



OFFICE OF THE CITY MANAGER

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September 15, 2016

Ken Kirkey
Planning Director
Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Plan Bay Area 2040 Draft Preferred Scenario

Dear Mr. Kirkey:

Thank you for allowing local jurisdictions the opportunity to comment on the Plan Bay Area 2040 Draft Preferred Scenario. Upon review of the information provided, the City of Cupertino has the following comments.

1. **Household Growth:** *The Draft Preferred Scenario indicates that Cupertino's Household growth is expected to increase by about 1.9% over Plan Bay Area 2013 adopted figures.*

Cupertino remains committed to accommodating its share of the Regional Housing Needs Allocation (RHNA) provided it is consistent with past estimates. Additional housing growth beyond the City's RHNA is not anticipated to occur.

2. **Jobs Growth:** *The Draft Preferred Scenario indicates that Cupertino's Jobs growth is expected to increase by over 60% over Plan Bay Area 2013 adopted figures. On the other hand, the County's job growth has been projected to increase a mere 3% over Plan Bay Area 2013 numbers. Cupertino's job growth number appears to be grossly overstated and the City disagrees with this projected increase. An increase of up to 3% above Plan Bay Area 2013 numbers would be a more realistic projection for the following reasons.*

Cupertino uses a development allocation system instead of floor area ratios, which provides a hard cap for office development in the City's General Plan (2015-2040). Currently, there is approximately 500,000 square feet of office allocation available in

the entire City. There is an additional 2M square feet of office potential at the Vallco shopping center site. However, it is currently the subject of an election measure which proposes to remove the office allocation. If passed, the City would have only 500,000 square feet available.

We would like to note that Apple's new campus, approved in late 2013, was largely a teardown and rebuild of an existing HP campus with only a small increase (approximately 200,000 square feet) which was already anticipated in the 2005 General Plan. Therefore, no additional job growth should be allocated to Cupertino as a result of this redevelopment in the Draft Preferred Scenario.


The Draft Preferred Scenario shows that many of our neighboring cities appear to have extremely low or negative office growth, even though they are currently processing General Plan amendments with a great deal of office development. While the market may show that Cupertino has a strong potential for additional office development, many of the neighboring cities share the same characteristics. What differentiates Cupertino from the other cities is it's extremely limited ability, per the General Plan, to approve additional office development.

We believe that the Plan Bay Area 2013 projection for job growth for Cupertino is closer to what could realistically occur within the City. At the most, a 3% increase consistent with the growth rate for Santa Clara County as a whole could be justified. As a result, we recommend that the job numbers not exceed 34,100 or 3% above the Plan Bay Area 2013 numbers.

We have additionally requested parcel level data from MTC's model so that we can review it and provide feedback where MTC may have allocated additional growth. We hope that MTC and ABAG will consider this information prior to adopting the final Plan Bay Area 2040 Preferred Scenario later this year.

Again, we appreciate the opportunity to comment on the Draft Preferred Scenario and hope to work with you to adjust the numbers based on our feedback. If you have any questions, please feel free to contact Aarti Shrivastava, Assistant City Manager at aartis@cupertino.org or Piu Ghosh, Principal Planner at piug@cupertino.org.

Regards



David Brandt
City Manager

CC: Miriam Chion, Director of Planning and Research, Association of Bay Area
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