

**From:** Darrel Lum  
**To:** [City Council](#); [Savita Vaidhyanathan](#); [Darcy Paul](#); [Barry Chang](#); [Steven Scharf](#); [Rod Sinks](#)  
**Cc:** [David Brandt](#); [Aarti Shrivastava](#); [Benjamin Fu](#); [Piu Ghosh](#); [Gian Martire](#); [City Clerk](#)  
**Subject:** General Plan Amendment Proposal on February 21, 2017  
**Date:** Sunday, February 26, 2017 1:07:08 PM

---

Agenda Item #10 regarding the Scandinavian Furniture site was postponed from February 21, 2017 to March 7, 2017. Unfortunately, due to a previous commitment I will not be able to attend this City Council meeting so I am submitting this written comment regarding the subject.

Our analysis is based on data available February 21, 2017, the original public hearing:

1. For the requested General Plan Amendment #GPAAAuth-2016-01, the applicant offer no amenities for its requested General Plan Amendment of an increase of 16,000 sq. ft. of office allocation:

- a. School resources - none
  - b. Public open space - none
  - c. Public Facilities - none
  - d. Transportation Facilities - none
- Total - \$0/square foot

No affordable housing features other than statutorily required payment of Below-Market-Rate Program fees.

Source: Table 1: Summary Evaluation of the Development Proposal  
City Council Staff Report  
February 21, 2017

2. "The proposed project is likely to result in a modest annual net fiscal burden on the City of Cupertino' s General Fund."

Comment: "modest net fiscal burden" = <\$33,000> to <\$36,000> ???

Source: Summary of Findings  
#1 and Table 1  
Fiscal Analysis of 19900 Stevens Creek Boulevard General Plan Amendment Application;  
EPS #161195  
Economic & Planning Systems, Inc.  
February 10, 2017  
Page 2

3. "The estimated fiscal burden to the City would be marginally less if the tenant of the proposed office space is a medical office user."

Comment: "Net Impact on General Fund" = <\$33,000>

Source: Summary of Findings  
#3 and Table 3  
Fiscal Analysis of 19900 Stevens Creek Boulevard General Plan Amendment Application;

4. "In reality, much of the revenue generated through property taxes and sales taxes will be distributed to public entities other than the City."

Source: Fiscal Impact on the General Fund  
Fiscal Analysis of 19900 Stevens Creek Boulevard General Plan Amendment Application;  
EPS #161195  
Economic & Planning Systems, Inc.  
February 10, 2017  
Page 4

5. "According to the GPA application, the applicant has been in negotiations with two potential end users, a business start-up incubator and a medical office operation."

Comment: "in negotiations with two potential end users" does not equal final end user.

Source: Proposed General Plan Amendment  
Fiscal Impact on the General Fund  
Fiscal Analysis of 19900 Stevens Creek Boulevard General Plan Amendment Application;  
EPS #161195  
Economic & Planning Systems, Inc.  
February 10, 2017  
Page 4

6. Table 5

"Table 5 provides a summary of the Cupertino 2015-16 Adopted General Fund revenue budget..."

Sales Tax	\$13,905,880
	\$6,454,120 = \$20,360,000
Property Tax	\$5,782,541
	\$10,272,459 = \$16,055,000
Others	_____
Total Revenues	\$68,162,303

Source: Table 5 FY2015 - 16 Revenue Budget Summary...

Comment: Cupertino 2015-16 Adopted Budget

Total Revenues \$98,798,270 - Total Expenditure \$118,565,638 = <\$19,767,368>  
Sales Taxes \$20,360,000

Cupertino 2016-17 Adopted Budget  
Sales Taxes \$22,440,000

7. Sales Tax  
Sand Hill purchase Vallco 2014

Vallco generated \$1 million in sales tax

Macy's closed April 2015

Sears closed October 2015 > Clearance Sale August 2015

Food Court close during First Quarter 2016

JC Penney closed April 2016

Yet 2016-2017 sales tax revenue will increase to \$22,440,000 or \$2,080,000 (10%+).

Top 40 Sales Tax Producers

Third Quarter 2015 = July, August, September 2015

Macy's listed

Yet Macy's closed April 2015

In our opinion the General Plan Amendment Application #GPAAuth-2016-01 for 19900 Steven Creek Boulevard (Scandinavian Furniture site) by Kings Mill Group, the applicant, should NOT be authorized to move forward to apply for a General Plan Amendment.

---

**Total Control Panel**

[Login](#)

To: [gianm@cupertino.org](mailto:gianm@cupertino.org)

[Remove](#) this sender from my allow list

From: [drlum@pacbell.net](mailto:drlum@pacbell.net)

*You received this message because the sender is on your allow list.*