



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 16-0491, Version: 1

REPORT TO COUNCIL

SUBJECT

Adopt a Resolution to Approve the Final Engineer's Report, Confirm the Assessment, and Levy Annual Assessment for The Downtown Parking Maintenance District Assessment for Fiscal Year 2016/17

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 assessments 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 14, 2016, the City Council adopted a resolution declaring its intention to levy and collect an assessment for the Downtown Parking Maintenance District for FY 2016/17, approving the preliminary Engineer's Report, and setting July 26, 2016 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.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (b) (4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

DISCUSSION

Francisco & Associates, Inc. (the Assessment Engineer) prepared the final Engineer's report (Attachment 1) for the FY 2016/17 assessment. The assessment rates are proposed to increase +3.0168% based on the Consumer Price Index change between February 2015 and February 2016 (all Urban Consumers for the San Francisco-Oakland-San Jose area) as shown in the Table below.

FY 2016/17 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	\$161.72	172.38	\$27,877.28	(\$278.77)	\$27,598.51
3	\$70.22	2,145.27	\$150,640.72	(\$1,506.41)	\$149,134.31
4	\$21.15	379.36	\$8,023.42	(\$80.23)	\$7,943.19
Total		2,753.81	\$186,541.42	(\$1,865.41)	\$184,676.01

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 2016/17.

FISCAL IMPACT

The planned maintenance and administration costs of the parking lots for FY 2016/17 totals \$177,454, which includes annual operating costs and a capital project for major work elements such as the installation of concrete gutters and pavement rehabilitation. Approval of the recommended FY 2016/17 assessment will generate revenue of approximately \$186,541. The City receives the net assessment revenue of \$184,676 after County administrative fees (1% of the assessment) are subtracted.

The expected gross revenue from the final Engineer's report for FY 2016/17 (\$186,541) is slightly lower than the amount projected in the FY 2016/17 Recommended Budget (\$187,865). At the time of budget development, the number of deficit parking spaces within zones 3 and 4 were not confirmed. The Parking District Fund reserve is projected to be \$393,883 at the end of FY 2016/17 and will be used to fund future periodic capital improvements as well as to supplement annual operating and maintenance costs.

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 March 21, 2016, 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 14, 2016, when City Council adopted the Resolution of Intention to Levy and Collect Assessment for the Downtown Parking Maintenance District for FY 2016/17, and set the date and time for public hearing for July 26, 2016 (RTC 16-0490). The preliminary Engineer's report is on file in the office of the City Clerk for public review. On July 15,

2016, the Notice of Public Hearing was published in the *Sunnyvale Sun*.

ALTERNATIVES

1. Adopt the resolution to approve the final Engineer's report, to confirm the assessment, and levy annual assessment for the Downtown Parking Maintenance District assessment for FY 2016/17.
2. Modify the final Engineer's report, adopt the resolution to approve the modified final Engineer's report and to confirm the assessment and levy annual assessment for the Downtown Parking Maintenance District assessment for FY 2016/17.
3. Do not take action to give the City the necessary authority to levy and collect the assessment for FY 2016/17.

STAFF RECOMMENDATION

Alternative 1: Adopt the resolution to approve the final Engineer's report, to confirm the assessment, and levy annual assessment for the Downtown Parking Maintenance District assessment for FY 2016/17.

This alternative will allow the City to continue levying the assessment for FY 2016/17.

Prepared by: Jennifer Ng, Assistant City Engineer
Reviewed by: Manuel Pineda, Director, Public Works
Reviewed by: Timothy J. Kirby, Director, Finance
Reviewed by: Kent Steffens, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Fiscal Year 2016/17 Final Engineer's Report
2. Resolution to Levy Annual Assessment