



State of the Downtown for 2024/2025-2025/2026

What is a BID?

A BID (Business Improvement District, authorized by State of California law) provides funding for promoting and improving a specific area. All business license holders inside the said district are self-assessed with an annual fee based on anticipated benefits they receive from the BID.

The BID is reauthorized yearly by the City Council at the request of the businesses' Board of Directors. A BID is used by over 200 business areas in California, including Mountain View, Palo Alto, Santa Clara, Morgan Hill, and San Jose. The BID has legal requirements to be reauthorized. Specifically, the City Council must approve the Annual Budget and adopt a Resolution of Intent (ROI) to reauthorize the BID for another year. Once the ROI is adopted, a public hearing must be held during a Council meeting.

Each year after the city has reauthorized the BID, businesses receive an invoice from the city finance department for BID fees. The city collects the fees annually, and businesses are invoiced at the beginning of June for the next fiscal year. Once received, funds can only be used for projects within the BID boundaries. The BID maintains complete control of all BID funds collected.

The formula for defining our BID assessment amount is as follows: the Sunnyvale Downtown Association (SDA) Board considers the businesses' type, size, and location. Then, it selects the most equitable formula for every business. Typically, BID assessments are included as a separate charge from the business license tax and are billed to every business within the BID boundaries.

Assessments are levied on businesses based on relative benefits from annual activities. All assessment funds collected by the City are returned to the BID through annual contract agreements. The city does collect a fee for administrative costs associated with this service. The price is reviewed and adjusted annually as needed.

By state law, we use the BID funds to support community business activities, promote public events, decorate public places, and provide entertainment within the BID. In addition, BID funds include advertising, marketing materials, digital guides, operational expenditures, websites, e-letters, street/holiday lighting, and events.

Our BID fees are a self-imposed tax on the downtown businesses, outside of paying their standard fees, taxes, and license fees associated with owning and operating a business in our downtown district.

The Mission of the Sunnyvale Downtown Association (SDA)

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 BID fees, city grants, sponsorships, and revenue-producing events.

The current SDA Board of Directors includes Chair & Treasurer – Amit Rajgarhia of DishDash Restaurants, Vice Chair – Justin Breining of WholeFoods Market, Secretary – Leigh Odum of Leigh's Favorite Books, and Members At Large – Kim Kilpatrick of Lincoln Property Group, Amal Allan of City National Bank, Dr. Gary Gold of Dr. Gary Gold and Associates, and Heather Stuart of YogaSix.

The SDA also serves as the voice of downtown Sunnyvale by:

- Advocating for policies, programs, and events that support the economic growth of the downtown.
- 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 organizations that share downtown Sunnyvale's growth and continued vitality.

Budget

2024/25 BID fees collected from the businesses totaled \$35,000 (approximately 11% of our Income), and the City of Sunnyvale's contributions combined with community grants of \$69,375 (approximately 22% of our Income) acts as SDA foundational funding. The rest of SDA revenue comes from a combination of developers, corporate sponsorships, sales/concessions, and event participant fees.

As always stated, we cannot guarantee that we will have this same level of developers, community and/or corporate sponsorship support in any given year. So, we rely on all support channels to ensure fiscal accountability.

On February 14, 2025, the SDA Board of Directors approved the BID 2024/2025 budget.

Below we have included a brief overview of some significant expense areas:

	2024/2025 Actual	2025/2026 Projected
INCOME		
BID Funds	35,000.00	43,500.00
City Contributions	60,000.00	100,000.00
Community Grants	9,375.00	0.00
Developer Support & Funding Income	50,000.00	0.00
Additional Sponsorship and Support	16,110.00	0.00
Events Revenue (Sponsorship and Sales)	150,014.85	219,500.00
TOTAL INCOME	320,499.85	363,000.00

EXPENSES		
Personnel Related Expenses	175,000	187,000
Office/General Admin Expenses	67,935	76,000
Event Expenses	112,614	122,000
TOTAL EXPENSES	355,549	385,000

TOTAL PROFIT/LOSS **-35,049.15** **-22,000**

Last fiscal year, we delivered 32 events. This fiscal year, the SDA increased the 2024/25 season to 24 events, including partnering events in 2024 and 2025. Three of these seasons' events generated "No sales revenue" but still supported the community, the city, and downtown businesses.

Events for 2024/2025

- 8 Events: Summer Music Series - Every Wednesday - July and August.
- 9 Events: Jazz & Beyond – Every Saturday – July and August.
- 1 Day Event: Tech Expo (in partnership with City of Sunnyvale) – October. **No sales revenue-generated event.**
- 1 Day Event: Rides for Donations (in partnership with the Sunnyvale DPS) - November. **No sales revenue-generated event.**
- 1 Day Event: Holiday Tree Lighting – December 7th. **No sales revenue-generated event.**
- 1 Day Event: Taste of the World Wine Stroll - May 10th
- 2 Events: First Sunday Art Festival – First Sundays of May and June. ***New event for 2024/2025**
- 1 Event: Sunnyvale Art and Wine Festival (in partnership with Sunnyvale Chamber of Commerce) – June.

Some events are not included because some of these events overlap into the next fiscal year or have not yet happened within the timeframe of the State of the Downtown. These events attract new visitors from all over the Bay Area to our vibrant and growing downtown community.

Event Sponsorships & City Contribution

We are grateful for continued support from the city and sponsors who help keep our SDA events growing and serving the community in 2024/25. We thank the City of Sunnyvale, Cityline Sunnyvale, El Camino Health, Google, LinkedIn, Specialty Waste, Murphy Square, Silicon Valley Clean Energy and StarOne Credit Union for continuing their support.

As we've always stated, more than ever, the SDA and our downtown businesses need city and other sponsorship support for these events. Due to the current economic uncertainty ahead, supply cost increases, ongoing fixed costs, and annual wage increases, these events allow business owners to weather these challenges during this unprecedented period.

Each year in January, the SDA evaluates what sponsorship support we have coming in. We always plan months in advance to ensure that we can deliver the events the SDA puts on annually. However, it is always hard to predict what our budget will look like six months before the coming fiscal year.

Event-Related Financial Breakdown

Our focus in 2024/2025 has continued to address our SDA businesses' needs amidst the economic challenges that have impacted our downtown district. We continued working through the many financial challenges despite corporate sponsorship reductions and were unable to host events throughout the downtown due to construction. Over the last couple of years, we were fortunate to have received support from community grants, annual City support, developers, and critical local and corporate sponsorships to help.

	2024/2025 Actual	2025/2026 Projected
INCOME		
Holiday Tree Lighting	11,250.00	13,000.00
Jazz and Beyond	50,610.54	55,000.00
Taste of the World	29,277.51	38,000.00
Summer Series	45,876.80	50,500.00
Tech Expo	5,000.00	0.00
First Sunday Art Festival	13,000.00	45,000.00
Halloween Pet Parade	0.00	18,000.00
TOTAL EVENT INCOME	155,014.85	219,500.00

	2024/2025 Actual	2025/2026 Projected
EXPENSES		
Holiday Tree Lighting Fees	7,020.00	7,000.00
Jazz and Beyond Fees	43,549.00	35,000.00
Taste of the World Fees	14,219.00	15,000.00
Summer Series Fees	42,826.00	33,000.00
Tech Expo Fees	5,000.00	0.00
First Sunday Art Festival Fees	0.00	8,000.00
Halloween Pet Parade Fees	0.00	24,000.00
TOTAL EVENT EXPENSES	112,614.00	122,000.00

*** The event expenses only reflect general marketing and promotional material, day of staffing, wine, beer, performers, and some equipment. It does not include pre-event preparation costs for staff labor to follow up with vendors, host location coordination, design time for marketing products, booking bands, volunteer coordination, poster/flyer design, social media outreach & website, ticket sales, beverage sales, and various other tasks required to deliver the SDA events annually.*

Overview

The 2024/25 year proved successful despite the many challenges the SDA has experienced. The downtown area is continually building towards a better community, with new opportunities to advocate for new businesses and host events.

We delivered the Taste of the World Wine Stroll, eight Summer Music concerts, nine Jazz & Beyond concerts, the Holiday Tree Lighting Celebration, and other partnering events. Crucially, some of these events were amplified by the invaluable charitable contributions that helped create memorable experiences for all attendees. However, we faced significant hurdles, including navigating complex and time-consuming permit processes, which often strained our resources. Additionally, the purchase of a new stage, while a long-time investment, resulted in unexpected monetary deficits. These challenges were compounded by ongoing issues with the previous stage, necessitating costly repairs and creating logistical difficulties.

The SDA continues to work with Cityline Sunnyvale and other developers, property managers, and the City of Sunnyvale to promote cohesion between the existing businesses in Sunnyvale and the expansion of downtown Sunnyvale. Furthermore, we recognize the vital role of community participation in shaping the downtown's development, ensuring it reflects the needs and desires of its residents.

We also want to thank all the downtown Sunnyvale businesses that make this possible with their continued participation and support. We appreciate the sacrifices our BID members have endured with the changes in our downtown's new developments. The collaborative spirit of our community, including the active involvement of residents and local organizations, strengthens our resolve to navigate these changes successfully. We are excited and optimistic about the future and its possibilities. Downtown Sunnyvale continues to expand with many new commercial and retail businesses, and entertainment destinations.

Future

The BID fee assessment, in conjunction with the city's contributions, provides the foundational funding for our organization. The SDA's goal is to continue producing quality events and promoting downtown Sunnyvale as a great place to shop, dine, work, and live. In addition, these events attract new visitors to our vibrant and growing downtown fostering community pride.

This year the SDA will continue to focus on connecting more current and new businesses to our website to provide additional visibility through promotions, events, and job listings. We have also been proactively reaching out to banking, financial planning, social media experts, and other service providers based on business-specific requests. Recognizing the diverse needs of our

members, we are committed to providing targeted resources and support. In addition, we offer a conference room and training room, providing our members with valuable spaces to meet with clients and vendors and conduct staff training. Many new businesses are looking for direction and support in their new community; the SDA is here to assist them in navigating our city and downtown.

To further boost local spending and foster community engagement, we are excited to announce the implementation of a new community gift card program called “Downtown Dollars” powered by Yiftee. This initiative will encourage residents to support downtown businesses while providing a convenient gift option for companies and families alike. Furthermore, we are actively developing new and innovative events designed to bring the community together and drive increased foot traffic to downtown Sunnyvale. We are also actively forging new partnerships with a wider array of community organizations; these partnerships will enhance our ability to deliver impactful programs and initiatives that benefit all Sunnyvale residents.

While we acknowledge the temporary inconveniences associated with ongoing construction in downtown Sunnyvale, we are confident that these developments will ultimately create a more vibrant and accessible destination for residents and visitors alike. The new infrastructure and amenities will enhance the overall experience, attracting more businesses and contributing to the long-term economic vitality of our downtown area.

We appreciate the continued support of the SDA’s BID, and we do not take the support for granted. The SDA continues to be good stewards of all funds, grants, and sponsorships we receive and considers this a vital partnership with the shared goals for a vibrant downtown. We are dedicated to maximizing the impact of every dollar invested, ensuring that our initiatives contribute to the long-term prosperity of Sunnyvale’s downtown core.