



City of Santa Clara

Call and Notice of Special Meeting

Economic Development, Communications, and Marketing Committee

Wednesday, September 18, 2019

3:00 PM

City Hall – Council Chambers
1500 Warburton Avenue Santa
Clara, CA 95050

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 ("The Brown Act") and Section 708 of the Santa Clara City Charter, the Chairperson calls for a Special Meeting of the Economic Development, Communications, and Marketing Committee to commence and convene on September 18, 2019, at 3:00 pm for a Special Meeting in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

CALL TO ORDER AND ROLL CALL

PUBLIC PRESENTATIONS

GENERAL BUSINESS

1. **19-990** [Update on All Vision Billboard Agreement](#)
2. **19-1014** [Verbal Update and Discussion on Collective Community Calendar](#)
3. **19-1012** [Verbal Update and Discussion on Communications Consultant](#)
4. **19-989** [Verbal Update on Destination Marketing Organization \(DMO\)](#)
5. **19-987** [Update on Communications](#)
 - 5.A Social Media Analytics Quarterly Report
 - 5.B Beta Website Launch
 - 5.C New City Hall Newsletter
 - 5.D Video Storytelling
6. **19-988** [Verbal Update on Next Steps for Worker Cooperatives](#)

COMMITTEE MEMBERS REPORT

GOOD OF THE ORDER

ADJOURNMENT

The Economic Development, Communications, and Marketing Committee meeting is adjourned to December 2, 2019.



Agenda Report

19-990

Agenda Date: 9/18/2019

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS AND MARKETING COMMITTEE

SUBJECT

Update on All Vision Billboard Agreement

BACKGROUND

At the June 3, 2019 Economic Development, Communications and Marketing Committee meeting, the Committee requested that an update on the City's billboard agreement be provided by the City Attorney.

At the July 9, 2019 City Council meeting, the City Council referred the status report on the City's existing billboard contract and termination status of contract to the City Attorney.

DISCUSSION

On March 24, 2015, the City entered into a five-year agreement with All Vision for the development and marketing of billboard space. The Committee has asked whether the All Vision Agreement is still in effect and whether it can be terminated. A copy of the All Vision Agreement along with the materials presented to Council at the time it was approved are attached as Attachment 1.

By its own terms, the agreement will terminate on March 24, 2020. The contract can be terminated earlier without cause upon 30-days' notice. The termination provision is as follows:

9. TERMINATION OF AGREEMENT.

- A. Either Party may terminate this Agreement without cause by giving the other Party written notice ("Notice of Termination") which clearly expresses that Party's intent to terminate the Agreement. Notice of Termination shall become effective no less than thirty (30) calendar days after a Party receives such notice. After either Party terminates the Agreement, Contractor shall discontinue further services as of the effective date of termination, and City shall reimburse Contractor for all reasonable costs incurred by Contractor in performing Services up to such date, including without limitation amounts paid or owed to subcontractors or third party consultants and other vendors, salaries, benefits, employment taxes and other labor burden costs of Contractor's personnel engaged in performing the Services (reasonably allocated based on the portion of their working time devoted to the Services), personnel travel expenses (also so allocated), and all Direct Expenses (defined in Exhibit A).

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the Economic Development,

Communications, and Marketing Committee and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Brian Doyle, City Attorney

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. 3-24-15 Agenda Report - Approval of Agreement with All Vision

Meeting Date:

3-24-15
3-10-15**AGENDA REPORT**

City of Santa Clara, California

Agenda Item #

6.B

**Date:** March 6, 2015**To:** City Manager for Council Action**From:** Sheila Tucker, Assistant City Manager

Subject: Approval of agreement for professional services with All Vision at no cost to the City to access the City's real estate assets for opportunities to maximize revenue from digital outdoor advertising and to return to Council for final approval to construct any new billboards

EXECUTIVE SUMMARY:

At the April 16, 2014 and May 21, 2014 Marketing Committee meetings, the Committee discussed pursuing consulting and management services to access the city's real estate assets for opportunities to maximize revenue from digital outdoor advertising. The Marketing Committee recommended that the Council conduct a request for proposals for consulting and management services to access the city's real estate assets for opportunities to maximize revenue from digital outdoor advertising, and to return to Council for final approval to construct any new billboards. Staff introduced this topic at the city Council's special meeting on November 7, 2014.

On November 25, 2014 the City Council approved the issuance of a request for proposals (RFP) for such consulting and management services. Staff was further directed to pursue brokerage services in the competitive solicitation. The city released an RFP for brokerage services in December 2014. Two firms submitted proposals, All Vision and TR Advisors. An evaluation committee comprised of staff from Finance, Planning and the City Manager's Office evaluated each firm's submittal relative to the proposer's experience, overall cost and business value to the city and strategic direction. Upon completion of staff's evaluation of proposals, oral interviews and reference checks, All Vision was selected as the recommended firm.

All Vision will assist the city to develop a strategic plan for outdoor advertising within the City of Santa Clara. The plan will align with the city's signage reduction, revenue, environmental, and public policy objectives. All Vision will provide the following scope of work:

- Evaluate all potential outdoor advertising opportunities and develop a comprehensive strategic plan based on the city's objectives and goals
- Obtain all applicable local and state entitlements and regulatory approvals
- Negotiate agreements for the placement and sale of advertising with third party billboard companies
- Manage the construction process in coordination with applicable departments and permit requirements
- Manage asset performance, contract enforcement, collections, content control, maintenance & operational standards

All Vision's compensation is based solely on the revenue that its work generates for the City of Santa Clara. There are two implementation models from which the city may select on a location-by-location basis at their sole discretion. Having two models will enable the city to have the flexibility to maximize its revenue while also achieving its signage reduction goals. Both models will provide opportunities for outdoor companies to participate in and benefit from the program.

Third Party Development: All Vision, on behalf of the City of Santa Clara, will negotiate with and license the development/construction, sales, and operations of an asset to a third-party billboard company who pays annual rental revenue for the right to sell advertising on a potential asset. Under this model the city will receive 70% of rental revenue. All Vision will receive 30% of rental revenue. The third party model may be utilized to work with existing billboard companies on the removal of existing signs, but will provide lower revenue and lesser property rights protection to the city.

Contractor Development: All Vision, on behalf of the City of Santa Clara, will develop/construct an asset and then negotiates with and licenses the sales to a billboard company. Under this model, the city will receive 55% of net revenue. All Vision will receive 45% of the net revenue. Net revenue is comprised of total advertising revenue less third party sales, maintenance, electric, and insurance expenses. The contractor development model has the benefit of generating the most revenue for the city while also providing the greatest property rights to the city. However, it will likely make it more difficult to achieve maximum signage reduction.

In the event that a sign developed under the Contractor Development option may need to be removed in the future for a higher and better use, the city can remove a developed sign. Should the sign be removed and not be able to be relocated after the first five years, All Vision would not recoup any costs associated with constructing the sign. Should the sign be removed and not be able to be relocated within the first 5 years, All Vision would only receive their unamortized capital construction costs. A similar concept can be negotiated in potential Third Party Development agreements.

The proposed agreement between All Vision and the City of Santa Clara is similar to other public agency agreements that All Vision has, including with Los Angeles County METRO, a state chartered agency. There is no conflict of interest that arises from the proposed agreement because All Vision does not propose to actually sell advertising, but instead will select third party billboard companies to do so. All Vision will perform all services contemplated in the procurement and is not an end user or "awardee" of those services. Furthermore, staff is aware of controversies related to All Vision's similar work with another municipality (City of Santa Clarita), but our review of that dispute fails to indicate any wrongdoing, malfeasance, or violation of law resulting from that city's and All Vision's contractual relationship.

ADVANTAGES AND DISADVANTAGES OF ISSUE:

All Vision will develop a strategic plan at no cost to the city and there is no obligation for the city to move forward with any concepts that are presented in the plan. Any potential outdoor advertising development will be approved on a location-by-location basis by the City Council. Should Council approve any part of the strategic plan, All Vision will negotiate with third party billboard companies to be the end user of any outdoor advertising assets that are contemplated in the strategic plan. After

City Manager for Council Action
Subject: Approval of Agreement with All Vision
March 2, 2015

Page 3

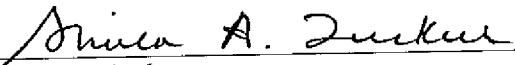
assets are operational, All Vision will continue to provide ongoing management services to ensure that all outdoor advertising assets are operating based on the City's objectives.

ECONOMIC/FISCAL IMPACT:

This agreement is a no cost agreement to the City.

RECOMMENDATION:

That the Council approve and authorize the City Manager to execute an agreement for professional services with All Vision at no cost to the city to access the City's real estate assets for opportunities to maximize revenue from digital outdoor advertising and to return to Council for final approval to construct any new billboards.


6th Sheila A. Tucker
Assistant City Manager

APPROVED:


Julio J. Fuentes
City Manager

Documents Related to this Report:
Agreement

Meeting Date: 3-24-15

AGENDA REPORT

City of Santa Clara, California

Agenda Item # 6B.1



Date: March 19, 2015

To: City Manager for Council Information

From: Sheila Tucker, Assistant City Manager

Subject: Supplemental Information on Staff Recommendation to Approve Agreement with All Vision

EXECUTIVE SUMMARY:

On March 10, 2015, the City Council considered a staff recommendation to approve an agreement for professional services with All Vision to access the City's real estate assets for opportunities to maximize revenue from digital outdoor advertising. On March 9, 2015, the Mayor and City Council received a letter from the unsuccessful bidder (TRA) expressing concerns with the staff recommendation and objecting to the award of the proposed agreement based on the financial evaluation (see letter attached). The City Council continued this item to date uncertain pending additional information.

This staff report provides supplemental information about staff's review of proposals and the basis of selection of All Vision as the recommended firm. Following the review of the written proposals, oral evaluation and reference checks, the evaluation panel (comprised of representatives of the City Manager's Office, Planning and Finance) rated the two proposals based on the criteria outlined in the RFP as follows:

Criteria	Weight	All Vision	TRA
Demonstrated understanding of the requested work and responsiveness to the RFP	10%	24.5	22.5
Demonstrated successful past performance of brokerage work for public agencies as verified by reference checks or other means	20%	50	53
Professional qualifications and experience of individuals to be assigned to the project	20%	54	52
Proposed compensation/revenue sharing structure	50%	140	103
Total	100%	268.5	230.5

Based on this evaluation, All Vision was selected as the recommended firm.

- All Vision is the largest independent outdoor advertising manager currently managing in excess of 2,500 outdoor advertising assets and generating over \$850 million for their clients.

- All Vision has entitled over 70 digital billboard faces across North America in the last five years, including experience with CEQA and the entitlement process in California.
- All Vision has a dedicated team of over 20 full-time professionals (including legal, operations, development, finance, accounting, management, construction and maintenance personnel) to manage outdoor advertising programs.
- All Vision offers two models (third party and contractor development) that provide flexibility in their approach that will allow the City to maximize revenue and signage removal.

To provide some additional context to the concerns raised in TRA's letter about the evaluation of the revenue sharing proposals, it is staff's opinion that TRA's analysis is incomplete in that it only illustrates the terms of one of the two options that All Vision offered to the city, that of the Third-Party Development model. In addition to the Third-Party Development model, All Vision also proposed a Contractor Development Model. TRA did not propose the Contractor Development model.

Under the Third Party Development model, the selected firm will negotiate a license for the development, construction, sales and operations of a billboard with a third-party billboard company who pays annual rental revenue for the right to sell advertising on the asset. Since the majority of the billboards in Santa Clara are owned by billboard companies, this model will allow the City to work with billboard companies on the removal of existing signs as the City negotiates the construction of new signs. However, this model will yield less revenue for the city than the Contractor Development model.

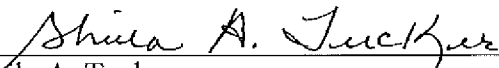
Under All Vision's proposed Contractor Development model, All Vision will develop and construct the billboard and then negotiate with and license the sales to a billboard company. This model has the benefit of generating the most revenue for the city. It may, however, achieve less signage reduction, as the current billboard companies may have less incentive to take down existing signs.

In order to normalize the evaluation of the revenue sharing proposals staff proposed a hypothetical scenario for a billboard that generates \$2 million annual gross advertising revenue over a five year period. The proposals as submitted by All Vision and TRA are included in Attachment B. In comparing each proposer's Third-Party Development model and the City's share of the net revenue, (Attachment B-1 and B-2) TRA estimates the City's share would be higher than All Vision in years 1 and 5, however All Vision estimates higher revenue for the City in years 2, 3 and 4. Overall, the estimates in the Third-Party Development model from both firms are comparable.

In comparing All Vision's estimate of the City's share of the revenue under the Contractor Development model (Attachment B-3), to TRA's Third-Party Development model (Attachment B-1), All Vision's revenue estimate exceeds TRA's in all years (1 through 5) ranging from \$186,000 to \$273,000 higher. When comparing estimates provided by both firms, the City would generate approximately \$1 million more over the five years by using All Vision's Contractor Development Model.


In conclusion, staff agrees that when comparing the City's revenue estimates under the third party model, that All Vision and TRA proposed comparable returns for the City. However, when comparing All Vision's contractor development model to TRA third party model, All Vision submitted the most advantageous revenue-generating proposal for the city. In addition, the City may elect either model proposed by All Vision on an asset-by-asset basis that will provide the City with the flexibility and optionality to both maximize revenue and achieve signage reduction.

There was some discussion at the March 10, 2015, meeting as to whether TRA's letter constituted a protest to the solicitation process. Pursuant to the Request for Proposals (RFP) issued in December 2014, no protest mechanism is provided to firms that are not selected. Unlike the process for public works contracts, the City is not required by state or local law to provide a mechanism for protests when selecting firms to provide services. This RFP, as well as most issued by the City, used a standard form that makes it very clear to proposers that the City has full and complete discretion to select the best firm based on multiple criteria. For example, based on the RFP, the City is not required to select the lowest offer, is not required to select any proposer, may choose to reject any and all proposals, and may negotiate with any, all or some proposers.



Sheila A. Tucker
Assistant City Manager

APPROVED:



Julio J. Fuentes
City Manager

Documents Related to this Report:

Attachment A. TRA letter dated March 9, 2015

Attachment B. All Vision and TRA Revenue Sharing Proposals



March 9, 2015

The Honorable Mayor Jamie L. Matthews
Members of the City Council
City of Santa Clara ("City")
1500 Warburton Avenue
Santa Clara, CA 95050

Re: City Council Agenda Item No. 7B.9
Approval of Agreement with All Vision for Outdoor Advertising Program

Dear Mayor Matthews,

The purpose of this letter is to express our concerns with the staff recommendation for the above referenced item and our objection to the award of the proposed agreement.

As noted in the staff report, the City received two proposals in response to the Request for Proposal (RFP) for Outdoor Advertising Management Services issued on November 25, 2014. I am the Managing Director for TR Advisors, LLC, the other company who submitted a proposal in response to the RFP. While we appreciate staff's time and effort, the staff report does not provide you with quantitative analysis or comparison of the two proposals in accordance with the scoring criteria set forth in the RFP to support their recommendation.

On January 7, 2015 at the request of the City, we submitted a spreadsheet to clarify the revenue sharing using a hypothetical scenario for a billboard that generates \$2 Million annual gross advertising revenue over a five-year period. TRA proposed 19.75% share of the lease rent revenue the City would receive from the third-party billboard operator limited to a five year term. **Under the proposed All Vision contract, All Vision would receive its 30% revenue share from a third-party billboard operator for the entire 25-year lease term.**

For the scenario, we projected the City would receive an estimated 30% of the gross advertising revenue, \$600,000 annually, our fee would be \$118,500 and the City's share would be \$481,500. If you use the same scenario for All Vision's proposed 30% share of the lease rent revenue for a third-party billboard operator, their share would be \$180,000 and the City's share would be \$420,000.

	Gross Advertising Revenue	All Vision Share	City Share	TRA Share	City Share	Net Revenue Loss to City
1 st Year	\$2,000,000	\$180,000	\$420,000	\$118,500	\$481,500	\$61,500
5-Year Total	\$10,000,000	\$900,000	\$2,100,000	\$592,500	\$2,407,500	\$307,500
6-25 Year Total	\$40,000,000	\$3,600,000	\$8,400,000	\$0 N/A	\$12,000,000	\$3,600,000



Mayor Matthews

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Other key points to note: TRA proposed to reduce our percentage share for the 2nd, 3rd and 4th or more billboard sites that were developed and reduce our fee when our accumulated consulting fee reached a certain financial threshold. We also limited our consulting fee to a five-year term with the City's option to continue to have TRA manage the program for a mutually agreeable management fee after the initial five-year term, while All Vision would receive their 30% fee over the 25-year lease term.

On December 5, 2014, Addendum #1 was issued which provided answers To All Potential Bidders previously submitted questions. Question No. 8 asked the City, "For the Review and Selection Process – Evaluation Criteria (page 7), are any of the bullet points listed weighted differently or are they all considered equal?" The City's response was the following chart:

Criteria	Weight
Demonstrate understanding of the requested work and responsiveness to the RFP	10%
Demonstrated successful past performance of brokerage work for public Agencies as verified by reference checks or other means	20%
Professional qualifications and experience of individuals to be assigned to the project	20%
Proposed compensation/revenue sharing structure	50%

Clearly, the City was seeking a qualified firm who could do the required work to implement an Outdoor Advertising Program, which also provided the best or highest amount of revenue to the City. Per this method of evaluation, by comparing the All Vision proposal with our proposal, TRA should have been awarded the full 50% of the weighted criteria allocation for the compensation/revenue sharing structure criteria.

For these reasons, we respectfully ask the City to reject the proposed agreement with All Vision and direct staff to negotiate an agreement with TRA which is more financially beneficial to the City.

Thank you for your consideration. I will be attending the City Council Meeting on March 10, 2015 to answer any further questions.

Sincerely,

Steve Shinn
Managing Director

CC: City Council Members
Julio J. Fuentes, City Manager
Sheila A. Tucker, Assistant City Manager

TR Advisors LLC**Outdoor Advertising Program Revenue Sharing Clarification**Assumptions:

3rd Party Development Model — Note: We are not contractor developers which is not the typical model.

One two-sided digital reader board structure (two display faces)

Built on City owned property

Annual gross advertising revenue of \$2 million (both faces)

Entitlement costs of \$25,000

Construction costs of \$750,000

Construction costs payback over five years

What is the proposal of costs and revenue sharing with City over five year period?

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Annual gross revenue	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Entitlement costs	-	-	-	-	-
Construction costs payback	-	-	-	-	-
Other costs (specify) 70% Third party billboard company	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Total costs	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Net revenue	600,000	600,000	600,000	600,000	600,000
Proposer's % share of net revenue	19.75%	19.75%	19.75%	19.75%	15%-19.75%*
Proposer's \$ share of net revenue	118,500	118,500	118,500	118,500	81,253
City's % share of net revenue	80.25%	80.25%	80.25%	80.25%	86.46%
City's \$ share of net revenue	481,500	481,500	481,500	481,500	518,747

Other notes:

*We are proposing as a consultant not as a billboard developer in keeping with the RFP scope of work. We will be acting as the City's agent to obtain billboard companies to lease the City's land and to entitle and develop the billboards at no cost to the city. The Third Party billboard company will lease directly with the City and we will manage the leases on behalf of the city, collect the rent, and send the collected rent to the City net of our commission. This form does not take into account our actual approach. Therefore there are no entitlement costs and no construction payback costs. We have listed the retained revenues by the third party billboard company as "Other cost" but it is not actually a cost. The billboard company will receive and generate the gross advertising revenues. From those revenues they will pay the rent to the City. We cannot know what the actual rent will be until it is negotiated on the City's behalf. Generally the rent is between 25% and 35% of gross revenues. This will depend on the value of the specific site.

*This percentage is reduced for each additional billboard

Allvision

Outdoor Advertising Program Revenue Sharing Clarification

Assumptions:

3rd Party Development Model

One two-sided digital reader board structure (two display faces)

Built on City owned property

Annual gross advertising revenue of \$2 million (both faces)

Entitlement costs of \$75,000

What is the proposal of costs and revenue sharing with City over five year period?

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Annual gross revenue	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Rental Revenue (35%)	700,000	700,000	700,000	700,000	700,000
Entitlement costs	75,000	-	-	-	-
Net revenue	625,000	700,000	700,000	700,000	700,000
Proposer's % share of net revenue	30%	30%	30%	30%	30%
Proposer's \$ share of net revenue	187,500	210,000	210,000	210,000	210,000
City's % share of net revenue	70%	70%	70%	70%	70%
City's \$ share of net revenue	437,500	490,000	490,000	490,000	490,000

Other notes:

Allvision is aligned to keep entitlement costs as low as possible

Entitlement Costs are 3rd party costs and do not include any Allvision internal, employee, or administrative overhead costs

Allvision is aligned to maximize Rental Revenue Percentage...

Allvision

Outdoor Advertising Program Revenue Sharing Clarification

Assumptions:

Contractor Development Model

One two-sided digital reader board structure (two display faces)

Built on City owned property

Annual gross advertising revenue of \$2 million (both faces)

Entitlement costs of \$25,000

Construction costs of \$750,000

Construction costs payback over five years

What is the proposal of costs and revenue sharing with City over five year period?

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>*Year 6</u>
Annual gross revenue	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Entitlement costs	75,000	-	-	-	-	-
Construction costs payback	150,000	150,000	150,000	150,000	150,000	-
Other costs (specify)						
Est. Operating Costs (insurance, electric maintenance) (3%)	60,000	60,000	60,000	60,000	60,000	60,000
Est. 3rd Party Advertising Sales Commission (25%)	500,000	500,000	500,000	500,000	500,000	500,000
Total costs	785,000	710,000	710,000	710,000	710,000	560,000
Net revenue	1,215,000	1,290,000	1,290,000	1,290,000	1,290,000	1,440,000
Proposer's % share of net revenue	45%	45%	45%	45%	45%	45%
Proposer's \$ share of net revenue	546,750	580,500	580,500	580,500	580,500	648,000
City's % share of net revenue	55%	55%	55%	55%	55%	55%
City's \$ share of net revenue	668,250	709,500	709,500	709,500	709,500	792,000

Other notes:

*Year 6 was added to show the City's revenue share after construction cost payback

Allvision is aligned to keep construction costs, operating costs, and sales commission costs as low as possible, since we share in net revenue after those costs

All construction, operating, and 3rd party advertising sales commissions are 3rd party costs and do not include any Allvision internal, employee, or administrative overhead costs

Since entitlement, construction, operating, and 3rd party advertising sales commissions are taken prior to net revenue, Allvision shares in all of these costs proportionally

Having a construction payback period enables the City to ultimately own and have much greater control of an asset on their property

03/24/15

RECEIVED

MAR 24 2015

City Clerk's Office
City of Santa Clara



March 24, 2015

Honorable Jamie L. Matthews
Members of the City Council
1500 Warburton Avenue
Santa Clara, CA 95050

Via Electronic Mail
jmatthews@santacleara.gov
MayorAndCouncil@santacleara.gov

Re: Agenda Item 6B, Approval of Agreement with Allvision for Outdoor Advertising Program

Dear Mayor Matthews and Council Members:

We are writing this letter in response to the letter and memorandum submitted by Steve Shinn on behalf of TRA on Monday, March 23rd. That letter and memorandum contain many inaccuracies and is another deliberate attempt to mislead the City Council 24 hours prior to discussing Allvision's proposed agreement. We are submitting the information below that confirms Allvision's proposal was compliant with the procurement, consistent with applicable law, and provides the greatest financial opportunity for the City of Santa Clara.

RFP's Scope of Services:

The RFP's Scope of Services, which was unanimously approved by the City Council on November 25, 2014 states: "Responsibilities could include, without limitation, a range of services from consulting/advisory to asset construction/development/implementation to long-term management/maintenance services on behalf of the City of Santa Clara (City)." The RFP's Scope of Services also called for creative approaches to address the City's objectives of reducing billboards in the City and generating additional revenue.

Allvision's proposal clearly complies with the Scope of Services that this procurement contemplated and requested. Specifically, the Scope of Services included the following two tasks, which were left out of Mr. Shinn's correspondence:

4.e. Construct, develop, implement, and/or manage assets on behalf of the City at provider's upfront cost;

- o This is the foundation and basis for the Contractor Development Model that Allvision proposed

5. Assist the City in updating its sign regulations Code 18.80.010, and Policy for Billboard Relocation (see Attachment A-1), as needed.

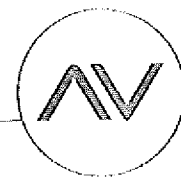
- o The procurement clearly contemplated updating or revising the City's Ordinance and Policy to meet and enhance the City's overall outdoor advertising objectives, which are likely to include both signage reduction and revenue generation. Any modifications to the Ordinance and Policy would be at the sole discretion and approval of the Council. Development and implementation of a possible revision to the Ordinance and Policy is clearly contemplated by the RFP.



JOSH SCHARFBERG, VICE PRESIDENT, BUSINESS DEVELOPMENT
JSCHARFBERG@ALLVISION.COM
PHONE: 917.803.0244

WWW.ALLVISION.COM

POST MEETING MATERIAL



Thus, Allvision's proposal is a direct, comprehensive, and compliant response to the RFP, and it will enable the City to meet its objectives stated in the procurement.

California Public Contract Code Section 10365.5(a).

TRA's reference to California Public Contract Code Section 10365.5(a) is clearly misplaced and the conclusions stated therein are completely inaccurate and invalid. The cited Code section is only applicable to State agencies. The City is not a State Agency under the terms of this Codes section. Moreover, the Allvision Agreement is quite similar to other public agency agreements that Allvision has in place, including with Los Angeles County METRO, a state chartered agency. There is no conflict of interest that arises from the proposed agreement because Allvision does not propose to be an end user or "awardee" of the services that were requested in the procurement or proposed by Allvision. To reiterate, third party billboard companies, not Allvision, will be the end user or "awardee" of Allvision's work. At no time will Allvision "*submit a bid, nor be awarded a contract for, the provision of services, procurement of goods or supplies or any other related actions which is required, suggested, or otherwise deemed appropriate in the end product of the consulting services contract.*" Under either proposed development model – Contractor or 3rd Party - a billboard company, not Allvision, will enter into an Agreement to sell advertising and generate revenue for the City. The billboard companies will always be the end-user or awardee of both proposals submitted by Allvision.

Revised Financial Estimates:

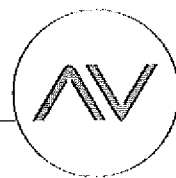
TRA's revised financial model is inconsistent with all previous financial information that they submitted to the City as part of the evaluation process. This includes a worksheet submitted in January, 2015 as well as information submitted March 9, 2015, both of which are included in the Supplemental Staff Report. In all previous correspondence with City Staff and City Council, TRA has stated they believe they can generate a 30% revenue share, however they inexplicably have now inflated that percentage to 35%. Allvision's financial proposal and analysis has been consistent throughout. TRA's altered estimates again do not compare the Contractor Development Model, which would generate over \$5 million more to the City nor do they compare a hybrid of both models that would generate over \$1.4 million more to the City. Allvision's proposal has been consistent and unquestionably provides the greatest financial opportunity to the City. Importantly, Allvision's proposal provides a broader range of options to the City, resulting in a number of financial, legal and property rights benefits to the City, and is directly responsive to the full range of requested services set out in the RFP.

Allvision has successfully implemented complex outdoor advertising reduction projects with the major billboard companies. Our Strategic Plan is likely to propose recommendations for a combination of both models to ensure that the RFP's two stated objectives, signage reduction and revenue generation, are satisfied. Having both options enables the City to have the greatest flexibility to ensure both objectives are met to their satisfaction. We encourage you to approve staff's recommendation and award an agreement to Allvision so we can begin working on behalf of the people of Santa Clara



JOSH SCHARFBERG, VICE PRESIDENT, BUSINESS DEVELOPMENT
JSCHARFBERG@ALLVISION.COM
PHONE: 917.803.0244

WWW.ALLVISION.COM



Very truly yours,

Josh Scharfberg

Vice President, Business Development, Allvision

CC: Julio J Fuentes, City Manager, City of Santa Clara
Sheila Tucker, Assistant City Manager, City of Santa Clara
Richard E. Nosky, City Attorney



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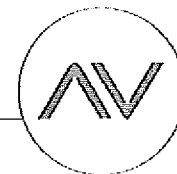
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6B-1

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MAR 23 2015

City Clerk's Office
City of Santa Clara



March 23, 2015

Honorable Jamie L. Matthews
Mayor, City of Santa Clara
1500 Warburton Avenue
Santa Clara, CA 95050

Via Electronic Mail
jmatthews@santaclara.gov
MayorAndCouncil@santaclara.gov

Re: City Council Agenda Item 6B
Approval of Agreement with Allvision for Outdoor Advertising Program

Dear Mayor Matthews and Council Members:

We are writing this letter in response to a letter submitted by Mr. Steve Shinn on March 9th and City Council's subsequent continuance and request for further information during the March 10th City Council meeting regarding the above referenced item.

First and foremost, I would like to commend your staff for conducting a fair, transparent and thorough evaluation process regarding this procurement. After nearly three months of evaluating the proposals, City staff has concluded that Allvision has the best proposal both from a financial and execution basis, and is recommending award of this contract to us.

Should you approve the proposed agreement, Allvision would provide the City with a comprehensive strategy for a full range of potential outdoor advertising concepts. These concepts include two models from which the City Council will select and approve on a location-by-location basis at your discretion: a Third Party Development model and a Contractor Development model. Our program will enable the City to realize significant revenue, achieve reduction in existing billboard signage, and meet Council's marketing committee's objective promoting the City's brand.

Allvision is the largest independent outdoor advertising manager in North America with over 2,500 outdoor advertising assets under management. Over the past six years we have entitled or developed over 70 digital outdoor advertising faces and have generated over \$850 million in contracted long-term incremental revenue for our clients. We have a full-time team of over 20 full-time professionals solely dedicated to developing, implementing, and managing outdoor advertising programs, on behalf of our mostly public agency clients. Our internal infrastructure includes legal, operations, development, finance, accounting, management, and construction personnel who will all be utilized to implement this project. TRA's business, on the other hand, is not focused solely on outdoor advertising and their team lacks the experience and infrastructure to facilitate a complex outdoor advertising project of this nature.

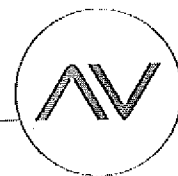
Allvision has successfully implemented and is actively working on signage projects with Outfront Media (formerly CBS Outdoor) and Clear Channel Outdoor at the highest levels, who together own most of the existing billboard inventory within the City. We will work



JOSH SCHARFBERG, VICE PRESIDENT, BUSINESS DEVELOPMENT
JSCHARFBERG@ALLVISION.COM
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POST MEETING MATERIAL



with both of these organizations, amongst others, to implement an outdoor advertising program that will meet the City's objectives, including signage reduction.

Mr. Shinn's letter included a financial table that was both incomplete and inaccurate based on information submitted to the City by both parties. Mr. Shinn's letter analyzed inaccurate information on only one of the two models that Allvision proposed, the 3rd Party Development Model. In addition to that model, Allvision proposed a Contractor Development Model that could generate the most money for the City. Below is an accurate analysis and comparison of the Allvision Contractor Development Model to TRA's proposal. When comparing this model to TRA's proposal, the City would generate \$5 million more from Allvision's proposal over a 25-year period.

Allvision Contractor Development Model versus TRA Model				
	Gross Advertising Revenue	Allvision Model City Revenue	TRA Model City Revenue	City Increase with Allvision
5 Year Total	\$10,000,000	\$3,533,750	\$2,407,500	\$1,126,250
25-Year Total	\$40,000,000	\$19,483,750	\$14,407,500	\$5,076,250

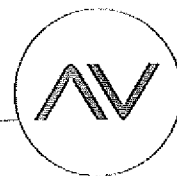
During the interview process, Allvision has consistently informed the City that we envision a successful outdoor advertising program being comprised of a hybrid of both proposed models in order to maximize the City's signage reduction and revenue. When comparing an average of Allvision's two models to TRA's proposal, the City would generate approximately \$1.4 million more from Allvision's proposal over a 25-year period.

Allvision Hybrid (1/2 Development & 1/2 Third Party) versus TRA Model				
	Gross Advertising Revenue	Allvision Model City Revenue	TRA Model City Revenue	City Increase with Allvision
5 Year Total	\$10,000,000	\$2,965,625	\$2,407,500	\$558,125
25-Year Total	\$40,000,000	\$15,840,625	\$14,407,500	\$1,433,125

Please note that Allvision's financial information above is accurate and based off the revenue worksheets submitted by Allvision during the evaluation. TRA's financial information is based off of the letter they submitted to the City Council on March 9, 2015. Both the revenue worksheets and letter were included in the Supplemental Staff Report and can corroborate that Allvision's financial proposal provides the greatest revenue opportunity for the City.

In addition to providing a better financial proposal for the City, Allvision is fully aligned to maximize both the City's total revenue as well as their long-term revenue. Based on TRA's proposal, TRA is only aligned to generate a fixed capped amount of revenue over a five-year term. Unlike TRA's proposal, Allvision will be there for the long haul, advocating, advising, and managing these assets at the direction of and for the benefit of the City of Santa Clara.





In all models, the revenue that the City would receive is based off a percentage of gross advertising revenue. Allvision's financial alignment, infrastructure, and active management are likely to generate significantly more absolute revenue than TRA's proposal contemplates. TRA does not have the staff, experience, or long-term financial incentive to maximize the total advertising revenue, which is a critical component of any outdoor advertising project.

Allvision has the experience, staff, and incentive to develop and implement a comprehensive outdoor advertising program for the City of Santa Clara. Our proposal provides the greatest financial benefit to the City as explained above and confirmed by Staff in the Supplemental Staff Report. We encourage you to accept staff's thorough evaluation and recommendation and to approve the City's Agreement with Allvision at the March 24, 2015 City Council Meeting. We look forward to working together on a highly successful program for the people of Santa Clara. Along with other members of our team, I will be in attendance on Tuesday, March 24th should you have any questions.

Very truly yours,

Josh Scharfberg
Vice President, Business Development
Allvision

CC: Councilmember Pat Kolstad, City of Santa Clara
Vice Mayor Debi Davis, City of Santa Clara
Councilmember Jerry Marsali, City of Santa Clara
Councilmember Dominic J. Caserta, City of Santa Clara
Councilmember Lisa M Gillmor, City of Santa Clara
Councilmember Teresa O'Neill City of Santa Clara
Julio J Fuentes, City Manager, City of Santa Clara
Sheila Tucker, Assistant City Manager, City of Santa Clara



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6B.1

MAR 23 2015

City Clerk's Office
City of Santa Clara

March 23, 2015

The Honorable Mayor Jamie L. Matthews
Members of the City Council
City of Santa Clara ("City")
1500 Warburton Avenue
Santa Clara, CA 95050

Re: City Council Agenda Item No. 6B.1
Supplemental Information on Staff Recommendation to Approve Agreement with All Vision

Dear Mayor Matthews and City Council Members,

I would like to thank Staff for their diligence and hard work in developing the Supplemental Information for your consideration. While we are pleased to see how the evaluation panel highly rated TR Advisors (TRA) proposal, there remain questions and concerns with this staff recommendation.

Contractor/Developer Model

TRA did not propose as the Contractor/Developer model for several reasons:

- The model would result in a violation of the City's Sign Code 18.80.220 (see attached memo from Michael Dissette, TRA Senior Counsel). This is not consistent with your RFP Section 1 (b) which provides that a proposal should maximize revenues for the City and present alternative creative ideas through the deployment of outdoor advertising that "complies with City ordinances and policies."
- The model would be in conflict with the California Public Contract Code Section 10365.5(a)*
- There would be no incentive and/or cooperation from third party billboard companies to permanently remove their company owned assets, if they must compete for sites with a new digital billboard developer who is permitted to add new billboards in Santa Clara.
- It was not consistent with the goal and purpose of your Council's Marketing Committee, who initiated the proposal on April, 16, 2014. As stated in the minutes from that meeting: "The Committee discussed pursuing consulting and management services to access the City's real estate assets for opportunities to maximize revenue from digital outdoor advertising."

*Cal PCC Code 10365.5 (a) No person, firm, or subsidiary thereof who has been awarded a consulting services contract may submit a bid for, nor be awarded a contract for, the provisions of services, procurement of goods or supplies or any other related actions which is required, suggested, or otherwise deemed appropriate in the end product of the consulting services contract.

www.tradvisors.com

27 Franklin Street, 9th Floor | Boston, MA 02110 | (p)617.482.2525 | (f)617.482.0210

POST MEETING MATERIAL



Mayor Matthews

March 23, 2015

Page 2

Revenue to City

For the hypothetical scenario requested by City Staff, TRA projected the City/Consultant would receive an estimated 30% of the gross advertising revenue from billboard companies which is consistent with industry averages. This number was reflected in the letter and chart we shared with you for your March 10th council meeting. We've since learned from the staff report released on March 19th, All Vision projected an estimated 35% of the gross advertising revenue from billboard companies. Thus, for a fair comparison, we ask you to review the chart below that shows the differences using 35% (or \$700,000) gross advertising revenue which will be shared by the City/Consultant.

With this new information, the City will lose \$4.6 million over 25 years per billboard with All Vision.

	Gross Advertising Revenue (35%)	All Vision Share	City Share	TRA Share	City Share	Net Revenue Loss to City
1 st Year	\$2,000,000	\$210,000	\$490,000	\$138,250	\$561,750	\$71,500
5-Year Total	\$10,000,000	\$1,050,000	\$2,450,000	\$691,250	\$2,808,750	\$358,750
6-25 Year Total	\$40,000,000	\$4,200,000	\$9,800,000	\$0 N/A	\$14,000,000	\$4,200,000

Under the proposed All Vision contract, All Vision would receive its 30% revenue share from a third-party billboard operator for the entire 25-year lease term. TRA's contract after 5 years expires unless the City wishes to extend it; if so, it would be at a much lower rate as stated in our proposal.

We respectfully request you to ask city staff to negotiate an agreement with TRA as we believe we provide you with more revenue and will be able to negotiate a reduction of billboards in Santa Clara as we are the only firm who can do so without a conflict of interests or violation of your ordinances.

Sincerely,



Steve Shinn

Managing Director

CC: City Council Members
Julio J. Fuentes, City Manager
Sheila A. Tucker, Assistant City Manager
Richard E. Nosky, City Attorney

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MAR 23 2015

City Clerk's Office
City of Santa Clara

MEMORANDUM

TO: Steve Shinn; Lorna Moritz

FROM: Michael Disse, Sr. Counsel

DATE: March 22, 2015

RE: Santa Clara, CA -- RFP for Outdoor Advertising

I reviewed the Santa Clara RFP for Outdoor Advertising, the Santa Clara City Code and the City's Policy Statement for Billboard Relocation Agreements in order to evaluate the efficacy of a "Contractor/Developer" program model to achieve the City's stated goals. My conclusion is that the permitting and development of a new billboard through a contractor/developer model will likely result in a violation of the current City Code by increasing the number of billboards. Under these circumstances, proposing a contractor/developer program model is non-compliant with City ordinances, non-responsive to the RFP, and a conditional or contingent bid. The third Party Development model is the only compliant, unconditional and responsive model to propose to meet both of the City's stated goals.

The goals of the RFP are stated as:

- a. Reduce the number of existing billboards currently in place in residential/neighborhood areas.
- b. Maximize revenues for the City and present alternative creative ideas and methods for generating revenues through the deployment of outdoor advertising that complies with City ordinances and policies. [Emphasis supplied]

The City Code provides:

18.80.220 Outdoor advertising signs (billboards).

(a) *Intent.* The City of Santa Clara has had a policy since 1978 (Ordinance No. 1365) to limit the number of outdoor advertising signs (also commonly referred to as "billboards") to no more than sixty (60) physically in place in order to improve the quality of urban life for its citizens. It had been determined that billboards, by their very nature, wherever located and however constructed, constitute visual clutter and blight to the appearance of the City. It has also been determined that billboards impede traffic safety by unduly distracting motorists and pedestrians, creating traffic hazards, and reducing the effectiveness of signs needed to direct the public.

The City reasserts its policy that the obtrusive nature of billboards makes it imperative that the City control the number, size, and location of billboards. It is the continued position of the City Council that billboards are not permitted within the jurisdictional boundaries of the City unless a particular billboard



location has been approved. In the absence of a billboard location receiving affirmative approval from the City Council, the application was denied.

It is the City Council's intent hereby to permit no more billboards within the city, and to thereby restrict the presence of billboards in the City by limiting the number of billboards to those physically in place or for which approvals have been granted as of the effective date of the ordinance codified in this chapter. Additionally, as billboards are physically removed or destroyed, it is the intent of the City Council that the number of billboards will be permanently reduced by that number....

It is the express intent of the City Council to permit no further billboards within the city and to reduce their number through attrition rather than pay compensation pursuant to the provisions of Article 7 (commencing with Section 5400) of Chapter 2 of Division III of the California Business and Professions Code, which provisions require compensation for billboards removed at governmental insistence.

[Emphasis supplied]

The City's **Policy Statement** for Billboard Relocation Agreements (April 2011) establishes fairly restrictive relocation criteria for new billboards. For every construction or relocation of one sign face, three must be taken down. The City has made significant progress in reducing the number of billboards and locating new billboards in appropriate commercial zones. Currently, the City believes that there are 19 billboards within the City limits. That number shall not increase. Any newly permitted billboard must result in a net reduction of sign faces.

A proposer who does not own or control any of the existing billboards is not in a position to take down the required three sign faces when it develops a new billboard as the contractor/developer. The incentives which drive the Billboard Relocation program's required net reduction in sign faces are absent from the contractor/developer model. The result is an increase in billboards and, unless amended by City Council, a violation of the City Code.

Under these circumstances, proposing a contractor/developer program model is non-compliant with City ordinances, non-responsive to the RFP, and a conditional or contingent bid. The third Party Development model is the only compliant, unconditional and responsive model to propose to meet both of the City's stated goals.

CITY OF SANTA CLARA
AGENDA MATERIAL ROUTE SHEET

Council Date: 3/10/2015

SUBJECT: Agreement for the Performance of Services with All Vision LLC

PUBLICATION REQUIRED:

The attached Notice/Resolution/Ordinance is to be published _____ time(s) at least _____ days before the scheduled meeting/public hearing/bid opening/etc., which is scheduled for _____, 20____.

AUTHORITY SOURCE FOR PUBLICATION REQUIREMENT:

Federal Codes:

Title _____ U.S.C. § _____
(Titles run 1 through 50)

Federal Regulations:

Title _____ C.F.R. § _____
(Titles run 1 through 50)

City Regulations:

City Charter § _____
(i.e., 1310. Public Works Contracts. Notice published at least once at least ten days before bid opening)

California Codes:

Code _____ § _____
(i.e., Government, Street and Highway, Public Resources)

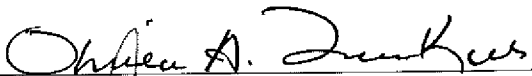
California Regulations:

Title _____ California Code of Regulations § _____
(Titles run 1 through 28)

City Code § _____

Reviewed and approved:

1. As to City Functions, by



Department Head

2. As to Legality, by



City Attorney's Office/CAO Assign. No 15-0243

3. As to Environmental Impact Requirements, by

N/A

Director of Planning and Inspection

4. As to Substance, by



City Manager

AGREEMENT FOR THE PERFORMANCE OF SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA,
and
ALL VISION, LLC

PREAMBLE

This agreement for the performance of services ("Agreement") is made and entered into by and between All Vision, LLC, a Delaware limited liability company, with its principal place of business located at 420 Lexington Avenue, Suite 1601, New York, NY 10170 ("Contractor"), and the City of Santa Clara, California, a chartered California municipal corporation with its primary business address at 1500 Warburton Avenue, Santa Clara, California 95050 ("City"). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

RECITALS

- A. City desires to secure professional services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services";
- B. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and compensated.

The Parties agree as follows:

AGREEMENT PROVISIONS

1. SERVICES TO BE PROVIDED.

City employs Contractor to perform the services ("Services") more fully described in Exhibit A entitled, "SCOPE OF SERVICES." All of the exhibits referenced in this Agreement are attached and incorporated by this reference. Except as otherwise specified in this Agreement, Contractor shall furnish all necessary technical and professional services, including labor, material, equipment, transportation, supervision and expertise to satisfactorily complete the work required by City at his/her own risk and expense.

2. TERM OF AGREEMENT.

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall

begin on the date this Agreement has been fully signed by both Parties and terminate at the end of the day before the fifth (5th) anniversary of the commencement date,

3. QUALIFICATIONS OF CONTRACTOR - STANDARD OF WORKMANSHIP.

Contractor represents and maintains that it has the necessary expertise in the professional calling necessary to perform services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Contractor's representations regarding its skills and knowledge. Contractor shall perform such services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

The plans, designs, specifications, estimates, calculations, reports and other documents furnished under Exhibit A shall be of a quality acceptable to City. The criteria for acceptance of the work provided under this Agreement shall be a product of neat appearance, well organized, that is technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings shall be that used by City for similar projects.

4. MONITORING OF SERVICES.

City may monitor the Services performed under this Agreement to determine whether Contractor's operation conforms to City policy and to the terms of this Agreement. City may also monitor the Services to be performed to determine whether financial operations are conducted in accord with applicable City, county, state, and federal requirements. If any action of Contractor constitutes a breach that is not cured within the time period required by this Agreement, City may terminate this Agreement as provided in Section 32 below.

5. WARRANTY.

Contractor expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect, and shall conform to the specifications, requirements, and instructions upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate, or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Contractor. If Contractor fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Contractor for the cost incurred by City.

6. PERFORMANCE OF SERVICES.

Contractor shall perform all requested services in an efficient and expeditious manner and shall work closely with and be guided by City. Contractor shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by it. Contractor will perform all Services in a safe manner and in accordance with all federal, state and local operation and safety regulations.

7. RESPONSIBILITY OF CONTRACTOR.

Contractor shall be responsible for the professional quality, technical accuracy and coordination of the Services furnished by it under this Agreement. Neither City's review, acceptance, nor payments for any of the Services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement and Contractor shall be and remain liable to City in accordance with applicable law for all damages to City caused by Contractor negligent performance of any of the Services furnished under this Agreement.

Any acceptance by City of plans, specifications, construction contract documents, reports, diagrams, maps and other material prepared by Contractor shall not in any respect absolve Contractor from the responsibility Contractor has in accordance with customary standards of good professional practice in compliance with applicable federal, state, county, and/or municipal laws, ordinances, regulations, rules and orders.

8. COMPENSATION AND PAYMENT.

In consideration for Contractor's complete performance of Services, Contractor shall be entitled to the compensation provided in Exhibit B.

9. TERMINATION OF AGREEMENT.

A. Either Party may terminate this Agreement without cause by giving the other Party written notice ("Notice of Termination") which clearly expresses that Party's intent to terminate the Agreement. Notice of Termination shall become effective no less than thirty (30) calendar days after a Party receives such notice. After either Party terminates the Agreement, Contractor shall discontinue further services as of the effective date of termination, and City shall reimburse Contractor for all reasonable costs incurred by Contractor in performing Services up to such date, including without limitation amounts paid or owed to subcontractors or third party consultants and other vendors, salaries, benefits, employment taxes and other labor burden costs of Contractor's personnel engaged in performing the Services (reasonably allocated based on the portion of their working time devoted to the Services), personnel travel expenses (also so allocated), and all Direct Expenses (defined in Exhibit A).

B. A Party may terminate this Agreement for cause only in accordance with Section 32.

C. Without limiting the effect of any other provisions of this Agreement relating to survival of provisions after termination, Contractor's right to receive compensation based on any License Agreements entered into during the term of this Agreement and Section 2.C of Exhibit A will survive termination.

10. NO ASSIGNMENT OR SUBCONTRACTING OF AGREEMENT.

City and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written

approval of City, which approval the City shall not unreasonably withhold, condition or delay. Contractor shall not hire subcontractors to whose engagement the City reasonably objects.

11. NO THIRD PARTY BENEFICIARY.

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

12. INDEPENDENT CONTRACTOR.

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Contractor has full rights, however, to manage its employees in their performance of Services under this Agreement. Contractor is not authorized to bind City to any contracts or other obligations.

13. NO PLEDGING OF CITY'S CREDIT.

Under no circumstances shall Contractor have the authority or power to pledge the credit of City or incur any obligation in the name of City. Contractor shall save and hold harmless the City, its City Council, its officers, employees, boards and commissions for expenses arising out of any unauthorized pledges of City's credit by Contractor under this Agreement.

14. CONFIDENTIALITY OF MATERIAL.

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential.

Information will not constitute confidential information for purposes of this Section 14 in the following circumstances:

(a) City advises Contractor that the information is not required to be treated as confidential, provides the information with instructions to furnish it to others or use it in discussions with others, or provides the information in response to a request for information that is to be shared with others;

(b) the information is then or subsequently becomes generally available to or accessible by the public through no fault or wrongdoing of the Contractor;

(c) the information was in the possession of the Contractor before it was disclosed to Contractor in connection with the services under this Agreement;

(d) the information is required to be disclosed under open public records laws or open public meetings laws by virtue of being received, generated, or disclosed by City;

(e) the information is required to be disclosed pursuant to a subpoena, court order, or other legal process.

15. USE OF CITY NAME OR EMBLEM.

Contractor shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, or newspaper without express written consent of City. Contractor agrees to use City's name, insignia or emblem in support of its efforts as outlined in this Agreement and not for any other purpose without the prior written consent of the City.

16. OWNERSHIP OF MATERIAL.

All Planning Materials (defined below) will remain the intellectual property of Contractor or the consultants who contributed their work to the Planning Materials. Contractor grants (and shall obtain from its consultants, if necessary), a non-exclusive license for City to make copies and derivative works of Planning Materials as reasonably necessary to evaluate and implement the Strategic Plan (defined in Exhibit A). If City creates derivative works of Planning Materials that are not specifically approved by Contractor for City's use or uses Planning Materials for projects other than the Project or for parts of the Project other than those for which the Planning Materials were prepared, neither Contractor nor any of its contractors or consultants shall have any liability arising out of the City's use of those Planning Materials or derivative works. "Planning Materials" means each draft and final Strategic Plan and all designs, plans, studies, reports, and other information prepared and submitted by Contractor in any form in connection with the proposed Strategic Plan and implementation of the approved Strategic Plan.

17. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR.

For so long as Contractor collects and distributes License Revenue under License Agreements and for the duration of each Site Agreement (as those terms are defined in Exhibits A and B), whichever extends later, and for three years thereafter, Contractor shall maintain records of receipts, disbursements and withholding of amounts received by it on account of each License Agreement, including all Direct Expenses, and on account of each Site Agreement looking back at least seven years. City and its accountants and consultants shall be entitled to inspect and obtain copies of such records and documents at Contractor's office where such records are regularly kept during normal business hours upon not less than ten business days' prior written request.

City shall keep records of all License Revenue and Other Program Revenues (as those terms are defined in Exhibit B) received by it, and Contractor and its accountants and consultants shall be entitled to inspect such records and documents at the City's office

where such records are regularly kept upon not less than ten business days' prior written request.

18. CORRECTION OF SERVICES.

Contractor agrees to correct any incomplete, inaccurate or defective Services at no further costs to City, when such defects are due to the negligence, errors or omissions of Contractor.

19. FAIR EMPLOYMENT.

Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, gender, sexual orientation, age, disability, religion, ethnic background, or marital status, in violation of state or federal law.

20. HOLD HARMLESS/INDEMNIFICATION.

To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all reasonable attorneys' fees and costs incurred in providing a defense to any claim arising therefrom, for which City becomes liable as a result of Contractor's negligent, reckless, or wrongful acts, errors or omissions in connection with the Services performed by Contractor pursuant to this Agreement, except to the extent resulting from the sole negligence, recklessness, or wrongful conduct of the City or its employees, officers, council members, volunteers, contractors (other than Contractor) and other agents.

21. INSURANCE REQUIREMENTS.

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall purchase and maintain in full force and effect, at no cost to City insurance policies with respect to employees and vehicles assigned to the Performance of Services under this Agreement with coverage amounts, required endorsements, certificates of insurance, and coverage verifications as defined in Exhibit C.

22. AMENDMENTS.

This Agreement may be amended only with the written consent of both Parties.

23. INTEGRATED DOCUMENT.

This Agreement represents the entire agreement between City and Contractor. No other understanding, agreements, conversations, or otherwise, with any representative of City prior to execution of this Agreement shall affect or modify any of the terms or obligations of this Agreement. Any verbal agreement shall be considered unofficial information and is not binding upon City.

24. SEVERABILITY CLAUSE.

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

25. WAIVER.

Waiver by a party of any one or more of the conditions of performance, rights or obligations under this Agreement shall not be construed as waiver(s) of any other condition of performance, right or obligation under this Agreement.

26. NOTICES.

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara
Attention: City Manager's Office
1500 Warburton Avenue
Santa Clara, California 95050
or by facsimile at (408) 241-6771

And to Contractor addressed as follows:

All Vision, LLC
Attention: CEO
420 Lexington Avenue, Suite 1601
New York, NY 10170
or by facsimile at (212) 661-5704

with a required copy to:

All Vision, LLC
Attention: President
1805 Shea Center Drive Suite 250
Highlands Ranch, CO 80129
or by facsimile at (303) 773-7124

If notice is sent via facsimile, a signed, hard copy of the material shall also be mailed. The workday the facsimile was sent shall control the date notice was deemed given if there is a facsimile machine generated document on the date of transmission. A facsimile transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following Monday.

27. CAPTIONS.

The captions of the various sections, paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

28. LAW GOVERNING CONTRACT AND VENUE.

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

29. DISPUTE RESOLUTION.

- A. Unless otherwise mutually agreed to by the Parties, any controversies between Contractor and City regarding the construction or application of this Agreement, and claims arising out of this Agreement or its breach, shall be submitted to mediation within thirty (30) days of the written request of one Party after the service of that request on the other Party.
- B. The Parties may agree on one mediator. If they cannot agree on one mediator, the Party demanding mediation shall request the Superior Court of Santa Clara County to appoint a mediator. The mediation meeting shall not exceed one day (eight (8) hours). The Parties may agree to extend the time allowed for mediation under this Agreement.
- C. The costs of mediation shall be borne by the Parties equally.
- D. For any contract dispute, mediation under this section is a condition precedent to filing an action in any court. In the event of mediation which arises out of any dispute related to this Agreement, the Parties shall each pay their respective attorney's fees, expert witness costs and cost of suit, through mediation only. In the event of litigation, the prevailing party shall recover its reasonable costs of suit, expert's fees and attorney's fees.

30. COMPLIANCE WITH ETHICAL STANDARDS.

Contractor shall:

- A. Read Exhibit D, entitled "ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN AGREEMENT WITH THE CITY OF SANTA CLARA, CALIFORNIA"; and,
- B. Execute Exhibit E, entitled "AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS."

31. CONFLICT OF INTERESTS.

This Agreement does not prevent either Party from entering into similar agreements with other parties, except to the extent otherwise expressly provided in Section 2.C of Exhibit A. To prevent a conflict of interest, Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code Section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

32. DEFAULT AND REMEDIES.

- A. The occurrence of any of the following circumstances with respect to a party to this Agreement (the "Defaulting Party") will constitute an "Event of Default":
- i. a Party fails in a material way to perform its obligations under this Agreement and fails to cure such default within 30 days following delivery of written notice of that failure from the other Party to the Defaulting Party (or, if the default cannot reasonably be cured within that 30 day time period, but the Defaulting Party commences efforts to cure within that 30 day period and diligently pursues such efforts and the default is not inherently incurable, then within the longer amount of time reasonably necessary to complete such cure);
 - ii. a Party commences voluntary bankruptcy or insolvency proceedings or is adjudicated bankrupt, becomes insolvent, makes an assignment for the benefit of creditors or proposes or makes any arrangement for the settlement of its debts (in whole or in part) or for the liquidation of its assets or a receiver or a receiver and manager or person with similar authority is appointed with respect to the assets of that Party;
 - iii. a material portion of the assets of the Party is seized in satisfaction of any judgment; or
 - iv. any proceedings are taken for the liquidation, dissolution or winding-up of a Party or a Party ceases or threatens to cease to carry on business in the ordinary course.
- B. If an Event of Default occurs, the non-defaulting Party may have recourse to any one or more of the following remedies (but without any duplicative recovery):
- i. Recover its actual, direct damages for breach of contract resulting from the Defaulting Party's default;
 - ii. Terminate this Agreement; and

- iii. Have recourse to any other remedies for the breach available at law or in equity, except as limited by the provisions of this Agreement.

33. ENFORCED DELAY

In addition to specific provisions of this Agreement, whenever a period of time, including a reasonable period of time, is designated within which one of the Parties is required to do or complete any act, matter or thing, the time for that performance will be extended by a period of time equal to the number of days during which that Party is actually prevented from that performance or that performance is unreasonably interfered with because of causes beyond the reasonable control of the Party otherwise responsible to perform that act, including: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of God; unusual economic or governmental circumstances that limit the ability to generate advertising revenue from the Signs, litigation and administrative proceedings against the Signs (defined in Exhibit A) (not including any administrative proceedings contemplated by this Agreement in the normal course of affairs); any governmental approval required with respect to any one or more of the Signs (not including any period of time normally expected for the processing of those approvals in the ordinary course of affairs); restrictions imposed or mandated by other governmental entities; enactment of conflicting state or federal laws or regulations; judicial decisions; or similar bases for excused performance which is not within the reasonable control of the Party to be excused (financial inability excepted). This Section 33 does not apply to any proceedings with respect to bankruptcy or receivership initiated by or on behalf of either Party, or any such proceeding initiated by any third parties against a Party to this Agreement that is not dismissed within ninety (90) days. If written notice of a delay to which this Section 33 applies is given to any Party within thirty (30) days of the commencement of that delay, an extension of time for the applicable cause will be granted in writing for the period of the delay, or longer as may be reasonable or mutually agreed upon. If that delay results in an impairment of the revenue generating capacity of the Signs, the Term of this Agreement and each affected Site Agreement will be extended by the length of the duration of the period for which the revenue generating capacity of the affected Signs was impaired by those circumstances.

34. EXHIBITS.

The exhibits attached to this Agreement are part of this Agreement.

35. OTHER PROVISIONS

- A. Contractor Not a Guarantor. Contractor is not a guarantor of the obligations of any vendor or other third party doing business with City with respect to any Signs and will have no obligation to pay any amount owed by any such third parties or otherwise cure the default of any such third party.
- B. Sale or Other Disposal of Property by City. If City sells or otherwise disposes of an interest in City property that includes a Sign Location identified in the Strategic Plan and neither a Site Agreement nor a License Agreement has been entered into for that Sign Location, City at its sole discretion shall either (a) cancel the work on the evaluation and development of that Sign Location by notice to Contractor and, at or before the closing of the transfer of that property,

reimburse all of Contractor's reasonable Direct Expenses incurred for its work in connection with that prospective Sign Location, or (b) assign its interest in this Agreement insofar as it applies to the applicable property to the transferee of the property and, in the terms of the agreement for that sale or other transfer, require the transferee to assume the obligations of City hereunder with respect to the property and Sign Locations thereon (subject to the limitation that if the foregoing option "(b)" is not available because the transferee of the Sign Location is legally prevented from assuming those obligations, the City shall cancel the Contractor's work on that Sign Location in accordance with option "(a)"). Notwithstanding the foregoing sentence or anything else in this Agreement to the contrary, if a sale or other disposition of an interest in City property for which no License Agreement or Site Agreement then exists is for the purpose of allowing the Person acquiring that interest (or any of its affiliates or successors) to use the affected property to construct or use a Sign, the City's gross revenues from that sale or other disposition will be deemed License Revenues and Contractor shall be entitled to receive a portion of those License Revenues as provided in Section 2 of Exhibit B. If City sells or otherwise disposes of City property that includes a Sign Location with respect to which a License Agreement is in effect, City shall assign its interest in this Agreement insofar as it applies to that Sign Location and cause the purchaser of that property to assume the City's obligations under this Agreement to pay Contractor its License Revenue Share for the balance of the applicable License Revenue Share Period, to the extent permitted by applicable law; provided, however, that if the assumption of those obligations by the transferee of a Sign Location is not permitted by applicable law, City shall after that transfer remain liable to pay Contractor its License Revenue Share for the applicable License Revenue Share Period based on the amounts paid by the Licensee under the applicable License Agreement, which shall constitute License Revenues regardless of whether such amounts are paid to the City or its transferee.

- C. No Partnership. Nothing in this Agreement is to be construed to create a partnership between City and Contractor. The relationship between City and Contractor is an independent contracting and licensor/licensee relationship.
- D. No Regulated Services. Nothing in this Agreement is to be construed to require Contractor to provide legal advice to City, perform real estate brokerage services, or perform any other activity for which any kind of professional license is required. Contractor is not a real estate brokerage firm. Contractor is not providing legal advice to City and has not been engaged either to provide that advice or to obtain legal advice for City. City shall obtain and rely on the advice of its own legal counsel at its own cost.
- E. Deadlines on Business Days. The term "business day," as used in this Agreement, refers to days other than Saturday, Sunday, holidays when banks in the State of California are not open for transaction of regular business, or other days when the Santa Clara City Hall is closed. If the last day for any obligation to be performed under this Agreement falls on a day other than a business day, that deadline will be automatically extended to the next business day.

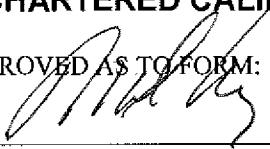
- F. City Business License. Contractor shall obtain and keep in force during the term of this Agreement a business license permitting it to conduct business in the City.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument; and, the Parties agree that signatures on this Agreement, including those transmitted by facsimile, shall be sufficient to bind the Parties.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. It is the intent of the Parties that this Agreement shall become operative on the date it has been fully signed by both Parties.


**CITY OF SANTA CLARA, CALIFORNIA
A CHARTERED CALIFORNIA MUNICIPAL CORPORATION**

APPROVED AS TO FORM:




RICHARD E. NOSKY, JR.
City Attorney

ATTEST:




ROD DIRIDON, JR.
City Clerk



JULIO J. FUENTES
City Manager
1500 Warburton Avenue
Santa Clara, CA 95050
Telephone: (408) 615-2210
Fax: (408) 241-6771

"CITY"

ALL VISION, LLC
a Delaware limited liability company

By: 

Print Name: Greg Smith
Title: CEO

"CONTRACTOR"

AGREEMENT FOR THE PERFORMANCE OF SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
ALL VISION, LLC

EXHIBIT A

All Vision will represent the City in developing a strategic plan for outdoor advertising within the City of Santa Clara. This plan will align with the City's signage reduction, revenue, environmental, and public policy objectives. The plan will be delivered at no cost to the City and there is no obligation for the City to move forward with any concepts that are presented in the plan. Any potential outdoor advertising development will be approved on a location-by-location basis by the City Council. Should Council approve any part of the strategic plan, Allvision will negotiate with third party billboard companies for them to be the end user of any outdoor advertising assets that are contemplated in the strategic plan. After assets are operational, All Vision will continue to provide ongoing management services to ensure that all outdoor advertising assets are operating based on the City's objectives.

Management and consulting services consist of, at no out of pocket cost or obligation to the City during the planning phase, the following. To the extent of any conflict between the provisions of this Exhibit A and the provisions contained in the body of the Agreement, the provisions of this Exhibit A control.

1. **Definitions.** The following additional definitions apply for the purposes of this Agreement, including its exhibits:

"City Property" means real property owned by the City at the time in question, including property owned in fee, leasehold rights, and easement rights.

"Contractor Development" has the meaning given in Section 2.E.i.b.

"Direct Expenses" has the meaning given in Exhibit B.

"Licensee" means each licensee under a License Agreement.

"License Agreement" means an agreement with a Licensee under which the Licensee will construct (if necessary), own and operate a Sign. "License Agreement" does not include any Site Agreement.

"Sign" means any of various sizes and types of outdoor advertising displays, including static, digital, or mechanical (including tri-vision) and all other billboards, displays, signboards and other types of equipment and structures that may be appropriate for outdoor advertising purposes, located or proposed to be located in Sign Locations.

“Sign Location” means each location within the City on which a Sign is or is proposed to be located.

“Site Agreement” means an agreement between Contractor and City entered into pursuant to Section 5 below under which Contractor will construct and operate a Sign and license the sales of advertising on the Sign to a third party advertising sales company.

“Third Party Development” has the meaning given in Section 2.E.i.a.

Other terms are defined elsewhere in this Exhibit. Capitalized terms used in this Exhibit that are not defined in this Exhibit have the meanings given in the body or other exhibits to the Agreement.

2. Outdoor Advertising Strategic Plan

- A. **Planning.** Contractor shall evaluate the opportunities for the marketing and development of Signs and transit oriented advertising in potential new Sign Locations. Contractor shall prepare and submit to City, within one year after the mutual execution and delivery of this Agreement, a draft Strategic Plan that includes the following elements, among others that may be reasonably requested by City:
 - i. an analysis of Sign development opportunities based on development feasibility and revenue potential;
 - ii. evaluation of the current and potential value of prospective Signs and identification of the potential advertising locations on City property that are best situated for the generation of advertising revenue;
 - iii. relevant market and/or media research, planning and competitive analyses; and
 - iv. policy recommendations regarding the possible modification of City’s existing codes and regulations pertaining to outdoor advertising signage.
- B. **City’s Documents and Information.** City shall make reasonable efforts to, promptly upon request, provide Contractor any and all records and documents which Contractor reasonably requests of City as necessary or appropriate for Contractor’s preparation of the Strategic Plan, except for documents and information that applicable laws prohibit City from disclosing, or which is privileged, including attorney-client communications and attorney work product. Contractor and City shall work cooperatively to ensure that Contractor and City’s representatives are available for meetings to discuss the proposed Strategic Plan.
- C. **Restriction Period for Prospective Sign Locations Proposed by Contractor.** Except for Signs installed pursuant to a Site Agreement or License Agreement, City shall not install, maintain or operate, and shall not permit any third party to install, maintain or operate, any new revenue-generating billboard or other

revenue-generating advertising sign of any kind at any location on City Property that is identified as a prospective Sign Location in the final Strategic Plan or any draft of the Strategic Plan submitted by Contractor under this Agreement for three (3) years after the submission of the plan identifying that Sign Location. The foregoing restriction is not to be construed to prohibit City from approving requests for building, sign or other permits in its ministerial capacity for outdoor advertising signage on privately owned property that will not result in any payment of revenue sharing or recurring fees to City. The provisions of this Section 2.C survive the term.

- D. **Access to Property.** On condition that Contractor complies with the requirements of this Section 2.D and any other material provisions of this Agreement pertaining to its activities on City Property, Contractor is granted the right to have access to Sign Locations and prospective Sign Locations on City Property for purposes of performing the activities contemplated by this Agreement subject to Contractor providing written communication to City in advance to coordinate access to City Property, to avoid conflict between City's operations and Contractor's services, and to make any necessary arrangements for on-site safety measures.
- E. **Selection of Development Methodologies.**
- i. The development of Sign Locations and Signs under this Agreement will be undertaken using one of the following two methodologies subject to City's prior written approval (to be made by the approval of the Strategic Plan unless otherwise agreed in writing by the parties), which will be selected separately for each Sign Location:
 - a. Contractor may obtain the preliminary engineering studies, design work, and permits and approvals required for construction of the Sign and then market the opportunity to construct and operate the Sign to a third party Licensee under a License Agreement, in which event Section 4 below will apply with respect to the applicable Sign Location (that process, "**Third Party Development**"); or
 - b. Contractor and City may agree to proceed with development of the proposed Sign under a Site Agreement under which Contractor will construct the Sign and license the sales of advertising to a sales agent, in which event Section 5 below will apply with respect to the applicable Sign Location (that process, "**Contractor Development**").
 - ii. Contractor and City shall confer with each other regarding the selection of one of the development methodologies described above. The City will have the right to approve whichever methodology is to be pursued; however, Contractor is not required to pursue a development methodology for a particular Sign to which it objects.

- iii. Contractor may recommend to the City, and assist the City with, opportunities involving outdoor advertising facilities on Sign Locations that are not located on City Property. Any revenues received by the City or by the Contractor on the City's behalf as a result of those projects will constitute Other Program Revenues (as defined in Exhibit B).

3. **Pre-Construction Services.** For the Sign Locations designated for Contractor Development or Third Party Development in the Strategic Plan, Contractor shall prepare and submit to the applicable governmental authorities all necessary applications for Operating Permits, in the name of City. Unless the parties otherwise agree or unless specifically restricted in the Strategic Plan, Contractor may also proceed with the engineering, environmental and other evaluations, plans and designs necessary to prepare the Sign Locations for construction and obtain any governmental approvals other than Operating Permits that are required for the construction of each Sign. Each License Agreement shall require the Licensee to obtain at its cost any governmental approvals other than Operating Permits that are required for work it performs to construct each Sign, including building, electrical, and other permits. If the Licensee fails to obtain any required governmental approvals, Contractor may at its option pursue such approvals, and any costs it incurs in so doing will constitute Direct Expenses. Contractor shall obtain all such permits for each Sign Location designated for Contractor Development. Contractor's out-of-pocket costs paid to third parties in connection with those activities will constitute Direct Expenses. Contractor does not guarantee, and submission of the Strategic Plan will not constitute a guarantee, that every potential Sign Location identified in the Strategic Plan will be found to be suitable for the construction and use of a Sign after pre-construction due diligence has been completed or that all required governmental approvals can be obtained for each Sign Location.

4. **Third Party Sign Development.**

- A. **Marketing.** If the approved Strategic Plan calls for Third Party Development for any Sign Location, Contractor will proceed with efforts to obtain proposals for License Agreements when Contractor determines that the development of the Sign Location for the installation of the proposed Sign has proceeded to such a stage that the Licensee is reasonably likely to be able to complete construction promptly after the License Agreement is signed.
- B. **License Agreements.** Each new License Agreement entered into during the Term will be on a form prepared by either party and mutually approved by City and Contractor. Each License Agreement will be subject to the prior approval of City, which City may withhold in its sole and absolute discretion. For each proposed new License Agreement, Contractor shall provide City a complete draft of the proposed License Agreement. City shall notify Contractor whether City approves or rejects the proposed License Agreement upon a decision by the City Council. City will have no obligation to approve any License Agreement. Following City's disapproval of a proposed License Agreement, Contractor may, at its option, continue efforts to find a Licensee willing to enter into a License Agreement on terms satisfactory to City and Contractor or give City notice that Contractor is

terminating those efforts. If Contractor gives City notice as permitted by the preceding sentence, the provisions of Section 2.C above will continue to apply to the Sign Location in question and Contractor will have no obligation to perform further Development Services for that Sign Location.

C. **Ongoing Administration Services.** Contractor shall provide the following services with respect to the ongoing administration of License Agreements, as requested by City:

- i. administer the terms of each License Agreement as City's representative;
- ii. monitor the construction activities of the Licensee on the Sign Location;
- iii. prepare and deliver to City, on an annual basis or at other times upon reasonable request by City (but no more often than once per calendar quarter), reports regarding the number of, location of, and revenues associated with Signs;
- iv. provide accounting, billing, collection, and account reconciliation for License Revenues as provided in this Agreement;
- v. advise City regarding any safety issues and concerns observed by Contractor or reported to Contractor relating to the Signs;
- vi. conduct annual inspections of Signs and provide City with a detailed report of the results of those inspections;
- vii. respond in a timely manner to any concerns raised by City regarding any Signs or Licensees; and
- viii. collect License Revenues from each Licensee and disburse those License Revenues as provided in Exhibit B.

5. **Contractor Sign Development.**

A. **Site Agreements.** If City approves a Strategic Plan that designates any one or more Sign Locations for development, the parties shall prepare and enter into a Site Agreement for each Sign Location designated for Contractor Development in a form provided by either party and mutually approved by City and Contractor.

B. **Key Terms.** Each Site Agreement shall include provisions based on the following key economic terms (but providing greater detail), among the other terms specified in the approved form of Site Agreement, unless the parties otherwise agree in writing:

- i. The term of each Site Agreement will extend until the expiration of 25 years after the date the Sign is first put into operation to display commercial advertising, or the deadline in the Site Agreement for such

commencement of operations, and shall have appropriate insurance, maintenance, and indemnification provisions and appropriate reporting and audit provisions consistent with those in this Agreement.

- ii. Contractor's reasonable direct expenses incurred in connection with the Sign, including reasonable amounts owed to sales agents for procurement of advertising media, out-of-pocket expenses paid to third parties for maintenance and repair of the Sign which, under generally accepted accounting principles consistently applied, are not required to be capitalized and amortized, costs of electricity and telecommunications services serving the Sign, costs of insurance for the Sign equipment, costs of electrical and telecommunications services for the Sign, and costs of obtaining and maintaining Operating Permits and other governmental approvals, but excluding costs that must be capitalized and depreciated under generally accepted accounting principles, will be reimbursed out of Site Agreement Development Revenues (as defined in Exhibit B) for the Sign Location before sharing of net Site Agreement Development Revenues (the amount so reimbursed, "**Site Agreement Direct Expense Reimbursement**"). Site Agreement Direct Expense Reimbursement for each year will be capped at 30% of gross Site Agreement Development Revenues for that year, unless the City authorizes an increased Site Agreement Direct Expense Reimbursement limit in writing.
- iii. Contractor's costs of construction and maintenance of the Sign that must be capitalized and depreciated under generally accepted accounting principles, including all actual out-of-pocket costs paid to third parties for design, construction, bonds or other security, and payment of claims arising out of construction, and including maintenance and repair costs that fall within that accounting category, will be amortized in equal monthly installments over a period of five years (the "**Reimbursement Period**"), beginning with the calendar month in which the Sign is first put into service for the display of commercial advertising, and, as so amortized, will be reimbursed out of Site Agreement Development Revenues for the Sign before sharing of net Site Agreement Development Revenues (the amount so reimbursed, "**Site Agreement Capital Expenditure Reimbursement**").
- iv. Revenue sharing fees and minimum annual revenue guaranteed to the City under the Site Agreement will be as provided in Section 3 of Exhibit B.
- v. Contractor will be entitled to terminate the Site Agreement if any required governmental approvals cannot be obtained.
- vi. Contractor will be responsible for the construction and maintenance of the Sign, including the sign operation activities of sales agents engaged by Contractor. Contractor will be required to keep the Sign in good and safe condition, to repair promptly any malfunctioning or damaged component

of the Sign, to replace digital screen components when they reach the end of their useful lives, and to obtain property insurance to insure the Sign against damage. Contractor's out of pocket costs of those services and insurance will constitute Direct Expenses and be reimbursed in accordance with the provisions of the Site Agreement.

- vii. Until the capital expenditures described above have been fully reimbursed to Contractor, Contractor will own the assets acquired or constructed with those costs (which will not be deemed to be fixtures or accessions to the real or personal property of City), and after that reimbursement has been paid, those assets will at City's option be transferred to City.

- C. **Removals.** Each Site Agreement will contain terms providing that if the Sign is to be removed because of casualty, condemnation, or legal prohibition, or because City requires the Sign Location for a bona fide purpose other than outdoor advertising that is incompatible with continued operation of the Sign, and the parties fail to agree on a comparable replacement Sign Location, then (1) Contractor shall use diligent efforts to obtain payment of its unreimbursed operating expenses and capital expenditures from the condemning authority or applicable insurance company, if any exists, (2) Contractor will thereafter be entitled to deduct any remaining unreimbursed operating expenses and capital expenditures, if any, from amounts due under this Agreement or other agreements (including other Site Agreements) between Contractor and City, or City may pay those amounts at the time of termination, and (3) if the Sign is removed due to condemnation action or prohibition by City (not acting under any legal compulsion) or because City requires the use of the location for another purpose, and the parties fail to agree on a comparable replacement Sign Location, Contractor shall be entitled to deduct any remaining unreimbursed operating expenses and capital expenditures from amounts due to City under this Agreement and the Site Agreements, and if the amounts due under those agreements are not adequate for Contractor to fully recover those unreimbursed operating expenses and capital expenditures, then City will be obligated to reimburse them. If the Sign is removed so that City can develop the Sign Location for other purposes, City will impose a restrictive covenant for the benefit of Contractor prohibiting the installation of outdoor advertising billboards on the property of which that Sign Location is a part until the earlier of five years after the date of removal or the originally scheduled termination date of the Site Agreement.

AGREEMENT FOR THE PERFORMANCE OF SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
ALL VISION, LLC

EXHIBIT B

The Program shall create no additional cost for the City during the planning phase. All Vision's compensation is based solely on the revenue that its work generates for the City of Santa Clara. All Vision's work is fully aligned with generating and maximizing revenue for the City. To that end the following provisions are part of the foregoing Agreement. To the extent of any conflict between the provisions of this Exhibit B and the provisions contained in the body of the Agreement, the provisions of this Exhibit B control.

1. **Definitions.** The following additional definitions apply for the purposes of this Agreement, including its exhibits:

"Direct Expenses" means all out-of-pocket expenses paid to third parties by Contractor for (a) engineering, surveying, drilling, geotechnical services, legal work, permit or application fees, and other reasonable expenses of evaluating, investigating, obtaining governmental approvals for, preparing plans and specifications for, and otherwise developing each Sign Location for the purposes provided in this Agreement, (b) monitoring the activities of Licensees, enforcing the obligations of Licensees, and otherwise administering License Agreements, and (c) any other expense designated in this Agreement as Direct Expenses, all of which must be incurred pursuant to budgets for Direct Expenses approved by City except for expenses incurred in emergency circumstances.

"License Revenues" means all payments of any kind received by City or Contractor during the License Revenue Share Period from or on behalf of any Licensee pursuant to a License Agreement for a Sign Location designated in the Strategic Plan, regardless of whether the License Agreements from which the revenues are received are entered into during or after the Term. "License Revenues" excludes Site Agreement Development Revenues.

"License Revenue Share Period" means, for each Sign Location for which a License Agreement is entered into, the period of 25 years following (a) the commencement of the initial License Agreement for that Sign Location or (b) the day after the last day of the Term, whichever occurs first.

"Net License Revenues" means License Revenues net of Direct Expenses reimbursed from those License Revenues.

"Net Site Agreement Development Revenues" means Site Agreement Development Revenues less Site Agreement Direct Expense Reimbursement and Site Agreement Capital Expense Reimbursement.

"Other Program Revenues" means any revenues received by City pursuant to any of: (a) any new fee or compensation structure established in connection with the relocation, conversion, or installation of outdoor advertising billboards pursuant to the Strategic Plan; (b) the existing fee relocation fee or consideration structure provided in the City's Policy Statement for Billboard Relocation Agreements, but only for relocations that result from the Contractor's Services; or (c) any other new fee or compensation structure with respect to outdoor advertising signs to be installed, relocated, or converted within the City pursuant to recommendations submitted by Contractor in connection with the Strategic Plan or the Contractor's recommendations with respect to the City's outdoor advertising regulations and policies.

"Site Agreement Development Revenues" means, for any period of time, the gross amount received by City and Contractor from sales of advertising on a Sign developed under a Site Agreement on account of that Sign.

2. Division and Payment of License Revenues.

2.1. License Revenues collected by Contractor (during the Term) or the City (after the Term) during the License Revenue Share Period for each Sign Location under a License Agreement shall be applied in the following order:

- (a) First, to reimbursement of Contractor's accrued and unreimbursed Direct Expenses;
- (b) Then, to pay the License Revenue Share due to each of the City and Contractor.

2.2. Contractor and the City will be entitled to receive the Net License Revenues remaining after reimbursement of Direct Expenses as follows: 70% to the City and 30% to Contractor, unless otherwise agreed to by both parties. **"License Revenue Share"** means, with respect to each party, that party's allocated portion of Net License Revenues.

2.3. Any amounts paid by a Licensee that are specifically designated in the License Agreement, by court order, or by agreement of the City and Contractor for the reimbursement of Direct Expenses or expenses incurred by the City will be applied or distributed to pay those expenses.

2.4. Contractor's right to receive License Revenue Share on account of each Licensed Sign Location will survive the end of the Term for the License Revenue Share Period applicable to each Sign Location for which a License Agreement is signed.

2.5. During the Term, on a quarterly basis, Contractor shall pay to the City the City's License Revenue Share due on account of all Net License Revenues, together with a statement for the applicable period showing: (a) the License Revenues received under each License Agreement; (b) the Direct Expense reimbursements withheld by Contractor; (c) the net disbursement to the City; and (d) any accrued Direct Expenses remaining unreimbursed. No inadvertent omission from any statement or invoice of any amount Contractor may be entitled to retain or receive will be deemed to constitute a waiver of Contractor's right to retain or receive that amount.

2.6. After the Term and for the balance of the License Revenue Share Period for each Sign Location under a License Agreement, the City shall provide a monthly report to Contractor of all License Revenues received for the preceding calendar month within 15 days after the end of the month, plus a statement of any Direct Expenses incurred by the City with respect to the applicable Sign Locations. Contractor shall invoice the City for Contractor's License Revenue Share based on the City's report, and the City shall pay Contractor the amount due within 30 days after receipt of Contractor's invoice.

3. **Division and Payment of Site Agreement Development Revenues.**

3.1. Site Agreement Development Revenues are not included in License Revenues, and Contractor will not be entitled to any License Revenue Share based on the City's share of Net Site Agreement Development Revenues. The payment of Net Site Agreement Development Revenues to each party will be governed by the applicable Site Agreement, based on terms conforming to the requirements of this Section 3 and the provisions of Section 5.B of Exhibit A.

3.2. If the Sign under a Site Agreement has one or more digital sign faces at least 14' in height by 48' in width, and is located adjacent to US Highway 101 or Interstate Highway 237 ("**Premium Digital Faces**"), the Site Agreement will require Contractor to pay City the greater of (a) a share of Site Agreement Development Revenues determined by allocating to City 55% (unless agreed to otherwise by both parties) of the net Site Agreement Development Revenues remaining after deduction of Site Agreement Direct Expense Reimbursement and Site Agreement Capital Expenditure Reimbursement or (b) an annual minimum payment according to the following schedule of rates (which reflects rates for a Sign with two Premium Digital Faces), beginning when the Sign is first put into service:

US-101 Locations:

Year 1:	\$200,000
Years 2-5:	\$250,000
Years 6+:	Adjusted based on change in CPI

I-237 Locations:

Year 1:	\$100,000
Years 2-5:	\$125,000
Years 6+:	Adjusted based on change in CPI

3.3. The amount, if any, required to increase the total amount paid to the City under the Site Agreement in each year to the annual minimum for that year will be payable in arrears after the end of the applicable year and reconciliation of the net Site Agreement Development Revenues to the annual minimum. If a Sign is constructed with only one Premium Digital Face, the annual minimum payment required by the Site Agreement will be half the amount set forth in Section 3.2 above.

3.4. For any other kind of Sign built under a Site Agreement (including Signs with digital faces that do not conform to the definition of Premium Digital Faces), the Site

Agreement will require Contractor to pay City 55% (unless otherwise agreed to by both parties) of the net Site Agreement Development Revenues remaining after deduction of Site Agreement Direct Expense Reimbursement and Site Agreement Capital Expenditure Reimbursement, and City and Contractor will determine whether a minimum annual fee similar to the fees described above for Premium Digital Faces will apply as part of the process of evaluating and approving that Sign Location for development under a Site Agreement and approval of the Site Agreement.

3.5. City and Contractor may agree to different economic terms based on the circumstances of the proposed Sign Location. Any payments to third party landlords will be from the City's share of net Site Agreement Development Revenues.

4. **Sharing of Other Program Revenues.** If the City receives any Other Program Revenues during an Other Program Revenue Sharing Period, the City shall pay Contractor the amount that is no more than or up to thirty percent (30%) of those Other Program Revenues within thirty (30) days after the end of the calendar month in which those Other Program Revenues were received. The "**Other Program Revenue Sharing Period**" for each Sign Location generating Other Program Revenues will be the 25 year period beginning on the date the first payment of Other Program Revenues is made with respect to the Sign Location in question. The City's obligations under this Section 4 survive the end of the Term.

**AGREEMENT FOR THE PERFORMANCE OF SERVICES
BY AND BETWEEN THE
CITY OF SANTA CLARA, CALIFORNIA
AND
ALL VISION, LLC**

EXHIBIT C

INSURANCE COVERAGE REQUIREMENTS

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:
 - \$1,000,000 each occurrence
 - \$1,000,000 general aggregate
 - \$1,000,000 products/completed operations aggregate
 - \$1,000,000 personal injury
2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
 - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
 - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
 - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01, with minimum policy limits of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

C. WORKERS' COMPENSATION

1. Workers' Compensation Insurance Policy as required by statute and employer's liability with the following limits: at least one million dollars (\$1,000,000) policy limit Illness/Injury by disease, and one million dollars (\$1,000,000) for each Accident/Bodily Injury.
2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
3. This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

D. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

1. Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
2. Primary and non-contributing. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.
3. Cancellation.

- a. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.
 - b. Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.
4. Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

E. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services, who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

F. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

G. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.	
City of Santa Clara [City Manager's Office]	
P.O. 12010-S2	or 151 North Lyon Avenue
Hemet, CA 92546-8010	Hemet, CA 92543

Telephone number:	951-766-2280
Fax number:	770-325-0409
Email address:	ctsantaclara@ebix.com

H. QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

AGREEMENT FOR THE PERFORMANCE OF SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
ALL VISION, LLC

EXHIBIT D

ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO
AN AGREEMENT WITH THE CITY OF SANTA CLARA, CALIFORNIA

Termination of Agreement for Certain Acts.

- A. The City may, at its sole discretion, terminate this Agreement in the event any one or more of the following occurs:
1. If a Contractor¹ does any of the following:
 - a. Is convicted² of operating a business in violation of any Federal, State or local law or regulation;
 - b. Is convicted of a crime punishable as a felony involving dishonesty³;
 - c. Is convicted of an offense involving dishonesty or is convicted of fraud or a criminal offense in connection with: (1) obtaining; (2) attempting to obtain; or, (3) performing a public contract or subcontract;
 - d. Is convicted of any offense which indicates a lack of business integrity or business honesty which seriously and directly affects the present responsibility of a City contractor or subcontractor; and/or,
 - e. Made (or makes) any false statement(s) or representation(s) with respect to this Agreement.
 2. If fraudulent, criminal or other seriously improper conduct of any officer, director, shareholder, partner, employee or other individual associated with the Contractor can be imputed to the Contractor when the conduct occurred in connection with

¹ For purposes of this Agreement, the word "Consultant" (whether a person or a legal entity) also refers to "Contractor" and means any of the following: an owner or co-owner of a sole proprietorship; a person who controls or who has the power to control a business entity; a general partner of a partnership; a principal in a joint venture; or a primary corporate stockholder [i.e., a person who owns more than ten percent (10%) of the outstanding stock of a corporation] and who is active in the day to day operations of that corporation.

² For purposes of this Agreement, the words "convicted" or "conviction" mean a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere within the past five (5) years.

³ As used herein, "dishonesty" includes, but is not limited to, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, failure to pay tax obligations, receiving stolen property, collusion or conspiracy.

the individual's performance of duties for or on behalf of the Contractor, with the Contractor's knowledge, approval or acquiescence, the Contractor's acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence.

- B. The City may also terminate this Agreement in the event any one or more of the following occurs:
1. The City determines that Contractor no longer has the financial capability⁴ or business experience⁵ to perform the terms of, or operate under, this Agreement; or,
 2. If City determines that the Contractor fails to submit information, or submits false information, which is required to perform or be awarded a contract with City, including, but not limited to, Contractor's failure to maintain a required State issued license, failure to obtain a City business license (if applicable) or failure to purchase and maintain bonds and/or insurance policies required under this Agreement.
- C. In the event a prospective Contractor (or bidder) is ruled ineligible (debarred) to participate in a contract award process or a contract is terminated pursuant to these provisions, Contractor may appeal the City's action to the City Council by filing a written request with the City Clerk within ten (10) days of the notice given by City to have the matter heard. The matter will be heard within thirty (30) days of the filing of the appeal request with the City Clerk. The Contractor will have the burden of proof on the appeal. The Contractor shall have the opportunity to present evidence, both oral and documentary, and argument.

⁴ Contractor becomes insolvent, transfers assets in fraud of creditors, makes an assignment for the benefit of creditors, files a petition under any section or chapter of the federal Bankruptcy Code (11 U.S.C.), as amended, or under any similar law or statute of the United States or any state thereof, is adjudged bankrupt or insolvent in proceedings under such laws, or a receiver or trustee is appointed for all or substantially all of the assets of Contractor.

⁵ Loss of personnel deemed essential by the City for the successful performance of the obligations of the Contractor to the City.

AGREEMENT FOR THE PERFORMANCE OF SERVICES
by and between the
CITY OF SANTA CLARA, CALIFORNIA
and
ALL VISION, LLC

EXHIBIT E

AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS

I hereby state that I have read and understand the language, entitled "Ethical Standards" set forth in Exhibit D. I have the authority to make these representations on my own behalf or on behalf of the legal entity identified herein. I have examined appropriate business records, and I have made appropriate inquiry of those individuals potentially included within the definition of "Contractor" contained in Ethical Standards at footnote 1.

Based on my review of the appropriate documents and my good-faith review of the necessary inquiry responses, I hereby state that neither the business entity nor any individual(s) belonging to said "Contractor" category [i.e., owner or co-owner of a sole proprietorship, general partner, person who controls or has power to control a business entity, etc.] has been convicted of any one or more of the crimes identified in the Ethical Standards within the past five (5) years.

The above assertions are true and correct and are made under penalty of perjury under the laws of the State of California.

ALL VISION, LLC

By: _____

Signature of Authorized Person or Representative

Name: _____

Greg Smith

Title: _____

CEO

NOTARY'S ACKNOWLEDGMENT TO BE ATTACHED

Please execute the affidavit and attach a notary public's acknowledgment of execution of the affidavit by the signatory. If the affidavit is on behalf of a corporation, partnership, or other legal entity, the entity's complete legal name and the title of the person signing on behalf of the legal entity shall appear above. Written evidence of the authority of the person executing this affidavit on behalf of a corporation, partnership, joint venture, or any other legal entity, other than a sole proprietorship, shall be attached.

STATE OF NEW YORK

COUNTY OF Orange

On the 26th day of MARCH in the year 2015 before me personally came GREG SMITH to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) in 420 Lexington Ave. NY (if the place of residence is in a city, include the street and street number, if any, thereof); that he/she/they is (are) the CEO (president or other officer or director or attorney in fact duly appointed) of the ALL VISION, LLC (name of corporation), the corporation described in and which executed the above instrument; and that he/she/they signed his/her/their name(s) thereto by authority of the board of directors of said corporation.

Rosemarie Karg

Notary Public # 01KA6316667

Printed Name: Rosemarie Karg

My Commission Expires:

December 22, 2018

Browser window showing the Elix website. The address bar displays: <https://www.elixcerts.com/ELICCS/Insured/managedinsured.aspx>. The browser tabs include: InfoMap 2, Transparent California, GSO - Priority Overnight, Superior Court of Californ..., and Elix EPO Certificate of Ins...

The Elix website header shows the logo and navigation links: Home, Insured Tasks, View, and Insured. The user is logged in as "Welcome flutney".

The left sidebar contains a search bar and a list of filters: Insured Name, Account Number, and Active Records Only. Below these are sections for Insured Tasks, Admin Tools, View, and a list of menu items: Insured, Notes, History, Deficiencies, Coverages, Requirements, Add, and Help.

The main content area displays the "Insured" page for "At Vision LLC". The page shows the following information:

Insured	
Name:	At Vision LLC
Account Number:	S200003168
Address:	1605 Shea Center Drive, Suite 250, Highlands Ranch, CO, 80129
Status:	Currently in Compliance.

Below this is a detailed view of the insured information, including account details and address information.

Insured	
Business Units Print Insured Info	
Account Information	
Account Number:	S200003168
Risk Type:	Exhibit C1 - Service Contract <\$50,000
Do Not Call:	<input type="checkbox"/>
Address Updated:	<input type="checkbox"/>
Address Information	
Mailing Address	Physical Address
Insured:	At Vision LLC
Address 1:	1605 Shea Center Drive
Address 2:	Suite 250
City:	Highlands Ranch

The bottom of the screen shows the Windows taskbar with various application icons and the system clock displaying 9:09 AM on 3/31/2015.



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

19-1014

Agenda Date: 9/18/2019

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS AND MARKETING COMMITTEE

SUBJECT

Verbal Update and Discussion on Collective Community Calendar

DISCUSSION

The City Attorney will provide a verbal report on the possibility of, and any legal issues associated with, adding a collective community calendar to the City's website.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Genevieve Yip, Staff Analyst I

Approved by: Deanna J. Santana, City Manager



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

19-1012

Agenda Date: 9/18/2019

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS AND MARKETING COMMITTEE

SUBJECT

Verbal Update and Discussion on Communications Consultant

DISCUSSION

Staff will provide a verbal update on the Communications Consultant.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Genevieve Yip, Staff Analyst I

Approved by: Deanna J. Santana, City Manager



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

19-989

Agenda Date: 9/18/2019

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS AND MARKETING COMMITTEE

SUBJECT

Verbal Update on Destination Marketing Organization (DMO)

DISCUSSION

Staff will provide a verbal update on the formation of a new DMO for Santa Clara.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the Committee and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Genevieve Yip, Staff Analyst I

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. California Tourism Improvement Districts Flyer
2. Santa Clara Tourism Improvement District Management District Plan (Draft)

California

Tourism Improvement Districts

There are two laws TIDs can be created under: the “Parking and Business Improvement Area Law of 1989” or the “Property and Business Improvement District Law of 1994.” To help your destination determine which is appropriate for you, following is a comparison of the major differences between the two laws.

SUBJECT	1989 Law	1994 Law
District Term	Districts are formed and renewed for a one year term.	Districts are initially formed for up to five years, and can be renewed for up to ten years.
Initiation Process	Adoption of a Resolution of Intention by the City Council. The Council can adopt this resolution without petitions requesting it.	Submission of petitions to the City Council signed by businesses who will pay at least 50% of the proposed assessment.
Renewal Process	Publication in newspaper, two City hearings. If raising assessments, three hearings and mailed notice.	Preparation of management district plan, petition drive, adoption of resolution by City, public meeting and public hearing.
Governing Body	An advisory board appointed by the City Council.	A non-profit corporation chosen and organized by the stakeholders.
Governance Process	Recommendations made by advisory board with City decision-making authority.	Decisions made by the non-profit corporation, guided by a management district plan approved by stakeholders.
Corporation Public Entity Status	City may consider the advisory board to be a public entity for certain laws.	Express exemption for non-profit corporation—it is not considered a public entity.
Lawsuits	One thirty day challenge period per year.	One thirty day challenge period per five-ten year district term.

2020-2024



SANTA CLARA TOURISM IMPROVEMENT DISTRICT MANAGEMENT DISTRICT PLAN

*Prepared pursuant to the Property and Business Improvement District Law of
1994, Streets and Highways Code section 36600 et seq.*

August 27, 2019

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Prepared by
Civitas



I. OVERVIEW

The Santa Clara Tourism Improvement District (SCTID) is an assessment district proposed to provide specific benefits to payors, by funding convention sales, incentives, and services and marketing and communication programs for assessed businesses. This approach has been used successfully in other destination areas throughout the country to provide the benefit of additional room night sales directly to payors.

Location: The proposed SCTID includes all lodging businesses located within the boundaries of a portion of the City of Santa Clara, as shown on the map in Section III.

Services: The SCTID is designed to provide specific benefits directly to payors by increasing room night sales. Convention sales, incentives, and services and marketing and communication programs will increase overnight tourism and market payors as tourist, meeting and event destinations, thereby increasing room night sales.

Budget: The total SCTID annual budget for the initial year of its five (5) year operation is anticipated to be approximately \$3,750,000.

Cost: The annual assessment rate is two percent (2%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on stays by any officer or employee of a foreign government who is exempt by reason of express provision of Federal law or international treaty. Additionally, assessments will not be collected on stays by any Federal or State of California officer or employee on official business who shall provide one of the following; a warrant or check drawn on the Treasury of the United States; a copy of the official travel orders indicating the issuing governmental agency and the employee's full name; or, a copy of a letter on the official letterhead of an exempt governmental agency requesting exemption and listing the employee's name and stating that the stay is for official government business. The dates of occupancy must also be included. These requirements must be demonstrated by the guest at the time of registration. Failure to satisfy these requirements will result in no assessment exemption. Copies of the documentation for each exemption claimed must be submitted to the Director of Finance with each remittance of assessments.

Collection: Each lodging business located in the boundaries of the SCTID shall be responsible for remitting the assessments to the City in accordance with this Management District Plan. The City will be responsible for collecting the assessment on a quarterly basis or at the close of any shorter reporting period as established by the Director of Finance (including any delinquencies, penalties and interest) from each lodging business located in the boundaries of the SCTID. The City shall take all reasonable efforts to collect the assessments from each lodging business.

Duration: The proposed SCTID will have a five (5) year life, beginning January 1, 2020 through December 31, 2024. Once per year, beginning on the anniversary of SCTID formation, there is a thirty (30) day period in which owners paying fifty percent (50%) or more of the assessment may protest and initiate a City Council hearing on SCTID termination.

Management: Silicon Valley/Santa Clara DMO (SVSCDMO) will serve as the SCTID's Owners' Association. The Owners' Association is charged with managing funds and implementing programs in accordance with this Plan, and must provide annual reports to the City Council.

DRAFT

II. GOVERNANCE

A. Owners' Association

The City Council, through adoption of this Management District Plan, has the right, pursuant to Streets and Highways Code §36651, to identify the body that shall implement the proposed program, which shall be the Owners' Association of the SCTID as defined in Streets and Highways Code §36612. The City Council has determined that Silicon Valley/Santa Clara DMO will serve as the Owners' Association for the SCTID.

B. Brown Act and California Public Records Act Compliance

An Owners' Association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. The Owners' Association is, however, subject to government regulations relating to transparency, namely the Ralph M. Brown Act and the California Public Records Act. These regulations are designed to promote public accountability. The Owners' Association acts as a legislative body under the Ralph M. Brown Act (Government Code §54950 et seq.). Thus, meetings of the SVSCDMO board and certain committees must be held in compliance with the public notice and other requirements of the Brown Act. The Owners' Association is also subject to the record keeping and disclosure requirements of the California Public Records Act. Accordingly, the Owners' Association shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

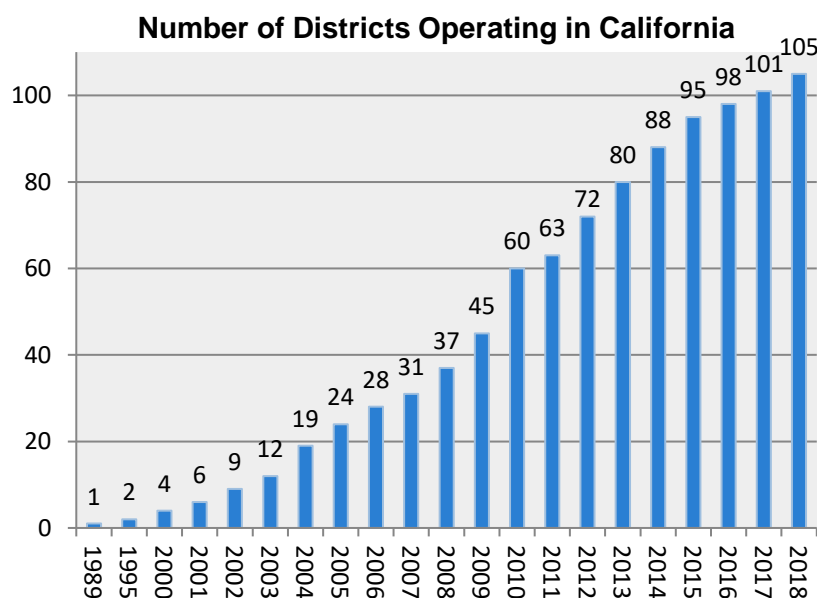
C. Annual Report

The SVSCDMO shall present an annual report at the end of each year of operation to the City Council pursuant to Streets and Highways Code §36650 (see Appendix 1). The annual report shall include:

- Any proposed changes in the boundaries of the improvement district or in any benefit zones or classification of businesses within the district.
- The improvements and activities to be provided for that fiscal year.
- An estimate of the cost of providing the improvements and the activities for that fiscal year.
- The method and basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against his or her business for that fiscal year.
- The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.
- The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

III. BACKGROUND

TIDs are an evolution of the traditional Business Improvement District. The first TID was formed in West Hollywood, California in 1989. Since then, over 100 California destinations have followed suit. In recent years, other states have begun adopting the California model – Montana, South Dakota, Washington, Colorado, Texas and Louisiana have adopted TID laws. Several other states are in the process of adopting their own legislation. The cities of Wichita, Kansas and Newark, New Jersey used an existing business improvement district law to form a TID. And, some cities, like Portland, Oregon and Memphis, Tennessee have utilized their home rule powers to create TIDs without a state law.



California's TIDs collectively raise over \$275 million annually for local destination marketing. With competitors raising their budgets, and increasing rivalry for visitor dollars, it is important that Santa Clara lodging businesses invest in stable, lodging-specific marketing programs.

TIDs utilize the efficiencies of private sector operation in the market-based promotion of tourism districts. TIDs allow lodging business owners to organize their efforts to increase room night sales. Lodging

business owners within the TID pay an assessment and those funds are used to provide services that increase room night sales.

In California, TIDs are formed pursuant to the Property and Business Improvement District Law of 1994. This law allows for the creation of a benefit assessment district to raise funds within a specific geographic area. *The key difference between TIDs and other benefit assessment districts is that funds raised are returned to the private non-profit corporation governing the district.*

There are many benefits to TIDs:

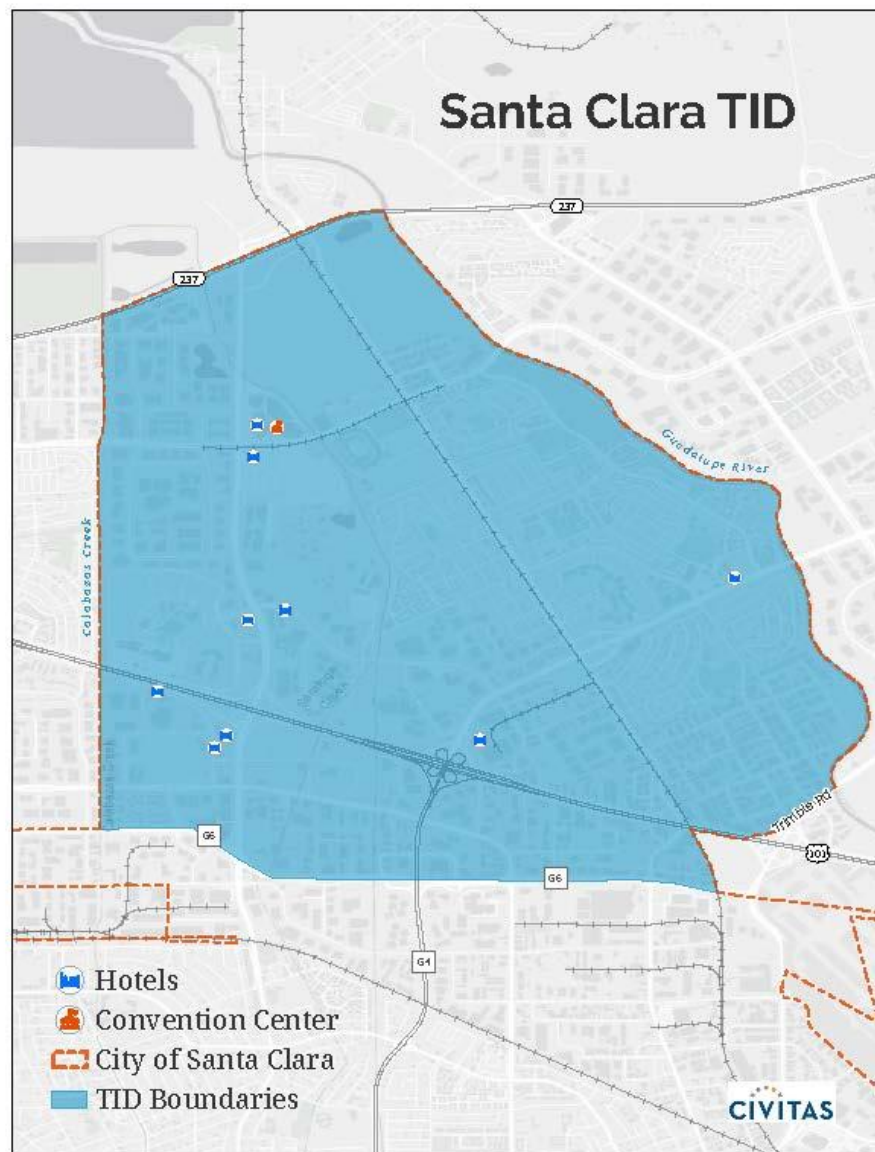
- Funds must be spent on services and improvements that provide a specific benefit only to those who pay;
- Funds cannot be diverted to general government programs;
- They are customized to fit the needs of payors in each destination;
- They allow for a wide range of services;
- They are ***designed, created and governed by those who will pay*** the assessment; and
- They provide a stable, long-term funding source for tourism promotion.

IV. BOUNDARY

The SCTID will include all lodging businesses, existing and in the future, available for public occupancy within the boundaries of a portion of the City of Santa Clara.

Lodging business means: any structure, or any portion of any structure, that is occupied or intended or designed for occupancy by transients for dwelling, lodging, or sleeping purposes, and includes, but is not limited to, any hotel, inn, tourist home or house, motel, studio hotel, bachelor hotel, lodging house, rooming house, apartment house, dormitory, public or private club, mobile home, or house trailer at a fixed location, or other similar structure or portion thereof.

The boundary, as shown in the map below, currently includes eleven (11) lodging businesses. A complete listing of lodging businesses within the proposed SCTID can be found in Appendix 2.

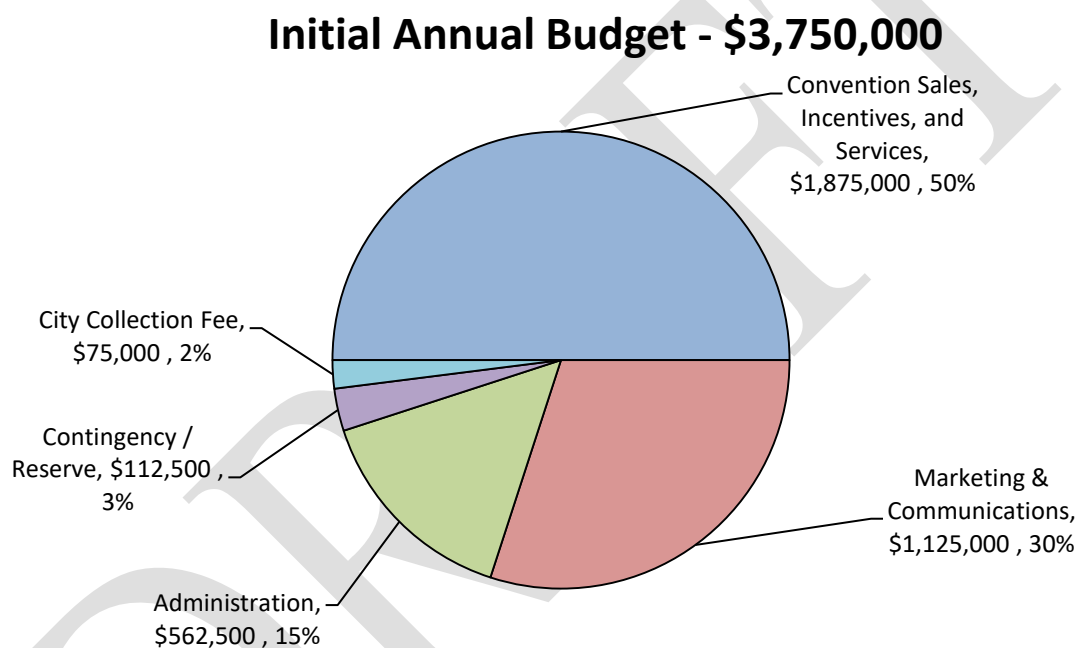


V. BUDGET AND SERVICES

A. Annual Service Plan

Assessment funds will be spent to provide specific benefits conferred or privileges granted directly to the payors that are not provided to those not charged, and which do not exceed the reasonable cost to the City of conferring the benefits or granting the privileges. The privileges and services provided with the SCTID funds are convention sales, incentives, and services and marketing and communication programs available only to assessed businesses within the SCTID.

A service plan budget has been developed to deliver services that benefit the assessed businesses within the SCTID. A detailed annual budget will be developed and approved by SVSCDMO. The table below illustrates the initial annual budget allocations. The total initial budget is \$3,750,000.



Although actual revenues will fluctuate due to market conditions, the proportional allocations of the budget shall remain the same. However, the City and the SVSCDMO board shall have the authority to adjust budget allocations between the categories by no more than twenty percent (20%) of the total budget per year. A description of the proposed improvements and activities for the initial year of operation is below. The same activities are proposed for subsequent years. In the event of a legal challenge against the SCTID, any and all assessment funds may be used for the costs of defending the SCTID. In the first year of operation, the costs of creating the SCTID may be repaid by deducting repayment funds proportionally from budget categories.

Each budget category includes all costs related to providing that service, in accordance with Generally Accepted Accounting Procedures (GAAP). For example, the marketing and communications budget includes the cost of staff time dedicated to overseeing and implementing the marketing and communications program. Staff time dedicated purely to administrative tasks is allocated to the administration portion of the budget. The costs of an individual staff member may be allocated to multiple budget categories, as appropriate in accordance with GAAP. The staffing levels necessary to provide the services below will be determined by the SVSCDMO on an as-needed basis.

Convention Sales, Incentives, and Services

The convention sales, incentives, and services program will promote sales activity for the booking of Convention Center events and increased room night sales of Convention Center attendees. The budget will be dedicated to providing financial incentives to maintain and attract new meetings, conventions, sporting, and other events that have a significant impact on assessed lodging business room demand in the SCTID. The program may include providing incentives to attract marquee events that previously could not be pursued due to insufficient funding. Program services may include any maintenance related to the facility or performance of booking Convention Center events.

Marketing & Communication

The marketing and communication program will promote assessed lodging businesses as tourist, meeting, and event destinations. The marketing and communications program will have a central theme of promoting the destination as a desirable place for overnight visits. The program will have the goal of increasing overnight visitation and room night sales at assessed lodging businesses, and may include, but is not limited to, the following activities:

- Internet marketing efforts targeted directly at potential visitors to increase awareness and optimize internet presence designed to increase room night sales at assessed lodging businesses;
- Attendance at trade shows to drive room night sales to assessed lodging businesses;
- Marketing and promotions programs designed to increase room night sales at assessed businesses;
- Familiarization tours featuring assessed lodging businesses;
- Lead generation activities designed to attract tourists to assessed lodging businesses;
- Supporting special events designed to increase room night sales at assessed lodging businesses;
- Visitor Center and Information phone answering designed to increase room night sales at assessed lodging businesses;
- Tourism related investments designed to increase room night sales at assessed lodging businesses;
- Production and distribution of tourist-related marketing collateral featuring assessed lodging businesses;
- Maintaining industry public relations and communications featuring assessed lodging businesses; and
- Marketing efforts to promote assessed businesses as desirable leisure, meeting, and event destinations.

Administration

The administration portion of the budget shall be utilized for administrative staffing costs, office costs, policy development, and other general administrative costs such as insurance, legal, and accounting fees.

Contingency/Reserve

The budget includes a contingency line item to account for uncollected assessments, if any. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program, administration or renewal costs at the discretion of the SVSCDMO Board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies

from the reserve fund shall be set by the SVSCDMO Board. Contingency/reserve funds may be spent on District programs or administrative and renewal costs in such proportions as determined by the SVSCDMO Board. The reserve fund may be used for the costs of renewing the SCTID.

City Administration Fee

The City of Santa Clara shall be paid a fee equal to two percent (2%) of the amount of assessment collected to cover its costs of collection and administration.

B. Annual Budget

The total five (5) year improvement and service plan budget is projected at approximately \$3,750,000 annually, or \$18,750,000 through 2024. This amount may fluctuate as sales and revenue increase at assessed businesses, but is not expected to change significantly over the term.

C. California Constitutional Compliance

The SCTID assessment is not a property-based assessment subject to the requirements of Proposition 218. Courts have found Proposition 218 limited the term ‘assessments’ to levies on real property.¹ Rather, the SCTID assessment is a business-based assessment, and is subject to Proposition 26. Pursuant to Proposition 26 all levies are a tax unless they fit one of seven exceptions. Two of these exceptions apply to the SCTID, a “specific benefit” and a “specific government service.” Both require that the costs of benefits or services do not exceed the reasonable costs to the City of conferring the benefits or providing the services.

1. Specific Benefit

Proposition 26 requires that assessment funds be expended on, “a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege.”² The services in this Plan are designed to provide targeted benefits directly to assessed businesses, and are intended only to provide benefits and services directly to those businesses paying the assessment. These services are tailored not to serve the general public, businesses in general, or parcels of land, but rather to serve the specific businesses within the SCTID. The activities described in this Plan are specifically targeted to increase room night sales for assessed lodging businesses within the boundaries of the SCTID, and are narrowly tailored. SCTID funds will be used exclusively to provide the specific benefit of increased room night sales directly to the assessees. Assessment funds shall not be used to feature non-assessed lodging businesses in SCTID programs, or to directly generate sales for non-assessed businesses. The activities paid for from assessment revenues are business services constituting and providing specific benefits to the assessed businesses.

The assessment imposed by this SCTID is for a specific benefit conferred directly to the payors that is not provided to those not charged. The specific benefit conferred directly to the payors is an increase in room night sales. The specific benefit of an increase in room night sales for assessed lodging businesses will be provided only to lodging businesses paying the district assessment, with marketing and sales programs promoting lodging businesses paying the SCTID assessment. The marketing and sales programs will be designed to increase room night sales at each assessed lodging businesses. Because they are necessary to provide the convention sales, incentives, and services and marketing and communication programs that specifically benefit the assessed lodging businesses, the administration and contingency/reserve services also provide the specific benefit of increased room night sales to the assessed lodging businesses.

¹ *Jarvis v. the City of San Diego* 72 Cal App. 4th 230

² Cal. Const. art XIII C § 1(e)(1)

Although the SCTID, in providing specific benefits to payors, may produce incidental benefits to non-paying businesses, the incidental benefit does not preclude the services from being considered a specific benefit. The legislature has found that, “A specific benefit is not excluded from classification as a ‘specific benefit’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific benefit to the payor.”³

2. Specific Government Service

The assessment may also be utilized to provide, “a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product.”⁴ The legislature has recognized that marketing and promotions services like those to be provided by the SCTID are government services within the meaning of Proposition 26⁵. Further, the legislature has determined that “a specific government service is not excluded from classification as a ‘specific government service’ merely because an indirect benefit to a nonpayor occurs incidentally and without cost to the payor as a consequence of providing the specific government service to the payor.”⁶

3. Reasonable Cost

SCTID services will be implemented carefully to ensure they do not exceed the reasonable cost of such services. The full amount assessed will be used to provide the services described herein. Funds will be managed by the SVSCDMO, and reports submitted on an annual basis to the City. Only assessed lodging businesses will be featured in marketing materials, receive sales leads generated from SCTID-funded activities, be featured in advertising campaigns, and benefit from other SCTID-funded services. Non-assessed lodging businesses will not receive these, nor any other, SCTID-funded services and benefits.

The SCTID-funded programs are all targeted directly at and feature only assessed businesses. It is, however, possible that there will be a spill over benefit to non-assessed businesses. If non-assessed lodging businesses receive incremental room nights, that portion of the promotion or program generating those room nights shall be paid with non-SCTID funds. SCTID funds shall only be spent to benefit the assessed businesses, and shall not be spent on that portion of any program which directly generates incidental room nights for non-assessed businesses.

D. Assessment

The annual assessment rate is two percent (2%) of gross short-term room rental revenue. Based on the benefit received, assessments will not be collected on stays by any officer or employee of a foreign government who is exempt by reason of express provision of Federal law or international treaty. Additionally, assessments will not be collected on stays by any Federal or State of California officer or employee on official business who shall provide one of the following; a warrant or check drawn on the Treasury of the United States; a copy of the official travel orders indicating the issuing governmental agency and the employee’s full name; or, a copy of a letter on the official letterhead of an exempt governmental agency requesting exemption and listing the employee’s name and stating that the stay is for official government business. The dates of occupancy must also be included. These requirements must be demonstrated by the guest at the time of registration. Failure to satisfy these

³ Government Code § 53758(a)

⁴ Cal. Const. art XIII C § 1(e)(2)

⁵ Government Code § 53758(b)

⁶ Government Code § 53758(b)

requirements will result in no assessment exemption. Copies of the documentation for each exemption claimed must be submitted to the Director of Finance with each remittance of assessments.

The term “gross room rental revenue” as used herein means: the consideration received, whether or not actually charged by the lodging business, for the occupancy of space in a lodging business valued in money, whether said gross room rental revenue is received in money, goods, labor, or otherwise, including all receipts, cash, credits, and property and services of any kind or nature. A lodging business may provide complimentary non-assessable rooms for employee use, guest satisfaction or charitable purposes (by a qualified 501(c)(3) charity) and a lodging business shall detail all complimentary non-assessable rooms in its regular reporting. Failure to accurately report complimentary rooms shall result in assessment of the rooms in question. Gross room rental revenue shall not include any federal, state or local taxes collected, including but not limited to transient occupancy taxes.

The assessment is levied upon and a direct obligation of the assessed lodging business. However, the assessed lodging business may, at its discretion, pass the assessment on to transients. The amount of assessment, if passed on to each transient, shall be disclosed in advance and separately stated from the amount of rent charged and any other applicable taxes, and each transient shall receive a receipt for payment from the business. If the SCTID assessment is identified separately it shall be disclosed as the “SCTID Assessment.” As an alternative, the disclosure may include the amount of the SCTID assessment and the amount of the assessment imposed pursuant to the California Tourism Marketing Act, Government Code §13995 et seq. and shall be disclosed as the “Tourism Assessment.” The assessment is imposed solely upon, and is the sole obligation of the assessed lodging business even if it is passed on to transients. The assessment shall not be considered revenue for any purpose, including calculation of transient occupancy taxes.

Bonds or any debt obligation shall not be issued.

E. Penalties and Interest

The SCTID shall reimburse the City of Santa Clara for any costs associated with collecting unpaid assessments. If sums in excess of the delinquent SCTID assessment are sought to be recovered in the same collection action by the City, the SCTID shall bear its pro rata share of such collection costs. Assessed businesses which are delinquent in paying the assessment shall be responsible for paying:

1. *Delinquency Interest:* Any lodging business that fails to remit any assessment imposed within the time required shall pay interest as described in subparagraph 3 below.
2. *Penalty for Willful Noncompliance or Repeated Delinquencies:* If the City determines that the nonpayment of any remittance due is due to willful noncompliance or repeated delinquencies, a penalty of twenty-five percent (25%) of the amount of the assessment shall be added thereto in addition to the interest as required by subparagraph 3 below.
3. *Calculation of Interest:* In addition to the penalties imposed, any lodging business that fails to remit any assessment imposed shall pay interest at the rate of the United States government T-Bills sold at the latest sale prior to the date of the delinquency plus three percent (3%) prorated per month or fraction thereof on the amount of the assessment, exclusive of penalties, from the date on which the remittance first became delinquent until paid.
4. *Penalties and Interest Merged with Assessment:* Except for the purpose of calculation of interest and penalties, every penalty imposed and such interest as accrues under the provisions of this section shall become a part of the assessment herein.

F. Time and Manner for Collecting Assessments

The SCTID assessment will be implemented beginning January 1, 2020 and will continue for five (5) years through December 31, 2024. On or before the last day of the month following the close of each calendar quarter, or at the close of any shorter reporting period as established by the Director of Finance, each assessed business shall remit to the City all assessments collected through the last day of the previous quarter, including any delinquencies, penalties, and interest, which have not previously been remitted to the City. Each lodging business located in the boundaries of the SCTID shall be responsible for remitting the assessments to the City in accordance with this Management District Plan. The City will be responsible for collecting the assessment on a quarterly basis or at the close of any shorter reporting period as established by the Director of Finance (including any delinquencies, penalties and interest) from each assessed lodging business. The City shall take all reasonable efforts to collect the assessments from each assessed lodging business. The City shall forward the assessments collected to the Owners' Association.

APPENDIX 1 – LAW

*** THIS DOCUMENT IS CURRENT THROUGH THE 2018 SUPPLEMENT ***
(ALL 2017 LEGISLATION)

STREETS AND HIGHWAYS CODE DIVISION 18. PARKING PART 7. PROPERTY AND BUSINESS IMPROVEMENT DISTRICT LAW OF 1994

CHAPTER 1. General Provisions

ARTICLE 1. Declarations

36600. Citation of part

This part shall be known and may be cited as the “Property and Business Improvement District Law of 1994.”

36601. Legislative findings and declarations; Legislative guidance

The Legislature finds and declares all of the following:

- (a) Businesses located and operating within business districts in some of this state’s communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.
- (b) It is in the public interest to promote the economic revitalization and physical maintenance of business districts in order to create jobs, attract new businesses, and prevent the erosion of the business districts.
- (c) It is of particular local benefit to allow business districts to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that receive benefits from those improvements.
- (d) Assessments levied for the purpose of conferring special benefit upon the real property or a specific benefit upon the businesses in a business district are not taxes for the general benefit of a city, even if property, businesses, or persons not assessed receive incidental or collateral effects that benefit them.
- (e) Property and business improvement districts formed throughout this state have conferred special benefits upon properties and businesses within their districts and have made those properties and businesses more useful by providing the following benefits:
 - (1) Crime reduction. A study by the Rand Corporation has confirmed a 12-percent reduction in the incidence of robbery and an 8-percent reduction in the total incidence of violent crimes within the 30 districts studied.
 - (2) Job creation.
 - (3) Business attraction.
 - (4) Business retention.
 - (5) Economic growth.
 - (6) New investments.
- (f) With the dissolution of redevelopment agencies throughout the state, property and business improvement districts have become even more important tools with which communities can combat blight, promote economic opportunities, and create a clean and safe environment.
- (g) Since the enactment of this act, the people of California have adopted Proposition 218, which added Article XIII D to the Constitution in order to place certain requirements and restrictions on the formation of, and activities, expenditures, and assessments by property-based districts. Article XIII D of the Constitution provides that property-based districts may only levy assessments for special benefits.
- (h) The act amending this section is intended to provide the Legislature’s guidance with regard to this act, its interaction with the provisions of Article XIII D of the Constitution, and the determination of special benefits in property-based districts.
 - (1) The lack of legislative guidance has resulted in uncertainty and inconsistent application of this act, which discourages the use of assessments to fund needed improvements, maintenance, and activities in property-based districts, contributing to blight and other underutilization of property.

(2) Activities undertaken for the purpose of conferring special benefits upon property to be assessed inherently produce incidental or collateral effects that benefit property or persons not assessed. Therefore, for special benefits to exist as a separate and distinct category from general benefits, the incidental or collateral effects of those special benefits are inherently part of those special benefits. The mere fact that special benefits produce incidental or collateral effects that benefit property or persons not assessed does not convert any portion of those special benefits or their incidental or collateral effects into general benefits.

(3) It is of the utmost importance that property-based districts created under this act have clarity regarding restrictions on assessments they may levy and the proper determination of special benefits. Legislative clarity with regard to this act will provide districts with clear instructions and courts with legislative intent regarding restrictions on property-based assessments, and the manner in which special benefits should be determined.

36602. Purpose of part

The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within property and business improvement districts, to ensure that those assessments conform to all constitutional requirements and are determined and assessed in accordance with the guidance set forth in this act. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Preemption of authority or charter city to adopt ordinances levying assessments

Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Part prevails over conflicting provisions

Any provision of this part that conflicts with any other provision of law shall prevail over the other provision of law, as to districts created under this part.

36604. Severability

This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

ARTICLE 2. Definitions

36606. “Activities”

“Activities” means, but is not limited to, all of the following that benefit businesses or real property in the district:

- (a) Promotion of public events.
- (b) Furnishing of music in any public place.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Other services provided for the purpose of conferring special benefit upon assessed real property or specific benefits upon assessed businesses located in the district.

36606.5. “Assessment”

“Assessment” means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and providing activities that will provide certain benefits to properties or businesses located within a property and business improvement district.

36607. “Business”

“Business” means all types of businesses and includes financial institutions and professions.

36608. “City”

“City” means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county, or the State of California.

36609. “City council”

“City council” means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36609.4. “Clerk”

“Clerk” means the clerk of the legislative body.

36609.5. “General benefit”

“General benefit” means, for purposes of a property-based district, any benefit that is not a “special benefit” as defined in Section 36615.5.

36610. “Improvement”

“Improvement” means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the district.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. “Management district plan”; “Plan”

“Management district plan” or “plan” means a proposal as defined in Section 36622.

36612. “Owners’ association”

“Owners’ association” means a private nonprofit entity that is under contract with a city to administer or implement improvements, maintenance, and activities specified in the management district plan. An owners’ association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners’ association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners’ association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all records relating to activities of the district.

36614. “Property”

“Property” means real property situated within a district.

36614.5. “Property and business improvement district”; “District”

“Property and business improvement district,” or “district,” means a property and business improvement district established pursuant to this part.

36614.6. “Property-based assessment”

“Property-based assessment” means any assessment made pursuant to this part upon real property.

36614.7. “Property-based district”

“Property-based district” means any district in which a city levies a property-based assessment.

36615. “Property owner”; “Business owner”; “Owner”

“Property owner” means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. “Business owner” means any person recognized by the city as the owner of the business. “Owner” means either a business owner or a property owner. The city council has no obligation to obtain other information as to the ownership of land or businesses, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this part requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient. Wherever this part requires the signature of the business owner, the signature of the authorized agent of the business owner shall be sufficient.

36615.5. “Special benefit”

“Special benefit” means, for purposes of a property-based district, a particular and distinct benefit over and above general benefits conferred on real property located in a district or to the public at large. Special benefit includes incidental or collateral effects that arise from the improvements, maintenance, or activities of property-based districts even if those incidental or collateral effects benefit property or persons not assessed. Special benefit excludes general enhancement of property value.

36616. “Tenant”

“Tenant” means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

ARTICLE 3. Prior Law

36617. Alternate method of financing certain improvements and activities; Effect on other provisions

This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part.

CHAPTER 2. Establishment

36620. Establishment of property and business improvement district

A property and business improvement district may be established as provided in this chapter.

36620.5. Requirement of consent of city council

A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. Initiation of proceedings; Petition of property or business owners in proposed district

- (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied.
- (b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:
 - (1) A map showing the boundaries of the district.
 - (2) Information specifying where the complete management district plan can be obtained.
 - (3) Information specifying that the complete management district plan shall be furnished upon request.
- (c) The resolution of intention described in subdivision (a) shall contain all of the following:
 - (1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities, and the location and extent of the proposed district.
 - (2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. Contents of management district plan

The management district plan shall include, but is not limited to, all of the following:

- (a) If the assessment will be levied on property, a map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district. If the assessment will be levied on businesses, a map that identifies the district boundaries in sufficient detail to allow a business owner to reasonably determine whether a business is located within the district boundaries. If the assessment will be levied on property and businesses, a map of the district in sufficient detail to locate each parcel of property and to allow a business owner to reasonably determine whether a business is located within the district boundaries.
- (b) The name of the proposed district.
- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected property and businesses included, which may be made by reference to any plan or map that is on file with the clerk. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements, maintenance, and activities proposed for each year of operation of the district and the maximum cost thereof. If the improvements, maintenance, and activities proposed for each year of operation are the same, a description of the first year's proposed improvements, maintenance, and activities and a

statement that the same improvements, maintenance, and activities are proposed for subsequent years shall satisfy the requirements of this subdivision.

(e) The total annual amount proposed to be expended for improvements, maintenance, or activities, and debt service in each year of operation of the district. If the assessment is levied on businesses, this amount may be estimated based upon the assessment rate. If the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years shall satisfy the requirements of this subdivision.

(f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.

(g) The time and manner of collecting the assessments.

(h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.

(i) The proposed time for implementation and completion of the management district plan.

(j) Any proposed rules and regulations to be applicable to the district.

(k) (1) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof.

(2) In a property-based district, the proportionate special benefit derived by each identified parcel shall be determined exclusively in relationship to the entirety of the capital cost of a public improvement, the maintenance and operation expenses of a public improvement, or the cost of the activities. An assessment shall not be imposed on any parcel that exceeds the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are assessable, and a property-based district shall separate the general benefits, if any, from the special benefits conferred on a parcel. Parcels within a property-based district that are owned or used by any city, public agency, the State of California, or the United States shall not be exempt from assessment unless the governmental entity can demonstrate by clear and convincing evidence that those publicly owned parcels in fact receive no special benefit. The value of any incidental, secondary, or collateral effects that arise from the improvements, maintenance, or activities of a property-based district and that benefit property or persons not assessed shall not be deducted from the entirety of the cost of any special benefit or affect the proportionate special benefit derived by each identified parcel.

(l) In a property-based district, the total amount of all special benefits to be conferred upon the properties located within the property-based district.

(m) In a property-based district, the total amount of general benefits, if any.

(n) In a property-based district, a detailed engineer's report prepared by a registered professional engineer certified by the State of California supporting all assessments contemplated by the management district plan.

(o) Any other item or matter required to be incorporated therein by the city council.

36623. Procedure to levy assessment

(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business or the authorized representative. A written protest that

does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners or authorized representatives of businesses in the proposed district that will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

(c) If a city council proposes to conduct a single proceeding to levy both a new or increased property assessment and a new or increased business assessment, the notice and protest and hearing procedure for the property assessment shall comply with subdivision (a), and the notice and protest and hearing procedure for the business assessment shall comply with subdivision (b). If a majority protest is received from either the property or business owners, that respective portion of the assessment shall not be levied. The remaining portion of the assessment may be levied unless the improvement or other special benefit was proposed to be funded by assessing both property and business owners.

36624. Changes to proposed assessments

At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements, maintenance, and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements, maintenance, and activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. Resolution of formation

(a) If the city council, following the public hearing, decides to establish a proposed property and business improvement district, the city council shall adopt a resolution of formation that shall include, but is not limited to, all of the following:

(1) A brief description of the proposed improvements, maintenance, and activities, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property, businesses, or both within the district, a statement on whether bonds will be issued, and a description of the exterior boundaries of the proposed district, which may be made by reference to any plan or map that is on file with the clerk. The descriptions and statements need not be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements, maintenance, and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties, businesses, or properties and businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements, maintenance, and activities to be conferred on businesses and properties in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements, maintenance, or activities outside the district or for any purpose other than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district. Notwithstanding the foregoing, improvements and activities that must be provided outside the district boundaries to create a special or specific benefit to the assessed parcels or businesses may be provided, but shall be limited to marketing or signage pointing to the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements, maintenance, and activities funded by the proposed assessments, and, for a property-based district, that property within the district will receive a special benefit.

(8) In a property-based district, the total amount of all special benefits to be conferred on the properties within the property-based district.

(b) The adoption of the resolution of formation and, if required, recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. Resolution establishing district

If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in Section 36625.

36627. Notice and assessment diagram

Following adoption of the resolution establishing district assessments on properties pursuant to Section 36625 or Section 36626, the clerk shall record a notice and an assessment diagram pursuant to Section 3114. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. Establishment of separate benefit zones within district; Categories of businesses

The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. Assessments on businesses or property owners

The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements, maintenance, and activities, provided that any property-based assessment conforms with the requirements set forth in paragraph (2) of subdivision (k) of Section 36622.

36629. Provisions and procedures applicable to benefit zones and business categories

All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a property and business improvement district.

36630. Expiration of district; Creation of new district

If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and the district may be renewed pursuant to this part.

CHAPTER 3. Assessments

36631. Time and manner of collection of assessments; Delinquent payments

The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution levying the assessment. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part may be charged interest and penalties.

36632. Assessments to be based on estimated benefit; Classification of real property and businesses; Exclusion of residential and agricultural property

- (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part.
- (b) Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part.
- (c) Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. Time for contesting validity of assessment

The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. Service contracts authorized to establish levels of city services

The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. Request to modify management district plan

The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. Modification of plan by resolution after public hearing; Adoption of resolution of intention

(a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section 36623. Notice of all other public hearings pursuant to this section shall comply with both of the following:

- (1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public hearing.
- (2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public hearing, to each business owner or property owner affected by the proposed modification.

(b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Reflection of modification in notices recorded and maps

Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

CHAPTER 3.5. Financing

36640. Bonds authorized; Procedure; Restriction on reduction or termination of assessments

- (a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted

pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part.

(b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years.

(c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

CHAPTER 4. Governance

36650. Report by owners' association; Approval or modification by city council

(a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements, maintenance, and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used.

(b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements, maintenance, and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements, maintenance, and activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The estimated amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The estimated amount of any contributions to be made from sources other than assessments levied pursuant to this part.

(c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified. Any modification shall be made pursuant to Sections 36635 and 36636.

The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. Designation of owners' association to provide improvements, maintenance, and activities

The management district plan may, but is not required to, state that an owners' association will provide the improvements, maintenance, and activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

CHAPTER 5. Renewal

36660. Renewal of district; Transfer or refund of remaining revenues; District term limit

- (a) Any district previously established whose term has expired, or will expire, may be renewed by following the procedures for establishment as provided in this chapter.
- (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses.
- (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

CHAPTER 6. Disestablishment

36670. Circumstances permitting disestablishment of district; Procedure

- (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:
 - (1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.
 - (2) During the operation of the district, there shall be a 30-day period each year in which assesseses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners or authorized representatives of real property or the owners or authorized representatives of businesses in the district who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment.
- (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. Refund of remaining revenues upon disestablishment or expiration without renewal of district; Calculation of refund; Use of outstanding revenue collected after disestablishment of district

- (a) Upon the disestablishment or expiration without renewal of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished or expires. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan.
- (b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.

APPENDIX 2 – ASSESSED BUSINESSES

Lodging Business Name	Lodging Business Address	City, State, ZIP
AC Hotel	2970 Lakeside Dr	Santa Clara, CA 95054
Avatar Hotel	4200 Great America Pkwy	Santa Clara, CA 95054
Biltmore Hotel & Suites	2151 Laurelwood Rd	Santa Clara, CA 95054
Embassy Suites	2885 Lakeside Dr	Santa Clara, CA 95054
Hilton Santa Clara	4949 Great America Pkwy	Santa Clara, CA 95054
Hyatt House	3915 Rivermark Plaza	Santa Clara, CA 95054
Hyatt Regency	5101 Great America Pkwy	Santa Clara, CA 95054
Marriott Santa Clara	2700 Mission College Blvd	Santa Clara, CA 95054
The Element	1950 Wyatt Dr	Santa Clara, CA 95054
The Plaza Suites	3100 Lakeside Dr	Santa Clara, CA 95054
TownePlace Suites by Marriott	2877 Lakeside Dr	Santa Clara, CA 95054



City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

19-987

Agenda Date: 9/18/2019

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS AND MARKETING COMMITTEE

SUBJECT

Update on Communications

DISCUSSION

The Director of Communications will provide an update on quarterly activities of Citywide social media activities. Staff will also provide an update on the City's communications efforts, including the beta website launch, new City Hall News newsletter, and video storytelling.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Genevieve Yip, Staff Analyst I

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Social Media Analytics Report - Quarter 2



Date: September 18, 2019

Subject: Social Media Analytics Quarterly Report, 2019 Quarter 2

For the months of April-June 2019, here is an overview of social media trends for the City of Santa Clara, based on second quarter analytics:

- Overall, the City of Santa Clara's social media channels continue to gain followers, with Fire Department's Instagram seeing the largest increase with an additional 767 followers.
- More Santa Clara residents are joining Nextdoor, the private neighborhood social networking site, with 2,779 new members signing up and the addition of one new neighborhood.
- On Facebook, upbeat news about Santa Clara draws in more views, likes and shares:
 - For the City of Santa Clara page, the top post was Santa Clara being recognized as the Best City to live in California for 2019, according to ChamberofCommerce.org.
 - For the Library, a photo of Shanaya with her certificate for completing the 1,000 Books Before Kindergarten challenge brought in a 13 percent engagement rate with 3,630 people reached.
- The Fire and Police Departments are the most popular of the City's social media channels, with @SantaClaraFD having 1.2 total impressions on Twitter while @SantaClara PD had 1.5 million Twitter impressions, with an average of 16.5K per day.
- Not surprisingly, breaking news stories are popular on Twitter:
 - For the Fire Department, their engagement rate spiked with updates about the hydrogen gas plant fire and the condo construction site fire on El Camino Real.
 - For the Police Department, it was engaging photos and graphics that drew audiences in, including a stormtrooper and a family of ducklings safely rescued from the center divider of Lawrence Expressway.
 - For Silicon Valley Power, it was the cat stuck on a power pole tweet that brought in 8,697 impressions and 110 engagements.

- @SantaClaraCity had 1 million impressions on Twitter, with 199 tweets this quarter, which was 100 more tweets than in the first quarter.
- For LinkedIn, the City had a significant gain in followers with 252 for a total of 2,630 users getting insights about City recruitments, initiatives and working for the City.
- The MySantaClara mobile application had fewer downloads this quarter but still had 181. There were more reports submitted in the second quarter of 2019, jumping 165 submissions with 628 total for the quarter. The completion rate was slightly lower than last quarter with 78.5% completed.



About the Report: The Social Media Analytics Quarterly Report includes analytics for several social media platforms managed by City staff. They include: City of Santa Clara, Santa Clara City Library, Parks & Recreation Department, Santa Clara Fire Department, Santa Clara Police Department, and Silicon Valley Power. The quarterly report also includes analytics for the MySantaClara application.

City of Santa Clara

Facebook Performance

[Facebook.com/CityofSantaClara](https://www.facebook.com/CityofSantaClara)

# of Posts	Net Followers Gain/Loss	Average Reach
227 posts	6,830 followers Gain: +228	1,046 people reached

Top 3 performing posts

#1 Post

- Santa Clara is #1! Santa Clara was recognized as the Best City to live in California for 2019! With all the great cities in the state, we are honored to be selected as the most livable city. <https://www.chamberofcommerce.org/best-cities-to-live-in-california/>
- Posted 6/18/19
- 4,169 engagements
 - 708 likes, 104 loves
 - 171 comments
 - 148 shares

18,872 people reached



#2 Post

Attention local and regional artists! 😊 Here's your opportunity to show off your artistic ability by painting murals on utility boxes around Santa Clara! The Santa Clara Cultural Commission is relaunching the Utility Art Box Program. Selected artists will add to the dozens of utility boxes that have been painted over the last several years. Apply by May 13, learn more at:

<http://santaclaraca.gov/Home/Components/News/News/38856/50>



Terms

Engagement rate is the percentage of people who clicked, liked, commented or shared a post.

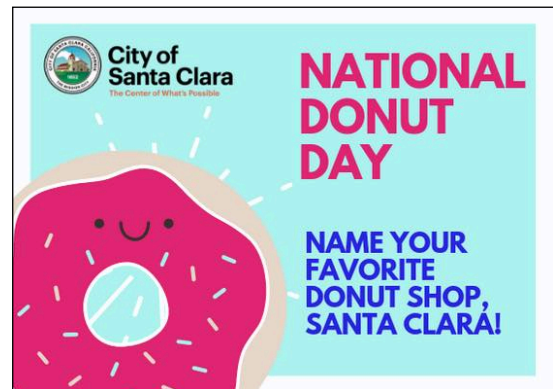
Impressions are the number of social media account users who viewed a post in their feed and/or clicked on a post.

City of Santa Clara (continued)

- Posted 4/16/19
- 640 engagements
 - 125 likes
 - 22 love
 - 65 comments
 - 32 shares
- 4,291 people reached

#3 Post

- Donut worry, be happy! It's Friday and it's also National Donut Day! 🍩 Where do you get donuts in Santa Clara?
🍩🍩 #nationaldonutday #lovesantaclara #iheartsantaclara
- Posted 6/7/19
- 651 engagements
 - 125 likes
 - 22 love
 - 65 comments
 - 32 shares
- 4,251 people reached



Twitter Performance

[Twitter.com/SantaClaraCity](https://twitter.com/SantaClaraCity)

# of Posts	Net Followers Gain/Loss	Total Impressions	Engagement Rate
199 posts	8,133 followers Gain: +285	1.0 million	0.2%

Top 3 performing posts

#1 Tweet

- May 5-11, 2019 is Public Service Recognition Week! This week, we recognize and thank all the City of Santa Clara employees for your outstanding service to our community. #PublicServiceRecognitionWeek #CenterofWhatsPossible #PSRW
- Posted 5/7/19
- 17,220 impressions
- 89 engagements (0.5% engagement rate)



#2 Tweet

Traffic Advisory: Due to the fire scene, El Camino Real between Lincoln Street and Scott Boulevard will remain closed in both directions overnight. Please follow detours.

[@SantaClaraPD](#) [@SantaClaraFD](#)

City of Santa Clara (continued)

- Posted 6/28/19
- 13,440 impressions
- 74 engagements (0.6% engagement rate)

#3 Tweet

- Got junk? Your junk can be another's treasure! The citywide garage sale is on Saturday, April 13! Buyers can search for sale locations using an interactive map of all the garage sale locations. Register your garage sale in Santa Clara for free at SantaClaraCA.gov/garagesale
- Posted 4/4/19
- 12,849 impressions
- 13 engagements (0.1% engagement rate)



Instagram Performance

[instagram.com/santaclaracity](https://www.instagram.com/santaclaracity)

# of Posts	Net Followers Gain/Loss
28 posts	679 followers Gain: +28

Top 3 performing posts

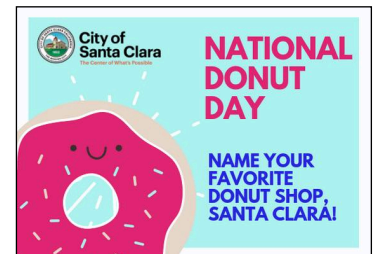
#1 Post

- Otto is checking out the City's backhoe! We have 8 total in our City fleet. Happening now at Santa Clara Works!
- Posted 6/1/19
- 31 likes



#2 Post

- Donut worry, be happy! It's Friday and it's also National Donut Day! 🍩 Where do you get donuts in Santa Clara? 🍩🍩 #nationaldonutday #lovesantaclara #iheartsantaclara
- Posted 6/7/19
- 26 likes



#3 Post

- The City will host a community meeting on April 11 at 6:30 p.m. at Central Park Library for the Americans with Disabilities Act.
- Posted 4/9/19
- 23 likes

City of Santa Clara (continued)

Nextdoor Performance

Nextdoor.com/agency-detail/ca/santa-clara/city-of-santa-clara/

# of Posts	Net Members Gain/Loss	Membership	Neighborhoods	Average Impressions
72 posts	29,923 members Gain: +2,779	38% of residents	86 Gain: +1	2,413

Top performing post

- Santa Clara Stadium Authority Prepares to Revoke the Forty Niners Stadium Management Company's Authority to Issue Contracts. Forty Niners have failed to properly manage public funds and comply with State labor laws for the past five years. To view full news release, visit <http://santaclaraca.gov/Home/Components/News/News/38931/50>
- Posted 5/1/19
- 4,542 Impressions
 - 14 thanks

YouTube Performance

www.youtube.com/CityofSantaClara

# of Posts	Net Subscribers Gain/Loss	Watch Time	Average View/Duration
34 videos*	379 subscribers Gain: +32	38,816 minutes	6,318 views 6:08 minutes

*Includes 13 videos plus 11 for livestreaming meetings.

Top performing video

- Join the Water & Sewer Department!
- 1,085 views
- Watch time – 1,452 minutes
- Average view duration - 1:20 minutes

Note: This video was produced in 2015. It was viewed multiple times this quarter.



LinkedIn Performance

www.linkedin.com/CitySantaClara

# of Posts	Net Followers Gain/Loss	Page Views	Top Locations	Top Job Functions
23 posts	2,630 followers Gain: +252	2,430 total views (1,257 desktop and 1,173 mobile)	Bay Area, 68% Kaysan Area, India, 2% Greater L.A. Area, 1.5%	Operations, 12% Business Dev., 11% Human Resources, 7%

City of Santa Clara (continued)

Top performing post for LinkedIn

- Today we had the opportunity to show our appreciation for our wonderful employees who make the City a great place to live and work! Employees with 10-35 years of service were also recognized by the Mayor, City Council, City Manager, and Department Directors.
- 5/30/19
- 3,829 impressions
- 69 likes
- 1 comment



Parks & Recreation Department

Facebook Performance

[Facebook.com/santaclaraparksandrec](https://www.facebook.com/santaclaraparksandrec)

# of Posts	Net Followers Gain/Loss	Average Reach
44 posts	3,791 followers Gain: +551	873 people reached

Top 3 performing posts

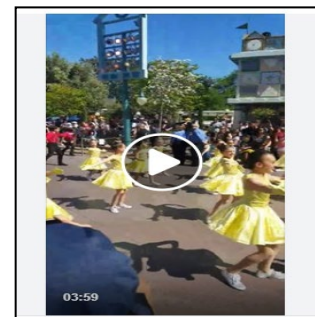
#1

- Join us for evening rec swim and a movie afterwards at our Family Fun Nights + Sunset Cinemas on Saturday, June 29 at Montague Pool and July 27 at Warburton Pool and Park. These events are free and we hope to see you there!
- Posted 6/19/19
- 372 engagements
 - 58 likes
 - 9 comments
 - 17 shares
- 7,838 people reached



#2

- Santa Clara Dance Team up first in the Dance the Magic, Crystal Dance Spectacular Parade! So proud!
- Posted 4/13/19
- 542 engagements
 - 233 likes
 - 45 comments



Parks & Recreation Department (continued)

- 26 shares
- 5,502 people reached

#3

- Lost Dog Notice- this little guy was found on Wednesday, June 26 on Harrison St. and is now hanging out at the Santa Clara Senior Center (1303 Fremont Street, Santa Clara, CA95050). If you are his guardian or know his guardian, please give us a call at 408-615-3170.
- Posted 6/26/19
- 521 engagements
 - 79 likes, 14 loves, 4 wows, 2 sads
 - 10 comments
 - 28 shares
- 5,972 people reached



Instagram – Parks & Recreation [instagram.com/santaclaracityparks](https://www.instagram.com/santaclaracityparks)

# of Posts	Net Followers Gain/Loss
17 posts	769 followers Gain: +164

Top 3 performing posts:

#1

- Here's the Santa Clara Dance Team in the @dancethemagic Crystal Dance Spectacular Parade. What an amazing experience for these 35 ladies and 1 gent.
- Posted 4/14/19
- 105 likes



#2

- Santa Clara Dance Team placed first in line, starting out the Crystal Dance Spectacular Parade down Main Street. They have worked incredibly hard and are so deserving of this honor!
- Posted 4/13/19
- 98 likes



#3

- Santa Clara Dance Team placed first in line, starting out the Crystal Dance Spectacular Parade down Main Street. They have worked incredibly hard and are so deserving of this honor!
- Posted 4/16/19
- 68 likes



Parks & Recreation Department (continued)

Instagram – Teen Center

[Instagram.com/santaclarateencenter](https://www.instagram.com/santaclarateencenter)

# of Posts	Net Followers Gain/Loss
7 posts	265 followers Gain: +5

Top 3 performing posts:

#1

- A successful first night of studying with boba. Don't miss out on free snacks and raffle prizes throughout the week... Come to Finals Spot, May 28th - 31st starting at 6:00 p.m.
- 41 likes



#2

- Youth Commissioners assisting at today's Inclusive Makerspace. This event provides an opportunity to youth with special needs to get hands on with STEAM-based activities. Thanks to the Library, Therapeutics Recreation, Parks & Recreation, and our awesome volunteers! @santaclaracitylibrary
- 37 likes



#3

- Museum of Ice Cream trip during SF Pride Week #santaclarateencenter
- Posted 6/28/19
- 36 likes



Parks & Recreation Department (continued)

Instagram – Youth Commission

[Instagram.com/SantaClaraYouthCommission](https://www.instagram.com/SantaClaraYouthCommission)

# of Posts	Net Followers Gain/Loss
9 posts	289 followers Gain: +40

Top 3 performing posts:

#1

- Thank you for our outgoing Youth Commissioners your service these past few years. We hope that you all do well in the future!
- Posted 5/21/19
- 41 likes



#2

- Meet your Youth Commissioners for the 2019-2020 term! We are so excited to work with you all soon!
- Posted 5/21/19
- 37 likes



#3

- Youth Commissioners assisting at today's Inclusive Makerspace. This event provides an opportunity to youth with special needs to get hands on with STEAM-based activities. Thanks to the Library, Therapeutics Recreation, Parks & Recreation, and our awesome volunteers! @santaclaracitylibrary
- Posted 6/1/19
- 37 likes



Santa Clara City Library

Facebook Performance

[Facebook.com/SantaClaraCityLibrary](https://www.facebook.com/SantaClaraCityLibrary)

# of Posts	Net Followers Gain/Loss	Average Reach
60 posts	4,685 followers Gain: +568	1,496 people reached

Top 3 performing posts:

#1

- Congratulations to Shanaya for completing the 1,000 Books Before Kindergarten challenge! She says she loves reading Peppa Pig books. Join Shanaya and others by registering at: <https://bit.ly/2p0UVtl>
- Posted 4/1/19
- 257 engagements, 13% engagement rate
- 3,630 people reached



#2

- Video: Santa Clara City Library Bookmobile Karaoke Celebrating Mothers: In this episode our two bookmobile bohemians, Dany & Cody, hit the streets of Santa Clara in search of the perfect playlist for Mama and learn about the Mamava, the amazing new lactation space at the Library paid for by grants from Kaiser Permanente and the Santa Clara City Library Foundation & Friends. What's your favorite Mother's Day song? Mamava Kaiser Permanente Thrive LDV, Inc.
- Posted 5/9/19
- 138 engagements, 5% engagement rate
- 6,800 people reached



#3

- **LGBTQ Pride Month is here!** 🏳️‍🌈 Stop by Central Park Library to see our Pride display, take an event brochure, grab some bookmarks and buttons, and check out new and popular titles from our LGBTQ collection. Take a photo with our display and tag us to show your support for [#sclibrarypride](https://www.facebook.com/sclibrarypride) We're also taking donations of socks and unopened toiletries for [The LGBTQ Youth Space](#) throughout the month of June. You can drop them off into the donation bin beside



Santa Clara City Library (continued)

the Pride display. A big thank you to the [Santa Clara City Library Foundation and Friends](#) for supporting #sclibrarypride this year! Our Pride Month event schedule can also be found online at [sclibrary.org/pride](#) ♡♡♡ Happy Pride! ♡♡♡

- Posted 6/3/19
- 119 Engagements, 3% engagement rate
- 2,723 people reached

Twitter Performance

[Twitter.com/santaclaralib](#)

# of Posts	Net Followers Gain/Loss	Total Impressions	Engagement Rate
9 posts	1,206 followers Gain: +28	36.8K	0.8%

Top 3 performing posts:

#1

- You probably already know that we lend books (and more) for free, but did you know you can buy books from the Santa Clara City Library Foundation & Friends? There will be a booksale at [#mynorthside](#) this Saturday and most books will be just \$1! Learn more: <https://bit.ly/2NJzPMB>
- Posted 4/2/19
- 6,590 impressions
- 38 engagements (0.6% engagement rate)

#2

- Explore our NEW catalog today!
<https://sclibrary.bibliocommons.com>
pic.twitter.com/862AFdgS9O
- Posted 4/3/19
- 1,838 impressions
- 12 engagements (0.7% engagement rate)



#3

- Looking for something fun to do with mom this weekend? How about a fun (and free) movie? Register at: bit.ly/2VmFP4T and be sure to see our calendar for other fun, free things. [#sclibrary](#)
- Posted 5/7/19
- 1,590 impressions
- 5 engagements (0.3% engagement rate)

Santa Clara City Library (continued)

Instagram

[Instagram.com/santaclaracitylibrary](https://www.instagram.com/santaclaracitylibrary)

# of Posts	Net Followers Gain/Loss
35 posts	2,722 followers Gain: +130

Top 3 performing posts:

#1

- We are super excited for [#maythe4thbewithyou](#) ! Make sure to come for our Stars Wars day tomorrow where we will have crafts, stormtroopers and droids! In the meantime we have a whole display set up to showcase some Star Wars love @ Central Park Library! 🤖 Here is “Star Wars: Tarkin” by James Luceno
[#sccl](#) [#sclibrary](#) [#bookfacefriday](#)[#starwars](#) [#library](#) [#librarylife](#)[#librariesofinstagram](#) [#bookface](#)
- Posted 5/17/19
- 210 Likes



#2

- Spring is the time for love and of course spring weddings! This [#bookfacefriday](#) we were inspired by the love in the air with, “Otherwise Engaged,” by Lindsey J. Palmer.
[#sccl](#) [#bookface](#) [#sclibrary](#) [#library](#) [#librariesofinstagram](#) [#librarylife](#)[#springlove](#)
- Posted 5/3/19
- 205 Likes



#3

- Another [#lgbtq](#) inspired [#bookfacefriday](#) Today's book is “So Hard to Say,” by Alex Sanchez. Synopsis: Popular and beautiful Xio thinks Frederick will make great boyfriend material, but how can he tell her he is more interested in Victor, the captain of the soccer team?
Find more books like this one at Santa Clara City Library and check out our [#pride](#) display!
[#sccl](#) [#sclibrary](#) [#lgbtq](#) [#pride](#) [#lgbtqpride](#) [#library](#) [#pridebooks](#)[#bookface](#) [#sclibrarypride](#) [#librarylife](#)[#pridemonth2019](#) [#lgbtqbooks](#)
- Posted 6/14/19
- 142 Likes



Santa Clara City Library (continued)

YouTube Performance

<https://www.youtube.com/watch?v=wXdL1EoTDFc>

# of Posts	Net Subscribers Gain/Loss	Watch Time	Average View/Duration
2 videos	9 Gain +4	121 minutes	52 views 3:53 minutes

Top performing video

- Library bookmobile karaoke
- 52 views
- Watch time – 215 minutes
- Average view duration – 3:46 minutes



Santa Clara Fire Department

Facebook Performance

[Facebook.com/santaclarafd](https://www.facebook.com/santaclarafd)

T

# of Posts	Net Followers Gain/Loss	Average Reach
65 posts	2,250 followers Gain: +228	1,327 people reached

Top 3 performing posts:

1

- Truck 96 personnel stabilize a mail carrier truck following an injury accident. @ Santa Clara, California
- Posted 6/8/19
- 7,516 people reached
- 3,304 engagements, engagement rate 26%



Santa Clara Fire Department (continued)

2

- #HappeningNow Injury Accident with Rescue Scott and Jay. #firefighters on scene. Patients transported to trauma center. Avoid the area of Central Expressway near Scott Blvd. SLOW DOWN- USE CAUTION
- Posted 5/8/19
- 4,417 people reached
- 2,776 engagements, engagement rate 29%



3

- Aerial footage shows scope of incident and number of engaged master streams in place to protect salvageable structures.
- Posted 6/28/19
- 3,913 people reached
- 940 engagements, engagement rate 16%



Twitter Performance

twitter.com/SantaClaraFD

# of Posts	Net Followers Gain/Loss	Total Impressions	Engagement Rate
80 posts	2,309 followers Gain: +355	1.2 million	0.2%

Top 3 performing posts:

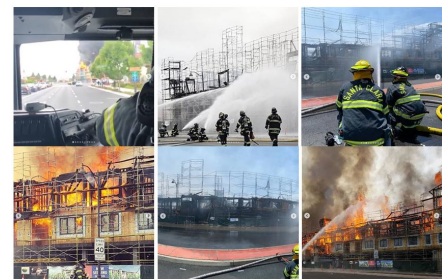
1

- 30 minutes ago Firefighters make access to tanker valve and shut down while master streams flow to cool the tanks and trucks previously impinged with Fire.
- Posted 6/1/19
- 25,355 impressions
- 675 engagements (engagement rate 2.7%)



2

- Additional alarms being cleared from scene and firefighters in the process of overhaul and environmental protection of runoff water.
- Posted 6/1/19
- 25,167 impressions
- 367 engagements, (engagement rate 1.5%)



Santa Clara Fire Department (continued)

3

- Gas line break El Camino at Monroe. ECR shut down between Lafayette and Lincoln. Unknown closure length at this time. Please avoid the area. #firefighters and PGE working to mitigate the leak. KFC evacuated and shelter in place order for Madison Place.
- Posted 6/3/19
- 23,105 impressions
- 265 engagements, (engagement rate: 1.1%)



Instagram

[instagram.com/santaclara_fd](https://www.instagram.com/santaclara_fd)

# of Posts	Net Followers Gain/Loss
35 posts	3,463 followers Gain: +767

Top Performing Posts:

1

- Fire now officially contained
Firefighters continue to aggressively extinguish hotspots. A few homes on Clay street were evacuated, residents expected to reoccupy later this evening. No firefighter injuries.
- Posted 6/20/19
- 774 likes



2

- Remembering 12 years ago today 'The Charleston Nine' as they would become known, died while fighting a large fire in a commercial furniture store. @charleston_fire We remember and mourn with you and yours the lives lost.
- Posted 6/18/19
- 516 likes



Santa Clara Fire Department (continued)

3

- Getting to know your Santa Clara Firefighters Firefighter Samuel Willis, Hometown – San Jose, Age – 25, Licenses – Paramedic
Best part of the job – “The relationship that the fire service has cultivated with the public. The public trust and appreciation built by those before me is truly special. I enjoy interacting with the citizens of Santa Clara and fostering this relationship. Especially during events held by the Santa Clara Firefighters Foundation.”
Thing I was most pleasantly surprised about – “The sense of family within the department. I get to come to work and work along side some of the most incredible people. We work hard to hone our skills and have fun while doing so.” Previous experience – Security Officer, Sales Representative and Technical Assistance for Apple, 911 EMT for AMR in Contra Costa County. Fun fact - “I’m really into biohacking and researching the latest and greatest on nutritional science.” Hobbies/Interests – Brazilian Jiu Jitsu, Mixed Martial Arts, road cycling, hiking, skiing. To learn how to become a Santa Clara Firefighter go to <http://bit.ly/2HGmMZF>
- Posted 5/20/19
- 390 likes



Santa Clara Police Department

Facebook Performance

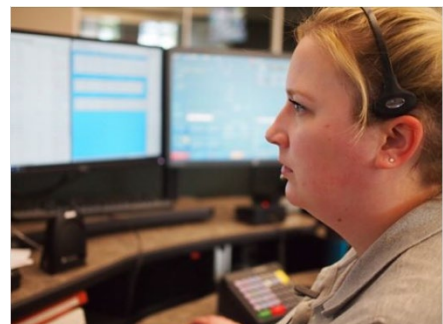
[Facebook.com/santaclarapd](https://www.facebook.com/santaclarapd)

# of Posts	Net Followers Gain/Loss	Average Reach
158 posts	9,850 followers Gain: +466	3,206 people reached

Top 3 performing posts:

#1

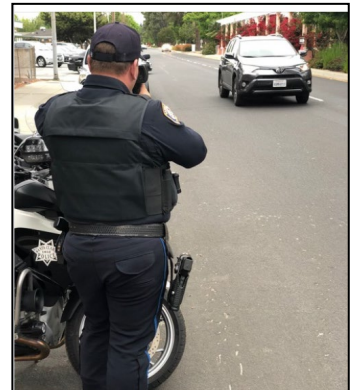
- Coming soon! Public Safety Dispatcher I recruitment
- Posted 6/6/19
- 35,031 engagements
 - 957 likes, 42 loves
 - 1,981 comments
 - 464 shares
- 111,412 people reached



Santa Clara Police Department (continued)

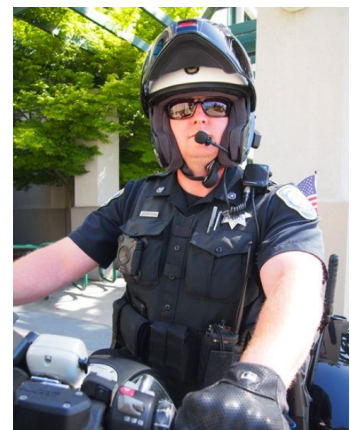
#2

- Countywide Traffic Enforcement tomorrow. Law enforcement offices will combine forces on May 29 to focus on traffic enforcement in school zones, yielding in crosswalks, red light/stop violations and distracted driving.
- Posted 5/28/19
- 2,390 engagements
 - 298 likes, 25 loves
 - 99 comments
 - 111 shares
- 13,274 people reached



#3

- Now hiring – Police Officer
- Posted 6/17/19
- 3,405 engagements
 - 273 likes, 20 loves
 - 78 shares
 - 195 comments
- 12,055 people reached



Twitter Performance

[Twitter.com/santaclarapd](https://twitter.com/santaclarapd)

# of Posts	Net Followers Gain/Loss	Total Impressions	Engagement Rate
221 posts	12.9K followers Gain: +479	1.5 million 16.5K per day	0.5%

Top 3 Performing Posts:

#1

- May the Fourth Be with You
- Posted 5/4/19
- 26,817 impressions
- 1,233 engagements



Santa Clara Police Department (continued)

#2

- Family of Ducklings Rescued from Lawrence Expressway. Community Service Officer was dispatched to Lawrence Expressway for ducklings in the roadway. CSO Clay responded and managed to safely catch the young family along the center divider. She took them to the Silicon Valley Animal Control who plans to take them to the Wildlife Center. Thank you to the reporting parties who made us aware of the situation - and, thank you CSO Clay!
- Posted 5/3/19
- 24,545 impressions
- 1,059 engagements



#3

- This Cinco de Mayo, designate a driver before celebrating!
- Posted 5/5/19
- 22,011 impressions
- 288 engagements



Nextdoor Performance – Santa Clara Police Department


<https://nextdoor.com/agency-detail/ca/santa-clara/police-department-2/>

# of Posts	Net Members Gain/Loss	Membership	Neighborhoods	Average Impressions
110 posts	29,923 members Gain: +2,779	38% of residents	86 Gain: +1	2,611

Santa Clara Police Department (continued)

Top performing post

- Fatal Collision
- Posted 4/25/19
- 6,629 Impressions
 - 14 thanks

 Chief Mike Sellers, Santa Clara Police Department AGENCY

Fatal Collision

Date of Occurrence: April 25, 2019
Time: 9:48 a.m.
Incident: Fatal Traffic Collision
Case Number: 19-4250087
Location: Saratoga Avenue and Los Padres Boulevard




On Thursday, April 25, 2019 at about 9:48 a.m., a fatal traffic collision involving two vehicles occurred near the intersection of Saratoga Avenue and Los Padres Boulevard.

A black Ford Fusion, travelling at a high rate of speed, struck a blue Ford Focus that had made a right turn from Los Padres Boulevard onto westbound Saratoga Avenue. The collision caused the Ford Fusion to roll over, strike a tree in the center median, and come to rest against a parked car on the north side of Saratoga Avenue. The collision also caused the Ford Focus to strike a parked car on the north side of Saratoga Avenue.

The 22-year-old male driver of the Ford Fusion, who is a Sunnyvale resident, was transported to Valley Medical Center where he was pronounced dead. The female driver of the Ford Focus is a 77-year-old resident of Santa Clara. The driver had a complaint of pain and declined further medical attention.

Anyone who may have witnessed this incident is asked to contact Traffic Investigator Nick Cusimano at (408) 615- 4764.

25 Apr · Subscribers of Santa Clara Police Department

 Reply  12  14 · 6629 Impressions

Silicon Valley Power

Facebook Performance

[Facebook.com/siliconvalleypower](https://www.facebook.com/siliconvalleypower)

# of Posts	Net Followers Gain/Loss	Average Reach
54 posts	912 followers Gain: +26	398 people reached

Top 3 performing posts:

#1

- May is National Electrical Safety Month, so it's a good time to remind everyone of these safety tips with a short video.
- Posted 5/24/19
- 3,407 people reached
- 104 Engagements
- Engagement rate 2%



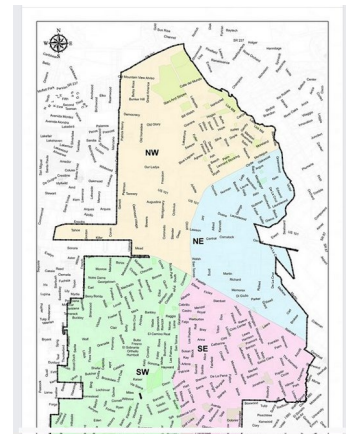
#2

- Have you resgistered for EV Car Guest Drive event?
- Posted 5/24/19
- 2,504 people reached
- 46 Engagements
- Engagement rate 1%



#3

- Power has been restored
- Posted 6/18/19
- Reach: 1,794 people reached
- 4632engagements
- 16% engagement rate



Silicon Valley Power (continued)

Twitter Performance

<https://twitter.com/SantaClaraPower>

# of Posts	Net Followers Gain/Loss	Total Impressions	Engagement Rate
119 posts	4,282 followers Gain: +116	250K	0.6%

Top 3 performing posts

#1

- Cat stuck on power pole
- Posted 6/13/19
- 8,697 Impressions
- 110 Engagements
- 1.3% Engagement Rate



Silicon Valley Power @SantaClaraPower
We recently received a call about a cat who got himself stuck on a power pole. One of our linemen went out to safely bring him down. Just a reminder that you should never try to retrieve an animal from a power pole! Always call the utility to safely handle this.
[#BePowerSafe](#) [pic.twitter.com/EPQpkXomED](https://twitter.com/EPQpkXomED)

#2

- Bike to Work Day
- Posted 5/9/19
- 8,472 Impressions
- 10 engagements
- 0.1% engagement rate

Silicon Valley Power @SantaClaraPower

We're supporting [#BiketoWorkDay](#)! Stop by our [#energizerstation](#) on El Camino Real across from the entrance to Santa Clara University and near the CalTrain station. Grab a water bottle or rain seat cover and some snacks.

#3

- Power has been restored
- Posted 4/1/19
- Impressions: 8,126
- 61 Engagements
- 0.8% engagement rate

Silicon Valley Power @SantaClaraPower

Power has been restored to all but 141 customers, who will remain without power as we make repairs to the line.

Silicon Valley Power (continued)

LinkedIn – Silicon Valley Power

<https://www.linkedin.com/company/silicon-valley-power/>

# of Posts	Net Followers Gain/Loss	Page Views	Top Locations	Top Job Functions
7 posts	1,098 followers Gain +39 followers	626 views (395 desktop & 231 mobile).	Bay Area 40% Sacramento 4% Greater Los Angeles 3% Greater Chicago 2%	Engineering 23% Operations 15% Business Development 12% Sales 9%

Top performing post

- John Roukema's Life Member Award
- Posted 5/22/19
- 19 likes
- 768 impressions
- 2 comments



Silicon Valley Power
1,094 followers
2mo

Our former Chief Electric Utility Officer, John Roukema, was honored with a Life Member Award from @NWPPAssoc today for his 38 years of service to public power and our Santa Clara community. <https://lnkd.in/gjGucDF> #publicpower



SVP News List

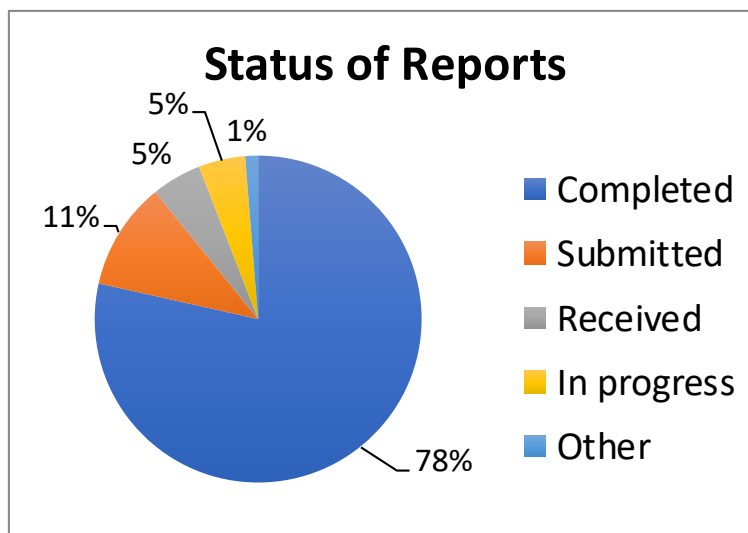
siliconvalleypower.com

MySantaClara App Performance for 2nd Quarter, 2019

- 181 App downloads
 - 133 iTunes
 - 48 Google Play
- 628 reports submitted
- 78.5% completion rate of reports



Top 5 Request Type	Requests	Percent
Sidewalk Repair	57	9.1%
Code Enforcement	53	8.4%
Illegal Dumping	51	8.1%
Graffiti	49	7.8%
Trees Branches in Power Line	41	6.5%





City of Santa Clara

1500 Warburton Avenue
Santa Clara, CA 95050
santaclaraca.gov
[@SantaClaraCity](https://twitter.com/SantaClaraCity)

Agenda Report

19-988

Agenda Date: 9/18/2019

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS, AND MARKETING COMMITTEE

SUBJECT

Verbal Update on Next Steps for Worker Cooperatives

BACKGROUND

At the July 9, 2019 City Council meeting, the City Council referred the Worker Cooperative Business Model to a future Economic Development, Communications and Marketing Committee meeting agenda.

DISCUSSION

Staff will provide a verbal update on next steps for worker cooperatives in Santa Clara.

ENVIRONMENTAL REVIEW

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

FISCAL IMPACT

There is no fiscal impact other than staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Reviewed by: Genevieve Yip, Staff Analyst I

Approved by: Deanna J. Santana, City Manager