



Small Business Commission Agenda ReportItem

Meeting Date: July 7, 2026

Subject: Mission Street Corridor Improvement District Strategy Update

Recommendation

Receive an update on the Mission Street corridor district formation effort and provide feedback regarding the City's proposed transition from a Property-Based Improvement District (PBID) exploration to a Business Improvement District (BID) formation strategy.

Background

The City's exploration of a corridor improvement district did not begin in 2025. Rather, it is the culmination of several years of economic development, business engagement, and corridor revitalization efforts focused on the Mission Street corridor.

Beginning in 2023, Economic Development Specialist and Small Business Commission Clerk Maybelle Manio undertook efforts to better understand the feasibility and mechanics of district formation by participating in outreach and stakeholder engagement efforts associated with the City of South San Francisco's Property-Based Improvement District (PBID). These efforts provided firsthand insight into the level of organization, outreach, and stakeholder support necessary to successfully establish an assessment district.

In 2024, Clerk Manio further advanced the City's understanding of corridor revitalization strategies through participation in the San Mateo County Leadership Council's Community Advancement Program (CAP). The project team included executive-level professionals representing regional organizations and agencies, including the Association of Bay Area Governments (ABAG), the City of San Mateo, Eden Housing, and economic development leadership from Half Moon Bay. As part of the program, the team conducted extensive field work along the Mission Street corridor, engaging directly with businesses, property owners, and community stakeholders to identify challenges, opportunities, and long-term economic development strategies for the area.

These efforts complemented ongoing City outreach related to the Top of the Hill Festival and other economic development initiatives. Through these engagements, staff regularly communicated the City's investment in corridor marketing, special events, business attraction efforts, and placemaking activities.

Additionally, Clerk Manio has actively marketed the corridor to prospective tenants and investors through participation at International Council of Shopping Centers (ICSC) conferences and other industry events. These efforts have contributed to business attraction successes, including securing Grocery Outlet for a previously vacant commercial site within the corridor. Grocery Outlet has not only reduced a significant vacancy but also helped address a longstanding community need by providing access to affordable grocery options in an area often identified as a food desert.

Building upon these years of outreach and corridor investment, the City formally initiated efforts in 2025 to explore formation of a Property-Based Improvement District (PBID) along the Mission Street corridor. To support this effort, the City retained Community Strong Strategies (CSS) to conduct stakeholder outreach, evaluate district feasibility, facilitate meetings with property owners, and develop potential district formation scenarios.

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Concurrently, the City has undertaken several complementary initiatives intended to strengthen the Mission Street corridor, including:

- Advancement of an Entertainment Zone framework;
- Regional tourism and destination marketing partnerships;
- Business attraction and retention efforts;
- Special events and corridor activations; and
- Ongoing economic development programming.

Discussion

Over the course of the PBID exploration, the City and its consultant team conducted workshops, individual stakeholder meetings, direct property owner outreach, assessment modeling, and educational efforts regarding district formation.

While outreach generated meaningful dialogue and productive engagement among certain stakeholders, staff has not observed the level of property owner participation necessary to confidently advance a PBID formation process. This is particularly significant given that PBIDs rely on property-owner initiated support through weighted petitions and balloting.

At the same time, staff consistently observed interest among corridor businesses regarding enhanced marketing, events, beautification, activation, business attraction, and district identity efforts. Many businesses expressed support for corridor improvements but were not positioned to influence the property owner participation required for PBID formation.

Based on several years of engagement, stakeholder feedback, and corridor observations, staff believes a traditional Business Improvement District (BID) may represent a more practical and achievable next step for the Mission Street corridor.

Rather than viewing this recommendation as a departure from the City's original vision, staff views it as an evolution of the corridor strategy based on lessons learned through extensive outreach, stakeholder engagement, and market realities. A BID would allow the City and corridor stakeholders to continue building organizational capacity, district identity, and collaborative programming while maintaining momentum generated through years of economic development investment.

Conclusion

The Mission Street corridor remains one of Daly City's most important commercial corridors and a continued focus of the City's economic development efforts. Through years of outreach, stakeholder engagement, business attraction activities, special events, regional partnerships, and district formation exploration, the City has demonstrated its commitment to investing in the corridor's long-term success.

While the level of property owner participation necessary to advance a PBID has not materialized at this time, the engagement process has provided valuable insight into stakeholder priorities and revealed a greater opportunity to organize around the business community. Staff believes that transitioning to a Business Improvement District (BID) model will allow the City and corridor

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stakeholders to build upon the momentum already established, create a stronger district identity, and continue advancing marketing, beautification, activation, and business support initiatives.

Staff recommends continuing district formation efforts through a BID-focused approach and looks forward to working with the Small Business Commission, corridor businesses, property owners, and community partners to strengthen the Mission Street corridor as a vibrant destination for residents, visitors, businesses, and investment.

Respectfully submitted,



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