

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE CONFIRMING THE DOWNTOWN SUNNYVALE BUSINESS IMPROVEMENT DISTRICT ANNUAL REPORT FOR FISCAL YEAR 2026/27 AND TO LEVY AND COLLECT AN ANNUAL ASSESSMENT FOR THE DOWNTOWN SUNNYVALE BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2026/27

WHEREAS, on March 10, 2026, the City Council of the City of Sunnyvale (the "City") adopted Resolution of Intention to Levy and Collect an Assessment and to Reauthorize the Downtown Sunnyvale Business Improvement District for Fiscal Year 2026/27 and Hold a Public Hearing (Resolution No. 1348-26) (the "District"), to levy and collect a benefit assessment on all businesses, trades, professions, and vendors within said District, the proceeds of which shall be used for the public purposes herein described in the Parking and Business Improvement Area Law of 1989 (commencing with Section 36500) of the California Streets and Highways Code (the "Act") and Title 3, Chapter 3.60 of the Sunnyvale Municipal Code; and

WHEREAS, the City Council conducted a public hearing on the reauthorization of the assessment, having given due notice thereof as required by law, on May 5, 2026, beginning at 7:00 p.m. at City Hall, 456 West Olive Avenue, Sunnyvale, California, and every interested person was provided an opportunity to object to or protest the report, the proposed improvements and the activities to be funded from levy of the assessments.

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

1. Report. The City Council hereby confirms the Business Improvement District Annual Report for fiscal year 2026/27 ("Annual Report") as set forth in Exhibit A, which is attached hereto.
2. Boundaries. The City Council hereby approves of the boundaries of the Business Improvement District and the benefit zones within the area as set forth in Exhibit A attached hereto.
3. Assessment. The City Council finds that the amount of the assessments has fairly and properly apportioned the cost of the improvements to each business in the District in proportion to the estimated benefits to be received by each business. The City Council hereby confirms the assessment and levies each individual assessment, as provided for in the Annual Report, for fiscal year 2026/27.

4. Protest Hearing. The City Council conducted a hearing concerning the reauthorization of the Business Improvement District. At the conclusion of the public hearing, the City Council considered comments from the affected businesses, considered modifications in the report, and confirmed the report as originally filed or as changed by it, which constitute the levy of the assessment for the fiscal year 2026/27.

5. Method of Collection. The benefit assessment for Downtown Sunnyvale businesses shall be billed and collected by July 31, 2026. Payments will be considered late if not received on or before the due date listed on the invoice. The business will accrue late fees for every 30 days delinquent after the original due date. A 10% late penalty will be assessed in addition to the assessment amount for every 30 days payment is late. The penalty fees will be accrued for up to five months after the original due date. If payment is not received after five months, the City will forward delinquent accounts to a collection agency for further action. Once the business is assigned to the collection agency, additional fees will accrue.

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

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

DAVID CARNAHAN
City Clerk
(SEAL)

LARRY KLEIN
Mayor

APPROVED AS TO FORM:

REBECCA L. MOON
City Attorney



February 11, 2026

To: Honorable Mayor and City Councilmembers

From: The SDA/BID Board Sunnyvale Downtown Association (SDA)

Subj: Sunnyvale Downtown Association's 2026/27 BID Renewal Request

To the Mayor and City Councilmembers of Sunnyvale: First, I'd like to thank the City of Sunnyvale, the Mayor, and the Council for your continued SDA BID support and attendance at our events last season. The Sunnyvale Downtown Association is requesting the reauthorization of the Sunnyvale Downtown Business Improvement District for fiscal year 2026/27. We look forward to another great year of exciting events for the community, our downtown businesses, and the City of Sunnyvale.

On February 11, 2026, the Board of Directors approved of the 2026-2027 BID Budget. Attached is a copy of the SDA's expense & revenue report for July 1, 2025, through June 30, 2026, and actual projections for the 2026/27 fiscal year.

If you have any questions, please do not hesitate to contact us at info@sunnyvaledowntown.com or (408) 480-5437. Thank you for your continued support.

Sincerely,

The Board of Directors for the SDA



BID Renewal Request for 2026/2027

What is a Business Improvement District (BID)?

A BID provides funding for promoting and improving a specific area. All business license holders inside the said district are self-assessed with an annual fee based on anticipated benefits they receive from the BID.

The BID is reauthorized yearly by the City Council at the request of the businesses' Board of Directors. A BID is used by over 200 business areas in California, including Mountain View, Palo Alto, Santa Clara, Morgan Hill, and San Jose. The BID has legal requirements to be reauthorized. Specifically, the City Council must approve the Annual Budget and adopt a Resolution of Intent (ROI) to reauthorize the BID for another year. Once the ROI is adopted, a public hearing must be held during a Council meeting.

Each year after the city has reauthorized the BID, businesses receive an invoice from the city finance department for BID fees. The city collects the fees annually. Once received, funds can only be used for projects within the BID boundaries. The BID maintains complete control of all BID funds collected.

The formula for defining our BID assessment amount is as follows: the Sunnyvale Downtown Association (SDA) Board considers the businesses' type, size, and location. Then, it selects the most equitable formula for every business. BID assessments are included as a separate charge from the business license tax and are billed to every business within the BID boundaries.

Assessments are levied on businesses based on relative benefits from annual activities. All assessment funds collected by the City are returned to the BID through annual contract agreements. The city does collect a fee for administrative costs associated with this service. The price is reviewed and adjusted annually as needed.

By state law, we use the BID funds to support community business activities, promote public events, decorate public places, and provide entertainment within the BID. In addition, BID funds include advertising, marketing materials, digital guides, operational expenditures, websites, e-letters, street/holiday lighting, and events.

Our BID fees are a self-imposed tax on the downtown businesses, outside of paying their standard fees, taxes, and license fees associated with owning and operating a business in our downtown district.

The Mission of the Sunnyvale Downtown Association (SDA)

SDA is a non-profit membership-based organization whose mission is to promote, advocate and enhance the vitality of downtown Sunnyvale. The SDA is funded by BID fees, sponsorships, and revenue-producing events.

The current SDA Board of Directors includes Chair – Amit Rajgarhia of Dishdash Restaurants, Vice Chair – Justin Breining of Whole Foods Market, Treasurer - Molly McClendon, Secretary – Leigh Odum of Leigh's Favorite Books, and Members At Large –and Dr. Gary Gold of Dr. Gary Gold and Associates.

The SDA also serves as the voice of downtown Sunnyvale by:

- Advocating for policies, programs, and events that support the economic growth of the downtown.
- Acting as the downtown marketing arm, voice, and ambassador for the City of Sunnyvale.
- Producing attractive events for the community.
- Promoting downtown as a premier venue for other groups to produce events.
- Working with other community-based organizations that share downtown Sunnyvale's growth and continued vitality.

Budget

Fiscal year 2025/26 BID fees collected from the businesses totaled \$34,000 (approximately 10% of our Income), and the City of Sunnyvale's contributions of \$100,000 (approximately 27% of our Income) acts as SDA foundational funding. The rest of SDA revenue comes from a combination of corporate sponsorships, sales/concessions, and event participant fees. As always stated, we cannot guarantee that we will have this same level of community and/or corporate sponsorship support in any given year. So, we rely on all support channels to ensure fiscal accountability.

On February 11, 2026, the SDA Board of Directors approved the BID 2024/2025 budget.

Last fiscal year, we delivered 19 events including two partnership events. Three of these seasons' events generated "No sales revenue" but still supported the community, the city, and downtown businesses.

Events for 2025/2026

- 8 Events: Summer Music Series - Every Wednesday - July and August.
- 7 Events: Jazz & Beyond – Every Saturday – July and August.
- 1 Day Event: Tech Expo (in partnership with City of Sunnyvale) – August. **No sales revenue-generated event.**
- 1 Day Event: Rides for Donations (in partnership with the Sunnyvale DPS) - November. **No sales revenue-generated event.**
- 1 Day Event: Holiday Tree Lighting – December 6. **No sales revenue-generated event.**
- 1 Day Event: Annual Halloween Pet Parade – October 26th. **No sales revenue-generated event**

Event Sponsorships & City Contribution

We are grateful for continued support from the City and sponsors keeping SDA events growing and serving the community each year. We thank the City of Sunnyvale, Cityline Sunnyvale, El Camino Health, Google, LinkedIn, Specialty Waste, Silicon Valley Clean Energy and StarOne Credit Union for continuing their support.

The Sunnyvale Downtown Association and our downtown businesses need city and other sponsorship support for the variety of events coordinated throughout the year. These events serve as a vital economic lifeline, enabling business owners to offset rising supply costs and wage increases while navigating the current climate of uncertainty.

Each year in January and February, the SDA evaluates sponsorships received that support future events. We always plan months in advance to ensure that we can deliver the events the SDA puts on annually. However, it is always hard to predict what our budget will look like six months before the coming fiscal year.

Overview

In 2025/2026, we prioritized business advocacy and district resilience. Even while navigating staffing changes and construction-related logistical hurdles, we maintained a high level of service by leveraging critical support from City partners, grants, and corporate sponsors. Our ability to pivot during these challenges underscores our commitment to the downtown district's long-term success

Fiscal year 2025/26 was a success by continuing events and maintaining an updated website. These tools helped support attraction of patrons of Downtown Sunnyvale. The SDA worked through challenges due to the change in staffing and retirement of the long-standing executive director.

We delivered eight Summer Music concerts, seven Jazz & Beyond concerts, the Holiday Tree Lighting Celebration, and hosted the Annual Halloween Pet Parade, as well as other partnering events. These events were amplified by the invaluable charitable contributions that helped create memorable experiences for all attendees.

The SDA continues to work with Cityline Sunnyvale and other developers, property managers, and the City of Sunnyvale to promote cohesion between the existing businesses in Sunnyvale and the expansion of downtown Sunnyvale. Furthermore, we recognize the vital role of community participation in shaping the downtown's development, ensuring it reflects the needs and desires of its residents.

We also want to thank all the downtown Sunnyvale businesses that make this possible with their continued participation and support. The collaborative spirit of our community, including the active involvement of residents and local organizations, strengthens our resolve to navigate these changes successfully.

Future

Maintaining the BID fee assessment in conjunction with the city's contribution provides the foundational funding for the SDA. The goal is to continue to produce quality events and promote Downtown Sunnyvale as a great place to shop, dine, work, and live. Events, SDA's website and additional marketing help attract new visitors to our vibrant and growing downtown, fostering community pride.

The SDA's executive director position has been vacant since April 2025. With temporary assistance from the retired executive director, the SDA was able to complete the coordination and execute the Summer Music Series, Jazz & Beyond, Pet Parade and Holiday Tree Lighting events in fiscal year 25/26. Since the position remains vacant, the SDA will be reducing the events for fiscal year 26/27.

The SDA will focus on 4 events for fiscal year 26/27 – The Taste of the World Wine Stroll, eight Summer Music Series, the Pet Parade and Annual Holiday Tree Lighting. The Music Series events attract larger crowds introducing people from the community and from surrounding cities to Downtown Sunnyvale. This reduction is required to maintain a balanced budget while still supporting the downtown business community.

The SDA will continue to focus on marketing existing and new businesses via our website. Many businesses look for help with marketing and other tools that help run their business. We will continue to partner with the City and other agencies to host business workshops that will support our business' needs.

With the continued construction in the downtown area the SDA continues to play an important role in supporting the vibrancy of downtown Sunnyvale. We will continue to market downtown. We can't continue to support the community without the vital support from the BID, The City of Sunnyvale and community sponsors.

As always, we thank everyone for their current and continued support.

Sunnyvale Downtown Association

Sunnyvale Downtown Association Statement of Activity-Revenues

July 2025 - June 2026
Proposed July 26 - June 27

	2025/2026 Actual	2026/2027 Projected
Revenue		
BID Funds	37,834.71	35,000.00
City Contributions	100,000.00	60,000.00
Total City Contributions	137,834.71	95,000.00
Developer Support & Funding Income	13,000.00	10,000.00
Charitable Contributions/General sponsorships	0.00	10,000.00
CA Taxes and Fees Reimbursement	1,110.00	1,110.00
Holiday Tree Lighting		
Sponsorships	15,000.00	15,000.00
Total Holiday Tree Lighting	15,000.00	15,000.00
Jazz & Beyond		
Sales	25,000.00	0.00
Sponsorships	30,000.00	0.00
Total Jazz & Beyond	55,000.00	0.00
Taste of The World and Wine Stroll		
Sales	23,000.00	23,000.00
Sponsorships	15,000.00	15,000.00
Total Taste of World and Wine Stroll	38,000.00	38,000.00
Summer Series		
Sales	17,345.91	17,000.00
Sponsorships	26,000.00	20,000.00
Vendors	3,000.00	3,000.00
Total Summer Series	46,345.91	40,000.00
Halloween Pet Parade		
Sales	0.00	0.00
Sponsorships	13,000.00	13,000.00
Vendors	5,000.00	5,000.00
Total Halloween Pet Parade Sales	18,000.00	18,000.00
Total Revenue	324,290.62	227,110.00

TBD

Pending sponsorships not included until funds are received.

Postponed for 26/27

Sunnyvale Downtown Association
Statement of Activity-Expenditures
July 2025 - June 2026

		2026/2027		
				Projected
Expenditures				
Administrative				
	Advertising/Promotional	3,850.00	3,850.00	To maintain website, social media marketing
	Banking Fee	1,000.00	1,000.00	
	Insurance	8,400.00	8,000.00	Reduced insurance for limited events
	Legal & Accounting	4,140.00	2,500.00	
	Operational Expenses	5,000.00	4,000.00	
	Rent	20,000.00	0.00	SDA will dismantle office as of 2/28/2026.
	Taxes & Licenses	3,000.00	3,000.00	
	Utilities	3,000.00	0.00	Expenses reduced as a result of office closure (Board will operate remotely)
	Telephone/Internet/Website	13,000.00	5,000.00	Expenses reduced as a result of office closure (Board will operate remotely)
	Total Administrative	61,390.00	27,350.00	
Staffing				
	Payroll Expenses	174,000.00	0.00	
	Payroll Taxes	14,000.00	0.00	
	Consulting	0.00	0.00	
	Total Staff & ED Compensations/Commission	188,000.00	0.00	
Event Expenses				
	Holiday Christmas Tree Lighting Fees	7,021.00	7,000.00	Estimate based on 2025 actuals
	Jazz & Beyond Fees	41,068.00	0.00	Suspending event for 2026-2027
	Taste of the World Fees	14,000.00	14,000.00	Suspending this event for 2026-2027
	Halloween Pet Parade	3,000.00	3,000.00	Estimate based on 2025 actuals
	Summer Series Fees	40,800.00	40,800.00	Estimate based on 2025 actuals
	Labor		35,000.00	Contract fees for events coordinator, labor and security
	Total Event Expenses	105,889.00	99,800.00	
	Total Expense	355,279.00	127,150.00	
	Net Income	(30,988.38)	99,960.00	

**Due to a reduction in events we require \$60,000 as city contribution for fiscal year 26/27

***Pending sponsorships not included until funds are received.

Regarding the 2025/26 projections we are still waiting on three, possibly more sponsors over the next 30 - 45 days.

BID Zones & Fee Breakdown

	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	\$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 the week.

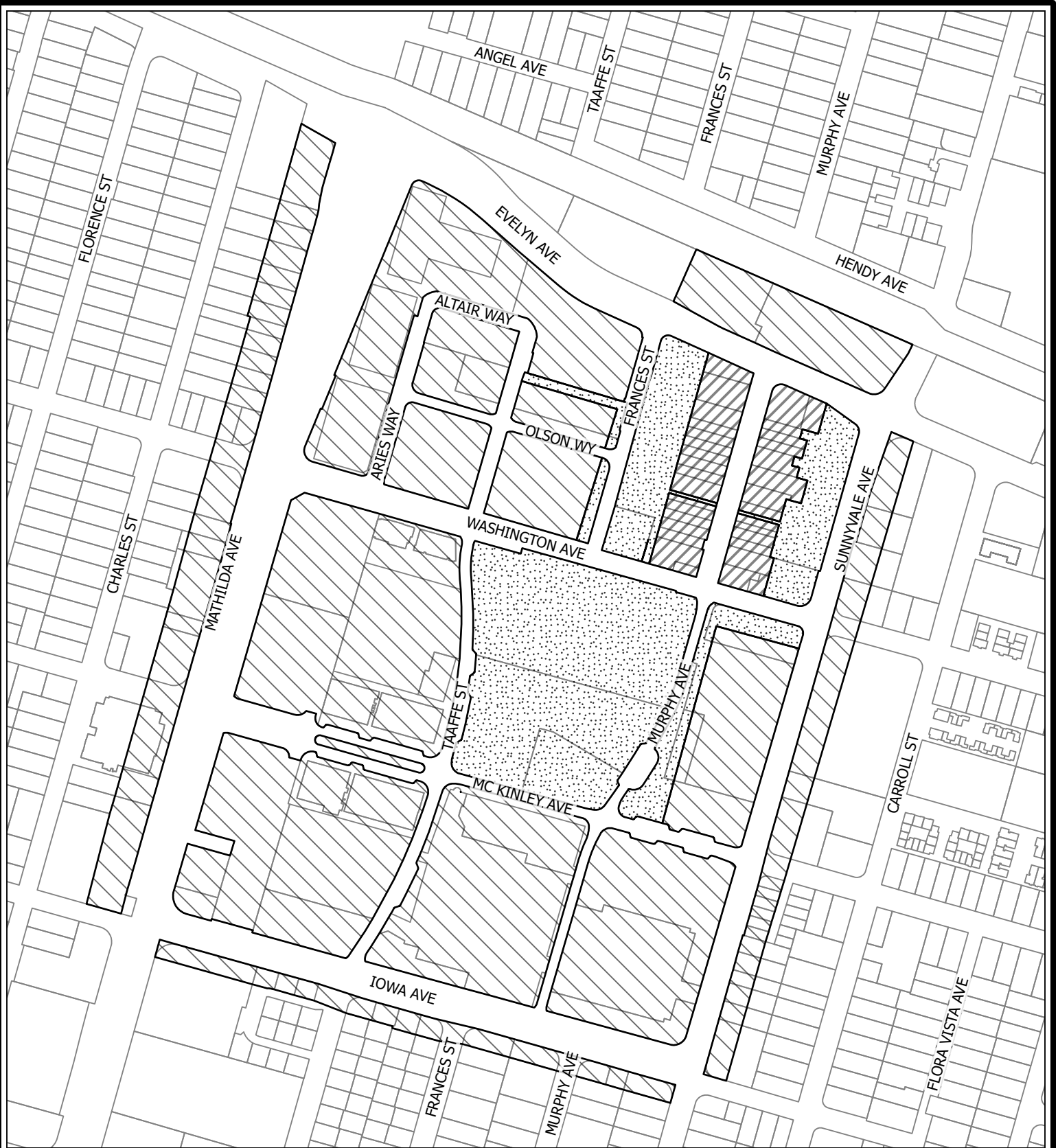
Professional Services: Includes Architects, Engineers, Attorneys, Dentists, Doctors, Accountants, Optometrists, Realtors, Insurance offices, Mortgage Brokers and most other businesses that require advanced and/or specialized licenses and/or advanced academic degrees.

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

**Downtown Sunnyvale Business Improvement District
Proposed Improvements and Activities for Fiscal Year 2026/2027**

Income		
Zone A	38 Businesses paying an average annual benefit fee of \$421.	\$16,000
Zone B	55 Businesses paying an average of \$137.	\$7,550
Zone C	178 Businesses paying an average of \$117.	\$20,950
Total potential BID assessment collections		\$44,500
Projected assessment collections		\$35,000
Revenues from SDA special events and fund-raisers		\$96,000
Grants, event sponsorships and other misc. revenue		\$96,000
Total BID Program annual budget		\$227,000

Expenditures		
Program	Amount	Percent
1) Commercial Marketing Program a) Advertising and promotion (Ads, social media, etc.) b) Theme development c) Special events and activities d) Visitor attraction	\$152,090	67%
2) Civic Beautification and Signage Program a) Streetscape beautification, lighting	\$2,270	1%
3) Programs Administration and BID Management	\$27,350	12%
Totals	\$227,000	100%



DOWNTOWN BUSINESS IMPROVEMENT DISTRICT ZONES

0 125 250 500 Feet

- Zone A
- Zone B
- Zone C

