

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF SAN JOSE
ESTABLISHING THE ALAMEDA 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 December 16, 2025 adopted Resolution No. RES2025-438, titled “A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE DECLARING ITS INTENTION TO ESTABLISH THE ALAMEDA 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 ALAMEDA BUSINESS IMPROVEMENT DISTRICT”; and

WHEREAS, Resolution No. RES2025-438 was duly published, and copies of Resolution No. RES2025-438 were mailed to the affected businesses, as required by the ‘89 Law; and

WHEREAS, as specified in Resolution No. RES2025-438, a public meeting concerning the formation of The Alameda Business Improvement District (“TABID”) was held before the City Council on January 13, 2026 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, on February 3, 2026, the City Council deferred the noticed public hearing from February 3, 2026 to February 24, 2026; and

WHEREAS, as specified in Resolution No. RES2025-438, a public hearing concerning the formation of TABID was held before the City Council on February 243, 2026 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 TABID 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 February 243, 2026, the City Council authorized the City Manager or her designee to negotiate and execute an agreement with The Alameda Business Association, Inc. ("The ABA") for the administration of TABID; 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 Alameda Business Improvement District ("TABID").
2. The boundaries of TABID are described below, and are shown on the map attached hereto as Exhibit A and incorporated herein:

The boundaries of TABID shall include all businesses within The Alameda District area including the east side of Stockton Avenue north to Emory Street, Emory Street west to Elm Street, Elm Street north to Hedding Street, Hedding Street west to Dana Avenue, Dana Avenue south to West San Carlos Street, West San Carlos Street east to McEvoy Street, McEvoy Street north to Park Avenue, Park Avenue west to Laurel Grove Lane, Laurel Grove Lane north until it becomes Bush Street, Bush Street north to The Alameda, and The Alameda east to Stockton Avenue.

3. The purpose for forming TABID is to provide revenues for physical maintenance, marketing, and promotion efforts to increase commercial activity in The Alameda business corridor. The improvements and activities to be provided in TABID 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 TABID or for any purpose other than the purposes specified in TABID's annual budget as approved by the City Council.

4. The assessment rate for the business owners is a flat rate of \$350.00 annually. TABID will offer a reduced annual assessment of \$100 for businesses with less than two (2) employees and all non-profit organizations, and all home-based businesses will be exempt from the annual assessment.
5. Assessments will be collected from TABID businesses at the same time and in the same manner as the City's business tax.
6. Any TABID 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 TABID 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 The ABA determines that the failure to remit the assessment is because of an intentional, material misrepresentation or omission, or fraud by the business, an additional penalty will be imposed on the business in the amount of twenty-five percent (25%) of the delinquent assessment. Any TABID 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 The ABA. 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 The ABA all collected TABID assessments and all penalties and interest collected on delinquent TABID assessments. Disbursements shall be made in such manner as the parties mutually agree upon in writing. The ABA 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 TABID 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 The ABA ("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 The ABA.
9. TABID'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 TABID 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 TABID 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 TABID 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 _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk

EXHIBIT A DISTRICT BOUNDARIES

