

RESPONSE TO COUNCIL QUESTIONS RE: 11/13/18 CITY COUNCIL AGENDA

Agenda Item #: 1.C**Title: Approve the List(s) of Claims and Bills Approved for Payment by the City Manager**

Council Question: Please provide more information about the following payment:

\$94,029.32 to ABLE SEPTIC TANK SERVICE for Construction Services, for example Invoice No. TM-18-260-2 for \$25,082.69

Staff Response: This payment is for several emergency sewer repairs. For example, the invoice referenced in the council question was for an emergency sewer repair completed on Palamos Ave. in August of this year. Council awarded a contract to Able Septic for emergency repair in the amount of \$200,000 on July 17, 2018 (RTC 18-0560).

Agenda Item #: 1.E**Title: Authorize Issuance of a Purchase Order for Mobile Data Terminals for the Department of Public Safety and Environmental Services Department (F18-293)**

Council Question: Please provide information about the agreement between the City and the Fremont Union High School District as noted on page 2 of the Staff Report.

Staff Response: The City receives an annual contribution of \$10,000 a year from the Fremont High School District to supplement public safety services provided to the school. This contribution may be used for purchase of equipment related to the delivery of police services in support of the school. The Investigations Unit investigates numerous cases involving high school students, which requires field investigation. Detectives do not currently have the ability to run plates, persons or document reports or evidence in the field, especially during compliance checks, search warrants and surveillance operations. The purchase of the three laptops for the investigations unit will support the personnel who investigate crimes involving high school students.

Agenda Item #: 1.J**Title: Receive and File the City of Sunnyvale Investment Report - 3rd Quarter 2018**

Council Question: Please help me understand where in the Investment Report Third Quarter 2018 that I can see the following two numbers which are presented in the Staff Report: (a) 1.58 years duration of funds in a maturity of 0 to 5 years; and (b) funds of \$418,412,142 with a maturity of 0 to 5 years.

Staff Response: The description provided in the staff report references the structure of the overall portfolio. Staff is investing a portion of the portfolio not immediately needed for liquidity in longer term investments. The number provided in the staff report (\$418,412,142) for this portion contains a typo and is incorrect. The correct amount is \$416,412,142.

The remainder, more liquid portion of the portfolio is in two pieces: 1) Investments shorter than two years (\$49,749,506); and, 2) In the Local Agency Investment Fund (LAIF) (\$44,271,911). These three numbers totaled (\$510,433,559) equal the market value of the portfolio presented on page three of the portfolio summary. It is important to note that as the Council action is to receive and file the Investment Report, which is accurate, the recommended City Council action is still valid. Staff has included a summary statement of the longer-term portion of the portfolio as an attachment to this response.

Council Question: Over the past 3 months, the overall portfolio balance has decreased by \$41.9 million while increasing the average life of portfolio (days) from 307 to 602. The weighted yield has increased from 1.8% to 2.1%. Generally speaking, what does Staff expect these numbers to show three months from now?

Staff Response: The investment portfolio balance is expected to increase over the quarter. The primary driver of the decrease was a large pre-payment made to CalPERS for this fiscal year's pension expense. The City receives a discount by paying at the beginning of the year. Staff also anticipates that the average life of the portfolio will continue to grow as investments are migrated to a longer average duration.

Agenda Item #: 4

Title: Proposed Project: General Plan Amendment (GPA) Initiation to consider an amendment to the Peery Park Specific Plan (PPSP) to increase the office/industrial development capacity and allow housing on the 10 parcels in the PPSP-Industrial Edge (IE) zoning district totaling 29.3 acres.

Locations: 400-840 W. California Avenue (165-26-009, 010, 011, 012, 013, 014, 016, 018, 019, 020)

File #: 2018-7576 Applicant / Owner: Skidmore, Owings, & Merrill LLP (applicant) / Steelwave LLC (owner)

Environmental Review: The project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (a). Project Planner: Amber Blizinski

Council Question: Please provide a table of development projects which have used the 1,849,000 square feet of PPSP net new office/industrial use development capacity (e.g. 2,000,000 minus 151,000) since adoption of the Plan in 2016. For each project, in addition to basic project information, please specify the current status of the project (e.g. built, under construction, entitled, applied for, etc.) and the Community Benefit (as that term is used in Section 4.2 of the PPSP) that has been / will be provided by each project.

Staff Response: See attached spreadsheet. Please note: some of the square footage numbers may be adjusted during construction, or after it is clear what area will be devoted to retail/restaurant uses.

Council Question: The preservation of the Libby Water Tower by the property owner was supposedly a part of an agreement between the City and the property owner, in exchange for the city relinquishing a road to the property owner. Can staff please provide details regarding that agreement, what it entailed, and what responsibilities the property owner has under that agreement? My understanding is that the specific placement of the water tower marks a site of some historical significance to Sunnyvale. Can staff provide any information on the siting of the tower?

Staff Response: The water tower was designated a Heritage Landmark in 1979. Detailed information about the original location was:

LIBBY WATER TOWER
444 W. California

Libby, McNeill & Libby opened in 1907 and by 1922 became the world's largest cannery. The original tower supplied water to the cannery and its workers and was replaced in 1965 by the present structure.

In 1984, as a condition of approval of a Special Development Permit (SDP) to build 2 office buildings, the property owner was required to record an agreement to maintain the water tower, which would be located in a circle of land of the newly public street dedication for Sobrante Way (this R-O-W was later vacated).

23. Retain ownership of and maintain in good condition, the water tower.
 - a. Obtain an Encroachment Permit prior to recordation of a Parcel Map.
 - b. Record an agreement prior to recordation of a Parcel Map, to the satisfaction of the City Attorney, providing for private maintenance of the water tower in perpetuity.
 - c. The agreement shall include a "hold harmless cause" in regard to liability by the City.

The site has had two additional SDPs approved (one which resulted in the street vacation). The requirement for maintenance of the water tower as a Heritage Landmark was confirmed for each of those successive SDPs.

If the Council authorizes a study, additional research would be required to address the proposal for relocating the water tower, including a review by the Heritage Preservation Commission.

Council Question: How many General Plan Amendment Studies are currently underway? What is there timing for completion of the current items?

Staff Response: Currently in process are six GPAs/Specific Plan Amendments:

1. Moffett Park Specific Plan (late 2020)
2. El Camino Real (late 2019)
3. Downtown Specific Plan Commercial Core, 3 sites- DSP Blocks 1a, 18, 23 (mid 2019)
4. Downtown Specific Plan Block 20 (late-2019)
5. Lawrence Station Area Plan (late 2019/early 2020)
6. 899 Kifer (Fortinet) (on hold, late 2019 possible)

Seven other sites have pending requests, including 4 sites in Peery Park.

Agenda Item #: 5

Title: Public Hearing and Adopt a Resolution Ordering the Vacation of a Portion of Carl Road Westerly of Borregas Avenue

Council Question: Can you provide an update on the parking/trail improvements along Caribbean Drive? When do we expect completion?

Staff Response: The project is currently in final design and is expected to go out for bid in Spring 2019. The construction of the improvements is scheduled to be completed during the Winter of 2019/20.

Council Question: Does the vacation of Carl Road mean immediate reduction in the parking in the area, or are some "Staff/Construction" spots available along Borregas (north of Caribbean)?

Staff Response: Council approval of the vacation of Carl Road does not mean that the road will immediately be vacated. The vacation will not happen until construction along Caribbean Drive is complete and the new parking and trail entrance has been constructed. With the completion of the Caribbean Drive Project and recording of Carl Road vacation, all trail parking will be shifted to Caribbean Drive. Available parking will go from 15 stalls on Carl Road to 38 stalls along Caribbean Drive. The existing parking along Borregas Avenue north of Caribbean Drive will remain and will be available for staff and visitors of the Water Pollution Control Plant.

PEERY PARK SPECIFIC PLAN
Development Capacity

AS OF 7/5/18

Address	Applicant	Use	Project #	Application Date	Approval Date	Status	Existing Office/Industrial SF	Proposed Office/Industrial SF	Net New Office/Industrial SF
767 N. Mathilda	Hilton	Hotel	2015-7624	7/27/2015	11/7/2016	Under construction			
696 N. Mathilda	DiNapoli	Restaurant	2013-7608	7/19/2013	10/16/2016	Under construction	11,219	0	-11,219
520 Almanor	Lane	Office	2015-7256	4/1/2015	3/28/2017	Under construction	80,000	207,602	127,602
221 N. Mathilda	Spear	Office	2015-7302	4/15/2015	12/12/2016	Under construction	0	145,250	145,250
Mary/Paloma	Irvine	Office	2015-7879	10/9/2015	6/6/2017	Under construction	768,665	1,432,043	663,378
									925,011
Maude/Potrero	Simeon	Office	2015-8126	12/22/2015	4/25/2017	In bldg plan check	33,640	174,545	140,905
675 Almanor	Dollinger	Office	2015-8110	12/16/2015	4/18/2017	In bldg plan check	60,045	152,216	92,171
									233,076
615 N. Mathilda	DiNapoli	Office	2013-7609	7/19/2013	11/14/2016	Planning approved	109,305	316,618	207,313
265 Sobrante	Sobrante Prop	Office	2016-7173	3/1/2016	2/12/2018	Planning approved	45,470	120,540	75,070
623 Pastoria	Yagi	Office	2016-7573	7/5/2016	1/23/2018	Planning approved	23,520	52,755	29,235
445 N. Mary	Jay Paul	Office	2016-7607	7/13/2016	6/12/2018	Planning approved	194,170	366,819	172,649
									484,267
Maude/Potrero	Simeon	Office	2015-8126	12/22/2015		Pend'g Planning	165,178	382,188	217,010
820 San Aleso	Summit Schools	School	2017-7986	12/1/2017		Pend'g Planning	51,500	School	-51,500
275 Mathilda	Irvine	Office	2018-7432	6/1/2018		Pend'g Planning	51,075	123,000	71,925
370 Aleso	Toll Bros	Housing	2018-7315	4/18/2018		Pend'g Planning	31,392	65 units	-31,392
888 Ross	Miramar Capitol	Office	2018-7833	10/5/2018		Pend'g Planning	135,163	285,163	150,000
									356,043
*Max office allowed under PPSP = 2,000,000 net new sq. ft.								Total:	1,998,397
^Max retail allowed under PPSP = 200,000 net new sq. ft.								Balance:	1,603

Portfolio Summary

As of September 22, 2018



PORTFOLIO CHARACTERISTICS

Average Modified Duration	1.58
Average Coupon	1.96%
Average Purchase YTM	2.11%
Average Market YTM	2.73%
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	1.77 yrs
Average Life	1.66 yrs

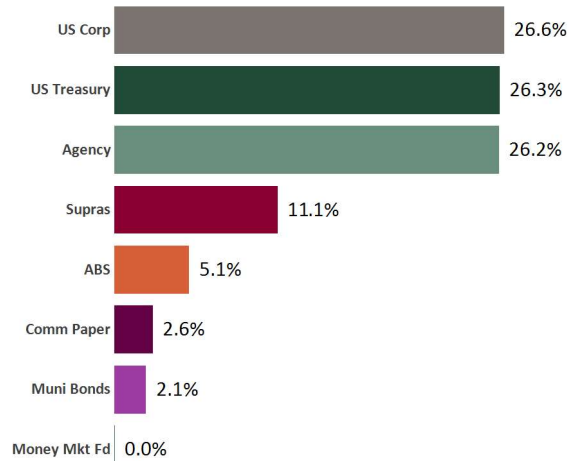
ACCOUNT SUMMARY

	Beg. Values as of 8/25/18	End Values as of 9/22/18
Market Value	416,672,917	416,412,142
Accrued Interest	1,837,085	1,877,046
Total Market Value	418,510,002	418,289,188
Income Earned	598,268	655,472
Cont/WD		0
Par	420,166,766	421,313,976
Book Value	418,802,026	419,417,011
Cost Value	419,196,382	419,800,612

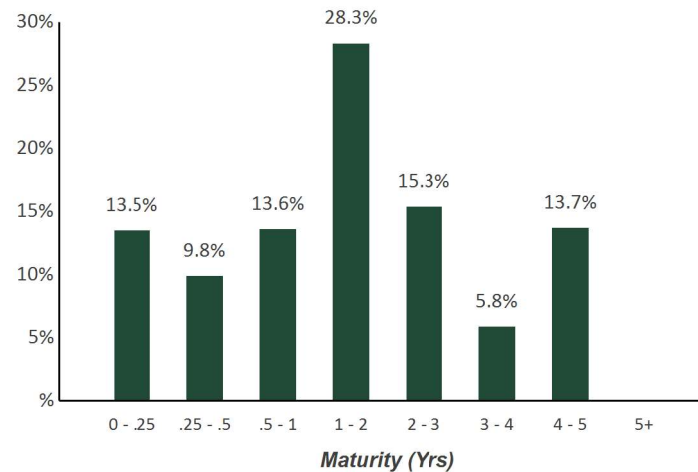
TOP ISSUERS

Government of United States	26.3%
Federal National Mortgage Assoc	8.9%
Federal Home Loan Bank	5.2%
Federal Home Loan Mortgage Corp	5.2%
Intl Bank Recon and Development	4.3%
Federal Farm Credit Bank	4.3%
Inter-American Dev Bank	3.5%
International Finance Corp	3.3%
Total	61.0%

SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)

