

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