Special Economic Development Subcommittee

Wednesday, July 1, 2020, 8:30 a.m.
Zoom Conference Call

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings telephonically or by other electronic means. Pursuant to the Shelter-in-Place Order issued by the San Mateo County Health Officer on March 16, 2020, the statewide Shelter-in-Place Order issued by the Governor in Executive Order N-33-20 on March 19, 2020, and the CDC’s social distancing guidelines which discourage large public gatherings, Conference Room A will not be open to the public for the July 1, 2020 Burlingame Economic Development Subcommittee meeting. Members of the public may view the meeting by logging onto the Zoom meeting listed below.

Members of the public may provide written comments by email to jsanfilippo@burlingame.org.

Emailed comments should include the specific agenda item on which you are commenting, or note that your comment concerns an item that is not on the agenda. The length of the emailed comment should be commensurate with the three minutes customarily allowed for verbal comments, which is approximately 250-300 words. To ensure your comment is received and read to the Economic Development Subcommittee for the appropriate agenda item, please submit your email no later than 5:00 p.m. on June 30, 2020. The City will make every effort to read emails received after that time, but cannot guarantee such emails will read into the record. Any emails received after the 5:00 p.m. deadline which are not read into the record will be provided to the Economic Development Subcommittee after the meeting.

To Join Zoom meeting:

Topic: Special Economic Development Subcommittee Meeting
Time: Jul 1, 2020 08:30 AM Pacific Time (US and Canada)
Agenda

CALL TO ORDER – 8:30 a.m.

DISCUSSION ITEMS

1. Discussion of Parklet and Other Closure Options for Broadway
2. Discussion of Restarting Business Assistance Program (RBAP)

3. Future Agenda Topics: Confirmation of future agenda topics and dates:
   To be determined

4. Public Comments

The Next Regular Meeting of the City Council’s Economic Development Subcommittee will be held on Wednesday, August 12, 2020, at 8:15 a.m., Location TBD
ATTENDANCE

Members Present: Vice Mayor Ann O’Brien Keighran, Councilmember Ricardo Ortiz

Members Absent: None

Staff Present: City Manager (CM) Lisa Goldman, Community Development Director (CDD) Kevin Gardiner, Economic Development Specialist (EDS) Joseph Sanfilippo

Members of the Public Present: John Hutar (SMCCVB), Lisa Kershner (Marriott), Fettah Aydin (Embassy Suites), Michael McKee (DoubleTree), Kevin Kretsch (Hyatt SFO), Georgette Naylor (Burlingame Chamber of Commerce), Riyad Salma

READ AND APPROVE MINUTES FROM MAY 13 AND MAY 28 MEETINGS

Approved.

DISCUSSION ITEMS

Discussion with Hoteliers

John Hutar noted that the San Mateo County/Silicon Valley Convention and Visitors Bureau (SMCCVB) established a Sanitation Committee for safety protocols and best practices to disseminate information to their membership. A Facebook Live event is scheduled for June 11 with a general manager speaker, both for travelers and hospitality representatives.

Mr. Hutar noted that State guidance for leisure travel will allow business to begin accommodating leisure travel guests on June 12, pending approval by local Health officials. He mentioned that Monterey, Napa and San Diego Counties will be opening on June 12. The industry anticipates that most visitors will likely be within a drive radius (200-250 miles), primarily because of consumer sentiment to stay isolated in one’s own car.

The California travel industry is examining Arizona as a model, as their state reopened 3-4 weeks ago. Visit California and CalTravel are using this as a methodology to gauge that reopening is safe.

Mr. Hutar noted that the Hyatt Regency and Marriott Waterfront are suited specifically for large groups, and they are particularly hard hit because large conferences are not anticipated for several months at a minimum. He mentioned that they are extremely important for the region’s economic vitality.
In general, he anticipates a 50-55% decline in regional hospitality revenue for 2020 and mid-high 40’s occupancy for 2021, but group bookings could skew recovery larger or smaller.

Kevin Kretsch (Hyatt SFO) noted their corporate office directs many sanitation protocols and notes there are no problems in communicating or implementing these. He mentioned that his hotel was at single-digit occupancy during the peak of COVID-19, but occupancy is increasing slowly to the teens. He anticipates a long road to “normalcy” for this area in the travel industry.

Mr. Kretsch noted that larger hotels that generate meeting space revenue will be more greatly challenged because of large gathering limitations, though notes interest in inquiries asking “what if” for potential gatherings in late 2020 or 2021.

Lisa Kershner (Marriott) mentioned her hotel has been closed, but they are looking at reopening on July 1. They are concerned about reopening without group markets (leisure or business). She mentioned that Burlingame is competing with the major metros of San Francisco, Oakland and San Jose, etc. She hopes that the City can help the SMCCVB market to promote the area, assist in the beautification of Airport Boulevard, or attract flight crew business specifically. Recently, a San Francisco hotel “poached” one of their flight crews, but she does not know what specifically caused this. She did note Burlingame’s advantages (proximity to major metros, clean air, fewer homeless people, etc.) She also predicts a slow recovery that will likely take 12-18 months. She is concerned about the County reopening too slowly and losing competitive advantage to major hubs.

Ms. Kershner noted that some Marriott hotels achieved almost 80% occupancy in the drive radius market for leisure travel on Memorial Day weekend because of their early reopening. Mike McKee (DoubleTree) agreed, stating that two DoubleTree resorts sold out over Memorial Day weekend. Mr. Hutar also noted that coastal areas (Pacifica, Half Moon Bay) are doing well on weekends.

Fettah Aydin (Embassy Suites) has stayed open, with occupancy in single-digits to low-20s. Hilton (parent company of Embassy Suites) has partnered with a sanitation company to better implement their sanitation protocols (contactless key cards, touchless environments, etc.) They will also work on meeting space sanitation improvements soon. He noted that 20% of their business depends on flight crews.

Councilmember Ortiz questioned occupancy for a clearer picture. Mr. McKee forecasts 65% occupancy in Q1 and Q2 2021. Mr. Aydin anticipates 50% for 2020, 65% in Q2 2021, 80-90% by end of 2021. Mr. Kretsch painted a more sobering picture of 30% for 2020 (very dependent on group gatherings), 65% by end of 2021. Ms. Kershner noted SF Travel is forecasting 50% till Q2 2021.

Mr. Hutar mentioned that corporate travel will likely be nonexistent for 2020, primarily because it is difficult to overcome the stigma of sanitation and safety in travel.
Councilmember Ortiz questioned how daily room rates calculate into the forecast. Hoteliers unanimously agreed that rates are down significantly for 2020, and it will take 12-18 months to recover to pre-COVID rates.

Ms. Kershner and Mr. Kretsch applauded that Burlingame Avenue is doing well. They reiterated the importance of Bayfront beautification, particularly in tandem with sea level rise, and would like greater enforcement on property owners for Bayfront maintenance. Vice Mayor O’Brien mentioned that Burlingame Ave will initiate a pilot program to close for one month on Friday-Sunday, which was met with praise. Councilmember Ortiz noted there are difficulties in enforcing property maintenance on private property, but the City can facilitate connections between owners.

Vice Mayor O’Brien requested a full City Council discussion concerning Bayfront beautification, budget permitting. CM Goldman mentioned that Code Enforcement sent a Property Maintenance letter to property owners several weeks ago, but the Public Works Department cleaned up the areas along the Bay due to a lack of response.

**Burlingame Back in Business Grants Next Steps**

CM Goldman introduced the topic, mentioning that $170,000 is coming back to the City from the San Mateo County Strong Fund. At the initial Council discussion, there were ideas of assisting with PPE costs, barriers between tables, Burlingame Avenue cleanup, parklet implementation, etc. She noted that money does not have to be used and can go back in to the General Fund or reserves in case of emergency.

Councilmember Ortiz wanted a list of businesses that had applied but did not receive funds to continue the process in our own way. CM Goldman noted that this is not public information unless the business actually received funds. The City is reluctant to receive this information because it will be subject to Public Record requests, which could compromise sensitive financial information of the applicants.

Vice Mayor O’Brien proposed to use the funds for personal protective equipment (PPE) or to aid in protocol implementation, because this may be a broader need beyond rental assistance.

CM Goldman noted that these funds could be used in a program similar to the Broadway Façade Improvement Program. For example, this would be a request up to a maximum of some funding amount for PPE reimbursement (face coverings, gloves, partitions, disposable menus, contactless payment systems, etc.) This would likely be on a first-come, first-serve basis.

Councilmember Ortiz expressed concern that many businesses have already spent funds to implement protocols and would like them to receive compensation for improvements that have already been made. CM Goldman noted this would have to go to the full City Council on July 6 and suggested that an EDS Special Meeting may be necessary. Subcommittee members tentatively proposed that
improvements completed in the previous 45 days (or perhaps after May 4, when County reopening guidelines were first established) would be eligible for reimbursement.

Councilmember Ortiz inquired if a sanitation certification is possible for businesses to obtain. Mr. Salma mentioned that it is possible to obtain, but in his conversations with business owners, it is quite expensive to undertake the improvements and obtain the certification.

Vice Mayor O’Brien noted the funds could be used for general amenities (hand sanitizer stations on Burlingame Avenue provided by the City, etc.) or other miscellaneous COVID-19 precautions. She suggested that this could make the area more attractive to hesitant visitors, and the City could market itself as a destination that maintains health and safety.

CM Goldman suggested setting aside a certain amount for individual business reimbursement ($60,000), $40,000 for communal sanitation (cleaning crews, hand sanitizer stations, etc.) and then retaining the remainder in reserves ($70,000) to examine what happens as the reopening process moves forward (either expansion of these programs or allocations to reserves). She suggested a limit of $2,500 per business. She also noted these programs would have to be accessible for all commercial districts.

The Subcommittee members would like the option to modify the funding amounts if necessary, as they do not know what protocol implementations might actually cost.

Vice Mayor O’Brien noted that restaurants will likely use more funds than retail. To promote equity, Councilmember Ortiz proposed the City can cover up to 80% of costs up to $3,000 for all types of businesses. Mr. Salma mentioned that retail and personal services will likely have a slower recovery than restaurants.

Georgette Naylor (Chamber of Commerce) advocated for the funds to be spent in Burlingame if possible, but she is unsure if PPE production in Burlingame is sufficient enough to enforce such a stipulation. Potential language proposed would be: “We encourage you to shop local with the funds as much as feasible.” Ms. Naylor hopes to investigate how much implementation costs are, and Councilmember Ortiz mentioned that this may be illuminated in the full Council discussion.

Mr. Salma advocated for some funding to be allocated for messaging efforts (A-frames, etc.)

CM Goldman inquired if these programs would only be for retail storefronts (as was the intention in the Burlingame Back in Business grant program) or for all business sectors. The Subcommittee members agreed that commercial storefronts interface with the public much more often, and CDD Gardiner mentioned that this would be a way to help restore confidence in these sectors.
Vice Mayor O’Brien requested a review of the pilot Burlingame Avenue Closure at the July 8 meeting. CM Goldman noted that the August meeting will likely be canceled due to the Council recess.

**Miscellaneous Discussion**
All discussion was related to the agenda items.

**Action Items**
- EDS Sanfilippo will flesh out a proposal for a Sanitation Measures Reimbursement Program (name pending) and send this to CDD Gardiner and CM Goldman.

**FUTURE AGENDA TOPICS**
- July 8, 2020- Examination of Burlingame Avenue Pilot Closure

**PUBLIC COMMENTS**
There were no public comments.

**ADJOURNMENT**
Meeting adjourned at 9:43 a.m.

Respectfully submitted,

Joseph Sanfilippo
Economic Development Specialist
ATTENDANCE

Members Present: Vice Mayor Ann O’Brien Keighran, Councilmember Ricardo Ortiz

Members Absent: None

Staff Present: City Manager (CM) Lisa Goldman, Community Development Director (CDD) Kevin Gardiner, Economic Development Specialist (EDS) Joseph Sanfilippo, Public Works Director (PWD) Syed Murtuza, Senior Civil Engineer (SCE) Andy Wong, Deputy Director of Public Works Operations (DDPWO) Rob Mallick, Finance Director (FD) Carol Augustine

Members of the Public Present: John Kevranian (President of Broadway Business Improvement District), Jenny Kelleher (President of Downtown Business Improvement District), Ajay Walia (Owner of Rasa), Georgette Naylor (Burlingame Chamber of Commerce)

DISCUSSION ITEMS

Discussion of Preliminary Results of Burlingame Avenue Closure

PWD Murtuza said reception was generally positive despite some concerns with lack of social distancing or face coverings. Cleanliness was an issue (several tables and chairs were left out), and staff is working to get compliance from business owners.

Traffic safety was a major success, though there were some concerns with bicyclists on the street. There was plenty of available parking in nearby lots.

Councilmember Ortiz inquired if there were any bottlenecks at Primrose Road or Lorton Avenue. PWD Murtuza noted that drivers can use Donnelly as a detour or an alleyway to the south to get to available parking. Subcommittee members mentioned that the atmosphere was great, and the public seemed to consider the event a success as well.

Vice Mayor O’Brien acknowledged concerns with bicyclists that arise due to pedestrians also walking in the street. She requested reminders for face coverings at entry points to the closure. She mentioned that some restaurants noticed people using their restrooms but not dining, and she suggested that portable toilets may be needed.

CM Goldman mentioned that non-mask wearers and breaches of social bubbles are being reported, but she agreed with signage at the entry points to notify people that safe social distancing and face coverings are required.
Vice Mayor O’Brien inquired about signage requirements. EDS Sanfilippo mentioned there are printable signs on the County’s website, but CM Goldman and PWD Murtuza noted that A-frames may be possible at entry points. The Subcommittee pushed for accountability on customers and businesses for compliance.

Jenny Kelleher (President of DBID) wondered if a City-wide campaign is possible (i.e. a banner over the major thoroughfares, etc.) PWD Murtuza agreed that a banner would be useful, and he hoped that the BIDs could look into such an effort. He also suggested that placing messaging in the kiosks with maps of Downtown could help.

Georgette Naylor (Chamber) suggested chalking areas to comply with social distancing, but CM Goldman noted that this would likely be difficult for implementation on a street closure. Ajay Walia (Owner of Rasa) agreed that the entry point reminders would be helpful, but even reminders in the center of the street may be necessary.

CM Goldman noted the impending City Council recess and mentioned there will be a request at the July 6 Council meeting to delegate to staff for the ability to extend the closure and/or make any necessary changes until the Council returns from its recess. CDD Gardiner noted that the current pilot program is exempt from environmental review under the California Environmental Quality Act (CEQA) as it is considered a temporary use (CEQA Guidelines Section 15304(e)) and is serving as an experimental pilot/test project (CEQA Guidelines Section 15306) However, if the program is popular and the community wants to repeat it on a regular or more permanent basis (such as being an annual seasonal event), an environmental impact study will be required.

Vice Mayor O’Brien inquired if there has been any feedback from businesses. CM Goldman noted that most has been positive, and Ms. Kelleher concurred but noted side streets are concerned. Ms. Kelleher also noted that the DBID would like to survey its members after the third weekend for their feedback. CM Goldman requested that the City help draft any questions that the DBID distributes to merchants about the closure, to which Ms. Kelleher agreed.

Discussion of Survey Results for Parklet Options for Broadway and Downtown Side Streets

Mr. Walia mentioned the lack of space on many of the side streets for adequate social distancing. SCE Wong introduced several parklet concepts for the Downtown side streets (parklets are areas where parking spaces are blocked off from parking and traffic to allow for additional outdoor seating). These would need to be enclosed with water-filled barrels to provide adequate safety. PWD Murtuza noted that the barriers are longer-lasting than the street closure equipment and do not have to be taken down every weekend.

Proposals were outlined for Primrose Road, Lorton Road, Park Road, and Howard Avenue. These were simply preliminary designs. CM Goldman noted that if a business does not want a parklet, then the space(s) in front of that business would not be blocked off. PWD Murtuza mentioned that businesses will need to apply for an encroachment permit and show proof of insurance to use the parklet. SCE Wong noted that approximately three angled spaces will be lost for each parklet, resulting in a loss of 63 out of 205 existing spaces and a monthly cost of $20-27,000, if all proposed parklets are created. The cost is related to the rental of the barriers.
Vice Mayor O’Brien wondered if restaurants could use parking spaces in front of adjacent retail parcels. PWD Murtuza noted there will be more costs and less parking, but it is possible provided the adjacent business agrees. He also mentioned that the parklet discussion will go to the full City Council on July 6, and implementation will vary depending on the number of restaurants interested and how many barricades must be ordered. He encouraged businesses to submit their proof of insurance and encroachment permit application as soon as possible if interested.

Staff (Engineering Technicians) will visit restaurants on the side streets to inquire if they are interested in participating. PWD Murtuza noted that costs do not consider loss of parking revenue. He also believed that if the City can do a concentrated effort to bring in all of the parklets at once, it will result in savings.

SCE Wong presented several options for parklets on Broadway. These would use the same water-filled barriers and take up much of the available space for seating, allowing for fewer tables overall. He mentioned there are options to do block-long parklets for areas with concentrated restaurant activity (1300 and 1400 blocks). If all of the restaurants wanted to participate, then there would be a loss of 57 out of 79 parking spaces, at a cost of $20-30,000 per month at maximum utility.

SCE Wong noted that a full closure is difficult due to nearby, narrow residential streets, one-way stops, and emergency vehicle and freeway access all near Broadway.

Vice Mayor O’Brien noted that ambulances and large delivery trucks often use the street, and inquired if barriers would be necessary on both sides of the street. PWD Murtuza noted that the barriers proposed are cleared for construction-grade safety. He noted that smaller, block-long closures would be a concern as well due to impacts on outlying parking.

Councilmember Ortiz noted that Broadway parklets would result in a major loss of parking. He hopes to ensure that restaurants are actually interested. SCE Wong also noted a federal grant the City received for resurfacing Broadway, which would necessitate stopping any parklet or closure activity for the duration of the resurfacing project. CM Goldman inquired when the construction is proposed, and PWD Murtuza speculated in mid-August or early September.

John Kevranian (President of Broadway BID) noted that merchants are concerned about parklet safety and cited a lack of knowledge about the safety-graded barriers. He mentioned that merchants supported a weekend closure from 4-10 p.m., Friday through Sunday, but he wondered if re-education would be better to note the benefits of parklets. CM Goldman requested that SCE Wong participate in a call with the Broadway BID Board to explain the implementation.

PWD Murtuza noted again the traffic impacts on residential areas in the case of a closure, and advocated for parklets again. Mr. Kevranian mentioned that the traffic has noticeably dipped during the pandemic, and traffic will have a lesser impact overall due to work-from-home conditions.

Vice Mayor O’Brien did not support the weekend closure because of the traffic impact and setup implementation. Councilmember Ortiz noted that even the parklets concern him due to the massive loss of parking in an already impacted area, but he mentioned that he may support a closure for only
Saturday and Sunday if it is possible.

CM Goldman inquired how the Pet Parade closure process works, and PWD Murtuza noted that staff is dispatched in the early morning to implement the closure. Vice Mayor O’Brien wondered if side street parklets are possible to implement, but SCE Wong noted that these are smaller and often do not allow as much space, though it is theoretically possible. CM Goldman noted that side streets are further away from restaurants as well, though restaurants on corners would benefit. Vice Mayor O’Brien mentioned that parklets on side streets could alleviate some of the major parking loss on Broadway.

Councilmember Ortiz questioned which side streets would be closed. PWD Murtuza noted that Paloma Ave and Laguna Ave would have to stay open because of their one-way nature.

CM Goldman requested another special meeting to resolve Broadway parklets on July 1.

**Future Agenda Topics**

To prepare for the City Council recess after the July 6 meeting, a Special Subcommittee Meeting will be called on July 1 to resolve the Broadway parklet discussion and review the Restarting Business Assistance Plan.

**Miscellaneous Discussion**

All discussion was related to the agenda items.

**Action Items**

- SCE Wong will prepare a revised Broadway parklet report detailing plans for side street parklets or a Saturday and Sunday closure. He and EDS Sanfilippo will participate in a Zoom meeting with the Broadway BID to discuss these options.

**FUTURE AGENDA TOPICS**

- July 1, 2020- Examination of Parklet Options for Broadway and Review of Reopening Business Assistance Plan
- July 8, 2020- Cancelled due to Council recess

**PUBLIC COMMENTS**

There were no public comments.

**ADJOURNMENT**

Meeting adjourned at 9:41 a.m.

Respectfully submitted,
Joseph Sanfilippo
Economic Development Specialist