



**City of Daly City
Small Business Commission Meeting
Meeting Minutes**

Thursday, February 10, 2022 – 7:00pm

Virtual Meeting:
<https://bit.ly/dalycityfeb10>

Call to Order:

Commission Chair Maybelle Manio commenced the meeting at 7:03pm.

Pledge to the Flag:

Roll Call:

Present: Maybelle Manio, Charles Hill, Francis Espiritu

Absent: Maria Cruz

Announcements and Communications:

No announcements or communications.

Approval of Minutes:

Minutes approved as distributed through motion. Commissioner Manio motioned to approve minutes as distributed. Commissioner Hill seconded the motion. Motion passed.

Small Business Commission Meeting Frequency:

Brandon Phipps gave Commissioners an update on a potential increase in Small Business Commission meeting frequency from 6 to 12 regularly scheduled meetings per year. Brandon expressed that Staff is working with City Management and Council to agenize the item for Council review and vote. Specific steps include setting time and place for a public hearing on the ordinance edits, the public hearing, and the ordinance revision adoption. Brandon Phipps also mentioned that there is an interest in appointing an additional Commissioner, to fill the empty seat, and that Staff is working with Mayor to do so. Charles Hill asked if Council is aware of this potential increase in meeting frequency, Stephen Stolte responded, yes, they are aware.

Hotel Site Developer Interviews:

Brandon Phipps updated commissioners on where the City stands in connection with the disposition of the publicly-owned, former RDA property, located at approximately 1837 Junipero Serra Boulevard, in City of Daly City. Mr. Phipps explained that the site is approximately 1.26 acres in size, currently unimproved, and located just south of the Daly City Bart Station and John Daly Boulevard, and just north of Century Theatres and the Genesys Office Building.

Mr. Phipps explained that the parcel has been envisioned for future development as a hotel opportunity site; in order to solicit interest from the development community, the City distributed an RFQ/P for the Site to 56 development firms and brands in July 2021. At the closing of the RFP submittal deadline, five development submissions had been received. Mr. Phipps continued that City Council invited submitting parties to present their proposed development concepts at a

special meeting scheduled for February 15, 2022, from 5:30pm to 8:30pm. Mr. Phipps invited commissioners to attend this meeting as observers.

Mr. Phipps explained that the four development concepts to be presented include two boutique 200-room hotel concepts with ancillary amenities and facilities, a mixed-use hotel and residential concept, including 230 residential / hotel units, a 30,000 SF conference center, and a 30,000 SF athletic club, as well as a research and development office concept, including approximately 210,000 SF of office space, with an expressed interest to develop additional square footage if the City would be interested in a larger development concept.

Commissioner Hill asked if this event will be their final presentation or if developers will be invited back. Mr. Phipps responded that developers of interest to Council may be invited back to present a more detailed version of their proposal and respond to more detailed questions from Councilmembers. Tatum Mothershead added that Council will not be making a final decision on a development team at the upcoming interview meeting. Commissioner Hill asked if any incentives were included as part of the RFP/Q. Tatum Mothershead responded that no incentives were included in the RFP/Q, but that developers could request incentives in their proposal to City. Commissioner Manio asked for an update related to the development team that will not be presenting. Tatum Mothershead responded that LF George indicated that they no longer would like to be considered; as such the City received five submittals but only four expressed interest in moving forward.

Guest Presenter – Terry Marie Counce – Top of the Hill Improvement Association (TOTHIA)

Terry Marie Counce presented a history of TOTHIA and how the association got started. Terry explained in 2013 a number of community members expressed complaints over the state of the Top of the Hill area in the City. In response to the complaints, DC residents formed TOTHIA, which is now a group of ~60 Daly City households, who are called upon when there are opportunities for service.

The purpose of the association (per Article 2 of the bylaws) is to act as a community resource and as a forum to the membership to discuss matters of common interest, matters of interest include but are not excluded to neighborhood conditions, planning of housing, roadways, parking, traffic, and land use. Terry Marie Counce explained that meeting those goals has allowed TOTHIA overtime to support individual and team-oriented projects in the City. Per Terry Marie Counce, thanks to City Hall, TOTHIA has access to physical tools to keep certain parts of the City clean. TOTHIA also supports make a difference day, and Earth Day.

Terry Marie Counce provided contact information for TOTHIA. Specifically, TOTHIA can be found on Facebook (<https://www.facebook.com/Tothia-Top-Of-The-Hill-Improvement-Association-1401384399900809/>) and also has a Gmail address: TOTHIA.cares@gmail.com. Ms. Counce also explained TOTHIA can be contacted through Facebook's direct messaging system. Ms. Counce can be reached directly via email at tmc94014@yahoo.com.

Terry Marie Counce explained that the goals for TOTHIA for the coming year are two-fold; firstly Ms. Counce is focused on increasing the size of the Association, as well as creating a stronger relationship and connection with the City's Small Business Commission. Specific projects TOTHIA is interested in supporting include the coordination of holiday lights for specific holidays such as Christmas to activate targeted corridors/areas (such as the Mission corridor), and draw additional customers.

Ms. Counce asked if there are any questions. Commissioner Hill expressed he is an owner of a businesses close to Top of the Hill and that he is enthusiastic to make the connection and looks forward to working with her moving forward. Ms. Counce identified some of the trash-related issues he and his business faces. Commissioner Hill responded the City has been helpful in trying to address the issues, but that the issue is ongoing. Commissioner Hill mentioned that some landlords are not purchasing additional trash cans, and as waste management costs go up, so might dumping. Commissioner Hill mentioned one solution may be to work with Waste Management so the City will not use public space for dumping.

Ms. Counce asked if the City still owns any "Big Belly" bins for Top of the Hill. Ms. Stolte responded that the City still has some "Big Belly" bins but the company switched to a monthly licensing model so it has become cost prohibitive to go that route these days. Ms. Counce mentioned that businesses could potentially sponsor a "Big Belly" bin to help address the trash issue in the neighborhood.

Mr. Hill mentioned a concept he has reviewed is the idea of green bins. Commissioner Hill expressed that in Oakland, there are a number of larger bins in the City, and that pick-up is done fairly regularly. Commissioner Hill mentioned this model may be of use/interest to Daly City - although it will not solve the problem, it may improve the problem. Mr. Stolte responded that he is happy to keep Mr. Hill informed of future shifts and grant funding associated with "Clean Daly City"; Mr. Stolte expects good things coming from those endeavors.

Commissioners expressed interest in participating in future TOTHIA events. Ms. Counce summarized that participants can expect to get a specific meeting place and time, and must sign a lease of liability form. At the meeting location, gloves and tools will be distributed, and participants, from there, will generally break into teams. Within each team, a team leader will manage hazards and attempt to keep the cleanup as safe as possible. Ms. Counce reaffirmed that these events give us an opportunity to reunite as a community and address items of community concern.

Commissioner Manio thanked Ms. Counce for her service and requested a reminder as to how to contact Ms. Counce. Terry Marie Counce responded that TOTHIA can be found on Facebook and has a Gmail address: TOTHIA.cares@gmail.com. Ms. Counce also explained TOTHIA can be contacted through Facebook's direct messaging system. Ms. Counce can be reached directly via email at tmc94014@yahoo.com. Ms. Counce also mentioned she can be reached directly over the phone at (415) 239-0198, and has in her possession metal pickers, gloves, safety glasses, and trash bags; she is happy to provide the supplies necessary to aid in neighborhood cleanup efforts.

Mr. Stolte added that Ms. Counce has been one of the City's best volunteers and has been aiding in Top of The Hill Cleanup religiously. Mr. Stolte hopes to continue our collaboration and looks forward to setting up community events in the near-term. Ms. Mothershead added that Terry's contact information will be provided to Commissioners.

Legacy Business Program – Draft Program Structure

Brandon Phipps presented a summary of the Legacy Business Program discussions that have occurred at previous Commission meetings. Mr. Phipps explained that at each of these meetings, there was expressed interest from commissioners in creating a program structure for a potential legacy business program.

Mr. Phipps continued and explained that Staff have created a draft legacy business program structure for Commissioner review and initial comment this evening. As previously brainstormed, Staff feel that a legacy business registry is the most feasible and prudent way to start a legacy program, with the initial goals of recognizing and celebrating the longstanding community-serving, and culturally relevant businesses in the City, and providing a tool for education and promotional assistance to legacy businesses to encourage their continued viability and success.

Mr. Phipps explained that Staff worked with the department of finance to evaluate historic business license data for businesses operating in the City for more than 10, 15 and 20 years. Based on evaluation of data, only a small number of businesses were said to have operated in the City for more than 15 and 20 years. Specifically, only 25 businesses were shown in the database of businesses operating in the City for more than 20 years, and only 35 businesses were shown operating in the City for more than 15 years.

Mr. Phipps explained that with such a limited amount of business license data for businesses operating in the City for more than 15 or 20 years, respectively, Staff feels that a 10-year operating threshold is the most suitable operating eligibility criteria for a local legacy business program, as it will allow for a variety of businesses to be considered for nomination, while maintaining historic significance.

Mr. Phipps explained that Staff have defined a number of other eligibility criteria for qualification as a legacy business including allowing businesses to have ceased operations for no more than 2 years to account for any hardships encountered during their operations, contributing to the history or identity of the City, and being committed to maintaining the physical features or traditions that define the business. Mr. Phipps also suggested that businesses must be in good standing with the City, i.e., no pending complaints should exist against that business that have not been resolved. Additional eligibility criteria for consideration, Mr. Phipps explained, include the size of the business (less than 100 employees across all locations), and reported income of less than \$1M in annual gross receipts.

Mr. Phipps continued that Staff are recommending businesses be nominated by members of the Small Business Commission and that the number of nominations be limited to two businesses per commissioner – maximizing the nominations at 10 businesses per year.

Following the nomination, Mr. Phipps recommended that the Small Business Commission review the business' eligibility at a regularly scheduled meeting, and provide comments/feedback, as well as a recommendation on the nomination to City Council.

Mr. Phipps explained that City Council will then hear the Commission's recommendation at a regularly scheduled City Council meeting and make a final determination as to whether the nominated business will join the registry.

Mr. Phipps concluded his presentation and turned the floor back over to Commission Chair Manio for questions and discussion. Mr. Phipps requested feedback from Commissioners on the draft legacy business program structure.

Commissioner Manio asked if there were any questions. Commissioner Hill commented that the draft program looks great and that it looks like a lot of thought has gone into making the program effective. Commissioner Hill asked when we did the analysis of historic businesses, did we evaluate how many businesses existed from the 10 to 15 year range. Commissioner Hill also asked if Commissioners, and the businesses they own, would be eligible for the legacy business program.

Mr. Phipps responded that Staff did not evaluate specific year changes for businesses operating for 11, 12, 13, and 14 years, respectfully, but that Staff could look into that as an item for discussion at our next meeting. Regarding having Commissioner's businesses nominated to a proposed Legacy Business Program registry, Mr. Phipps suggested that business owners would not be able to nominate themselves, but that there are no additional problems/challenges envisioned with allowing those kind of nominations, so long as participating Commissioners recuse themselves from any Commission-related recommendation.

Commissioner Manio mentioned she believes this is an important program for the City. To her, Commissioner Manio sees impact in the City, and creating an inspiration within the Community, and empowering residents, as most important. Although time in the City is an important criteria, she feels the business' impact in the community is most important. Commissioner Manio suggested creating a tiered system for legacy business nominations based on years in the City. Commissioner Hill agreed that impact in the City is important, and that many businesses are doing great things for the City that staff may not be aware of; as such, Commissioner Hill affirmed, it is important for us to make contact with our local businesses and community to identify the businesses that have had the greatest impact.

Commissioner Manio returned to the gross receipts threshold. Mr. Phipps expressed that many businesses that currently gross over \$1M per year may have made less than \$1M per year when they started in the City. Mr. Stolte mentioned that the \$1M threshold is there help define the scope of the Small Business Commission. Mr. Phipps then explained the basis for the \$1M threshold. Specifically, in City of Daly City, about 80% of businesses in the City report less than \$1M in annual gross receipts. Mr. Hill mentioned that an initial gross receipts figure based on a business' first year in business might be a better criteria for allowance into the legacy program as opposed to current year gross receipts.

Mr. Phipps went on to explain the percentage breakdown of businesses in the City that make more than \$1M per year. Commissioner Hill mentioned that staff have done a great job of evaluating local data.

Commissioner Manio asked what does this mean for receivers of the award. Mr. Phipps responded that what is initially envisioned is an interactive mapping tool as well as an online business registry. Independent of the map, legacy businesses would have an informational webpage, and be on a priority list for financial and technical assistance. Mr. Hill responded that he likes the symbolization of the legacy business placard and thinks it could be a great marketing material for participating businesses.

Commissioner Manio mentioned that some legacy business programs provide other kinds of assistance to businesses, such as direct financial assistance and potential legal assistance. Commissioner Manio asked how the process would work moving forward. Mr. Stolte responded that once we have more finalized qualifying factors, staff will create a staff report and make a recommendation to Council, staff will present the program to Council and provide their input, Council will provide feedback, and we will proceed from there with their approval.

Mr. Hill requested clarification on what it means for a business to "contribute to the history or identity of the City / neighborhood / community". Mr. Phipps responded with an example, summarizing that we want nominated businesses to keep doing the good work they are doing, and continue to provide the services that got them onto the legacy business program in the first place. Mr. Hill responded that some businesses may have pivoted the services they provide, especially in response to COVID-19, and we wouldn't like to exclude businesses for doing so.

Mr. Phipps agreed with Mr. Hill and clarified that only larger shifts and pivots in business services and business type would warrant a disqualification from or inability to be included within a potential legacy business program. Mr. Hill mentioned that many restaurants within the City have pivoted services and brought-up the idea of ghost kitchens in the City.

Mr. Phipps summarized that Commissioners have expressed interest in further evaluating nomination criteria and the services provided to businesses on the registry, as well as further expanding research into the breakdown of businesses within the City that have operated for 11, 12, 13, and 14 years, respectfully. Commissioner Manio follow-ed up by highlighting the need for businesses to stay on the commission and the kinds of protections and financial assistance that the City could look-into and potentially provide.

Commission Chair Manio closed the item and thanked everyone for their feedback and participation.

Next Meeting:

Next regularly scheduled meeting scheduled for April 14, 2022, at 7pm.

Public Comment:

No public comment was received for this meeting.

Adjournment:

Commissioner Manio adjourned the meeting at 8:16pm.