



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 17-0429, Version: 1

REPORT TO COUNCIL

SUBJECT

Adopt a Resolution to Approve the Final Engineer's Report, Confirm the Assessment, and Levy and Collect an Annual Assessment for The Downtown Parking Maintenance District for Fiscal Year 2017/18

BACKGROUND

The operation and maintenance of certain downtown parking areas are supported by an assessment district (the Downtown Parking Maintenance District, hereinafter called the "District"). On July 28, 2009, in response to property owners ballot approval, the City Council adopted Resolution No. 398-09 (RTC No. 09-196) ordering formation of the District. Council also confirmed the final Engineer's Report to levy an assessment for 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 (All Urban Consumers for the San Francisco-Oakland-San Jose area, as determined by the United States Department of Labor, the "CPI").

On June 6, 2017, the City Council adopted a resolution declaring its intention to levy and collect an assessment for the Downtown Parking Maintenance District for FY 2017/18, approving the preliminary Engineer's Report, and setting July 11, 2017 at 7:00 p.m. as the date and time for public hearing on the levy of the proposed assessment (RTC No. 17-0428).

EXISTING POLICY

Council Resolution No. 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

Adoption of this 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 (CEQA Guideline Section 15378(b)(4)).

DISCUSSION

Francisco & Associates, Inc. (the Assessment Engineer) prepared the final Engineer's report (Attachment 1) for the FY 2017/18 assessment. The assessment rates are to increase +3.437% based on the CPI change between February 2016 and February 2017 as shown in the Table below.

FY 2017/18 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	\$167.28	172.38	\$28,835.72	(\$288.36)	\$28,547.36
3	\$72.63	2,142.46	\$155,606.56	(\$1,556.07)	\$154,050.49
4	\$21.88	379.36	\$8,300.40	(\$83.00)	\$8,217.40
Total		2,751.00	\$192,742.68	(\$1,927.43)	\$190,815.25

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 2017/18.

FISCAL IMPACT

The planned budget for maintenance and administration of the parking lots for FY 2017/18 is \$242,474, which includes annual operating costs and final slurry seal and restriping of the parking lots. Approval of the recommended FY 2017/18 assessment will generate revenue of approximately \$192,743. The City receives the net assessment revenue of \$190,815 after County administrative fees (1% of the assessment) are subtracted. The difference of (-\$51,659) between net assessment revenues and planned expenditures will be taken from the Parking District Fund reserve and will continue to be used to fund future periodic capital improvements as well as to supplement annual operating and maintenance costs. The projected reserve fund balance for June 30, 2018 is \$322,347. It should be noted that the FY 2017/18 Proposed Budget includes revenue projections that do not assume the increased assessment. If approved, future budgets will be amended to reflect approved assessment rates.

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 17, 2017, 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 6, 2017, when City Council adopted the Resolution of Intention to Levy and Collect Assessment for the Downtown Parking Maintenance District for FY 2017/18, and set the date and time for public hearing for July 11, 2017 (RTC No. 17-0428). The preliminary Engineer's report is on file in the office of the City Clerk for public review. On June 30, 2017, 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 and collect an annual assessment for the Downtown Parking Maintenance District for FY 2017/18.
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 and collect an annual assessment for the Downtown Parking Maintenance District assessment for FY 2017/18.
3. Do not take any action to give the City the necessary authority to levy and collect the assessment for FY 2017/18.

STAFF RECOMMENDATION

Alternative 1: Adopt the resolution to approve the final Engineer's report, to confirm the assessment, and levy and collect an annual assessment for the Downtown Parking Maintenance District for FY 2017/18.

This alternative will allow the City to continue levying the assessment for FY 2017/18.

Prepared by: Ryan Sandoval, City Property Administrator

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 2017/18 Final Engineer's Report
2. Resolution to Approve the Final Engineer's Report, to Confirm the Assessment, and Levy and Collect Annual Assessment for the Downtown Parking Maintenance District for FY 2017/18