



BURLINGAME CITY COUNCIL
Unapproved Minutes
City Council Study Session on March 11, 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 5:35 p.m.

2. ROLL CALL

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

3. REPORT OF REMOTE PARTICIPATION

There were none.

4. PUBLIC COMMENTS

There were no public comments.

5. STUDY SESSION

a. ADOPTION OF A RESOLUTION AMENDING THE FY 2025-26 OPERATING AND CAPITAL BUDGET TO REFLECT THE RECOMMENDED MID-YEAR ADJUSTMENTS

Finance Director Yu-Scott stated that the purpose of the Mid-Year Budget Study Session is to provide the City Council and the public with the City’s budget status at the mid-year point of the fiscal year. She added that this helps to establish a baseline for developing next year’s budget.

Finance Director Yu-Scott reviewed the FY 2024-25 General Fund audit results:

Fund Balance 7/1/2024	Revenues	Expenditures	Transfers in/out	Fund Balance 6/30/2025
\$57.4 million	\$93.7 million	\$(79.5) million	\$(13.9) million	\$57.6 million

She explained that the \$57.6 million Fund Balance as of 6/30/2025 included:

- \$22.4 million is non-spendable and restricted (\$0.07 million – prepaid and \$22.3 million in the Pension Trust)
- \$27.2 million is assigned (\$3.1 million in encumbrances, \$0.5 million in Contingency, \$21.7 million in the Economic Stability Fund, and \$2 million in the Catastrophic Reserve)
- \$8 million is unassigned

Finance Director Yu-Scott stated that for FY 2025-26, revenues are increasing \$1.2 million, or 1.3%. She reviewed the FY 2025-26 General Fund Revenues:

General Fund Revenue Source	Current Budget (in thousands)	Mid-Year Revised Budget (in thousands)	Total Mid-Year Changes (in thousands)	Total Mid-Year Changes (in percentage)
Property Tax	\$35,946	\$36,046	\$100	0.3%
Sales and Use Tax	\$17,063	\$16,657	\$(406)	(2.4%)
Transient Occupancy Tax	\$22,821	\$21,821	\$(1,000)	(4.4%)
Other Taxes	\$4,284	\$4,284	\$0	0.0%
Charges for Services	\$7,778	\$8,655	\$877	11.3%
Others	\$4,621	\$6,285	\$1,664	36.0%
TOTAL	\$92,513	\$93,748	\$1,235	1.3%

Finance Director Yu-Scott showed a series of three bar charts that reviewed the evolution of the main three sources of revenue for the City: Property Tax, Sales and Use Tax, and Transient Occupancy Tax.

Finance Director Yu-Scott explained that there was a net upward adjustment of about \$100,000 for Property Tax this year. She noted that over the past year, the City’s Sales and Use Tax revenues decreased by \$400,000 due to lower car sales, reduction in luxury goods retail, and lower overall sales tax resulting in a lower county pool allocation. She added that for TOT, staff is recommending a downward adjustment of about \$1 million based on six months of receipts.

Mayor Brownrigg stated that over the last several years, most major revenue lines are either flat or growing, which indicates a strong local economy and base. He noted that many cities have experienced sales tax falling, while Burlingame’s sales tax revenue has been roughly flat.

Mayor Brownrigg and Councilmember Colson discussed the charges for services and the impact on small businesses.

Finance Director Yu-Scott discussed the Vehicle License Fee (“VLF”). She explained that San Mateo County and cities in the county have sued the State because:

- In August of the prior year, the State was supposed to fully fund the VLF shortfalls
- The State only provided two-thirds of the funding owed

She stated that historically, agencies receive VLF shortfall dollars two years in arrears, but now:

- One-third of FY 2023-24 funds are missing (approximately \$700,000)
- FY 2024-25 shortfall is about \$2.4 million
- FY 2025-26 shortfall is about \$2.5 million.

She noted that the City is working with County to continue challenging the State’s decision.

Mayor Brownrigg asked whether the City’s financial forecast assumes the State will ultimately pay the missing VLF funds. Finance Director Yu-Scott replied that for FY 2025-26, the City adjusted VLF revenue downward by about \$900,000. She added that for the five-year forecast, staff included the assumption of continuing shortfalls for now.

Finance Director Yu-Scott reviewed the FY 2025-26 General Fund Expenditures:

General Fund Expenditures	Adopted Budget (in thousands)	Current Budget (in thousands)	Mid-Year Revised Budget (in thousands)	Total Mid-Year Years (in thousands)	Total Mid-Year Changes (%)
Salaries and Wages	\$24,928	\$25,110	\$26,642	\$532	2.1%
Benefits	\$17,514	\$17,568	\$17,572	\$4	0.0%
Operating Costs	\$32,756	\$35,908	\$35,699	\$(209)	(0.6%)
Internal Services	\$10,305	\$10,305	\$10,305	0	0.0%
Capital Outlay	\$335	\$335	\$455	\$120	35.8%
TOTAL	\$85,838	\$89,226	\$89,673	\$447	0.5%

Finance Director Yu-Scott reviewed the FY 2025-26 General Fund balance:

General Fund	FY 2024-25 Actual (in thousands)	FY 2025-26 Adopted Budget (in thousands)	FY 2025-26 Mid-Year (in thousands)
Beginning Fund Balance (audited)	\$57,408	\$49,347	\$57,644
Projected revenues	\$93,701	\$92,513	\$93,748
Projected department expenditures	\$(79,546)	\$(85,838)	\$(89,673)
Subtotal, Revenue Net of Expenditures	\$14,155	\$6,675	\$4,075
Transfer to Debt Service	\$(3,650)	\$(3,122)	\$(3,122)
Transfer to Capital Project Fund	\$(12,657)	\$(9,962)	\$(10,102)

Other Transfers In (Out) of General Fund	\$2,388	\$2,766	\$2,766
Ending Fund Balance (Projected)	\$57,644	\$45,704	\$51,261

Finance Director Yu-Scott reviewed the General Fund and Capital Reserves:

General Fund	Amount
Economic Stability Reserve	\$22,499,000
Catastrophic Reserve	\$2,000,000
Contingency Reserve	\$500,000
Pension Trust Fund	\$22,310,544
Unassigned Fund Balance	\$3,951,863
TOTAL	\$51,261,407

Finance Director Yu-Scott discussed the City’s Capital Reserve Fund. She noted that it currently has \$16,767,670, which is earmarked for Broadway Grade Separation and the El Camino Real Underground Utility Project.

Councilmember Colson asked how the City decides which reserves to use first. Finance Director Yu-Scott replied that the Contingency Reserve is for items that were not anticipated in the budget year. She noted that this is effectively a small and flexible reserve. She added that the Catastrophic Reserve is for major external events, like earthquakes, and the Economic Stability Reserve and unassigned fund balance are the main tools for buffering operational shocks.

Councilmember Colson asked if she was correct that the Pension Trust Fund is restricted solely for pension purposes. Finance Director Yu-Scott replied in the affirmative.

Councilmember Colson asked if she was correct that if the General Fund was severely constrained and CalPERS payments became difficult, the City could use the Pension Trust to cover the required pension contributions. Finance Director Yu-Scott replied in the affirmative. She added that the City plans to present a pension study update that will outline options such as using the trust now versus retaining it.

Councilmember Pappajohn asked how much of the General Fund Reserve (later clarified as the Capital Reserve) was anticipated to be used for the El Camino Real utility undergrounding project. City Manager Goldman explained that the City purchased Rule 20A credits and was allocated credits that combined are worth about \$18 million. She stated that while this was previously thought to be sufficient, it has become clear that the project will actually cost approximately \$76 million. She noted that PG&E is exploring a “Work at the Request of Others” funding mechanism to cover the remaining cost. She added that staff believes it is unlikely that the City will need to utilize Capital Reserve funds for the project.

Mayor Brownrigg asked how much, if any, of the Economic Stability Reserve was drawn upon during COVID. City Manager Goldman replied that the City didn't utilize these funds. She explained that the City had a large unassigned fund balance and was able to utilize that.

Mayor Brownrigg observed that the Reserve Policy is based on a percentage of revenue and wondered if it was not used during COVID, whether it needed to be funded at the same level. Finance Director Yu-Scott replied that she would look into the Mayor's concerns.

Finance Director Yu-Scott reviewed other fund amendments for FY 2025-26:

- Revenue
 - Capital Project Fund (facility) - \$100,000
- Expenditures
 - Capital Project Fund (facility) - \$100,000
 - Parking Fund - \$108,031
 - Employment ISF - \$4,007
 - Liability Insurance ISF - \$16,038

Councilmember Colson asked Finance Director Yu-Scott what Burlingame's share is of each property tax dollar. Finance Director Yu-Scott replied that it is approximately \$0.17.

Finance Director Yu-Scott reviewed the General Fund Five-Year Forecast:

General Fund (in thousands)	FY 2025-26 New Projection	FY 2026-27 Forecast	FY 2027-28 Forecast	FY 2028-29 Forecast	FY 2029-30 Forecast	FY 2030-31 Forecast
Total Revenues	\$93,748	\$96,988	\$100,806	\$104,720	\$108,827	\$113,162
Total Expenditures	\$(89,673)	\$(92,760)	\$(95,797)	\$(100,195)	\$(104,326)	\$(108,403)
Revenue Over (Under) Expenditures	\$4,075	\$4,228	\$5,009	\$4,525	\$4,501	\$4,759
Transfer to Capital Project Fund	\$(10,102)	\$(5,650)	\$(12,925)	\$(13,170)	\$(9,870)	\$(12,600)
Transfer to Debt Service Fund	\$(3,122)	\$(3,105)	\$(3,104)	\$(3,112)	\$(3,120)	\$(3,126)
Other Transfers In (Out)	\$2,766	\$2,256	\$2,059	\$2,134	\$2,206	\$2,182
Net Surplus/ (Deficit)	\$(6,383)	\$(2,271)	\$(8,961)	\$9623)	\$(6,283)	\$(8,785)

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

Vice Mayor Pappajohn made a motion to adopt Resolution Number 024-2026; seconded by Mayor Brownrigg. The motion passed by roll call vote, 4-0-1. (Councilmember Stevenson was absent).

b. REVIEW OF DRAFT FY 2026-27 CAPITAL IMPROVEMENT PROGRAM FUNDED BY THE GENERAL FUND, MEASURE I, GAS TAX, MEASURE A & W, SENATE BILL (SB 1), PARKING ENTERPRISE FUNDS, AND DEVELOPMENT IMPACT FEES

Assistant Public Works Director Okada began by reviewing the proposed draft Capital Improvement Program (“CIP”) funding by source:

Funding Source	FY 2026-27 Requests (in thousands)
General Fund	\$3,650
Measure I	\$1,000
Gas Tax, Measure A&W, and SB 1	\$5,050
Parking Enterprise Fund	\$700
Development Impact Fees	\$2,245
Grants	\$20,325
TOTAL	\$32,970

Mr. Okada next gave an overview of the proposed FY 2026-27 CIP by categories:

Programs	FY 2026-27 Requests (in thousands)
Parks and Recreation Improvements	\$430
Building Facilities Improvements	\$5,465
Bike, Pedestrian, and Traffic Improvements	\$23,975
Parking and Garages	\$700
Street Resurfacing	\$2,400
TOTAL	\$32,970

Mr. Okada reviewed the proposed FY 2026-27 Parks and Recreation Improvements:

Project Description	General Fund (in thousands)	Total (in thousands)
Burlingame School District Synthetic Turf Replacement Fund	\$200	\$200
Cuernavaca Synthetic Turf Replacement	\$150	\$150
Central Irrigation Controller	\$100	\$100
Annual Tree Replacement	\$30	\$30
TOTAL	\$430	\$430

Mr. Okada reviewed the proposed FY 2026-27 Building Facilities Improvements:

Project Description	General Fund (in thousands)	Impact Fees (in thousands)	Total (in thousands)
Parks Division Corporation Yard	\$1,500		\$1,500
Police Department Women’s Bathroom Expansion/Locker Room Renovation, Phase 2		\$1,000	\$1,000
Fire Station 36 Miscellaneous Improvements	\$700		\$700

Library Staff Elevator Modernization		\$600	\$600
Fire Station 34 HVAC Improvements	\$500		\$500
Fire Station 34 Roof Replacement		\$285	\$285
Washington Park Grandstands Improvements		\$260	\$260
City Facilities Roof Replacement Fund	\$200		\$200
Fire Station 34 Traffic Signal Replacement	\$150		\$150
Fire Alarm Upgrade at Library		\$100	\$100
Citywide Minor Building Facilities	\$100		\$100
Public Works Corporation Yard Parking Lot Improvements and Drainage	\$70		\$70
TOTAL	\$3,220	\$2,245	\$5,465

Mayor Brownrigg asked whether the \$1.5 million requested for the Parks Corporation Yard is enough to fully fix the yard. Mr. Okada replied in the negative. He explained that \$1.5 million is to cover the cost of the design work. He added that this project would be done in phases.

Mr. Okada displayed schematic renderings of what staff is thinking about for the Parks Yard.

Mr. Okada reviewed the proposed FY 2026-27 Bike, Pedestrian, and Traffic Improvements

Project Description	General Fund (in thousands)	Gas Tax/SB 1 (in thousands)	Measure A&W (in thousands)	Measure I (in thousands)	Grants (in thousands)	Total (in thousands)
Old Bayshore Highway Complete Streets			\$300		\$19,200	\$19,500
Peninsula Corridor Multi-Modal Complete Streets (Design)			\$175		\$1,125	\$1,300
Sidewalk Repair Program & ADA Improvements		\$100		\$1,000		\$1,100
Bellevue/Primrose/Floribunda Traffic Circles (Design)			\$300			\$300
California Drive Bike and Pedestrian Improvements – Phase 3 (Burlingame to Peninsula)			\$300			\$300

Chapin Complete Streets Improvements (Design)			\$300			\$300
California Drive Signal Modifications at Howard and Bayswater			\$300			\$300
Citywide Traffic Calming Improvements			\$275			\$275
Easton Stairs Project (Design)			\$150			\$150
South Rollins Road Traffic Calming			\$150			\$150
Citywide Pedestrian Improvements			\$100			\$100
Murchison, Trousdale, and Davis Bike Project			\$100			\$100
Traffic and Transportation Studies			\$100			\$100
TOTAL	\$0	\$100	\$2,550	\$1,000	\$20,325	\$23,975

Mayor Brownrigg asked that once design concepts are created for the Bellevue, Primrose, and Floribunda traffic circle, that it be brought to Council as an informational item. Mr. Okada replied in the affirmative.

Mayor Brownrigg also expressed appreciation for staff working on the Easton Stairs.

Councilmember Thayer asked if the \$100,000 for the Murchison, Trousdale, and Davis Bike Project was to cover overages needed to get the project constructed. Mr. Okada explained that the City had been awarded grant funding that covered most of the cost. He noted that the additional \$100,000 was needed to fully fund construction due to cost increases.

Councilmember Colson noted that several years ago, the City assumed full responsibility for sidewalk repairs, whereas previously, costs were shared with property owners. Mr. Okada replied that under the old 50/50 program, staff spent significant time negotiating the scope and cost with individual homeowners. He added that under the current program, with the City fully funding, work is larger-scale and more efficient.

Councilmember Pappajohn asked how the Chapin Avenue Improvements would be coordinated with the new City Hall. Mr. Okada replied that Public Works is coordinating with Community Development.

City Manager Goldman added that staff would ensure any Chapin improvements are additive and not in conflict with the plaza and frontage improvements that may be built by the 1430 Chapin project.

Mayor Brownrigg asked how Public Works prioritizes which projects appear in the next fiscal year’s CIP versus being pushed out to future years. Mr. Okada replied that staff looks at available funding and its eligible uses. He added that priorities are chosen where they address documented safety needs, align with adopted plans, and can leverage grants or external funding.

Mr. Okada reviewed the proposed FY 2026-27 Parking and Garage Improvements:

Project Description	General Fund	Parking Enterprise Fund	Total
Parking Lot Resurfacing (Lot R)		\$500	\$500
Highland Garage Concrete Repair Project		\$200	\$200
TOTAL	\$0	\$700	\$700

Mr. Okada reviewed the proposed FY 2026-27 Street Resurfacing Program at a total cost of \$2,400,000:

- Castro Court from Martinez Drive to the end
- East Carol Avenue from Barroilhet Avenue to Carol Avenue
- Frontera Way from Vallejo Drive to Hunt Drive
- Hillside Drive from Alvarado Avenue to Vancouver Avenue
- Paloma Avenue from Broadway to Lincoln Avenue
- Skyline Boulevard from South City limits to Hillside Drive
- Toledo Court from Martinez Drive to the end
- Rollins Road from the North City limits to Broadway (The North Rollins Road Bike and Pedestrian Project will leverage the funding for the street resurfacing program to ensure a high-quality outcome and longer pavement life cycle.)

Councilmember Colson asked whether the Enterprise Rent-A-Car lease revenue is sitting in the CIP Reserve. City Manager Goldman replied that those revenues are being used to fund planning work for the Bayfront Specific Plan.

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

Council thanked staff for their work on getting these documents prepared.

6. ADJOURNMENT

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

Respectfully submitted,

Meaghan Hassel-Shearer
City Clerk