



01/11/22

To: Connie Verceles, Deputy City Manager
Maria Rodriguez, Economic Development

Since reviewing the proposal from the city regarding the permanent street closure, the Sunnyvale Downtown Association (SDA) Business Improvement District (BID) members have expressed concerns about the new street ADA Accessibility changes and additional increased maintenance fees. With the California emergency health mandate lifting on February 28th and Murphy Avenue poised to reopen, these members still need to prepare for varying increased costs during the transition. In addition, below are a few of the challenges these businesses are experiencing that will impact their ongoing sustainability, along with some concerns that will arise with the street reopening:

- \$20,900 per business for public improvements.
- Amount of time and money lost for the installation of public improvements; cost vs. value justified with the installation of city improvements.
- \$4,800 per business annually for new maintenance and street cleaning fees.
- Businesses will also need to find and pay for storage of all the outdoor equipment (tables, chairs, tents, canopies, propane heaters, and other miscellaneous items).
- Increasing costs for foods and beverages.
- Increasing operational costs for gas, electricity, supplies, and transportation.
- Reduction in sales due to a declining economy.
- Massive layoffs in the Tech industry are causing local consumers to manage their expenses differently.

The SDA and BID members all support closing Historic Murphy Avenue. However, we request that the city finance all public improvements that have been identified and cover the annual maintenance fees for the next several years until businesses and the economy start recovering. We also request that the public improvements be completed on an expedited schedule since street construction would impact businesses' ability to utilize outdoor dining during the process. Construction will also impact events held on Murphy Ave.

After reviewing the Resolution of Intent (ROI) for the BID, the SDA understands that a new maintenance zone would need to be created to collect maintenance funds from a specific group of businesses. Creating a new assessment zone at this time would be a difficult process since we would be asking businesses to vote to increase their annual BID fees. Plus, adding a new zone would complicate the BID Reauthorization process and affect all businesses within the district.



The Sunnyvale Downtown District is considered the jewel of the city. However, with all the upcoming changes and improvements in our district, we must protect the businesses that have served this community for decades.

If the City of Sunnyvale can provide the financial support to complete the required public improvements with an expedited schedule and continue to manage and finance the sidewalk and street maintenance, Murphy Avenue businesses support a permanent closure of the street. If the City is unable to provide financial support, Murphy Avenue businesses can't afford to support a permanent closure.

If you have any questions, please call me at (408) 480-5437 or email me at Michael@sunnyvaledowntown.com

Thank you,

Michael Johnson
Executive Director
Sunnyvale Downtown Association