price Index for August has not yet been published, and shall become effective as the new Minimum Wage on January 1st of the following year.

Current 2020 Rates in Santa Clara County

CITY	EFFECTIVE DATE	HOURLY RATE OF PAY
Campbell	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Cupertino	01/01/2020	\$15.35
Gilroy	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Los Altos	01/01/2020	\$15.40
Los Altos Hills	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Los Gatos	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Milpitas	7/1/2019	\$15.00 Thru June 30, 2020
Monte Sereno	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Morgan Hill	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Mountain View	01/01/2020	\$16.05
Palo Alto	01/01/2020	\$15.40
San Jose	01/01/2020	\$15.25
Santa Clara	01/01/2020	\$15.40
Saratoga	01/01/2020	25 or less employees \$12.00 26 or more employees \$13.00
Sunnyvale	01/01/2020	\$16.05

Expected Rate Changes for 2021 (partial list):

	2020	2021
Los Altos	\$15.40	\$15.65 (rounded to the nearest nickel)
Milpitas	\$15.40 (as of 7/1/2020)	\$15.40 (through 6/30/2021)
Mountain View	\$16.05	\$16.30
Palo Alto	\$15.40	\$15.65 (rounded to the nearest nickel)
Redwood City	\$15.38	\$15.62 (No Rounding)
San Carlos	\$15.00	\$15.24 (No Rounding)
Santa Clara	\$15.40	\$15.65 (rounded to the nearest nickel)
San Mateo	\$15.38	\$15.62 (No Rounding)
South San Francisco	\$15.00	\$15.25 (rounded to nearest nickel)
Sunnyvale	\$16.05	\$16.30

- If no true-up adjustment, Cupertino's 2021 rate will be \$15.60

Calculation Methodology

- Using the Bureau of Labor Statistics Bay Area Consumer Price Index (Urban Wage Earners and Clerical Workers, San Francisco-Oakland-San Jose, CA, the August 2020 (293.062) is subtracted from August 2019 (288.514), then divided by August 2019 (288.514).
$$(293.062 - 288.514) / 288.514 = .01576 \text{ or } 1.576\%$$

- 2020 rate of \$15.35 is multiplied by 1.01576 to determine the effective rate.

$$\$15.35 * 1.01576 = \$15.5919$$

- Per the Ordinance the increase should be rounded to the nearest nickel (\$.05) = \$15.60 per hour effective January 1, 2021.



Recommended Action

- Conduct first reading of Ordinance No. 20-XXXX to set the Cupertino minimum wage for 2021 at \$15.65 an hour.