



BURLINGAME CITY COUNCIL
Unapproved Minutes
City Council Study Session on January 20, 2026

1. CALL TO ORDER

A duly noticed meeting of the Burlingame City Council was held on the above date in person and via Zoom at 6:15 p.m.

2. ROLL CALL

MEMBERS PRESENT: Brownrigg, Colson, Pappajohn, Stevenson, Thayer

MEMBERS ABSENT: None

3. REQUEST FOR AB 2449 REMOTE PARTICIPATION

There were no requests.

4. PUBLIC COMMENTS

There were no public comments.

5. STUDY SESSION

a. DISCUSSION AND DIRECTION ON POTENTIAL TRANSIENT OCCUPANCY TAX INCREASE

City Manager Goldman stated that the purpose of the study session was for the Council and public to discuss a potential transient occupancy tax ("TOT") measure and provide direction on whether to proceed with the preliminary steps necessary to place a tax on a future ballot.

City Manager Goldman explained that California cities do not have an inherent power to tax. The passage of Proposition 13 in 1978 created a distinction between "general" and "special" taxes.

- General Tax – is a tax imposed for general governmental purposes, the proceeds of which are deposited into the General Fund. A majority vote of the electorate is required to impose, extend, or increase any general tax. An election for a general tax must be consolidated with a regularly scheduled general election of City Councilmembers.

- Special Tax – is a tax that is collected and earmarked for a specific purpose and deposited into a separate account of the General Fund. A two-thirds vote of the electorate is required to impose, extend, or increase any special tax. Special taxes do not need to be consolidated with a regularly scheduled general election of City Councilmembers.

City Manager Goldman stated that historically, Burlingame focused on general taxes:

- Measure I – quarter-cent sales tax increase
- Business license tax increase

City Manager Goldman explained that TOT applies to stays of 30 days or less. She reviewed the City’s TOT rate history, starting in 1966 with incremental increases:

- 1966 – 4%
- 1971 – 5%
- 1977 – 6%
- 1978 – 8%
- 1991 – 10%
- 2009 – 12%

City Manager Goldman reviewed the City’s TOT revenue history:

- FY 2016-17 - \$26.3 million
- FY 2017-18 - \$27.9 million
- FY 2018-19 - \$29.4 million
- FY 2019-20 - \$20.4 million
- FY 2020-21 - \$5.7 million
- FY 2021-22 - \$12.4 million
- FY 2022-23 - \$18.3 million
- FY 2023-24 - \$19.3 million
- FY 2024-25 - \$20.2 million
- FY 2025-26 - \$22.8 million estimated

She noted that the COVID-19 pandemic affected the City’s TOT as seen in the numbers above. She added that TOT was impacted by the closure of the Red Roof Inn and will be affected by the future closure of the Holiday Inn Express.

City Manager Goldman reviewed a chart displaying the countywide TOT rates as of January 1, 2026:

TOT %	Count	Agency
15.5%	1	Menlo Park
15%	2	Half Moon Bay, Pacifica
14%	7	Belmont, Brisbane, Millbrae, San Bruno, San Carlos, San Mateo, South San Francisco
13%	1	Daly City

12%	5	Burlingame, Colma, East Palo Alto, Foster City, Redwood City
10%	1	San Mateo

City Manager Goldman reviewed the impact of different TOT rate changes:

- 14% would add an additional \$3.8 million to the FY 2025-26 estimated TOT
- 15% would add an additional \$5.7 million to the FY 2025-26 estimated TOT
- 15.5% would add an additional \$6.6 million to the FY 2025-26 estimated TOT

City Manager Goldman stated that the City’s five-year forecast shows deficits in the later years without new revenues. She emphasized increasing costs and noted that growth and development alone will not close the projected gaps in revenues.

City Manager Goldman reviewed the City’s unfunded capital and project needs:

- El Camino Real undergrounding – the City has approximately \$17.4 million in Rule 20A credits but lacks a final PG&E cost estimate for the project
- New City Hall acquisition and tenant improvements – to be partially funded by bonds that must be repaid
- Parks Yard facilities – current facilities are outdated and lack modern amenities, including no dedicated female facility

She noted that the Council would be presented with a detailed list of CIPs during the Mid-Year Budget Study Session.

City Manager Goldman discussed Measure I sales tax revenue and noted that it has been great for the City. She stated that it has assisted in funding parks, police, street improvements, and the new town square.

City Manager Goldman reviewed the next steps:

- Seek Council direction to:
 - Hire a professional polling firm (estimated to cost under \$50,000)
 - Hire a public engagement/information consultant (estimated to cost under \$100,000)
- Timeline
 - Poll in spring 2026 to test voter support for various TOT levels
 - If polling shows viability (support around or above 50%) proceed toward placing a general tax measure on the November 2026 ballot
- Campaign/advocacy:
 - Once the Council votes to place a measure on the ballot, staff may only provide fair and balanced information (no advocacy)
 - Councilmembers and private citizens could form and run a measure campaign, but they cannot use public resources or City facilities

Councilmember Stevenson asked whether there were any data or studies from neighboring jurisdictions that recently raised TOT to 14% or 15%. He explained that he wanted to know about the impact on hotel

occupancy and the effects on demand. City Manager Goldman replied that she has heard from several hoteliers that impacts from moderate increases have been minimal. She noted that she did not have quantitative data on occupancy impacts from other cities. However, she shared that, personally, she mainly looks at location, room rate, and amenities and doesn't differentiate between TOT rates.

Councilmember Colson asked about the impact on airline crew contracts. She requested information on:

- What percentage of Burlingame hotel rooms are negotiated airline crew rooms?
- How TOT increases or decreases affect airline demand elasticity for those bulk room contracts.

Councilmember Thayer asked whether staff or the polling firm would propose specific rate scenarios for polling. City Manager Goldman replied that historically, staff and the polling consultants jointly design the poll, but they typically test more than one rate level.

Vice Mayor Pappajohn asked about alternative funding options for major projects if TOT is not increased. City Manager Goldman replied that the City has some reserves and options including:

- \$15 million originally set aside for the Broadway Grade Separation
- The is planning to issue bonds for much of the City Hall work
- Lot H is going through the Surplus Land Act process in order to sell it

However, she noted that by increasing TOT, the bonds issued for City Hall could be smaller, and funds could potentially be applied to other projects.

Councilmember Colson sought clarification on timing constraints if the TOT measure fails. City Manager Goldman replied that general taxes must be on the ballot with a City Council election. Therefore, failure in November 2026 would mean the City would need to wait until at least November 2028.

Councilmember Stevenson asked whether City had considered going for a special TOT with earmarked purposes but off-cycle timing. City Clerk Hassel-Shearer replied that off-cycle elections are expensive. City Manager Goldman replied that a special tax restricts use of the revenues. She discussed the Measure I general tax, where Council was able to direct funds to be used for parks, streets, policing, etc.

Mayor Brownrigg opened the item up for public comment.

The San Francisco Peninsula CEO John Hutar thanked the Council for inviting the hospitality industry into the discussion. He stated that San Francisco's TOT is 14% and recommended against raising it higher in order to keep Burlingame hotels competitive for airline crew contracts.

Lisa Kirshner thanked Council and discussed hotels' average daily rate ("ADR"). She noted that ADR is critical to restoring both hotel and City revenues. Additionally, she asked that if TOT is increased that funds be used to improve the Bayfront area.

Sam Kim thanked the Council for the presentation. He emphasized that Burlingame hotels compete with San Francisco by offering higher quality and environmental experiences. Therefore, he stated that the hotels need City support to enhance their surroundings.

Mayor Brownrigg closed public comment.

Mayor Brownrigg thanked the hoteliers for their partnership and emphasized the symbiotic relationship between the City and the hotel sector. He discussed the City's efforts to improve the surroundings on the Bayfront including:

- Requiring Divco to prioritize repairing the Bay Trail as part of their development
- Recruitment of Topgolf as an additional regional destination
- Burlingame's focus on sea-level rise planning

Councilmember Stevenson expressed support for increasing TOT and recommended including survey questions about if the rates were raised to 14%, 15%, and 16%. He added that communications should stress that TOT is typically paid by visitors, not residents, and should highlight regional marketing efforts by The San Francisco Peninsula.

Vice Mayor Pappajohn agreed that the City should move forward with polling.

Councilmember Colson supported pursuing a TOT increase and the polling/public engagement plan. She added that one compelling argument for new revenues is the need to keep staff salaries competitive. She emphasized the importance of continued communication with the hoteliers regarding TOT rate competitiveness, airline contract impacts, and potential future increases from San Francisco.

Councilmember Thayer supported looking at TOT. She suggested that the City analyze the timing and pattern of other cities' increases. She noted that before 2018, no city in the county was above 12%. Many moved to 14% between 2018 and 2022, and only in 2024 did some jump from 12% to 15%. She suggested considering whether Burlingame should jump in one step or use a phased approach.

City Manager Goldman stated that staff would proceed with retaining a polling firm and a public engagement consultant. She noted that staff would return to Council with poll results and recommendations.

6. ADJOURNMENT

Mayor Brownrigg adjourned the study session at 6:59 p.m.

Respectfully submitted,

Meaghan Hassel-Shearer
City Clerk