

CC 05-17-2023

#1

FY 2023-24 Proposed  
Budget

Desk Items

**Development Revenue Estimates<sup>1</sup>**  
**(5/17/2023)**

Year Fee Paid (projects may pay fees in multiple years)

Project	Revenue Type	Sub-Revenue	2023	2024	2025	2026	2027	2028	2029	2030	Grand Total
<b>Apple VP1</b>											
Ongoing	Property Tax Increase <sup>2</sup>				79,000	80,647	82,342	84,032	84,032	85,847	495,900
Ongoing	Sales Tax Increase <sup>3</sup>				9,000	9,811	10,078	10,505	10,505	10,810	60,710
Ongoing	Transient Occupancy Tax <sup>4</sup>										-
One-time	Permit Fees	Inspection/Plan Review		194,577							194,577
One-time	Planning Fee	Advanced Planning Fee		222,930							222,930
One-time	Impact Fee	BMR		4,496,925							4,496,925
One-time	Impact Fee	Transportation		2,702,255							2,702,255
One-time	Impact Fee	Park		-							-
One-time	Construction Tax			552,753							552,753
<b>Canyon Crossing</b>											
Ongoing	Property Tax Increase				14,000	14,292	14,592	14,892	14,892	15,213	87,881
Ongoing	Sales Tax Increase				17,000	18,531	19,036	19,843	19,843	20,420	114,674
Ongoing	Transient Occupancy Tax										-
One-time	Permit Fees	Inspection/Plan Review		121,678							121,678
One-time	Planning Fee	Advanced Planning Fee		21,638							21,638
One-time	Impact Fee	BMR		-							-
One-time	Impact Fee	Transportation		84,830							84,830
One-time	Impact Fee	Park		900,000							900,000
One-time	Construction Tax			39,971							39,971
<b>Bateh Brother/Alan Row</b>											
Ongoing	Property Tax Increase			8,000	8,000	8,167	8,338	8,510	8,510	8,693	58,218
Ongoing	Sales Tax Increase										-
Ongoing	Transient Occupancy Tax										-
One-time	Permit Fees	Inspection/Plan Review	53,647								53,647
One-time	Planning Fee	Advanced Planning Fee	4,749								4,749
One-time	Impact Fee	BMR	140,111								140,111
One-time	Impact Fee	Transportation	38,199								38,199
One-time	Impact Fee	Park	480,000								480,000
One-time	Construction Tax		8,111								8,111
<b>Marina Plaza</b>											
Ongoing	Property Tax Increase				125,000	127,606	130,289	132,961	132,961	135,834	784,652
Ongoing	Sales Tax Increase				206,000	224,554	230,677	240,453	240,453	247,439	1,389,576
Ongoing	Transient Occupancy Tax										-
One-time	Permit Fees	Inspection/Plan Review		230,473							230,473
One-time	Planning Fee	Advanced Planning Fee		226,480							226,480
One-time	Impact Fee	BMR		\$0 (onsite)							-
One-time	Impact Fee	Transportation		792,420							792,420
One-time	Impact Fee	Park		10,152,000							10,152,000
One-time	Construction Tax			209,192							209,192

**Development Revenue Estimates<sup>1</sup>**  
**(5/17/2023)**

			Year Fee Paid (projects may pay fees in multiple years)								Grand Total
Project	Revenue Type	Sub-Revenue	2023	2024	2025	2026	2027	2028	2029	2030	
Westport											
Ongoing	Property Tax Increase				127,000	129,648	132,373	135,089	135,089	138,007	797,206
Ongoing	Sales Tax Increase				76,000						76,000
Ongoing	Transient Occupancy Tax										-
One-time	Permit Fees	Inspection/Plan Review	453,643	256,767							710,410
One-time	Planning Fee	Advanced Planning Fee	53,049	166,048							219,097
One-time	Impact Fee	BMR	\$0 (onsite)								-
One-time	Impact Fee	Transportation	188,803								188,803
One-time	Impact Fee	Park	8,970,000								8,970,000
One-time	Construction Tax		80,866	387,497							468,363
Hamptons Apartments											
Ongoing	Property Tax Increase									253,000	253,000
Ongoing	Sales Tax Increase										-
Ongoing	Transient Occupancy Tax										-
One-time	Permit Fees	Inspection/Plan Review							415,424		415,424
One-time	Planning Fee	Advanced Planning Fee							654,226		654,226
One-time	Impact Fee	BMR							128,999		128,999
One-time	Impact Fee	Transportation							1,800,000		1,800,000
One-time	Impact Fee	Park							30,805,920		30,805,920
One-time	Construction Tax								860,234		860,234
De Anza Hotel											
Ongoing	Property Tax Increase									47,000	47,000
Ongoing	Sales Tax Increase										-
Ongoing	Transient Occupancy Tax									984,000	984,000
One-time	Permit Fees	Inspection/Plan Review							115,730		115,730
One-time	Planning Fee	Advanced Planning Fee							107,740		107,740
One-time	Impact Fee	BMR							2,095,377		2,095,377
One-time	Impact Fee	Transportation							577,840		577,840
One-time	Impact Fee	Park							-		-
One-time	Construction Tax								100,589		100,589
Cupertino Village											
Ongoing	Property Tax Increase									43,000	43,000
Ongoing	Sales Tax Increase										-
Ongoing	Transient Occupancy Tax									1,174,000	1,174,000
One-time	Permit Fees	Inspection/Plan Review							109,531		109,531
One-time	Planning Fee	Advanced Planning Fee							88,985		88,985
One-time	Impact Fee	BMR							1,849,765		1,849,765
One-time	Impact Fee	Transportation							689,680		689,680
One-time	Impact Fee	Park							-		-
One-time	Construction Tax								94,890		94,890

# Development Revenue Estimates<sup>1</sup> (5/17/2023)

Project	Revenue Type	Sub-Revenue	Year Fee Paid (projects may pay fees in multiple years)								Grand Total
			2023	2024	2025	2026	2027	2028	2029	2030	
Vallco											
Ongoing	Property Tax Increase									1,538,000	1,538,000
Ongoing	Sales Tax Increase									1,621,000	1,621,000
Ongoing	Transient Occupancy Tax										-
One-time	Permit Fees	Inspection/Plan Review							4,136,525		4,136,525
One-time	Planning Fee	Advanced Planning Fee							1,886,668		
One-time	Impact Fee	BMR								-	-
One-time	Impact Fee	Transportation								-	-
One-time	Impact Fee	Park								-	-
One-time	Construction Tax								1,865,553	-	1,865,553
TOTAL ALL PROJECTS											
Ongoing	Property Tax Increase		-	8,000	353,000	360,361	367,935	375,483	375,483	2,264,594	4,104,856
Ongoing	Sales Tax Increase		-	-	308,000	252,896	259,791	270,802	270,802	1,899,669	3,261,959
Ongoing	Transient Occupancy Tax		-	-	-	-	-	-	-	2,158,000	2,158,000
One-time	Permit Fees	Inspection/Plan Review	507,290	803,495	-	-	-	-	4,777,210	-	6,087,995
One-time	Planning Fee	Advanced Planning Fee	57,798	637,096	-	-	-	-	2,737,619	-	3,432,513
One-time	Impact Fee	BMR	140,111	4,496,925	-	-	-	-	4,074,141	-	8,711,177
One-time	Impact Fee	Transportation	227,002	3,579,505	-	-	-	-	3,067,520	-	6,874,027
One-time	Impact Fee	Park	9,450,000	11,052,000	-	-	-	-	30,805,920	-	51,307,920
One-time	Construction Tax		88,977	1,189,413	-	-	-	-	2,921,266	-	4,199,656
Total Ongoing			-	8,000	661,000	613,256	627,726	646,285	646,285	6,322,263	9,524,815
Total One-Time			10,471,178	21,758,434	-	-	-	-	48,383,676	-	80,613,288

<sup>1</sup>These estimates are intended to provide a general idea and should be considered rough approximations. The timing of projects represents the Community Development department's best estimate of when a project is anticipated to commence. It's important to note that these estimates are subject to change as additional information becomes available.

<sup>2</sup>The estimate assumes an increased value of the improvements but not an increased value of the land. The increased value of the improvements is based on the number of bedrooms for residential properties and square footage for hotels, retail, or office properties. The average market values of residential properties are from Zillow.

<sup>3</sup>The estimate is calculated by multiplying the proposed retail square footage by the average sales tax revenue per square foot of retail from HdL 2023 Q1 Sales Tax Reports.

<sup>4</sup>The estimate is calculated by multiplying the number of proposed rooms in the hotel by the RevPAR (Revenue Per Occupied Room) and Transient Occupancy Tax rate (12%). RevPAR is the Average Daily Rate (ADR) multiplied by the Occupancy Rate. The average ADR and Occupancy Rate over the last year for hotels in Cupertino are from HdL.

Festival	Date	Festival Producer	Waived Fees			City Paid expenses		Total Costs	Notes
			Recreation	Facility/Park/ Road Permits	Public Works	Sheriff*	Materials	Total	
Day N Night Fun Fest	Sept. 9, 2023	Cupertino Rotary	\$2,346	\$3,590	\$4,652	\$6,912		\$17,501	
Bhubaneswar Sister City Initiative (CBSCI)	Sept. 23, 2023	Cupertino Bhubaneswar Sister City	\$2,160	\$6,980	\$3,517	\$3,744		\$16,401	
Diwali Festival	Oct. 6, 2023	Cupertino Chamber of Commerce	\$2,025	\$3,490	\$3,555	\$5,760		\$14,829	
Veterans Day	November 11, 2023	Veteren's Memorial	\$1,028	\$1,000	\$0	\$0	\$1500**	\$3,528	
Egg Hunt	April 6, 2024	The Home of Christ Church in Cupertino	\$629	\$1,000	\$35	\$0		\$1,664	
Holi	April 7, 2024	Cupertino Chamber of Commerce	\$1,238	\$1,000	\$681	\$2,592		\$5,511	
Cherry Blossom	April 27- 28, 2024	Toyokawa Sister City	\$5,578	\$17,520	\$9,010	\$10,944		\$43,052	
Dilli Haat		EnActe	\$2,399	\$6,270	\$2,796	\$5,040		\$16,505	
Relay for Life	June 15, 2024	American Cancer Society	\$705	\$1,000	\$14	\$0		\$1,719	
<b>Costs for FY 23/24 Events</b>			<b>\$18,108</b>	<b>\$41,850</b>	<b>\$24,260</b>	<b>\$34,992</b>	<b>\$1,500</b>	<b>\$120,710</b>	
			<b>TOTAL</b>			<b>TOTAL</b>		<b>TOTAL</b>	
			<b>Waived Fees</b>		<b>\$84,218</b>	<b>City Paid</b>	<b>\$36,492</b>	<b>Festival Costs</b>	<b>\$120,710</b>

\*Staff recommends cutting the budget for Sheriff costs and having the festival organizers pay those fees

\*\* Staff recommends cutting the budget for the rental of chairs and having the festival organizers pay those fees