



**BURLINGAME CITY COUNCIL
Unapproved Minutes
Regular Meeting on June 1, 2020**

1. CALL TO ORDER

A duly noticed meeting of the Burlingame City Council was held on the above date online at 7:02 p.m.

2. PLEDGE OF ALLEGIANCE TO THE FLAG

The pledge of allegiance was led by DPW Murtuza.

3. ROLL CALL

MEMBERS PRESENT: Beach, Brownrigg, Colson, O'Brien Keighran, Ortiz
MEMBERS ABSENT: None

4. REPORT OUT FROM CLOSED SESSION

There was no closed session.

5. UPCOMING EVENTS

Mayor Beach reviewed the upcoming events taking place in the city.

6. PRESENTATIONS

a. PROCLAMATION RECOGNIZING JUNE 2020 AS PRIDE MONTH

Mayor Beach read the proclamation that recognized June 2020 as Pride Month.

Councilmember Brownrigg thanked then-Mayor Ortiz for adopting a proclamation on tolerance in the community. He voiced his support for recognizing June as Pride Month.

San Mateo County LGBTQ Commissioner Guiliana Garcia thanked the Council for recognizing Pride Month. She stated that the Commission's purpose is to bring greater recognition and visibility to the

LGBTQ community in San Mateo County. She discussed the history of pride celebrations including the Stonewall Riots and the importance of fighting for equality.

7. PUBLIC COMMENT

Burlingame resident Peter Comaroto asked that the Council agendaize a discussion on closing Burlingame Avenue to allow for outdoor dining.

Burlingame resident Kevin Lemire requested that the City expand the “slow streets” program.

Burlingame resident Leslie Beatty thanked the City for closing Carolan Avenue for the “slow streets” program, and she encouraged the City to expand the program to other streets.

8. CONSENT CALENDAR

Mayor Beach asked her colleagues and members of the public if they would like to pull any item off the Consent Calendar. Councilmember Brownrigg pulled item 8n.

Councilmember Ortiz made a motion to adopt Consent Items 8a, 8b, 8c, 8d, 8e, 8f, 8g, 8h, 8i, 8j, 8k, 8l, 8m, and 8o.

Councilmember Brownrigg commented on the motion. He stated that as a result of COVID-19, Council should review the City’s investment policy (Item 8m) this year.

Councilmember Brownrigg seconded the motion. The motion passed unanimously by roll call vote, 5-0.

a. APPROVAL OF CITY COUNCIL MEETING MINUTES FOR THE MAY 13, 2020 BUDGET STUDY SESSION

City Clerk Hassel-Shearer requested Council approve the Meeting Minutes for the May 13, 2020 Budget Study Session.

b. APPROVAL OF CITY COUNCIL MEETING MINUTES FOR THE MAY 18, 2020 REGULAR MEETING

City Clerk Hassel-Shearer requested Council approve the Meeting Minutes for the May 18, 2020 Regular Meeting.

c. ADOPTION OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ICF JONES & STOKES, INC. TO PERFORM ENVIRONMENTAL REVIEW SERVICES RELATED TO A NEW SIX-STORY, 120-UNIT CONDOMINIUM PROJECT AT 1868-1870 OGDEN DRIVE

CDD Gardiner requested Council adopt Resolution Number 062-2020.

- d. **ADOPTION OF A RESOLUTION ACCEPTING THE 2019 STREET RESURFACING PROJECT BY G. BORTOLOTTI & CO. INC., CITY PROJECT NO. 85120**

DPW Murtuza requested Council adopt Resolution Number 063-2020.

- e. **ADOPTION OF A RESOLUTION ACCEPTING THE NEW STANDBY EMERGENCY BACKUP GENERATOR AT THE POLICE STATION BY P.C. INC., CITY PROJECT NO. 84640**

DPW Murtuza requested Council adopt Resolution Number 064-2020.

- f. **ADOPTION OF A RESOLUTION ACCEPTING THE EAST BURLINGAME AVENUE AND ANZA LAGOON BRIDGE UTILITY IMPROVEMENTS PROJECT, CITY PROJECT NO. 83522**

DPW Murtuza requested Council adopt Resolution Number 065-2020.

- g. **ADOPTION OF A RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH SCS ENGINEERS FOR ENGINEERING AND REGULATORY COMPLIANCE SERVICES RELATED TO THE CLOSED BURLINGAME LANDFILL IN THE AMOUNT OF \$118,000**

DPW Murtuza requested Council adopt Resolution Number 066-2020.

- h. **ADOPTION OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A \$20,456.10 AGREEMENT WITH THE PENINSULA CONFLICT RESOLUTION CENTER FOR IDSPUTE RESOLUTION SERVICES**

City Manager Goldman requested Council adopt Resolution Number 067-2020.

- i. **ADOPTION OF A RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE A \$32,657 AGREEMENT WITH THE BURLINGAME CHAMBER OF COMMERCE TO PROVIDE INFORMATION AND PROMOTION SERVICES IN FISCAL YEAR 2020-2021**

City Manager Goldman requested Council adopt Resolution Number 068-2020.

- j. **ADOPTION OF A RESOLUTION APPROVING AN AMENDMENT TO THE AGREEMENT WITH THE COUNTY OF SAN MATEO FOR ANIMAL CONTROL**

SERVICES TO EXTEND THE AGREEMENT ONE YEAR AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT

City Manager Goldman requested Council adopt Resolution Number 069-2020.

- k. **ADOPTION OF A RESOLUTION ACCEPTING THE MURRAY NATURAL PLAYGROUND PROJECT, CITY PROJECT NO. 85400, IN THE AMOUNT OF \$232,088.44**

Parks and Recreation Director Glomstad requested Council adopt Resolution Number 070-2020.

- l. **ADOPTION OF A RESOLUTION AUTHORIZING APPLICATION FOR, AND RECEIPT OF, LOCAL GOVERNMENT PLANNING SUPPORT GRANT PROGRAM FUNDS**

CDD Gardiner requested Council adopt Resolution Number 071-2020.

- m. **APPROVAL OF REVISIONS TO INVESTMENT POLICY FOR FISCAL YEAR 2020-21**

Finance Director Augustine requested Council approve revisions to Investment Policy for Fiscal Year 2020-21.

- n. **APPROVAL OF REVISIONS TO THE PROPOSED BUDGET AND CAPITAL PROGRAM FOR FISCAL YEAR 2020-21**

Councilmember Brownrigg thanked the Finance Director for revising the numbers based on Council's input at the Budget Study Session. He asked how the City Manager and Finance Director envision the budget process being run over the next six to twelve months. He stated that he would feel more comfortable if the Council reviewed the budget every three months during this period of volatility. Finance Director Augustine replied in the affirmative.

Mayor Beach asked if Finance Director Augustine envisioned the budget being reviewed quarterly as a staff report on the Council's agenda. Finance Director Augustine replied in the affirmative.

Councilmember Colson stated that in the fall, the Council will be discussing the City's pension obligations. She noted that this would be a good time to also review the budget. She thanked staff for their hard work on the budget and their explanations of the variances including the property tax increases.

Vice Mayor O'Brien Keighran stated that she agreed with Councilmember Brownrigg that the budget should be a regular agenda item. She noted that she believed there would be a lot of fluctuation in the budget in the upcoming year(s).

Councilmember Colson stated that several people asked her about the Community Center funding. She stated that as the City moves forward, staff should work on public outreach about why the project is in place, where the funding comes from, and why it is needed.

City Manager Goldman stated that during the last week of May, staff finalized a one-page document that summarizes how the new Community Center is being funded. She noted that the City's website includes an FAQ that explains what the bond funds can be spent on.

Councilmember Ortiz thanked staff for putting the information about the Community Center together.

Councilmember Brownrigg stated that the stewardship of the Council over the last ten years has put the City in a strong position to weather a bad crisis.

Mayor Beach opened the item up for public comment. No one spoke.

Councilmember Brownrigg made a motion to approve the revisions to the proposed budget and capital program for Fiscal Year 2020-21; seconded by Councilmember Colson. The motion passed unanimously by roll call vote, 5-0.

o. ADOPTION OF A RESOLUTION APPROVING THE ALLOCATION OF FUNDING FOR COMMUNITY SERVICE ORGANIZATIONS FOR FISCAL YEAR 2020-21

Finance Director Augustine requested Council adopt Resolution Number 072-2020.

9. PUBLIC HEARINGS

There were no public hearings.

10. STAFF REPORTS

a. ADOPTION OF A RESOLUTION PROVIDING AN EXTENSION OF EXISTING DEVELOPMENT ENTITLEMENTS.

CDD Gardiner stated that staff suggests that Council adopt a resolution extending existing planning and building entitlements impacted by the San Mateo County Health Officer's shelter-in-place order. He explained that the extension would mitigate the impacts of the public closure of City Hall and limited operations of the Community Development Department.

CDD Gardiner explained that typically, Planning Commission approvals are valid for 12 months, during which time a building permit must be issued, with the option for an extension of up to one year. He stated that building permits are valid for between 12 months and 36 months, depending on the valuation of the project.

CDD Gardiner stated that the proposed resolution would apply to planning and building development permits that expired or will be expiring between March 17 and September 30, 2020. He added that the resolution would extend these permits through December 31, 2020.

Councilmember Brownrigg asked why the City doesn't automatically add three months to anyone that has an outstanding permit at this point. CDD Gardiner replied that is an option.

Councilmember Brownrigg stated that he believed that staff should utilize whatever approach is simplest to administer.

Mayor Beach asked if she was correct that the reason for doing this would be to streamline the process and avoid having an official extension process that could be costly and create delays. CDD Gardiner replied in the affirmative. He noted that ordinarily if a permit is set to expire, the applicant must apply for an extension.

Mayor Beach stated that it occurred to her that there could be people that received approval but had yet to start construction. She explained that COVID-19 may have changed people's financial situations, and therefore there could be a universe of people that might need the extension expanded to include those who had gotten their permits in 2019. CDD Gardiner stated that staff could expand the extension to include 2019 upon Council's approval.

Councilmember Colson stated that no matter where an individual is in the process, they are likely to be delayed. Therefore, everyone would benefit from an extension.

Vice Mayor O'Brien Keighran and Councilmember Ortiz concurred with Councilmember Colson.

Mayor Beach opened the item up for public comment. No one spoke.

City Attorney Kane stated that the motion is to extend all pending permits and approvals that were pending as of March 16.

Councilmember Brownrigg stated that because staff has started accepting applications, he would say any current outstanding application as of today's date gets an additional three months.

Mayor Beach asked if the extension should be for more than three months.

CDD Gardiner stated that there are two types of permits, those that are going through the application process, and permits that have already been approved and are close to expiring. He noted that it is the later group of permits that staff is currently focused on.

Councilmember Ortiz stated that he believed staff and Council should talk about pending applications separately and focus on issued permits first.

City Attorney Kane suggested that Council take a motion tonight to address the permits that expired since March 1, and then staff can come back with a staff report to address other permit applications.

Councilmember Colson stated that CDD Gardiner's resolution does a great job of dealing with the imminent problem.

Mayor Beach opened the item up for public comment. There were no comments.

Councilmember Colson made a motion to adopt Resolution Number 073-2020; seconded by Vice Mayor O'Brien Keighran. The motion passed unanimously by roll call vote, 5-0.

b. CONSIDERATION OF CONSTRUCTION HOURS AND EXCEPTIONS

CDD Gardiner stated that staff is recommending that Council consider potential amendments to construction hours. He explained that prior to 2016, construction hours were from 7 a.m. to 7 p.m. on weekdays, 9 a.m. to 6 p.m. on Saturdays, and 10 a.m. to 6 p.m. on Sundays and holidays. In 2016, Council adopted an ordinance that changed weekday construction hours to 8 a.m. to 7 p.m., and prohibited construction on Sundays and holidays.

CDD Gardiner stated that staff is now recommending the following additional changes:

- A. Amend BMC 18.07.010 to change language from "except in the case of urgent necessity on the interest of public health and safety," to "except in circumstances where continuing work beyond legal hours is necessary to building or site integrity, including (but not limited to) large concrete pours, environmental considerations, state or federal requirements, or in cases where it is in the interest of public health and safety."
- B. Amend BMC 18.07.010 to eliminate exceptions to construction hours based on gross floor area, and replace it with the requirement that all exceptions be approved by the building official through a waiver or other mechanism for no longer than necessary to complete the portion of the project for which the exception was granted.
- C. Amend BMC 18.07.010 to modify construction hours for the Bayfront Commercial, Innovative Industrial, and Rollins Road Mixed Use zones. These are commercial and mixed-use zones where less restrictive construction hours would benefit construction projects but cause lesser disruption to residents.
- D. Amend BMC 18.07.010 to exempt all construction work, regardless of hours, that takes place inside a completely enclosed building and does not exceed the exterior ambient noise level per the BMC 25.58.050.

CDD Gardiner stated that since 2016, applications for construction projects have continued to grow within the city. He explained that developers regularly ask for exceptions to construction hours, often with justification and reasons that will be granted in most instances. He stated that scenarios requiring exceptions that exist in almost every large project include:

- Extended hours for large concrete pours, where interruptions would lead to issues with site and/or building integrity;
- Complying with Caltrans timelines;
- Environmental timelines set by Federal, State, and local regulations; and

- Other environmental matters that cannot be controlled or mitigated by the developer.

CDD Gardiner explained that staff is proposing that the exception language of the code be modified to include the above recognized common exceptions so that developers can pursue projects in the city without fear of delay.

CDD Gardiner stated that staff is also proposing amending construction hours in certain zones. He noted that the Bayfront Commercial, Innovative Industrial, and Rollins Road Mixed Use are all zones where staff believes hours could be amended with only minor disruptions to residents. He explained that developers shared concerns with staff about how the construction hours impact their construction crews. He stated that most of the construction crews commute from areas outside the Peninsula, and the City's current construction hours require them to drive during peak traffic times. Therefore, allowing an earlier start time in the above commercial zones may at least ease this issue.

CDD Gardiner stated that staff is also proposing allowing work to take place outside of construction hours within fully enclosed buildings. He explained that staff believes that this work will have little impact on residents and would allow builders to finish projects in a more expedient manner. He noted that this exception is already in place in the City of San Mateo.

Councilmember Colson asked if the housing project on Bayswater would be allowed to start at 7 a.m. or because it is in a residential neighborhood, would it start at 8 a.m. CDD Gardiner stated that because there are surrounding residential uses, staff would evaluate the need to start early. He added that the Chief Building Official could also enact conditions for the early start.

Councilmember Colson asked if the Lot F and N project would be an 8 a.m. start. CDD Gardiner replied in the affirmative.

Councilmember Colson asked about the project at 1095 Rollins Road. CDD Gardiner stated that Hanover has expressed interest in starting at 7 a.m. He noted that North Park Apartments is right next door; therefore this is an instance where an exception could be requested for specific circumstances, however the more blanket 7 a.m. start is not being proposed.

Vice Mayor O'Brien Keighran asked what the exception for complying with Caltrans timelines meant. CDD Gardiner explained that this refers to Caltrans jurisdiction over El Camino Real and Highway 101.

Mayor Beach opened the item up for public comment.

SummerHill Senior Vice President Elaine Breeze stated that SummerHill was in support of staff's suggested amendments.

Mayor Beach closed public comment.

Mayor Beach stated that staff's suggestions struck her as reasonable. She noted that she appreciated the questions that Councilmember Colson asked as they outlined that residential neighborhoods would not be affected by staff's proposals.

Councilmember Ortiz discussed the complaints that the City received when the pile driving was being done at Burlingame Point. He noted that even though it is on the other side of the freeway, there are still residential neighborhoods close by that were impacted. Accordingly, he stated that he wasn't in favor of modifying construction hours for the Bayfront Commercial, Innovative Industrial, and Rollins Road Mixed Use zones.

Councilmember Brownrigg asked if he was correct that Ms. Breeze's top priority out of staff's suggestions would be the 7 a.m. start time. Ms. Breeze replied in the affirmative.

Councilmember Brownrigg stated that there is a big difference between some construction activities and others. He suggested stating that during the 7 a.m. to 8 a.m. hour, heavy machinery can't be used.

CDD Gardiner stated that the 7 a.m. to 8 a.m. hour could be used as a staging time.

Councilmember Ortiz stated that he liked CDD Gardiner's suggestion that the first hour be a staging hour as it would prevent the noisier activities from starting until 8 a.m.

CDD Gardiner stated that he would consult with the Chief Building Official and the developers to see what is most practical and how to define staging.

Councilmember Colson stated that she was contacted about the project at 1095 Rollins Road. She explained that it sounded like they would still have to start at 8 a.m. because of the North Park Apartments. She stated that the developers noted that they got North Park Apartments to sign off on a 7 a.m. start because of a partnership that has been arranged.

Mayor Beach thanked staff for their suggestions and asked if they had received direction. CDD Gardiner replied in the affirmative.

c. **CITY COUNCIL DIRECTION REGARDING PURCHASING RULE 20A WORK CREDITS
AT A DISCOUNTED RATE FOR THE UNDERGROUNDING OF OVERHEAD POWER
LINES ON EL CAMINO REAL**

DPW Murtuza stated that staff is requesting Council's direction regarding purchasing Rule 20A work credits at a discounted rate for the undergrounding of overhead power lines on El Camino Real.

DPW Murtuza explained that Caltrans is beginning the environmental phase of the El Camino Real Renewal Project to address safety and infrastructure rehabilitation needs and the historic Eucalyptus Grove preservation. He stated that undergrounding overhead utilities in conjunction with the Caltrans work will be a critical component of the overall project. He explained that the City Council identified the undergrounding

of overhead power lines along El Camino Real as a high-priority project. As a result, in 2019 the Council established the El Camino Real Underground Utility District 2019-1 to initiate proceedings to implement the project.

DPW Murtuza stated that staff has estimated the preliminary cost to underground overhead utilities on El Camino Real to be between \$25 million and \$30 million. He noted that the City currently has approximately \$6.5 million in Rule 20A credits.

DPW Murtuza stated that there are a variety of funding mechanisms available to implement the undergrounding including:

- Formation of an assessment district
- General Fund
- Purchase of Rule 20A credits from another community

He explained that purchasing Rule 20A credits from another community is a common practice. He noted that this practice benefits both communities as credits are often purchased at a discounted rate, while the selling community receives compensation for credits that may not be needed/used.

DPW Murtuza stated that CPUC is in the process of reviewing recommendations to reform the Rule 20A program. He noted that they have not yet adopted any new procedures, but they are requesting public comment on some of their suggestions. He stated that one suggestion is to eliminate the practice of communities engaging in the transfer of work credits. He added that the credits would be reallocated according to a new formula that would make it more consistent with undergrounding needs.

DPW Murtuza stated that staff suggests that the City purchase Rule 20A work credits from other communities prior to CPUC's final decision on the program. He noted that staff has contacted 44 agencies throughout the State and seven agencies stated that they are willing to sell their credits. He explained that the City has the opportunity to purchase \$14 million of Rule 20A work credits at the cost of \$7 million.

DPW Murtuza discussed the risks associated with purchasing the credits including:

- If the El Camino Real Renewal Project does not move forward or is significantly changed to make undergrounding infeasible
- The CPUC final ruling on reform to the Rule 20A program could potentially affect existing credits or credits acquired through transfers

Vice Mayor O'Brien Keighran asked if the El Camino Real undergrounding doesn't move forward, does staff have other projects in mind for the Rule 20A work credits. DPW Murtuza replied in the affirmative. He noted that Council had previously expressed an interest in undergrounding utilities on Airport Boulevard.

Vice Mayor O'Brien Keighran asked if staff knew when CPUC would finalize their decision. DPW Murtuza replied in the negative. City Attorney Kane noted that because CPUC was asking for public comment, she thought that CPUC would be releasing their decision in 2020 or early next year.

Mayor Beach stated that the Rule 20A credits are a hot topic at the League of California Cities. She explained that the League is advocating for not sunseting this program. She stated that the League had discussed the possibility of the program being phased out over a period of ten years. She asked if this indicated that even if the CPUC sunsets the program, the City would have time to use their credits. DPW Murtuza replied in the affirmative. He noted that staff has come to the same understanding.

Councilmember Brownrigg stated that he was confident that even if El Camino Real undergrounding didn't move forward, there were other projects where the City could utilize the Rule 20A work credits. He voiced concern about the possibility of CPUC taking the City's credits under the future program. DPW Murtuza stated that staff talked to several agencies and PG&E about this issue. He noted that it doesn't appear that CPUC is proposing to take away the credits from agencies with active undergrounding districts.

Councilmember Brownrigg asked if there was any risk that CPUC might devalue the credits. DPW Murtuza replied that he was unsure as it wasn't a question that had been asked.

City Attorney Kane stated that in assessing these risks there are no guarantees. She added that prior to the dissolution of the RDAs, she would have said there is no precedent for the State doing a grab of funds. Therefore, she explained that the City doesn't really know what will happen. However, she noted that because Rule 20A work credits are funded by rate payer dollars, she believed they would be treated differently than General Fund dollars.

Councilmember Brownrigg asked if the City runs any risk that PG&E's bankruptcy filing could wipe out the Rule 20A work credits. DPW Murtuza stated that he didn't know.

Councilmember Ortiz asked once the City has a project ready to go, how far in advance does the City need to buy the credits. DPW Murtuza stated that the issue is there is currently an increased level of activity between agencies to buy and sell credits.

Mayor Beach asked if the City doesn't underground the utilities on El Camino Real, what are the limitations/tradeoffs that the City will see. DPW Murtuza stated that undergrounding the utilities provides safety and aesthetic benefits. Additionally, by undergrounding the utilities, the City would be able to plant and maintain a tree canopy more easily.

Councilmember Colson discussed the potential need to put a measure on the ballot to assist in funding the undergrounding of utilities on El Camino Real.

Mayor Beach opened the item up for public comment.

El Camino Real Task Force member Gaird Schlesinger voiced his support for purchasing additional Rule 20A work credits to underground the utilities on El Camino Real.

Mayor Beach closed public comment.

Mayor Beach stated that she believed there was about \$25 million in the Capital Investment Reserve. She asked what the City's Capital Investment Reserve would look like if the Council approved purchase of the Rule 20A work credits. Finance Director Augustine stated that the Capital Investment Reserve will be at \$24.6 million after the Community Center is funded. She explained that the City also needs \$15 million for the Broadway Grade Separation project. Therefore, after funding the Community Center and the Broadway Grade Separation, there would be approximately \$9.7 million remaining in the Capital Investment Reserve. She added that the City wouldn't be funding the Capital Investment Reserve over the next couple of years.

Councilmember Colson stated that the City didn't have the necessary funds to undertake the El Camino Real undergrounding. She explained that the City should determine how to fund the rest of the project prior to purchasing Rule 20A credits.

Mayor Beach stated that what she struggles with is that she doesn't know if the City will have this opportunity again to purchase Rule 20A work credits at 50% of the cost. She noted that she agreed with Councilmember Colson that the City would need to cobble together the rest of the funds to get the project done. She stated that she believed the City would have to take this issue to the voters and dip into the General Fund.

Councilmember Brownrigg stated that the City must get better at negotiating. He voiced his optimism that the City can get Caltrans to pay 50% of the cost of undergrounding utilities on El Camino Real.

Councilmember Brownrigg stated that he believed that several cities in the State are panicking about how to make their budget. Therefore, he suggested that the City may be able to purchase Rule 20A work credits at 20 cents to 30 cents on the dollar.

Vice Mayor O'Brien Keighran stated that she has mixed feelings on this issue and asked the City Attorney for her opinion on the risks involved. She added that due to COVID-19, the City's revenues wouldn't be the same for a long time. Therefore, she thought the City should take a conservative approach and hold on to City funds for as long as possible.

City Attorney Kane stated that she had the same information as DPW Murtuza and Mayor Beach about the CPUC's ruling on Rule 20A work credits. She stated that she believed the calculated risks are mostly political. She explained that it is the question of how much pull there is to redirect the credits within the State.

Councilmember Ortiz stated that under normal circumstances it would be a high priority to underground the utilities. However, because of COVID-19, PG&E's bankruptcy case, and the City's gap in funding, he didn't think the City should purchase the credits.

Mayor Beach asked if her colleagues would consider Councilmember Brownrigg's suggestion to offer 20 cents or 30 cents on the dollar.

Vice Mayor O'Brien Keighran stated that because there are so many unknowns, she felt that the change in the purchase amount wouldn't change her mind.

Councilmember Colson stated that Councilmember Brownrigg's idea was interesting. She suggested kicking this idea back to the subcommittee to further research:

- if the purchase price of 20 cents to 30 cents on the dollar was doable,
- if Caltrans would help pay for the project,
- risk factors concerning PG&E bankruptcy, and
- how to make up the gap in funding.

Councilmember Ortiz concurred with Councilmember Colson.

Mayor Beach asked if Councilmember Brownrigg would be willing to work on that. Councilmember Brownrigg replied in the affirmative.

Vice Mayor O'Brien Keighran stated that she was open to giving the subcommittee time to gather more information.

Councilmember Brownrigg stated that the subcommittee could also do a better job of laying out the stakes of undergrounding the utilities.

d. UPDATE ON BURLINGAME BACK IN BUSINESS GRANT PROGRAM AND DIRECTION ON NEXT STEPS

City Manager Goldman gave an update on the Burlingame Back in Business Grant Program. She stated that in March, the Council agreed to the formation of a subcommittee to develop programs to assist the City's small business community. She explained that Councilmembers Brownrigg and Colson volunteered to serve on this subcommittee. She stated that the subcommittee consulted with local small businesses and regional business support organizations.

City Manager Goldman stated that at the April 20 Council meeting, the Council approved the creation and funding of a \$500,000 small business grant program for local merchants and businesses. She noted that there were a lot of factors that went into how the grant program was established. She stated that the Council felt it was important to support the community and the small business sector. She explained that the City relies heavily on hotel tax revenue, and therefore the subcommittee felt that it was important to support the sector whose enterprises pay sales tax and/or provide activity and vibrancy to the City's shopping districts and residents.

City Manager Goldman explained that the subcommittee worked on the programmatic details of the grant program with SAMCEDA. She noted that at the time, the theory was that the City didn't have the expertise or staffing in house to administer such a program, and SAMCEDA was working on administering a similar grant program on behalf of the County through the SMC Strong Fund.

City Manager Goldman explained that on April 21, the County Board of Supervisors approved SAMCEDA's criteria for the countywide business grant program. She stated that SAMCEDA's criteria was purposefully broad as it covered all types of businesses, provided they had no more than \$2.5 million in revenue and no more than ten employees. She explained that Burlingame's criteria was somewhat different and more stringent. The City wanted to allow bigger enterprises (up to \$5 million in revenue) to apply, and the City wanted applicants to have a retail storefront open to the public, reflective of the Burlingame program's underlying goal to encourage sales tax-generating businesses and community vibrancy.

City Manager Goldman stated that the Burlingame Back in Business Grant Program, as administered by SAMCEDA and the San Mateo Credit Union, made 32 grants of \$10,000 each to Burlingame businesses. (One Burlingame business is still pending due to a paperwork issue.) She noted that included in the staff report was a list of the businesses that received funding from either the City's program or the County program. She added that grants were made on a "first in, first awarded basis." She stated that the program was oversubscribed.

City Manager Goldman stated that she talked with SAMCEDA President Rosanne Foust earlier in the day; Ms. Foust told her that there are 58 Burlingame businesses in the queue for grants.

City Manager Goldman stated that because of the differences between the City and County programs, the subcommittee has raised the question about whether the remaining City funds should stay with SMC Strong or should be utilized for other purposes. She noted that there is approximately \$180,000 remaining of City funds that were allotted to the Burlingame Back in Business Grant Program. (The amount is \$170,000 if the pending business receives the funding.)

City Manager Goldman stated that self-administration of the program is not an option because the City doesn't have the necessary staffing to handle this program, nor does the City want to take possession of documents that contain confidential information. She stated that the Council could decide to keep the funds with SAMCEDA or return the funds to the General Fund. She explained that if the funds are returned to the City, Council could have the subcommittee work with staff on potential options on how to utilize the funds to support the small business community.

City Manager Goldman stated that one idea that came out of the subcommittee was to create a program for COVID-19 reopening using the Broadway Façade Grant Improvement Program as a model. She explained that businesses could apply for funding to help purchase personal protective equipment, dividers, and other equipment. She stated that another option is for Council to put the funding towards the costs associated with closing Burlingame Avenue to allow for outdoor dining.

Councilmember Ortiz asked if he was correct that if the City kept the funds in the SMC Strong program, the difference would be that the County doesn't require the businesses to have a retail storefront. City Manager Goldman replied in the affirmative.

Councilmember Colson thanked Rosanne Foust for the amazing work that SAMCEDA did to assist Burlingame businesses. She stated that once Ms. Foust realized the process wasn't aligning with the City's goals, Ms. Foust came to the subcommittee to explain the difference. She thanked Ms. Foust for giving the subcommittee a heads up and explaining the options for going forward.

Vice Mayor O'Brien Keighran thanked SAMCEDA for their work on the grants for the County.

Mayor Beach opened the item up for public comment.

SAMCEDA President Rosanne Foust thanked the City for their funding as it helped over 30 Burlingame businesses. She discussed SAMCEDA's support and stated that they would be providing Burlingame with more data about how the City can help their local businesses.

Mayor Beach stated that the City Manager mentioned that the program is oversubscribed and that there are 58 Burlingame businesses in the queue. She asked if the City redirected the \$180,000 back to the General Fund, how many of the local businesses would be able to obtain County grants. Ms. Foust stated that she spends a part of her day dialing for dollars and conducting outreach. She noted that she will do her best to help as many businesses in the County as she can.

Mayor Beach closed public comment.

Councilmember Ortiz stated that the Burlingame businesses that are in the queue are expecting the same consideration as those that made it through the queue. He explained that he believed the businesses would be disappointed if the City pulled the funds.

Councilmember Ortiz stated that he didn't support withdrawing the money from SAMCEDA.

Councilmember Brownrigg thanked SAMCEDA for their hard work. He talked about how impressive it was that SAMCEDA fundraised, outlined the program, and released the funds in such a short amount of time.

Councilmember Brownrigg stated that even if the City makes the last 18 grants (\$10,000 per grant), there will be a number of Burlingame businesses that will be disappointed. Therefore, he stated that what the City needs to do is think about the best way to utilize the remaining funds. He discussed closing Burlingame Avenue and the costs that would be associated with that project in order to make it successful.

Councilmember Brownrigg stated that he supported retrieving the unused funds and putting them towards City programs that will have a broader benefit to the business community.

Mayor Beach stated that what she liked about the County program, is that the City had a vision to assist businesses quickly, and the County's program met this immediate need. She added that she also liked the County program because it was trying to assist as many small businesses as possible and kept the Council at arm's length in regards to reviewing and selecting recipients of grants. She noted that if the City kept the \$180,000 with SAMCEDA, then 18 more businesses would benefit from the program.

Mayor Beach stated that if a majority of her colleagues would rather remove the funds from SAMCEDA, she would like to see the funds used in a broader more general regard such as closing down Burlingame Avenue.

Vice Mayor O'Brien Keighran thanked SAMCEDA. She stated that she believed the City should retrieve the funds so that they could be utilized for programs that fit the Council's original vision. She discussed the State guidelines that businesses will need to follow to reopen. She stated that the City should look into how it can assist businesses in reopening. Therefore, she suggested utilizing the funds to help businesses reopen including purchasing PPE, outdoor seating, partitions, etc.

Councilmember Colson stated that when the Council approved the criteria for the Burlingame Back in Business Grant Program, one of the main objectives was for the City to invest funds into businesses that have a retail storefront. She explained that this is because the Council knew that these businesses would drive sales tax. She stated that the County's program allowed for grants to businesses that wouldn't benefit this original objective. She noted that the Burlingame Back in Business subcommittee or Economic Development subcommittee could discuss how best to utilize the remaining \$180,000.

Councilmember Ortiz voiced his concern about how the remaining \$180,000 will be doled out to local businesses. He explained that if the City focuses on reopening Burlingame Avenue, then businesses in the plaza and on Broadway will have issues. He stated that the process must be objective, and the Council can't show a preference to a certain industry or location.

Mayor Beach asked if the City retrieves the funds, is it better for the Economic Development subcommittee or the Burlingame Back in Business subcommittee to discuss how to utilize the funds. City Manager Goldman noted that there were benefits to both subcommittees working on this project.

Councilmember Brownrigg made a motion that subject to the final account of funds, SAMCEDA will return the remaining City funds, and they will be utilized in programs that broadly assist the Burlingame business community; seconded by Councilmember Colson. The motion passed by roll call vote, 3-2 (Councilmember Ortiz and Mayor Beach voted against).

Councilmember Brownrigg suggested having the Economic Development subcommittee work with the local businesses on how best to utilize the remaining funds.

Councilmember Colson stated that it made sense to put the decision with the Economic Development Subcommittee since they had administered the Broadway façade grant program.

Mayor Beach stated that she agreed with Councilmember Colson that the Economic Development Subcommittee made the most sense.

Council agreed to have the Economic Development Subcommittee determine how best to utilize the funds.

11. COUNCIL COMMITTEE AND ACTIVITIES REPORTS AND ANNOUNCEMENTS

a. **MAYOR BEACH'S COMMITTEE REPORT**

b. **COUNCILMEMBER COLSON'S COMMITTEE REPORT**

12. FUTURE AGENDA ITEMS

Councilmember Brownrigg stated that he had become frustrated with the amount of traffic issues that come to Council from citizens. He suggested having the Traffic, Safety and Parking Commission increase their meetings to twice a month. Council agreed to agendaize this discussion.

Councilmember Colson discussed the need to start enforcing parking limits again. City Manager Goldman stated that it would be part of the June 15 Council agenda.

13. ACKNOWLEDGEMENTS

The agendas, packets, and meeting minutes for the Planning Commission, Traffic, Safety & Parking Commission, Beautification Commission, Parks and Recreation Commission, and Library Board of Trustees are available online at www.burlingame.org.

14. ADJOURNMENT

Mayor Beach adjourned the meeting at 10:17 p.m.

Respectfully submitted,

Meaghan Hassel-Shearer
City Clerk