


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Transportation	<b>CEQA:</b> Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.	<b>Coordination:</b> City Attorney's Office, City Manager's Budget Office, and Department of Public Works	<b>Dept. Approval:</b> /s/ John Ristow
<b>Council District(s):</b> 3 and 6			<b>CMO Approval:</b>  11/15/23

**SUBJECT: DOWNTOWN SAN JOSE PROPERTY-BASED IMPROVEMENT DISTRICT ANNUAL FINANCIAL REPORT**

**RECOMMENDATION:**

Approve the Downtown San José Property-Based Improvement District Annual Financial Report for Fiscal Year 2022-2023.

**BASIS FOR RECOMMENDATION:**

The Downtown San José Property Based Improvement District (PBID) was established by City Council in August 2007, renewed for a 10-year term in 2012, and again for a 10-year term in June 2022 through December 2032. As required by the California Streets and Highways Code (Property and Business Improvement District Law of 1994) and in compliance with the current agreement between the City and the Downtown San José Property Owners' Association, an annual financial report along with certified public accountant-reviewed financial statements for the Downtown San José Property Owners' Association are required to be submitted to the City by October of each year. The report submitted for Fiscal Year (FY) 2022-2023 meets the requirements of the current agreement and contains the following information as required by the agreement:

- Summary of Assessed Services;
- Procurement of Goods and Services;
- Downtown San José Property Owners' Association meeting dates for FY 2022-2023;
- FY 2022-2023 Budget Report; and,
- FY 2022-2023 Draft Financial Statements.

The City's General Fund has been combined with assessment funds to provide baseline, special benefit, and enhanced services in accordance with the current agreement between the City and the Downtown San José Property Owners' Association, as well as the PBID Management Plan and Engineer's Report. PBID services have created a cleaner and more vibrant downtown and have been well received by property owners. This is reflected by the positive results from the 2023 member survey that indicated 54% of property owners found the cleanliness of downtown to be improved from the previous year. The beautification and street life projects and Groundwerx ambassadors have been successful and continue to receive support from PBID members. Additional program highlights, including cleaning service frequencies and outputs, are detailed in the attached Financial Report for FY 2022-23 prepared by Downtown San José Property Owners' Association (**Attachment A**). The Financial Statements produced by the accounting firm Armanino is also included, (**Attachment B**).

Commission Recommendation/Input: This item does not require any input from a board or commission.

**COST AND FUNDING SOURCE:**

No costs are associated with this action.

**FOR QUESTIONS CONTACT:** Eric Hon, Division Manager, (408) 794-1987

Attachments: **Attachment A:** Financial Report for FY 2022-23, **Attachment B:** Financial Statements