Economic Development Subcommittee Special Meeting

Wednesday, July 14, 2021, 8:15 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 Governor’s Executive Order, Conference Room A will not be open to the public for the July 14, 2021 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 July 13, 2021. 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.

Topic: Economic Development Subcommittee Meeting
Time: Jul 14, 2021 08:15 AM Pacific Time (US and Canada)

https://zoom.us/join
Meeting ID: 823 1770 9668
Passcode: 241983

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Agenda

CALL TO ORDER – 8:15 a.m.

READ AND APPROVE MINUTES FROM JUNE 9, 2021 MEETING

DISCUSSION ITEMS

1. Discussion of Downtown and Broadway Street Closures 8:15 a.m.
2. Staff Update on Street Maintenance and Trash Collection Services 8:50
3. Discussion of Delivery Service Fees 9:00 a.m.

Public Comments

The next regular meeting of the City Council’s Economic Development Subcommittee will be held on August 11, 2021, via Zoom
ATTENDANCE

Members Present: Vice Mayor Ricardo Ortiz, Councilmember Michael Brownrigg

Members Absent: None

Staff Present: City Manager (CM) Lisa Goldman, Economic Development & Housing Specialist (EDS) Joseph Sanfilippo, Community Development Director (CDD) Kevin Gardiner, Parks & Recreation Director (PRD) Margaret Glomstad, Finance Director (FD) Carol Augustine, Assistant to City Manager (ACM) Nil Blackburn, Economic Development and Communications Intern (EDI) Isabella Yee

Members of the Public Present: John Kevranian (President of the Broadway Business Improvement District), Jenny Kelleher (President of the Downtown Business Improvement District)

READ AND APPROVE MINUTES FROM MAY 12, 2021 MEETING

- Approved.

DISCUSSION ITEMS

Discussion of Economic Studies of Downtown and Broadway Commercial Districts

EDS Sanfilippo introduced the topic, followed by CDD Gardiner offering introductory information on the study. CDD Gardiner provided information on the REAP grant that the City received for a Broadway Specific Plan, explaining that the Specific Plan includes an economic component. The purpose of the agenda item was to gauge interest in a broader economic study that could also encompass the Downtown district. CDD Gardiner noted that the City would prefer to seek a separate economist that can develop economic studies for both districts, rather than an economist packaged as part of a planning team.

Vice Mayor Ortiz suggested that the Economic Development Subcommittee have an understanding of what they would like to gain from these studies. Councilmember Brownrigg said that identifying an economist to examine both districts would be more beneficial. He provided the example of the Downtown District maxing out its office space capacity, and that it is key to understand the economic need of both Districts to activate their streets. He was also interested to learn whether an economist sees the future of Downtowns as having predominantly restaurants and personal services, which could bring their own fiscal impacts. He emphasized the need to manage, preserve, and enhance the different factors of each commercial district.
Vice Mayor Ortiz questioned the future of retail and how the City will be dealing with vacancies. He mentioned also looking to other Cities to see the steps they have taken to mitigate the rising issues with retail.

CDD Gardiner added that another benefit to an economic study in both districts, particularly as it relates to the Broadway specific plan, would be to understand where the consumers are coming from and what the City can do to create an opportunity for understanding the regional and local markets.

Mr. Kevranian mentioned that Broadway has been struggling for many years due to its reputation as “a local Downtown”. Mr. Kevranian asked that the economic study be only one part of the specific plan for the Broadway district, due to Broadway’s unique needs. He added that Broadway lacks daytime foot traffic.

CDD Gardiner explained that the grant for the Broadway Specific Plan was one of only two that were awarded in San Mateo County. After the City finishes the North Rollins Road Specific Plan, work can proceed on the Broadway plan (likely sometime in the fall). CDD Gardiner also mentioned that no funding has been identified at this time for the Downtown economic study.

Ms. Kelleher agreed with Mr. Kevranian that there are different needs for the Burlingame and Broadway districts, and therefore the economic studies should reflect that. She also suggested that after talking with board members of the Downtown Business Improvement District (BID), she knows that retailers especially would appreciate being surveyed about their businesses and economic outlook.

Ms. Kelleher also raised concern due to a stringent perception of the City’s sidewalk permitting process and its impact on businesses (in regards to street performers and similar “pop-up” entertainment). She is also worried about rising crime and would like to understand and what businesses can do to help. Councilmember Brownrigg requested Ms. Kelleher provide additional information about crime incidents in the district to assist the City in evaluating the issue.

CM Goldman said that a plan for a Downtown economic study should be brought to the full City Council before any further decisions are made, as it is a significant expenditure. CDD Gardiner suggested that he and CM Goldman will work together on a proposal for a Council meeting agenda in the near future.

Discussion Concerning the Availability of Meeting Recordings

EDS Sanfilippo introduced the topic of potentially making the ED Subcommittee meeting recordings available. He mentioned that traditionally these meetings have only been recorded for meeting minutes purposes. After several comments at the last subcommittee meeting about making recordings widely available, staff placed this item on the agenda.

CDD Gardiner provided context that previously the ED Subcommittee meetings were held in the Conference Room at City Hall, where only audio would be recorded for note taking purposes. However with the Zoom format, it is relatively straightforward to produce a video recording of the
meeting. EDS Sanfilippo noted he has not received any public requests for these videos.

Vice Mayor Ortiz said the videos should be available for transparency purposes.

Councilmember Brownrigg questioned whether recording and publishing the meetings would inhibit the discussion of sensitive or confidential business topics.

Vice Mayor Ortiz responded that the public and business owners are not obligated to use the Subcommittee meeting to share sensitive information.

CM Goldman agreed with Vice Mayor Ortiz that these recordings can be made available to the public and shared on the Economic Development website.

Mr. Kevranian added that when he logged into the meeting, Zoom provided a disclosure that the session was being recorded.

**Buy Local Campaign Staff Update**

ACM Blackburn introduced EDI Yee to the ED Subcommittee.

EDI Yee summarized the goals and action plans for the Burlingame Buy Local Campaign, which is a 10-week social media blitz where community members are being asked to pledge to buy locally. As part of the Buy Local Campaign, there is also a new economic development Instagram account that is dedicated to spreading awareness and educating the community on the importance of buying locally. EDI Yee has also been publishing weekly videos for the City that feature different Burlingame businesses.

Councilmember Brownrigg asked if there were any initiatives the City could profile that showcase how they also support local businesses for City expenditures.

ACM Blackburn agreed and mentioned that EDI Yee is only working with Burlingame vendors for sourcing the campaign’s merchandise and flyers.

Ms. Kelleher asked how each respective BID and Chamber could be involved in the effort. Mr. Kevranian concurred and suggested talking to local school associations and educating their members and constituents about buying locally.

ACM Blackburn mentioned that she and EDI Yee would be sending out additional information and flyers in the coming weeks.

**Miscellaneous Discussion**

Councilmember Brownrigg asked CM Goldman about caps on food delivery service fees.

CM Goldman reported that San Mateo County already passed an ordinance capping delivery and
pick-up fees. CM Goldman asked EDS Sanfilippo to research and report on the status of the regulations at a future meeting.

Councilmember Brownrigg questioned if Burlingame could go further and create their own framework for delivery service fees.

**Action Items**

- EDS Sanfilippo will research and update the Subcommittee about food delivery fee caps.
- EDS Sanfilippo will invite Public Works staff to the July 14 meeting to provide insight on street closures and maintenance.

**FUTURE AGENDA TOPICS**

- July 14, 2021: Discussion of Street Closures; Staff Update of Street Maintenance; Staff Update on Food Delivery Fees

**PUBLIC COMMENTS**

There were no further public comments.

**ADJOURNMENT**

Meeting adjourned at 9:15 a.m.

Respectfully submitted,

Isabella Yee
Intern, Economic Development and Communications
To: Economic Development Subcommittee
Date: July 14, 2021
From: Joseph Sanfilippo, Economic Development & Housing Specialist  
(650) 558-7264
Subject: Discussion of Delivery Service Fees

BACKGROUND

On November 17, 2020, San Mateo County adopted a countywide delivery service fee cap of 15% to limit the fees a food delivery service company (e.g. DoorDash, Grubhub, etc.) can charge a restaurant for delivery. This emergency regulation, which also included a 10% cap on third-party pickup fees, expired on June 30, 2021. The Economic Development Subcommittee requested that this item be discussed in light of the regulation's expiration.

DISCUSSION

Several nearby jurisdictions have adopted their own delivery service fee cap. This memo briefly examines three (Millbrae, South San Francisco, and San Francisco).

Millbrae’s fee cap of 15% on delivery orders and 10% for pickup orders ends 6 months after the expiration of the City’s local emergency order. Prior to adopting the cap, Millbrae staff contacted representatives from major delivery service companies. This cap pertains to all fees charged to food purveyors, including delivery, marketing, listing, and processing fees.

South San Francisco’s fee cap of 15% on delivery orders and 10% for pickup orders expires 6 months after the expiration of the City’s local emergency order. This cap pertains to delivery, marketing, and processing fees.

San Francisco implemented a temporary cap of 15% during the pandemic, but the article linked below discusses the recent adoption of a permanent delivery service fee cap (also at 15%). The permanent cap pertains only to delivery fees and does not include other fees charged by food delivery service companies (marketing, processing, etc.)

The article can be viewed here:  https://www.sfchronicle.com/food/restaurants/article/Food-app-delivery-commission-in-S-F-capped-at-16266468.php
Respectfully submitted,

Joseph Sanfilippo
Economic Development & Housing Specialist