



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Adopt a Resolution to Approve the Annual Engineer's Report, Confirm the Assessment, and Levy Annual Assessment for the Downtown Parking Maintenance District Assessment for Fiscal Year 2014/15

BACKGROUND

The operation and maintenance expense of certain downtown parking areas are supported by the Downtown Parking Maintenance District assessment. On July 28, 2009, in response to property owners ballot approval, the City council adopted Resolution #398-09 (RTC09-196) to levy assessment for Fiscal Year (FY) 2009/10 and for each fiscal year thereafter by adjusting the annual assessment rate based upon the previous year's change in the Consumer Price Index.

On June 24, 2014, the City Council adopted a resolution declaring its intention to levy and collect an assessment for the Downtown Parking Maintenance District for FY 2014/15, approving the preliminary Engineer's Report and setting July 15, 2014 at 7:00 pm as the date and time for public hearing on the levy of the proposed assessment.

EXISTING POLICY

Council Resolution 6643, dated September 1, 1964 authorized the City to levy an annual assessment on all lands and improvements within the Parking District to pay debt service, operations, maintenance, and improvement costs.

Municipal Code Section 19.46.010: Areas and facilities required - location: the owner or occupant of land or buildings used for any purpose in any zoning district, except uses within the boundaries of a parking district created by the action of the city council, shall provide off-street parking and loading areas and facilities which conform to the regulations set forth herein.

ENVIRONMENTAL REVIEW

Adoption of the subject resolution is not a project within the meaning of the California Environmental Quality Act as the Act does not apply to governmental funding mechanisms or other government fiscal activities.

DISCUSSION

Francisco & Associates, Inc. (the Assessment Engineer) prepared the final Engineer's report (Attachment 1) for the FY 2014/15 assessment. The assessment rates are proposed to increase 2.7874% based on the Consumer Price Index change between April 2013 and April 2014 (all Urban Consumers for the San Francisco-Oakland-San Jose area) as shown in the Table below.

FY 2014/15 Assessment Rates per Benefit Zone					
Benefit Zone No.	Assessment Rate Per Deficit Parking Space	Total Deficit Parking Space	Total Assessment	Less County Administration (1%)	Net Assessment Revenue
1	\$0.00	56.80	\$0.00	\$0.00	\$0.00
2	\$154.88	172.38	\$26,698.20	(\$266.98)	\$26,431.22
3	\$67.25	2,254.87	\$151,639.76	(\$1,516.40)	\$150,123.36
4	\$20.26	351.89	\$7,129.26	(\$71.29)	\$7,057.97
Total		2,835.94	\$185,467.22	(\$1,854.67)	\$183,612.55

Pursuant to California Streets and Highways Code Section 22631, Council adoption of the Resolution (Attachment 2) to approve or modify the final Engineer's report constitutes the levy of the assessment for FY 2014/15.

FISCAL IMPACT

The proposed budget for routine maintenance and administration of the parking lots for FY 2014/15 is \$120,459. There is no proposed major maintenance project budgeted for FY 2014/15. Approval of the recommended FY 2014/15 assessment will generate gross revenue of approximately \$185,467. The City receives the net assessment revenue of \$183,613 after County administrative fees (1% of the assessment) are subtracted. The surplus between net assessment revenues and planned expenditures is \$63,154, which will be deposited into the Parking District Fund reserve. Based on this, it is estimated that the balance of the Parking District Reserve Fund will be \$543,878 at the end of FY 2014/15. The reserve will be used for future periodic capital improvements as well as to supplement annual operating and maintenance costs.

The expected gross revenue from the final Engineer's report for FY 2014/15 (\$185,467) is slightly higher than the amount projected in the FY 2014/15 Recommended Budget (\$182,128). At the time of budget development, the CPI inflator was still an estimate and the number of deficit parking spaces within zones 3 and 4 were not confirmed.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

During the week of April 21, 2014, informational letters were mailed to each property owner explaining the proposed assessment methodology and assessment rate per deficit parking space. Specific information pertaining to the assessment methodology, the demand for on-site private parking, the number of on-site private parking spaces, and any respective deficit was provided for each parcel within the Downtown Parking Maintenance District.

Public contact was also made on June 24, 2014, when City Council adopted the Resolution of Intention to Levy and Collect Assessment for the Downtown Parking Maintenance District for Fiscal Year 2014/15, and set the date and time for public hearing for July 15, 2014 (RTC 14-0605). On July

4, 2014, the Notice of Public Hearing was published in the *Sunnyvale Sun*. The preliminary Engineer's report is on file in the office of the City Clerk for public review.

ALTERNATIVES

1. Adopt the resolution to approve the annual Engineer's report, to confirm the assessment, and levy annual assessment for the Downtown Parking Maintenance District assessment for FY 2014/15.
2. Modify the annual Engineer's report, adopt the resolution to approve the modified annual Engineer's report and to confirm the assessment and levy annual assessment for the Downtown Parking Maintenance District assessment for FY 2014/15.
3. Do not take action to give the City the necessary authority to levy and collect the assessment for FY 2014/15.

STAFF RECOMMENDATION

Alternative 1: Adopt the resolution to approve the annual Engineer's report, to confirm the assessment, and levy annual assessment for the Downtown Parking Maintenance District assessment for FY 2014/15.

This alternative will allow the City to continue levying the assessment for FY 2014/15.

Prepared by: Judy Chu, Senior Engineer
Reviewed by: Kent Steffens, Director, Public Works
Reviewed by: Timothy J. Kirby, Assistant Director, Finance
Reviewed by: Robert A. Walker, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Fiscal Year 2014/15 Final Engineer's Report
2. Resolution to Approve the Annual Engineer's Report for the Downtown Parking Maintenance District Assessment