



## CITY MANAGER'S OFFICE

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## CITY COUNCIL STAFF REPORT

Meeting: May 19, 2022

### Subject

Consideration of Municipal Code amendments to the Cupertino Municipal Code, Title 2 to add Chapter 2.96 and codify the Economic Development Committee.

### Recommended Action

1. Conduct the first reading of Ordinance No. \_\_\_\_ "An Ordinance of the City Council of the City of Cupertino Adding Chapter 2.96 of Title 2 (Administration and Personnel) to Codify the Economic Development Committee".
2. Find that the proposed actions are exempt from CEQA.

### Discussion

The Economic Development Committee (EDC) has met informally for well over two decades to discuss items of importance pertinent to local businesses and to provide feedback to staff on business-related City initiatives or projects.

As part of the FY 2021-2022 City Work Program discussion, the City Council requested that the EDC be codified in the Municipal Code through an ordinance.

The proposed ordinance for the EDC has been drafted based on input from Council and staff research on economic development committees in other local cities.

### Powers and Functions:

The powers and functions of the Committee shall be to serve in an advisory capacity to the City Council and to provide expertise and guidance on policy related to economic development. The Committee shall also actively promote Cupertino as a location of choice for current and prospective businesses.

To fulfill their mission, the Committee may involve itself in the following activities:

1. Make recommendations to City Council on a broad range of strategic matters broadly applicable to the City's economic development goals;

2. Serve as an ambassador to shed a positive light on the City by sharing economic development resources and information to prospective businesses and stakeholders, thus positioning the City as a location of choice; and
3. Encourage public/private partnerships to further the City's economic development goals by identifying potential resources.

Membership:

As proposed, the membership of this new Committee would consist of five members, including elected officials, industry sector representatives, and key partners:

1. City Councilmember
2. City Councilmember
3. Technology Sector Representative
4. Retail/Small Business Representative
5. Hospitality/Tourism Sector Representative

Term:

Committee members would serve an initial term of four years, with a possibility to serve for an additional four years. Committee members would not serve for more than two consecutive terms.

Economic Development Committees/Commissions in Other Cities

Staff conducted research on economic development committees in other cities in Santa Clara County and the local area. Out of the 18 other cities surveyed, five have active economic development commissions or committees that are subcommittees of Council. Palo Alto is currently in the process of forming one. Details on the composition and purpose of the commissions or committees in these cities are below:

| City          | Committee          | Composition  | Purpose   |
|---------------|--------------------|--|---|
| Mountain View | Downtown Committee | 11 members <ul style="list-style-type: none"> <li>• Four (4) property owners or downtown business representatives</li> <li>• Two (2) community-at-large members who are residents of Mountain View</li> <li>• Four (4) business-at-large members with representatives from:               <ul style="list-style-type: none"> <li>- One (1) Downtown</li> </ul> </li> </ul> | Encourage economic development specific to the downtown area. |

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|-------------|--|--|--|
|             |  | Business Association<br>- One (1) Chamber of Commerce<br>- Two (2) businesses not in the Downtown.   |  |
| San Jose    | Community and Economic Development Committee                 | Five (5) Councilmembers  | Manage the growth and change of the City of San José in order to encourage a strong economy; ensure a diverse range of arts, cultural, and entertainment offerings; and create and preserve housing and healthy neighborhoods. This committee was previously named the Driving a Strong Economy Committee. |
| Santa Clara | Economic Development, Communication, and Marketing Committee | Four (4) Councilmembers  | The Economic Development Committee and the Marketing Committee were consolidated in 2019. This Committee focuses proactive economic development and effective communication, as well as reviews the City's marketing and branding strategies.  |
| Fremont     | Economic Development Advisory Commission                     | Nine (9) commissioners <ul style="list-style-type: none"> <li>Five (5) representatives from: Business, Resident; Real Estate; Ohlone Community College.</li> <li>Three (3) representatives from Commercial / Industrial sector.</li> <li>One (1) representative from the Chamber of Commerce.</li> </ul> | Promotes and facilitates economic development in the City of Fremont and enhances and supports current businesses in the City.   |
| Milpitas    | Economic Development   | Seven (7) commissioners <ul style="list-style-type: none"> <li>One (1) Councilmember</li> </ul>  | Advise the City Council on business issues,  |

|           |   |   |   |
|-----------|---|---|---|
|           | and Trade Commission  | <ul style="list-style-type: none"> <li>• Six (6) representatives from: <ul style="list-style-type: none"> <li>- Chamber of Commerce</li> <li>- Real Estate</li> <li>- Resident</li> <li>- Milpitas Unified School District/Education</li> <li>- Business</li> <li>- Technology and Trade</li> </ul> </li> </ul> | cultivate international trade relationships, and make recommendations on the design, development, and implementation of economic development in the City of Milpitas. |
| Palo Alto | In the process of hiring an ED Manager and in the planning stages to begin economic development meetings that are cohosted with the chamber, business owners, building owners, and the community. |   |   |

#### Next Steps

City Council to review the proposed ordinance, provide feedback to staff, and conduct the first and second readings when appropriate. If approved, the Committee will convene once the members are appointed.

#### Sustainability Impact

No sustainability impact.

#### Fiscal Impact

While the EDC has not always met consistently in the past, this Ordinance will set a regular quarterly meeting schedule. With more consistency and structured functions, the EDC may require more staff time than in past years. However, this consistency and structure will be beneficial and worth the additional staff time costs.

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Prepared by: Tina Kapoor, Economic Development Manager

Reviewed by: Chris Jensen, City Attorney

Dianne Thompson, Assistant City Manager

Katy Nomura, Deputy City Manager

Approved for Submission by: Jim Throop, City Manager

Attachments:

A – Draft Ordinance Adding Chapter 2.96 Economic Development Committee