

**Council Meeting: June 28, 2011****SUBJECT: Adoption of a Resolution to Approve the Annual Engineer's Report for the Downtown Parking Maintenance District Assessment****REPORT IN BRIEF**

The operation and maintenance of certain downtown parking areas are supported by an assessment district (the Downtown Parking Maintenance District, hereinafter called the "District"). Francisco & Associates, Inc. (the Assessment Engineer) has prepared the annual Engineer's Report (Attachment A) for the Fiscal Year (FY) 2011/12 assessment. The District, created in 2009, may continue to operate and collect assessments, based upon the annual Engineer's Report, provided that the increase in assessment does not exceed the Consumer Price Index (CPI). Adoption of the attached resolution will approve the Annual Engineer's Report for FY 11/12, and direct the Assessment Engineer to forward the assessment to the County of Santa Clara for inclusion on the property tax rolls.

BACKGROUND

On July 28, 2009, in response to property owners ballot approval, the City Council adopted Resolution #398-09 (RTC 09-196) ordering the formation of the District, and 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 previous year's change in the CPI (All Urban Consumers, for the San Francisco-Oakland-San Jose area as determined by the U. S. Department of Labor).

On July 20, 2010, the City Council approved the current (FY 2010/11) assessment rates based upon the CPI change from June 2009 to April 2010, as shown in Table 1 below.

Benefit Zone No.	FY 2010-11 Assessment Rate Per Deficit Parking Space	Total Deficit Parking Space	FY 2010-11 Assessment Revenue
1	\$0.00	56.80	\$0.00
2	\$140.22	172.38	\$24,171.12
3	\$60.89	2,046.12	\$124,588.00
4	\$18.34	<u>254.24</u>	<u>\$4,662.76</u>
Total		2,529.54	\$153,421.88

The benefit zones are shown on the District diagram in the Engineer's Report. Property owners in Zone 1 (primarily Town Center) are not assessed due to the fact

that Town Center owners are maintaining the parking facilities as part of construction and are required to maintain the new parking facilities as well as the existing parking structure adjacent to Target. Property owners in Zone 1 (south of Iowa Avenue) will be able to use the available parking facilities, but the Town Center owners will pay for the maintenance and operation of those parking facilities.

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.

DISCUSSION

The CPI change between April 2010 and April 2011 is +2.8213%. Therefore, the proposed FY 2011/12 assessment rates are shown in Table 2 below.

Benefit Zone No.	Assessment Rate Per Deficit Parking Space	Total Deficit Parking Space	Total Assessment	Less County Administration	Net Assessment Revenue
1	\$0.00	56.80	\$0.00	\$0.00	\$0.00
2	\$144.18	172.38	\$24,853.74	(\$248.54)	\$24,605.20
3	\$62.60	2,046.12	\$128,086.96	(\$1,280.87)	\$126,806.09
4	\$18.86	254.24	\$4,794.96	(\$47.95)	\$4,747.01
Total		2,529.54	\$157,735.66	(\$1,577.36)	\$156,158.30

There is no change in the deficit parking space due to no use change within each benefit zone.

FISCAL IMPACT

Tables 3a and 3b below illustrates the fiscal impact of the District Assessment for FY 2011/12.

Benefit Zone No.	FY 2011-12 Net Assessment Revenue	FY 2011-12 Interest Income	FY 2011-12 District Reserve	FY 2011-12 Total Amount
1	\$0.00	\$0.00	\$0.00	\$0.00
2	\$24,605.20	\$631.84	\$1,240.15	\$26,477.19
3	\$126,806.09	\$3,256.26	\$133,336.29	\$263,398.64
4	\$4,747.01	\$121.90	\$42,554.26	\$47,423.17
Total	\$156,158.30	\$4,010.00	\$177,130.70	\$337,299.00

Benefit Zone No.	FY 2011-12 Budgeted Maintenance & Administrative Expenses	FY 2011-12 Capital Improvement Project	FY 2011-12 Total Expenses
1	\$0.00	\$0.00	\$0.00
2	\$26,477.19	\$0.00	\$26,477.19
3	\$136,453.64	\$126,945.00	\$263,398.64
4	\$5,108.17	\$42,315.00	\$47,423.17
Total	\$168,039.00	\$169,260.00	\$337,299.00

The proposed budget for routine maintenance and administration of the parking lots for FY 2011/12 is \$168,039. An additional proposed budget in the amount of \$169,260 for FY 2011/12, as part of the City's Capital Improvement Project, is to replace the existing cracked asphalt valley gutter with new concrete valley gutter for the parking lot at South Frances Street and East Evelyn Avenue in Benefit Zones No. 3 and No. 4. This improvement project promotes long-term service by reducing water intrusion that leads to pavement deterioration.

Approval of the recommended FY 2011/12 assessment will generate gross revenue of approximately \$157,736. The City receives net assessment revenue of \$156,158 after County administrative fees (1% of the assessment) are subtracted. The difference between net assessment revenues and planned expenditures is offset by \$4,010 of interest income and a draw down of \$177,131 of the District Fund reserve leaving approximately \$400,000 in remaining reserve. The remaining balance of the reserve will be used for future periodic capital improvements as well as supplementing annual operating and maintenance costs as necessary.

The expected gross revenue from assessment (\$157,736) is slightly higher than those included in the recommended FY 2011/2012 budget (\$154,961) due to available CPI at the time of the budget proposal. The higher assessment revenue reduced the draw on the reserve leaving the fund in a slightly better position than budgeted.

The reserve is forecast to be significantly drawn down over the Parking District Fund's 20-year Long Term Financial Plan due to increasing operating costs

(including scheduled capital projects). Operating costs are projected to increase at an average of 2.8% annually over the twenty year plan, while the assessment rates are projected to increase by the CPI at only 2% in the first ten years, and 3% in the second ten years. This decreases reserve levels to insufficient levels during the second ten years of the plan. As such, a reassessment will be necessary due to operating costs increasing at a rate greater than the CPI. Additionally, a reassessment may be necessary sooner or later depending upon the nature of the redevelopment of the adjacent Town Center and Town and Country sites. Reassessment or any increase in a rate beyond the CPI would require a new election of the District members.

PUBLIC CONTACT

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

During the week of March 24, 2011, 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 District. Property owners were provided the opportunity to review the parcel information and report any inaccuracies directly to the Assessment Engineer.

ALTERNATIVES

1. Adopt the resolution to approve the annual Engineer's Report for FY 2011/12 and to direct the Assessment Engineer to forward the assessment to the County of Santa Clara for inclusion on the property tax rolls.
2. Modify the annual Engineer's Report and adopt the resolution to approve the modified annual Engineer's Report for FY 2011/12 and to direct the Assessment Engineer to forward the assessment to the County of Santa Clara for inclusion on the property tax rolls.
3. Do not take action to give the City the necessary authority to levy and collect the assessment for the public parking facilities for FY 2011/12.

RECOMMENDATION

Staff recommends Alternative No. 1: Adopt the resolution to approve the annual Engineer's Report for FY 2011/12 and to direct the Assessment Engineer to forward the assessment to the County of Santa Clara for inclusion on the property tax rolls.

The Engineer's Report is consistent with the District election and assessment as approved by RTC 09-196 (Resolution #398-09). This action allows the City to continue levying the District assessment for FY 2011/12. The assessment funds the operation and maintenance of the parking areas within the District.

Reviewed by:

Marvin A. Rose, Director of Public Works

Prepared by: Mark Rogge, Assistant Director of Public Works

Reviewed by:

Grace Leung, Director of Finance

Approved by:

Gary M. Luebbbers

City Manager

Attachments

- A. Engineer's Report for FY 2011-12
- B. Resolution to Approve the Annual Engineer's Report for the Downtown Parking Maintenance District Assessment



CITY OF SUNNYVALE DOWNTOWN PARKING MAINTENANCE DISTRICT



**Fiscal Year 2011-12
Engineer's Report**

June 28, 2011

Prepared by:

Francisco & Associates, Inc.

130 Market Place, Suite 160

San Ramon, CA 94583

(925) 867-3400



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COUNCIL MEMBERS

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Mayor

Jim Griffith
Vice Mayor

Otto Lee
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Councilmember

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Councilmember

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Gary Luebbers
City Manager

David Kahn
City Attorney

Marvin Rose
Director of Public Works

Grace Leung
Director of Finance

Mark Rogge, P.E.
Assistant Director of Public Works

Judy Chu, P.E.
Senior Civil Engineer

ENGINEERS

Francisco & Associates, Inc.
Assessment Engineer

The undersigned, acting on behalf of *Francisco & Associates, Inc.*, respectfully submits the enclosed Engineer's Report as directed by City Council of the City of Sunnyvale pursuant to the provisions of the City of Sunnyvale Municipal Code (Chapter 14.26). The undersigned certifies that he is a Professional Engineer, registered in the State of California.



Dated: June 6, 2011

By: Joseph A. Francisco, P.E.
R.C.E. No. 40688

I HEREBY CERTIFY that the enclosed Engineer's Report, including the Assessment Roll and Maintenance District Diagram, thereto attached, was filed with me on the ____ day of _____, 2011.

Kathleen Franco Simmons
City Clerk
City of Sunnyvale
Sunnyvale, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment Roll and the Maintenance District Diagram, thereto attached, was approved and confirmed by the City Council of the City of Sunnyvale, on the ____ day of _____, 2011.

Kathleen Franco Simmons
City Clerk
City of Sunnyvale
Sunnyvale, California

By: _____

I HEREBY CERTIFY that the enclosed Engineer's Report, including the Assessment Roll and the Maintenance District Diagram, thereto attached, was filed with the County Auditor of the County of Santa Clara on the ____ day of _____, 2011.

Joseph A. Francisco
Francisco & Associates, Inc.

By: _____

SECTION I
INTRODUCTION
ENGINEER'S REPORT
SUNNYVALE DOWNTOWN PARKING MAINTENANCE DISTRICT
FISCAL YEAR 2011-12

HISTORY

On September 1, 1964 the City Council adopted Resolution No. 6643, which authorized the City of Sunnyvale to levy an ad-valorem assessment on all taxable properties within the boundaries of the Sunnyvale Downtown Parking Maintenance District. This ad-valorem assessment was used to pay for the operation and maintenance of existing public parking facilities and the debt service payments associated with the acquisition and construction of various public parking facilities within the boundaries of the Sunnyvale Downtown Parking Maintenance District ("District").

IMPACTS OF PROPOSITION 218

On November 5, 1996, California voters approved Proposition 218, entitled the "Right to Vote On Taxes Act", which added Articles XIII C and XIII D to the California Constitution. While its title refers only to taxes, Proposition 218 established new procedural requirements for the formation and administration of assessment districts. Commencing in FY 1997-98, the City could no longer levy assessments, based upon each parcel's assessed valuation (ad-valorem), to fund the annual operation and maintenance of parking facilities. Assessments to fund these facilities were required to be spread based upon each parcel's proportionate share of benefit that they receive from those parking facilities. Because the previous methodology did not allocate the costs to each parcel based upon their proportionate share of benefit the assessment spread methodology had to be revised commencing in FY 1997-98.

Proposition 218 requires that all affected property owners be given the opportunity to vote either in favor or against their proposed assessment. Therefore, in order to comply with the requirements of Proposition 218 and the levy of assessments commencing in FY 1997-98 and each fiscal year thereafter, the City implemented the following procedures:

- 1) Every property owner subject to the proposed assessment was mailed a ballot allowing the property owner to vote either in favor or against the proposed formation of the Sunnyvale Downtown Parking Maintenance District and the levying of assessments within the proposed District. The ballots were accompanied by a public notice describing the total assessment, the individual property owner's assessment, the duration of the assessment, the reason for the assessment and the basis upon which the assessment was calculated.

- 2) The ballots returned to the City Clerk before the close of the public input portion of the public hearing were tabulated to determine whether a majority protest against the assessment levy existed. A majority protest existed if over 50% of the ballots received, weighted by assessment amount, oppose the levy of assessment.

- 3) On July 28, 2009 the City Clerk tabulated the ballots and a majority of the property owners who voted were in favor of forming the District and authorizing the levy of assessments commencing in FY 2009-10 and each year thereafter by adjusting the annual assessment based upon the prior year's change in the Consumer Price Index (All Urban Consumers, for the San Francisco-Oakland-San Jose area as determined by the U.S. Department of Labor).

SECTION II

**ENGINEER'S REPORT PREPARED PURSUANT TO THE PROVISIONS OF
THE CITY OF SUNNYVALE MUNICIPAL CODE (CHAPTER 14.26)**

FISCAL YEAR 2011-12

Pursuant to City of Sunnyvale Municipal Code (Chapter 14.26), I, Joseph A. Francisco, the duly appointed Engineer of Work and acting for *Francisco & Associates, Inc.*, Assessment and Administration Engineer for the District, submit the following Report, consisting of Section I (Introduction) above, which is largely based on information provided by the City of Sunnyvale and this Section II, which consists of five (5) parts, as follows:

PART I: DESCRIPTION OF IMPROVEMENTS

This part describes the improvements in the Maintenance District. Plans and specifications for the improvements listed in Part I are on file in the Office of the Clerk of the City of Sunnyvale. Such plans and specifications are incorporated herein by reference.

PART II: ESTIMATE OF COST

This part contains an estimate of the costs of the proposed improvements for Fiscal Year 2011-12, including incidental costs and expenses in connection therewith. This estimate is also on file in the Office of the Clerk of the City of Sunnyvale.

PART III: PARKING DISTRICT DIAGRAM

This part incorporates, by reference, the "Downtown Parking District Diagram", which is a diagram of the Maintenance District showing the exterior boundaries of the District and the lines and dimensions of each lot or parcel of land within the District. This Diagram has been prepared by the Engineer and is on file in the Office of the Clerk of the City of Sunnyvale. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the Assessor of the County of Santa Clara for the year when this Report was prepared. The Assessor's maps and records are incorporated by reference to the Assessor parcel numbers included herein in Appendix "B" and made part of this Report.

PART IV: METHOD OF APPORTIONMENT OF ASSESSMENT

This part describes the method of apportionment of assessments, based upon each parcel's current use, within the boundaries of the Maintenance District. The apportionment of assessments to each parcel is in proportion to the estimated benefits the parcel receives from the improvements.

PART V: PROPERTY OWNER LIST & ASSESSMENT ROLL

This part contains a list of the Santa Clara County Assessor's Parcel Numbers and the net amount to be assessed upon benefited lands within the Maintenance District for Fiscal Year 2011-12.

The Assessment Roll is filed in the Office of the Clerk of the City of Sunnyvale and is incorporated in Appendix "B" of this Report. The list is keyed to the records of the Assessor of the County of Santa Clara, which are incorporated herein by reference.

PART I

DESCRIPTION OF IMPROVEMENTS

Parking Facilities:

The parking facility improvements that can be operated, maintained and serviced by the Maintenance District for Fiscal Year 2011-12 consist of the public parking facilities shown in Appendix "A" of this report.

PART II

ESTIMATE OF COST

The City of Sunnyvale Municipal Code (Chapter 14.26) provides that the total cost of operation, maintenance and servicing of public parking facilities can be recovered by the levying of assessments.

Operation, maintenance and servicing costs include, but are not limited to; the repair and replacement of existing parking facilities, personnel, electrical energy, utilities such as water, materials, contractual services and other items necessary or appropriate for the parking facilities. Incidental expenses include the administration of the Maintenance District, engineering fees, legal fees, printing, posting and mailing of notices. Insurance and all other costs associated with the annual collection process are also included.

The operation, maintenance and servicing costs for Fiscal Year 2011-12 are summarized below in Table 1. These cost estimates were provided by the City of Sunnyvale.

TABLE 1 City of Sunnyvale Downtown Parking Maintenance District Budget FY 2011-12	
	FY 2011-12 Costs
<u>Revenues:</u>	
Assessment Revenue	\$157,735.66
Less County Administration	(\$1,577.36)
Interest income (to be transferred)	\$4,010.00
District reserve Fund (to be transferred)	<u>\$177,130.70</u>
Total Revenues	\$337,299.00
<u>Expenses:</u>	
Parking Lot Capital Improvement Project, Maintenance & Administration	<u>\$337,299.00</u>
Total Expenses	\$337,299.00

The City of Sunnyvale Municipal Code (Chapter 14.26) requires that a special fund be set up for the revenues and expenditures of the District. Funds raised by assessments shall be used only for the purpose as stated herein. The City of Sunnyvale or, subject to the discretionary approval of the City of Sunnyvale City Council, any other person may contribute to the District to reduce assessments. Any balance remaining on July 1 must be carried over to the next fiscal year unless the funds are being accumulated for future capital improvements or operating reserves.

PART III

MAINTENANCE DISTRICT DIAGRAM

The boundaries of the Maintenance District are within the boundaries of the City of Sunnyvale. A diagram (the "Downtown Parking Maintenance District Diagram") of the District showing the exterior boundaries of the District has been prepared by the Engineer of Work and is on file in the Office of the Clerk of the City of Sunnyvale and a copy of the Assessment Diagram is shown in Appendix "A" of this Report. For a detailed description of the lines and dimensions of each lot or parcel within the Downtown Parking Maintenance District are those lines and dimensions shown on the maps of the Assessor of the County of Santa Clara for Fiscal Year 2011-12. The Assessor's parcel maps for the lots and parcels within the Downtown Parking Maintenance District are incorporated by reference herein and made part of this Report.

PART IV

METHOD OF APPORTIONMENT OF ASSESSMENT

GENERAL

The City of Sunnyvale Municipal Code (Chapter 14.26) permits the establishment of assessment districts by agencies for the purpose of providing certain public improvements, which include the operation, maintenance and servicing of public parking facilities.

The City of Sunnyvale Municipal Code (Chapter 14.26) requires that the assessments must be levied according to benefit rather than according to assessed value. In addition, Article XIIID, Section 4(a) of the California Constitution, limits the amount of any assessment to the proportional special benefit conferred on the property.

Because assessments are levied on the basis of benefit, they are not considered to be a tax governed by Article XIII A of the California Constitution.

The City of Sunnyvale Municipal Code (Chapter 14.26) permits the designation of zones of benefit within any individual assessment district if "by reasons or variations in the nature, location and extent of the improvements, the various areas will receive different degrees of benefit from the improvement".

Article XIIID provides that publicly owned properties must be assessed unless there is clear and convincing evidence that those properties receive no special benefit from the assessment. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways and that portion of public property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities.

PUBLIC PARKING BENEFIT ANALYSIS

Property owners within the Downtown Parking Maintenance District receive a special and direct benefit from the District parking facilities because this allows property owners to develop or redevelop their properties without providing needed on-site parking to support their development. This Parking District allows property owners to maximize their parcel's development capabilities (i.e. by only requiring property owners who construct additional building square footage on their parcel to provide additional on-site parking for that additional building square footage constructed). The ability to maximize a parcel's development capabilities increases the value of these properties within the boundaries of the District.

BENEFIT ASSESSMENT METHODOLOGY

The total cost to operate, maintain and service the parking facilities are apportioned to each parcel within the boundaries of the Maintenance District in accordance with a methodology that is consistent with standard assessment engineering practices. The method for spreading the costs to each parcel is based on each parcel's pro-rata share of deficit parking spaces. The number of deficit parking spaces for each parcel is equal to the number of parking spaces needed per the City's Parking Demand Guidelines (see Table 2 below) less the number of existing parking spaces located on their parcel.

TABLE 2 City of Sunnyvale Downtown Parking Maintenance District Parking Demand Guidelines	
Current Type of Use	One Parking Space Per
Apartments (1 Bedroom)	0.66667 Units
Apartments (2-3 Bedrooms)	0.57143 Units
Churches	3 Seats
Condos	0.50 Units
Financial Institutions	180 sq. ft.
General Offices (Free Standing)	250 sq. ft.
General Offices (In Center)	250 sq. ft.
Hotels	Rooms + Employees
Industrial Warehouses	2,500 sq. ft.
Medical/Dental	180 sq. ft.
Nightclubs and Bars	50 sq. ft.
Other Uses ¹	180 sq. ft.
Repair Garages	180 sq. ft.
Research & Development	500 sq. ft.
Rest Homes	2.25 Units
Restaurants w/ Bars or Fast Food	75 sq. ft.
Restaurants w/o Bars	110 sq. ft.
Retail	250 sq. ft.
Senior Citizen Apartments	2.0 Units + Employees
Shopping Centers	225 sq. ft.

¹ Each year in May all parcels within the boundaries of the Maintenance District are analyzed to determine their current use. If a parcel is vacant and the proposed use is not available it will be classified as "Other Uses". Other Uses has been used for Vacant parcels because it is the average of all land uses within the Maintenance District.

Because of the varying size and location of parking facilities located within the Maintenance District, special benefit zones have been established to accurately track the operation and maintenance costs and assess only those properties that benefit from the improvements located within their respective benefit zone. All parcels within the boundaries of the District are located within either Benefit Zone No. 1, 2, 3 or 4. Properties located within each benefit zone will only be required to pay for the operation and maintenance of the parking facilities located within their respective benefit zone. The total cost to operate and maintain the parking

facilities within each benefit zone will be spread to each parcel within that benefit zone based upon their proportionate number of deficit parking spaces.

Parcels will be assessed based upon their pro-rata share of the number of parking spaces they are in deficit of based upon the City of Sunnyvale Parking Demand Guidelines. If the parcel has fewer parking spaces than that which is required under the City of Sunnyvale Parking Demand Guidelines, then they are considered in deficit.

For example, if an office building has 25,000 square feet of office space, the City of Sunnyvale would require one (1) parking space for every 250 square feet of office space. Therefore, in this case, the office building would require 100 parking spaces (25,000 sq. ft./1 parking space per 250 sq. ft.). If the property owner for the office building had 100 or more parking spaces then the property owner would not be placing a demand for additional parking and therefore would not be assessed. However, if the property owner only had 70 on-site parking spaces then there would be a parking deficit of 30 parking spaces for that particular parcel.

Based upon the annual budget needed to operate and maintain the existing public parking facilities for Fiscal Year 2011-12, the assessment rates per deficit parking space for each benefit zone are summarized below in Tables No. 3.

TABLE 3 FY 2011-12 - Assessment Rates per Benefit Zone					
Benefit Zone No.	FY 2011-12 Assessment Rate Per Deficit Space	Total Deficit Parking Space	FY 2011-12 Total Assessment	Less FY 2011-12 County Administration	FY 2011-12 Net Assessment
1	\$0.00	56.80	\$0.00	\$0.00	\$0.00
2	\$144.18	172.38	\$24,853.74	(\$248.54)	\$24,605.20
3	\$62.60	2,046.12	\$128,086.96	(\$1,280.87)	\$126,806.09
4	\$18.86	254.24	\$4,794.96	(\$47.95)	\$4,747.01
Total		2,529.54	\$157,735.66	(\$1,577.36)	\$156,158.30

TABLE 3 (Continued) FY 2011-12 - Assessment Rates per Benefit Zone					
Benefit Zone No.	FY 2011-12 Net Assessment	FY 2011-12 Interest Income (to be transferred)	FY 2011-12 District Reserve (to be transferred)	FY 2011-12 Total Revenue	FY 2011-12 Budgeted Capital Improvement Projects, Maintenance & Administrative Expense
1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	\$24,605.20	\$631.84	\$1,240.15	\$26,477.19	\$26,477.19
3	\$126,806.09	\$3,256.26	\$133,336.29	\$263,398.64	\$263,398.64
4	\$4,747.01	\$121.90	\$42,554.26	\$47,423.17	\$47,423.17
Total	\$156,158.30	\$4,010.00	\$177,130.70	\$337,299.00	\$337,299.00

Maximum Annual Assessment Rate Increases

The FY 2011-12 assessment rates per deficit parking space shown above for each Benefit Zone are the maximum annual assessment rates that can be levied in FY 2011-12. Each fiscal year thereafter the maximum annual assessment rates shown above will be increased based upon the prior year's change in the Consumer Price Index (All Urban Consumers) for the San Francisco-Oakland-San Jose Area as determined by the U. S. Department of Labor. The base CPI index used to calculate future increases in assessments is 227.697 for April 2010 and 234.121 for April 2011. Therefore, the CPI change is +2.8213%.

Exempt Parcels. Exempted from the assessment would be the areas of public streets, public avenues, public lanes, public roads, public drives, public courts, public alleys, public easements and rights-of-ways, public greenbelts and public parkways and that portion of public property that is not developed and used for business purposes similar to private commercial, industrial and institutional activities. A variance may be granted by the District for any parcel determined not benefited by the assessment.

PART V

PROPERTY OWNER LIST & ASSESSMENT ROLL

A list of names and addresses of the owners of all lots and parcels of land within the Maintenance District was compiled from the last equalized secured property tax assessment roll of the Assessor of the County of Santa Clara. Such list was further defined by excluding from it all parcels that are not being assessed by the District, and as so defined, is a part of the Assessment Roll. The Assessment Roll is keyed to Assessor's parcel numbers referenced in Appendix "B" to this Report.

The total proposed annual assessment for FY 2011-12 is \$157,735.66.

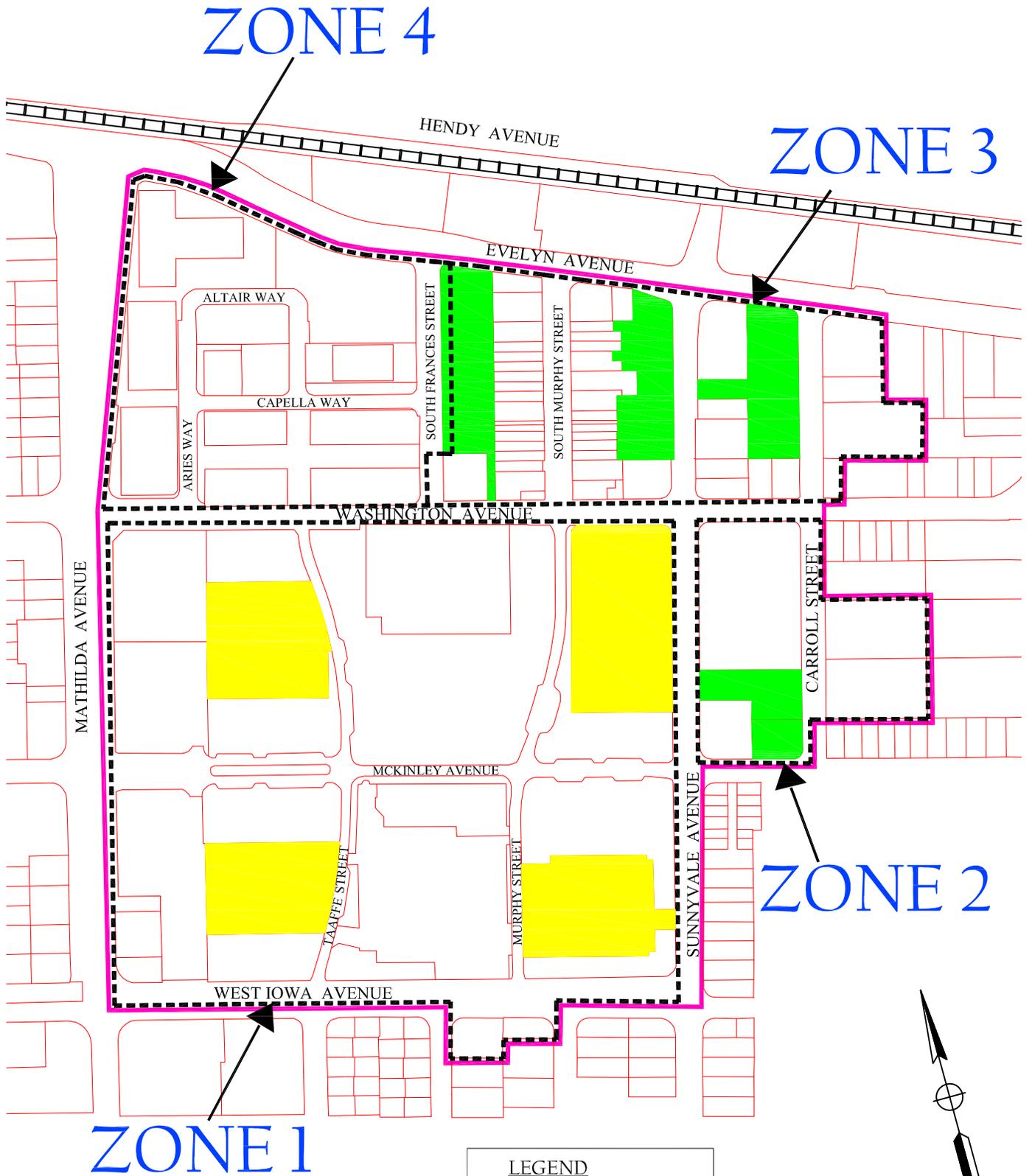
APPENDIX A

FY 2011-12

MAINTENANCE DISTRICT DIAGRAM

CITY OF SUNNYVALE

DOWNTOWN PARKING MAINTENANCE DISTRICT DIAGRAM



LEGEND	
	EXISTING PARKING DISTRICT BOUNDARY
	ZONE BOUNDARY
	PARKING DISTRICT LOTS
	MALL PARKING LOTS

APPENDIX B

FY 2011-12

ASSESSMENT ROLL CALCULATIONS

City of Sunnyvale
Downtown Parking Maintenance District
FY 2011-12 Assessment Summary

Assessor Parcel Number	Property Owner Name	Property Address	Benefit Zone	Total Parking Demand	Existing On-Site Parking	Deficit Parking Space	FY 2011-12 Assessment
209-05-011	SMITH GREGORY B	299 E WASHINGTON AVE	3	19.90	8.00	11.90	\$744.94
209-05-012	HILL FRED	219 E WASHINGTON AVE	3	27.35	4.00	23.35	\$1,461.70
209-05-013	ASKARINAM BEHZAD AND LOUISE	205 E WASHINGTON AVE	3	21.67	24.00	0.00	\$0.00
209-05-014	SUNNYVALE MOTEL INVESTMENTS,INC	170 S SUNNYVALE AVE	3	121.00	0.00	121.00	\$7,574.60
209-05-033	ASSEMBLIES OF GOD NTHRN CA & NV DIST COUNC	305 E WASHINGTON AVE	3	60.00	0.00	60.00	\$3,756.00
209-05-034	CARROLL STREET ASSOCIATES	174 CARROLL ST	3	64.00	34.00	30.00	\$1,878.00
209-05-036	GILMORE ROY J & DIANE M	124 CARROLL ST	3	54.80	0.00	54.80	\$3,430.48
209-05-039	ACCOLA RALPH A	122 S SUNNYVALE AVE	3	75.29	7.00	68.29	\$4,274.94
209-05-040	GOLD GARY M	130 S SUNNYVALE AVE	3	16.00	0.00	16.00	\$1,001.60
209-05-048	HUANG ROBERT	134 CARROLL ST #101	3	2.00	1.00	1.00	\$62.60
209-05-049	LEO CHRISTOPHER J AND KRISTIN K	134 CARROLL ST #201	3	2.00	1.00	1.00	\$62.60
209-05-050	NADER-ESFAHANI LILI	134 CARROLL ST #301	3	2.00	1.00	1.00	\$62.60
209-05-051	MCCAFFREY SHANNON T	134 CARROLL ST #102	3	2.00	1.00	1.00	\$62.60
209-05-052	MA STEVE	134 CARROLL ST #202	3	2.00	1.00	1.00	\$62.60
209-05-053	RODRIGUEZ JOSE	134 CARROLL ST #302	3	2.00	1.00	1.00	\$62.60
209-05-054	ROBERTSON DELMAR AND GRISELL	134 CARROLL ST #203	3	2.00	1.00	1.00	\$62.60
209-05-055	STRUCK DAVID P	134 CARROLL ST #303	3	2.00	1.00	1.00	\$62.60
209-06-003	HUBBARD JOHN W	127 S MURPHY AVE	3	26.14	0.00	26.14	\$1,636.36
209-06-004	HUBBARD JOHN W	133 S MURPHY AVE	3	48.33	0.00	48.33	\$3,025.46
209-06-005	KIEHL ROBERT E & ANN D	135 S MURPHY AVE	3	35.00	0.00	35.00	\$2,191.00
209-06-006	PODGURSKI JOHN AND ANGELIKA	139 S MURPHY AVE	3	32.47	0.00	32.47	\$2,032.62
209-06-007	141 SOUTH MURPHY LLC	141 S MURPHY AVE	3	76.27	0.00	76.27	\$4,774.50
209-06-008	GERA NICHOLAS	151 S MURPHY AVE	3	39.99	0.00	39.99	\$2,503.36
209-06-009	GERA NICHOLAS M AND SUEANNE	155 S MURPHY AVE	3	45.45	0.00	45.45	\$2,845.16
209-06-010	LI GEORGE J AND LINDA	163 S MURPHY AVE	3	54.02	0.00	54.02	\$3,381.64
209-06-011	BOURSALIAN HRAIR AND ARAKNAZ	165 S MURPHY AVE	3	6.32	0.00	6.32	\$395.62
209-06-012	ACEVEDO JOSE AND ESPERANZA	173 S MURPHY AVE	3	13.64	0.00	13.64	\$853.86
209-06-013	MERGEN CAPITAL LLC	175 S MURPHY AVE	3	35.43	0.00	35.43	\$2,217.92
209-06-014	MERGEN CAPITAL LLC	181 S MURPHY AVE	3	40.67	0.00	40.67	\$2,545.94

City of Sunnyvale
Downtown Parking Maintenance District
FY 2011-12 Assessment Summary

Assessor Parcel Number	Property Owner Name	Property Address	Benefit Zone	Total Parking Demand	Existing On-Site Parking	Deficit Parking Space	FY 2011-12 Assessment
209-06-016	YOUNG PATRICK	123 W WASHINGTON AVE	3	126.44	0.00	126.44	\$7,915.14
209-06-017	ESCALANTE NANCY G	197 S MURPHY AVE	3	12.00	0.00	12.00	\$751.20
209-06-018	HASS EVON K	165 W WASHINGTON AVE	3	67.49	0.00	67.49	\$4,224.86
209-06-022	PERRY MARIA L	105 S MURPHY AVE	3	64.78	0.00	64.78	\$4,055.22
209-06-025	CALI CAROL M	141 E WASHINGTON AVE	3	5.23	0.00	5.23	\$327.40
209-06-026	DUBROVNIK PROPERTIES LLC	192 S MURPHY AVE	3	50.67	0.00	50.67	\$3,171.94
209-06-027	CALI CAROL M	190 S MURPHY AVE	3	50.67	0.00	50.67	\$3,171.94
209-06-028	CHESWYCKE LLC	182 S MURPHY AVE	3	9.64	0.00	9.64	\$603.46
209-06-029	WHITFIELD WENDELL L AND MARY A	178 S MURPHY AVE	3	25.45	0.00	25.45	\$1,593.16
209-06-030	WONG CHICK CHUEN & SHUI LIN	172 S MURPHY AVE	3	17.37	0.00	17.37	\$1,087.36
209-06-031	JAYAN ELLE LLC	168 S MURPHY AVE	3	25.48	0.00	25.48	\$1,595.04
209-06-034	SUN CHRISTOPHER S	146 S MURPHY AVE	3	135.27	0.00	135.27	\$8,467.90
209-06-037	BILIC ANTE TR/TR	130 S MURPHY AVE	3	36.00	0.00	36.00	\$2,253.60
209-06-038	UNLU ISMAIL	124 S MURPHY AVE	3	30.00	0.00	30.00	\$1,878.00
209-06-059	MUSTANG INVESTMENT GROUP	161 S MURPHY AVE	3	16.56	0.00	16.56	\$1,036.66
209-06-070	YOUNG PATRICK	114 S MURPHY AVE	3	7.24	0.00	7.24	\$453.22
209-06-072	GOODWILL INDUSTRIES OF SANTA CLARA COUNTY	151 E WASHINGTON AVE	3	36.72	0.00	36.72	\$2,298.66
209-06-075	DUBROVNIK PROPERTIES LLC	100 S MURPHY AVE #5	3	163.70	0.00	163.70	\$10,247.62
209-06-077	GERA NICHOLAS AND SUEANNE	117 S MURPHY AVE	3	160.00	0.00	160.00	\$10,016.00
209-06-079	MUSTANG INVESTMENT GROUP	159 S SUNNYVALE AVE	3	39.00	0.00	39.00	\$2,441.40
209-06-080	WHITFIELD WENDELL L AND MARY A	187 S MURPHY AVE	3	16.67	0.00	16.67	\$1,043.54
209-06-081	BILIC ANTE TR/TR	136 S MURPHY AVE	3	102.67	0.00	102.67	\$6,427.14
209-07-007	KASIK MARTIN A	143 S TAAFFE ST	4	64.24	20.00	44.24	\$834.36
209-07-022	SPF MATHILDA LLC	190 MATHILDA PL	4	499.00	432.00	67.00	\$1,263.62
209-07-023	SPF MATHILDA LLC	150 MATHILDA PL	4	430.00	372.00	58.00	\$1,093.88
209-07-024	SPF MATHILDA LLC	100 MATHILDA PL	4	631.00	546.00	85.00	\$1,603.10
209-10-050	PACIFIC BELL	234 CARROLL ST	2	56.49	54.00	2.49	\$359.00
209-10-061	CHANG YUN SO & HAI RAN	298 S SUNNYVALE AVE	2	108.00	0.00	108.00	\$15,571.44
209-10-063	CCHNC PLAZA DE LAS FLORES LLC	200 E WASHINGTON AVE	2	95.89	34.00	61.89	\$8,923.30

City of Sunnyvale
Downtown Parking Maintenance District
FY 2011-12 Assessment Summary

Assessor Parcel Number	Property Owner Name	Property Address	Benefit Zone	Total Parking Demand	Existing On-Site Parking	Deficit Parking Space	FY 2011-12 Assessment
209-10-064	PALO ALTO MEDICAL FOUNDATION	244 CARROLL ST	2	56.15	62.00	0.00	\$0.00
209-26-001	ABSAR ILYAS AND SABA M	405 S MURPHY	1	2.22	0.00	2.22	\$0.00
209-26-066	AUCLAIR GARY F AND JACQUELINE B	150 W IOWA	1	47.58	9.00	38.58	\$0.00
209-34-002	GLADYS ROSE ENTERPRISES LP	380 S MATHILDA	1	<u>34.00</u>	<u>18.00</u>	<u>16.00</u>	<u>\$0.00</u>
				4,153.36	1,632.00	2,529.54	\$157,735.66

APPENDIX C

MUNICIPAL CODE (CHAPTER 14.26)

ALTERNATE MAINTENANCE DISTRICTS

CITY OF SUNNYVALE

MUNICIPAL CODE (CHAPTER 14.26)

ALTERNATIVE MAINTENANCE DISTRICTS

Section 14.26.010 Short title.

The procedures provided in this chapter are alternative. (Ord. 2576-98 § 1 (part)).

Section 14.26.020 Chapter not exclusive.

This chapter is not exclusive, but any proceeding under an act or general law may be supplemented by this chapter. The words "general law" or the word "act" mean an enactment of the legislature of the state of California. Unless herein otherwise provided, any reference to any general law or act shall apply to the law or act as now or hereafter amended or codified. (Ord. 2576-98 § 1 (part)).

Section 14.26.030 Chapter superior.

The provisions of the chapter shall be controlling over the provisions of any general law or act in conflict with this chapter in any proceeding taken pursuant hereto. (Ord. 2576-98 § 1 (part)).

Section 14.26.040 Authority for adoption.

This chapter is adopted pursuant to Section 400 of Article IV of the Charter of the city of Sunnyvale. In proceedings had pursuant to this chapter which are a municipal affair, the general laws referred to herein are deemed a part of this chapter. (Ord. 2576-98 § 1 (part)).

Section 14.26.050 Severability.

In the event any portion of this chapter shall be declared illegal, unenforceable or unconstitutional, such provision shall be deemed severable from the rest of the provisions of this chapter. (Ord. 2576-98 § 1 (part)).

Section 14.26.060 Maintenance districts.

Whenever the city council determines that the costs and expenses of maintaining and operating any or all public improvements of a local nature have not been adequately financed and provided for, proceeding therefore may be undertaken pursuant to this chapter. (Ord. 2576-98 § 1 (part)).

Section 14.26.070 Council powers.

The city council may, in its resolution declaring its intention to order work done or improvements made or by separate resolution, declare its intention to order that the costs and expenses of maintaining and operating any or all public improvements of a local nature, including the cost of necessary repairs, replacements, fuel, power, electrical current, care supervision, and any and all other items necessary for the proper maintenance and operation thereof, shall be assessed, either partly or wholly, upon such district as the city council shall determine will be benefited by the maintenance and operation of the public improvements proposed to be maintained; the amounts so

assessed to be collected in the same manner and by the same officers as taxes for city purposes are collected. (Ord. 2576-98 § 1 (part)).

Section 14.26.080 Applicable general law.

When the city council has declared its intention pursuant to Section 14.26.070, the applicable provisions of Part 2 of Division 15 of the Streets and Highways Code of the state of California (Section 22500 et seq.) shall apply, excepting as modified by the following:

(a) "Maintain" or "maintenance" shall be deemed to include the maintenance of any or all public improvements of a local nature.

(b) Except for the creation of new maintenance districts or annexations to existing maintenance districts, no separate diagram shall be required in each year and it shall be sufficient to refer to the existing diagram on file with the city clerk with suitable changes upon the record, annually, to update such diagram.

(c) "Annexation" shall be deemed to include annexation of any maintenance districts existing as of the effective date of the ordinance creating this code.

(d) For purposes of the collection of assessments or any portion thereof upon the general tax roll, it shall be sufficient for the city clerk to provide to the county auditor a certified copy of the assessment roll without supplying a copy of the assessment diagram. (Ord. 2576-98 § 1 (part)).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE TO APPROVE THE ANNUAL ENGINEER'S REPORT AND TO LEVY ANNUAL ASSESSMENT FOR THE DOWNTOWN PARKING MAINTENANCE DISTRICT ASSESSMENT FOR FISCAL YEAR 2011-2012

WHEREAS, on July 28, 2009, the City Council adopted Resolution No. 398-09 ordering the formation of the Downtown Parking Maintenance District, confirming the final Engineer's Report and levying an assessment for Fiscal Year 2009-2010 and for each fiscal year thereafter by adjusting the annual assessment rate per deficit parking space with inflation factor based upon pervious year's change in the Consumer Price Index (all urban consumers for the San Francisco-Oakland-San Jose Area as determined by the U. S. Department of Labor);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. Francisco & Associates, the Assessment Engineer, has filed with the City Clerk, the report required by Chapter 14.26 of the Sunnyvale Municipal Code, which report is open to public inspection and by reference incorporated herein. The report includes the total amount of the proposed assessment to the entire district for Fiscal Year 2011-2012, the amount chargeable to the record owner's parcel for that year, the duration of the payments, the reason for the assessment, and the basis upon which the proposed assessment was calculated. All interested persons are referred to that report for a full and detailed description of the improvements, the boundaries of the assessment district, the assessment zones, and the proposed assessments upon assessable lots and parcels of land within the assessment district.

2. The City Council finds that the Assessment Engineer, in the Engineer's Report, has fairly and properly apportioned the cost of the improvement to each parcel of land in the assessment district in proportion to the estimated benefits to be received by each parcel, respectively, from the improvement. The inflation factor is consistent with published data by the U.S. Department of Labor.

3. The City Council hereby approves the Engineer's Report and each component part of it, including each exhibit incorporated by reference in the report, and levies each individual assessment as stated in the Engineer's Report for the Fiscal Year 2011-2012.

BE IT FURTHER RESOLVED THAT the Fiscal Year 2011-2012 assessment will be collected in the same manner as the County of Santa Clara *ad-valorem* property tax payments for Fiscal Year 2011-2012.

Adopted by the City Council at a regular meeting held on _____, 2011, by the following vote:

- AYES:
- NOES:
- ABSTAIN:
- ABSENT:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM AND LEGALITY:

David E. Kahn, City Attorney