Economic Development Subcommittee Special Meeting

Wednesday, May 24, 2023, 8:30 a.m.

City Hall Conference Room A will be open to the public for the May 24, 2023 Economic Development Subcommittee Meeting. Consistent with Government Code Section 54953, the meeting will also be held via Zoom. The Zoom information below is provided for members of the public who would prefer to attend virtually.

To Attend the Meeting in Person:
Location: 501 Primrose Road, Conference Room A (downstairs next to the City Manager’s Office)
Burlingame, California 94010

To Observe the Meeting via Zoom:

https://us02web.zoom.us/j/81036063230?pwd=akZMSm5rZU1ONDRTMzPYm9GSytFZz09
Meeting ID: 810 3606 3230
Passcode: 136856
One tap mobile
+16694449171,,81036063230#,,,,*136856# US
+16699006833,,81036063230#,,,,*136856# US (San Jose)

Dial by your location
+1 669 444 9171 US
+1 669 900 6833 US (San Jose)

Meeting ID: 810 3606 3230
Passcode: 136856
Find your local number: https://us02web.zoom.us/u/kbuapAN3RH

1. READ AND APPROVE MINUTES FROM MARCH 6 AND APRIL 19, 2023 MEETING

2. PUBLIC COMMENTS, NON-AGENDA

Members of the public may speak about any item not on the agenda. Members of the public wishing to suggest an item for a future Council agenda may do so during this public comment period. The Ralph M. Brown Act (the State local agency open meeting law) prohibits the City Council from acting on any matter that is not on the agenda.
3. DISCUSSION ITEMS
   a. Discussion of Smoking and Hookah Lounges
   b. Discussion of Burlingame Avenue Street Closure

4. FUTURE AGENDA TOPICS

The next regular meeting of the City Council’s Economic Development Subcommittee will be held on June 14, 2023, in Conference Room A
ATTENDANCE

Members Present: Mayor Michael Brownrigg, Vice Mayor Donna Colson

Members Absent:

Staff Present: City Manager (CM) Lisa Goldman, Community Development Director (CDD) Kevin Gardiner, Parks & Recreation Director (PRD) Margaret Glomst, Finance Director (FD) Helen Yu-Scott, Economic Development & Housing Specialist (EDS) Joseph Sanfilippo, Deputy Director of Public Works Operations (DDPWO) Michael Heathcote; Street, Storm Drains & Sewer Division Manager (SSSD) Rick Horne

Members of the Public Present: Jenny Kelleher (Downtown Business Improvement District (DBID) Board President), John Kevranian (Broadway BID Board President), Susan Baker (President/CEO of Chamber of Commerce), Hadia Khoury (Beautification Commission)

READ AND APPROVE MINUTES FROM JANUARY 17 AND FEBRUARY 8, 2023 MEETINGS
Approved.

DISCUSSION ITEMS

Discussion of Street Closure Programs
CDD Gardiner introduced the topic, providing an overview of the community interest in street closures and their iteration during the height of the pandemic. He mentioned that the closures were popular during the pandemic, but there was concern that they were encouraging too much public gathering which was at odds with public health guidance. Community members were assured that the topic of street closures would be revisited once the pandemic had subsided.

Vice Mayor Colson asked Public Works staff for an update on the parklet program and how street closures might interact with parklets. DDPWO Heathcote explained that since parklets are already installed, they would not affect street closures from an operational standpoint. However, since the previous street closure program in 2020 had some access and traffic circulation issues, he noted that staff would want streets to only be for pedestrians (and not for restaurants to expand their operations) so that emergency vehicles would have proper passage.

CM Goldman noted that side streets would have to remain open for cross-traffic should street closures return to also assist with access. Broadway BID President John Kevranian noted that street closures would not be of interest for Broadway due to access issues and a larger number of daytime service-oriented businesses that need parking for their customers.

The Subcommittee suggested a multi-week closure of several blocks of Burlingame Avenue as a pilot
to coincide roughly with the Chamber’s Burlingame on the Avenue Festival taking place on August 19-20, 2023. EDS Sanfilippo will distribute a survey to merchants to help determine whether they would support longer-term street closures and where those closures should occur, if at all.

Mayor Brownrigg suggested that an alternative to closing Burlingame Avenue would be closing Park Road, since it is already closed multiple times a week for the Burlingame Fresh Market when in season, and it is directly adjacent to the future Town Square.

Discussion of Parklets
The Subcommittee discussed some of the problems associated with parklets that are not well-maintained, such as trash, rodents, drainage, etc.

Vice Mayor Colson suggested that, should parklets stay beyond June 30, 2024, there be a requirement that parklets be taken down and rebuilt annually to prevent rodent or trash buildup. Mayor Brownrigg requested EDS Sanfilippo to inquire with other jurisdictions how they deal with drainage and rodent issues.

Miscellaneous Discussion
Mr. Kevranian suggested that business licenses be processed by the Planning Division so that incompatible zoning issues for incoming business are caught sooner in the process. CM Goldman and FD Yu-Scott noted that a contract with HdL would be presented to the City Council on March 20 that would automate most of business license processing and flag zoning issues or otherwise prior to completing the application.

Action Items
- EDS Sanfilippo will inquire with other jurisdictions how they regulate or control rodent populations near outdoor dining establishments.
- EDS Sanfilippo will distribute language that the Chamber and BIDs can send to their members reminding them to keep trash enclosures and surrounding areas clean or to schedule additional pickups.
- EDS Sanfilippo will prepare a survey for the DBID to distribute to their members gauging their thoughts on street closures. The survey will include a variety of configurations for the closure and timeframes.

FUTURE AGENDA TOPICS
The April meeting will include annual meetings with the Broadway BID and the Downtown BID. The May meeting will include an update from the Holiday Lighting committee.

PUBLIC COMMENTS
There were no public comments.
ADJOURNMENT

Meeting adjourned at 9:30 a.m.

Respectfully submitted,

Joseph Sanfilippo
Economic Development & Housing Specialist
ATTENDANCE

Members Present:  Mayor Michael Brownrigg

Members Absent:  Vice Mayor Donna Colson

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, Economic Development & Housing Specialist (EDS) Joseph Santilippo

Members of the Public Present:  Jenny Kelleher (Downtown Business Improvement District (DBID) Board President), John Kevranian (Broadway BID Board President), Susan Baker (President/CEO of Chamber of Commerce), Hadia Khoury (Beautification Commission), Riyad Salma (Triterra Properties), Rachel Ni (Coldwell Banker)

READ AND APPROVE MINUTES FROM MARCH 8, 2023 MEETING
Continued due to lack of quorum.

DISCUSSION ITEMS

Annual Meeting with the Broadway BID and Downtown BID
CDD Gardiner introduced the topic, providing a brief overview of the Broadway Specific Plan. The project commenced in collaboration with ABAG/MTC, and CDD Gardiner noted that a Community Advisory Committee (CAC) will be formed to solicit input from businesses and residents on the future of Broadway. Afterwards, Mr. Kevranian gave several highlights from the Broadway BID, including possible upcoming business turnover due to rent increases and a commendation for City staff’s work in the district.

Mr. Kevranian also noted that changes in the building and fire codes that necessitate the installation of fire sprinklers during substantial tenant improvement projects is a great burden on incoming businesses, and he suggested that some sort of educational flyer be provided during the business license application process.

He later mentioned a desire from both businesses and residents to light Broadway year-round, but budget constraints make it difficult, particularly with a City requirement to restring lights to not interfere with a tree’s growing season. PRD Glomstad noted that this requirement is primarily for less mature trees, as lights can weaken and scar young trees and lead to maintenance issues in later years.

Mr. Kevranian discussed a renewed desire to work on new travel brochures to provide hoteliers, and Ms. Kelleher and Ms. Baker agreed that the BIDs and Chamber should collaborate on the design.
Ms. Kelleher inquired about the upcoming Broadway smoking ban. EDS Sanfilippo noted that he would be sending draft signs to the Broadway BID for merchants to post in their windows, but the ordinance would not be in effect until May 3. Mayor Brownrigg suggested that the City invest in some sort of metal sign or badge, should the program become permanent after its pilot program expires on December 31, 2023.

Ms. Kelleher then provided an update on the DBID. As part of rebranding the district, they plan to interview and photograph all willing businesses and learn several key facts (why they came to Burlingame, how they came to open the business, etc.) They would afterwards hire a brand manager for ongoing maintenance of promotional programs. Another piece of the rebranding would include creating a new slogan or logo for the district.

Ms. Kelleher also discussed the Holiday Lighting Committee that was established with residents and the BIDs, reiterating the desire for year-round lighting. With the costs of labor for restringing and a commitment to lighting the entire Downtown (i.e. not only Burlingame Avenue), she explained that funding was about $11,000 short. As such, the Lighting Committee proposed several different fundraising events: a return of the DBID’s wine walk and a QR code on restaurant receipts requesting donations from interested customers.

For the actual lighting display, the Committee is aiming to light the Downtown trellises, adorn several areas with lit spheres or other small decorations (birch sticks, poinsettias, etc.)

Ms. Kelleher discussed the Board’s desire to explore decorated parklet covers with restaurants, and Ms. Khoury mentioned that she could inquire about stonewashed burlap as a low-cost alternative to an embossed cover as described. Mayor Brownrigg noted that the program was already approved through June 30, 2024, but aesthetic considerations would certainly be discussed as the Council or Subcommittee revisits the topic.

Ms. Baker offered an update on the Chamber, noting that they are working on updating their website and social media platforms, strengthening the newsletter with a community event calendar, and bolstering membership numbers with mixers and ribbon cuttings.

**Miscellaneous Discussion**

Ms. Khoury suggested that a banner be placed at the El Camino Real crossing of Burlingame Avenue for additional advertising of events. PRD Glomstad noted that the City has a banner policy that submitted banners must abide by, and Public Works must deem the surrounding area structurally sound to support a banner. Mayor Brownrigg suggested potentially revisiting the topic to create more specific guidelines about where banners could be placed and how many there could be, should the idea be possible after staff review.

**Action Items**
• EDS Sanfilippo will follow up with Public Works staff to get County Vector Control contact information to forward to businesses and property owners

FUTURE AGENDA TOPICS

The May meeting will discuss whether to pursue a code amendment to allow smoking or hookah lounges.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Meeting adjourned at 9:30 a.m.

Respectfully submitted,

Joseph Sanfilippo
Economic Development & Housing Specialist
MEMORANDUM

AGENDA NO: MEETING DATE: May 24, 2023

To: Economic Development Subcommittee

Date: May 24, 2023

From: Joseph Sanfilippo, Economic Development & Housing Specialist
(650) 558-7264

Subject: Discussion of Hookah and Smoking Lounges

BACKGROUND

The Economic Development Subcommittee discussed and ultimately recommended that the City Council adopt a pilot smoking ban ordinance in the Broadway commercial district based on merchant request. This ordinance went into effect on May 3, 2023 and remains in effect until December 31, 2023.

The Subcommittee later expressed interest in exploring whether hookah or smoking lounges should be allowed in the city. The Discussion portion of this memo provides an overview of what is currently permitted in Burlingame and what is permitted by the State of California.

DISCUSSION

Under the zoning code adopted in 2021, tobacco sales are classified as “Retail Sales, Specialized” which is defined as Retail uses that may tend to have a potentially offensive effect upon surrounding areas and which may need to be dispersed to minimize their adverse impacts. Examples of these uses include adult stores, tobacco/smoke/vape shops, and pawn shops. (Ord. 2000 § 2, (2021))

On Broadway, “Retail Sales, Specialized” requires a Conditional Use Permit (CUP). The existing smoke shop at 1199 Broadway had submitted its application prior to adoption of the new code so did not require a CUP, but any future smoke shops or similar businesses would need a CUP.

In downtown Burlingame, “Retail Sales, Specialized” requires a Minor Use Permit (MUP). The MUP is similar to a CUP, except it is approved by staff unless a public hearing is requested. Notices of the proposed action must be sent to property owners within 300 feet, and they may request a public hearing.

The distinctions discussed above are only for retail establishments that sell tobacco products. They do not address “smoking lounges.” The zoning code does not have any provisions for smoking lounges, so any request to allow the use would require a code amendment to allow (and regulate) smoking lounges.
The California Department of Public Health prohibits any smoking lounge from offering food and beverage on the premises. The following excerpt is from the CDPH document “Frequently Asked Questions: California’s Statewide Flavored Tobacco Sales Law”:

Q 29: Can Shisha or Hookah Bars/Lounges still allow people to smoke flavored shisha or hookah tobacco products inside?

A: The shisha or hookah bar or lounge must meet the requirements as defined by the state law. In order to sell flavored shisha or hookah tobacco, a hookah tobacco retailer; 1) must have a valid license to sell tobacco, 2) must not permit anyone under the age of 21 years of age to be present or enter the premises at any time and 3) shall operate in accordance with all state and local laws relating to the sale of tobacco products, and 4) if consumption of tobacco products is allowed on the premises, the retailer must operate in accordance with all state and local laws relating to the consumption of tobacco products on the premises of a tobacco retailer including but not limited to those specified in Section 6404.5 of the Labor Code. (Health and Safety Code Section 104559.5(c))

The state law permits smoking inside a hookah bar/lounge if the business qualifies as either a “retail or wholesale tobacco shop” or a “private smokers’ lounge.” A “retail or wholesale tobacco shop” is defined as any business establishment whose main purpose is the sale of tobacco products, and a “private smokers’ lounge” is defined as an enclosed area in or attached to a “retail or wholesale tobacco shop” that is dedicated to the use of tobacco products. (Labor Code Section 6404.5(e)(2)(A) and (B)). A hookah bar or lounge that allows customers to smoke inside may not serve food or beverages. (Labor Code Section 6404.5 and California Attorney General Opinion No.09-507)

Retailers must also adhere to any other state or local laws that place requirements on the sale of flavored tobacco products or on the operating of hookah lounges/bars. Stores in jurisdictions that have enacted laws that are more restrictive than the state law, such as prohibiting the sale of flavored shisha or hookah tobacco or prohibiting smoking in hookah bars/lounges, must adhere to the more restrictive laws in the jurisdiction. (Health and Safety Code Section 104559.5(g))

Staff has provided the information above as guidance for how the City would potentially regulate the use, should the Subcommittee recommend that the Council explore permitting smoking lounges.

Staff has received an email addressing this matter from the business owner at 1120 Broadway (attached). The business owner authorized staff to share the email with the Subcommittee.

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1 https://www.cdph.ca.gov/Programs/CCDPHP/DCDIC/CTCB/CDPH%20Document%20Library/Policy/FlavoredTobaccoAndMenthol/SB_793_FAQ_2_0_final2.pdf
Staff takes no position on this topic and seeks guidance from the Subcommittee whether to proceed with allowing the use. As described above, allowing and regulating smoking lounges would require a zoning code amendment, which would need to be considered by both the Planning Commission and City Council.

Respectfully submitted,

Joseph Sanfilippo
Economic Development & Housing Specialist
Mr. Gardiner,

I have just been informed that smoking on Broadway is banned, and it's about time. Every business on my block has heavy smokers, and we continuously get cigarette smoke and cigarette butts in front of our store. I also was told that the next-door restaurant called [redacted] is planning to utilize the vacant space at [redacted], next door to my business, as Hooka Lounge.

Please do not allow it. Hookah is as harmful as cigarettes. It causes cancer and has the same effect on people exposed to it. We share the same attic space and air conditioner ducts. We were at the receiving end of the smoke from their cigarettes and Hookah smoking, yes! Hookah! They smoked on their premises. It came through our ceiling and ducts. It was so bad that our customers thought we were smoking it.

Please put us on your notice list if and when the application for this use is submitted. I am against this use, and please note that once you allow one, many more will be coming. Burlingame is better than this.

Regards,