

ORDINANCE NO.

**AN ORDINANCE OF THE CITY OF SAN JOSE  
ESTABLISHING THE MONTEREY CORRIDOR BUSINESS  
IMPROVEMENT DISTRICT PURSUANT TO THE PARKING  
AND BUSINESS IMPROVEMENT AREA LAW OF 1989**

**WHEREAS**, under and pursuant to the provisions of the Parking and Business Improvement Area Law of 1989, Section 36500 et seq. of the California Streets and Highways Code (“’89 Law”), the City Council of the City of San José (“City”) on October 8, 2024 adopted Resolution No. RES2024-354, titled “A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE DECLARING ITS INTENTION TO ESTABLISH THE MONTEREY CORRIDOR BUSINESS IMPROVEMENT DISTRICT PURSUANT TO THE PARKING AND BUSINESS IMPROVEMENT AREA LAW OF 1989; FIXING THE TIME AND PLACE OF A PUBLIC MEETING AND PUBLIC HEARING AND GIVING NOTICE THEREOF; AND APPOINTING AN ADVISORY BOARD TO ADVISE THE CITY COUNCIL ON ALL ISSUES RELATED TO THE MONTEREY CORRIDOR BUSINESS IMPROVEMENT DISTRICT”; and

**WHEREAS**, Resolution No. RES2024-354 was duly published, and copies of Resolution No. RES2024-354 were mailed to the affected businesses, as required by the ‘89 Law; and

**WHEREAS**, as specified in Resolution No. RES2024-354, a public meeting concerning the formation of the Monterey Corridor Business Improvement District (“MCBID”) was held before the City Council on October 29, 2024 at the hour of 1:30 p.m. in the Council Chambers of the City of San José, located at 200 East Santa Clara Street, San José, California; and

**WHEREAS**, as specified in Resolution No. RES2024-354, a public hearing concerning the formation of the MCBID was held before the City Council on December 10, 2024 at

the hour of 1:30 p.m. in the Council Chambers of the City of San José, located at 200 East Santa Clara Street, San José, California; and

**WHEREAS**, written protests from the affected businesses in the proposed MCBID paying fifty percent (50%) or more of the proposed assessment have not been received; and

**WHEREAS**, at said public hearing, \_\_\_\_\_ written protests were filed, \_\_\_\_\_ oral protests were made, such protests were considered and duly overruled and denied, and the City Council determined that there was no majority protest within the meaning of Section 36525 of the '89 Law; and

**WHEREAS**, on December 10, 2024, the City Council authorized the City Manager or her designee to negotiate and execute an agreement with Monterey Corridor Business Association (MCBA) for the administration of the MCBID; and

**WHEREAS**, pursuant to the provisions and requirements of the California Environmental Quality Act of 1970, together with related State CEQA Guidelines and Title 21 of the San José Municipal Code (collectively, "CEQA"), the Director of Planning, Building and Code Enforcement has determined that the provisions of this Ordinance do not constitute a project, under File No. PP17-004 (Government Funding Mechanism or Fiscal Activity with no commitment to a specific project which may result in a potentially significant impact on the environment); and

**WHEREAS**, the City Council of the City of San José is the decision-making body for this Ordinance; and

**WHEREAS**, this Council has reviewed and considered the "not a project" determination under CEQA prior to taking any approval actions on this Ordinance;

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SAN JOSE:**

1. Pursuant to the '89 Law, a parking and business improvement area is hereby established, to be known as the Monterey Corridor Business Improvement District ("MCBID").
2. The boundaries of the MCBID are described below, and are shown on the map attached hereto as Exhibit A and incorporated herein:

<b>Street</b>	<b>Odd Side of the Street</b>	<b>Even Side of the Street</b>
10TH	1515 S 10TH ST - 2177 S 10TH ST	1500 S 10TH ST - 2380 S 10TH ST
1ST	None	1610 S 1ST ST - 1610 S 1ST ST
7TH	1555 S 7TH ST - 2345 S 7TH ST	1404 S 7TH ST - 2070 S 7TH ST
ALMA	None	210 E ALMA AV - 588 E ALMA AV
ALMADEN	None	1550 ALMADEN RD - 1550 ALMADEN RD
BARNARD	111 BARNARD AV - 291 BARNARD AV	64 BARNARD AV - 298 BARNARD AV
BURKE	477 BURKE ST - 577 BURKE ST	None
Capitol	175 W Capitol Expy - 175 W Capitol Expy	None
CIMINO	None	270 CIMINO ST - 280 CIMINO ST
CREEK	335 CREEK CT - 355 CREEK CT	320 CREEK CT - 360 CREEK CT
CURTNER	1 CURTNER AV - 2199 CURTNER AVE	None
DAYLIGHT	2915 DAYLIGHT WY - 2969 DAYLIGHT WY	2912 DAYLIGHT WY - 2994 DAYLIGHT WY
EXPY	1401 EXPY - 1401 EXPY	1492 EXPY - 1680 EXPY
FORD	None	1422 FORD AV - 1498 FORD AV

Street	Odd Side of the Street	Even Side of the Street
HILLCAP	3517 HILLCAP AV - 3517 HILLCAP AV	3408 HILLCAP AV - 3630 HILLCAP AV
HILLSDALE	None	192 HILLSDALE AV - 198 HILLSDALE AV
HOPE	3065 HOPE ST - 3089 HOPE ST	3040 HOPE ST - 3060 HOPE ST
KENBROOK	299 KENBROOK CL - 425 KENBROOK CL	None
KYLE PARK	1925 KYLE PARK CT - 1985 KYLE PARK CT	None
LA ROSSA	1551 LA ROSSA CL - 1607 LA ROSSA CL	1508 LA ROSSA CL - 1640 LA ROSSA CL
LEO	215 LEO AV - 285 LEO AV	220 LEO AV - 260 LEO AV
LEWIS	33 LEWIS RD - 33 LEWIS RD	130 LEWIS RD - 130 LEWIS RD
LITTLE ORCHARD	1493 LITTLE ORCHARD ST - 2011 LITTLE ORCHARD ST	1590 LITTLE ORCHARD ST - 1990 LITTLE ORCHARD
MONTEREY	1401 MONTEREY RD - 3111 MONTEREY RD	0 MONTEREY RD - 3930 MONTEREY RD
NEEDLES	None	470 NEEDLES DR - 470 NEEDLES DR
PARROTT	499 PARROTT ST - 543 PARROTT ST	480 PARROTT ST - 580 PARROTT ST
PERRYMONT	411 PERRYMONT AV - 475 PERRYMONT AV	426 PERRYMONT AV - 468 PERRYMONT AV
PHELAN	75 PHELAN AV - 365 Phelan Ave	88 PHELAN AV - 544 PHELAN AV
POMONA	1617 POMONA AV - 1697 POMONA AV	1646 POMONA AV - 1700 POMONA AV
PULLMAN	99 PULLMAN WY - 111 PULLMAN WY	70 PULLMAN WY - 92 PULLMAN WY
SAN JOSE	55 SAN JOSE AV - 359 SAN JOSE AV	6 SAN JOSE AV - 358 SAN JOSE AV
SENER	1661 SENTER RD - 2395 SENTER RD	None
SEVENTH	None	1620 SOUTH SEVENTH - 1620 SOUTH SEVENTH
SMITH	1741 SMITH AV - 1801 SMITH AV	1720 SMITH AV - 1802 SMITH AV
SNELL	None	3550 SNELL AV - 3620 SNELL AV

Street	Odd Side of the Street	Even Side of the Street
SOUTHSIDE	151 SOUTHSIDE DR - 151 SOUTHSIDE DR	None
STAUFFER	189 STAUFFER BL - 193 STAUFFER BL	188 STAUFFER BL - 198 STAUFFER BL
STONE	1815 STONE AV - 2185 STONE AV	1712 STONE AV - 1990 STONE AV
TULLY	85 TULLY RD - 585 TULLY RD	88 TULLY RD - 150 TULLY RD
TULLY OLD	55 TULLY OLD RD - 131 TULLY OLD RD	None
UMBARGER	None	50 UMBARGER RD - 100 UMBARGER RD

3. The purpose for forming the BID is to provide revenues for physical maintenance, marketing, and promotion efforts to increase commercial activity in the Monterey Road business corridor between Capitol Expressway and Alma Avenue in central San José. The improvements and activities to be provided in the MCBID will be funded by the levy of assessments. The revenue from the levy of assessments shall not be used to provide improvements or activities outside the MCBID or for any purpose other than the purposes specified in the MCBID’s annual budget as approved by the City Council.
  
4. All businesses operating within the MCBID will be charged an assessment rate of \$250.00 annually.
  
5. Initially, assessments will be billed and collected through the City’s general invoicing system, separate from the annual business tax. Once the City’s new business tax system is implemented, assessments will be collected from the MCBID businesses at the same time and in the same manner as the City’s business tax.
  
6. Any MCBID business who fails to remit the assessments within the time required shall pay a first penalty of ten percent (10%) of the amount of the delinquent

assessment in addition to the amount of the delinquent assessment. Any MCBID business who fails to remit any assessment on or before thirty (30) days after its due date shall pay a second penalty of ten percent (10%) of the amount of the delinquent assessment in addition to the amount of the delinquent assessment and the first penalty. If the City's Director of Finance or MCBA determines that the failure to remit the assessment is because of an intentional, material misrepresentation or omission, or fraud by the MCBA business, an additional penalty will be imposed on the MCBA business in the amount of twenty-five percent (25%) of the delinquent assessment. Any business who fails to remit on or before the due date any assessment shall pay interest on the delinquent assessment and on any assessed penalty or penalties as set forth in Chapter 1.17 of Title 1 of the San José Municipal Code. Any penalty or interest collected by the City from delinquent assessments shall be forwarded to MCBA. If a business does not pay the total amount of the outstanding combined business tax and assessments, the City shall send up to two delinquent notices to collect any past due assessments. If the City takes any action on business tax delinquencies against a business with delinquent assessments, the City shall also attempt to collect the delinquent assessments. After one hundred twenty (120) days of delinquency, the City shall have the option to refer accounts to a collection agency.

7. The City shall disburse to MCBA all collected MCBID assessments and all penalties and interest collected on delinquent MCBID assessments. Disbursements shall be made in such manner as the parties mutually agree upon in writing. MCBA may expend any funds received only for the purposes authorized by this Ordinance and only in accordance with the budget as approved by the City Council.
8. The City will charge an administrative fee for its costs to collect the MCBID assessment. The City's monthly administrative charge will be one percent (1.0%)

of the assessment collected by the City, and the amount will be reviewed annually as part of the annual report submitted by the Board of Directors of MCBA (“Advisory Board”) to the City. The administrative charge will be made to the City as a deduction from the assessments the City will forward to MCBA.

9. The MCBID’s fiscal year shall be from July 1 through June 30. Funds remaining at the end of any fiscal year may be used in the subsequent fiscal year if the levy of an assessment is approved by the City Council for that fiscal year and the funds are used in accordance with the ‘89 Law.
10. New businesses within the MCBID will not be exempt from the levy of assessments as authorized by Section 36531 of the ‘89 Law.
11. The City Council finds that the businesses within the MCBID will be benefited by the improvements and activities funded by the assessment to be levied.
12. All protests, both written and oral, are overruled and denied, and the City Council finds that there is no majority protest within the meaning of Section 36525 of the ‘89 Law.
13. All of the businesses in the MCBID established by this Ordinance shall be subject to any amendments to the provisions of the ‘89 Law.

PASSED FOR PUBLICATION of title this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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MATT MAHAN  
Mayor

ATTEST:

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TONI J. TABER, MMC  
City Clerk



