



## City Council Economic Development Subcommittee

MINUTES (DRAFT)

Via Zoom

Wednesday, May 11, 2022 – 8:15 a.m.

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### **ATTENDANCE**

**Members Present:** Vice Mayor Michael Brownrigg, Councilmember Donna Colson

**Members Absent:** None

**Staff Present:** City Manager (CM) Lisa Goldman, Community Development Director (CDD) Kevin Gardiner, Parks & Recreation Director (PRD) Margaret Glomstad, Finance Director (FD) Helen Yu-Scott,

**Members of the Public Present:** John Hutar (President of The San Francisco Peninsula (SFP)), Fetta Aydin (Embassy Suites), Kevin Kretsch (Hyatt Regency SFO), Lisa Kershner (San Francisco Airport Marriott Waterfront), Susan Baker (President/CEO of Burlingame/SFO Chamber of Commerce), Mike McKee (DoubleTree)

### **READ AND APPROVE MINUTES FROM APRIL 13 MEETING**

- Approved.

### **DISCUSSION ITEMS**

#### Annual Meeting with the Hoteliers

CDD Gardiner introduced the topic, followed by a presentation from Mr. Hutar concerning industry data through March 2022. Thus far, occupancy is steadily increasing to about 60% occupancy, with an average daily rate (ADR) of about \$150/night. The Burlingame/Millbrae/SFO market was at 65.5% occupancy in March 2022, compared to 35.9% in March 2021. Mr. Hutar noted that there is still a long way to recover to pre-pandemic levels, but the market is much healthier than it had been in previous check-ins with the EDS.

Councilmember Colson questioned if hoteliers would steadily increase their prices as occupancy increased, or if they would have to wait till pre-pandemic occupancy rates are reached before price increases could be implemented. Mr. Aydin answered that rates would rise in accordance with rising occupancy levels, in addition to staying in line with market data provided from the SFP, as well as long-term crew rates negotiated at a predetermined level (which will be slower to recover). He also mentioned that the crew occupancy varies by hotel, but was generally around 20% of a hotel's occupancy (now at 10%).

Mr. Hutar noted the importance of international travel (particularly from Asian countries such as China) in the Burlingame market, which has been much slower to recover. Recent joint efforts from the SFP and the airport have drawn additional European airlines to SFO. Mr. Hutar explained that SFO travel volume is about 50% of its pre-pandemic levels, notably due to the drop in international

and business travel (though the latter is slowly recovering). Event and group travel will be slower to recover as well, likely not until 2024-2025.

Mr. Kretsch confirmed Mr. Hutar's data and said that the market continues to show strong growth in April and May, though the major sector still lacking continues to be large group travel (conferences, etc.) Ms. Kershner encouraged marketing of the new developments on the Bayfront, and also requested some sort of standardized garbage collection and maintenance from property owners on the Bay Trail. PRD Glomstad explained that they have no jurisdiction over the private property, and it may be a better question for Code Enforcement, but she would be happy to share the design guidelines for trashcans that the City uses. Vice Mayor Brownrigg thought that there could be an opportunity to partner with the Bay Conservation and Development Commission (BCDC), though Councilmember Colson favored seeing if design guidelines for trash collection/maintenance could be part of Planning approvals for Bayfront projects.

Councilmember Colson suggested potentially using her work with Filoli to help with weekend travel, by promoting stays at Burlingame hotels in exchange for free tickets at Filoli events. She also mentioned possible opportunities to partner with youth sports clubs and offer discounts at Burlingame hotels for those affiliated with the clubs. Mr. Hutar commented that it would be great to have advocacy to redesign the San Mateo County Event Center as an all-inclusive sports facility if possible.

Ms. Baker supported collaborating with the hoteliers for community events and shared increased interest in the shuttle service from other businesses. CDD Gardiner noted that there could be an opportunity to encourage or require corporate shuttles to frequent the city's business districts.

#### Update on the Bayshore Beautification Project

CDD Gardiner went through a Public Works presentation from February concerning the Bayshore Highway Feasibility Study, which encourages a variety of aesthetic and functional improvements to the surrounding area (planted medians, buffered bike lanes, sidewalk planting strips, etc.) Based on Council comments in February, this project will focus primarily on the streetscape and defer Bay Trail improvements to those already planned for in the One Shoreline project.

Mr. Kretsch strongly advocated for two vehicle lanes to remain in each direction to prevent congestion.

#### Update on Topgolf Project

CM Goldman mentioned that work is steadily progressing on the Topgolf agreement, and the current hope is to bring it to Council on June 6. PRD Glomstad shared Topgolf estimates for groundbreaking and opening (8-12 months for groundbreaking, 30-33 months until a grand opening). While they will be working as fast as they can, the construction on top of a landfill poses unique problems, and PG&E may add further delays.

**Miscellaneous Discussion**

There was no miscellaneous discussion.

**Action Items**

- EDS Sanfilippo and CDD Gardiner will work with PRD Glomstad to develop standards for trash containers on the Bay Trail, potentially including specific branding and suppliers

**FUTURE AGENDA TOPICS**

The June meeting will discuss the completed studies from Century Urban related to possible commercial linkage fee updates and revenue projections.

**PUBLIC COMMENTS**

There were no public comments.

**ADJOURNMENT**

Meeting adjourned at 9:15 a.m.

Respectfully submitted,

Joseph Sanfilippo  
Economic Development & Housing  
Specialist