

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF SUNNYVALE CONFIRMING THE DOWNTOWN
SUNNYVALE BUSINESS IMPROVEMENT DISTRICT
ANNUAL REPORT FOR FY 2016/17 AND TO LEVY AND
COLLECT AN ANNUAL ASSESSMENT FOR THE
DOWNTOWN SUNNYVALE BUSINESS IMPROVEMENT
DISTRICT FOR FISCAL YEAR 2016-2017**

WHEREAS, on March 29, 2016, 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 (Resolution No. 740-16) (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 April 19, 2016, 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:

1. Report. The City Council hereby confirms the Business Improvement District Annual Report for FY 2016-2017 ("Annual Report") as set forth in Exhibit A.
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 B.
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 2016-2017.

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 2016-2017.

5. Method of Collection. The benefit assessment for Downtown Sunnyvale businesses shall be billed and collected by July 30, 2016. 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 to 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 original due date. If payment is not received after five months, the City will forward delinquent accounts to collections agency for further action. Once the business is assigned to the collections 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:

City Clerk

Mayor

(SEAL)

APPROVED AS TO FORM:

City Attorney

EXHIBIT A



February 1, 2016

TO: Mayor and City Council members
City of Sunnyvale

FROM: Joel Wyrick & The BID Board
Sunnyvale Downtown Association (SDA)

RE: State of the BID/SDA

Dear Sirs and Ma'am,

First of all I'd like to thank the City of Sunnyvale, the Mayor and City Council for your matching BID funds, support and attendance to our events. We are looking forward to another great year for the City of Sunnyvale. On January 6, 2016 the Board of Director's approved the renewal of the BID. Attached (Exhibit A) is a copy of the SDA's expense & revenue report for July 1, 2014 through June 30, 2015 along with projections for the 2015/16 fiscal year.

Past

Our start-up funding comes from the BID, which amounted to approximately \$31,000. For our 2015/16 fiscal year the SDA staff and Board decided to use the monies to produce: Summer Series Music + Market, The Jazz & Beyond Series, Magic of Sunnyvale and the Holiday Tree Lighting. The production of last year's events grossed \$96,000 from the sales, sponsorships and grants. Thanks to the matching funds from the city we were able to support two additional Summer Series events, The Magic of Sunnyvale, Visitor's Guide and the Pre-Bowl Bash. The positive feedback from the residents for these added events was much appreciated and welcome.

Present/For the Year

The Board approved the Executive Director's annual budget and his recommendations for the upcoming 2016 year.

Event Revenue & Overview

All events stayed within budget and virtually "status quo" as with the attendance. The Holiday Tree Lighting has no sales associated with the event but turns a profit due to very little City service fees attached to the event and good sponsorship support. Due to great weather for the Holiday Tree lighting attendance was the best in recent years at approximately 500 people. No cuts will be needed for this year and depending on our summer events receipts the SDA is also considering one event called "Carnigras". This would be a winter event (Feb. or Mar.) used as a filler for our calendar year. Again, this will depend on the success receipts of our summer events as any outdoor winter event comes with high risk due to possible "bad weather conditions".

Event Sponsorships

Staff was successful in securing sponsorships and partnerships for last year's events. Along with the City of Sunnyvale partnership, over \$20,000 in additional financial support has come from Broadcom, Essex, Carmel Properties, and Palo Alto Medical Foundation. Over 900 volunteer hours stemming from groups such as: Sunnyvale Neighborhood Groups, Sunnyvale Pop Warner, Lockheed Missiles and Space, Betty Boobs Cancer Society and Sunnyvale Leadership Group have made our events a success while creating communal pride.

Future

The BID Board strongly recommends that we continue the BID assessment. The BID serves as the SDA's seed money. Without the BID, we couldn't provide the services and events to our community. The BID will continue producing quality events and promoting downtown Sunnyvale as a good place to visit shop and do business. These events are especially important to continue to attract patrons to downtown.

The BID is a self-imposed tax of the downtown businesses. Outside of paying their standard fees, taxes and licenses associated with owning and operating a business these businesses have been and continue to reach into their pockets and come up with additional monies to: promote market and create events for the City of Sunnyvale and our community.

We are looking forward to partnering with the new developers of the former site known as the "Town Center". Obviously, the completion of the project will adversely affect the downtown environment; having a symbiotic relationship and joint marketing strategies will be paramount in the months to come. As of Jan. 1 2016, we increased our marketing strategies in the social media arena by hiring a local Sunnyvale marketing firm to enhance our presence through twitter and google. This is a welcome addition to our current Facebook and SunnyvaleDowntown.com website. Resources for marketing will include local and regional publications as well.

Overview

2015 was another strong year for us. The retail piece of the former Town & Country site is 95% occupied. New retailers such as City Wine Bar, Nom Burger, Orange Theory and Starbucks all seem to be doing well. We will continue to uphold our mission to promote, advocate and enhance the vitality of downtown Sunnyvale, seek out ways to create an even more attractive downtown for the community, its visitors and give many others a reason to live in our downtown and surrounding neighborhoods.

Thank you for your support and once again please support our request to continue the BID assessments.

If you have any questions please do not hesitate to call the SDA at 408-516-7217.

Board of Directors

Joe Antuzzi, Board Chair
Leigh Odum, Secretary
John Sevey, Member- At-Large

Dr. Gary Gold, Vice Chair
Kathy Johnson, Member-At-Large

EXHIBIT A

SDA ORGANIZATION EXPENSE & REVENUE REPORT				2015-16	2016-17	Notes & Comments
				actual	projected	
EXPENSES						
	Advertising, Promotion & Marketing			\$ 170.00	\$ 7,600.00	hotel book and Jo Ho Marketing
	City Fees			\$ 800.00	\$ 800.00	BID
	Commissions & Fees (memberships, etc.)			\$ 3,720.00	\$ 4,000.00	
	Conferences, meetings & seminars (attended)			\$ -	\$ -	
	Contract Labor			\$ 38,275.00	\$ 39,600.00	all event and SDA staff is sub-contracted
	Dues/Subscriptions/Contributions			\$ -	\$ -	
	Events (costs directly associated with the event)					
	Summer Series Music + Market			\$ 40,173.00	\$ 43,000.00	
	Jazz & Beyond			\$ 26,810.00	\$ 28,000.00	
	Holiday Christmas Tree Lighting			\$ 4,027.00	\$ 5,000.00	
	Magic of Sunnyvale			\$ 18,402.00	\$ 20,000.00	
	Game Day			\$ 11,064.00	\$ 12,500.00	yes for 2016 pending 2017 (no big screen)
	St Patty's					
	Carnival			\$ -		"game day" or pending 2017
	Sub Total Events			\$ 100,476.00	\$ 108,500.00	
	Finance Services Charges				\$ -	
	Insurance					
	General			\$ 5,274.00	\$ 5,400.00	
	Directors & Officers			\$ -	\$ -	
	Legal & Accounting			\$ 540.00	\$ 550.00	
	Audit			\$ -	\$ -	
	Legal			\$ -	\$ -	
	Maintenance, Beautification & Repair (incl murphy lights)			\$ -		
	Office Supplies			\$ 17.00	\$ 100.00	
	Postage			\$ -	\$ -	billed to individual projects
	Printing & Reproduction			\$ -	\$ -	billed to individual projects
	Rent			\$ 2,551.00	\$ 2,700.00	(no office 2012 - PO box & Pod)
	Staff Salaries				\$ -	none we subcontract everything
	Supplies (non office)			\$ 2,817.00	\$ 1,500.00	mainly stage replacement parts
	Taxes, Licenses & permits			\$ 781.00	\$ 800.00	
	Telephone/ Internet/Website			\$ 1,260.00	\$ 1,260.00	cell, constant contact, pow web
	Travel & Entertainment			\$ -	\$ -	research
	Visitor's Guide			\$ 4,507.00	\$ 5,000.00	
	Contingency 3%			\$ -	\$ 8,589.30	
TOTAL EXPENSES				\$ 156,681.00	\$ 172,810.00	

		2015-16	2016-17	Notes & Comments
		actual	projected	
REVENUE				
CONTRIBUTED & SPONSORSHIP INCOME				
Grants				
	City/Government			
	Community Events Grant	\$ 6,560.00	\$ 6,560.00	
	Matching BID Sponsorship	\$ 30,000.00	\$ 30,000.00	
	SUBTOTAL - GRANTS	\$ 36,560.00	\$ 36,560.00	
	Projects & Events Sales (incl. vendors)			
	Summer Series Music + Market	\$ 50,343.00	\$ 52,500.00	sponsorships included in revenue
	Jazz & Beyond	\$ 27,975.00	\$ 28,000.00	bev sales, pres sponsor, community grant
	Holiday Tree Lighting Celebration	\$ 2,945.00	\$ 3,000.00	based on last year's community grant
	Magic of Sunnyvale Wine Stroll	\$ 10,185.00	\$ 12,000.00	pending happens in May
	Game Day	\$ 4,569.00	\$ 5,000.00	
	Carni Gras			pending potential sponsorships
	SUBTOTAL - PROJECTS & EVENTS	\$ 96,017.00	\$ 100,500.00	revenue includes corp. sponsorships
	SDA Memberships			
	BID Fees	\$ 31,042.00	\$ 32,000.00	
	Misc	\$ 800.00	\$ 800.00	stage rental to outside agencies
	SUBTOTAL - SDA MEMBERSHIPS	\$ 31,842.00	\$ 32,800.00	
	TOTAL REVENUE	\$ 164,419.00	\$ 169,860.00	
	NET PROFIT/LOSS	\$ 7,738.00	\$ (2,950.00)	

EXHIBIT B



DOWNTOWN BUSINESS IMPROVEMENT DISTRICT ZONES

0 75 150 300 Feet



Legend

- ZONE A
- ZONE B
- ZONE C