



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 23-0169, Version: 1

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 2023/24

BACKGROUND

On April 4, 2023, the City Council approved the Fiscal Year 2022/23 Annual Report and adopted a Resolution of Intention (ROI) to renew the Downtown Sunnyvale Business Improvement District (BID) (RTC No. 23-0168). By adopting the ROI, Council set May 2, 2023, as the public hearing date to allow BID businesses an opportunity to support or oppose the BID renewal. The purpose of the public hearing is for Council to hear and consider protests against the BID renewal and/or protests regarding proposed BID activities.

If after the public hearing, businesses paying 50% or more of the total BID assessments file a protest, no further proceedings to renew the BID can occur. If protests do not exceed 50% or more, Council can adopt the Resolution to Confirm the Annual Report and Levy and Collect an Annual Assessment for Fiscal Year 2023/24 (Attachment 1).

Downtown Sunnyvale BID

There are about 230 businesses located in the 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, page 12).

The current Board members are:

Dr. Gary Gold, Dr. Gold & Associates/Style Eyes Optique, Chair
Leigh Odum, Leigh's Favorite Books & Bookasauraus
Katie Voong, K Tea Café/Mayan Kitchen
Irene Murphy, Fibbar MaGee's
Amit Rajgarhia, Dishdash
Salvatore Foresta, Sweet Sicily

EXISTING POLICY

Sunnyvale Municipal Code Chapter 3.60 (Downtown Sunnyvale Business Improvement District) and specific 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 Council. The BID Board included the budget in the Fiscal Year 2022/23 Annual Report approved by Council on April 4, 2023. The assessment amounts will remain unchanged for Fiscal Year 2022/23.

Public Hearing and Protest Process

Council must conduct a public hearing, which shall be conducted as provided in the Streets and Highway 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 owners of businesses located within BID boundaries. 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% or more of the proposed assessments 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 2, 2023.

The process for the public hearing is as follows:

- Mayor calls the BID’s Executive Director to provide an overview of BID activities.
- Mayor opens the public hearing.
- City staff will review written protests. Protests can only be made by the registered Sunnyvale business owners as stated in the active business license. If a person 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.
- Staff will log confirmed protests at the beginning of the public hearing. If protests are tabulated before the end of the public hearing, staff will convey the outcome and Council can act.
- If protests are not tabulated before the end of the public hearing, Council may take a short break or continue the item and move on to the next agenda item. At the conclusion of the agenda item after tabulation is complete, the Mayor will reopen the public hearing and staff will report the results.
- If total protests do not exceed 50% or more of the BID’s total proposed assessments, Council may adopt the Resolution Confirming the Annual Report and to Levy and Collect an Annual Assessment for the BID for Fiscal Year 2023/24.

If protests do not exceed 50%, staff recommends that the 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 Fiscal Year 2023/24.

FISCAL IMPACT

Staff time from the Department of Finance to process invoices for the BID assessment is estimated at an annual cost of \$4,500. 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 meeting agenda on the City's official-notice bulletin board at City Hall, at the Sunnyvale Public Library and in the Department of Public Safety Lobby. In addition, the agenda and this report are available at the NOVA Workforce Services reception desk located on the first floor of City Hall at 456 W. Olive Avenue (during normal business hours), and on the City's website. The SDA notified BID members via email.

A copy of the Resolution of Intention adopted on April 4, 2023 was mailed to all BID members and published in the legal ads section of the Sunnyvale Sun on April 14, 2023.

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 2023/24.
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 2023/24.

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 2023/24.

Prepared by: Maria Rodriguez, Administrative Analyst

Reviewed by: Connie Verceles, Deputy City 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 2023/24