



STAFF REPORT

AGENDA NO 8k

MEETING DATE: July 6, 2020

To: Honorable Mayor and City Council

Date: July 6, 2020

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

Subject: Approval of the Restarting Business Assistance Program and the Distribution of Funds

RECOMMENDATION

Staff recommends that the City Council approve the Restarting Business Assistance Program (RBAP) and the distribution of funds.

BACKGROUND

At the June 1 City Council meeting, the City Council discussed potential options for use of \$170,000 returned from the Burlingame Back in Business Program. These funds were returned due to differences in program objectives between the San Mateo County Strong Fund (administered by SAMCEDA) and the Burlingame Back in Business Program. The Economic Development Subcommittee was tasked at the June 1 meeting with exploring potential uses for the unused balance.

At the June 10 Economic Development (ED) Subcommittee meeting, the Subcommittee discussed how to utilize the \$170,000 balance returned from the Burlingame Back in Business Program to aid the business community. As initially proposed at the June 1 City Council meeting, the direction was to consider a grant program structured similarly to the Broadway Façade Improvement Pilot Program.

After consideration of options and deliberations, the Subcommittee recommended an allocation of \$60,000 for a reimbursement program to help businesses recoup the costs of purchasing personal protective equipment (PPE) and other sanitation improvements required during the COVID-19 pandemic. Of the \$110,000 balance, the Subcommittee recommended using \$40,000 for communal sanitation improvements (e.g. hand sanitization stations in commercial districts, cleaning crews, etc.) and returning the remaining \$70,000 to the General Fund.

DISCUSSION

Staff drafted the Restarting Business Assistance Program (RBAP) using the guidelines outlined by the Subcommittee. The program was modeled after the reimbursement-based structure of the

Broadway Façade Improvement Pilot Program, but streamlined to allow for a simpler distribution of funds and expanded to encompass each of the City's shopping and commercial districts.

Eligible purchases under the program include PPE (gloves, face coverings, etc.) and other sanitation improvements (contactless payment systems, partitions, sneeze guards, disposable menus, etc.). Eligible expenses must have been purchased on or after May 15. Staff specified this date as it coincided with one of the first reopening phases outlined by the County Health Officer.

Interested applicants who have purchased improvements prior to May 15 may still apply, but they must submit their receipts and a written explanation of why the improvements were implemented (e.g. "in preparation to open when allowed"). Funding for these requests is not guaranteed.

The program offers grants of up to 80% of the improvement costs, or \$3,000, whichever is less. Grants will be made on a first-come, first-serve basis.

Only businesses with a street-facing, commercial frontage are eligible to receive funds. The intent is to provide confidence to customers to return to the City's shopping districts. Furthermore, in order to serve more businesses, the Subcommittee determined that businesses that have already received a grant from the Burlingame Back in Business Program/San Mateo County Strong Fund should not be eligible to apply for these funds.

Based on the proposed funding allocated to this program, approximately 20 businesses would receive reimbursement (should the maximum amount of \$3,000 be used for each applicant).

FISCAL IMPACT

The \$170,000 had previously been allocated from the General Fund for the Burlingame Back in Business Program. Should the City Council choose to approve the funding amounts allocated by the ED Subcommittee, \$60,000 would be designated to implement the RBAP, \$40,000 would be designated to implement communal sanitation improvements, and \$70,000 would be returned to the General Fund.

Exhibits:

- Restarting Business Assistance Program Application Packet
- June 10, 2020- Economic Development Subcommittee Meeting Minutes
- July 1, 2020- Economic Development Subcommittee Meeting Minutes
- June 1, 2020- City Council Meeting Minutes