



March 1, 2017

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 continued support. We are looking forward to another great year for the City of Sunnyvale. On January 4, 2017, 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 the year FY 16/17 along with projections for the FY 17/18.

Past

Our start-up funding comes from the BID, which amounted to approximately \$31,000. For FY 16/17, the SDA 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 \$97,000 from the sales, sponsorships and grants. Thanks to the matching funds from the city we were able to support two additional events, The Magic of Sunnyvale & Wine Stroll, Visitor's Guide, and expanded Summer Series event in Plaza del Sol, along with a new event "The Downtown Sunnyvale Beer Walk". 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 fiscal 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 again 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 and will not replace "The Sunnyvale Downtown Beer Walk". Our plans are to continue this event for the coming years. 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 \$24,000 in additional financial support has come from Broadcom, WalmartLabs, Hunter Properties, Specialty Waste and DBI. 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. Hopefully the economy remains strong and our sponsorships stay consistent.

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 STC, LLC / Hunter Properties of the former site known as the "Town Center". The completion of the project will greatly enhance the downtown environment; forming a symbiotic relationship and open dialogue for joint marketing strategies will be paramount in the months to come.

We are requesting council's support and approval of the BID annual report and budget for fiscal year 2016 / 2017 and to approve the reauthorization for the fiscal year 2017 /2018 BID.

We also seek your support in modifying the existing BID zones. We would like to change Zone C on Washington Ave (from Sunnyvale Ave. to Frances), businesses on the west side of Frances and Plaza del Sol to Zone B. We also recommend changing the Zone C Town Center Murphy Ave extension and future businesses within Redwood Square to Zone B. This will give the BID an opportunity to expand our events and marketing strategies to include our new additions to the downtown business community. (See Map)

We are in the process of or already have contacted the merchants that are effected by the proposed zone change. In addition we have scheduled a meeting with all BID members to explain the new zoning proposal.

Overview

2016 was another positive direction for us downtown Sunnyvale. I am proud to say that we continue to be one of the most productive downtown associations in the bay area. We pride ourselves with our efficiency and the number of events and services we provide our BID members at a remarkable low cost. 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 our community, its visitors and give many others a reason to live in our downtown and surrounding neighborhoods.

We look forward to working with the new developer (of the former Town Center site) and hope that the City includes the SDA in its dialogue. The SDA strongly believes that mitigation should be part of this dialogue. Block 18 is paramount in the making a vibrant downtown Sunnyvale and allowing the SDA to be part of the process is the natural way to make it an even better place to live, work and play.

Proposed projects are based on the proposed budget for 2017. Projects/events will be modified based on budget actuals as assessments are made and sponsorships received.

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

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

Board of Directors

Joe Antuzzi, Board Chair, il Postale
Leigh Odum, Leigh's Books & Bookasaurus
Melissa Barragan, Broadcom
Epenesa Pakola, Aloft Hotel

Dr. Gary Gold, Vice Chair, Dr.Gary Gold & Associates
Irene Murphy, Fibbar Magees
Amit Rajgarhia, Dish Dash

**Downtown Sunnyvale Business Improvement District
Proposed Improvements and Activities for Fiscal Year 2017/2018**

Income		
Zone A	36 Businesses paying an average annual benefit fee of \$455.	\$16,400
Zone B	31 Businesses paying an average of \$170.	\$5,300
Zone C	124 Businesses paying an average of \$125.	\$15,550
Total potential BID assessment collections		\$37,250
Projected assessment collections (annual paid average at about 85%)		\$32,000
Revenues from SDA special events and fund-raisers		\$88,500
Grants, event sponsorships and other misc. revenue		\$37,675
Total BID Program annual budget		\$158,175

Expenditures		
Program	Amount	Percent
1) Commercial Marketing Program	\$124,958	79%
a) Advertising and promotion		
b) Theme development		
c) Special events and activities		
d) Visitor attraction		
2) Civic Beautification and Signage Program	\$1,582	1%
a) Streetscape beautification, lighting		
b) Public arts programs		
c) Public-private directional signage		
3) Programs Administration and BID Management	\$31,635	20%
Totals	\$158,175	100%

Proposed Annual BID Programs - Present and Future

A) Current Programs: The best of the current downtown programs will be retained while being made bigger and better. Several of those are as follows:

- Sunnyvale Summer Series - Music and Market
- Jazz and Beyond
- Annual Holiday Tree Lighting
- Magic of Sunnyvale and Wine Stroll
- Downtown Sunnyvale Beer Walk
- Downtown Sunnyvale Website
- Downtown Business Directory of Goods and Services
- Social Media Campaign for BID Members
- Blog Posts that Spotlight SDA Businesses
- Monthly Member Meetings

B) Possible Future BID Programs: In addition to commercial marketing and special events, other member benefit programs will include Civic Beautification and Signage as well as a specific Member Services Program.

Addition events such a “Carnigras,” return of the Pet Parade and events in collaboration with the Sunnyvale Parks and Recreation and the new Town Center development.

Several of these new and continued programs for Fiscal Year 2017/2018 are as follows:

Program 1) Commercial Marketing and Promotion

This Commercial Marketing Program has been created to enable local businesses to compete more successfully and cost-effectively, for tenants and customers, with nearby commercial centers and malls, such as are found in San Jose and Palo Alto. This is to be accomplished by establishing a means of supporting the long-term and day-to-day needs of Sunnyvale's retailers while aggressively attracting visitors and shoppers into the traditional central business district.

The online business directory serves as a strong marketing tool for Downtown Sunnyvale. The directory serves several purposes including being used with the BID Website as well as in a published format complete with a map of the new BID area. An additional use of this information would be to be used as an ad or insert in local and regional newspapers.

This Directory of goods and services will be distributed by the BID organization as well as by the City. Local businesses will also be provided with copies of the Directory. The benefits of the Directory will be provided to all businesses on a no cost basis.

- Downtown Business Directory Of Goods and Services
- Consistent Advertising Pages in Local Publications
- "Shop Downtown Sunnyvale" Campaign

Program 2) Special Events and Activities

The marketing program will also work toward development of an annual series of special events, fairs and festivals that are not necessarily retail-oriented, and in fact, may serve as successful program fund-raisers. This program of special events and street fair activities are intended to focus public attention and patronage on the overall commercial district as well as on the overall community. This is especially important during the different construction phases in downtown Sunnyvale which has affected the main streets in and out of downtown. Examples of these activities would include parades, festivals, fairs, seasonal events, markets, concerts, holiday themes and celebrations. Several special events and activities that are suggested for the approval of the BID membership are as follows:

- Cinema in The Plaza
- Flea Markets
- Parades and Car Shows
- Historic Celebrations
- Ethnic Themes
- Restaurant Cooking Contests, Themes Nights, Chili Cookoffs, BBQs, Etc.

Program 3) Civic Beautification and Signage

It is recommended the BID play the lead role in the planning and implementation of a Downtown civic beautification program. The purpose of this program would be the development of various appropriate commercial marketing-oriented civic beautification special effects projects.

- Twinkle Lights on Murphy Street Trees as well as Holiday Street Lighting
- Public Art Programs, Wall Murals, etc.
- Programs of Seasonal Decorations
- Downtown Information Kiosks

Program 4) Member Services

- Management - Administration of all downtown programs
- Links to Website for Downtown Merchant
- Featured Monthly Business on Website
- Serving as Liaison with City Regarding Downtown Issues Such As Parking and Enforcement and other Construction-related issues.

All listed programs are items of interest for the BID. Programs completed will be based on staff availability, schedule and actual BID budget.

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.

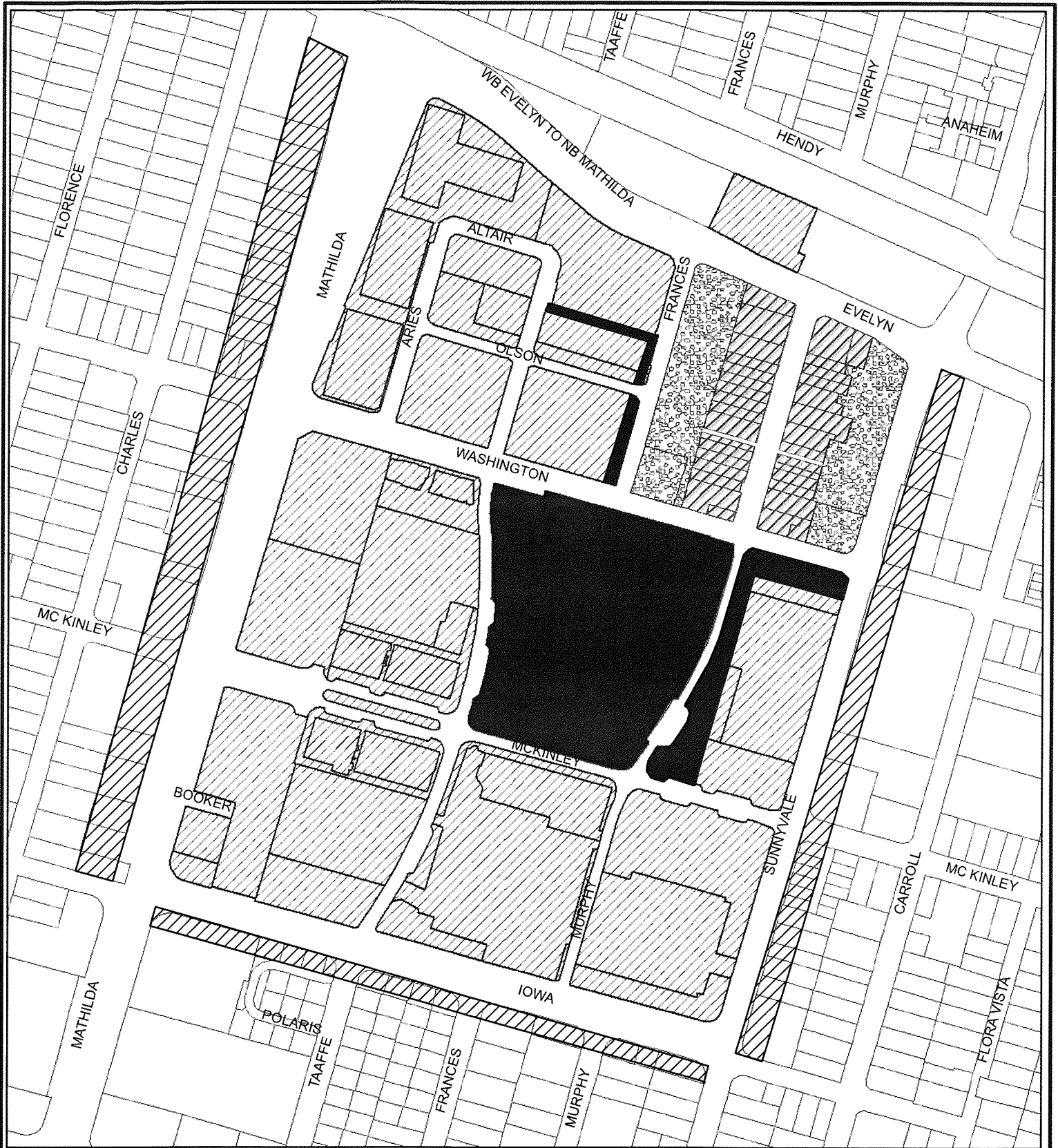
Lodging: Includes renting rooms by the day or week to community visitors.

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.

SDA ORGANIZATION EXPENSE & REVENUE REPORT				2016-17	2017-18	Notes & Comments
				year end	fiscal/projected	
EXPENSES						
Advertising, Promotion & Marketing				\$ 6,640.00	\$ 8,200.00	hotel book and Jo Ho Marketing
City Fees				\$ 358.00	\$ 400.00	BID
Commissions & Fees (memberships, etc.)				\$ 4,900.00	\$ 2,450.00	reduced from 20% to 10%
Contract Labor				\$ 39,600.00	\$ 42,000.00	all event and SDA staff is sub-contracted
Events (costs directly associated with the event)						
Summer Series Music + Market				\$ 47,919.42	\$ 48,000.00	
Jazz & Beyond				\$ 25,201.90	\$ 26,000.00	
Holiday Christmas Tree Lighting				\$ 4,027.00	\$ 4,500.00	
Magic of Sunnyvale				\$ 9,420.64	\$ 12,000.00	
Carni Gras				\$ -		
Sub Total Events				\$ 86,568.96	\$ 90,500.00	
Insurance						
General				\$ 5,455.16	\$ 5,600.00	
Directors & Officers				\$ -	\$ -	
Legal & Accounting				\$ 432.00	\$ 500.00	
Audit				\$ -	\$ -	
Legal				\$ -	\$ -	
Office Supplies				\$ 244.00	\$ 300.00	
Postage				\$ -	\$ -	billed to individual projects
Printing & Reproduction				\$ -	\$ -	billed to individual projects
Rent				\$ 2,432.00	\$ 2,600.00	(no office 2012 - PO box & Pod)
Staff Salaries					\$ -	none we subcontract everything
Supplies (non office)				\$ -	\$ 250.00	mainly stage replacement parts
Taxes, Licenses & permits)				\$ 781.00	\$ 800.00	
Telephone/ Internet/Website				\$ 840.00	\$ 1,260.00	cell, constant contact, pow web
Travel & Entertainment				\$ -	\$ -	research
Visitor's Guide				\$ 2,588.25	\$ 2,700.00	
Contingency				\$ -	\$ -	
TOTAL EXPENSES				\$ 150,839.37	\$ 157,560.00	
				2016-17	2017-18	Notes & Comments
				year end	fiscal/projected	
REVENUE						
CONTRIBUTED & SPONSORSHIP INCOME						
Grants						
City/Government						
Community Events Grant				\$ 7,675.00	\$ 7,675.00	
Matching BID Sponsorship				\$ 30,000.00	\$ 30,000.00	
SUBTOTAL - GRANTS				\$ 37,675.00	\$ 37,675.00	
Projects & Events Sales (incl. vendors)						
Summer Series Music + Market - sales				\$ 46,071.00	\$ 47,000.00	sponsorships included in revenue
Vendor space				\$ 5,099.00	\$ 4,000.00	
Jazz & Beyond				\$ 23,533.00	\$ 28,000.00	bev sales & sponsor(s)
Holiday Tree Lighting Celebration				\$ 5,000.00	\$ -	
Magic of Sunnyvale Wine Stroll				\$ 8,180.00	\$ 9,000.00	
Carni Gras						pending potential sponsorships
SUBTOTAL - PROJECTS & EVENTS				\$ 87,883.00	\$ 88,000.00	revenue includes corp. sponsorships
SDA Memberships						
BID Fees				\$ 31,647.56	\$ 32,000.00	
Misc				\$ 150.00	\$ 500.00	stage rental to outside agencies
SUBTOTAL - SDA MEMBERSHIPS				\$ 31,797.56	\$ 32,500.00	
TOTAL REVENUE				\$ 157,355.56	\$ 158,175.00	
NET PROFIT/LOSS				\$ 6,516.19	\$ 615.00	


PROPOSED CONVERSION FROM ZONE C TO B





DOWNTOWN BUSINESS IMPROVEMENT DISTRICT ZONES

Legend

 ZONE A

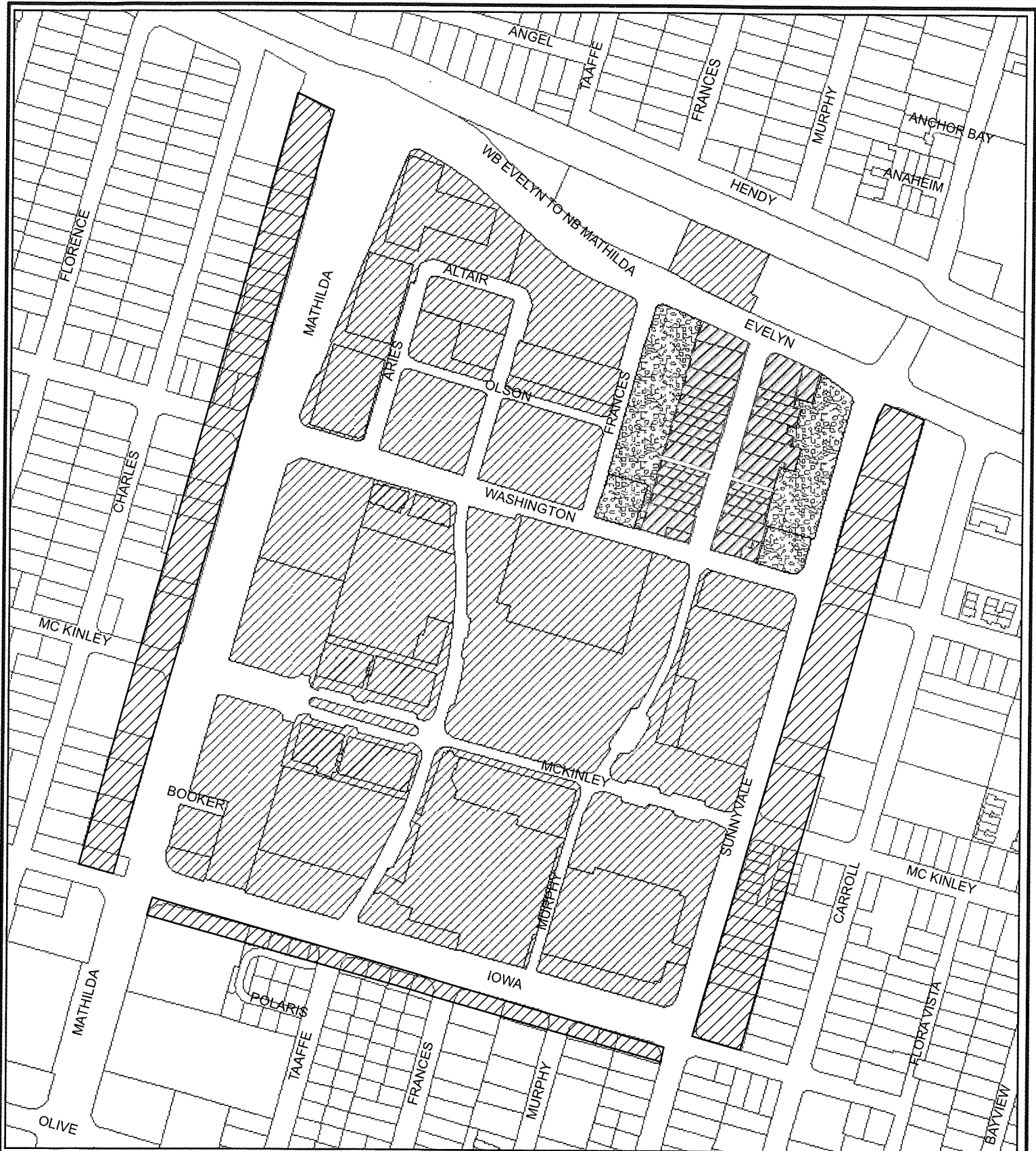
 ZONE B

 ZONE C

 Proposed Conversion from Zone C to Zone B

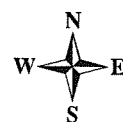


0 120 240 480 Feet



DOWNTOWN BUSINESS IMPROVEMENT DISTRICT ZONES

0 125 250 500 Feet



Legend	
	ZONE A
	ZONE B
	ZONE C