ATTACHMENT B – INFORMATION MEMORANDUM

Sister Cities Program:

According to Sister Cities International, "At the foundation of every successful Sister City partnership lies a strong local program with volunteers who are willing to commit time, talent and resources to develop a long-term relationship with their counterparts abroad." Generally, Sister City organizations are incorporated as 501(c)(3) nonprofits, although in some cases, municipal governments have representation or a formal relationship with the foreign city. Critical to the success of a Sister City program is its ability to develop beneficial, needs-specific projects that lead to deeper ties between the two communities, such as supporting educational and cultural exchange, promoting sustainability, cooperation and friendship, and in some cases, stimulating economic development.

The City of Milpitas' Sister Cities program was established on May 21, 1996. The Sister Cities program has historically been a broad-based, long-term partnership between the City and various foreign cities. A relationship is officially recognized after both communities execute a mutually agreed upon Memorandum of Understanding (MOU) to become Sister Cities. Each Sister City organization is independent and pursues the activities and thematic areas that are important to them and their community including municipal, business, educational, and cultural exchanges and projects with their Sister City.

In Milpitas, the Sister Cities program was administered through a Sister Cities Commission with significant staff support. Over the years, community volunteer interest and support for active programming and visits waned, leading to expanded staff support. The more recent Sister Cities relationships included:

- Huizhou, China (since March 2004); MOU expired October 15, 2018
- Dagupan, Philippines (since April 2003); MOU expired October 7, 2019
- Tsukuba, Japan (since October 2004; Town of Kukizaki May 1996); MOU expired October 7, 2019

In 2007, the Sister Cities Commission began an ePal Project with the Digital Business Academy (DBA) at Milpitas High School (MHS). Sophomores were matched with a Sister City student in the fall for one academic year to communicate using email. Students were engaged to learn about each other's interests through assignments that keep conversations relevant and consistent.

Focus Areas and Activities

Milpitas' Sister Cities program partnered with the aforementioned cities to ensure there was an engaged network. Below is information on specific focus areas and activities specific to Huizhou, Dagupan and Tsukuba.

Huizhou:

The City of Huizhou sends one group of appointed officials to Milpitas every 1-2 years. Huizhou and Milpitas participate in the ePal Project. The City of Huizhou desired coordinated support to open a trade office in Milpitas. City of Huizhou representatives requested that Milpitas officials visit Huizhou with delegations of students and officials. Only one visit by Milpitas representatives has occurred (April 2005).

Dagupan:

City of Dagupan participates in annual visits with approximately 10 students (attending MHS and home stays with MHS families) and 4-10 adult officials. The City of Dagupan has had sporadic participation in the ePal Project.

Tsukuba:

The City of Tsukuba preferred to conduct activities between students of high school age through annual holiday cards and art exchange, exchanges of community photos and information for display at public events and facilities. The City of Tsukuba participated in ePal Project with select students studying English. They did not desire to conduct visits and exchanges but was open to receiving Milpitas students visiting on a one-day basis.

Office of Economic Development

On August 21, 2018, the City Council approved a merger of the Economic Development Commission with the Sister Cities Commission topics to form the Economic Development and Trade Commission (EDTC), effectively incorporating a trade component of the former Sister Cities Commission.

The Office of Economic Development is actively incorporating "trade" into EDTC in various ways. On April 16, 2019, one former Sister Cities Commissioner was appointed to the EDTC by Council to integrate topics formerly associated with the Sister Cities Commission. Per Council direction, EDTC is now charged with enhancing relationships with Milpitas-based businesses that have a global presence for trade and commerce, business-to-business opportunities and workforce development, with potential business partnerships with View, Flex, KLA, Nanometrics, Infineon, Cisco and other businesses that have global offices throughout Western and Eastern Europe, Middle East, Asia, Latin America, Australia, Canada and Africa. The current objective is to establish new foreign relationships. On October 15, 2019, Casey McNeil (Flex) was appointed by Council and serves as EDTC's technology and trade representative, which further aids staff in achieving Council's direction on incorporating trade.

Concurrently, staff has established a relationship with Governor Gavin Newsom's Office of Business and Economic Development via monthly calls with the International Affairs and Trade team to cover topics regarding state and federal resources, foreign direct investment, foreign trade shows, etc. And, the International Affairs and Trade team has pledged support in guiding staff in developing a successful City trade program.

The adoption of the 2019-20 City Operating Budget included \$25,863 funding for a one-time, part-time employee to evaluate the transition of the Sister Cities program and make recommendations on resources required for the potential continuation and success with various entities and improved community support. Staff expects a Consultant to assist the Office of Economic Development on the Sister Cities program evaluation and recommendations, as well as other economic development work plan items commencing the week of December 2, 2019.

Sister Cities Programming – Preliminary Research Results

Staff has completed preliminary research on various local Sister Cities programs to better understand their organizational structure, administration, funding, primary purpose, programmatic efforts, and partnerships. Results are as follows:

- Eight (8) Sister Cities researched (matrix below) Campbell does not have a Sister Cities program and Fremont dissolved their Sister Cities program in 2009. The City of Milpitas has been included for reference only.
- One (1) of the eight (8) Sister Cities programs are administered through their respective cities: San Jose's Sister Cities program starts with the Mayor and is administered through staff. Cupertino's program also commences with the Mayor, but is then administered through volunteers thereafter.

- Four (4) of eight (8) cities are administered through 501 C-3 non-profit organizations.
- Seven (7) Sister Cities programs are volunteer based.
- Five (5) Sister Cities programs receive donations, fundraise, receive corporate sponsorships and/or have membership fees for annual funding.
- The primary purpose for Sister Cities programs includes supporting education, culture, friendship, understanding and acceptance. The most common attributes were supporting educational and cultural exchange. One City includes commerce, while another is trying to stimulate economic development.
- Four (4) Sister Cities programs partner with either the Chamber and/or local school. Four (4) Sister Cities programs did not specify partnership status.

For more Sister Cities preliminary research details, see the Comparison Matrix below.

Conclusion

A strong Sister Cities program serves its community well. Sister Cities programs typically involves volunteer participation and can include nonprofits, municipal governments, private sector, and civic and social organizations. Should the Sister Cities program continue based on Council direction and leadership, the City of Milpitas will need to outline its goals and objectives clearly. Although staff has already conducted preliminary Sister Cities research, the Office of Economic Development is now prepared to commence a full evaluation and put forth program recommendations. Staff anticipates Council consideration of a Sister Cities report at the February 18, 2020 City Council meeting.

Comparison Matrix (Sister City Programs)

City	Org. Structure	Administered by	Funding	Primary Purpose	Chamber/School District Involvement
Fremont	Sister cities commission was dissolved in 2009 ¹	Previously administered through the Sister Cities Commission	N/A	N/A	N/A
Palo Alto	Non-profit Org	Administered through Neighbors Abroad, a volunteer community organization founded after Palo Alto City Council initiated a Sister City organization	Donations, membership fees, and business partnerships with local businesses and government agencies. Donations vary from \$25-\$1,000	Aims to support education, culture, commerce and sustainability	Palo Alto Chamber of Commerce and Palo Alto Adult School
Sunnyvale	Non-profit Org	Sunnyvale Sister Cities Association (SSCA), an all- volunteer 501 C3 organization ²	Receives funding through donations as well as sponsors and corporate matching. Sponsor amounts vary from \$500- \$2,000 p/yr.	The SSCA supports education beyond the classroom and idea exchange beyond the office—programs at home/abroad that allow participants to effect real change in the world	No, but they do have sponsorships from companies such as Google and Panasonic. Host events at local schools (unclear if they coordinate w/ school district)
Cupertino	Starts with the Mayor and his/her counterpart from the other city formalizing an MOU	Administered by Mayor	Not Specified	Celebrates and enhances the community through people-to-people international diplomacy, cooperation and friendship. ³	Not Specified
Mountain View	Non-profit Org	Administered by Board of Directors led by President Leslie Imai	Funding through membership fees: <u>Individual:</u> \$15 <u>Family:</u> \$30 <u>Corporate:</u> \$75	Promote international understanding and acceptance	Yes, through student exchange program with MV/Los Altos School District (educational and cultural exchange)
Milpitas	Evaluating	Economic Development (?)	TBD	Foster continuing relationships of mutual concern between City of Milpitas residents and	Former Sister Cities Commission coordinating w/ MUSD and other support groups

¹ https://www.eastbaytimes.com/2009/10/07/fremont-dissolves-sister-cities-commission/

² https://sunnyvalesistercity.org/index.htm

³ https://www.cupertino.org/our-city/sister-friendship-cities

				the people of established sister cities ⁴	
San Jose	Not Specified	Board of Directors, led by Chairman and Mayor Sam Liccardo	Funded through crowdfunding⁵	To create and strengthen partnerships between two cities at a municipal level to promote cultural understanding and to stimulate economic development	Not Specified
Santa	SCSCA (Santa	Board of Directors	SCSCA is funded	Bring different cultures	Student exchange
Clara	Clara Sister Cities Assoc.) is a non-profit org, volunteer- based w/ board of directors		through fundraising which they do year long, as well as membership fees. ⁶	that work together with people to people relationship, as well as improving students' lives through cultural exchanges	program is done in coordination with local schools

*Campbell – does not have a Sister Cities program

Fremont Sister Cities: (1) Elizabeth, Australia (2) Fukaya, Japan

Palo Alto Sister Cities: (1) Palo, Philippines (2) Oaxaca, Mexico (3) Albi, France (4) Linkoping, Sweden (5) Enschede,

Netherlands (6) Tsuchiura, Japan (7) Heidlberg, Germany (8) Yangpu District, Shanghai China

Sunnyvale Sister Cities: (1) lizuka, Japan

Cupertino Sister Cities: (1) Copertino, Italy (2) Toyokawa, Japan (3) Hsinchu, Taiwan (4) Bhubaneswar, India

Mountain View Sister Cities: (1) Iwata, Japan (2) Hasselt, Belgium

Milpitas Sister Cities: (1) Dagupan, Philippines (2) Huizhou, China (3) Tsukuba, Japan

San Jose Sister Cities: (1) Okayama, Japan (2) San Jose, Costa Rica (3) Veracruz, Mexico (4) Tainan, Taiwan (5) Dublin,

Ireland (6) Pune, India (7) Ekaterinburg, Russia (8) Guadalajara, Mexico

Santa Clara Sister Cities: (1) Coimbra, Portugal (2) Izumo, Japan, (3) Limerick, Ireland

⁴ http://www.ci.milpitas.ca.gov/our-government/commission/sister-cities/

⁵ https://www.crowdrise.com/sistercitiesgivingtower2015

⁶ https://www.santaclarasistercities.org/fundraising