

Resolution No. ____

Resolution of the Council of the City of Palo Alto Providing that No Levy of
Assessments be Made Against Businesses Within the Downtown Palo Alto
Business Improvement District for Fiscal Year 2024

R E C I T A L S

A. The Parking and Business Improvement Area Law of 1989 (the "Law"), codified at California Streets and Highways Code Sections 36500 *et seq.*, authorizes the City Council to levy an assessment against businesses within a parking and business improvement area which is in addition to any assessments, fees, charges, or taxes imposed in the City.

B. Pursuant to the Law, the City Council adopted Ordinance No. 4819 establishing the Downtown Palo Alto Business Improvement District (the "District") in the City of Palo Alto.

C. The City Council, by Resolution No. 8416, appointed the Board of Directors of the Palo Alto Downtown Business & Professional Association ("PADBPA"), a California nonprofit mutual benefit corporation, to serve as the Advisory Board for the District (the "Advisory Board").

D. Beginning in March of 2020 and continuing through the present, Downtown businesses have been substantially impacted by the COVID-19 pandemic, the public health measures taken to reduce the spread of the virus, and the resulting statewide economic contraction. In recognition of these impacts, the City Council refunded fiscal year 2020 BID assessments and declined to levy assessments in fiscal years 2021, 2022, and 2023.

E. As California emerges from the pandemic, local businesses are experiencing additional impacts from changes in on-site and remote work patterns and other developments in the local economy. In addition, PADBPA is experiencing organizational changes.

F. In recognition of the challenges continuing to effect downtown businesses and understanding the need for a new direction on BID management, the City Council has determined not to levy BID assessments for fiscal year 2024 (July 1, 2023 through June 30, 2024). As a result of not making assessments, no BID-funded activities will occur in fiscal year 2024.

G. On April 24, 2023 the City Council adopted Resolution No. 10104, which declared its intention not to levy assessments against Downtown businesses for Fiscal Year 2024 and scheduled a public hearing for May 15, 2023 on the proposed decision to refrain from making assessments.

H. On May 15, 2023 the City Council held a duly noticed public hearing at which all interested persons were afforded the opportunity to hear and be heard.

NOW THEREFORE THE CITY COUNCIL OF THE CITY OF PALO ALTO RESOLVES AS FOLLOWS:

SECTION 1. The Council hereby adopts the above Recitals as findings of the Council.

SECTION 2. The City Council does hereby determine not to levy assessments against businesses within the Downtown Palo Alto Business Improvement District for Fiscal Year 2024.

SECTION 3. The Council finds that the adoption of this Resolution does not meet the definition of a project under Section 21065 of the California Environmental Quality Act and, therefore, no environmental impact assessment is necessary.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:

Assistant City Attorney

City Manager

Director of Administrative Services