



CITY of BRISBANE

Economic Development Subcommittee Agenda

Thursday, December 2nd, 2021 at 10:30 AM • Virtual Meeting

This meeting is compliant with the Governors Executive Order N-08-21 issued on June 21, 2021 allowing for deviation of teleconference rules required by the Brown Act. The purpose of this is to provide the safest environment for staff, Subcommittee and the public while allowing for public participation. The public may address the subcommittee using exclusively remote public comment options. The Subcommittee may take action on any item listed in the agenda.

TO ADDRESS THE SUBCOMMITTEE

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SUBCOMMITTEE MEMBERS:

Mayor Cunningham, Mayor Pro-tem Lentz

PRESENTATIONS AND DISCUSSION ITEMS

- A. Discuss COVID19 Business Relief Program
- B. Economic Development Update

PUBLIC COMMENT**ADJOURNMENT**

A.

File Attachments for Item:

A. Discuss COVID19 Business Relief Program



CITY COUNCIL ECONOMIC DEVELOPMENT SUBCOMMITTEE AGENDA REPORT

Meeting Date: 12/2/21

From: Stuart Schillinger, Assistant City Manager

Subject: COVID19 Business Relief Program

Community Goal/Result

Economic Development

Purpose

Assist businesses in Brisbane impacted by COVID-19. Additionally, assist restaurants within Brisbane to assist with their ability to provide service to the public.

Recommendation

1. Develop a proposal to spend the remaining \$38,000 of funds for Small Business Assistance Grant

Background

The Federal Government has adopted the Paycheck Protection Act, which was meant to assist small businesses with support during COVID-19 interruptions. The program was administered through the banking system and did not seem to assist all of the businesses that needed help. This was due to a variety of factors including; lack of adequate funding, complicated rules, and distribution of capital throughout the County. The upshot of this was a number of businesses within San Mateo County and possibly Brisbane either did not qualify or apply for funds due to the rules. Additionally, the County of San Mateo put money into the San Mateo Strong Fund to assist restaurants during the COVID-19 emergency.

On May 20, 2021 the City Council allocated \$200,000 to assist small business that were negatively impacted by COVID-19. The criteria was the following:

1. Businesses \$5,000,000 or less
2. Loss of 25% of revenues for a recent 12-month period
3. Business commits to be open after the COVID19 emergency is over
4. Located in Brisbane and having a Brisbane Business License
5. Not a member of the City Council or a paid employee of the City.

The City Council originally authorized up to \$5,000 be provided to each qualifying business. The City used the Chamber of Commerce to administer the grant selection process. After extensive outreach the Chamber received 27 qualifying applications. On November 4, 2021 the City Council increased the grant amount to \$6,000 per business.

City Council also requested the Economic Development Subcommittee to determine criteria for distributing the remaining \$38,000. Council asked the Subcommittee to look at criteria which would allow businesses created in 2020 to be eligible for some grant funds and also to determine if lowering the percentage of loss would be appropriate.

Discussion

If the Subcommittee would like to change the criteria the Chamber of Commerce suggests that the percent of loss revenues be lowered to 15%. This would allow additional businesses to apply. The exact number is not known at this time since some businesses which would meet this threshold did not apply. However, it is my understanding there are at least four additional businesses in the community that would have been eligible if the threshold was lowered.

If the Subcommittee wants to include businesses that were started during 2020 it must determine the criteria that would be used. The City could not use the criteria of lost revenue from the previous since these businesses did not exist in 2019 and therefore have no comparable revenues. However, other criteria could include; had a signed lease for a non-residential property within Brisbane in 2020, began operations after January 1, 2020, had a City of Brisbane business license for 2020, had revenues in 2020, and obtained a business license in Brisbane in 2021. These criteria attempts to ensure the business was a business that made an investment within the City and was trying to establish itself during the COVID-19 pandemic. This does exclude home-based businesses. If it is the City Council's desire to include start-up home based businesses it could leave out the item of having a signed lease within Brisbane.

The Subcommittee could recommend allocating \$30,000 towards businesses that had a 15% or more loss in 2020. The amount of the grant could range up to \$6,000. This would allow for a minimum of five additional businesses to be helped. It could also recommend that all businesses be funded and if more than five qualify the \$30,000 would be allocated equally amongst them.

The Subcommittee could recommend allocating \$8,000 for start-up businesses in 2020. Without know the number of businesses that will qualify or apply staff would recommend limiting the amount to anyone business to \$6,000 and that if more than 1 business applies the \$8,000 be divided equally amongst them.

Fiscal Impact

There is no additional fiscal impact since the City Council already allocated \$200,000 from the Federal ARPA money to provide to businesses.

Measure of Success

Provide a minimum of 20 businesses assistance. Since this has already occurred we have met the minimum success criteria. By decreasing the amount of loss to 15% we can increase this to assisting 30-40 businesses.

Stuart Schillinger

Stuart Schillinger, Assistant City Manager



Clay Holstine, City Manager

File Attachments for Item:

B. Economic Development Update

Sierra Point Properties:

Phase 3 – is continuing to release the building at 1000 Marina (Black building). It is currently in the releasing process and is home to 11 organizations, 7 of which are bioscience firms. It is also home to the district offices for the FAA, and several other firms such as the Western Conference of Teamsters Pension Plan.

Their second parcel in the NW corner is listed on their website as “Genesis – Marina”. The date for leasing occupancy (on the website) has been pushed out to Q1 2023, from Q4 2022. It is projected to be 570,000 Sq. Ft. when completed. I have spoken to the group at Phase 3 and they have told me that 2 of the 3 buildings under construction have agreed-upon life science leases already completed. Piles have been driven and a steel framework for the first building is in the process of being erected.

Healthpeak (formerly HCPI) – the group is continuing to work on their Sierra Point site. Progress towards completion of each building is progressing with tenants such as Mycardia, Bristol Myers Squibb, and Annexon moving into the project. Progress is continuing on the other buildings as well as on the parking structure. Healthpeak also purchased the 2000 Sierra Pt. Pkwy. And 8000 Marina Blvd. buildings and are renovating and re-leasing them. The building at 2000 Sierra Pt. Pkwy. currently houses 12 firms, including 4 bioscience firms; BioMarin – 12th floor; Arch Oncology- 7th floor; Caption Health – 8th floor; and Myovant Sciences – 9th floor. The 8000 Marina site is home to 7 firms, including UCSF Health which has suites on floors 6, 7 and 8; Aimmune Therapeutics, 3rd floor; BridgeBio -4th floor; and other small firms. Healthpeak is working on planning processes to possibly develop two additional buildings within their Sierra Point property footprint.

BioScience firms are also continuing to stake a claim in other Brisbane office buildings. 150 North Hill Drive is home to 8 bioscience firms; the Brisbane Technology Park is home to 5 bioscience firms and 3 small firms are based in suites at the 100 North Hill Dr. complex. Bioscience firms will be a large portion of our business sector for the foreseeable future.

Brisbane Quarry - We are continuing to work with Tyler Higgins. His Orchard Properties development group have made several presentations to the city council regarding their planned redevelopment of the Brisbane Quarry, envisioning a state-of-the-art modern logistics center. The developer is continuing site planning with ingress/egress road planning and other site planning. They have received approval for the consultant that will handle the EIR process, continuing steps to eventually close the quarrying operations and a reimagining of the use of the property.

Other Items:

- **25 Park Lane:** we have secured the lease for the site at 25 Park Place and have completed the transaction. The city will be taking over the lease on January 1, 2022, for a ten -year term. Randy Breault is working on the planning of the infrastructure buildout and the eventual relocation of various city departments.
- **McLain Property:** The purchase agreement on this property was completed and the city has received payment following the close of escrow. The city council/housing authority worked with city staff to work through the negotiations and compromises with the purchaser.
- **ATM –** The City of Brisbane and the San Mateo Credit Union reached an agreement for the installation and operation of a full -service ATM at City Hall. The project involved many city and bank staff members and operations and legal team members. The installation was successful, a ribbon cutting was conducted, with Mayor Cunningham withdrawing the first cash from the terminal. SMCU and City staff (Caroline) have worked to have “sign-up” seminars for our citizens to expose them to the benefits of becoming SMCU clients. This has been successful as SMCU has signed up new clients, with more events slated in the future.
- **Business Assistance for pandemic relief –** I have worked with city and chamber staff to assist in the Business Relief Grant Program for local businesses.
- **Retail shopping/blight –** I am working with city staff to address issues that were raised by the Brisbane Chamber of Commerce Board Chair relating to “blight” on Visitation Avenue and within the Brisbane Village Shopping Center. We will be actively looking at the areas brought forth in the letter and will work to address the issues.
- **Zoom universe –** I am continuing to participate in zoom meetings with San Mateo Co. agencies regarding pandemic relief; sustainability programs relating to “to-go” containers, and other localized development programs.
- **Cannabis Centric –** I am fielding approximately 3-4 calls per week relating to groups that are interested in finding space for a cannabis dispensary for retails sales. We continue to explain that this is not yet approved in Brisbane but will be addressed in the future by the council.