

## RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF SUNNYVALE CONFIRMING THE DOWNTOWN  
SUNNYVALE BUSINESS IMPROVEMENT DISTRICT  
ANNUAL REPORT FOR FY 2017/18 AND TO LEVY AND  
COLLECT AN ANNUAL ASSESSMENT FOR THE  
DOWNTOWN SUNNYVALE BUSINESS IMPROVEMENT  
DISTRICT FOR FISCAL YEAR 2017-2018**

WHEREAS, on April 25, 2017, the City Council of the City of Sunnyvale (the "City") adopted two resolutions: Resolution of Intention Declaring Intention to Convert Portions of Zone C to Zone B within the Existing Boundaries of the Downtown Sunnyvale Business Improvement District (Resolution No. 815-17) and Resolution of Intention to Levy and Collect an Assessment and to Reauthorize the Downtown Sunnyvale Business Improvement District (Resolution No. 816-17) (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 23, 2017, 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 2017-2018 ("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 2017-2018.

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 2017-2018.

5. Method of Collection. The benefit assessment for Downtown Sunnyvale businesses shall be billed and collected by July 30, 2017. 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**



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

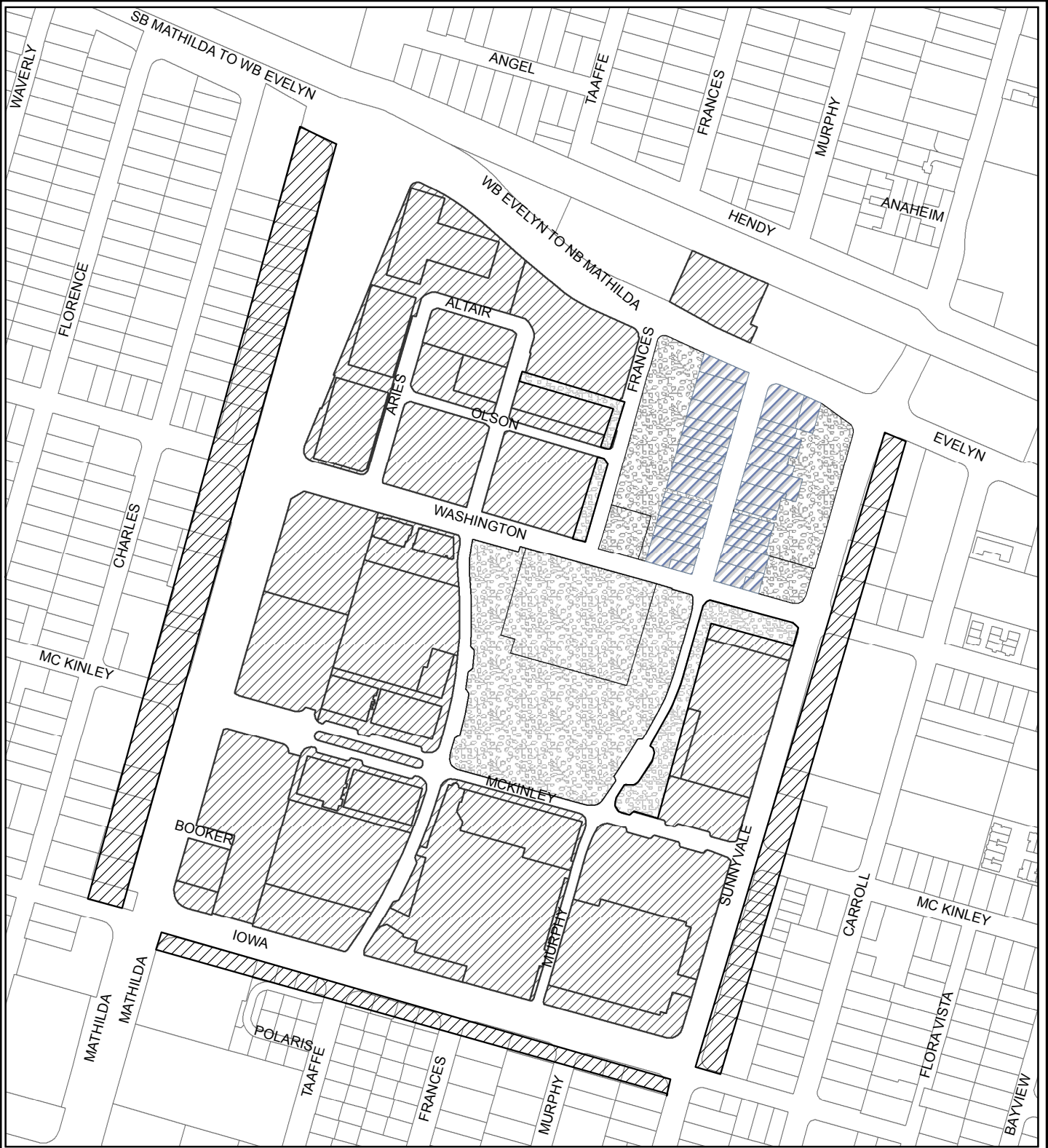
Joe Antuzzi, Board Chair, il Postale  
Leigh Odum, Leigh's Books & Bookasaurus  
Melissa Barragan, Broadcom  
Epenesa Pakola, Aloft Hotel

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

SDA ORGANIZATION EXPENSE & REVENUE REPORT				2016-17	2017-18	Notes & Comments
				actual 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 sponsors for 2016 = 24,500
	<b>TOTAL EXPENSES</b>			<b>\$ 150,839.37</b>	<b>\$ 157,560.00</b>	
				<b>2016-17</b>	<b>2017-18</b>	<b>Notes &amp; Comments</b>
				actual	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	
	<b>SUBTOTAL - GRANTS</b>			<b>\$ 37,675.00</b>	<b>\$ 37,675.00</b>	
	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
	<b>SUBTOTAL - PROJECTS &amp; EVENTS</b>			<b>\$ 87,883.00</b>	<b>\$ 88,000.00</b>	revenue includes corp. sponsorships
	SDA Memberships					
	BID Fees			\$ 31,647.56	\$ 32,000.00	
	Misc			\$ 150.00	\$ 500.00	stage rental to outside agencies
	<b>SUBTOTAL - SDA MEMBERSHIPS</b>			<b>\$ 31,797.56</b>	<b>\$ 32,500.00</b>	
	<b>TOTAL REVENUE</b>			<b>\$ 157,355.56</b>	<b>\$ 158,175.00</b>	
	<b>NET PROFIT/LOSS</b>			<b>\$ 6,516.19</b>	<b>\$ 615.00</b>	





**EXHIBIT B**



**DOWNTOWN BUSINESS IMPROVEMENT  
DISTRICT ZONES**

**Legend**

-  ZONE A
-  ZONE B
-  ZONE C

