

CC 6-1-2021

Study Session #2

Community Funding Grant  
Program

Presentation

# Community Funding Grant Program

City Council

June 1, 2021



CUPERTINO



# Agenda

- Background
- Evaluation Process
- Eligibility
- Requested Funding
- Parks and Recreation Commission Recommendation
- Cupertino Historical Society
- Fiscal Impact
- Recommended Action



## Background

- Application Period
  - January to February 1
- 17 applications received
- Applications reviewed for completeness
- All applicants invited to attend March 4 Parks and Recreation Commission meeting



## Evaluation Process

- Parks and Recreation Commission April 1 Meeting
  - Reviewed and evaluated applications
  - Completed evaluation form and provided totals for each group out of 100
  - Staff compiled data
  - Commission determined recommendation to Council



## Eligibility

- Initial review of 17 submitted applications
  - 7 fully met eligibility requirements
  - 10 pending eligibility, needing further consideration
- All applications were ranked in the evaluation process
- Final eligibility determined by Commission
  - 15 applicants eligible
  - 2 applicants ineligible

## Requesting Funding

Applicant	Amount Requested
West Valley Community Services of Santa Clara County, Inc.	\$ 10,000
Buddhist Tzu Chi Medical Foundation	\$ 7,400
Cupertino Library Foundation	\$ 15,000
Santa Clara Valley Audubon Society	\$ 8,500
Friends of Deer Hollow Farm	\$ 7,000
Chinese American Coalition for Compassionate Care	\$ 12,000
Valkyrie Robotics	\$ 3,000
Rotary Club Of Cupertino	\$ 12,000
Tian Hong Foundation	\$ 3,000
Euphrat Museum Of Art	\$ 15,000
APALI	\$ 20,000
Kalashree Foundation Inc.	\$ 9,999
Monta Vista High School Speech Boosters Inc	\$ 13,024
Silicon Valley Jewish Film Festival	\$ 10,000
Discovery Counseling Center - Cupertino (DCCC)	\$ 7,200
Dhwani Academy of Percussion Music in the United States	\$ 9,100
Curiki	\$ 20,000
<b>Total</b>	<b>\$182,223</b>

## Parks and Recreation Commission Recommendation

Organization	Recommended Funding Amount
West Valley Community Services	\$10,000
Cupertino Library Foundation	\$15,000
Buddhist Tzu Chi Medical Foundation	\$7,400
Santa Clara Valley Audubon Society	\$8,500
Friends of Deer Hollow Farm	\$7,000
Chinese American Coalition for Compassionate Care	\$12,000
Valkyrie Robotics	\$3,000
Tian Hong Foundation	\$3,000
Rotary Club of Cupertino	\$12,000
Euphrat Museum of Art	\$15,000
<b>Total</b>	<b>\$92,900</b>





## **Parks and Recreation Commission Recommendation**

- Considered suggested funding range of \$70,000 to \$90,000
- Cupertino Historical Society to be considered as a separate line item in addition to the Commission's funding recommendation

## Cupertino Historical Society

- Received funds through Community Funding Grant Program since 2015
- June 18, 2019 Council approved to designate \$20,000 annually as a line item for the Historical Society

Previously Awarded Funds	
Year	Amount Awarded
2015	\$10,000
2016	\$15,000
2017	\$15,000
2018	\$15,000
2019	\$20,000 (individual budget line item)
2020	\$20,000 (individual budget line item)



## Cupertino Historical Society

- Required to submit a grant application and financial report each year
- December 1, 2020 Council requested to add funding of the Historical Society as a future agenda item



## Fiscal Impact

If Council approves the Parks and Recreation Commission's recommended funding amount of \$92,900, **the total Community Funding Program budget for Fiscal Year 2021-22 would total \$112,900**, including \$20,000 allocated to the Cupertino Historical Society. Final funding amounts for the Community Funding Program will be included in the Recommended Budget for FY 2021-22.



## **Recommended Action**

Consider the recommendation from the Parks and Recreation Commission to approve funds in the amount of \$92,900 for the FY 2021-22 Community Funding Grant Program and consider annual funding for the Cupertino Historical Society in the amount of \$20,000. Determine and approve final funding amounts for the Community Funding Program, to be included in the Recommended Budget for FY 2021-22; and provide direction to staff

# Questions

**Rachelle Sander**, Assistant Director of Parks and Recreation

**Whitney Zeller**, Administrative Assistant

**Carol Stanek**, Parks and Recreation Commission Chair



CC 6-1-2021

#7

Annual Pavement Report

Presentation

# 2021 PAVEMENT MANAGEMENT PROGRAM



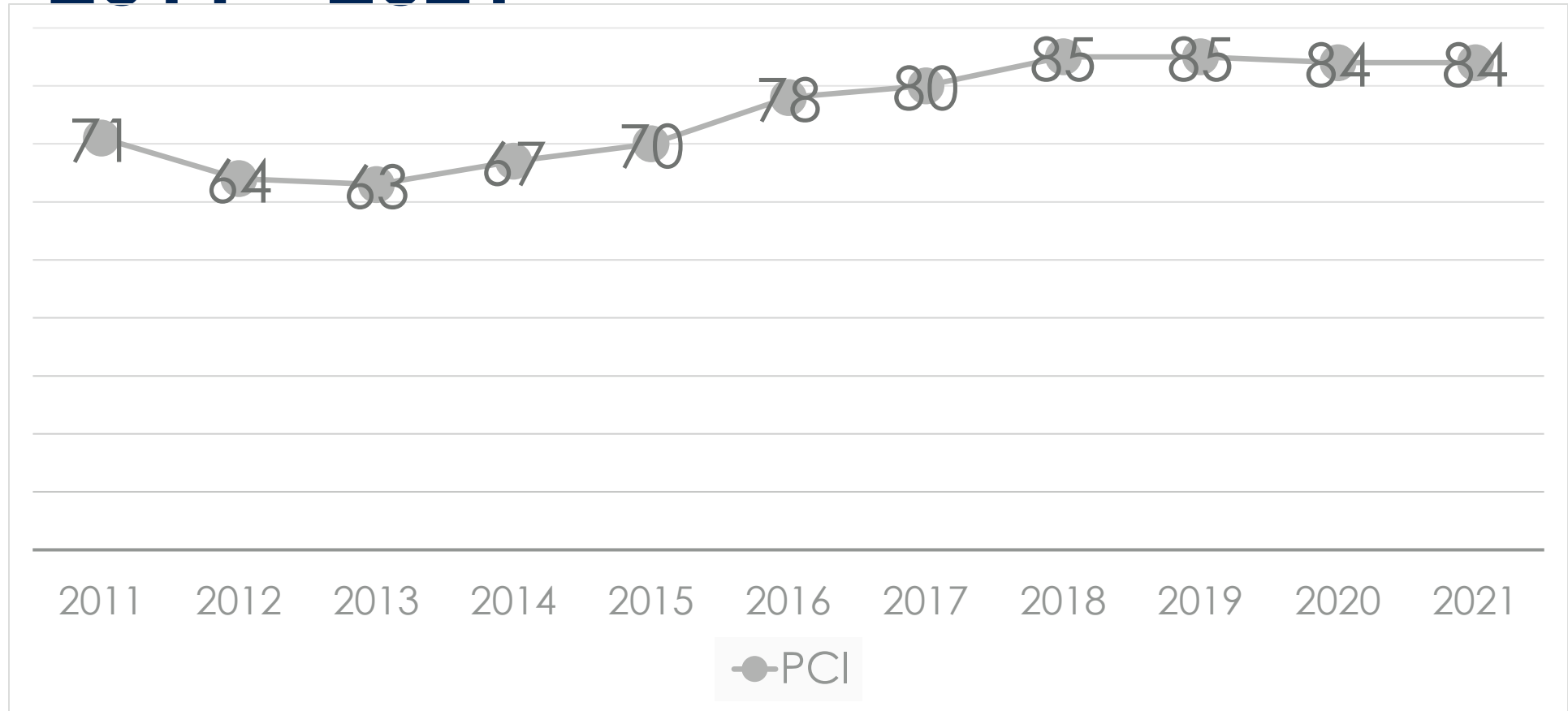
**CITY OF  
CUPERTINO**



# Bay Area Pavement Management

- Current pavement conditions in Cupertino continues to be among the highest in the Bay Area. Current pavement condition index (PCI) is 84
- In 2019, the average PCI for all bay area Cities was 67

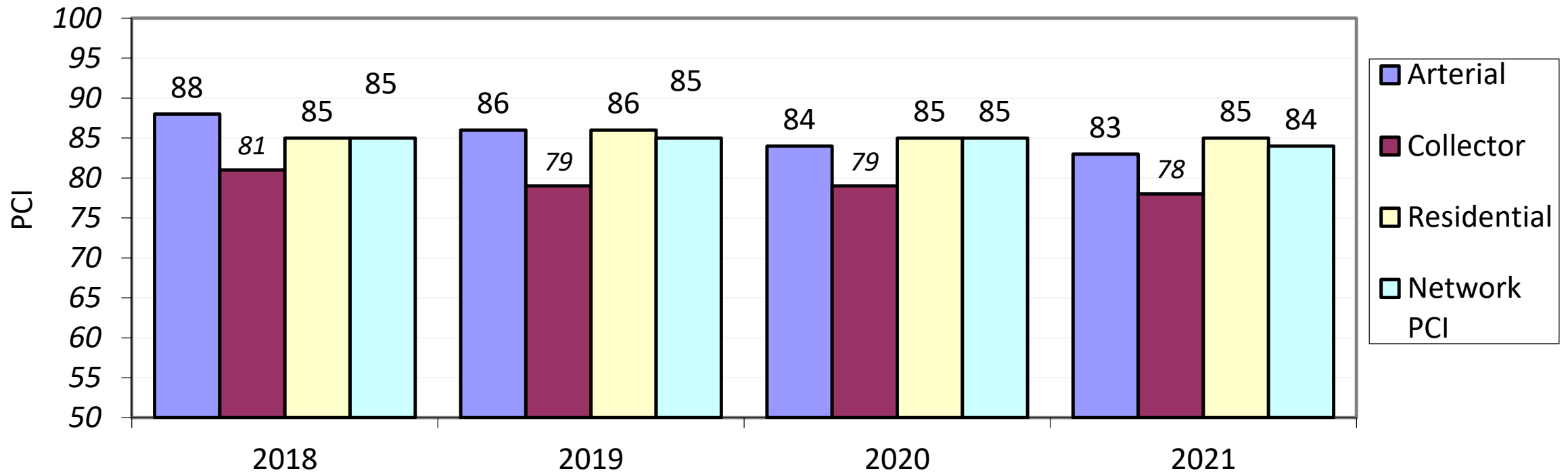
# Cupertino Pavement Condition Index 2011 - 2021



# Pavement Condition Index Ranges

PCI RANGE	DESCRIPTION	PERCENT OF 2021 STREET NETWORK
<b>Very Good – Excellent</b> (PCI = 80-100)	Newly constructed or resurfaced pavement with few signs of distress	72%
<b>Good</b> (PCI = 70-79)	Pavement requiring mostly preventative maintenance and showing only low levels of distress	18%
<b>Fair</b> (PCI= 60-69)	Pavement at the low end of this range is significantly distressed and may require a combination of rehabilitation and preventative Maintenance	5%
<b>At Risk</b> (PCI = 50-59)	Deteriorated pavement requiring immediate attention, including rehabilitative work	2%
<b>Poor</b> PCI = 25-49	Pavement showing extensive distress and requiring major rehabilitation or reconstruction	3%
<b>Failed</b> (PCI = 0-24)	Extremely rough pavement that needs complete reconstruction	0%

# Pavement Index Trend by Street Class



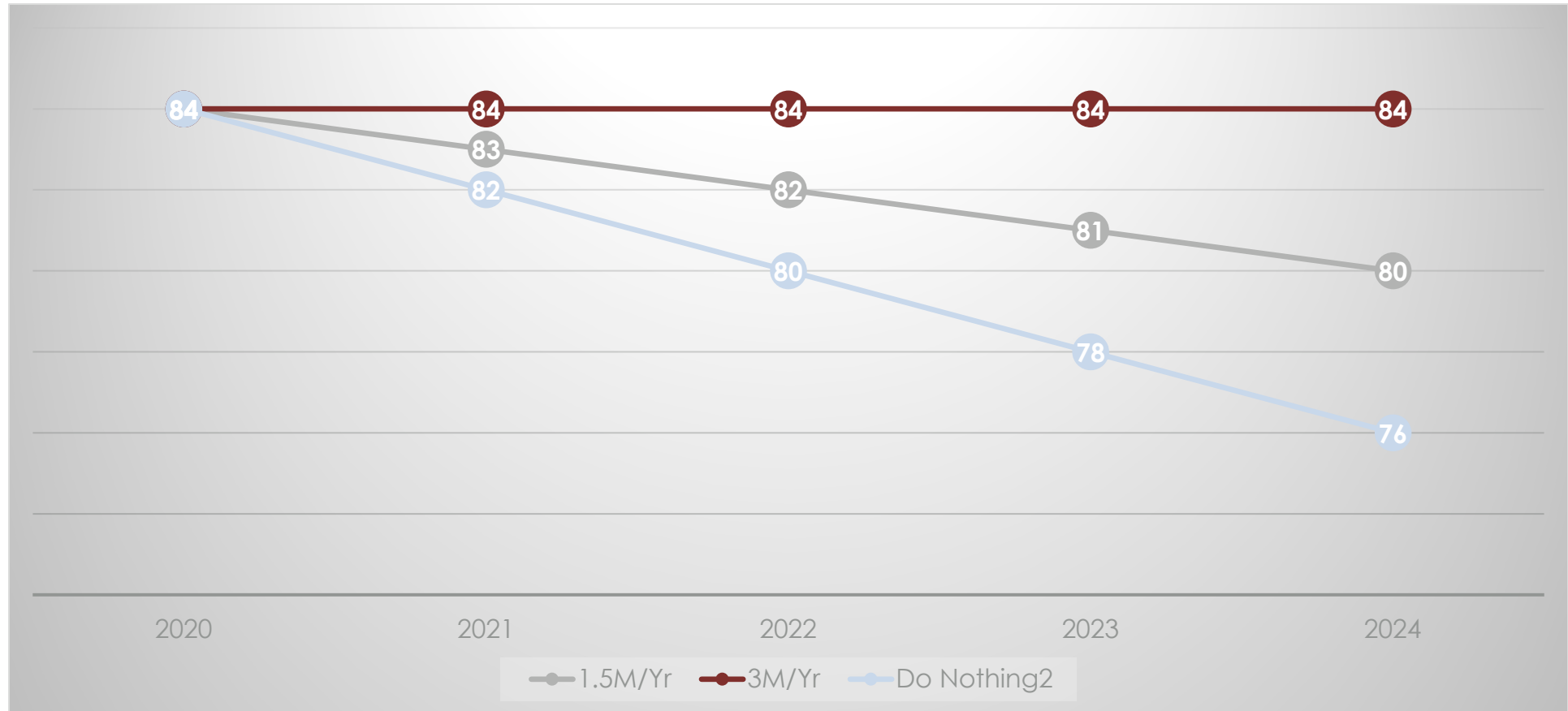
# RECOMMENDED BUDGET

- An annual budget of \$3M per year is required to maintain a PCI of 84.
- Budget was reduced in FY 20/21 due to economic uncertainty of Covid-19 and anticipated reduction in restricted revenues used to fund streets and roads maintenance activities.
- As revenue sources stabilize and COVID-19 restrictions ease, the proposed FY21/22 operating budget includes \$3M of pavement improvement funding.

# Proposed Projects & Revenue Sources

FY	Project Name	Budget	External Funds
20/21	2021 Pavement Maintenance Phase 1	\$1,825,000	FY20/21 SB1 Revenue, VRF (VTA), Gas Tax
21/22	2021 Pavement Maintenance Phase 2	\$1,000,000	FY 21/22 SB1 Revenue
21/22	2022 Pavement Maintenance Project Phase 1	\$2,000,000	Measure B, VRF (VTA)

# Projected Pavement Condition Index



# N Portal at Amherst Dr





# Creston Drive



# QUESTIONS

CC 6-1-2021

#16

Renewal of Stormwater  
Parcel Fees for FY21-22

Presentation

# **Renewal of Stormwater Parcel Fees for FY21-22**

**June 1, 2021**



**CUPERTINO**

# **Two Stormwater Fees support compliance with Municipal Regional Permit and maintenance of City storm drainage infrastructure**

- **1992 Storm Drainage Charge**
  - \$12/single family parcel;
  - \$144/acre for commercial/apartments/industrial parcels;
  - \$36/acre for unimproved parcel
- **2019 Clean Water and Storm Protection Fee**

# • 2019 Clean Water and Storm Protection Fee

Land Use Category		Fee
<b>Single Family Residential*</b>		
	Small ( <i>under 0.13 acre</i> )	\$ 36.58 per parcel
	Medium ( <i>0.13 - 0.22 acre</i> )	\$ 44.42 per parcel
	Large ( <i>0.23 - 0.40 acre</i> )	\$ 55.58 per parcel
	Extra Large ( <i>over 0.40 acre</i> )	\$ 106.42 per parcel
	Condo 1 (1 story)	\$ 36.58 per parcel
	Condo 2 (2+ stories)	\$ 11.99 per parcel
<b>Non-Single-Family Residential**</b>		
	Multi-Family Residential	\$ 30.88 per 0.1 acre
	Commercial/Retail/Industrial	\$ 40.38 per 0.1 acre
	Office	\$ 30.88 per 0.1 acre
	Church/Institutional	\$ 26.13 per 0.1 acre
	School (w/playfield)	\$ 19.00 per 0.1 acre
	Park	\$ 7.13 per 0.1 acre
	Vacant	\$ 2.38 per 0.1 acre
	Open Space/Agricultural	no charge
<b>Low Impact Development Adjustment***</b>		25% Fee Reduction

\*Single-Family Residential (SFR) category also includes du-tri-and four-plex units

\*\*Non-SFR parcels are charged per the tenth of an acre or portion thereof

\*\*\*Low Impact Development Adjustment only applies to condominium and non-SFR



# Funded Activities



## **No increase recommended for FY21-22**

- FY20-21 expenses came in under budget but above revenues
- FY21-22 budget is projected to come in above expected revenues.
- Environmental Management/Clean Creeks Special Revenue Fund (Fund 230) has a balance to pay for these expenses.



# Rebates and Cost-Share - Update

- Rain gardens, rain barrels, cisterns - \$12,500 budget
  - Partner with Valley Water
- Permeable pavement (driveways) - \$12,500 budget
  - Currently \$3/sf, \$900 max
  - Recommend increase max to \$1800
- Cost-share of 20% available to low-income property owners to reduce the parcel fee

# Audit and Review

- Nonpoint Source Program expenses and revenues were subjected to external audit for FY19-20 during City's usual audit schedule.
- A new Agreed-Upon Procedures (AUP) audit is planned for calendar year 2020 and 2021 that will be presented for review by Audit Committee before next cycle.

# Tonight's Recommended Actions

- 1. Adopt Resolution No. 21-XXX approving the renewal and collection of the 1992 storm drain fee with no increase in rates for fiscal year 2021-2022; and
- 2. Adopt Resolution No. 21-XXX approving the renewal and collection of the 2019 Clean Water and Storm Protection Fee with no increase in rates for fiscal year 2021-2022; and
- 3. Increase the allowable rebate maximum for pervious pavement projects from \$900 to \$1800.



# Questions?



CC 6/1/2021 Item # 16

CC 6-1-2021

#17

Consideration of SB 612, SB  
792 and SB 780

Presentation



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**Agenda Item 17:**  
**Consideration of**  
**SB 612 (Portantino), SB 792**  
**(Glazer), and SB 780 (Cortese)**

**June 1, 2021**



# Background

## **Legislative Platform**

The City Council approved the 2021 Legislative Platform on February 2, 2021. Each year, the Council adopts a Legislative Platform that guides and informs official City positions on pending legislative issues during the year. The Legislative Review Committee (LRC) uses the Council-approved Platform to authorize City positions and position letters on legislation. Federal and state bills consistent with the City's legislative priorities would be supported by the City. Those policies or proposals in conflict with the Platform would be opposed. Items not clearly addressed in the City's Platform would require Council approval prior to any position being taken.

## **Legislative Review Committee (LRC)**

The Legislative Review Committee (LRC) uses the Council-approved Platform to authorize City positions and position letters on legislation. Federal and state bills consistent with the City's Platform would be supported by the City. Those policies or proposals in conflict with the Platform would be opposed. Items not clearly addressed in the City's Platform would require Council approval prior to any position being taken.

SB 612, SB 792, and SB 780 were referred to the Council by the LRC on May 14, 2021.

Next LRC Meeting: June 18, 2021 11 a.m.

LRC positions, position letters, the Legislative Platform, and more can be found at [cupertino.org/lrc](http://cupertino.org/lrc).

# Senate Bill 612 (Portantino)

## **Summary**

Requires the California Public Utilities Commission to require electric investor-owned utilities to offer to community choice aggregators, and electric service providers, an allocation of product generated from legacy resources paid for through exit fees.

## **Status**

Currently on the Senate Floor awaiting consideration.

Previously approved by the Senate Appropriations Committee (5-2) and the Senate Energy, Utilities and Communications Committee (11-1).



# Senate Bill 612 (Portantino)

## **Support**

This bill is necessary to ensure fair and equal access to the benefits of legacy resources for all customers and ensures resources held in IOU portfolios are managed to maximize value for all customers.

Supporters include: Cities of Berkeley, Beverly Hills, Carlsbad, Carson, Daly City, Davis, Fremont, Half Moon Bay, Hayward, Oakland, Pleasanton, Rocklin, San Jose, San Mateo, Santa Barbara, and Thousand Oaks; Counties of Contra Costa, Butte, El Dorado, San Diego, San Mateo, Santa Clara, and Yolo; League of California Cities; Marin Clean Energy; Silicon Valley Clean Energy; Silicon Valley Leadership Group; and Sustainable Silicon Valley.

## **Opposition**

Concerns that the bill interferes and undermines an ongoing CPUC proceeding, conflicts with, and leaves out, key provisions of an existing working group joint proposal from a CPUC proceeding and attempts to reopen issues that have already been decided by the CPUC.

Opponents include: Pacific Gas and Electric Company; Southern California Edison; and The Utility Reform Network

## **LRC Action**

The LRC did not reach consensus on a position and therefore referred the item to Council.

# Senate Bill 792 (Glazer)

## **Summary**

Requires a retailer, whose annual sales of tangible personal property transacted online exceeded \$1 million in the previous calendar year, to provide information for each local jurisdiction the gross receipts from the sale of goods shipped or delivered to a purchaser in that jurisdiction. Retailers would be required to submit this information, along with their tax filings, for reporting periods beginning on or after January 1, 2022. A qualified retailer who refuses to provide this information to the state will be subject to a \$5,000 fine.

## **Status**

Currently on the Senate Floor awaiting consideration.

Previously approved by the Senate Appropriations Committee (5-2) and the Senate Governance and Finance Committee (4-1).

# Senate Bill 792 (Glazer)

## **Support**

This is a transparency bill that will shine light on a major and growing problem in California local finance. Current tax law has created an environment that puts the power to allocate local sales tax into the hands of online retailers. These retailers can choose to allocate any and all sales tax revenues to a specific location within the state- be that a warehouse, distribution or sales center. This bill would provide transparency by requiring retailers report taxable sales by the city or ZIP code of the purchaser so that city governments and their residents have a better understanding of this unfair process.

Supporters include: League of California Cities, Cities of Fullerton, Placentia, Rancho Cucamonga, and Thousand Oaks.

## **Opposition**

This bill subjects retailers to a new layer of data collection and reporting mandates for the purposes of targeting certain tax incentives between specific retailers and local governments. The mandate applies whether the retailer is party to one of these agreements or not. For many retailers this will come at a substantial cost, requiring a significant change in compliance processes since this is not how state sales taxes are currently calculated or reported.

Opponents include: California Retailers Assn, City of Fresno, and City of Perris

## **LRC Action**

The LRC recommends that the City Council adopt an oppose position

# Senate Bill 780 (Cortese)

## **Summary**

This bill makes several changes to current law governing Enhanced Infrastructure Financing Districts and Community Revitalization Investment Authorities. These tools were developed after the elimination of redevelopment as a means of generating revenue for the purposes of economic development and creating affordable housing. Currently, these tools are not widely used, particularly when compared to redevelopment, in part because the process of establishing the authorities is cumbersome and bureaucratic.

## **Status**

Approved on the Senate Floor (34-0)

Has been referred to the Assembly Local Government Committee and the Assembly Housing and Community Development Committee.

# Senate Bill 780 (Cortese)

## **Support**

After the elimination of redevelopment agencies, the state has tried to find effective solutions to spur economic development and build affordable housing in local communities. EIFDs and CRIAs have shown promise, yet have proven to be overly cumbersome to establish and operate. SB 780 will successfully revitalize these tools, empowering local agencies to leverage their tax increment to spur the development of affordable housing and public infrastructure in their communities.

Supporters include: California Assn for Local Economic Development, California Business Properties Assn, League of California Cities, Monterey County, and the cities of Lakewood, Lynwood, San Diego, and West Sacramento.

## **Opposition**

There is no official opposition to SB 780.

## **LRC Action**

The LRC recommends that the City Council adopt a support position

# Recommendations

## **SB 612 (Portantino)**

Adopt a support position

## **SB 792 (Glazer)**

Adopt an oppose position

## **SB 780 (Cortese)**

Adopt a support position

**Authorize the Mayor to send position letters to the state legislature.**

# Questions?



**Casey Elliott**  
State Capitol Director  
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[CElliott@TownsendPA.com](mailto:CElliott@TownsendPA.com)

CC 6-1-2021

#18

Regnart Creek Trail Fence

Presentation



# Regnart Creek Trail & Regnart Creek Privacy Fence



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# Requested Council Actions

Consideration of:

- Authorization of Award of Construction Contract for Privacy Fencing;
- Request to Increase Regnart Creek Trail Privacy Fencing Project Budget Allocation;
- Request to Increase Budget Allocation for Regnart Creek Trail Project Contingency;

## Requested Council Actions - continued

- Request to Increase Budget Allocation for Regnart Creek Trail and Regnart Creek Fencing design services
- Request to execute a First Amendment to the Master Agreement between the City and CSG Consultants, Incorporated to increase agreement amount

# Reasons to Increase Allocations

## Trail Project

- Insufficient project contingency

## Privacy Fence Project

- Increased cost of materials

## Regnart Creek Trail

Contract Amount to Redwood Engineering Construction	\$1,442,881
Construction Management	\$332,960
Construction Contingency	<b>\$284,159</b>
Subtotal	<b>\$2,060,000</b>
Total Budget	\$1,885,000
<b>Balance Remaining</b>	<b>\$175,000</b>

## Reasons for Increase in Costs

- Impacts of COVID on local markets
- Impacts of COVID on U.S. lumber commodities
- Quantity of wood needed
- Cost of pre-cast concrete
- Overall increase in the cost of all goods and services
- Impacts of COVID on availability of contractors

## Regnart Creek Privacy Fence

Proposed Contract Amount to California Commercial Fence	\$1,504,069
Contingency (20%)	\$300,814
Construction Management	\$120,000
<b>Total</b>	<b>\$1,924,883</b>
Amount Currently Available for Fencing	\$765,000
<b>Additional Funds Needed</b>	<b>\$1,159,883</b>

# Privacy Fence Reimbursement

	\$170 per foot	\$150 per foot	\$125 per foot	\$100 per foot
<b>Amount Reimbursed</b>	\$177,820	\$156,900	\$130,750	\$104,600
<b>Cost to City</b>	\$273,006	\$293,926	\$320,076	\$346,226
<b>Average Cost to Resident</b>	\$13,600	\$12,000	\$10,000	\$8,000



# Schedule

- Trail – December 2021
- Privacy Fences – August 2022



North Ramp



South Ramp



Grading

# Requested Council Actions

1. Authorize the City Manager to Award a Construction Contract with California Commercial Fence Company in an Amount not to exceed \$1,504,069, and Authorize the Director of Public Works to Execute any Necessary Change Orders, up to the Construction Contingency Amount of \$300,814, for a Total Authorized Contract Amount of \$1,804,883, for the Regnart Creek Fencing Project;
2. Approve Budget Modification #2021-143 increasing appropriations in the Capital Improvement Program Capital Projects Fund (420-99-036) by \$1,159,883 for the Regnart Creek Trail Fencing Project;
3. Approve Budget Modification #2021-143 increasing appropriations in the Capital Improvement Program Capital Projects Fund (420-99-036) by \$175,000 for Regnart Creek Trail Project Contingency;

## Requested Council Actions

4. Approve Budget Modification #2021-143 increasing appropriations in the Capital Improvement Program Capital Projects Fund (420-99-036) by \$25,000 for Regnart Creek Trail and \$30,000 for Regnart Creek Trail Fencing Project for additional design services; and
5. Authorize the City Manager to Execute a First Amendment to Agreement 2021-11, a Master Agreement between the City of Cupertino and CSG Consultants, Incorporated, to increase agreement amount from \$500,000 to \$538,045.



# Questions

# Regnart Creek Trail & Regnart Creek Privacy Fence



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