



City Council Economic Development Subcommittee

MINUTES (DRAFT)

Conference Room A

City Hall, 501 Primrose Road – Burlingame, California
Wednesday, September 9, 2020 – 8:15 a.m.

ATTENDANCE

Members Present: Vice Mayor Ann O'Brien Keighran, Councilmember Ricardo Ortiz

Members Absent: None

Staff Present: City Manager (CM) Lisa Goldman, Community Development Director (CDD) Kevin Gardiner, Economic Development Specialist (EDS) Joseph Sanfilippo, Senior Civil Engineer (SCE) Andy Wong, Streets, Storm Drains and Sewers Division Manager (SDSDM) Michael Heathcote, Parks and Recreation Director (PRD) Margaret Glomstad, Finance Director (FD) Carol Augustine

Members of the Public Present: John Kevranian (President of Broadway Business Improvement District), Georgette Naylor (Burlingame SFO/Chamber of Commerce), Amanda Williams (Pizzeria Delfina), Jana Gage, Kevin Kretsch (Hyatt Regency SFO), Lisa Kershner (San Francisco Airport Marriott Waterfront), John Hutar (CEO of San Mateo County/Silicon Valley Convention and Visitors Bureau), Fettah Aydin (Embassy Suites)

READ AND APPROVE MINUTES FROM AUGUST 12 MEETING

- Approved.

DISCUSSION ITEMS

Review of Street Closures on Broadway and Burlingame Avenue

CM Goldman introduced the topic. Public Works staff noted that there are no problems with the overall the Broadway closure. (The closure of the 1100 block was discussed later.)

SDSDM Heathcote noted that the Burlingame Avenue closure has ended, and parklets are anticipated to be available by Saturday evening for all interested merchants on Burlingame Avenue. There are 15 merchants with their Encroachment Permit paperwork completed, with more to potentially come. Public Works staff has marked out spaces for parklets.

Vice Mayor O'Brien questioned how parklets were being measured. SCE Wong noted a preference for consistency, allowing approximately 300 feet per business. This is equivalent to two parallel parking spaces or three angled parking spaces.

CM Goldman noted a difficulty with several merchants (Pizzeria Delfina and the nearby retailers) having limited space due to street frontage. SCE Wong explained the challenges facing nearby merchants for restaurants with limited store frontage and an issue with a nearby bulbout for building out a more robust parklet.

Amanda Williams (Pizzeria Delfina) mentioned a preference to combine the two parklets for Pizzeria Delfina and Sixto's Cantina, and SCE Wong noted that this is possible for staff to do. SDSDM Heathcote noted that one barrier could be placed in the midpoint of the combined parklet, providing a formal delineation. Ms. Williams mentioned that they will likely build a parklet with a small barrier to minimize the space taken up by the barrier.

Vice Mayor O'Brien advocated for a compromise to be made between the restaurants and the Public Works Department to complete the parklet; a consensus was reached during the meeting.

a) 1100 Block of Broadway

CM Goldman introduced the topic, noting that the restaurants on that block have not been utilizing it to its fullest extent. EDS Sanfilippo mentioned a survey distributed to the 15 merchants on the block, gauging their opinions on the block closure. Two were in favor, two were opposed to the closure.

SDSDM Heathcote noted that there are concerns with delivery trucks turning onto Laguna Avenue, should the block be open, as the street is very narrow, and there have been collisions in the area in the past.

John Kevranian (President of the Broadway BID) noted that business is great for several merchants on the block, and he advocated to continue the closure without changes. He also noted that many merchants on the 1100 block are not open on Saturday and Sunday.

Vice Mayor O'Brien advocated for additional outreach to the merchants to get a better sampling, but she nonetheless supported continuing the closure without modifications.

Forecast Discussion with Hoteliers

EDS Sanfilippo introduced the topic, followed by a brief presentation by John Hutar (CEO of the San Mateo County/Silicon Valley Convention and Visitors Bureau (SMCCVB)).

The analysis presented by Mr. Hutar showed a large drop in revenue across all geographic areas in the U.S., with nearly 80% of business lost in the Bay Area. San Mateo County occupancy grew to 40% in July, but the coastside properties are disproportionately successful compared to the Bayside properties. Due to the recent CZU fires, marketing has been shifted towards Bayside properties to promote refuge and leisure travel, but occupancy is still low.

He noted that April was the month with the most number of hotels closed (25% of the total inventory); only 11% are now closed.

The overall U.S. travel and hospitality market is down 52%, with CBRE's 2021 projections showing 48% growth next year. The SMCCVB will host a webinar with CBRE on October 7 with more advanced data. CBRE speculates the 58% drop in San Francisco hotel travel will ramp up to 60% growth in 2021, though Mr. Hutar expressed caution in this optimism.

Mr. Hutar noted that Burlingame hotels are particularly suited for group travel and events, and small meetings (up to 50) may be an opportunity to gain some of this market back. He also hoped to avoid losing crew travel to other hotel districts with competitive rates.

Vice Mayor O'Brien expressed dismay that the County is still on the widespread purple tier of the State's Blueprint for a Safer Economy, noting that gatherings will likely be difficult until the County is moved to a less restrictive tier.

Mr. Hutar noted a call with Cal Travel implied that the State may soon allow smaller group meetings and events to occur throughout the state, though this discussion is quite preliminary. The Subcommittee expressed interest in sending a letter to the Governor's Office to advocate for this change.

Kevin Kretsch (Hyatt SFO) mentioned a great need for conventioners and noted a pivot in marketing to leisure has shown an increase in business, albeit at a reduced rate. He noted a need to highlight outdoor amenities, particularly the Bayfront and Downtown businesses. He also commended his fellow hoteliers for their exceptional sanitation standards and improvements.

Lisa Kershner (Marriott) hoped to identify other ways to beautify the Bayfront to attract both leisure travelers and airline crews. She mentioned several suggestions:

- 1) Bike-sharing stations on the Bayfront
- 2) Introduction of art programs along the Bay Trail or other options

Ms. Kershner noted that the SMCCVB and the hoteliers are happy to lead the charge in beautifying the area with some of the above suggestions. She also mentioned an issue with trash on the Bayfront and requested the City's assistance in reaching out to other property owners along the Bay Trail for their assistance.

Councilmember Ortiz queried what form the art projects would take. Ms. Kershner noted that several art pieces would be placed every quarter mile with a description of the art, a QR code, etc. She mentioned that fundraising was required to commission and install the art on a similar project she had worked on in Oakland, and it was successful.

CM Goldman noted that this would have to be spearheaded by the private hoteliers, and she is unsure if the art installation would be an issue with be a Bay Conservation and Development Commission (BCDC). She also mentioned potential opportunities to contact Oculus for help with the bike-sharing initiative. Oculus is expected to begin occupancy of their office development in Q1 2021.

Councilmember Ortiz suggested that bike stations be installed near the Millbrae BART station and at the Oculus development. Fettah Aydin (Embassy Suites) noted that bike-sharing was successful when previously implemented. Mr. Kevranian mentioned that a similar bike-sharing station would be of interest on Broadway, even though it would requiring taking away some parking spaces.

Mr. Hutar mentioned a webinar for hybrid meetings that the SMCCVB is hosting next week that may present additional opportunities to gain some business for the Bayfront hotels that are generally at 20% occupancy or less.

SDSDM Heathcote noted that Bay Trail maintenance is the responsibility of private property owners, though City staff have recently cleaned up problem areas that were posing a health hazard.

Mr. Kevranian asked Mr. Hutar how the business districts can help the hoteliers. Mr. Hutar suggested that “staycation marketing” may be effective. Ms. Kershner suggested a combination of the districts’ marketing efforts. Mr. Aydin noted that the downtown districts are already a major attraction.

Mr. Kretsch suggested a flyer of businesses that are open with hours of operation from the BIDs and Chamber. Ms. Kershner noted that delivery options should also be noted on the list for guests that are hesitant to venture into the City proper.

Vice Mayor O’Brien suggested pictures of the districts to highlight that business is still successful in Burlingame.

Councilmember Ortiz questioned whether the lower tiers allowed for smaller gatherings, and Mr. Hutar noted that there is not clear guidance stated in the Blueprint. CM Goldman noted that the red tier allowed for cultural, religious or ceremonial gatherings of 25% occupancy or 100 persons, whichever is fewer.

Future Agenda Topics

There will be discussion of other jurisdictions capping commission fees from delivery companies (such as DoorDash, Grubhub, etc.) The Subcommittee will examine the City of South San Francisco’s recent adoption as a model.

Several applicants for the Façade Improvement grant have requested an extension to their façade improvement implementations previously approved in late March and early April. All of them have noted reduced revenue from the COVID-19 pandemic as the cause for the request. As the approval terms revoke the approved funding at the expiration date of October 31, the item will be brought to the Subcommittee to formally request an extension for applicants that have not completed their improvements.

Miscellaneous Discussion

All discussion was related to the agenda items.

Action Items

- The Broadway closure will remain unchanged, and Burlingame Avenue parklets will be implemented beginning Saturday, September 12.
- CDD Gardiner will reach out to BCDC to see if there are any regulations regarding installing art along the Bay Trail and follow-up with Lisa Kershner.

- EDS Sanfilippo will contact the City’s Code Enforcement for additional enforcement of property maintenance along the Bay Trail. The City will attempt to identify the property owners to connect a joint venture of beautification and parking sharing.
- EDS Sanfilippo, SCE Wong and Sustainability Coordinator Sigalle Michael will research bike-sharing companies and forward the information to John Hutar for disbursement to the hoteliers.
- EDS Sanfilippo and CDD Gardiner will draft a staff report for the City Council authorizing the Mayor to send a letter to the Governor’s Office advocating that the hotels be allowed to host small gatherings with masks and social distancing in place..
- The SMCCVB, Chamber, and BIDs will contact each other for joint marketing opportunities. Mr. Hutar will send marketing to CM Goldman for inclusion in the eNews.

FUTURE AGENDA TOPICS

- October 14, 2020- Request for extension of approvals for Façade Improvement Program; Discussion of commission fee caps for delivery companies

PUBLIC COMMENTS

There were no further public comments.

ADJOURNMENT

Meeting adjourned at 9:42 a.m.

Respectfully submitted,

Joseph Sanfilippo
Economic Development Specialist