



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Public Hearing to Adopt a Resolution Confirming the Annual Report to Levy and Collect an Annual Assessment for the Downtown Sunnyvale Business Improvement District (BID) for Fiscal Year 2019/2020

BACKGROUND

On March 26, 2019, the City Council approved the Fiscal Year (FY) 2018/2019 BID Annual Report, and adopted a Resolution of Intention to reauthorize the BID.

With adoption of the resolution, Council set May 7, 2019 as the date for the public hearing. The purpose of the public hearing is to provide BID businesses an opportunity to support or oppose the BID reauthorization. The Council will hear and consider protests against the BID reauthorization and/or protests regarding the proposed activities of the proposed BID.

If after the public hearing, businesses paying 50 percent or more of the total BID assessments file a protest, no further proceedings to reauthorize the BID can occur. If protests do not exceed 50 percent or more, staff recommends that Council adopt the Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for FY 2019/2020 (Attachment 1).

Downtown Sunnyvale BID

There are approximately 215 businesses located in the existing BID area, which is divided into three zones: Zone A, Zone B, and Zone C. The BID boundaries are Sunnyvale, Iowa, Mathilda and Evelyn Avenues (Attachment 1, Exhibit B).

The current Board members are:

- Joe Antuzzi, Il Postale, Board Chair
- Dr. Gary Gold, Dr. Gold & Associates/Style Eyes Optique, Board Vice-Chair
- Leigh Odum, Leigh's Favorite Books & Bookasaurus
- Irene Murphy, Fibbar MaGee's
- Amit Rajgarhia, Dish Dash
- Victor Reynoso, Aloft Hotel
- Crystal Zemlin, RiverRock Real Estate Group

EXISTING POLICY

Sunnyvale Municipal Code Chapter (Downtown Sunnyvale Business Improvement District) and specifically Sections:

3.60.050. Establishment of benefit assessments

3.60.060. Purpose and use of benefit assessments

3.60.090. Collection of benefit assessment

ENVIRONMENTAL REVIEW

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4) in that it involves the creation of government funding mechanisms or other government fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

DISCUSSION

Pursuant to Sunnyvale Municipal Code section 3.60.050, entitled “Establishment of benefit assessment,” the formula for calculating the BID assessment amount is determined by the BID Board and enacted by the City. The BID Board included the budget in the FY 2018/19 Annual Report approved by Council on March 26, 2019. The assessment amounts will remain unchanged for FY 2019/20.

Public Hearing and Protest Process

Under the Streets and Highways Code section 36535 the Council must conduct a public hearing, which shall be conducted as provided in the Streets and Highways Code sections 36524 and 36525, regarding protests against the furnishing of specified types of activities and improvements. A protest may be made orally or in writing by an interested person. Any protest pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularity of defect to which the objection is made. If written protests from BID business owners paying 50 percent or more of the proposed assessments under each action are received, then a majority protest exists and no further proceedings to levy the proposed assessment shall be taken for a period of one year from May 7, 2019.

The process for the public hearing is:

1. Mayor may call on the BID’s Executive Director to provide an overview of BID activities.
2. Open the public hearing and hear public comments and protests that were not received prior to the start of the public hearing.
3. City staff will review any written protests. If a person submitting a protest is not shown on the official records of the City of Sunnyvale as the owner of the business, then the protest shall contain or be accompanied by written evidence that the person protesting is the owner of the business. A written protest that does not include this information or does not comply with the requirements shall not be counted in determining a majority protest.
4. Staff will begin logging in confirmed protests at the beginning of the public hearing. If the protests are tabulated before the end of the public hearing, staff will convey the outcome and Council will be able to act.
5. If the protests are not tabulated before the end of the public hearing, Council may take a short break or continue this item and move on to the next agenda item. At the conclusion of the agenda item after the tabulation is complete, the Mayor will reopen the public hearing and staff will report the results.

6. If total protests do not exceed 50 percent or more of the BID's total proposed assessments, Council may act to adopt the Resolution Confirming the Annual Report and to Levy and Collect an Annual Assessment for the BID for FY 2019/20.

If protests do not exceed 50 percent as described in paragraph 6 above, staff recommends that Council adopt the Resolution of the City of Sunnyvale Confirming the Annual Report and to Levy and Collect an Annual Assessment for the BID for FY 2019/20 (Attachment 1).

FISCAL IMPACT

Staff time from the Department of Finance is provided at an estimated annual cost of \$3,500 for the administration of the assessment. Because these costs are reimbursed by the BID, there is no fiscal impact to the City for providing this service.

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. Also, the Sunnyvale Downtown Association notified BID members via email.

Also, as required by State law, Resolution No. 932-19 adopted on March 26, 2019 was mailed to all BID members, and published in the legal ads section of the Sunnyvale Sun on April 19, 2019.

ALTERNATIVES

1. Adopt the Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for the Downtown Sunnyvale Business Improvement District for Fiscal Year 2019/2020.
2. Do not adopt the Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for the Downtown Sunnyvale Business Improvement District for Fiscal Year 2019/2020.

STAFF RECOMMENDATION

Alternative 1: Adopt the Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for the Downtown Sunnyvale Business Improvement District for Fiscal Year 2019/2020.

Prepared by: Maria Rodriguez, Administrative Analyst

Reviewed by: Connie Verceles, Economic Development Manager

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for Fiscal Year 2019/2020.