

# City Hall Subcommittee

Meeting #5 - 10/21/2022

Topic: Funding & Summaries



**CUPERTINO**

# Upcoming Meeting Agendas

- SEPT. 1: **Structural Analysis** – Compelling reasons for the project (a.k.a. Seismic & MEP Deficiencies)
- SEPT. 22: **EOC** – cost drivers, location options, and justifications
- OCT. 13: Parking – history, use analysis and code requirements
- OCT. 13: Programming – Staff & Community program requirements in the space (a.k.a. Space Planning)
- **OCT. 21: Funding** – potential strategies
- OCT. 27: **Q&A, and Recommendations** for Council

# OCTOBER 21

## Agenda

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### **TOPIC: Summaries**

1. Concepts reviewed to date
  - \*EOC (*no discussion required*)
    - a. Seismic Retrofit & Infrastructure upgrades
    - b. Space Planning
    - c. Parking
2. Cost Summaries
3. Funding Options

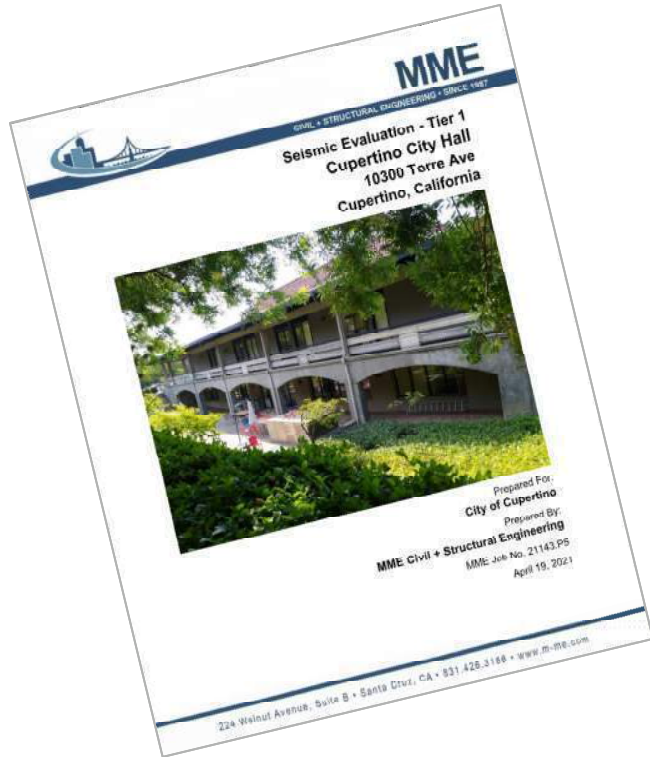
### **TOPIC: Funding**

The background of the slide features a photograph of a large, single-story building with a red-tiled roof and a covered walkway. The building is surrounded by lush green trees and manicured hedges. In the foreground, there is a paved area with a red curb. The bottom portion of the slide is overlaid with a dark blue background containing abstract, geometric shapes in various shades of blue.

# 1. Concepts Reviewed to Date

a. Seismic Retrofit & Infrastructure Upgrades

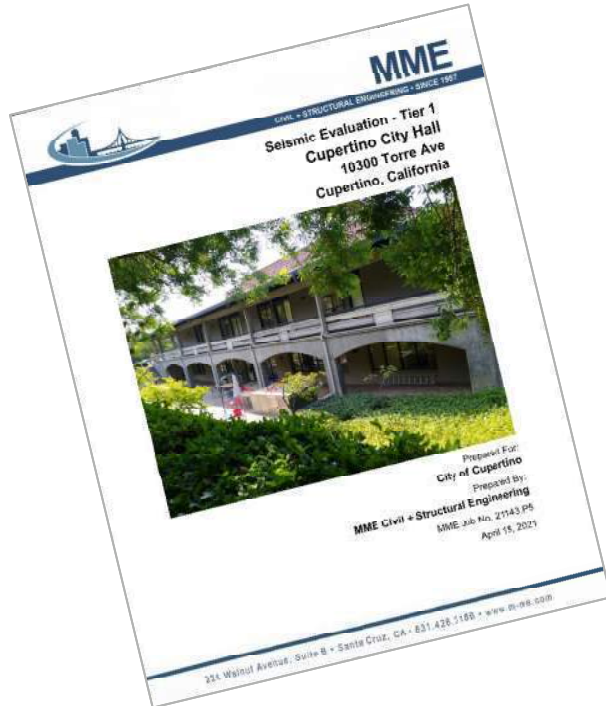
# 2021 Structural Analysis (MME): Scenarios



Two scenarios were considered:

- Scenario One: “Essential Facility” Risk Category IV, available for Immediate Occupancy following a BSE-1E seismic event, and available for Life Safety following a BSE-2E seismic event. The performance requirements address structural and non-structural elements.
- Scenario Two: Typical Office Building, Risk Category II (EOC relocated) with the performance criteria of “Collapse Prevention” following a BSE-2E seismic event.

# 2021 Structural Analysis: Remedies



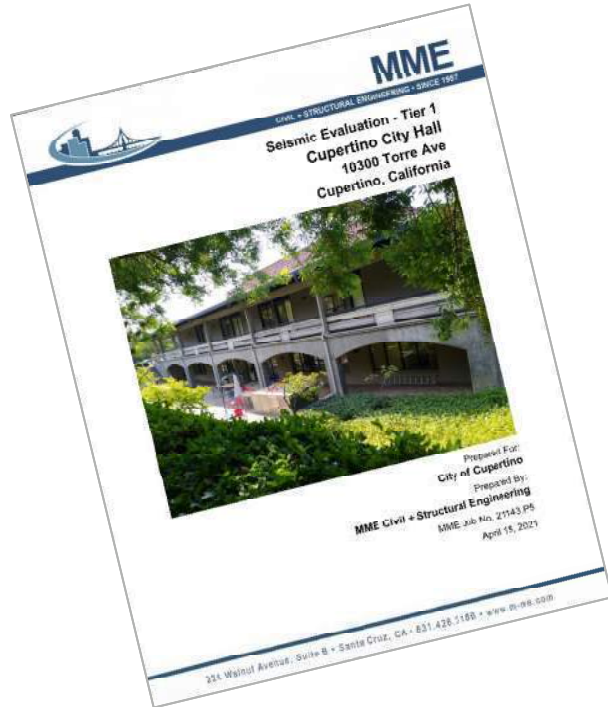
Seismic Remediations required for Essential Facility (IV) occupancy:

- Improve Roof Diaphragm Shear capacity (nailing, loading)
- Improve the Roof Diaphragm Collector Splice Capacity
- Improve the Anchor Bolt Connections at top of Shear Walls
- Improve the Upper Floor Concrete Shear Wall Flexural Capacity and add Boundary members

Seismic Remediations required for both Essential Facility (IV) occupancy and Office Building (II) occupancy:

- Upgrade the Out of Plane Connection of Veranda Beam
- Improve the Upper Floor Concrete Shear Wall Shear Capacity

# 2021 Structural Analysis: Remedies



*The following structural scopes require additional evaluation to confirm the requirements, but we believe this work is also required.*

Seismic Remediations required for Essential Facility (IV) occupancy:

- Ground floor Wall [Horizontal] Reinforcing at Openings
- Improve Columns Reinforcement ties for Confinement
- Improve Foundation Dowels' capacity

Seismic Remediations required for both Essential Facility (IV) occupancy and Office Building (II) occupancy:

- Add Continuous Cross Ties at Upper Floor Shear Wall
- Repair Upper Floor Concrete Shear Wall adjacent to diaphragm openings
- Repair Column Splices and Girder Stirrups



# Summary - Structural Analysis

*While the focus of the reports may vary, the findings are consistent regarding the status of the structural system:*

- The building relies on concrete shear walls for lateral load resistance and a combination of concrete walls and isolated concrete columns to support the gravity loads. These elements do not have sufficient ductility to resist seismic lateral displacements without sustaining significant damage. **Damage to these critical structural gravity load-resisting elements could result in collapse of the roof structure.** The life safety and economic risk could be substantial.
- The building does not comply with either the Essential Services Facility requirements or [Regular Building] evaluation criteria unless a seismic strengthening is undertaken. **The 2021 findings are similar to the findings in the previous reports.**



# Scope of Work Scenarios

## *Aspects to consider*

1. Seismic Upgrade of the building: will trigger some additional work, like ADA/Accessibility improvements.
2. HVAC and other Infrastructure systems: how can you not replace these systems that are 50+ years old?
3. Seismic + HVAC/Infrastructure + Accessibility/ADA work will affect over 75% of the building, which leads us to consider a full interior renovation project.
4. Essential Facility (Risk Category IV) or not (Risk Category II)?



# Seismic Retrofit & Infrastructure Upgrades

Summary:

It is well-documented that many structural engineers recommend that the 1965 City Hall building needs to be seismically retrofit. The HVAC and other infrastructure systems are also well-past their useful life and require replacement. **We recommend a full seismic/structural upgrade, as well as a complete reconstruction of all infrastructure systems such as HVAC and life safety systems.**



# 1. Concepts Reviewed to Date

b. Space Planning/Programming



# Interiors Program & Condition Summary

## *Current Flaws with the Interior:*

- Many spaces are under-utilized (Chambers, Lobby)
- Many spaces are At-Capacity (workspaces)
- Workspaces are inflexible, outdated
- More meeting spaces are needed, for Community and Staff
- Lighting and Daylighting are woefully inadequate

# Interiors: Benefits of Renovation

- Better Utilization of the space, more efficient and logical
- Workspace that is flexible, current and reasonably distributed
- Increased Daylighting, Improved Lighting and other interior space wellness factors can be addressed
- Improve Meeting spaces distribution, quantity and quality
- Create a space that reflects the values of our City and its Residents: welcoming, beautiful, functional and inspiring

# Current Floor plans

**\*\*21,450 sq ft / 126 seats =  
170 sq ft per person**



61 seats, 9,950 sq ft



65 seats, 11,500 sq ft

# Space Planning: Planning for Growth

21,450 sq ft @ 150 sq ft per person = 143 people

**21,450 sq ft @ 170 sq ft per person = 126 people**

21,450 sq ft @ 175 sq ft per person = 123 people

21,450 sq ft @ 200 sq ft per person = 107 people

21,450 sq ft @ 225 sq ft per person = 95 people

21,450 sq ft @ 250 sq ft per person = 86 people

- **Currently: 21,450 sq ft @ 126 seats = 170 sq ft per person**
- **February 2022 Staff headcount for City Hall was 130 people**



# Space Planning: Planning for Growth

Current Staff headcount at City Hall: 130 people

**Move 25 occupants to City Hall Annex = 105 occupants**

*(does the Annex become a permanent Permit Center?)*

*Accounting for Population Growth:*

- 10% increase: 116 people
- 20% increase: 126 people

*Accounting for Telework:*

- Current headcount + 10% Growth – 30% WFH = 84 people
- **Current headcount + 20% Growth – 20% WFH = 105 people**

**\*\*\* 21,450 sq. ft. / 105 people = +/- 204 sq. ft./person \*\*\***

# Space Planning & Programming

Summary:

**We believe the current footprint of City Hall can accommodate the Staff**, Council offices and support functions such as community meeting rooms, planning for 20% growth and leveraging an efficient Telework policy that allows for 20% to be working remotely. We do not recommend the expansion of City Hall in order to address workplace overcrowding at this time.

**We recommend a full interior renovation to make better use of the interior space.**

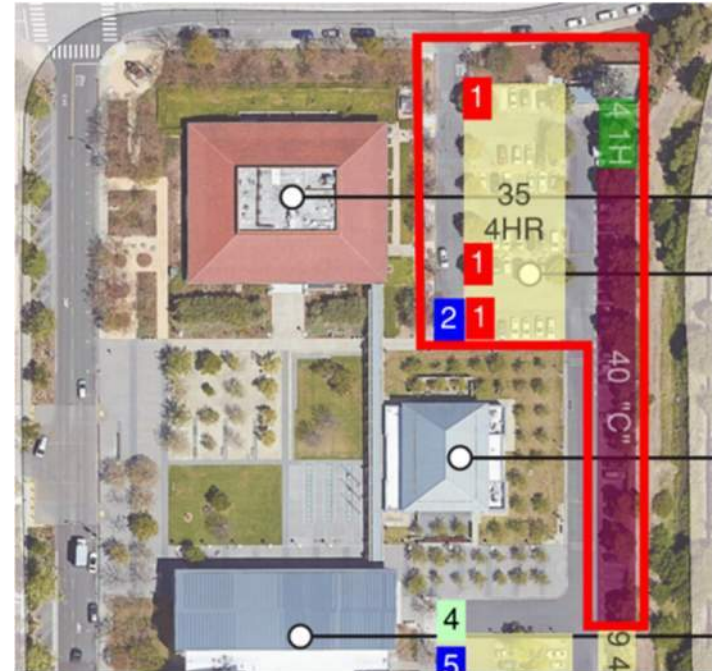
# 1. Concepts Reviewed to Date

c. Parking



# 2022 Civic Center Parking status

- Currently there are **84 parking spaces** adjacent to City Hall & Community Hall; Zoning Code requires 85.
- Parking demand studies show that Civic Center is deficient by approximately **185 parking spaces**
- Parking requirements in the zoning chapter of the municipal code show that Civic Center is deficient by approximately **217 parking spaces**
- **A renovated City Hall without an expansion does not require additional parking spaces.**
- The addition of strategic surface parking spaces is a cost-effective improvement.



# Proposed Parking Improvements

**FY23-24:** 16 NEW SURFACE SPACES BEHIND COMMUNITY HALL

**FY24-25:** +/- 21 NEW SURFACE SPACES AND ADJACENT AMENITIES



# Parking

Summary:

Since the pandemic has disrupted the parking patterns at Civic Center, it is difficult to ascertain the present and future parking needs at Civic Center. Assuming the City Hall building will not be expanding its footprint, **we recommend the immediate implementation of new surface parking along the rear of Community Hall (+16 spaces) , and plan for future surface parking along the north edge of Library field (+21 spaces, approximately).**



## **2. Cost Estimates**



# 2022 Cost Estimates

## Parking Options Summary

Element	Area SF	Cost / SF	Total Direct Construction	Soft Costs +25%	Project Total	Cost per stall
City Hall Replacement	24,140	\$804	\$19,400,111	\$4,850,028	\$24,250,139	N.A.
City Hall Replacement w/ Added Floor	36,140	\$809	\$29,237,621	\$7,309,405	\$36,547,027	N.A.
Parking Element	Area SF	Cost / SF	Total Direct Construction	Soft Costs +25%	Project Total	Cost per stall
Underground Parking (36 Stalls) below City Hall Replacement	12,070	\$214	\$2,586,722	\$646,680	\$3,233,402	\$89,817
Single Deck Parking Structure - City Hall (45 Stalls)	15,000	\$105	\$1,575,150	\$393,788	\$1,968,938	\$43,754
Single Deck Parking Structure - Library (75 Stalls)	25,000	\$105	\$2,625,250	\$656,313	\$3,281,563	\$43,754
3 Story Parking Structure - City Hall (128 Stalls)	45,000	\$177	\$7,956,000	\$1,989,000	\$9,945,000	\$77,695
3 Story Parking Structure - Library (230 Stalls)	75,000	\$177	\$13,260,000	\$3,315,000	\$16,575,000	\$72,065
Additional Parking Options (100 Stalls)	Area SF	Cost / SF	Total Direct Construction	Soft Costs +25%	Project Total	Cost per stall
Surface Parking	35,000	\$44	\$1,535,625	\$383,906	\$1,920,000	\$19,200
Underground Parking Structure, Incl Field Replacement	37,500	\$265	\$9,937,500	\$2,484,375	\$12,422,000	\$124,220
Underground Parking Structure with Top Level Parking	38,000	\$220	\$8,360,000	\$2,090,000	\$10,450,000	\$104,500

# 2022+ Cost Estimates

Element	Area SF	Cost / SF	Total Direct Construction	Soft Costs +25%	2023 Project Total (+25% soft costs)	Cost per stall	2024 Project Total (5% escalation)	2025 Project Total (5% escalation)
City Hall Renovation - Seismic Only, Non-Essential Facility	24,140	\$216	\$5,205,308	\$1,301,327	\$6,506,635	N.A.	\$6,831,967	\$7,173,565
City Hall Renovation - Seismic Only, Essential Facility	24,140	\$232	\$5,606,032	\$1,401,508	\$7,007,540	N.A.	\$7,357,917	\$7,725,813
City Hall Renovation - Seismic, MEP/IT, Interior gut, Non-Essential Facility	24,140	\$807	\$19,491,360	\$4,872,840	\$24,364,200	N.A.	\$25,582,410	\$26,861,531
City Hall Renovation - Seismic, MEP/IT, Interior gut, Essential Facility	24,140	\$868	\$20,955,693	\$5,238,923	\$26,194,616	N.A.	\$27,504,347	\$28,879,564
City Hall Replacement, Non-Essential Facility	24,140	\$804	\$19,400,111	\$4,850,028	\$24,250,139	N.A.	\$25,462,646	\$26,735,778
City Hall Replacement, Essential Facility	24,140	\$908	\$21,921,534	\$5,480,384	\$27,401,918	N.A.	\$28,772,013	\$30,210,614
City Hall Replacement w/ Added Floor, Non-Essential Facility	36,140	\$809	\$29,237,621	\$7,309,405	\$36,547,027	N.A.	\$38,374,378	\$40,293,097
City Hall Replacement w/ Added Floor, Essential Facility	36,140	\$914	\$33,017,504	\$8,254,376	\$41,271,880	N.A.	\$43,335,474	\$45,502,248
City Hall Replacement w/ Added Floor + 100 spaces Underground parking, Non-Essential Facility	70,140	\$529	\$37,071,561	\$9,267,890	\$46,339,451	\$463,395	\$48,656,424	\$51,089,245
City Hall Replacement w/ Added Floor + 100 spaces Underground parking, Essential Facility	70,140	\$582	\$40,851,444	\$10,212,861	\$51,064,305	\$510,643	\$53,617,520	\$56,298,396
Underground Parking (36 Stalls) below City Hall Replacement, Essential Facility (parking only)	12,070	\$230	\$2,781,049	\$695,262	\$3,476,311	\$96,564	\$3,650,126	\$3,832,633
City Hall Replacement w/ Added Floor + 100 spaces Underground parking, Essential Facility (parking only)	34,000	\$230	\$7,833,940	\$1,958,485	\$9,792,425	\$97,924	\$10,282,046	\$10,796,149



# 3. Funding Options

CIP Program Strategy

# Currently Funded CIP Projects: Parking

Funded in  
FY19-20 CIP  
Program

## Civic Center Parking Analysis

Total Budget	\$ 1,000,000
City Funding	\$ 1,000,000
External Funding	
Origin of Request	Public Works
Project Type	Transportation, Facility
Location	Civic Center



### Project Description

Analyze the parking requirement for the Civic Center and proposed Library Expansion. Design and construct additional parking as necessary.

### Project Justification

This project would analyze the parking condition at the Civic Center including any additional library parking required to mitigate the impact of the proposed library expansion. The analysis will evaluate the existing parking supply versus demand, identify the impact of the proposed library expansion, identify parking mitigation, design and construct or implement that mitigation. Impacting Library Field should be avoided if possible.

# Currently Funded CIP Projects: City Hall

Funded in  
FY16-17 CIP  
Program

## Interim City Hall (deferred)

Total Budget	\$ 501,162
City Funding	\$ 501,162
External Funding	
Origin of Request	Public Works
Project Type	Facility
Location	T.B.D.



### Project Description

Establish an interim facility to accommodate City Staff if existing City Hall were to be replaced or significantly remodeled.

### Project Justification

As a result of the renovation of the existing City Hall building or any substantial work to the building, the Staff and Operations will need to be relocated temporarily. The temporary facilities require initial programming to determine the public-facing and back of house requirements, design work, documentation, construction administration and construction services.

# Currently Funded CIP Projects: City Hall

Funded in  
FY21-22 CIP  
Program

## City Hall and Community Hall Improvements - Programming and Feasibility

<b>Total Budget</b>	\$ 500,000
<b>City Funding</b>	\$ 500,000
<b>External Funding</b>	
<b>Origin of Request</b>	Public Works
<b>Project Type</b>	Facility
<b>Location</b>	City Hall, Community Hall



### Project Description

Programming, Feasibility and Community Outreach to form the basis of a renovation strategy for the buildings.

### Project Justification

City Hall: The existing building does not meet current or projected needs for office space; structural, mechanical and other code-related modifications are needed to meet code standards. Community Hall: Use of the building could be maximized with the addition of conference space and remodeled kitchen space.

# CIP Program Strategy

We recommend proceeding with the following projects:

- **Full Renovation of City Hall building** (Seismic, HVAC, IT, Interiors, etc.), budgeting \$26M. Consider upgrading to “Essential Facility” standards (\$4M). Hire consultants to perform workplace planning (to confirm growth projections), and cost analysis.
- **Add parking behind Community Hall**, budgeting \$350,000 (scope and budget to be confirmed, will be part of existing Civic Center Parking project)
- As part of CIP Program discussions for FY23-24, **consider hiring Consultants** to develop schedule and requirements for City Hall demobilization/mobilization strategy and communications.



# Comments & Questions?



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# Funding Options

City Hall Project Subcommittee  
October 21, 2022



**CITY OF  
CUPERTINO**

# Status of Fund Balances as of Final Adopted Budget

Fund	Actual Beginning Fund Balance as of 7/1/2021	Projected Beginning Fund Balance as of 7/1/2022	Adopted Budget Revenues	Adopted Budget Expenditures	Adopted Budget Ending Fund Balance as of 6/30/2022
<b>GENERAL FUND</b>					
100 General Fund	96,851,990	110,611,904	94,661,388	95,167,779	110,105,513
130 Investment Fund	(1,200)	(1,200)	-	-	(1,200)
<b>TOTAL GENERAL FUNDS</b>	<b>\$ 96,850,790</b>	<b>\$ 110,610,704</b>	<b>\$ 94,661,388</b>	<b>\$ 95,167,779</b>	<b>\$ 110,104,313</b>
<b>CAPITAL PROJECTS FUNDS</b>					
420 Capital Improvement Fund	25,890,500	30,967,464	-	3,633,600	27,333,864
427 Stevens Creek Corridor Park	179,057	119,511	-	-	119,511
429 Capital Reserve	10,968,616	9,546,568	2,500,000	-	12,046,568
<b>TOTAL CAPITAL PROJECTS FUNDS</b>	<b>\$ 37,038,174</b>	<b>\$ 40,633,544</b>	<b>\$ 2,500,000</b>	<b>\$ 3,633,600</b>	<b>\$ 39,499,944</b>

Project Beginning Fund Balance shows all fund balance regardless of availability

## General Fund Classification of Fund Balance

Classification	2019-20 Actual	2020-21 Actual	2021-22 Adopted Budget	2021-22 Year End Projected	2022-23 Adopted Budget
<b><u>Nonspendable</u></b>					
Loans Receivable	449,341	444,346	441,000	444,000	440,000
Advance to Other Funds	-	-	3,000,000	3,000,000	-
<b>Total Nonspendable</b>	<b>449,341</b>	<b>444,346</b>	<b>3,441,000</b>	<b>3,444,000</b>	<b>440,000</b>
<b><u>Restricted</u></b>					
Public Safety Power Shutoff	217,551	-	-	-	-
CASp Certification and Training	13,193	13,392	13,982	13,982	13,982
Section 115 Pension Trust	12,725,224	18,491,004	20,491,004	20,820,778	22,820,778
Public Access Television	1,368,789	1,418,472	1,368,789	1,368,789	1,368,789
<b>Total Restricted</b>	<b>14,324,757</b>	<b>19,922,868</b>	<b>21,873,775</b>	<b>22,203,549</b>	<b>24,203,549</b>
<b><u>Committed</u></b>					
Economic Uncertainty Reserve	19,000,000	19,000,000	24,000,000	24,000,000	24,000,000
Capital Projects Reserve	-	-	10,000,000	10,000,000	10,000,000
Sustainability Reserve	127,891	127,891	127,891	127,891	127,891
<b>Total Committed</b>	<b>19,127,891</b>	<b>19,127,891</b>	<b>34,127,891</b>	<b>34,127,891</b>	<b>34,127,891</b>
<b><u>Assigned</u></b>					
Reserve for Encumbrances	3,176,882	4,906,139	4,767,086	4,767,086	3,000,000
<b>Total Assigned</b>	<b>3,176,882</b>	<b>4,906,139</b>	<b>4,767,086</b>	<b>4,767,086</b>	<b>3,000,000</b>
<b>Total Unassigned</b>	<b>37,426,951</b>	<b>52,449,546</b>	<b>46,068,178</b>	<b>46,068,178</b>	<b>48,332,873</b>
<b>TOTAL FUND BALANCE</b>	<b>74,505,822</b>	<b>96,850,790</b>	<b>110,277,930</b>	<b>110,610,704</b>	<b>110,104,313</b>

Include ~\$10M in revenues for Vallco Project that will be needed to offset staff and consultant costs covered by fees collected over the course of the project.

Funds	Estimated Beginning Fund Balance	Amended Budget	Amended Revenues	Estimated Ending Fund Balance <sup>1</sup>
100 General Fund	\$48.0M <sup>2</sup>	\$126.2M	\$133.4M	\$55.2M
420 Capital Fund	\$25.7M	\$30.2M	\$5.4M	\$0.9M <sup>3</sup>
429 Capital Reserve Fund	\$9.1M	\$0M	\$2.5M	\$11.6M
<b>Totals</b>	<b>\$82.8M</b>	<b>\$156.5M</b>	<b>\$141.3M</b>	<b>\$67.7M</b>

<sup>1</sup> Ending Fund Balance = Beg Fund Balance - Amended Budget + Amended Revenues

<sup>2</sup> Removed \$10M in Vallco Revenues add remaining Unassigned GF FB + GF Capital Reserve

<sup>2</sup> Does not account for additional \$1.5M needed for the Annex

# Funding Options

Project Size	Funding Options	Considerations
Small (\$7M)	Use of General Fund (GF) Fund Unassigned Fund Balance (FB) or General Fund Capital Reserve	Would leave Capital Reserve in GF and the Capital Fund intact for additional future projects
Medium (\$26M-44M)	Use of both GF Unassigned FB and GF Capital Reserve	Could limit future CIPs
Large (Over \$45M)	Debt Financing	Could wipe out several reserves leaving only economic uncertainty remaining should the City require additional funding. Limits future CIPs.

# Other Considerations

- CDTFA Audit
  - Potential for substantial short- and long-term impacts
- Ability to fund additional CIP Projects
- Use of fund balance above the unassigned amounts require a 3-year payback plan both for General and Capital Funds
- Capital Reserve has a min \$5M reserve