

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE DECLARING ITS INTENTION TO ESTABLISH THE STORY ROAD 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 STORY ROAD BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the Parking and Business Improvement Area Law of 1989, Streets and Highways Code §36500 et seq. (“89 Law”), authorizes the City of San José (“City”) to establish business improvement areas allowing businesses to raise funds to support joint efforts within a specific geographic area; and

WHEREAS, in 2024, the Story Rd. Business Association, Inc. (“SRBA”) was established as a non-profit corporation, and in November 2025 the SRBA governing board voted in favor of establishing a business improvement district in the Story Road business corridor; and

WHEREAS, the SRBA, business owners in the Story Road business corridor, and representatives from the City have met to consider the formation of the Story Road Business Improvement District (“SRBID”) for the purposes of physical maintenance, marketing, and promotion efforts to increase commercial activity in the Story Road business corridor; and

WHEREAS, the governing board of the SRBA will serve as the SRBID’s advisory board to manage and operate SRBID programs; and

WHEREAS, pursuant to the 89 Law, a public meeting must be held to provide information and an opportunity for comment on the proposed SRBID, and a public hearing must be held to establish the SRBID;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. The City Council hereby declares its intention to establish a parking and business improvement area to be known as the “Story Road Business Improvement District” (“SRBID”) pursuant to the 89 Law.
2. The City Council hereby appoints the governing board of Story Rd. Business Association, Inc. as the Advisory Board for the SRBID, pursuant to Section 36530 of the 89 Law.
3. The boundaries of the SRBID are described below, and are shown on the map attached hereto as Exhibit A and incorporated herein:

| Street Name | Odd | Even |
|--------------------|------------|-------------|
| Remillard Ct | 925-945 | 930-940 |
| Story Rd | 749-1401 | 720-1260 |
| McLaughlin Av | 905-1173 | 930-1164 |
| Felipe Av | 925-1355 | N/A |
| Lucretia Av | N/A | 1100-1130 |
| Olinder Ct | 1137 | 900-1170 |

4. The proposed improvements and activities to be funded by the SRBID are, in general: cleanliness, safety, and beautification; marketing and activation; and administration and contingency. A description of the types of activities proposed to be funded by the levy of assessments on businesses in the SRBID is set forth in Exhibit B attached hereto and incorporated herein.

5. The base assessment rate for all business owners is a flat rate of \$350.00 annually. For businesses occupying more than 25,000 square feet of commercial space, every additional 25,000 square feet will generate an additional assessment of \$350.00. The additional space-based assessment is calculated by dividing the amount of business space occupied by 25,000 square feet and rounding the result down to the nearest whole number to determine an incremental assessment factor. This factor is multiplied by a base rate of \$350.00 and added to the flat base fee. Except where funds are otherwise available, the assessments shall be levied and collected on an annual basis to pay for all improvements and activities within the area. The City shall collect the assessment.
6. New businesses will not be exempt from the levy of assessment, pursuant to Section 36531 of the 89 Law.
7. NOTICE IS HEREBY GIVEN that February 24, 2026, at 1:30 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers of the City of San José, 200 East Santa Clara Street, San José, California is fixed as the time and place for a public meeting on the establishment of the SRBID.
8. NOTICE IS HEREBY GIVEN that April 7, 2026, at 1:30 p.m., or as soon thereafter as the matter may be heard, in the City Council Chambers of the City of San José, 200 East Santa Clara Street, San José, California is fixed as the time and place for a public hearing on the establishment of the SRBID.
9. At the aforesaid public hearing, the testimony of any and all interested persons for or against the establishment of the SRBID, the extent of the SRBID, or the furnishing of specified types of improvements or activities in the SRBID shall be heard and considered by the City Council. Protests against the establishment of

the SRBID, the extent of the area of the SRBID, or the furnishing of specified types of improvements or activities may be made orally or in writing by any interested person. Each written protest must be filed with the City Clerk, either by mail to City Clerk, City Hall, 200 East Santa Clara Street, San José, California, or by e-mail to city.clerk@sanjoseca.gov, at or before the time fixed for the public hearing. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing.

10. As provided in Section 36525 of the 89 Law, if written protests against the establishment of the SRBID, the extent of the SRBID, or the furnishing of specified types of improvements or activities in the SRBID are received from the owners of businesses in the SRBID which would pay fifty percent (50%) or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protest to less than fifty percent (50%), then no further proceedings to establish the SRBID or to levy the proposed assessment may be taken by the City Council for a period of one year from the date of the finding of a majority protest by the City Council. If the majority protest is only against the furnishing of a specified type or types of improvement or activity within the SRBID, then those types of improvements or activities shall be eliminated. In order to be counted in determining a majority protest, a written protest must contain a description of the business in which the person submitting the protest is interested sufficient to identify the business as a business within the proposed SRBID and, if a person protesting is not shown on the official records as the owner of the business, the protest shall contain or be accompanied by written evidence that the person protesting is the owner of the business.
11. The City Clerk is hereby directed to give notice of the above-mentioned public meeting and public hearing pursuant to Section 36523 of the California Streets and Highway Code, by publication and mailing.

ADOPTED this _____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

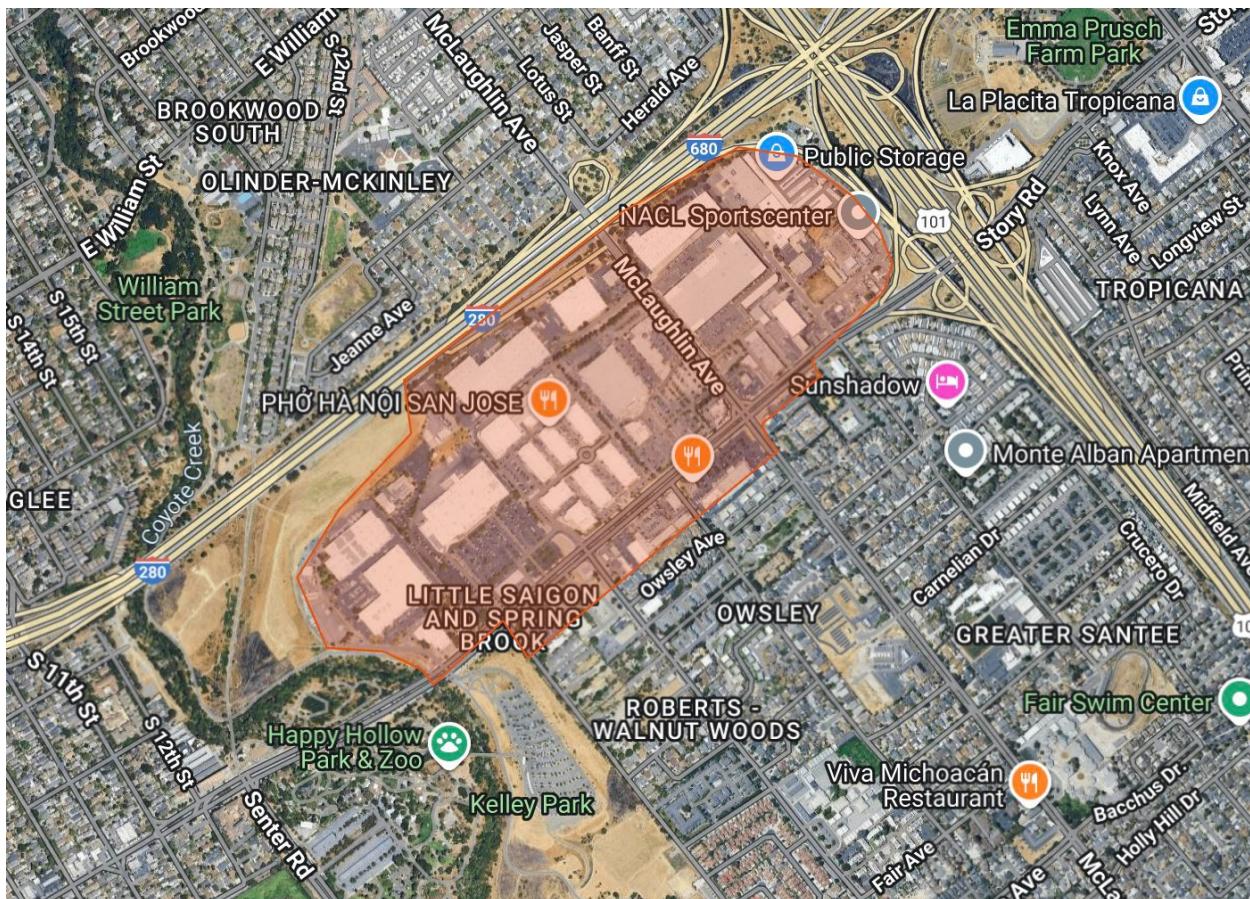
DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk

EXHIBIT A DISTRICT BOUNDARIES



**EXHIBIT B
PROPOSED BID SERVICES**

Story Road Business Improvement District (SRBID)

The Story Road Business Association (SRBA) anticipates generating approximately \$129,185 annually through assessments applied to 434 businesses within the district boundary. Businesses are assessed based on the business space they occupy, base rate, and a flat base fee of \$350 applied to all businesses. This estimate reflects a 30% delinquency rate based on historical collection patterns for similar Business Improvement Districts in San José.

The assessment methodology is designed to allocate assessments in proportion to the benefits received by businesses within the district, using business space occupied as a proxy for benefit. All businesses were assessed for a flat base fee of \$350 to support district-wide services that provide shared benefits throughout the corridor. In addition, a space-based assessment is calculated by dividing the amount of business space occupied by 25,000 square feet and rounding the result down to the nearest whole number to determine an incremental assessment factor. This factor is multiplied by a base rate of \$350 and added to the flat base fee. The use of whole-number increments ensures consistent, predictable, and equitable application of the assessment methodology across all businesses, while maintaining alignment with proportional benefit requirements.

Total Assessment = Base Fee + Base rate x INT (Business space ÷ 25,000)

Base fee: \$350

Base rate: \$350

The SRBA will allocate funds across three primary service categories as approved by the Board: Clean, Safe, and Beautiful (40%), Marketing and Activation (40%), and Administration and Contingency (20%). These services are designed to directly and specifically benefit the assessed businesses, enhance the district's vitality, and foster a clean, safe, and welcoming commercial corridor.

| Category | Allocation | Percentage |
|----------------------------|---------------|------------|
| Clean, Safe and Beautiful | \$ 51,674.00 | 40% |
| Marketing and Activation | \$ 51,674.00 | 40% |
| Administration/Contingency | \$ 25,837.00 | 20% |
| Total | \$ 129,185.00 | 100% |

Clean, Safe and Beautiful (40% — \$51,674)

The Clean, Safe, and Beautiful program is intended to improve the overall condition and appearance of the Story Road corridor by providing supplemental services that address cleanliness, safety, and aesthetics. These services are designed to enhance the day-to-day environment for businesses and customers, reduce negative impacts on commercial activity, and support a well-maintained and welcoming corridor. Services may include, but are not limited to:

- Regular litter removal, sidewalk sweeping, and targeted corridor cleanups focused on high-need areas;
- Removal of bulky items and illegal dumping debris to improve sidewalk accessibility and storefront visibility;
- On-demand graffiti abatement on public-facing surfaces within the district;
- Pressure washing of sidewalks and removal of gum and stains in priority locations;
- Installation and maintenance of enhanced lighting elements to improve nighttime visibility and safety;
- Coordination with maintenance vendors, City departments, and partner organizations to address ongoing cleanliness and safety concerns;
- Safety patrols or partnerships with local enforcement and service providers to deter loitering, vandalism, and illegal dumping;
- Installation and maintenance of planters, banners, murals, and other beautification elements that reinforce the corridor's identity; and
- Implementation of camera or monitoring programs, as feasible, to support corridor safety efforts.

These services will be supplemental to baseline City services and will directly improve the business environment within the corridor.

Marketing and Activation (40% — \$51,674)

The Marketing and Activation program is intended to promote the Story Road corridor as a cohesive destination by increasing awareness of local businesses and encouraging customer visitation. Through coordinated marketing efforts and community activations, this program supports business visibility, strengthens corridor identity, and fosters a positive image of the district. Services may include, but are not limited to:

- Social media management and digital outreach to highlight Story Road businesses, promotions, and events;
- Design and production of corridor-wide marketing materials, including flyers, maps, and business directories;

- Coordination and hosting of community events, cultural celebrations, mixers, and seasonal activations that drive foot traffic;
- Website development and maintenance to promote district businesses, events, and resources;
- Partnerships with local artists, cultural organizations, schools, and community groups to activate public spaces and reflect the corridor's cultural identity; and
- District branding and promotional efforts that strengthen Story Road's image as a welcoming and vibrant commercial destination.

These initiatives will enhance the visibility of local businesses and foster a sense of community pride along Story Road.

Administration and Contingency (20% — \$25,837)

The Administration and Contingency category supports the effective management and delivery of district services in accordance with the approved service plan. These funds ensure appropriate oversight, compliance, coordination, and financial stability necessary to maintain district operations and support the long-term sustainability of the Business Improvement District. Services may include, but are not limited to:

- Professional staff support and consultants to manage district operations.
- Office, legal, accounting, and insurance expenses.
- City administrative collection fees (not to exceed actual costs).
- Board development, training, and strategic planning support.
- Reserve funds for contingencies, uncollected assessments, or one-time district renewal costs.

This category ensures transparent, effective management and long-term sustainability of the district.