

# CITY OF CUPERTINO

## SALES TAX UPDATE

### 2Q 2022 (APRIL - JUNE)



**CUPERTINO**

TOTAL: \$ 9,871,481

-10.4%

2Q2022



8.7%

COUNTY



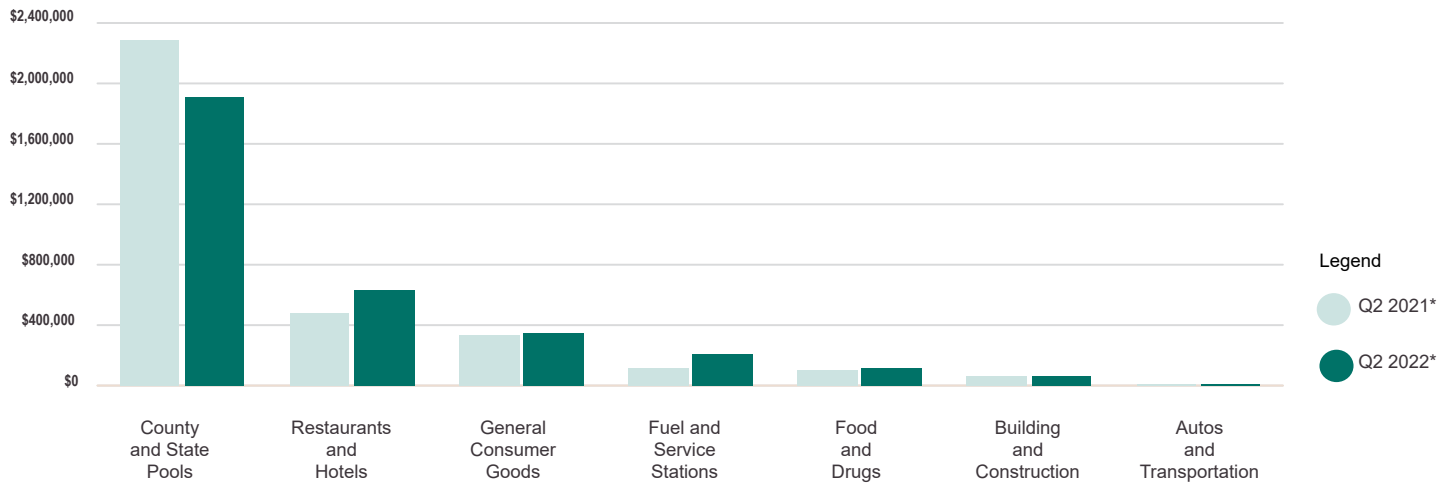
10.1%

STATE



*\*Allocation aberrations have been adjusted to reflect sales activity*

### SALES TAX BY MAJOR BUSINESS GROUP



### CITY OF CUPERTINO HIGHLIGHTS

Cupertino's receipts from April through June were 20.8% below the second sales period in 2021. Excluding reporting aberrations, actual sales were down 10.4%.

Data sharing restrictions are dictated by confidentiality requirements as defined by State sales tax regulations; those areas not under this limitation are shared in the narrative below.

The local economy has continued to demonstrate post-pandemic revitalization. The restaurants and hotels group surpassed the pre-pandemic level, but new restaurant openings have helped the group further growth. Casual and fast casual dining rebounded 39.8% and 19.7% respectively; other sectors were also higher than the comparable quarter.

The skyrocketing price at the pumps continued with another quarter of massive 79% growth by service stations.

General consumer goods were a mixed bag; home furnishings and specialty stores posted gains which were lessened by a other categories that saw some declines.. Inflation's impact hit the aisles at local grocery stores; tax filings rose 12% for this segment.

As Cupertino's point of sale decreased, the City's location from the countywide use tax pool has decreased.

Net of aberrations, taxable sales for all of Santa Clara County grew 8.7% over the comparable time period; the Bay Area was up 11.7%.



### TOP 25 PRODUCERS

- |                             |                            |
|-----------------------------|----------------------------|
| 99 Ranch Market             | Rotten Robbie              |
| Alexander's Steak House     | Safeway                    |
| Alliance                    | Shane Company              |
| Apple                       | Summerwinds Garden Centers |
| Argonaut Window & Door      | Target                     |
| Benihana                    | TJ Maxx                    |
| BJ's Restaurant & Brewhouse | True Zero                  |
| Chevron                     | Valero                     |
| Dk 76                       | Whole Foods Market         |
| Galpao Gaucho               |                            |
| Gate of Heaven Cemetery     |                            |
| Haidilao Hot Pot            |                            |
| Insight Direct              |                            |
| Insight Public Sector       |                            |
| Kura Revolving Sushi Bar    |                            |
| Lazy Dog Cafe               |                            |



**STATEWIDE RESULTS**

Local one cent sales and use tax for sales occurring April through June was 10% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These returns mark the sixth consecutive quarter of double-digit growth since the pandemic periods in 2020, with the July-June 2022 fiscal year up 15%.

Commuters returning to offices combined with the Russia-Ukraine conflict continuing to put upward pressure on oil prices and left Californians facing the highest average price per gallon on record resulting in fuel and service station receipts 42% higher than last year. While statewide fuel consumption still trails 2019 levels, local gas prices are expected to remain high until after the summer blend period.

Led by consumer’s desire to dine out, a steady rise in tourism and business travel, higher menu prices and great weather, the restaurant sector continues to flourish. Theme parks, entertainment venues and hotels showed the strongest growth with casual dining establishments remaining solid, a trend likely to remain through 2022.

The automobile sector experienced modest gains for new car dealers and rental car vendors, however sales of used autos and leasing activity has begun to cool. Brands prioritizing full electric and hybrid models still appear to be the most attractive with consumers, however increased financing rates may cause even their activity to dampen. Tight inventories that contributed to dramatic price increases over the last 18 months are also showing signs of loosening as newer models are released

in greater numbers.

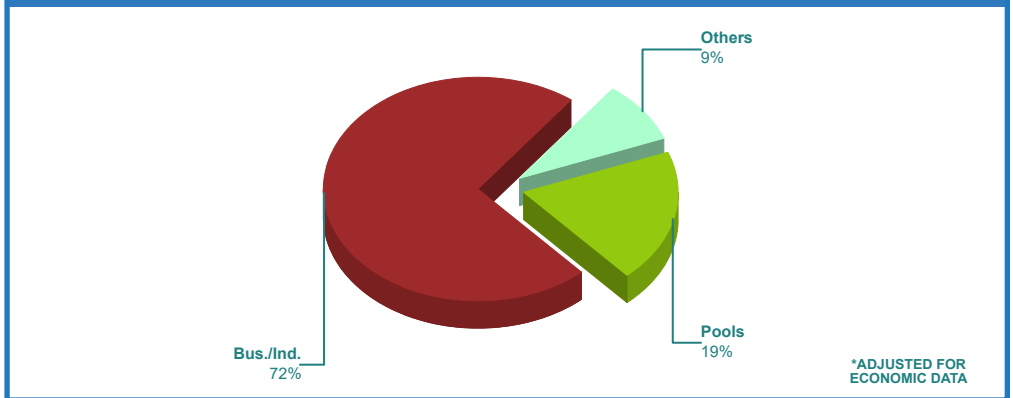
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight decrease.

With new housing starts accelerating and residential and commercial property values rising, construction contractors remain busy. Lumber prices have softened from prior year highs leaving material suppliers with modest gains, however electrical, plumbing and energy

suppliers boosted building sector results. Increased investment in capital equipment remains an important area of growth for county pool allocations, especially as online spending for general consumer goods begins to flatten as consumers return to in-store shopping.

Overall, higher priced goods through periods of consistent demand have led to economic inflation. The Federal Reserve Board’s recent actions to curb inflation are anticipated to put downward pressure on auto sales, building materials and financed general consumer goods, resulting in slower growth by year end and into 2023.

**REVENUE BY BUSINESS GROUP**  
Cupertino This Fiscal Year\*



**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Cupertino Business Type	Q2 '22*	Change	County Change	HdL State Change
Casual Dining	395.5	39.8% ↑	28.1% ↑	17.3% ↑
Service Stations	212.9	79.4% ↑	44.5% ↑	36.4% ↑
Grocery Stores	83.1	9.1% ↑	9.0% ↑	5.3% ↑
Fast-Casual Restaurants	78.7	19.7% ↑	14.1% ↑	7.7% ↑
Quick-Service Restaurants	67.1	2.7% ↑	13.2% ↑	5.2% ↑
Family Apparel	63.6	1.9% ↑	11.7% ↑	0.6% ↑
Specialty Stores	33.9	7.1% ↑	11.4% ↑	4.2% ↑
Home Furnishings	24.3	5.0% ↑	0.7% ↑	-4.6% ↓
Sporting Goods/Bike Stores	20.3	-29.8% ↓	-3.8% ↓	-7.4% ↓
Drug Stores	19.7	25.9% ↑	15.8% ↑	4.7% ↑

\*Allocation aberrations have been adjusted to reflect sales activity      \*In thousands of dollars



CUPERTINO

# CITY OF CUPERTINO

## Upcoming Draft Agenda Items

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### City Council

**Tuesday, November 1, 2022**

#### **Ceremonial Matters & Presentations**

- 22-11521            Subject: Consider a proclamation recognizing November as Lung Cancer Awareness Month
- 22-11596            Subject: Consider a proclamation recognizing November as National Native American Heritage Month
- 22-11597            Subject: Consider veterans appreciation proclamation honoring veterans and military families

#### **Consent Calendar**

- 22-11569            Subject: Consider approval of the Electric Vehicle Parking Expansion Request for Proposals (RFP)
- 22-11573            Subject: Consider authorizing the City Manager to execute a Cost Share Agreement with the City of Saratoga for pavement sealing on Prospect Road between De Anza Boulevard and Stelling Road
- 22-10502            Subject: Consider approval of the October 18 City Council minutes
- 22-11293            Subject: Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period November 1, 2022 through December 1, 2022 pursuant to the Brown Act, as amended by AB 361
- 22-11623            Subject: Amend two existing contracts awarded to both West Coast Code Consultants, Inc. and Independent Code Consultants, Inc. to provide On-Call Professional Plan Review Services as needed.

#### **Second Reading of Ordinances**

- 22-11618            Subject: Amendment to Title 16, Buildings and Construction, of the Cupertino Municipal Code adopting the California Buildings Standards Code and Fire Code as mandated by the State of California and making local exceptions to those standards as warranted.

#### **Ordinances and Action Items**

- 22-11591            Subject: FY 22-23 City Work Program item: Student Internship Program
- 22-11473            Subject: Consider conduct the first reading of an ordinance to amending Municipal Code Chapters 18.20.170, 19.08.030, 19.12.030, 19.12.110, 19.28.040, 19.28.050, 19.28.110, 19.28.150, 19.28.170, 19.40.050, 19.40.060, 19.40.090, and 19.112.060 to adopt standards for ministerial approval of duplexes and lot splits in Single-Family Residential zoning districts

Wednesday, October 26, 2022

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22-11637            Subject: Placeholder for Council Subcommittee for Legislative Aide

**Reports by Council and Staff (10 Minutes)**

22-11622            Subject: City Manager's Office - City Work Program Update

22-11454            Subject: Report on Subcommittee assignments

22-11074            Subject: Brief reports on councilmember activities and brief announcements

22-11086            Subject: Report on Committee assignments

22-11095            Subject: City Manager update

**Tuesday, November 15, 2022**

**Ceremonial Matters & Presentations**

22-11522            Subject: Consider a proclamation recognizing November 13 - 19, 2022 as United Against Hate Week

22-11620            Subject: Consider a proclamation recognizing November 26, 2022 as Small Business Saturday

22-11621            Subject: Certificates of Appreciation to volunteers at the Silicon Valley Korean School (SVKS)

**Consent Calendar**

22-11619            Subject: Consider approval of a Final Map and the Subdivision Improvement Agreement for the Alan Row Development Project (Tract No. 10587; applicant: Alan Enterprise, LLC; Location: 22690 Stevens Creek Boulevard; APN: 342-14-104, 342-14-105, and 342-14-066

22-11600            Subject: Consider a contract with Placeworks for the remainder of Housing Element

22-11550            Subject: Update on the Status of the Research from the City Council Subcommittee Meetings for the Cupertino Community Funding Grant Program (Continued on September 20, 2022)

22-11555            Subject: Consider the summary vacation of a portion of a public utility easement on the property located at 10826 Brookwell Drive.

22-11460            Subject: Consider setting a hearing date on January 17, 2023 to declare a public nuisance (from weeds) and to consider objections for proposed removal; declare properties as having potential fire hazards from weeds or other potential nuisances for the Cupertino Weed Abatement Program

22-11513            Subject: Authorization to execute a First Amendment to the Agreement for Disposal of Municipal Solid Waste Between the City of Cupertino and International Disposal Corp. of California, Inc., extending the term for two years.

22-10503            Subject: Consider approval of the November 1 City Council minutes

- 22-11294            Subject: Consider adopting a resolution authorizing continued remote teleconference meetings of the legislative bodies of the City of Cupertino for the period November 15, 2022 through December 15, 2022 pursuant to the Brown Act, as amended by AB 361
- 22-11421            Subject: Consider accepting Accounts Payable for the periods ending
- 22-11422            Subject: Consider the Monthly Treasurer's Report for September 2022
- 22-11423            Subject: Consider the Monthly Treasurer's Investment Report for September 2022
- 22-11638            Subject: Consider Authorizing the City Manager to execute a First Amendment to Active Network, LLC., Master Agreement
- 22-11624            Subject: CDD Planning RFP

**Second Reading of Ordinances**

- 22-11474            Subject: City Council hearing to conduct second reading of amendments to 18.20.170, 19.08.030, 19.12.030, 19.12.110, 19.28.040, 19.28.050, 19.28.110, 19.28.150, 19.28.170, 19.40.050, 19.40.060, 19.40.090, and 19.112.060 to adopt standards for ministerial approval of duplexes and lot splits in Single-Family Residential zoning districts.

**Ordinances and Action Items**

- 22-11483            Subject: Consider accepting the First Quarter Financial Report for Fiscal Year 2022-23; consider adopting Resolution 22-XXX approving Budget Modification #XXXX increasing appropriations by \$XXX and revenues by \$XXX.
- 22-11630            Subject: City Hall Project update

**Reports by Council and Staff (10 Minutes)**

- 22-11455            Subject: Report on Subcommittee assignments
- 22-11392            Subject: Department Update - Administrative Services
- 22-11075            Subject: Brief reports on councilmember activities and brief announcements
- 22-11096            Subject: City Manager update
- 22-11087            Subject: Report on Committee assignments
- 22-11615            Subject: Housing Element update and receive report



**Santa Clara County Office of the Sheriff**  
**Weekly Activity Summary**  
**10/10/2022 – 10/16/2022**  
**CUPERTINO**



**PATROL ACTIVITY SUMMARY**

DATE	BEAT	ACTIVITY	COMMENTS
10/10	C9	Grand Theft	Between 11:00 AM and 2:00 PM on 10/6, unknown suspect(s) stole a generator and tool kit from the bed of a truck parked in the 19000 block of Stevens Creek Boulevard for a total loss of about \$1,500.
10/10	C1	Vehicle Burglary, Theft by Credit Card	Between 4:45 PM and 5:45 PM on 10/9, unknown suspect(s) entered a vehicle parked at Rancho San Antonio Open Space Preserve on Cristo Rey Drive using unknown means and stole credit cards. The credit cards were then used to make fraudulent purchases totaling approximately \$5,738.
10/10	C4	Residential Burglary	Between 3:00 PM on 10/9 and 4:00 PM on 10/10, unknown suspect(s) entered a residence in the 19000 block of Auburn Court by breaking a rear sliding glass door and stole assorted currencies for a total loss of about \$6,600.
10/10	C9	Grand Theft	Between 3:30 AM and 3:35 AM, unknown suspect(s) stole a catalytic converter from a vehicle in the 800 block of Stendhal Lane for a total loss estimated at \$1,000.
10/11	C9	Possession of Controlled Substance, Drug Paraphernalia, and Drugs without Prescription ARREST	At 3:11 AM, deputies stopped a motorist at Lawrence Expressway and Calvert Drive for an equipment violation. An investigation revealed the suspect driver was in possession of Methamphetamine, drug paraphernalia, and Adderall without a prescription, in violation of the suspect's post release community supervision terms. The suspect also had an outstanding warrant and was arrested and booked into Main Jail.
10/11	C7	Assault and Battery	At 4:10 AM, the victim reported being assaulted an hour prior at a residence in the 11000 block of La Paloma Drive, where the victim claims the suspect punched him in the head. The suspect is known and at large.
10/11	C5	Commercial Burglary ARREST	At 4:25 AM, deputies responded to an alarm activation at Ippudo restaurant on Vallco Parkway. The suspect was located and detained nearby, and an investigation revealed the suspect entered the restaurant through a rear unlocked door and stole \$706 in cash from a safe, in violation of the suspect's probation terms for a previous burglary conviction. The suspect was arrested and booked into Main Jail.
10/12	C7	Vehicle Tampering, Petty Theft	Between 5:00 PM on 10/11 and 8:00 AM on 10/12, unknown suspect(s) tampered with a vehicle parked in the 1100 block of Crestline Drive and stole fender trim for a loss of about \$50.
10/12	C8	Identity Theft	On 10/12, the victim reported unknown suspect(s) used the victim's personal information to open a credit card account and made fraudulent purchases totaling approximately \$4,909. The victim lives in Cupertino.
10/12	C9	Non-Injury Collision	Occurred at 1:39 PM at S. Tantau Avenue and Stevens Creek Boulevard.

**PATROL ACTIVITY SUMMARY**

<b>DATE</b>	<b>BEAT</b>	<b>ACTIVITY</b>	<b>COMMENTS</b>
10/13	C2	Theft by Credit Card	On 10/13, the victim reported unknown suspect(s) used the victim's credit card information to conduct a fraudulent transaction for a total loss of about \$6,000. The victim lives in Cupertino.
10/13	C7	Theft by False Pretenses	On 10/13, the victim reported he contacted unknown suspect(s) through a website found online and was convinced to send money using what was later discovered to be a fraudulent cryptocurrency trading platform for a total loss of about \$680,000. The victim lives in Cupertino.
10/13	C4	Non-Injury Hit and Run Collision	Occurred at 3:59 PM at Infinite Loop and Mariani Avenue.
10/14	C3	Tampering with a Vehicle, Grand Theft	Between 9/9 and 10/14, unknown suspect(s) tampered with a vehicle parked in the 10000 block of Brewer Avenue and stole a catalytic converter for a total loss estimated at \$8,000.
10/14	C5	Non-Injury Hit and Run Collision	Occurred at 9:31 AM at Stevens Creek Boulevard and Finch Avenue.
10/14	C3	Non-Injury Collision	Occurred at 12:24 PM at Cedarbrook Terrace and N. De Anza Boulevard.
10/14	C7	Non-Injury Collision	Occurred at 1:37 PM at September Drive and October Way.
10/14	C4	Injury Hit and Run Collision	Occurred at 6:10 PM at N. De Anza Boulevard and Interstate 280.
10/14	C3	Injury Hit and Run Collision	Occurred at 6:27 PM at Stevens Creek Boulevard and Mary Avenue.
10/15	C4	Commercial Burglary, Organized Retail Theft	At 3:37 PM, three unknown suspects entered the Apple store on Infinite Loop, acted in concert, and took store merchandise without paying before fleeing the scene. Details and the total value of the stolen property have not yet been provided.
10/16	C3	Petty Theft, Theft by Credit Card	Between 10:30 AM and 10:57 AM, unknown suspect(s) took a wallet from a shopping cart at Safeway on Homestead Road. The suspect(s) then used a credit card from the wallet to make a fraudulent purchase totaling approximately \$10,000.
10/16	C8	Attempted Theft	At 2:50 PM, an unknown suspect entered an unlocked vehicle parked in the 900 block of Rose Blossom Drive, but quickly fled the scene in a waiting getaway vehicle without stealing anything after being confronted by the victim.



**Santa Clara County Office of the Sheriff**  
**Weekly Activity Summary**  
**10/17/2022 – 10/23/2022**  
**CUPERTINO**



**PATROL ACTIVITY SUMMARY**

DATE	BEAT	ACTIVITY	COMMENTS
10/17	C2	Commercial Burglary	Between 4:00 PM on 10/14 and 10:03 AM on 10/16, unknown suspect(s) entered a residential construction site in the 22000 block of Linda Ann Court and stole tools for a total loss of about \$1,420.
10/17	C7	Grand Theft	Between 11:00 AM on 10/15 and 2:00 PM on 10/17, unknown suspect(s) stole a catalytic converter from a vehicle parked in the 21000 block of Conrardia Court for a total loss estimated at \$1,000.
10/17	C5	Petty Theft	Between 5:00 PM on 10/15 and 9:00 AM on 10/16, unknown suspect(s) cut a lock and stole a bicycle secured to a chain link fence at the Hamptons Apartment Homes on Pruneridge Avenue for a total loss of about \$309.
10/17	C1	Vandalism	Between 7:49 AM and 8:09 AM on 10/16, unknown suspect(s) forced open a security gate at Gate of Heaven Cemetery on Cristo Rey Drive, breaking the gate's electric motor. The total amount of damage was estimated at \$15,000.
10/17	C7	Vehicle Tampering, Grand Theft	Between 1:00 PM on 10/16 and 6:40 AM on 10/17, unknown suspect(s) tampered with two vehicles parked at November Drive and Fiesta Lane and stole catalytic converters from each for a total loss of about \$4,000.
10/17	C4	Vehicle Tampering, Grand Theft	At 4:26 AM, unknown suspect(s) tampered with a vehicle parked in the 10000 block of Plum Tree Lane and stole a catalytic converter for a total loss estimated at \$2,000.
10/17	C7	Vehicle Tampering, Grand Theft	At 4:50 AM, unknown suspect(s) tampered with a vehicle parked in the 7700 block of Robindell Way and stole a catalytic converter for a total loss of about \$3,500.
10/17	C7	Vehicle Tampering, Grand Theft	At 5:09 AM, unknown suspect(s) tampered with a vehicle parked in the 800 block of September Court and stole a catalytic converter for a total loss of about \$5,000.
10/17	C7	Grand Theft	At 5:36 AM, unknown suspect(s) stole catalytic converters from two vehicles parked at Terrace Drive and La Jolla Court for a total loss estimated at \$3,500.
10/18	C7	Vehicle Tampering, Grand Theft	Between 5:00 PM on 10/15 and 7:20 AM on 10/18, unknown suspect(s) tampered with a vehicle parked in the 10000 block of Byrne Avenue and stole a catalytic converter for a total loss of about \$1,200.
10/18	C3	Annoying/Harassing Electronic Communications	On 10/18, the victim reported receiving multiple annoying and harassing calls and text messages from the suspect. The victim lives in Cupertino and the suspect is known and at large.
10/18	C7	Non-Injury Hit and Run Collision	Occurred at 8:16 AM at Mt. Crest Place and Mt. Crest Drive.
10/18	C5	Recovered Stolen Vehicle	At 9:28 AM, deputies recovered a vehicle, previously stolen from San Jose, parked at the Hamptons Apartment Homes on Pruneridge Avenue. The suspect(s) are unknown and at large.



**PATROL ACTIVITY SUMMARY**

<b>DATE</b>	<b>BEAT</b>	<b>ACTIVITY</b>	<b>COMMENTS</b>
10/18	C9	Petty Theft	Between 11:25 AM and 5:48 PM, unknown suspect(s) opened and stole items from a mail package delivered to the Cupertino City Center Apartments on Stevens Creek Boulevard for a total loss of about \$100.
10/18	C8	Injury Collision	Occurred at 5:50 PM at Bollinger Road and Westlynn Way.
10/18	C5	Non-Injury Collision	Occurred at 8:10 PM at N. Wolfe and Homestead Roads.
10/19	C8	Vehicle Tampering, Grand Theft	Between 5:00 PM on 10/18 and 11:30 AM on 10/19, unknown suspect(s) tampered with a vehicle parked in the 7500 block of Heatherwood Drive and stole a catalytic converter for a total loss of about \$3,000.
10/19	C9	Grand Theft	Between 6:00 PM on 10/18 and 8:30 AM on 10/19, unknown suspect(s) entered an unlocked vehicle parked at the Juniper Hotel on S. De Anza Boulevard and stole a ring, smart watch, and sunglasses for a total loss of about \$3,900.
10/19	C5	Non-Injury Collision	Occurred at 8:32 AM at N. Wolfe and Pruneridge Avenues.
10/19	C9	Commercial Burglary	Between 11:00 AM and 11:20 AM, unknown suspect(s) entered an Apple building on Torre Avenue at Stevens Creek Boulevard by following an employee in and stole three laptops for a total loss of about \$1,600.
10/20	C4	Forgery, Possession of Stolen Property, Burglary Tools, Brass Knuckles, Controlled Substance, Drug Paraphernalia ARREST	At 5:45 PM, deputies stopped a motorist at N. De Anza Boulevard and Lazaneo Drive for an equipment violation. An investigation revealed the suspect driver was in possession of forged checks, Methamphetamine, drug paraphernalia, burglary tools, brass knuckles and false identification and social security cards. A suspect passenger in the car was also in possession of Methamphetamine and had multiple outstanding warrants, while the third suspect occupant of the vehicle was also in possession of drug paraphernalia and burglary tools. Two of the suspects were arrested and booked into Main Jail, while the third suspect was cited and released at the scene.
10/21	C9	Vehicle Tampering, Grand Theft	At 2:27 AM, unknown suspect(s) tampered with a vehicle parked in the 10000 block of Miller Avenue and stole a catalytic converter for a total loss of about \$2,000.
10/22	C3	Residential Burglary	Between 5:00 PM on 10/21 and 12:00 PM on 10/22, unknown suspect(s) entered the second level balcony of a residence at the Glenbrook Apartments on Parkwood Drive and stole a bike for a total loss of about \$1,000.
10/22	C6	Battery	On 10/22, the victim reported he was punched the evening prior at Cupertino Healthcare and Wellness Center on Voss Avenue. The suspect is known and denied the allegation. The complaint will be submitted to the District Attorney's Office for review.
10/22	C5	Commercial Burglary, Possession of Stolen Vehicles	Between 9:51 AM and 10:19 AM, unknown suspects, in two separate stolen vehicles, one stolen from San Jose and the other from Sunnyvale, drove into an underground parking garage on Vallco Parkway, exited their vehicles and then entered a storage unit for Kura Sushi by cutting a lock. The suspects stole miscellaneous restaurant supplies for a total loss of about \$1,000.

**PATROL ACTIVITY SUMMARY**

<b>DATE</b>	<b>BEAT</b>	<b>ACTIVITY</b>	<b>COMMENTS</b>
10/22	C5	Grand Theft	At 10:20 AM, unknown suspect(s) entered an unlocked vehicle parked at the Bowlmor Lanes on N. Wolfe Road and stole a cellular phone and handheld radio for a total loss estimated at over \$1,000.
10/23	C5	Vandalism	Between 7:00 PM on 10/22 and 10:00 AM on 10/23, unknown suspect(s) broke the garage door and keypad of a residence at the Hampton Apartment Homes on Pruneridge Avenue. The total amount of damage was estimated at \$1,000.