City of Cupertino

AB 1600 - Mitigation Fee Act

Annual Mitigation Fee Report & Five Year Report for the fiscal year ending June 30, 2026

Dept.: Community Development

Project: Below Market Rate (BMR) Housing Mitigation Fee

Local Authority:

Information on the City's BMR Housing Mitigation Fee is provided as a courtesy. The City of Cupertino has collected BMR mitigation fees from commercial and residential developments since 1992 based on nexus studies conducted at that time. On May 5, 2015, the City Council adopted Resolution 15-036, accepting three reports from Keyser Marston Associates, Inc. (KMA) – Summary and Recommendations BMR Housing Mitigation Program, Non-Residential Jobs-Housing Nexus Analysis, and Residential BMR Housing Nexus Analysis – which collectively form the City's Nexus Study justifying the current residential and non-residential Housing Mitigation Fees. Per Resolution 17-052, the City Council adopted the updated BMR residential and non-residential (office, research and development, industrial, hotel, retail and commercial) Housing Mitigation Fees. On May 19, 2020, the City Council adopted Resolution 20-056, which increased the Housing Mitigation Fees for hotels and for offices to levels lower than the maximum amount needed to fully mitigate the burdens created by new development on the need for affordable housing as determined in the KMA Reports, based in part on an Economic Feasibility Analysis prepared by Strategic Economics concluding that increased fees would be feasible. On April 21, 2020, the City Council adopted Resolution 20-037, amending the BMR Housing Mitigation Fees to adopt fee categories and amounts for self-storage and warehouse uses based in part on a report from KMA dated January 2020 and entitled "Supplement to the Non-Residential Jobs-Housing Nexus Study" evaluating the impact of self-storage and warehouse land uses on demand for affordable housing in the City and determining the maximum amount of a fee needed to fully mitigate the burdens on affordable housing created by these types of development. On July 2, 2024, the City Council adopted Resolution No. 24-067 to amend the Housing Mitigation Manual in accordance with implementation of the 2023-2031 Housing Element. Specifically, this was done to enact Strategy HE 2.3.3, which requires projects with five or more new units to provide units, and projects with four or fewer new units to pay an in-lieu of BMR unit fee. The fiscal year 2025-26 BMR Housing Mitigation Fee amounts are being reported below.

Five Year Reporting & Findings Requirement:

1. The purpose of the BMR Housing Mitigation Fee is to help mitigate the need for affordable housing as a result of new residential and non-residential development within the City of Cupertino. The requirements for applicability to the BMR Housing Mitigation Fees are set forth in the City's adopted BMR Housing Mitigation Program Procedural Manual. The BMR Housing Mitigation Fee schedule is as follows:
   Residential (per sq. ft.) -

Detached Single Family Residence	$22.45
Small Lot Single Family Residence or Townhome	$24.70
Multi-Family Attached Townhome or Condo	$29.94
Multi-Family Rental Apartment (1 to 35 du/ac)	$29.94

Multi-Family Rental Apartment (over 35 du/ac)	$37.42
Non-Residential (Per sq.ft.) –	
Office, Research & Development, or Industrial	$35.48
Hotel	$17.74
Self-Storage, employee unit provided	$0.66
Self-Storage, employee unit not provided	$1.40
Warehouse	$49.29
Commercial or Retail	$14.97

BMR Housing Mitigation Fees were used to fund staff and administrative time, BMR housing placement services and data management, rental mediation, and contract services.

The fees in the BMR Fund include funds paid to the City as conditions of development agreements. When applicable, these fees are included in the tables below; however, there is no requirement to prepare a five-year report regarding fees obtained through a development agreement.

2. A reasonable relationship exists between the BMR Housing Mitigation Fee and the purpose for which the fee was charged. The need for the BMR Housing Mitigation fees, as they were identified when the fee was enacted, remains. *See,* Strategic Economics December 16, 2019 Economic Feasibility Study of Inclusionary Requirements.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost*	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Below Market Rate Housing Mitigation fee	$526,600,000	$9,661,692	100%	Additional Developer Contributions State and Federal tax credits, loans and grants	*As projects develop/ redevelop*	*Ongoing*	*Ongoing*

* Based on RHNA allocation and affordability gaps estimated in the nexus study: Very-low income units (1,193) x $241,000/unit = $287.5 million. Low income units (687) x $213,000/unit = $146.3 million. Moderate income units (755) x $123,000/unit = $92.8 million. Total = $526.6 million.

The 2023-31 RHNA numbers are as follows: 1,193 very low-income units, 687 low-income units, 755 moderate-income units, and 1,953 above moderate-income units.

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Amount of Fee: Based on adopted Fee Schedule

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure
Balance at 7/1/2025	$9,605,415	
	*$0	
	**$9,605,415	
Fees Collected***	$391,795	
Interest	$256,388	
	($78,471)	Staff and administration
Expended	($6,000)	Housing data management
	($277,346)	Housing placement services
	($0)	Rental mediation services/contract services
	($211,833)	Other materials and special project costs
	($18,256)	Cost allocation plan
Subtotal	**($591,906)**	
Refunded	0	
Unaudited balance at 6/30/26	$9,661,692	
	($4,673,209)	Non-spendable balance (notes and interest receivable for BMR housing loans)
	$4,988,483	Unaudited remaining balance

* May include transactions posted to prior FYs not captured in previous reports

** FY26 audited beginning balance after ACFR finalized

*** Includes funds collected by Development Agreement

Dept.: Public Works

Project: Park Dedication In-Lieu Fee

Local Authority:
City of Cupertino: Municipal Code, Chapter 13.08 and Chapter 14.05

Five Year Reporting & Findings Requirement:

1. The purpose of the Park Dedication Fee is to help mitigate the need for additional outdoor recreational area for new residential development within the City of Cupertino. The requirements for applicability to the Park Dedication Fees are set forth in the City's Municipal Code, Chapter 13.08 and Chapter 14.05, and the fee was adopted under the provisions of the Mitigation Fee Act. The Parkland Dedication Fee is based on the fair market value of land within the City of Cupertino. Land values are appraised annually, and the Park Dedication Fees are updated accordingly. Park Dedication Fees are used to fund parkland acquisitions and improvements to park and recreational facilities.

   The fees in the Park Dedication table below include funds paid to the City as a condition of development agreements. Although these fees are included in the tables below, there is no requirement to prepare a five-year report regarding fees obtained through a development agreement. In addition, this table includes adopted fees imposed as a condition of development.

2. A reasonable relationship exists between the Park Dedication Fee and the purpose for which the fee is charged, as additional parkland and facilities are needed to offset the increase in population that additional residential units impact. The need for the Park Dedication fees, as they were identified when the fee was enacted, remains, as the City's current park area per resident does not yet meet the park acreage standard in the Park Dedication Fee.

3. The sources and amounts of funding anticipated to complete the financing of the Park Dedication are identified below:

   - Developer Fair-Share Contributions from all projects that add residences.

4. The approximate dates on which the funding for the needed park acquisition and improvements is expected to be deposited into the appropriate account are identified in the Five-Year Report on the next page.

<u>Five-Year Report</u>

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Lawrence-Mitty Park	$8,270,994	$21,684,352	100%	Project is fully funded	*Winter 2020*	*Spring 2015*	*Fall 2027*

Annual Report

Amount of Fee: Based on Fair-Market Value of land, through land appraisal

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure
Balance at 7/1/2025	$20,927,461 *$0 **$20,927,461	
Fees Collected	$285,000	
Interest	$652,258	
Expended (see below for full project expenditures)	($180,367) ($0) ($0)	Lawrence-Mitty Park Memorial Park Pond Repurposing Jollyman Park All-Inclusive Playground
Returned***	$0	
Unaudited Balance at 6/30/2026	$21,684,352	

* May include transactions posted to prior FYs not captured in previous reports
** FY26 audited beginning balance after ACFR finalized
*** Unused project funds returned in parkland in-lieu fee account

Total Unaudited Balance	**$21,684,352**	
Total Reserved Balance	**$6,083,552**	(a+b+c)
Unreserved Balance	**$15,600,800**	

Lawrence Mitty Park Reservation	**$8,270,994**	
Expended FY20-21	($2,749,741)	
Expended FY21-22	($235,366)	
Expended FY22-23	($103,342)	
Expended FY23-24	($69,012)	
Expended FY24-25	($126,040)	
Expended FY25-26	($180,367)	
Remaining Balance	$4,807,126	(a)

Memorial Park Pond Repurposing Reservation	**$3,000,000**	
Expended FY21-22	($119,572)	
Expended FY22-23	($1,579,162)	
Expended FY23-24	($24,885)	
Expended FY24-25	($0)	
Expended FY25-26	($0)	
Remaining Balance	$1,276,426*	(b)

*to be returned to the unreserved balance

Jollyman Park All-Inclusive Playground Reservation	**$500,000**	
Expended FY23-24	($500,000)	
Expended FY24-25	($0)	
Expended FY25-26	($0)	
Remaining Balance	$0	(c)

Dept.: Public Works

Project: Transportation Impact Fee

Local Authority:
City of Cupertino: Municipal Code, Chapter 14.02

Five Year Reporting & Findings Requirement:

1. The purpose of the Transportation Impact Fee is to help mitigate the impact to the City's existing transportation infrastructure due to new development, additions to existing structures or changes in use within the City of Cupertino. The requirements for applicability to the Transportation Impacts Fees are set forth in the City's Municipal Code, Chapter 14.02, and the fee was adopted under the provisions of the Mitigation Fee Act. The Transportation Impact Fee is based on the Transportation Impact Fee Nexus Study. Transportation Impact Fees are used to fund capital improvements to the City's transportation infrastructure.

2. A reasonable relationship exists between the Transportation Impact Fee and the purpose for which the fee is charged, as additional transportation infrastructure is needed to offset the increased demand that new development, additions to existing structures and changes in use create on the roadway network. The need for the Traffic Impact fees, as identified in the Nexus Study remain, as the infrastructure improvements have not yet been constructed.

3. The sources and amounts of funding anticipated to complete the financing of the Transportation Impact Fee are identified below:

    - Developer Fair-Share Contributions from all projects that create new vehicle trips.

4. The approximate dates, on which the funding for the needed transportation impact improvements is expected to be deposited, are identified in the Five-Year Report on the next page.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Projects in the Transportation Impact Fee Nexus Study	$59,780,125	$965,465	100%	Additional Developer Contributions, State and Federal grants, General Fund	*Fall 2024*	*Winter 2019*	*Summer 2040*

Annual Report

Amount of Fee: Based on Transportation Impact Fee Nexus Study

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure
Balance at 7/1/2025	$916,210 *$0 **$916,210	
Fees Collected	$20,391	
Interest	$28,864	
Expended	0	
Subtotal	**0**	
Refunded	0	
Unaudited Balance at 6/30/2026	$965,465	

* May include transactions posted to prior FYs not captured in previous reports
** FY26 audited beginning balance after ACFR finalized

Dept.: Public Works

Project: Master Storm Drain Fee

Local Authority:

The City of Cupertino has collected master storm drain fees from developments since 1962 based on studies conducted at that time – the 1961 Master Storm Drainage Plan and Cost Study, the 1974 Revised Master Plan, and the 1993 Storm Drainage System Master Plan, all prepared by Mark Thomas. On July 16, 1962, the City Council adopted Resolution No. 633, approving the Storm Drainage Fee Policy that set forth the fee structure for the Master Storm Drain Fee for residential (single family and multi-family) and non-residential (commercial and industrial) uses. On March 21, 1977, the City Council adopted Resolution No. 4422, amending the fee structure to include and better define various uses – low-density residential (less than 1 du/ac), single-family residential (1 du/ac and less than 5.2 du/ac), multi-family residential (greater than 5.2 du/ac) as well as include public educational use and public facility use in the non-residential category. The fees are adjusted by the Construction Cost Index annually with the approval of the fee schedule.

On January 15, 2019, City Council adopted Resolution No. 19-011 accepting the 2018 City of Cupertino Storm Drain Master Plan prepared by Schaff & Wheeler, which updates the 1993 Storm Drainage System Master Plan by taking into account improvements made to the system since acceptance of the 1993 plan, incorporating more advanced software in the preparation of the hydraulic models, and describing and prioritizing capital improvement projects necessary to maintain and improve the storm drain collection system operated by the City in a manner consistent with industry standards.

Five Year Reporting & Findings Requirement:

1. The purpose of the Master Storm Drain Fee is to help maintain and mitigate impacts to the City's existing storm drain infrastructure. The requirements for applicability to the Master Storm Drain Fees are set forth by the City Council adoption of Resolution No. 633 and 4422, and the fee was adopted under the provisions of the Mitigation Fee Act. The Master Storm Drain Fee is based on studies from the 1961 Master Storm Drainage Plan and Cost Study, the 1974 Revised Master Plan and the 1993 Storm Drainage System Master Plan. Master Storm Drain Fees are used to fund maintenance and capital improvements to the City's storm drain infrastructure.

2. A reasonable relationship exists between the Master Storm Drain Fee and the purpose for which the fee is charged as the storm drain system requires ongoing maintenance that is necessary to ensure proper drainage from development projects, and storm drain improvements may be needed to address increased demand from new developments. The need for the Master Storm Drain fees, as identified in the Storm Drain Master Plan remain, as maintenance and infrastructure improvements are necessary.

3. The sources and amounts of funding anticipated to complete the financing of the Master Storm Drain Fee are identified below:

    - Developer Fair-Share Contributions from all projects that propose new developments.

4. The approximate dates, on which the funding for the needed storm drain improvements is expected to be deposited, are identified in the Five-Year Report on the next page.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost*	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Maintenance Activities & Projects in the 2018 Storm Drain Master Plan and 2024 Storm Drain Outfall Assessment Report	$79,280,000	$2,444,831	70%	Additional Developer Contributions, State and Federal grants, General Fund	*As projects develop/ redevelop*	*Ongoing*	*Ongoing*

* Based on estimates from the 2018 Storm Drain Master Plan: High priority capital improvements = $12.52 million. Moderate priority capital improvements = $25.88 million. Low priority capital improvements = $40.88. Total = $79.28 million.

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Amount of Fee: Based on Storm Drain Master Plan

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure
Balance at 7/1/2025	$2,257,952	
	*$0	
	**$2,257,952	
Fees Collected	$114,246	
Interest	$72,633	
Expended	0	
Subtotal	**0**	
Refunded	0	
Unaudited Balance at 6/30/2026	$2,444,831	

* May include transactions posted to prior FYs not captured in previous reports
** FY26 audited beginning balance after ACFR finalized

Dept.: Community Development

Project: Art In-Lieu Fee

Local Authority:
City of Cupertino: Municipal Code, Chapter 19.148

Five Year Reporting & Findings Requirement:

1. The purpose of the Art In-Lieu Fee is to provide an alternative for private development projects that are required to provide public artwork but lack an appropriate location for public art. The requirements for applicability to the Art In-Lieu fees are set forth in the City's Municipal Code, Chapter 19.148. The Art In-Lieu Fee is based on 1.25% of the construction valuation and is subject to the approval of the Arts and Culture Commission. Art In-Lieu Fees are used to fund the commission and installation of public artwork.

2. A reasonable relationship exists between the Art In-Lieu Fee and the purpose for which the fee is charged as the placement of artwork on a particular property may not be feasible, and alternative means for installing art is needed. The need for the Art In-Lieu fees, as identified when the fee was enacted, remains.

3. The sources and amounts of funding anticipated to complete the financing of the Art In-Lieu Fee are identified below:

    - Developer Fair-Share Contributions from all projects that require public artwork.

4. The approximate dates, on which the funding for the needed public artwork improvements is expected to be deposited, are identified in the Five-Year Report below.

<u>Five-Year Report</u>

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost*	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
None							

Annual Report

Amount of Fee: Based on 1.25% of construction valuation

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure
Balance at 7/1/2025**	$0	
Fees Collected*	$0	
Interest	$0	
Expended	see reservations below	
Reserved	none	
Balance at 6/30/2026**	$0	

* Includes funds collected by Development Agreement and other developments
** Balance reflects the unreserved funds

Dept.: Public Works

Project: N. Stelling/I-280 Bridge Pedestrian Lighting & Upgrades

Local Authority:
EXC-2007-06: Condition of Approval No. 21
TM-2007-02: Condition of Approval No. 24

Five Year Reporting & Findings Requirement:

1. The purpose of the N. Stelling/I-280 Bridge Pedestrian Lighting & Upgrades fee is to enhance the pedestrian walkway along the east and west side of the North Stelling Road bridge that crosses over Interstate 280. Public facilities to be funded with the fees were described in:
    a. Villa Serra Apartments: ASA-2007-03: Condition of Approval No. 21, dated July 13, 2007 for Architectural Site Approval ($25,000 collected)
    b. Las Palmas Subdivision: TM-2007-02: Condition of Approval No. 24, dated July 18, 2007 for Tentative Map Application ($25,000 collected)

2. A reasonable relationship exists between the North Stelling fee and the purpose for which the fee was charged in that new development in the vicinity of the bridge increases pedestrian traffic across the bridge. The need for improvements to the bridge, that were identified during the review of the two projects, remains, as the bridge experiences increased pedestrian traffic due to the two projects.

3. The sources and amounts of funding anticipated to complete the financing of the bridge improvements are identified below:

    - It is anticipated that the City of Cupertino General Fund will be used to supplement revenue from fees.

4. The approximate dates on which the funding for the bridge improvements is expected to be deposited into the appropriate account are identified in the Five-Year Report below.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Pedestrian Lighting & Upgrades – N. Stelling/ I280 Bridge	$100,000	$59,147	50%	Anticipated that City will fund the remaining cost of the project	*Spring 2027*	*Summer 2027*	*Fall 2028*

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Amount of Fee: 25% Contribution to the total cost, based on estimated four projects contributing to improvement.

FY 2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$56,812			Amount	$ -
Fees Collected	0		$ 50,000	Repayment Date (est.)	na
Interest	$2,335		$12,697		
Expended	0		($3,550)		
Refunded	0		0		
Balance at 6/30/2026	$59,147		$59,147		

Dept.: Public Works

Project: Stevens Creek Blvd. and Bandley Drive Signal Improvements

Local Authority:
ASA-2011-12: Condition of Approval No. 43

Five Year Reporting & Findings Requirement:

1. The purpose of the Stevens Creek Blvd and Bandley Drive Traffic Signal Improvement fee is to partially fund upgrades to the traffic signal in order to improve the efficiency of the intersection. Public facilities to be funded with the fees were described in:
    a. Cupertino Crossroads: ASA-2011-12: Condition of Approval No. 43 dated November 17, 2011 for Architectural Site Approval ($25,000 collected)

2. A reasonable relationship exists between the Stevens Creek Blvd. and Bandley Drive Signal Improvements fee and the purpose for which the fee was charged, in that the new development has a driveway that connects directly to the signalized intersection and the development will introduce additional vehicular and pedestrian traffic to the intersection. The need for the improvements to the intersection, which were identified during the review of the project, remains.

3. The sources and amounts of funding anticipated to complete financing of the signal upgrades improvements are identified below:

    - Developer Fair-Share Contributions from other projects in the vicinity of the intersection.
    - It is anticipated that the City of Cupertino General Fund will be used to supplement revenue from fees.

4. The approximate dates on which the funding for the signal improvements is expected to be deposited into the appropriate account are identified below.

<u>Five-Year Report</u>

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Stevens Creek Blvd and Bandley Drive Signal Improvements (Part of SCB Phase 2A)	$185,000	$15,364	5%	Developer Contributions, and General Fund.	*Funding has been provided. Summer 2019*	*Spring 2020*	*Summer 2028*

Annual Report

Amount of Fee: Contribution from expected nearby developments, based on estimated addition of traffic to intersection.

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$14,758			Amount	$ -
Fees Collected	0		$ 25,000	Repayment Date (est.)	na
Interest	$606		$3,490		
Expended	0	Kimley Horn Contract	($13,126)		
Refunded	0		0		
Balance at 6/30/2026	$15,364		$15,364		

Dept.: Public Works

Project: Traffic Mitigation at Homestead Rd and Lawrence Expressway

Local Authority:
TM-2012-04: Condition of Approval No. 87

Five Year Reporting & Findings Requirement: Provided for information only. Five years have not elapsed since initial deposit.

1. The purpose of the Traffic Mitigation at Homestead Rd and Lawrence Expressway fee is to fund improvements to the intersection in order to address traffic impacts from the project. Public facilities to be funded with the fees were described in:
    a. Main Street Cupertino: TM-2012-04: Condition of Approval No. 87, dated September 20, 2012 for Tentative Map application ($400,000 collected)

2. A reasonable relationship exists between the Traffic Mitigation at Homestead Rd and Lawrence Expressway fee and the purpose for which the fee was charged, in that the development, in the vicinity of the intersection, introduces additional traffic to the intersection. The County of Santa Clara updated the intersection in 2026, and the Environmental Impact Report assessed a fair share contribution from the project to address its portion of the impact.

3. The sources and amounts of funding anticipated to complete financing of the intersection improvements are to be identified by the County of Santa Clara.

4. The project has been completed.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Traffic Mitigation at Homestead Rd and Lawrence Expressway Bridge	$4,000,000	$0	100%	To be determined by the County of Santa Clara	*The Funds were provided to the County of Santa Clara in 2026*	*Summer 2025*	*Fall 2025*

Annual Report

Amount of Fee: Based on Fair-Share Contribution assessed by Environmental Impact Report

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$468,731			Amount	$ -
Fees Collected	0		$400,000	Repayment Date (est.)	na
Interest	$19,265		$87,996		
Expended	($400,000)		($400,000)		
Refunded	0		0		
City Retained Interest	($87,996)		($87,996)		
Balance at 6/30/2026	$0		$0		

Dept.: Public Works

Project: Traffic Calming to Mitigate Impacts from Main Street Cupertino

Local Authority:
TM-2012-04: Condition of Approval No. 93

Five Year Reporting & Findings Requirement: Provided for information only. Five years have not elapsed since initial deposit.

1. The purpose of the Traffic Calming to Mitigate Impacts from Main Street Cupertino fee is to help mitigate traffic impacts in the adjacent neighborhoods resulting from the project, for a period of 5 years following project occupancy. Public facilities to be funded with the fees were described in:
    a. Main Street Cupertino TM-2012-04: Condition of Approval No. 93 dated 9/20/2012 for Tentative Map application ($100,000 collected).

2. A reasonable relationship exists between the Traffic Calming fee and the purpose for which the fee was charged, in that the development introduces additional traffic to the surrounding neighborhoods. The City will utilize the funds as needed to address traffic impacts to the surrounding neighborhoods, for a period of 5-years after occupancy.

3. The sources and amounts of funding anticipated to complete financing of the traffic calming mitigations were collected with the project ($100,000).

4. The approximate dates on which the funding for the improvements is expected to be deposited into the appropriate account are identified below.

5. The initial deposit was collected upon project occupancy in June 2018 and the funds have been allocated to the Stevens Creek Blvd Class IV Bikeway project with expenditures expected to be registered during FY26-27, upon completion of the Capital Improvement Project.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Stevens Creek Blvd Class IV Bikeway	$1,084,000	$121,999	10%	Project fully funded	*Fees have been collected. Development Project completed June 2018*	*Summer 2020*	*Summer 2026*

Annual Report

Amount of Fee: Estimated Full Cost of the Study and potential improvements.

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$117,183			Amount	$ -
Fees Collected	0		$100,000	Repayment Date (est.)	na
Interest	$4,816		$21,999		
Expended	0		0		
Refunded	0		0		
Balance at 6/30/2026	$121,999		$121,999		

Dept.: Public Works

Project: Creek Trail Improvements along Calabazas Creek

Local Authority:
TM-2012-04: Condition of Approval No. 47

Five Year Reporting & Findings Requirement: Provided for information only. Five years have not elapsed since initial deposit.

1. The purpose of the Creek Trail Improvements along Calabazas Creek contribution is to administer a creek trail plan, the necessary approvals and improvements for a new trail along Calabazas Creek from Vallco Parkway to Interstate 280. Public facilities to be funded with the fees were described in:
    a. Main Street Cupertino: TM-2012-04: Condition of Approval No. 47 dated September 20, 2012 for Tentative Map application ($65,000 collected)

2. A reasonable relationship exists between the Creek Trail Improvements along Calabazas Creek Fee and the purpose for which the fee was charged in that development in the vicinity of the proposed creek trail introduces additional pedestrian traffic to the area, causing the need to provide additional and alternative means of pedestrian access and recreation to new residents and visitors to the development. The need for a new creek trail, as it was identified during the review of the project, remains.

3. The sources and amounts of funding anticipated to complete financing of the project are identified below:

    - Developer Fair-Share Contributions from other projects in the vicinity of the proposed creek trail location

4. The approximate dates on which the funding for the trail improvements is expected to be deposited into the appropriate account are identified in the Five-Year Report on the next page.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Creek Trail Improvements along Calabazas Creek	$3,100,000	$79,301	5%	Additional Developer Contributions are needed to complete the project	*Developer contributions obtained when adjacent properties redevelop. Anticipated Summer 2022*	*Spring 2023*	*Fall 2027*

Annual Report

Amount of Fee: Contribution equivalent to 1/3 of the estimated cost of creek trail plan

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$ 76,170			Amount	$ -
Fees Collected	0		$ 65,000	Repayment Date (est.)	na
Interest	$3,131		$14,301		
Expended	0		0		
Refunded	0		0		
Balance at 6/30/2026	$79,301		$79,301		

Dept.: Public Works

Project: Parking Conversion Fund along Vallco Parkway

Local Authority:
TM-2012-04: Condition of Approval No. 67

Five Year Reporting & Findings Requirement:

1. The purpose of the Parking Conversion Fund along Vallco Parkway is to enable the City to convert the angled parking spaces along the south side of Vallco Parkway to parallel parking spaces and an additional east-bound traffic lane. Public facilities to be funded with the fees were described in:
    a. Main Street Cupertino: TM-2012-04: Condition of Approval No. 67 dated 9/20/2012 for Tentative Map application ($450,000 collected)

2. A reasonable relationship exists between the Parking Conversion Fund along Vallco Parkway and the purpose for which the fund was collected in that new development is adjacent to this section of Vallco Parkway, and the development added angled parking along Vallco Parkway to serve the development which reduced the number of east-bound lanes as part of their project. The Fund will permit the City to reestablish the east-bound lane that was lost, due to the development, should it be found that the additional lane is necessary to serve the public. The fund is based on the estimated cost to perform the work. The need for the funds, that were identified when the funds was imposed, remain, as the surrounding area is currently planned to further develop.

3. The sources and amounts of funding anticipated to complete financing of the conversion were collected with the project ($450,000).

4. The approximate dates on which the funding for the conversion is expected to be deposited into the appropriate account are identified below.

5. The initial deposit was collected upon project occupancy in June 2018 and is expected to be utilized at the City's discretion to remove angled parking and/or add an additional vehicle lane along Vallco Parkway. The City will continue to evaluate Vallco Parkway layout for traffic concerns through June 2028.

<u>Five-Year Report</u>

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Parking Conversion Fund along Vallco Parkway	$450,000	$548,995	100%	No additional funds needed at this time.	*Fees have been collected. Development Project completed June 2018*	*June 2018*	*June 2028*

Annual Report

Amount of Fee: Estimated Full Cost of the potential improvements.

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$527,322			Amount	$ -
Fees Collected	0		$450,000	Repayment Date (est.)	na
Interest	$21,673		$98,995		
Expended	0		0		
Refunded	0		0		
Balance at 6/30/2026	$548,995		$548,995		

Dept.: Public Works

Project: Funding of Neighborhood Cut-through Traffic and Parking Intrusion Monitoring

Local Authority:
TM-2011-03: Condition of Approval No. 49

Five Year Reporting & Findings Requirement: Provided for information only. Five years have not elapsed since initial deposit.

1. The purpose of the Funding of Neighborhood Cut-through Traffic and Parking Intrusion Monitoring Fee is to monitor and address traffic and parking intrusion, in neighborhoods adjacent to the project site, due to the practices of employees who will work at the project site. Public facilities to be funded with the fees were described in:
    a. Apple Campus 2: Ordinance 13-2114: Resolution Approving Apple Campus 2 Development Agreement – Section 3.13 and TM 2011-03: Condition of Approval No. 47 dated 10/15/2013 for Tentative Map Application ($850,000 collected)

2. A reasonable relationship exists between the Funding of Neighborhood Cut-through Traffic and Parking Intrusion Monitoring fee and the purpose for which the fee was charged in that the traffic from the development, for which the fee is to be used to monitor, has not yet materialized because the development has not been fully constructed or occupied. The City will begin monitoring activities in the fall of 2017. The $850,000 fee was based on an estimate of the cost to perform the monitoring and make minor modifications to address traffic and parking intrusion concerns. The need for traffic and parking intrusion monitoring, as it was identified during the review of the project, remains. The traffic, for which the fees are to be used to monitor, has not yet materialized.

3. The sources and amounts of funding anticipated to complete monitoring and improvements were collected with the project ($850,000).

4. The approximate dates on which the funding for the monitoring is expected to be deposited into the appropriate account are identified below.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Funding of Neighborhood Cut-through Traffic and Parking Intrusion Monitoring	$869,223	$988,391	100%	No additional funds needed at this time.	*Fall 2017*	*Summer 2017*	*Winter 2028*

Annual Report

Amount of Fee: Estimated Full Cost of the Study and potential improvements.

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$949,372			Amount	$ -
Fees Collected	0		$850,000	Repayment Date (est.)	na
Interest	$39,019		$179,869		
Expended	0	IDAX & Stantec Consulting Contracts	($41,478)		
Refunded	0		0		
Balance at 6/30/2026	$988,391		$988,391		

Dept.: Public Works and Information & Technology

Project: Implement a Traffic-Adaptive Traffic Signal System along De Anza Blvd

Local Authority:
TM-2011-03: MitigationTRANS-13c

Five Year Reporting & Findings Requirement: Provided for information only. Five years have not elapsed since initial deposit.

1. The purpose of the Traffic-Adaptive Traffic Signal System along De Anza Blvd fee is to implement traffic-adaptive technology to the traffic signals along DeAnza Blvd within the jurisdiction of the City of Cupertino. Public facilities to be funded with the fees were described in:
    a. Apple Campus 2: Ordinance 13-2114: Resolution Approving Apple Campus 2 Development Agreement – Section 3.13 and TM-2011-03: Mitigation TRANS-13c, dated 10/15/2013 for Tentative Map application ($50,000 collected)

2. A reasonable relationship exists between the traffic-adaptive traffic signal system along De Anza Blvd fee and the purpose for which the fee was charged in that new development will introduce additional traffic to DeAnza Boulevard, and more efficient traffic signal timing will be needed to address the additional traffic. The fee was based on a fair-share contribution of the estimated total cost to install the traffic-adaptive technology. The need for traffic-adaptive technology, as it was identified during the review of the project, remains.

3. The sources and amounts of funding anticipated to complete the traffic-adaptive technology upgrades will be provided through fair-share contributions from other developers that impact the corridor.

4. The approximate dates on which the funding for the traffic adaptive technology is expected to be deposited into the appropriate account are identified below.

5. The funds are intended to be allocated to the De Anza Blvd Traffic Adaptive Signalization special project with expenditures expected to be registered during FY26-27, upon completion of the project..

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
De Anza Blvd Traffic Adaptive Signalization	$225,000	$60,999	20%	Developer Contribution and General Fund	*Fees have been collected.*	*Winter 2025*	*Summer 2027*

Annual Report

Amount of Fee: Based on Fair-Share Contribution assessed by engineer's cost estimate

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$58,591			Amount	$ -
Fees Collected	0		$ 50,000	Repayment Date (est.)	na
Interest	$2,408		$10,999		
Expended	0		0		
Refunded	0		0		
Balance at 6/30/2026	$60,999		$60,999		

Dept.: Public Works

Project: Contribution towards Stevens Creek Blvd. Bicycle Lane Improvements

Local Authority:
ASA-2018-01: Condition of Approval No. 22
DP-2024-002: Condition of Approval No. 47

Five Year Reporting & Findings Requirement:

1. The purpose of the Stevens Creek Blvd. Bicycle Lane Improvement fee is to partially fund upgrades to the bicycle lanes on Stevens Creek Blvd in order to improve and enhance the safety of the bicycle lanes. Public facilities to be funded with the fees were described in:
    a. Target Improvements, ASA-2018-01: Condition of Approval No. 22 dated August 14, 2018 for Architectural Site Approval ($75,000 collected)
    b. Staples Redevelopment Project, DP-2024-002: Condition of Approval No. 47 dated July 1, 2025 for Development Permit ($120,000 collected)

2. A reasonable relationship exists between the Stevens Creek Blvd. Bicycle Lane Improvements fee and the purpose for which the fee was charged, in that the new development abuts Stevens Creek Blvd., and will introduce additional traffic to the area. The need for the improvements to the bicycle lanes, which were identified during the review of the project, remains.

3. The sources and amounts of funding anticipated to complete financing of the improvements are identified below:

    - Developer Fair-Share Contributions from other projects along Stevens Creek Blvd.
    - It is anticipated that the City of Cupertino General Fund will be used to supplement revenue from fees.

4. The approximate dates on which the funding for the improvements is expected to be deposited into the appropriate account are identified below.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Stevens Creek Bicycle Lane Improvements (Wolfe Rd to Hwy 85)	$2,800,000	$208,664	7%	Developer Contributions and General Fund	*Winter 2021*	*Spring 2021*	*Summer 2028*

Annual Report

Amount of Fee: Contribution from developments, based on estimated costs to construct facilities along property frontages.

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$85,008			Amount	$ -
Fees Collected	$120,000		$195,000	Repayment Date (est.)	na
Interest	$3,656		$13,664		
Expended	0		0		
Refunded	0		0		
Balance at 6/30/2026	$208,664		$208,664		

Dept.: Public Works

Project: Hwy 85/Stevens Creek Blvd Caltrans Intersection Improvements

Local Authority:
DP-2018-05: Public Works Condition of Approval No. 1

Five Year Reporting & Findings Requirement:

1. The purpose of the Hwy 85/Stevens Creek Blvd Caltrans Intersection Improvements fee is to fully fund upgrades to vehicle lanes on Stevens Creek Blvd westbound at the Hwy 85 intersection in order to improve and enhance safety. This work is located within Caltrans jurisdiction. Public facilities to be funded with the fees were described in:
    a. Westport Improvements: DP-2018-05, Public Works Condition of Approval No. 1 dated August 18, 2020 for Development Permit Approval ($600,000 collected)

2. A reasonable relationship exists between the Hwy 85/Stevens Creek Blvd Caltrans Intersection Improvements fee and the purpose for which the fee was charged, in that the new development abuts Stevens Creek Blvd, and introduces additional traffic to the area. The need for the improvements, which were identified during the review of the project, remains. The development project was originally conditioned to construct these improvements. However, the City accepted a developer contribution in-lieu of construction.

3. The sources and amounts of funding anticipated to complete financing of the improvements are identified below:

    - Developer Fair-Share Contributions from other projects along Stevens Creek Blvd.

4. The approximate dates on which the funding for the improvements is expected to be deposited into the appropriate account are identified below.

Five-Year Report

Incomplete Project that Was Identified When Imposing the Fee:

Project Description	Total Estimated Cost	Fund Balance 6/30/2026	% Expected to be Funded by Fees	Sources and Amounts of Funding Anticipated to Complete the Project	Estimated Date for Funding to be Deposited in Fund	Estimated Beginning Date	Estimated Completion Date
Hwy 85/Stevens Creek Blvd Caltrans Intersection Improvements	$600,000	$632,607	100%	Developer Contributions	*Fees have been collected. Development Project completed March 2025.*	*Spring 2026*	*Summer 2029*

Annual Report

Amount of Fee: Contribution from development, based on estimated costs to construct facilities.

FY2025-26

Trust Fund Activity	Fiscal Year	Purpose of Expenditure	Inception To Date		Loans/Transfers
Balance at 7/1/2025	$607,633			Amount	$ -
Fees Collected	0		$ 600,000	Repayment Date (est.)	na
Interest	$24,974		$32,607		
Expended	0		0		
Refunded	0		0		
Balance at 6/30/2026	$632,607		$632,607		