



ADOPTED BUDGET AND RESOURCE ALLOCATION PLAN

CITY OF SUNNYVALE, CALIFORNIA

Fiscal Year 2014/15

FREMONT HIGH SCHOOL

FIREBIRD
Marching Band



Sunnyvale,
California

Volume I: Summary

City of Sunnyvale
DIRECTORY OF CITY OFFICIALS
July 1, 2014

Jim Griffith
Mayor

Jim Davis
Vice Mayor
Gustav Larsson
Councilmember
Glenn Hendricks
Councilmember

David Whittum
Councilmember
Pat Meyering
Councilmember
Tara Martin-Milius
Councilmember

Deanna J. Santana
City Manager

Joan Borger
City Attorney

Robert Walker
Assistant City Manager
Grace Leung
Director of Finance
Kris Stadelman
Director of NOVA Workforce Services
Lisa Rosenblum
Director of Library and Community Services
Hanson Hom
Director of Community Development

Frank Grgurina
Director of Public Safety
David Jensen
Director of Information Technology
Kent Steffens
Director of Public Works
Teri Silva
Director of Human Resources
John Stufflebean
Director of Environmental Services

City of Sunnyvale

ADOPTED BUDGET and RESOURCE ALLOCATION PLAN
Fiscal Year 2014/15

TABLE OF CONTENTS

VOLUME I – SUMMARY

OVERVIEW

Volume I includes Budget Overview documents such as the City Manager’s Letter of Transmittal, budget summary, and twenty-year financial plans for all City funds. Detailed information on the operating and projects budget is included in Volumes II through III.

Introduction

- 5 City Manager's Adopted Budget Message
- 9 City Manager's Letter of Transmittal
An in-depth review of the budget including the City's long and short term strategies, and the priorities and issues for the new fiscal year.

Budget Overview

- 31 Budget Summary
- 35 City Organization Chart
- 37 Community Condition Indicators
- 49 Summary of Budgeted Personnel Hours
Citywide summary of position count by Department and Employment Status (full time equivalents).
- 53 Financial Graphs
Graphs depicting the sources and uses of the City's revenues and expenditures for all funds.
- 59 Debt Service
Summary of the City's legal debt limit and repayment schedule for all debt instruments.
- 67 Budget Guide
Summary of the City's budget process, including Budget and Fiscal Policies.
- 87 City Budget Resolution and Appropriations Limit Resolution
Resolutions for budget adoption and establishment of the appropriations limit for the new fiscal year.

Individual Financial Plans

Financial plans provide a summary of revenues, expenditures, reserves, and beginning and ending fund balance over the twenty-year planning horizon. Detailed revenues by source follow the General and Enterprise Funds, and a detailed discussion of each fund precedes all financial plans.

- 137 General Fund
The major operating fund that accounts for all financial resources necessary to carry out basic government activities such as public safety, street maintenance, libraries and parks and open space maintenance
- 181 Special Revenue Funds:
Funds that are used to account for the proceeds of specific revenue sources that are legally restricted or earmarked for particular functions or activities. In many cases, a Special Revenue Fund has been set up in response to legal requirements established by a granting agency or another level of government.
- 195 Housing Fund
- 197 HOME Grant Fund
- 199 Community Development Block Grant
- 201 Park Dedication Fund
- 203 Asset Forfeiture Fund
- 205 Police Services Augmentation Fund.
- 207 Employment Development Fund
- 209 Parking District Fund
- 211 Gas Tax Fund
- 213 Transportation Development Act (TDA) Fund
- 215 VRF Local Road Improvement Program Fund
- 217 Youth and Neighborhood Services Fund
- 219 Capital and Infrastructure Funds:
Funds that account for the City's major capital acquisition and construction projects (non-utility) and the rehabilitation and replacement of these assets.
- 225 Capital Projects Funds
Sub-Funds: General Assets, Gas Tax, Calabazas Creek Bridge, Traffic Mitigation, Traffic Impact Fees, Sense of Place Fees, & Prop 1B Transportation Bond Local Streets & Roads, VTA Local Program Reserve

City of Sunnyvale

ADOPTED BUDGET and RESOURCE ALLOCATION PLAN
Fiscal Year 2014/15

TABLE OF CONTENTS

Individual Financial Plans (continued)

Capital and Infrastructure Funds:

243 | Infrastructure Funds
Sub-Funds: General and Golf and Tennis

249 | Enterprise Funds:
Funds that are used to account for programs and activities that are either fully or partially self-supporting by way of user charges and fees.

261 | Water Supply and Distribution Fund
265 | Wastewater Management Fund
269 | Solid Waste Management Fund
273 | SMaRT Station Fund
275 | SMaRT Station Replacement Fund
277 | Development Enterprise Fund
279 | Golf and Tennis Center Operations Fund

283 | Internal Services and Other Funds:
Funds that are used to account for the financing of goods or services provided by one department or program to other departments or programs of the City on a cost-reimbursement basis, or other funds that separately account for assets that the City holds in a trustee or agency capacity.

301 | General Services Fund
Sub-Funds: Fleet Services, Facilities Management, Technology & Communication Services, Sunnyvale Office Center and Project Management Services
313 | Employee Benefits Fund
315 | Liability & Property Insurance Fund
317 | Community Facilities District No. 3 Fund
319 | Redevelopment Successor Agency Fund
321 | Fremont Pool Trust Fund
323 | Dorolou Swirsky Youth Opportunities Fund

Budget Supplements

Budget Supplements were called out separately in the recommended budget to draw a distinction between service levels provided in a baseline budget and recommended expansion or reduction of service levels. The adopted budget supplements are now incorporated in this budget document. For reference, the proposed budget supplements are provided in this volume.

325 | Budget Supplements

Glossary of Budget Terms

Definitions of terms used throughout the budget document.

387 | Glossary of Budget Terms

City of Sunnyvale

**ADOPTED BUDGET and RESOURCE ALLOCATION PLAN
Fiscal Year 2014/15**

TABLE OF CONTENTS

VOLUME II – OPERATING BUDGET

The budget document is organized by department, to allow users of the budget to easily identify expenditures by department and program. Each department detail includes the following:

- Narrative with Department Description, Programs and Services, Department Budget Summary, Budget Overview and Significant Changes, and Department Position Allocation
- Department Performance and Workload Indicators
- Detailed budgeted expenditures reports by program and activities

Department Operating Budgets

401	Community Development
443	Environmental Services
513	Finance
551	Human Resources
567	Information Technology
591	Library and Community Services
639	NOVA Workforce Services
651	Office of the City Attorney
665	Office of the City Manager
685	Public Safety
759	Public Works

VOLUME III – PROJECTS BUDGET

The Projects Budget includes City-wide projects that cover major improvements, construction, acquisition, infrastructure renovation and replacement as well as special projects that capture one-time costs, and outside group funding projects. Detailed project information sheets for all projects are included in this volume. The project information sheet provides the project description, scope, evaluation and analysis, fiscal impact, project costs, operating costs, and revenues and cost savings over the life of the project.

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FY 2014/15 Budget Supplements

Budget Supp. No.	Description	Fund	One- Time	On- Going	20-Year Impact	City Manager's Recommendation
1.	Funding for Dispute Resolution Services	General Fund	X		\$20,000	Yes
2.	Comprehensive Update of the Precise Plan for El Camino Real	General Fund	X		\$80,000	Yes
3.	Las Palmas Park/Tennis Center Auxiliary Restroom	Park Dedication Fund	X		\$300,000	Yes
4.	Wolfe Road Corridor Traffic Improvement Study – El Camino Real to Homestead Rd	General Fund	X		\$250,000	Yes
5.	Captioning for Council Meeting Broadcasts	General Fund		X	\$10,200	Yes
6.	Public Access Programming for KSUN2 (Channel 26)	General Fund		X	\$65,800 - \$73,000	No
7.	Funding for Leadership Sunnyvale	General Fund	X		\$6,000	Yes
8.	Funding for Study of Community Choice Aggregation	General Fund	X		\$30,000	Yes
9.	Downtown Sunnyvale Business Improvement District (BID) Funding Request	General Fund	X		\$30,000	No

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May 2, 2014

SUBJECT: Funding for Dispute Resolution Services

BUDGET SUPPLEMENT REQUEST SUMMARY

This supplement would provide one-time FY 2014/15 funding for dispute resolution and mediation services by the contractor currently providing these services, Project Sentinel. The focus of this service is on tenant/landlord disputes, but other types of community disputes would also be accommodated to the extent possible. Approval of this request would allocate \$20,000 from the General Fund for this purpose.

BACKGROUND

For many years, the City funded dispute resolution services provided by an outside agency. These services were funded by the General Fund. Most of the disputes handled were related to housing issues, primarily tenant/landlord disputes; however other types of cases were also handled, many of which were referred by Department of Public Safety staff, particularly from the Neighborhood Preservation Division, such as disputes between neighbors, or between residents and adjacent businesses. In 2009, a three-year services contract for these services ended. Recognizing the growing need for dispute resolution services, in FY 2013/14 the City Council allocated \$20,000 from the General Fund for this service. A contract was subsequently awarded to Project Sentinel.

So far this fiscal year, Project Sentinel has met or exceeded its year-to-date goals under the Sunnyvale contract, and reports that the level of demand for these services is increasing. Most of the cases relate to tenant/landlord disputes, due mainly to sharply increasing rents, with the remainder relating to disputes between other community members, such as between neighbors, resident/business issues, or issues with mobile home park managers and tenants. Although the County of Santa Clara also provides a community mediation program to all county residents, they have reported to City staff that they do not have the capacity to handle the volume of calls they have been receiving from community members throughout the county.

EXISTING POLICY

General Plan, Housing Sub-Element

Goal E Promote equal housing opportunities for all residents, including Sunnyvale's special needs populations, so that residents can reside in the housing of their choice.

Policy E.1 Support the provision of fair housing services and tenant/landlord mediation to residents.

DISCUSSION

Sunnyvale has a long tradition of supporting tenant/landlord mediation and dispute resolution services to help local renters and landlords, as well as other community members, resolve disputes in an amicable manner, as much as possible. Some cases require the services of a professional attorney-mediator, which is also provided under the current contract. Administrative tasks, including: contract renewal, invoice

processing, performance monitoring, and referring residents to the agency, would be performed by staff in the Department of Community Development, Housing Division.

SERVICE LEVEL IMPACT

Council approval of this supplement would fund this program for FY 2014/15 only. Renewal may be considered by Council in subsequent years if the need for this service continues to exist. A professional dispute resolution agency or firm has the capacity and expertise to provide specialized dispute resolution and mediation services that City staff does not have the ability to provide directly. City staff can continue to provide general referrals to affordable housing resources and various informational resources available online. The requested supplement would be targeted to the specialized, professional dispute resolution and mediation services that can be provided only by trained professionals, such as attorney mediators and/or conflict resolution specialists with expertise in tenant/landlord law and in general conflict resolution.

Approval of this budget supplement would result in maintaining the current level of service through next fiscal year by providing dispute resolution services which are frequently requested by many residents, as well as some property owners and related agencies, such as Sunnyvale Community Services and Tri-Counties Apartment Association, and the City's Neighborhood Preservation staff on occasion. To support this program, staff activities include: maintaining the service provider's current contact information on the City's website, making printed referral materials available to the public and staff, updating the scope of work and contract, and processing reimbursement requests.

FISCAL IMPACT

This supplement proposes \$20,000 from the General Fund for FY 2014/15 only. Associated administrative costs would be absorbed by the Department of Community Development, Housing Division. This funding request may be brought to Council annually, or not, depending on the perceived level of need for this service, measured by the number of requests for service received by staff throughout the year. This annual process enables Council to allocate funding for the upcoming year's budget based on the current economic and financial environment, and the level of community need for this service.

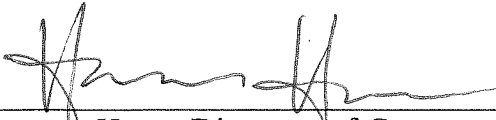
ALTERNATIVES

1. Approve the budget supplement for \$20,000 to fund dispute resolution and mediation services, to be reviewed on an annual basis.
2. Approve a budget supplement for a different amount to fund dispute resolution services.
3. Do not approve a budget supplement to fund these services.
4. Other direction as provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 1, Approve the budget supplement for \$20,000 to fund dispute resolution services, to be reviewed on an annual basis.

Reviewed by:



Hanson Hom, Director of Community Development
Prepared by: Suzanne Isé, Housing Officer

Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
 Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

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May 2, 2014

SUBJECT: Comprehensive Update of the Precise Plan for El Camino Real (Study Issue)

BUDGET SUPPLEMENT REQUEST SUMMARY

Recent interest in large mixed-use projects along El Camino Real has shown a need to update the Precise Plan. The Precise Plan update will address issues that have arisen since the plan was adopted in 2007. The updated Plan requires \$80,000 for consultant services to prepare a market and economic analysis to assess the viability of commercial uses for the corridor and to prepare an environmental document and supporting technical studies as needed, depending on the level of plan amendments.

BACKGROUND

The City Council combined and highly ranked two study issues in January 2014 to update and clarify policies in the El Camino Precise Plan (CDD 14-09 and CDD 14-14.) The original Precise Plan for El Camino Real was completed in 1993 and updated in 2007. Since that time, significant redevelopment interest has been focused on the El Camino Real corridor, and issues present today were not clearly defined in 2007. The proposed revisions will provide better guidance to the public, developers, decision-makers and staff.

EXISTING POLICY

GOAL LT-4 Quality Neighborhoods and Districts — Preserve and enhance the quality character of Sunnyvale’s industrial, commercial, and residential neighborhoods by promoting land use patterns and related transportation opportunities that are supportive of the neighborhood concept.

Policy LT-4.3 Support a full spectrum of conveniently located commercial, public, and quasi-public uses that add to the positive image of the City.

Policy LT-4.11 Recognize El Camino Real as a primary retail corridor with a mix of uses.

DISCUSSION

The current Precise Plan for El Camino Real was prepared and adopted in 2007. Since that time, development interest has increased along the El Camino Real corridor, and the Precise Plan’s policies do not provide clear guidance on the issues that have arisen. The design guidelines are useful, but could also be reviewed, specifically to address mixed-use projects. Additionally, the Grand Boulevard Initiative was at its initial formation when the Precise Plan was written, and the Guiding Principles (which have been adopted as Council Policy) could be more specifically included in the Precise Plan. Economic and market conditions, particularly for the retail industry, have also changed significantly since the Precise Plan was prepared. An allocation of \$50,000 was proposed in study issue CDD 14-09 to prepare an update of the Precise Plan. While the study would primarily be prepared by staff, the proposed budget supplement would be used

for consultant services to prepare the environmental document and other technical studies that may be necessary.

Additionally, the Council recently discussed whether commercial uses should be required for both commercial and residential-zoned property, and what level of commercial uses would be reasonable. The current Precise Plan is not clear on this issue, and study issue CDD 14-14 was ranked by the Council in 2014 to specifically address this issue with the intent to provide standards and/or guidelines to clarify and implement the policy. Similar to CDD 14-09, this study issue would be prepared by staff, but a budget supplement of \$30,000 was proposed for a market and economic analysis to assess the future viability of commercial uses along the corridor.

Staff reviewed whether combining the two study issues could gain some cost efficiency. The conclusion was that staff efficiency would be realized but the cost for consultant services for each study issue involves a different service. Thus, the proposed budget supplement would be for a combined amount of \$80,000.

The combined study issues would include the following tasks:

- Determine appropriate proportion of commercial and residential uses for mixed-use sites;
- Determine what level of mixed use development can occur in node and non-node locations;
- Market analysis to determine expected changes and trends in the land use demands;
- Appropriate densities, heights and other development standards for mixed use projects;
- Appropriate mix of uses; commercial and residential;
- Sidewalk standards along the street;
- Specific requirements for Node versus non-Node locations;
- Updated implementation measures;
- Clarification of policies on certain uses, such as child care centers, fast food restaurants, and residential projects in mid-block locations;
- Review the sign design guidelines to ensure they meet current sign code and the aesthetic goals for the street;
- Complete necessary environmental review.

The City has also submitted applications to the Metropolitan Transportation Commission (MTC) and Valley Transportation Authority (VTA) for two planning grants to reexamine the policies and land use plans for the El Camino Real corridor. If approved, these grants would be used to complete a comprehensive update of the Precise Plan and would allow for a much broader study with a more thorough analysis of land use and economic/market conditions than anticipated in the two study issues. A revised Precise Plan document would be produced to define the land use policies, streetscape standards, development standards, design guidelines and implementation measures. Zoning Code amendments would also be prepared to support the Precise Plan, and the grant would allow the City to prepare an environmental impact report for the revised

Precise Plan and associated zoning amendments. The grant programs are highly competitive and the City will be notified of the outcome in early FY 2014/15. If either grant is awarded to Sunnyvale, the budget supplement could be used for contingencies to complete the plan and environmental document.

SERVICE LEVEL IMPACT

Staff has prioritized the two study issues for completion in FY 2014/15 based on available staff resources.

FISCAL IMPACT

This supplement requires \$80,000 in funding for FY 2014/15 only. Funding would be provided by the General Fund. Associated staff costs would be absorbed within the Community Development Department operating budget.

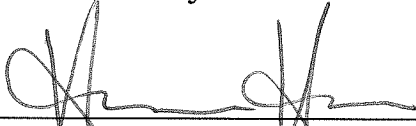
ALTERNATIVES

Approval of the budget supplement would allow the completion of the update to the Precise Plan to include a market analysis and environmental review. If the budget supplement is less than the proposed amount, staff may need to reduce the scope of the study and correspondingly reduce the level of consultant assistance. While staff is pursuing grant funding opportunities, the success in obtaining these grants will not be known until after this budget supplement is considered by the City Council.

STAFF RECOMMENDATION

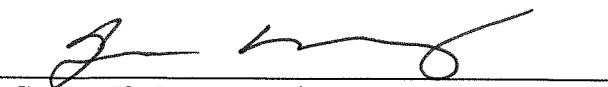
Staff recommends approving a budget supplement for \$80,000 to complete the economic and market analysis and environmental review for the Precise Plan update.

Reviewed by:



Hanson Hom, Director of Community Development
Prepared by: Trudi Ryan, Planning Officer


Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

May 2, 2014

SUBJECT: Las Palmas Park/Tennis Center Auxiliary Restroom

BUDGET SUPPLEMENT REQUEST SUMMARY

This budget supplement provides for the design and construction of a modular type restroom building to be installed in the northeast corner of Las Palmas Park near the Sunnyvale Tennis Center. Staff recommends approval based on current needs at both facilities.

BACKGROUND

Public interest in an additional or “auxiliary” restroom facility located in Las Palmas Park and near the Tennis Center has recently been expressed by representatives of the Sunnyvale Tennis Club and attendees of public meetings that were part of the study issue titled “DPW 13-14 Feasibility of Establishing Additional Dog Parks and Alternatives in Sunnyvale’s Park System”. Both groups have a twofold concern including restroom capacity and distance from facilities to existing restrooms at Las Palmas Park and the Sunnyvale Tennis Center. This interest resulted in a proposed budget issue that Council voted on February 7, 2014, at the annual Budget/Study Issues workshop to refer to the recommended budget.

EXISTING POLICY

General Plan

Goal LT-8 Adequate and Balanced Open Space. Provide and maintain adequate and balanced open space and recreation facilities for the benefit of maintaining a healthy community based on community needs and the ability of the city to finance, construct, maintain and operate these facilities now and in the future.

DISCUSSION

Features

Proposed building amenities include separate men’s and women’s areas with the men’s side having one toilet stall, one urinal and one sink and the women’s area having two toilet stalls (one for handicapped and one for regular use) and one sink. General standards for park restrooms would be met and newer features would be utilized including low energy and low water use fixtures as well as compliance with all laws and codes including the Americans with Disability Act.

Capacity

There are no national, state or local standards concerning how many restrooms are required at a public park and recreation facility. Sunnyvale currently requires a minimum of one individual restroom per 250 people at a community special event and that is based on Federal Emergency Management Agency requirements for outdoor special events, but this does not directly relate to park use. Las Palmas Park has one restroom facility that is part of the recreation building and contains separate areas for men and women with each having one toilet stall and the men’s also having one urinal. The park may serve up to 500 people at one time on the weekends from May to October when all building, picnic and athletic field facilities are permitted and there is also significant drop-in or casual use by the public. Although no statistics

have been kept, there are usually a few customer concerns related to the limited amount of restrooms each year at this site. The Tennis Center has separate men's and women's restrooms to serve up to 200 people during a tournament.

Usability/Convenience

It can be inconvenient for children and elderly facility users to have to walk too far to access a restroom. Distances from a restroom would be significantly reduced for park users at the dog park, playgrounds and picnic areas and for Tennis Center patrons utilizing the east side of the site. Although the reduction would be measured in feet and not miles, even short distances can prove challenging for those who are elderly or with small children. At the Tennis Center the existing restroom is at the top of a hill that also makes it difficult for those with handicaps to access.

SERVICE LEVEL IMPACT

An additional restroom building at Las Palmas Park that would also serve the Tennis Center would increase the combined service level for restroom availability at both sites by 33%.

FISCAL IMPACT

The estimated cost to design and build the project is \$300,000 and is funded by the Park Dedication Fund. Project design would be scheduled for FY 2014/15 with construction completed in FY 2015/16. Park Dedication Fee revenues have exceeded budgeted levels; therefore the project can be accommodated without affecting other project budgets currently planned in the Park Dedication Fund. Operating costs are estimated to be \$11,000 annually and will be absorbed by the current operating budget for program 267 Neighborhood Parks and Open Space.

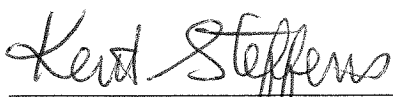
ALTERNATIVES

1. Approve the supplement as proposed.
2. Other direction as Council deems appropriate.

STAFF RECOMMENDATION

Staff recommends approval of the supplement as proposed based on current and future capacity needs at Las Palmas Park and the Tennis Center. There is already an approved capital project to provide a major renovation to Las Palmas Park in FY 2023/24 that includes an additional restroom building within the scope of work. Staff recommends adding the restroom building earlier than planned to meet current needs and improve the usability of both facilities.

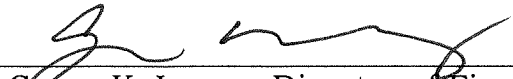
Reviewed by:



Kent Steffens, Director of Public Works

Prepared by: Scott Morton, Superintendent of Parks and Golf

Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

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May 2, 2014

SUBJECT: Wolfe Road Corridor Traffic Improvement Study – El Camino Real to Homestead Road (Study Issue)

BUDGET SUPPLEMENT REQUEST SUMMARY

This budget supplement is the result of combining two 2014 Council Study Issues: DPW 14-14 – Optimization of Wolfe Road for Neighborhood and Commuter Reconfiguration and Signalization; and DPW 14-17 – Analysis of Reconfiguration or Other Capacity Improvement Alternatives for the Wolfe Road/El Camino Real/Fremont Avenue Intersection Complex. Combining these two study issues could result in a more efficient and coordinated analysis of traffic issues along the Wolfe Road Corridor.

BACKGROUND

The Wolfe Road Corridor currently experiences congestion during the peak hours due to heavy commute traffic particularly at the El Camino/Fremont Avenue intersection complex and at Homestead Road. This condition is projected to get worse over time as growth occurs in the area. Development of the Apple Campus II located at Wolfe Road and Homestead will add trips to the corridor and is currently under construction which has raised concerns from area residents, as have preliminary plans for the development of parcels contiguous to the El Camino/Wolfe intersection.

EXISTING POLICY

General Plan

Policy LT-5.1d Study and implement physical and operational improvements to optimize roadway and intersection capacities.

DISCUSSION

This City had previously studied alternatives for widening Wolfe Road at El Camino in 1991 and 2000. Studies found that in order to widen Wolfe Road significant amounts of right-of-way would have been required from private property owners. Public sentiment was opposed to the widening project and Council ultimately decided not to pursue road widening.

This proposed study would take a fresh look at traffic patterns and develop alternatives to a road widening project at Wolfe/El Camino that could reduce congestion but have fewer impacts than the previously studied projects. A detailed evaluation of ways to optimize traffic operations at the Wolfe/El Camino/Fremont intersection complex would be included.

Another element of the study would be to analyze the Wolfe Road corridor between Fremont Avenue and Homestead Road. Alternative lane configurations would be studied including a three lane concept with a reversible lane that would change to match the predominant commute direction. Alternatives to the current bike lane transitions around parking areas would also be studied.

Another component of the study that was not included in the original two study issues was the possibility of a grade separation at the Wolfe/El Camino intersection. Council members enquired at the study issues workshop about the additional cost of adding this to the overall study. Staff responded that a basic grade separation analysis would likely add \$100,000 to the cost of the study. Grade separations would likely require road widening which was previously considered and determined infeasible due to the need for extensive right-of-way acquisitions.

For all of the alternatives developed, the study would include preliminary layouts, cost estimates, an analysis of roadway capacity increases or decreases, and a public outreach component to get preliminary feedback from the community on the alternatives being evaluated.

SERVICE LEVEL IMPACT

Completing the proposed study will not impact current service levels.

FISCAL IMPACT

Completing the proposed study is estimated to cost \$350,000 for consulting services from an outside traffic engineering firm. This would include the scope of work outlined in Study Issues DPW 14-14 and 14-17 and a basic grade separation analysis. Funding would be provided from the General Fund.

ALTERNATIVES

Council may elect to exclude the analysis of grade separation alternatives. Without this additional work, the budget needed is \$250,000.

STAFF RECOMMENDATION

Approve a budget supplement in the amount of \$250,000. Wolfe Road is an important north-south corridor that is already experiencing congestion. Existing congestion will continue to get worse over time if no changes are made. The proposed study will evaluate a range of alternatives that could improve travel time through the Wolfe Road Corridor. Because of the very high cost of constructing grade separations, staff does not recommend including this analysis as part of the study.

Prepared by:



Kent Steffens, Director of Public Works

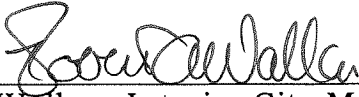
Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

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May 2, 2014

SUBJECT: Captioning for Council Meeting Broadcasts

BUDGET SUPPLEMENT REQUEST SUMMARY

This supplement would provide ongoing funding to include closed captioning service for City Council meeting broadcasts on the City's cable channel KSUN-15. Approval of this request would allocate \$10,200 from the General Fund for this purpose.

BACKGROUND

Currently, Sunnyvale broadcasts its City Council meetings on the City's cable channel KSUN-15 without a captioning feature. Councilmember Whittum noted that providing captions for Council meetings would improve the ability of hearing-impaired viewers to follow the meetings as well as provide a transcript of the meeting for people wishing to review the details of conversations not recorded in the official Council meeting minutes.

EXISTING POLICY

Policy 7.2.1 Community Engagement— Goals and Policies

Goal A: Achieve a community in which all community members are well informed about local issues, City Programs and Services.

Policy A.1 Assure that all community members have reasonable access to City information, services and programs within budgeted resources.

Policy A.3 Ensure an integrated approach to informing community members about local issues, City programs and services that reaches segments of a diverse community.

Goal B: Achieve a community in which all community members can be actively involved in shaping the quality of life and participate in local community and government activities.

Policy B.2 Simplify processes and procedures to make it easy and convenient for community members to participate in City activities and programs.

DISCUSSION

There are two technical options to consider – live versus recorded (also known as archived or offline) captioning. Live captioning displays a real-time transcription of the meeting dialogue on the viewer's screen as the meeting is occurring. Recorded captioning is typically used to apply captions to recorded television shows. The service provider would use the recording of the meeting to transcribe the dialogue and then create the captioning feature for display when the meetings are re-broadcast. Live captioning has about a 98% accuracy rate which means that viewers would see an average of three to four errors every minute if a speaker is talking at about 250 words per minute. Recorded captioning would yield near 100% accuracy;

however, this service costs significantly more and takes several days to complete depending upon the length of the meeting.

SERVICE LEVEL IMPACT

Council approval of this budget supplement would result in an increased level of service to the community by providing additional access to information and making it easier for community members to participate in City government activities.

FISCAL IMPACT

Staff gathered some initial price quotes and estimated the City's annual costs based upon an average of 30 Council meetings per year at four hours per meeting (120 hours of meetings annually). With both live and recorded options, a written transcript of the captioned material is provided and could be archived with other meeting materials in the City's agenda management system. The price range for recorded captioning reflects options for how the captioned information is displayed for viewers.

- Live captioning: \$85/hour; \$10,200 (annual)
- Recorded captioning: \$350 - \$400/hour; \$42,000 - \$48,000 (annual)

This supplement proposes \$10,200 from the General Fund annually for the live closed captioning service to be managed through the Office of the City Manager.

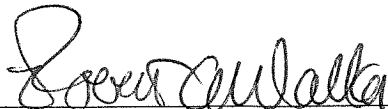
ALTERNATIVES

1. Approve the budget supplement for \$10,200 annually to fund live closed captioning services for City Council meetings on an ongoing basis.
2. Approve a budget supplement for an alternate captioning service:
 - a. Recorded captioning: \$350 - \$400/hour; \$42,000 - \$48,000 (annual)
 - b. Transcript Only: \$200/hour; \$24,000 (annual)
3. Do not approve a budget supplement to fund this service.
4. Other direction as provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 1, Approve the budget supplement for \$10,200 to fund live closed captioning services for City Council meetings annually.

Reviewed by:



Robert Walker, Interim City Manager

Prepared by: Jennifer Garnett, Communications Officer

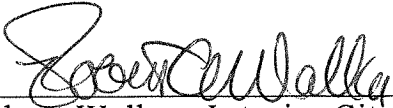
Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

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May 2, 2014

SUBJECT: Public Access Programming for KSUN2 (Channel 26)

BUDGET SUPPLEMENT REQUEST SUMMARY

This supplement would provide \$63,500 annually from the General Fund to implement additional programming on the City's cable channel 26 (KSUN2) on Comcast to include Public Access content. There is also an option to add \$7,200 to provide up to six producers with no cost access to a production studio for producing their shows; other cities have done this to encourage local producers and programming. Based on staff's research and legal counsel, if approved, staff would contract with a third party for the operation and programming for KSUN2. The operator would likely be a non-profit organization that specializes in this service. This is consistent with the approach taken by neighboring jurisdictions.

BACKGROUND

The City currently operates two cable channels, KSUN-15 and KSUN2 on Comcast channels 15 and 26, respectively. Currently, KSUN2 is broadcasting the same content airing on KSUN-15, which is used to televise City Council and Planning Commission meetings. In June 2009 (RTC 09-151), the City Council determined the station designation for KSUN2 as a Government Access station with a focus on City and other government agency programming, satellite-fed programming and other content that would be available and appropriate. The Council voted to designate the station as Government Access to provide the City with the widest range of options in program content versus restricting it to just Public or Educational Access; however, the intent was to show both Government and Public access programming. To that end, the Council also approved criteria for producers of Public Access programming wanting to air their programs on KSUN2.

Subsequently, the City embarked on rebuilding its broadcast control room to upgrade the equipment and broadcast capabilities. The installation and follow up technical work has been completed and staff resumed the task of exploring various means of implementing programming on KSUN2.

EXISTING POLICY

Policy 7.2.1 Community Engagement— Goals and Policies

Goal A Achieve a community in which all community members are well informed about local issues, City Programs and Services.

Policy A.1 Assure that all community members have reasonable access to City information, services and programs within budgeted resources.

Policy A.3 Ensure an integrated approach to informing community members about local issues, City programs and services that reaches segments of a diverse community.

Goal B Achieve a community in which all community members can be actively involved in shaping the quality of life and participate in local community and government activities.

Policy B.3 Promote the importance and benefits of community involvement.

Policy B.6 Provide opportunities for and encourage involvement from community members that reflect the diversity of the City.

DISCUSSION

Staff contacted neighboring jurisdictions with Public Access channels to determine their approaches to station programming. Staff also researched the City’s role, particularly as it relates to first amendment considerations such as controlling the type of Public Access content that can be aired and avoiding the City’s implied endorsement of the Public Access content.

Based on staff’s research and legal counsel, if approved, staff is recommending that the operation of and programming for KSUN2 be handled by a third party which is typically a non-profit organization specializing in this area. This is consistent with the approach taken by neighboring jurisdictions, all of which cited concerns about potential issues surrounding a government agency making Public Access programming decisions as well as a lack of City staff resources and technical expertise to successfully manage and operate the station.

SERVICE LEVEL IMPACT

Council approval of this supplement would fund public access programming annually on the City’s KSUN2 cable channel which would allow opportunities for and encourage involvement from community members that reflect the diversity of the City. However, this is an increase in service level that is ongoing, and should therefore be considered in the context of all other City service priorities.

FISCAL IMPACT

This supplement proposes \$65,800 annually from the General Fund, managed through the Office of the City Manager, for a third-party service provider to operate and manage KSUN2. There is also an option to add \$7,200 to provide up to six producers with no cost access to a production studio for producing their shows. KMVT is the non-profit organization currently providing broadcast services for Sunnyvale’s City Council and Planning Commission meetings. They also provide similar services for Mountain View, Cupertino, Los Altos and Foster City. Based on contracts they already have with other cities, KMVT provided the City with a preliminary cost proposal to operate and manage KSUN2 as the City’s community channel, which includes selecting and scheduling all programming, providing training to Sunnyvale residents to become producers, and covering two local origination programming events selected by the City (e.g., sports, festivals). From a content perspective, KMVT would be able to show programs from all of its other community channels on KSUN2 as well as display this programming on its YouTube channel which has nearly 1.7 million hits. The cost for these services would be \$65,800 annually. In addition, KMVT could also provide up to six producers with no cost access to their facility and studio for producing their shows at an annual cost to

the City of \$7,200; other cities have done this to encourage local producers and programming.

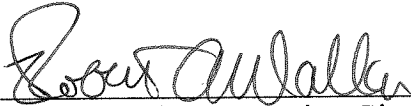
ALTERNATIVES

1. Approve the budget supplement for \$65,800 annually to fund the operation and management of KSUN2.
2. Approve a budget supplement for \$73,000 annually to fund the operation and management of KSUN2 as well as provide up to six producers with no cost access to the KMVT facility and studio for producing their shows.
3. Do not approve a budget supplement to fund these services.
4. Other direction as provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 3, Do not approve a budget supplement to fund these services. While the proposed programming services would enhance opportunities for the public and the City to share information, they are not a core service provided by the City. Given the City's inability to fund certain core services at a desired level, staff cannot recommend this particular expenditure at this time.

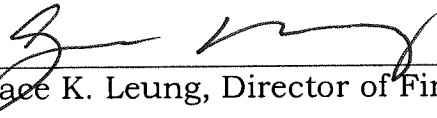
Reviewed by:



Robert Walker, Interim City Manager

Prepared by: Jennifer Garnett, Communications Officer

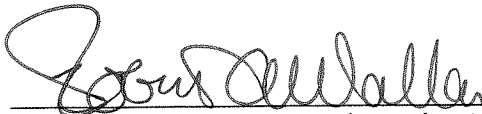
Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

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May 2, 2014

SUBJECT: Funding for Leadership Sunnyvale

BUDGET SUPPLEMENT REQUEST SUMMARY

Silicon Valley Leadership (SVL) is an independent, nonprofit community-based organization that has submitted an outside group funding request to continue providing Leadership Sunnyvale in FY 2014/15. Approval of this request would provide \$6,000 to SVL from the General Fund.

BACKGROUND

Leadership Sunnyvale is a nine-month public affairs and leadership training program aimed at expanding participants’ perspectives on issues affecting Sunnyvale, and developing the skills needed for effective civic and community leadership. For more than ten years the City has provided General Fund support to SVL for Leadership Sunnyvale in accordance with the City’s Outside Group Funding guidelines.

The City’s past financial support for SVL and the number of Sunnyvale stakeholders served by the program are included in the following table:

Fiscal Year	City Funding	Total Number of SVL Participants
2013/14	\$5,000	15
2012/13	\$6,000	12
2011/12	\$6,000	12
2010/11	\$6,000	18
2009/10	\$6,000	18
2008/09	\$8,000	22
2007/08	\$8,000	23
2006/07	\$8,323	19
2005/06	\$10,000	15
2004/05	\$7,000	22

EXISTING POLICY

Council Policy 7.2.1 Community Engagement

Goal B: Achieve a community in which all community members can be actively involved in shaping the quality of life and participate in local community and government activities.

Policy B.1: Encourage community involvement in the development and implementation of City and community activities, programs and services.

Council Policy 7.2.4 - Relationships with Outside Groups

DISCUSSION

SVL is requesting \$6,000 in Outside Group Funding (OGF) for FY 2014/15 and anticipates enrolling 18 participants in the program. Similar to the FY 2013/14

agreement in place, staff is recommending that funding will be provided commensurate with the actual number of enrolled participants in Quarter 1. In FY 2013/14, SVL requested \$6,000 yet only had 15 enrolled participants; based on the pro-rated award per participant, the program will receive \$5,000 total.

In addition to this request, on October 23, 2013, the City Manager approved an In-Kind Services Agreement between the City and SVL. In-kind services include use of City facilities and City staff presentations at leadership classes. For more information on Leadership Sunnyvale, go to www.leadershipsunnyvale.org.

SERVICE LEVEL IMPACT

SVL's leadership training is consistent with the City of Sunnyvale's Community Vision Goals and Policies. This service is not offered by the City, nor is it included in current budgeted service levels.

FISCAL IMPACT

This Budget Supplement would allocate \$6,000 from the General Fund for SVL to continue Leadership Sunnyvale in FY 2014/15.

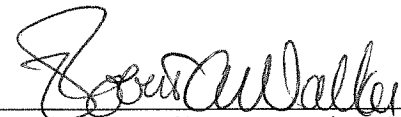
ALTERNATIVES

1. Approve the SVL funding request for \$6,000 of Outside Group Funding for FY 2014/15 commensurate with the actual number of enrolled participants; and authorize the City Manager to enter into an Outside Group Funding Agreement for disbursement of the funds in substantially the same format as presented in Attachment 1.
2. Reject the SVL funding request for \$6,000 of Outside Group Funding for FY 2014/15.
3. Other direction as provided by Council.

STAFF RECOMMENDATION

Staff recommends approval of funding commensurate with the actual number of enrolled participants.

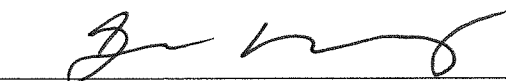
Reviewed by:



Robert Walker, Interim City Manager

Prepared by: Jennifer Garnett, Communications Officer

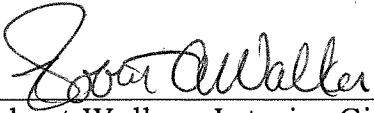
Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

Attachments

- A. Outside Group Funding Agreement

OUTSIDE GROUP FUNDING AGREEMENT

THIS AGREEMENT dated July 1, 2014 is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY"), and a non-profit corporation Silicon Valley Leadership ("SVL" or "CONTRACTOR")

WITNESSETH

WHEREAS, SVL has applied to CITY for and has been appropriated City funds in the amount up to \$6,000 for the purpose of providing public affairs and leadership training to community members for fiscal year 2014/15 ("Program").

NOW, THEREFORE, THE PARTIES agree to comply with the requirements set forth in the following documents, which are attached hereto and incorporated by these references herein:

- 1) Exhibit A: Standard Provisions
- 2) Exhibit B: Budget, Method of Payment and Reporting
- 3) Exhibit C: Quarterly Performance Report and Request for Reimbursement
- 4) Exhibit D: SVL Application

I. PROGRAM COORDINATION

- A. ROBERT WALKER, ASSISTANT CITY MANAGER, or his designee, shall be the PROGRAM MANAGER for CITY and shall render overall supervision of the progress and performance of this agreement by CITY. All services agreed to by CITY shall be performed under the overall direction of the PROGRAM MANAGER.
- B. SVL shall assign a single PROGRAM DIRECTOR who shall have overall responsibility for the progress and execution of this agreement. The PROGRAM DIRECTOR may also name a designee to perform these functions. Should circumstances or conditions subsequent to the execution of this agreement change, CONTRACTOR shall notify CITY immediately of such occurrence.
- C. All notices or other correspondence required or contemplated by this agreement shall be sent to the parties at the following addresses:

CITY: Robert Walker – Program Manager
P.O. Box 3707
Sunnyvale, CA 94088-3707
(408) 730-7458

CONTRACTOR: SVL
Board President
P.O. Box 61435
Sunnyvale, CA 94088

This agreement shall be for the period of July 1, 2014, through June 30, 2015.

IN WITNESS WHEREOF, the parties have executed this agreement in duplicate.

APPROVED AS TO FORM: ("CITY")

City Attorney BY: _____
City Manager

ATTEST: ("CONTRACTOR")

City Clerk BY: _____
Board President

("CONTRACTOR")

BY: _____

EXHIBIT "A"

STANDARD PROVISIONS

I. OBLIGATIONS OF CONTRACTOR

CONTRACTOR shall be responsible for the following:

A. Organization

1. Provide CITY with
 - a) Articles of Incorporation or other organic documents under the laws of the State of California or under the laws of the state of incorporation that the organization is incorporated.
 - b) A copy of its current bylaws.
 - c) Documentation of nonprofit status under Section 501(c)(3) of the Internal Revenue Code, if applicable.
 - d) Names and addresses of current Board of Directors.
 - e) An updated copy of organization's financial policies.
2. Report any changes in the Corporation's Articles of Incorporation, bylaws, or tax exempt status promptly to the PROGRAM MANAGER.
3. Permit no member of its Board of Directors to become a paid employee or paid agent of CONTRACTOR, or to receive any funds under this agreement, or to have any financial interest in this agreement.

B. Program Operations

1. Coordinate its services with other existing organizations providing similar services in order to foster community cooperation and to avoid unnecessary duplication of services.
2. Include acknowledgment of CITY funding and support on all appropriate publicity and publications, using words to the effect that "services are provided in cooperation with City of Sunnyvale" or "funded in whole or part by City of Sunnyvale."
3. Fully cooperate and communicate with the PROGRAM MANAGER relating to any PROGRAM areas of concern and the impact of PROGRAM on residents of CITY.

C. Fiscal Responsibilities of CONTRACTOR

1. Appoint and submit the name of a fiscal agent who shall be responsible for the financial and accounting activities of the CONTRACTOR, including the receipt and disbursement of program funds.

2. Establish and maintain a system of accounts that shall be in conformance with generally accepted principles of accounting for budgeted funds. Such system of accounts shall be subject to review and approval by CITY for compliance with the applicable requirements for the administration of funds referenced in this Agreement.
3. Document all costs by maintaining complete and accurate records of all financial transactions, including but not limited to contracts, invoices, time cards, cash receipts, vouchers, cancelled checks, bank statements and/or other official documentation evidencing in proper detail the nature and propriety of all charges.
4. Ensure proper internal control practices are in place. This includes complying with the following standard financial policies and procedures:
 - a) All cash received by CONTRACTOR is counted and verified by a minimum of two people.
 - b) Authorized signatories are established for checks and signature bank cards updated when officers change.
 - c) An invoice from a vendor, or standard reimbursement claim form from an individual, is required in order to process a reimbursement.
 - d) All checks, accompanied by supporting documentation, are signed by the fiscal agent and/or other required signatories. Any check written in an amount less than \$251 requires one signature. Any check written for \$251 or greater requires two account signatories.
 - e) All checks are pre-numbered and accounted for monthly. The fiscal agent shall retain a copy of all written checks with supporting documents. All voided checks must be defaced and retained either on the check stub or with the bank account statement.
 - f) No checks may be written to "cash" or "bearer." Blank checks may never be signed in advance, and shall be kept in secured storage.
 - g) The executive director's personal expense checks require two signatures (excluding the executive director) regardless of amount.
5. If the operating budget of the CONTRACTOR is greater than \$500,000, the CONTRACTOR is required to have an independent audit performed. The auditor's report and financial statements, prepared in accordance with generally accepted auditing standards, must be submitted to the CITY within 150 days of the end of the CONTRACTOR'S fiscal year. Exceptions can be made to this requirement with prior approval from the CITY'S Director of Finance.
6. If the operating budget of the CONTRACTOR is \$500,000 or less, or if the CONTRACTOR is not required to have an independent audit performed, CONTRACTOR must provide an annual financial report, which includes a profit and loss statement, a cash flow statement, and budget comparisons in an understandable manner. This annual financial report must be signed by the fiscal agent and must be submitted within 90 days of the end of the CONTRACTOR'S fiscal year.

D. Records, Reports and Audits of CONTRACTOR

1. Preservation of Records: CONTRACTOR shall preserve and make available its records pertaining to the operation of this agreement
 - a) until expiration of three years from the date of final payment pursuant to this agreement, and
 - b) for such longer period, if any, as is required by applicable law, or,
 - c) if this agreement is completely or partially terminated, records shall be preserved and made available for a period of three years from the date of any resulting final settlement.

2. Examination of Records, Facilities: At any time during normal business hours, and as often as may be reasonably necessary, CONTRACTOR agrees that CITY, or its duly authorized representatives, shall have access to and the right to examine its plants, offices, worksites and facilities used in performance of this agreement and its records with respect to all matters covered by this agreement, excepting those falling within the attorney-client privilege. CONTRACTOR also agrees that the CITY or its duly authorized representatives have the right to audit, examine and make excerpts or transcripts of and from, such records, and to make audits of all contracts and subcontracts, invoices, payrolls, records of personnel, conditions of employment, materials and all other data pertaining to this agreement.

3. Audits: The CITY may perform an independent audit of CONTRACTOR'S financial records for consistency with Financial Policies and Procedures. Such audit may cover programmatic as well as fiscal matters. CONTRACTOR will be notified in advance that an audit will be conducted. CONTRACTOR will be afforded an opportunity to respond to any audit findings, and have the responses included in the final audit report. Cost of such audits will be borne by the CITY.

E. Insurance

1. CONTRACTOR shall obtain, at its own expense and from an admitted insurer authorized to operate in California, the insurance coverage detailed below and shall submit Certificates of Insurance to the City of Sunnyvale's Program Manager.

2. CONTRACTOR shall take out and maintain during the life of the contract **Workers' Compensation and Employer's Liability Insurance** for its employees. The amount of insurance shall not be less than \$1,000,000 per accident for bodily injury or disease.

3. CONTRACTOR shall take out and maintain during the life of the contract such **Commercial General Liability Insurance** as shall protect CONTRACTOR, CITY, its officials, officers, directors, employees and agents from claims which may arise from services performed under the

contract, whether such services are performed by CONTRACTOR, by CITY, its officials, officers, directors, employees or agents or by anyone directly or indirectly employed by either. The amount of insurance shall not be less than the following: Single Limit Coverage Applying to Bodily and Personal Injury Liability and Property Damage: \$1,000,000.

4. The liability insurance shall include, but shall not be limited to:
 - a) Protection against claims arising from bodily and personal injury and damage to property, resulting from CONTRACTOR'S OR CITY'S operations and use of owned or non-owned vehicles.
 - b) Coverage on an "occurrence" basis.
 - c) Notice of cancellation to CITY'S Program Manager at least thirty (30) days prior to the cancellation effective date.

5. The following endorsements shall be attached to the liability insurance policy, and copies shall be submitted with the Certificate(s) of Insurance:
 - a) The policy must cover complete contractual liability. Exclusions of contractual liability as to bodily injuries, personal injuries and property damage must be eliminated.
 - b) CITY must be named as additional insured with respect to the services being performed under the contract.
 - c) The coverage shall be primary insurance so that no other insurance effected by CITY will be called upon to contribute to a loss under this coverage.

F. Assignability and Independent Contractor Requirements

1. None of the work or services to be performed hereunder shall be delegated or subcontracted to third parties without prior written CITY approval.
2. No subcontractor of CONTRACTOR will be recognized by CITY as such; rather, all subcontractors shall be deemed to be employees of CONTRACTOR and CONTRACTOR agrees to be responsible for their performance and any liabilities attaching to their actions or omissions.

G. Nondiscrimination

CONTRACTOR shall not discriminate in employment under the PROGRAM, deny any person the benefits of the PROGRAM, exclude any person from participating in the PROGRAM or subject any person to discrimination under any part of the PROGRAM, on the basis of race, color, religious creed, national origin, ancestry, disability, medical condition, marital status, sex, age of a person forty (40) years of age or older, or any other basis as to which discrimination is prohibited by state or federal law. CONTRACTOR certifies that it is aware of the requirements of the Americans with Disabilities Act and does not discriminate in the provision of its services on the basis of disability.

H. Surveys

CONTRACTOR will submit forms acceptable to CITY, and either independently or at CITY'S request, to clients served through the course of this agreement. These forms are expressly for the purpose of obtaining client satisfaction information which may at any time be used as part of the CITY'S monitoring program.

II. OBLIGATIONS OF CITY

A. CITY staff shall provide assistance to CONTRACTOR in explaining CITY imposed procedural or substantive contract requirements.

B. Monitoring and Evaluation

Evaluation of the PROGRAM performance shall be the responsibility of CITY, through its PROGRAM MANAGER. CONTRACTOR shall furnish all data, statements, records, information and reports necessary to monitor, review and evaluate the performance of the PROGRAM and its components. CITY shall have the right to request the services of an outside agent to assist in any such evaluation. Such services shall be paid for by CITY.

C. Payment of Invoices

Upon submittal of invoices by CONTRACTOR, CITY agrees to provide payment to the CONTRACTOR, within 30 days of submittal of invoice, subject to the conditions of other provisions in this agreement. CONTRACTOR shall submit invoices on forms provided by CITY.

III. DISCLOSURE OF CONFIDENTIAL INFORMATION

Confidential information pertaining to or acquired from an individual by CONTRACTOR while performing under this Agreement shall not be disclosed without the permission of that individual unless compelled by order or subpoena of a court or tribunal of competent jurisdiction. Nothing herein shall prevent CONTRACTOR or CITY from using confidential information to perform statistical analyses or other evaluations related to the performance of this Agreement, provided the identity of the individual who is the subject of the information is not disclosed.

IV. HOLD HARMLESS

CONTRACTOR shall defend, indemnify and save CITY, its officers, employees and elected officials, boards and commissions, harmless with respect to any damages arising from:

A. Any noncompliance by CONTRACTOR or PROGRAM with such laws, ordinances, codes, regulations and decrees;

- B. Any torts committed by CONTRACTOR, its agents, employees or officials, in performing any of the work or providing any of the services embraced by this agreement;
- C. All suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of CONTRACTOR'S performance under this agreement, including CONTRACTOR'S failure to comply with or carry out any of the provisions of this agreement.

V. CONTRACT NON-COMPLIANCE

Upon receipt of evidence of a failure by CONTRACTOR to comply with any provision of this agreement, including EXHIBITS, the CITY shall have the right to require corrective action to enforce compliance with such provisions. CITY shall have the right to require the presence of any CONTRACTOR's officers at any hearing or meeting called for the purpose of considering corrective action within five (5) days of issuing such notice.

In the event of contract non-compliance, the CITY shall forward CONTRACTOR a set of recommended specific actions to correct unsatisfactory program performance and a reasonable timetable for implementing the recommendations. Following implementation of corrective actions, CONTRACTOR shall forward to CITY, within the time specified by CITY, any documentary evidence required by CITY to verify that corrective actions have been taken.

In the event CONTRACTOR does not implement satisfactory corrective actions in accordance with the corrective action timetable, CITY may immediately suspend payments hereunder and/or provide notice of intent to terminate this agreement.

To be eligible for the full funding award of \$6,000, CONTRACTOR must enroll 18 participants at the beginning of the training program and all reasonable efforts must be made to maintain the full enrollment throughout the entire program. If 18 participants are not enrolled at the beginning of Quarter One, then the City shall deduct a pro rata share of the funding award commensurate with the actual enrollment numbers (currently \$333.33 per program participant). Once these amounts are deducted from the total award amount, then the Quarterly reimbursements shall be based on the new revised award amount.

VI. TERMINATION

- A. CITY may suspend or terminate this agreement for any reason by giving thirty (30) days written notice to the other party. Upon the expiration of such notice period, performance of the services hereunder will be immediately discontinued, and such termination will take effect, if notice thereof is not earlier rescinded in writing by CITY.
- B. Upon suspension or termination of this agreement by CITY, CITY shall be under no obligation to pay CONTRACTOR except for services previously performed for which payment had not previously been made.

- C. Upon suspension or termination, CONTRACTOR shall:
1. Be paid for all services actually rendered to CITY to the date of such suspension or termination; provided, however, if this agreement is suspended or terminated for fault of CONTRACTOR, CITY shall be obligated to compensate CONTRACTOR only for that portion of CONTRACTOR's services which are determined by CITY to be of benefit to CITY.
 2. Turn over to CITY promptly any and all copies of studies, reports and other data, whether or not completed, prepared by CONTRACTOR or its subcontractors, if any, in connection with this agreement. Such materials shall become property of CITY. CONTRACTOR, however, shall not be liable for CITY's use of incomplete materials or for CITY's use of complete documents if used for other than the services contemplated by this agreement.
- D. Unless sooner terminated by the parties, or by CITY pursuant to paragraph VI.A. of this Exhibit "B", this agreement shall terminate upon completion of the PROGRAM and final payment by CITY to CONTRACTOR.

VII. TERMS AND AMENDMENTS

If either party shall desire any amendment to this agreement, it may submit a written request for such amendment to the other party. No amendment to this agreement shall be effective except upon the mutual written consent of the parties.

VIII. COSTS AND ATTORNEY'S FEES

The prevailing party in any action brought to enforce the terms of this agreement or arising out of this agreement may recover its reasonable costs and attorney's fees expended in connection with such an action from the other party.

IX. WHEN RIGHTS AND REMEDIES WAIVED

In no event shall any payment by CITY or any acceptance of payment by CONTRACTOR hereunder constitute or be construed as a waiver by CITY or CONTRACTOR of any breach of covenants or conditions of this agreement or any default which may then exist on the part of CITY or CONTRACTOR, and the making of any such payment while any such breach or default shall exist shall in no way impair or prejudice any right or remedy available to CITY or CONTRACTOR with respect to such breach or default.

X. INTEGRATED DOCUMENT

This agreement embodies the agreement between CITY and CONTRACTOR and its terms and conditions. No oral agreements or conversations with any officer, agent or employee of CITY shall affect or modify any of the terms contained in the documents

comprising this agreement. Any such oral agreement shall be considered as unofficial information and in no way binding upon CITY.

XI. AGREEMENT BINDING

The terms, covenants and conditions of this agreement shall apply to, and bind, the heirs, successors, executors, administrators, assigns and subcontractors to both parties.

XII. GENERAL ASSURANCES

The CONTRACTOR hereby assures and certifies compliance with the regulations, policies, guidelines and requirements referenced in its application with the CITY, as they relate to the application, acceptance and use of CITY funds for this program. Also, the CONTRACTOR assures and certifies to the CITY that:

1. It possesses legal authority to apply for the funding which CITY has appropriated in connection with this agreement; that a resolution, motion or similar action has been duly adopted or passed as an official act of the CONTRACTOR'S governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the CONTRACTOR to act in connection with that application and to provide such additional information as may be required.
2. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other activities.

EXHIBIT "B"

BUDGET, METHOD OF PAYMENT, AND REPORTING

I. BUDGET

Reimbursement to CONTRACTOR shall not exceed \$6,000 for agreement period.

II. METHOD OF PAYMENT

A. Payment for Substantial Compliance with Program Objectives - Payments will be made *quarterly* upon receipt of the Quarterly Performance Report and Request for Reimbursement with sufficient documentation of services provided. CONTRACTOR shall submit Quarterly Performance Report and Request for Reimbursement within fifteen (15) days of the end of payment period (with the exception of quarter four which must be submitted by June 30, 2014). Total reimbursement under this agreement shall not exceed actual allowable documented expenses.

B. "Payment Period" is the *quarter* for which a payment is made.

III. REPORTING

Within fifteen (15) days of the end of quarters one, two and three the CONTRACTOR agrees to provide written reports to the CITY which detail PROGRAM performance in the attached Quarterly Performance Report and Request for Reimbursement. **The written report for quarter four must be submitted by June 30, 2014.** Such reports must include the following information:

- A. A narrative description of the services which have been provided to date for the performance year, related to the objectives and performance indicators set forth in this agreement.
- B. A numerical comparison of actual-to-planned performance, listing the performance indicators.
- C. Identification of performance indicators that are not being achieved, with a written explanation of why performance is below plan, and

timetable for corrective action. If implementation of corrective action requires a substantial change in contract requirements, a modification must be requested also.

- D. Identification of any operational difficulties that may affect the present or future performance of the contract.

Forms for quarterly reports are provided by the CITY.

Due Dates for Reports

<u>Period</u>	<u>Date</u>
July – September	October 15, 2014
October - December	January 15, 2015
January – March	April 15, 2015
April - June	June 30, 2015

EXHIBIT "C"

**City of Sunnyvale – Outside Group Funding
Quarterly Performance Report and Request for Reimbursement**

AGENCY: SVL

ACTIVITY NAME: Leadership Training

ADDRESS: P.O. Box 61435

CITY & ZIP: Sunnyvale CA 94088

PHONE: (408) 716-1837

FAX: (775) 521-0417

REPORT PERIOD: FY 2014-15

FISCAL SUMMARY					
	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative
Actual Expenditures	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<i>Planned Expenditures</i>	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
PERFORMANCE Indicators <i>Please indicate as appropriate: Households, Individuals, other (specify.)</i>					
Indicators (noted in Application) -- Actual and Plan	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Cumulative
1 Actual					
<i>1 Plan</i>					
2 Actual					
<i>2 Plan</i>					
3 Actual					
<i>3 Plan</i>					
4 Actual					
<i>4 Plan</i>					

<u>Reporting Period</u>	<u>Due</u>	<u>Reimbursement Requested*</u>
___ 1 st Quarter	10/15/14	\$ _____
___ 2 nd Quarter	1/15/15	\$ _____
___ 3 rd Quarter	4/15/15	\$ _____
___ 4 th Quarter	6/30/15	\$ _____

**Based on award amount, including any provisions in this Agreement to pro-rate the reimbursement amount.*

1. NARRATIVE.

Provide a narrative of program/project services rendered to date. Relate to the appropriate objectives.

2. PROBLEM IDENTIFICATION AND CORRECTIVE ACTION.

Identify any performance standards not being achieved. Provide an analysis of problem, with corrective action plan and timetable. Attach additional sheet as necessary.

3. IDENTIFICATION OF OPERATIONAL PROBLEMS.

Identify any operational difficulties which affect the present or future performance of the contract. Attach additional sheet as necessary.

Performance Report Expenditures

Program Administrative Cost	Activity Name:	
	Annual Budget (7/1/13-6/30/14)	Expenditures to Date
Salaries		
Employee Benefits		
Professional Fees		
Supplies		
Telephone / Communication		
Occupancy		
Equipment Costs		
Printing / Publications		
Insurance		
Travel		
Other		
Total Budget		

NOTE: Budgeted amount should reflect the amounts submitted in your application.
Attach additional sheets if there are more than two activities.

Program Director: _____
(sign)

Date: _____

Board President: _____
(sign)

Date: _____

May 2, 2014

SUBJECT: Funding for Study of Community Choice Aggregation (Study Issue)

BUDGET SUPPLEMENT REQUEST SUMMARY

In February 2014, the City Council prioritized Study Issue ESD 14-02 which would serve as a preliminary evaluation of the feasibility of establishing a Community Choice Aggregation program, either specifically for Sunnyvale or as a part of a regional, multi-city program. The study is estimated to cost \$30,000. Staff applied for grant funding from the World Wildlife Fund for the study and was notified in March that the City's proposal was not selected for award.

BACKGROUND

In development of Sunnyvale's Draft Climate Action Plan (CAP), it was identified that electricity use was the 2nd largest factor (after transportation) in Green House Gas (GHG) emissions in the City. The draft CAP identifies that significantly shifting energy consumption away from traditional electricity and natural gas would achieve over 50% of the targeted emission reduction goal. This can be done by creating or joining a Community Choice Aggregation (CCA) program. CCA is a system enabled by State legislation, which allows cities and counties to aggregate the buying power of individual customers in order to secure alternative or renewable energy supplies.

This Study Issue was initiated by the Sustainability Commission and would evaluate and quantify multiple unknowns including:

- Which communities would likely join and partner in a South Bay CCA
- Costs and risks to the City should Sunnyvale participate in the establishment of a CCA
- Which actions of the draft CAP that might be assigned and implemented through the charter of a CCA to facilitate emission reductions for the City
- How would a CCA best be established (what agency or founding of an agency could lead the effort) and framework that would guide CCA establishment

EXISTING POLICY

7.1A.1 Development of Budget and Resource Allocation Plan

A.1.14 Final actions on study items with significant financial impacts should be withheld until they can be made in the full context of the annual budget process.

Policy 3.5.1 Energy The City of Sunnyvale finds that the preservation of natural resources through the use of energy efficient activities is of great importance to the citizens and businesses of Sunnyvale. It is the purpose of this Energy Policy to:

- Promote economic development
- Maintain a healthy environment
- Maximize limited natural resources
- Encourage alternative forms of transportation
- Encourage cost reduction in City operations

Policy Statement: It is the policy of the City of Sunnyvale that the City will:

- Support Federal State, and other local agency energy-related legislation when consistent with this policy
- Support efforts to provide affordable, reliable, diverse, safe, and environmentally acceptable power to the citizens and businesses of Sunnyvale

DISCUSSION

Establishing a CCA is one action in the draft Climate Action Plan that can achieve more emission reductions than all other actions combined. It is a model that has been successfully implemented in Marin and is now going into effect in Sonoma County. CCA offers an opportunity for community choice, and it has the potential to create permanent local jobs, fund local renewable energy projects (including accelerating local solar installations), and help fund energy efficiency programs for the community.

There is growing interest in a CCA among South Bay communities. On March 14, 2014, the Board of Directors of the Cities Association of Santa Clara County received an overview presentation on Community Choice Aggregation from the non-profit group LEAN Energy, and as a result the Cities Association added CCA to its list of priorities for the year and formed a subcommittee. In addition to Sunnyvale, the subcommittee includes several neighboring communities including Mountain View, Cupertino, Monte Sereno, and Los Altos Hills. Staff is reaching out to the interested communities to explore a potential study partnership including the possibility of contributing funding towards the study. The scope of this partnership and joint study is still to be determined. The City of Mountain View has expressed preliminary interest in contributing funding towards a study.

SERVICE LEVEL IMPACT

Funding of this budget supplement will not impact current service levels.

FISCAL IMPACT

The cost of this budget supplement is \$30,000. Staff tried and was unable to secure grant funding for the study and does not foresee additional grant opportunities in the near future, which means that this study would need to be funded by the General Fund. Staff will engage interested cities who may be willing to contribute towards a joint study. Upon determination and agreement of the study scope and financial contribution, such contributions may offset the requested funds from the General Fund.

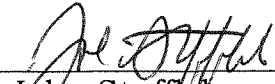
ALTERNATIVES

1. Approve funding \$30,000 from the General Fund for Study Issue ESD 14-02.
2. Do not approve the funding for Study Issue ESD 14-02.
3. Other actions as directed by Council.

STAFF RECOMMENDATION

Staff recommends approval of Alternative 1, Approve funding \$30,000 from the General Fund for Study Issue ESD 14-02.

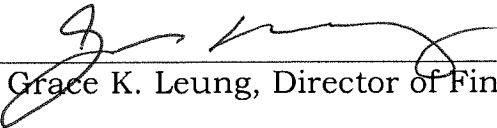
Reviewed by:



John Stufflebean, Director of Environmental Services

Prepared by: Melody Tovar, Regulatory Programs Division Manager

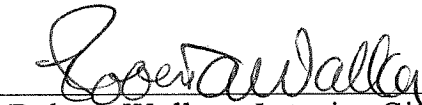
Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

This Page Not Used

May 2, 2014

**SUBJECT: Downtown Sunnyvale Business Improvement District (BID) \$30,000
Funding Request**

BUDGET SUPPLEMENT REQUEST SUMMARY

As part of the BID's annual reauthorization, the Sunnyvale Downtown Association (SDA), on behalf of the BID, requested \$30,000 from the City to support promotional efforts such as special events and an updated visitor's guide. Approval of this request would provide \$30,000 to the BID from the General Fund.

BACKGROUND

The SDA requested that the City provide matching funds to augment the revenue they receive in BID assessments. The request was received as part of the BID's Annual Report and BID reauthorization request for FY 2014/15. On April 8, 2014, Council directed to staff to prepare a Budget Supplement for Council review, only if the SDA provided additional information to justify the request, during the City's budget process.

On April 10, 2014, the SDA submitted additional justification (Attachment A) for their request. The SDA states that the funding is needed due to three main reasons:

1. Past City funding to the SDA has decreased while City fees have increased
2. Everything the SDA does is a reflection of the City
3. The City is one of few cities that does not partner, fund, nor produce large community events for a downtown area

Funding History

Prior to the SDA asking the City to help them form a BID, the City provided a significant amount of funding as well as in-kind services and staff support to the SDA. The main reason the City agreed to financially support the SDA in forming a BID was to make the SDA a self-funded/stand-alone organization. The intention was for the SDA to leverage the BID assessment revenue with additional sponsorships from downtown businesses for all events. Most recently, the City has provided the following grants to the SDA:

- FY 2012/13
 - \$ 7,500 (for Jazz & Beyond, Holiday Tree Lighting, and Summer Series)
 - \$10,000 as approved by City Council on April 24, 2012
- Fiscal Year 2013/14
 - \$5,500 (for Holiday Tree Lighting, Jazz & Beyond, and Summer Series).

For FY 2012/13, the City invoiced the SDA \$8,721 for police services for the Summer Music + Market Series. For FY 2013/14, the City invoiced the SDA \$10,642 for police services as well as fire prevention inspections. The City does not require the SDA to provide police services for the Jazz & Beyond nor the Holiday Tree Lighting events. The City has worked with the SDA to keep costs at a reasonable level and only requires the SDA to use City services when truly needed.

Economic Development staff contacted several neighboring communities to inquire whether or not those cities provide direct financial assistance to their respective BIDs or partner with the BIDs to host special events. Staff found that while most cities do not provide direct financial assistance to the BIDs, some cities such as Palo Alto and Mountain View support their BIDs and Chambers of Commerce by providing in-kind services such as not charging for processing the BIDs and not charging for some city services required during special events. Los Gatos and San Jose have contracts with SDAs or Chambers to provide marketing materials that the cities use to promote their communities.

The City of Mountain View's Recreation Department organizes and sponsors several annual events in their downtown area. These events include a Holiday Tree Lighting, Summer Concert Series, and the Spring Family Parade. The City of Mountain View rotates its Summer Concert Series between Castro Street and two city parks.

EXISTING POLICY

Council Policy 7.2.18 Special Events

POLICY STATEMENT (excerpt):

The City is committed to encouraging privately sponsored special events while providing for the protection of residents, visitors and event participants. It is the intent of the City to protect the quality of life of its residents and provide careful stewardship of City resources by establishing:

- The least restrictive and most reasonable manner of regulation to maximize the benefits and minimize the burdens of special events;
- Streamlined event application and approval processes;
- Policies and regulations that allow for the advance planning and management of City personnel and resources.

DISCUSSION

According to the SDA the funding will allow them to increase the number of Summer Music + Market Series from nine to eleven events, reinstate the Magic of Sunnyvale Wine Stroll, coordinate a "game day" 49ers celebration event, and update its visitors guide to be distributed to Sunnyvale hotels and other businesses to attract people to the downtown.

Staff notes that the budget submitted by the BID shows a deficit of \$11,689 without the matching funds for FY 2014/15. Staff is concerned that the additional funds may be used to offset the deficit and the SDA may not be able to accomplish all the activities promised on the request for matching funds.

Staff asked the SDA to provide additional detailed information regarding the expenditures for the proposed events to be funded with the \$30,000. On April 17, 2014, the SDA provided an addendum to their original request (Attachment B). The SDA provided a breakdown of the projected expenses for "Game Day" and a breakdown of the projected expenses and revenue for a typical Summer Series Music + Market event. The SDA did not provide a summary or projected budget for the "Wine Stroll" or the proposed revised visitor's guide.

SERVICE LEVEL IMPACT

This budget supplement request would provide General Fund monies to support the SDA's promotional efforts. Use of General Fund resources should be considered in the context of all other City service priorities.

FISCAL IMPACT

This budget supplement would allocate \$30,000 from the General Fund to the SDA to provide about four special events in the downtown and a visitor's guide, or require Council to reduce services in another area by a corresponding amount. An additional eight (8) hours of staff support needed per year for processing this request and managing documentation would be absorbed within the existing operating budget.

ALTERNATIVES

1. Do not approve the \$30,000 requested by the Sunnyvale Downtown Association.
2. Approve the \$30,000 requested by the Sunnyvale Downtown Association and distribute on a reimbursement basis \$15,000 during the first quarter of the fiscal year with the remaining \$15,000 distributed during the third quarter of the fiscal year, based on the timing of the events.
3. Approve a portion of the \$30,000 requested by the Sunnyvale Downtown Association, to be disbursed on a reimbursement basis and for specific purposes only, as directed by City Council.
4. Consider this request in the context of all other requests for City support of Community Events via the City's established Community Event Grant process.
5. Other direction as provided by Council.

STAFF RECOMMENDATION

Staff recommends Alternative 4, Consider this request in the context of all other requests for City support of Community Events via the City's established Community Event Grant process.

Staff does not recommend approval of General Fund support for BID activities other than special events (e.g., revisions to the SDA's visitor guide) for several reasons. First, prior to the BID being formed, the City funded many of the SDA's operations such as envelopes and letterhead, and provided financial assistance and staff support during the Summer Music + Market Series. In 2006, the SDA asked the City to fund a consultant and a part-time executive director to form a BID. The City provided \$47,050 and about 100 hours of staff time to help the SDA form a BID. The main reason the City provided the funding was to support the SDA to become a self-funded and stand alone organization whose main purpose was to organize events and market the downtown area.

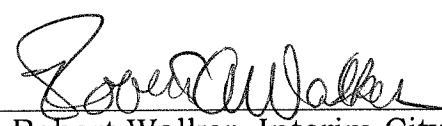
Second, the SDA has listed an increased cost of doing business as a reason for needing the City's financial support, yet it has not increased association fees for member businesses since the BID was created in 2007.

Third, the City believes it provides a reasonable level of support to the BID in numerous ways. City staff continues to work hard to attract new businesses to the downtown. Currently, staff is working closely with the brokers representing the Solstice and Carmel projects. Both of these projects are located at the former Town & Country site. The Solstice project is almost complete and has confirmed several leases. Some of the signed leases are with Kabul Afghan Restaurant, Flywheel, The Prolific Oven Bakery & Coffeehouse, Nom Burger, Beach Hut Deli, and Japan Center (JRC). The Solstice project expects to have an additional five to ten new businesses in the near future. The Carmel Lofts project will have room for about five new businesses with one tenant, Philz Coffee, already confirmed. The businesses in these two projects are planning to open by the end of 2014. The BID will have an opportunity to work with these new businesses to generate additional revenue.

Lastly, the type of support detailed above is provided not only to the SDA, but to businesses throughout the City. Staff believes it is important to be consistent in its support of City businesses, and would not recommend financial support for such activities as visitor guides or letterhead for any private business, regardless of City location. Support for a community event, however, is something that any private business could apply for through the Community Event Grant process.

Recommending the Community Event Grant process as the appropriate vehicle with which to consider the SDA's request maintains the integrity of that process as the one distribution center for all such requests, and ensures that all businesses throughout the City have access to the same funding opportunities. Staff has encouraged the SDA to submit its \$30,000 request via the City's special event grant funding process as well, to ensure it does not miss that window of opportunity.

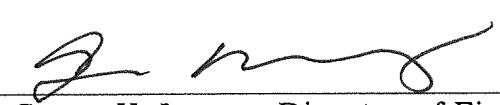
Reviewed by:



Robert Walker, Interim City Manager

Prepared by: Connie Verceles, Economic Development Manager

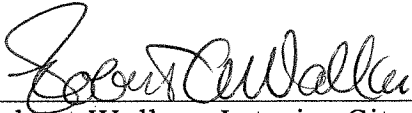
Reviewed by:



Grace K. Leung, Director of Finance

City Manager's Recommendation

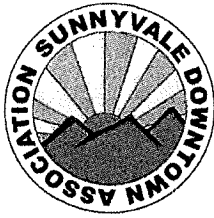
- Approve Budget Supplement for funding
- Do Not Approve Budget Supplement for funding



Robert Walker, Interim City Manager

Attachments

- A. Funding Request Submitted by the SDA on April 10, 2014
- B. Additional Information on Funding Request Submitted by the SDA on April 17, 2014



April 10, 2014

City of Sunnyvale
Mayor and City Council
456 W. Olive Ave.
Sunnyvale, CA 94086

Dear Mayor and Council Members,

Thank you for the opportunity to go into further detail of possibility of the City of Sunnyvale approving a matching funds partnership between the Sunnyvale Downtown Association (SDA) and the City of Sunnyvale. As you know, the (SDA) is a non-profit membership based organization whose mission is to promote, advocate and enhance the vitality of downtown Sunnyvale. The SDA is funded by a business improvement district (BID) with member voted assessments, city grants, sponsorships, and revenue producing events.

The SDA serves as the voice of downtown Sunnyvale by:

- Advocating for policies, programs and events that support the economic growth of the downtown core
- Acting as the downtown marketing arm, voice and ambassador for the City of Sunnyvale
- Producing attractive events for the community
- Promoting downtown as a premier venue for other groups to produce events
- Working with other community based organization's that share in the growth, beautification, and continual vitality of downtown Sunnyvale
- Serving as the primary information portal to all events, attractions and programs stemming from the downtown core

There are three reasons why we request matching funds:

1. Past Funding has decreased while city fees have increased.

Four years ago we received \$17,500.00 from the City of Sunnyvale through the community grants program. At that time the City had a pool of \$30,000.00 in the fund. The SDA received roughly 60% of the fund (\$17,500.00) the grant pool monies have declined over the years and as of last year SDA received only \$5,000.00. Despite the decline in funding from the City, the City has increased their City service fees due to the cost of living increase. Event application, public safety, fire inspections have all increased. Police services for the summer series alone have gone up to over \$3,000,00 a year from four years ago. Taking these factors into consideration, in essence our city funding has decreased over \$15,000.00 a year.

2. Everything we do is a reflection and benefit to City of Sunnyvale.

When we talk with the residents and guests at our events most of them believe that the City of Sunnyvale's staff produces all of our events, Facebook page, website, visitors guide etc. There isn't a time during each event that someone doesn't come up to staff and volunteers of the SDA and thank the City of Sunnyvale for doing such a wonderful job putting on these events. We represent the City in a positive way that makes our residents proud to live here. Not only do we continue to produce creative, fun and safe events we do this at a fraction of the cost if the City were to produce these events themselves. Our part time staff are exceptional at what they do and don't receive exorbitant pay. Total annual contracted staff pay is under \$40,000.00 for the year. Arguably, where we shine most is our hard working volunteer/board staff. Our board members and community volunteers believe in their events and our mission. They put in many hours to see things come to fruition. For just the Tree lighting alone there are over 80 volunteers for this one-day event donating their time to make this community event successful. Total volunteer hours during the year exceed well over 1000 community hours for our events, who help with support, planning, marketing and event production.

3. Sunnyvale is one of the few cities who doesn't partner, fund or produce large community events for their downtown.

The importance of city marketing/promotion is paramount, especially now. Every day we are competing with other cities for visitor and resident dollars. We struggle to compete with our neighboring cities as these same cities set aside marketing dollars in an attempt to lure patrons to their downtown. For example:

San Jose Downtown Association receives an annual \$300,000.00 marketing contract from the city of San Jose. San Jose has four BIDs. Downtown BID (\$720,000.00 budget) and also has a Downtown property based improvement district; Willow Glen CBID (\$223,000.00 budget) Japantown (\$32,000.00 budget), and a Hotel BID (\$1,900,000.00 budget). Staff spends about three hours per month attending their meetings and spends one to three hours per month on supporting the BIDs. The City of San Jose absorbs the BIDs administrative costs for invoicing. San Jose will also support events through grants.

Mountain View summer music series is 100% funded and produced by city staff. Their downtown association and chamber assists with vendor booths and beverage sales. Mountain View has two BIDs. The BIDs budget is between \$40,000.00-\$48,000.00 a year. City staff spends about 30 hours per year to prepare Council reports and for invoicing. The City absorbs staff time. The City will also fund special events. Funding depends on events. Events are also hosted by the Chamber and Central Business Association

Los Gatos

Los Gatos does not have a BID. But they do have a marketing agreement with the Chamber of Commerce for \$35,000.00 a year to develop marketing and outreach materials. Chamber staff also coordinates special events. City staff will support Chamber for about 30 hours per year and this includes assistance with special event coordination.

Overview & Budget comments

Our partnership becomes even more critical as we are the closest city with a downtown to the new 49er stadium. This fiscal impact to our downtown can be tremendous if we market and brand ourselves accordingly. Through well thought out marketing and event planning we can be the downtown to go to before and after any event that comes to the stadium. With the City matching funds we can accomplish this. As per the revised budget, (attached) part of the funds would be used for "Game Day" a 49er celebration event during pre-season or at season opener in with the intent of establishing downtown Sunnyvale as the downtown of the 49ers and any other event taking place at the stadium. Strategic advertising through sites like Google and Facebook will be used to direct pre and post traffic to downtown Sunnyvale. Matching funds is a crucial component to make this happen, as this year is the only time we can make that first impression. A tentative budget for the event is \$11,000.00 projected.

Matching funds will enable us to meet the cost of living expenses and continue our 11 week Summer Music Series instead of reducing it to 9 weeks and reinstate the Wine Stroll, which was cancelled for lack of funds. If we don't receive funding will not be able to print our Visitor's Guide for our hotels, libraries, businesses and other public places. Updated material is critical for the newbies arriving at the stadium because our current guide is antiquated due to the new downtown business influx from Solstice and Lofthouse developments.

With all that being said without the matching funds the SDA will still have a shortfall. In addition to the 5% contingency, set aside in our budget for wiggle room we will ask any paid staff member to take a voluntary 20% cut in pay in order to stay within budget. The Executive Director has already agreed to do this if need be in lieu of any further event or service cuts.


If the City decides to match funds we would ask to receive half of the funding during the first quarter of the fiscal year and the second payment during the second quarter as most of the events fall under these two quarters. The SDA will submit support documentation using the current community grants format.

Sunnyvale has succeeded exceptionally in creating a vital business environment, has put substantial efforts in fostering a modern downtown through its redevelopment efforts; why not give us the financial tools to promote our downtown in equal measure?

If council is has any further questions or need any additional information please reach out to the SDA as we would be more than happy to update or answer any follow up questions you may have,

Thank you for your past support and once again please support our request for matching the BID assessments.

Yours in community spirit,



Joe Antuzzi
Chairman of the Board
Sunnyvale Downtown Association
408-733-9600

Sunnyvale Downtown Association - P.O. Box 70785 Sunnyvale, CA 94086



April 17, 2014

Sunnyvale City Council,

Please accept this additional information regarding the possibility of our city providing matching funds to the BID. I have enclosed the Game Day! projections and summary.

It's obvious that the businesses benefit from the events and the efforts of the SDA. Just one Wednesday night summer series event generates over 30k a night to our local economy. (based on 2,000 people spending \$15 per person on food, drinks, arts & crafts etc.)

What may be overlooked or not often talked about is the impact on the residents of Sunnyvale – our community.

These events help or local community non-profits. Over 150 volunteers a year are needed to man the beverage booths of our events. Any non-profit may request... "to reserve an evening to work in the beverage booth" These non-profits are allowed to display and disseminate information about their organization along with the placement of a tip/donation jar stating that all tips and donations will go to said non-profit. Like most food & beverage services patrons tip the staff after receiving their drinks. These non-profits earn \$300 - \$500 per night! Over 5k per year goes towards the aid of Sunnyvale neighborhood associations and city non-profits!

In addition to raising money for our community groups, our events provide not only visibility to our city but visibility for our non-profits, schools and businesses residing outside of our downtown. For example: every year the Holiday Tree lighting event features performances by Columbia Middle School, Fremont High, Homestead High and Dance Attack!. These schools rehearse for many hours in preparation to perform at this event. The tree lighting gives an opportunity for over 100 of our Sunnyvale kids a platform to show off their talents in front our families and friends.

As it has been said many times before...most Sunnyvale residents think these events are put on by the city. These FREE events are a reflection of you, we... us; these events bring pride to our community. The city of Sunnyvale needs to be more proactive in branding our downtown as downtown is our heart to our city and our community.

If you have any additional questions or concerns please do not hesitate to call the SDA at 408 516-7217.

Yours in community spirit,

A handwritten signature in black ink, appearing to read "Joel Wyrick".

Joel Wyrick
Executive Director - Sunnyvale Downtown Association

WEEKLY SUMMER SERIES PROJECTED REPORT 20

Notes & Comments

Attachment B

		Projected	
EXPENSES			
City Services			
Banners			
El Camino & Wolfe Roads			
Permits			
Application Permit			
		\$ -	
Street Closure			
		\$ 546.00	unless city lets us do it ourselves
Plaza del Sol Closure			
Building & Electrical			
		\$ -	
Fire Inspection			
		\$ -	
Police			
		\$ 1,328.00	
Subtotal - City Services		\$ 1,874.00	
County Services			
Permits			
ABC			
		\$ 50.00	
Health			
		\$ -	
Subtotal - County Services		\$ 50.00	
Entertainment & Hospitality			
Bands & Entertainment			
		\$ 650.00	
Sound Company			
		\$ -	
Costs of Goods Sold (beverages)			
Beer			
		\$ 550.00	
Cups for Beer & Wine			
		\$ 333.00	
Wine			
		\$ 150.00	
Water & Soft Drinks			
		\$ 30.00	
Street Performers			
Balloon Artist			
Face Painter			
VIP/Hospitality Suite (catered food)			
Subtotal - Entertainment		\$ 1,713.00	
Equipment Rentals & Purchases			
		\$ -	
Booths, Tables & Chairs			
		\$ 500.00	
Generators &/or Electrical Boxes			
		\$ -	
Signage			
		\$ -	A-frames (no alcohol, coolers, glass)
Sound System & Lighting			
Porta Potties			
Radios			
Staging & Lights			
		\$ 1,000.00	
Subtotal - Equipment Rentals		\$ 1,500.00	
Marketing & Advertising			
Artwork & Design			
		\$ -	
Banners			
		\$ -	
Posters (18 x 24) @ 200			
		\$ -	
Flyers (business card size) @ 10k			
		\$ -	
Print Advertising			
		\$ -	
Signage (additional)			
Street Marketing			
		\$ -	
Subtotal - Marketing & Advertising		\$ -	
Subcontractors			
Dumpsters & Recycling			
		\$ 150.00	
Fencing			
		\$ -	
Security			
		\$ 200.00	

Staff/Production Crew		
Event Coordinator		Joel
Beverage Coordinator	\$ 150.00	
Vendor Coordinator		
Volunteer Coordinator		
Set up & clean up	\$ 300.00	
Power Washing		
Subtotal - Subcontractors	\$ 800.00	
Other		
Insurance		
Ice	\$ 70.00	
Garbage Bags	\$ 63.00	
Misc (tape, chalk, rope etc.)	\$ 30.00	
Contingency 5%	\$ 305.00	
Subtotal - Other	\$ 163.00	
TOTAL EXPENSES	\$ 6,100.00	
REVENUE		
CONTRIBUTED INCOME		
Grants		
City/Government		
Subtotal - Grants	\$ -	
Space Rentals - Vendors		
Food & beverage	\$ 200.00	
Arts & Crafts	\$ 350.00	
Subtotal - Space Rentals	\$ 550.00	
Sponsorships		
Presenting Sponsor		
Stage Sponsor		
Community Sponsors		
Friends of Sponsors		
Subtotal - Sponsorships	\$ -	
Ticket & Beverage Sales		
Drinks	\$ 2,750.00	
Subtotal - Sponsorships	\$ 2,750.00	
Additional Income		
Subtotal - Additional Income	\$ -	
TOTAL REVENUE	\$ 3,300.00	
NET PROFIT / LOSS	\$ (2,800.00)	

Game Day! Summary

Downtowns in general, receive many benefits when there is an arena, stadium or convention center near or within its core. It's no secret that San Jose businesses enjoy huge financial gain because of the "shark tank" and convention center proximity. Santa Clara has a brand new stadium... "Levi Stadium", unlike cities like San Jose and San Francisco, Santa Clara doesn't have a downtown. There's no nightlife or restaurant/bar density near the stadium; this is where Sunnyvale comes in. Half of the 49er fan base will come from the North Bay. These San Franciscans will not be traveling any further south of the stadium... they will ask themselves, "Where is the nearest downtown or area to congregate before or after the game?" If we position ourselves accordingly we can brand Sunnyvale as the place to be before and after events.

This fiscal impact to our downtown can be tremendous. With the city matching funds, we can accomplish this. Part of the funds would be used for "Game Day!" a 49er celebration event during pre-season or at season opener with the intent of establishing downtown Sunnyvale as the downtown of the 49ers and any other event taking place at the stadium! Strategic advertising through sites like Google and Facebook will be used to direct pre and post traffic to downtown Sunnyvale.

Sunnyvale has a rare opportunity to take advantage of the San Francisco Forty Niners moving to the south bay.

Game Day! will follow our Summer Series model. This would include closure of Murphy Avenue with live entertainment and vendors. Where Game Day! is different... it will be held on Sunday and the vendors will support the look and feel of the event. Sports memorabilia, possible past NFL football players signing autographs, trading card vendors... anything football. Football décor is plentiful and free as the national beer companies have already expressed an interest in supporting our event with more than enough point of sale football decorum. We will also attempt to secure past NFL football players as our stage MC's during the event.

The SDA feels this is a one shot deal as you only get one chance to make a first impression. People are creatures of habit and if we strike first we can make an impact on the fans branding Sunnyvale as the place before or after a Levi Stadium event.

GAME DAY!		Projected	Notes & Comments
EXPENSES			
City Services			
Permits			
Street Closure	\$	500.00	
Building & Electrical	\$	92.00	
Fire Inspection	\$	210.00	
Police	\$	1,992.00	
Subtotal - City Services	\$	2,794.00	
County Services			
Permits			
ABC	\$	50.00	
Health	\$	-	
Subtotal - County Services	\$	50.00	
Entertainment & Hospitality			
Bands/Entertainment	\$	1,000.00	joel
Costs of Goods Sold (beverages)	\$	750.00	
Sales Tax (alcohol & carb. drinks)	\$	-	
Street Performers			
Balloon Artist	\$	-	
Face Painter			
VIP/Hospitality Suite (catered food)	\$	-	
Subtotal - Entertainment	\$	1,750.00	
Equipment Rentals & Purchases			
Booths, Tables & Chairs	\$	500.00	
Generators &/or Electrical Boxes	\$	-	
Sound System & Lighting			bands are supplying
Staging & Lights	\$	1,000.00	
Subtotal - Equipment Rentals	\$	1,500.00	
Marketing & Advertising			
Artwork & Design	\$	800.00	
Posters (18 x 24) @ 200	\$	550.00	
Flyers (4x6) @ 10k	\$	750.00	
Print Advertising	\$	2,000.00	sunnyvale sun metro
Signage			
Street Marketing	\$	300.00	
Subtotal - Marketing & Advertising	\$	4,400.00	
Subcontractors			
Dumpsters			not needed using gary and joe a's dumpster
Fencing			not needed
Security			not needed (see city services police)
Staff/Production Crew			
Event Coordinator	\$	-	joel wyrick
Beverage Coordinator	\$	150.00	adam andrews
General Staff (bev booth/volunteers)			12 people for 6 hours/volunteers
Set up & clean up	\$	300.00	
Power Washing			not needed
Subtotal - Subcontractors	\$	450.00	
Other			
Insurance			joel
Ice	\$	125.00	
Misc (tape, chalk, rope etc.)	\$	200.00	balloons joel & helium/gary
Subtotal - Other	\$	325.00	
TOTAL EXPENSES	\$	11,269.00	

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GLOSSARY OF BUDGET TERMS

<i>Accrual</i>	The basis of accounting that recognizes revenues when earned and expenses when incurred, regardless of when cash changes hands.
<i>Activity</i>	Under the City's Performance Based Budget structure, an activity is the lowest level cost center within an operating program. It incorporates everything that goes into providing a specific service.
<i>Allocated Costs</i>	A method for allocating overhead time and other expenses to activities that provide direct services.
<i>Appropriations</i>	Expenditure authority created by City Council.
<i>Asset Forfeiture Fund</i>	This fund accounts for the proceeds from sale of assets seized primarily from illegal narcotics activities. Asset Forfeiture funds are used for law enforcement purposes.
<i>Basis of Budgeting</i>	Basis of budgeting refers to the method used for recognizing revenues and expenditures in the budget. The City uses the modified accrual basis of accounting for budgetary purposes, which is in compliance with Generally Accepted Accounting Principles.
<i>Base Budget</i>	Those resources necessary to meet an established and existing service level.
<i>Budget</i>	A financial plan consisting of an estimate of proposed expenditures, the proposed means of financing those expenditures and the corresponding purposes for a given time period.
<i>Budget Issue</i>	A request to add a new service or increase/decrease an existing service level. Budget Issues referred for consideration by City Council to the City Manager become Budget Supplements.
<i>Budget Modification</i>	A change in expenditure levels and corresponding resources needed to accomplish an existing service level or unanticipated service. All budget modifications are reflected in the current year budget and have been approved by City Council.

GLOSSARY OF BUDGET TERMS

<i>Budget Supplement</i>	A proposal for an increase or decrease in an existing service level (over and above the base budget) or to add a new service. All Budget Supplements are considered with the City Manager's Recommended Budget.
<i>Business License Tax</i>	This two-year tax is based on the number of employees or rental units (for rental properties). Beginning in 2010, this tax was annually adjusted for inflation.
<i>Comprehensive Annual Financial Report (CAFR)</i>	A set of governmental financial statements that complies with the accounting standards set by the Governmental Accounting Standards Board.
<i>Capital Project</i>	A capital improvement that usually requires a major initial investment, and results in a new asset for the City.
<i>Capital Projects Fund</i>	Funds that are used to account for financial resources to be used for the acquisition or construction of major capital projects (other than those financed by enterprise funds).
<i>Community Condition Indicator</i>	A statistical measure of existing conditions within the City. These provide tangible and quantitative expressions of the General Plan's goals, while some indicators directly impact City services.
<i>Community Development Block Grant Fund (CDBG)</i>	This fund accounts for use of community development block grant funds received from the federal government. Other revenues in this fund include repayments of commercial and residential loans and rental income from City property. Funds are used for programs or projects that increase affordable housing and benefit people with special needs such as senior and handicapped citizens.
<i>Construction Tax</i>	This tax is levied by City ordinance at a rate of \$0.0054 of the building permit valuation.
<i>Debt Service</i>	Principal and interest requirements on outstanding debt.
<i>Depreciation</i>	A method of allocating the cost of an asset over its useful life.

GLOSSARY OF BUDGET TERMS

Employment Development Fund

This fund accounts for various Federal funds and program revenues used for workforce development activities conducted by the North Valley Job Training Consortium (NOVA).

Employee Benefits Fund

This fund accounts for charges to City salary expenditures for leave time, employee benefits, workers compensation and retirement benefits on a cost reimbursement basis.

Enterprise Fund

These funds are used to account for operations that are financed and operated in a manner similar to private business where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges (eg: Utility and Golf and Tennis activities).

Expenditure

The actual outlay of funds from the City treasury.

Fiscal Year

A 12-month period of time, from July 1 through June 30.

Full Cost Accounting

A managerial accounting technique that accumulates both direct and indirect costs for financial reporting and decision making purposes. This technique helps the City assess the true cost of providing a service in relation to the associated benefits.

Fund

A fiscal and accounting entity that has a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. City resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Funding Sources

Identifies resources that will support City expenditures.

Gas Tax Fund

This fund is required by state law to account for gas tax revenues received from the state and expended for construction and maintenance of City streets.

GLOSSARY OF BUDGET TERMS

General Fund

A fund that accounts for all financial resources necessary to carry out basic governmental activities of the City that are not accounted for in another fund. The General Fund supports essential City services such as police and fire protection, street maintenance, libraries, and parks and open space maintenance. Revenues to support the General Fund are derived from sources such as property tax, sales tax, franchise fees and service fees.

General Plan

The General Plan is a long range planning document that provides the City a framework for action and the direction in which to focus that action. General Plan chapters address the delivery of services to the community.

General Plan Goal

A long-term condition or end result that the City will work toward. Broad goals are set to maintain or affect community conditions.

General Services Fund

This fund accounts for charges to City Programs for use of fleet equipment, building space, print shop services and computer services on a cost reimbursement basis.

Golf and Tennis Fund

This fund is used to account for all of the revenues and expenses related to the two city-operated golf courses and the tennis center.

Governmental Funds

Governmental funds are used to account for functions of the City that are principally supported by taxes and intergovernmental revenues. The governmental activities of the City include planning and management, public safety, community development, transportation, socioeconomic, cultural and environmental management.

Grant

A contribution by a government or other organization to support a particular function.

GLOSSARY OF BUDGET TERMS

Housing Fund

This fund is used to account for housing mitigation revenue and Below Market Rate (BMR) program funds for the City's affordable housing needs. Funds are expended on special and capital projects designed to achieve the City's goal of affordable housing and community development.

In-Lieu Charges

Each fund's share of Citywide overhead costs for programs such as: Finance, Human Resources, Office of the City Attorney, and Office of the City Manager.

Infrastructure Renovation and Replacement Fund

A fund used to account for resources used for the City's long-term infrastructure renovation and replacement program.

Infrastructure Project

A project that is designed for the renovation and/or replacement of infrastructure assets.

Interfund Transfer

Amounts transferred from one fund to another.

Internal Service Funds

These are funds used to account for the financing of goods or services provided by one department or program to other departments or programs of the City on a cost-reimbursement basis.

Liability and Property Insurance Fund

This fund accounts for charges to City Funds for property and liability insurance on a cost reimbursement basis.

Legislative Issues

Major policy decisions made by the City Council on matters such as General Plan policies, ordinances, and resolutions requiring study that need to be scheduled on Council's calendar.

Operating Budget

A financial plan for the provision of direct services and support functions.

GLOSSARY OF BUDGET TERMS

Operating Program

The City manages under a performance budget concept organized by programs, service delivery plans and activities. There are two fundamental types of programs - direct services, which produce results directly affecting constituents or the environment; and support, which serve the direct services programs.

Origination Year

The origination year is the fiscal year a project and its related costs were put into the Resource Allocation Plan. This is not necessarily the year the project is started.

Outside Group Funding Project

A project that captures City contributions made to local community-based organizations. These projects are funded from Community Development Block Grant (CDBG) and General funds.

Park Dedication Fund

This fund is used to account for funds that developers contribute towards the acquisition, construction, or renovation of neighborhood and community parks and park facilities.

Parking District Fund

This fund accounts for special assessments levied on the real property located in the City's downtown parking district. The revenues in this fund are used to maintain parking lots located within the district.

Performance Based Budget

A budget wherein expenditures are based primarily upon measurable performance of activities.

Police Services Augmentation Fund

This fund accounts for monies received from the federal and state governments, which are expended to enhance law enforcement services.

Products

In the City's Performance Based Budget structure, products are the end results of activities that support program performance and workload indicators.

Program Performance and Workload Indicators

Define the program's quantifiable and measurable results that are expected to be produced by completing the work or activities included in the program.

GLOSSARY OF BUDGET TERMS

<i>Program Manager</i>	A supervisor or manager who plans and manages the execution of one or more of the City's operating programs.
<i>Project Category</i>	Projects are categorized into four areas: Capital, Special, Outside Group Funding, and Infrastructure.
<i>Project Coordinator</i>	A person who coordinates the project for the user department.
<i>Project Costs</i>	All the costs associated with a project. These costs include prior year actual expenditures, current year budgeted expenditures and future year planned expenditures over a 20 year planning period.
<i>Project Description/Scope/ Purpose</i>	Provides a summary description of a project, including the results to be accomplished, timeframe and basis for project costs.
<i>Project Evaluation and Analysis</i>	Provides a discussion of the financial and operational justifications for the project. Addresses any cost savings or efficiency gains by completing this project and any other alternatives that were considered in the decision to fund the project.
<i>Project Manager</i>	A supervisor or manager who plans and manages the execution of one or more of the City's projects.
<i>Project Number/Name</i>	Existing number and title in the City's financial system that identifies a particular project.
<i>Project Operating Costs /Savings</i>	If applicable, estimated operating costs or savings associated with the completion of a project are budgeted into the resource allocation plan.

GLOSSARY OF BUDGET TERMS

Property Tax

California State Constitution Article XIII A provides that the combined maximum property tax rate on any given property may not exceed 1% of its assessed value unless an additional amount has been approved by voters. Santa Clara County assesses properties, bills and collects these property taxes. The City's share including all penalties and interest is remitted by the County.

Property Transfer Tax

This tax is levied at a rate of \$0.55 per \$500 of equity value transferred. The County collects the tax and the City receives one-half. Revenues are dependent on how frequently the property is transferred and on the accrued value at the time of transfer.

Proprietary Fund

Proprietary Funds consist of Enterprise Funds and Internal Service Funds, defined above. The City uses enterprise funds to account for its Water, Wastewater, Solid Waste, SMaRT Station, and Community Recreation operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

Redevelopment Successor Agency Fund

This fund accounts for the activities of the Redevelopment Successor Agency as a result of the dissolution of Redevelopment Agencies (RDAs) on February 1, 2012.

Reserve

Amount in a fund representing the difference between resources and requirements, taking into account all transfers in and out of the fund. Reserves can be restricted or unrestricted, and reserve levels may be mandated by law or by policy.

Revenue

Funds the City receives as income such as tax payments, fees for services, grants, fines, forfeitures and interest income.

Sales Tax

The City receives one percent of the County taxes on retail sales. The sales tax is one of the City's largest General Fund revenue sources.

Service Delivery Plans

Under the Performance Based Budget structure, these plans describe specific programming of targeted services to meet the program goals and measures.

GLOSSARY OF BUDGET TERMS

<i>SMaRT Station Fund</i>	This fund was established to account for the revenues and expenses of the Sunnyvale Materials and Recovery and Transfer (SMaRT) Station operations. The SMaRT Station is a three way partnership between the cities of Sunnyvale, Palo Alto and Mountain View.
<i>Solid Waste Management Fund</i>	This fund accounts for revenues and expenses related to refuse collection and solid waste disposal services.
<i>Special Assessment Fund</i>	A fund used to account for the financing of public improvements or services deemed to benefit primarily the properties against which special assessments are levied.
<i>Special Revenue Funds</i>	These funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or for major capital projects) that are legally restricted to expenditures for specified purposes.
<i>Spending Limitation (GANN LIMIT)</i>	Article XIII B of the California Constitution establishes a spending limitation on government agencies within California. The spending limit is a mandated calculation of how much the City is allowed to expend in one fiscal year. Annually, local governments may increase this limit by a factor comprised of the change in population combined with the California inflation rate and determined by the State finance department.
<i>Sub-Fund Number</i>	A three-digit number attached to a fund number that identifies a sub-division of the fund, thus capturing specific information as required.
<i>Planned Completion Year</i>	This is the fiscal year a project is planned to be finished. For projects that are continuous, "ongoing" is the designated planned completion year.
<i>Transient Occupancy Tax</i>	A 9.5 percent tax is levied on charges for occupancy of hotel and motel rooms for stays. The City's lodging industry is largely dedicated to serving its industrial base.

GLOSSARY OF BUDGET TERMS

20-Year Resource Allocation Plan

The 20-Year Resource Allocation Plan is the backbone of the City's financial planning process. This long-range planning gives the Council a tool with which it can project revenues, operating requirements and capital spending and identify trends. It allows the cost of any policy decision to be measured in terms of long-range expenditure requirements, thereby raising "red flags" in areas where financial conditions may be unacceptable in the future. The 20-Year Resource Allocation Plan has helped the City fund a pay-as-you-go philosophy, allowing money to be set aside in reserve funds for future service expansion or major projects.

User Department

The department that initiated the project.

User Fee

A fee for direct receipt of a service paid by the party benefiting from the service.

Utility Users Tax

A two-percent tax on utility billings for gas and electric and intra-state telephone services.

Water Supply and Distribution Fund

This fund accounts for all revenues and expenses related to the City-operated water utility.

Wastewater Management Fund

This fund accounts for all the revenues and expenses related to the city-operated sewer collection and Water Pollution Control Plant systems.

Youth and Neighborhood Services Fund

This fund accounts for revenues and operating program expenditures of the Columbia Neighborhood Center, a partnership between the City of Sunnyvale, the Sunnyvale School District and a private corporation.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Sunnyvale
California**

For the Fiscal Year Beginning

July 1, 2013

Executive Director



Questions/Comments Please Contact:

Department of Finance
650 West Olive Avenue
P.O. Box 3707
Sunnyvale, CA 94086
or
Call (408) 730-7380

The Adopted FY 2014/15 Budget in its entirety may be viewed online at:
Budget.inSunnyvale.com