

RESOLUTION NO. _____

**A RESOLUTION OF INTENTION OF THE CITY COUNCIL
OF THE CITY OF SUNNYVALE DECLARING CITY
COUNCIL'S INTENTION TO CONVERT PORTIONS OF
ZONE C TO ZONE B WITHIN EXISTING BOUNDARIES
OF THE DOWNTOWN SUNNYVALE BUSINESS
IMPROVEMENT DISTRICT FOR FISCAL YEAR
2017/2018, AND HOLD A PUBLIC HEARING**

WHEREAS, under California Streets and Highways Code Section 36500, *et seq.*, the City Council of the City of Sunnyvale is authorized to establish improvement districts, to change the boundaries of any such district or in any benefit zone within the district, and to act as the legislative body for an improvement district; and

WHEREAS, pursuant to its authority under the Streets and Highways Code, the City Council established the Downtown Sunnyvale Business Improvement District ("the District") in 2007; and

WHEREAS, the District Board has requested that City Council consider converting portions of Zone C to Zone B of the District, and the City Council now desires to proceed with the proposed conversion of portions of Zone C to Zone B ("Expanded Zone B") of the District, and to set a date and place of hearing to conduct a protest hearing by the businesses affected by their inclusion in Expanded Zone B.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. Authority. The City Council proposes to conduct proceedings and declares its intention to add certain properties to an existing improvement district pursuant to California Streets and Highways Code Section 36541, *et seq.* as shown on the attached Exhibit "A".
2. Name. The improvement district, including the Expanded Zone B, remains the "Downtown Sunnyvale Business Improvement District" (the "District").
3. Boundaries. The boundaries of the improvement district remain the same, however the proposed new benefit zone boundaries consist of Zone A, an expanded Zone B, and a reduced Zone C. A true and correct copy of the map is on file with the City Clerk of the City of Sunnyvale.

4. Improvements. The types of improvements and activities proposed to be funded by the levy of assessments on businesses in the District are in Exhibit “B” attached hereto and incorporated by reference. A Report with a detailed description of the improvements and activities is on file in the office of the City Clerk and is included in the Report to Council No. 17-0290.

5. Benefit Fee. Except to the extent that funds are otherwise available to the District, the City Council intends to levy an annual benefit fee on the businesses to pay for selected improvements and activities of the District. All funds of the District shall be expended on improvements and activities within the District. The method and the basis for levying the benefit fee on all businesses within the District are set forth in Exhibit “C”, attached hereto and incorporated herein by reference.

6. Exemption. New businesses shall be exempt from payment of the fee until the next billing period following their establishment occurs.

7. Public Hearing. A public hearing to expand the boundaries of the District is hereby set for May 23, 2017, at 7:00 p.m., or as soon as possible thereafter, before the City Council of the City of Sunnyvale, at Council Chambers, City Hall, 456 West Olive Avenue, Sunnyvale, California.

(a) Testimony. At the public hearing the testimony of all interested persons, for or against the conversion of portions of Zone C to Zone B of the District, interested in matters concerning the conversion of portions of Zone C to Zone B, the areas of benefit within the District and the assessments to be levied, will be heard.

(b) Protest(s). A protest by a business owner within the proposed areas of Zone C to be converted to Zone B against the conversion within the District, or any aspect of it, may be made orally or in writing. Any oral protest shall be made at the public hearing. Any protest as to the regularity or sufficiency of the proceedings shall be in writing and clearly state the irregularity of defect to which objection is made. To count in the majority protest against the conversion, a protest must be in writing. A written protest may be withdrawn from record at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person signing the protest is interested sufficient to identify the business and, if a person signing is not shown on the official records of the City of Sunnyvale as the owner of the business, the protest shall contain or be accompanied by written evidence that the person signing is the owner of the business. A written protest which does not comply with this section shall not be counted in determining a majority protest.

If, at the conclusion of the public hearing, there are of record, written protests by the owners of the businesses within the areas of Zone C to be converted to Zone B that will pay fifty percent (50%) or more of the total assessments of the converted areas, no further proceedings to convert those areas of Zone C to Zone B within the District shall occur. New proceedings to convert areas in Zone C to Zone B within the District shall not

be undertaken again for a period of at least one (1) year from the date of the finding of the majority written protest by the City Council.

Also, at the public hearing, the City Council will conduct a protest hearing concerning the reauthorization of the business improvement district. If at the conclusion of the public hearing, the City Council does not receive written protests by the owners of the businesses within the entire District that will pay fifty percent (50%) or more of the total assessments of the entire District, the report will be adopted which will constitute a levy of the assessment in accordance with Streets and Highways code section 36535.

8. Joint Notice of Public Meeting and Public Hearing. The City Clerk has given joint notice of the public meeting to be held on April 25, 2017, and the public hearing to be held on May 23, 2017, by mailing copies of the Joint Notice to every business owner in the proposed areas to be converted from Zone C to Zone B at least ten (10) days prior to the public meeting of April 25, 2017, as required by Streets and Highways Code 36541 (b) and Government Code section 54954.6. Pursuant to Streets and Highways Code Section 36523, subdivisions (a) and (b), further Notice shall be given by publication of this Resolution in The Sun, the official newspaper for publication of legal notices of the City of Sunnyvale, once at least seven (7) days before the public hearing, and a copy of the Resolution of Intention shall be mailed by first class mail to business owners within proposed areas of Zone C to be converted to Zone B within seven (7) days of its passage.

Adopted by the City Council at a regular meeting held on _____, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

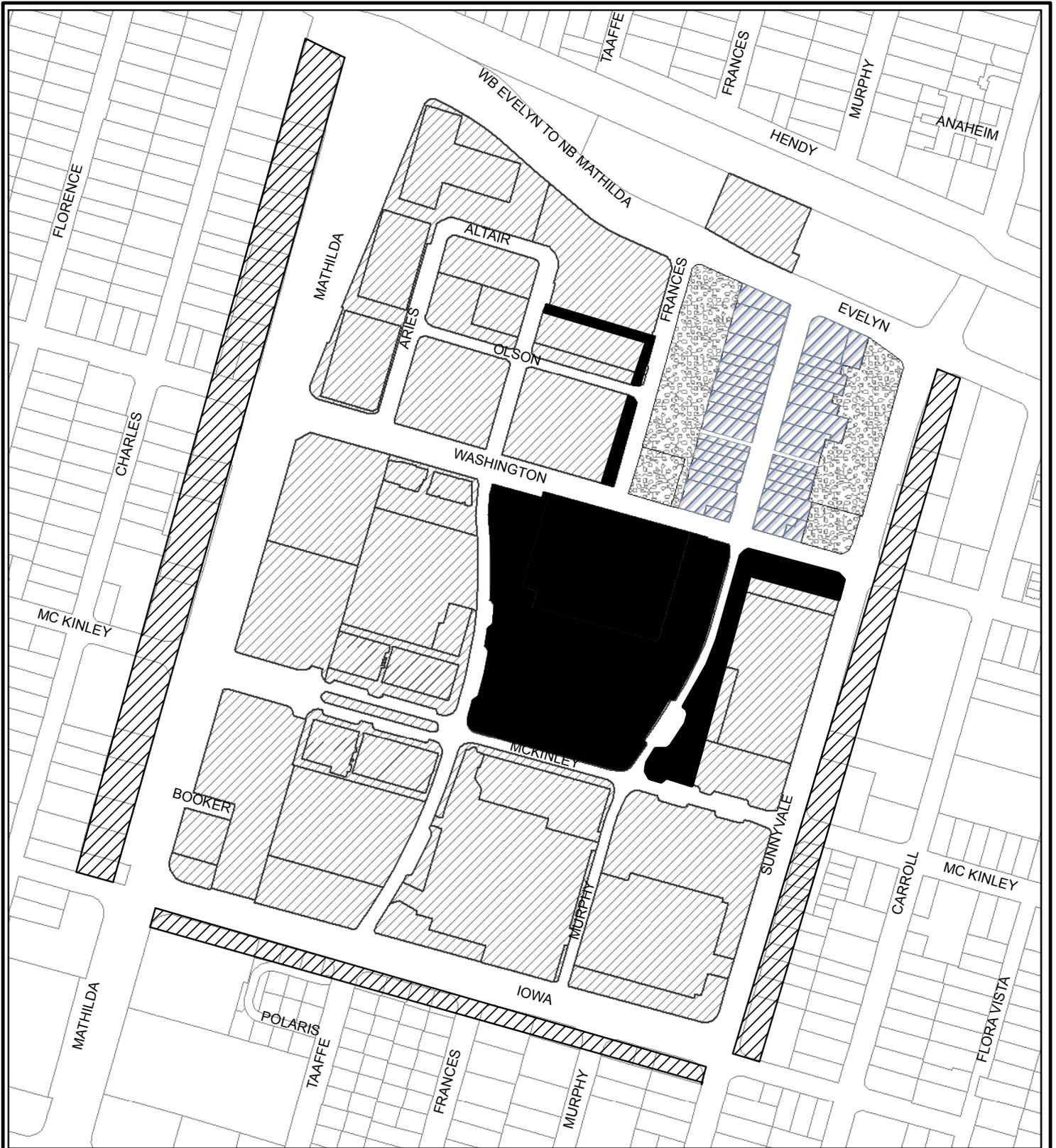
City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM:

City Attorney

EXHIBIT A PROPOSED CONVERSION FROM ZONE C TO B



DOWNTOWN BUSINESS IMPROVEMENT DISTRICT ZONES

0 120 240 480 Feet

Legend

-  ZONE A
-  ZONE B
-  ZONE C
-  Proposed Conversion from Zone C to Zone B



EXHIBIT B

**Sunnyvale Downtown Business Improvement District
Proposed Improvements and Activities for Fiscal Year 2017/2018
(Proposed Zone Change from C to B)**

Income		
Zone A	36 Businesses paying an average annual benefit fee of \$455.	\$16,400
Zone B	42 Businesses paying an average of \$192.	\$8,100
Zone C	116 Businesses paying an average of \$125.	\$14,550
Total potential BID assessment collections		\$39,050
Projected assessment collections (annual paid average at about 85%)		\$33,500
Revenues from SDA special events and fund-raisers		\$88,500
Grants, event sponsorships and other misc. revenue		\$37,675
Total BID Program annual budget		\$159,675

Expenditures		
Program	Amount	Percent
1) Commercial Marketing Program a) Advertising and promotion b) Theme development c) Special events and activities d) Visitor attraction	\$126,143	79%
2) Civic Beautification and Signage Program a) Streetscape beautification, lighting b) Public arts programs c) Public-private directional signage	\$1,597	1%
3) Programs Administration and BID Management	\$31,935	20%
Totals	\$159,675	100%

EXHIBIT C

Sunnyvale Downtown Business Improvement District
Method and Basis for Levying Benefit Fee

	ZONE A	ZONE B	ZONE C
Retailers, Restaurants, Bars	\$500	\$300	\$150
Service Businesses	\$300	\$200	\$100
Lodging	\$10/rm.	\$10/rm.	\$10/rm.
Professional Services Businesses	\$100	\$100	\$100
Financial Institutions	\$500	\$500	\$500

Business type definitions:

Retail and Restaurant: Businesses that buy and resell goods, examples are clothing stores, shoe stores, office supplies as well as businesses that sell prepared foods and drinks.

Service Businesses: Businesses that sell services. Examples are beauty and barber shops, repair shops, most automotive-oriented businesses, entertainment businesses such as theaters, etc.

Lodging: Includes renting rooms by the day or week to community visitors.

Professional Services Businesses: Includes Architects, Engineers, Attorneys, Dentists, Doctors, Accountants, Optometrists, Realtors, Insurance Offices, Mortgage Brokers and most other businesses that require advanced and/or specialized licenses and/or advanced academic degrees.

Financial Institutions: Includes banking and savings and loan institutions as well as credit unions, etc.