



## 4 Economic Development Element

The City of Millbrae is known for its cultural diversity, beautiful neighborhoods, excellent schools, and prime location with unrivaled local, regional, and international accessibility. Now Millbrae needs to develop a robust, diversified, and sustainable fiscal environment while continuing to provide high quality public and private amenities and enhance the quality of life for all residents and visitors. This Economic Development Element serves as the road map by which Millbrae intends to strengthen its long-term fiscal sustainability and adapt to change while preserving the best parts of its history, character, and sense of community.

One of Millbrae's greatest assets is its connectivity and position as the transportation hub for the Bay Area, providing connections to San Francisco International Airport (SFO), U.S. Highway 101, Interstate 280, and State Route 82 (El Camino Real). The Millbrae Station is the transit gateway connecting BART, Caltrain, and SamTrans, and is the only proposed station on the Peninsula for High-Speed Rail. Additionally, Millbrae is a 40-minute drive from the Port of Oakland, which is the fifth busiest container port in the U.S. The many visitors passing through Millbrae to access SFO, the Millbrae Station, and regional transportation corridors provide a great untapped market. As a result, there is considerable opportunity to expand hospitality and entertainment opportunities, develop a new life sciences hub in the station area, invest in public facilities to support economic growth, and strengthen the city's image to attract visitors and the business community while serving the range of resident needs.

The policies in this Element are designed to help fulfill Millbrae's economic potential and are meant to provide flexibility to accommodate shifts in market trends and conditions. This Element focuses on six major topical areas: job diversification, business retention and expansion, leisure and hospitality development processing, Downtown enhancement, and community character and branding. The City will see new development projects that enhance the Downtown area. The City has also identified key underutilized sites for reuse. Taken together, these opportunities provide a promising foundation to revitalizing and redeveloping the Downtown and El Camino Real area to create a thriving and well-designed central business district and heart of the Millbrae community.

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## 4.1 Economic Diversity- Job Diversification

The majority of jobs in Millbrae are in visitor-serving and institutional uses, such as restaurants and hotels. Most of Millbrae's employed residents work in jobs outside of the city, and conversely most of the jobs in Millbrae are filled by workers commuting in. The City has an opportunity to grow the local base of high-paying jobs, and to cultivate a commercial business mix of uses that better serve resident needs and attract visitors.

**ED-1 Attract a diversity of businesses to support a robust and stable economy with a range of employment, shopping, and entertainment opportunities.**

**ED-1.1 Build on Millbrae's Assets**

The City shall build on its strengths, including its central location, transportation infrastructure, excellent public schools, and quality of life to leverage economic growth and private investment in the city. [JP]

**ED-1.2 Revenue Generation**

The City shall encourage new development and establishment of new businesses that generate sales tax, property tax, and other revenues that sustain municipal services. [MPSP, JP]

**ED-1.3 City Real Property Assets**

To the extent feasible, the City shall preserve the long-term value of its real property assets and seek to leverage any available assets through long-term leases, rental, or fees for use of the property rather than outright sale. [FB, SO]

**ED-1.4 Key Amenities**

The City shall support amenities that attract businesses and employees to the city, including a more vibrant downtown; walkable neighborhoods; diverse dining and entertainment options; quality education and public safety; and more diverse housing choices. [MPSP, SO]

**ED-1.5 Job Creation**  
The City shall promote and support efforts to create quality jobs at all skill and wage levels for Millbrae residents. [SO, JP]

**ED-1.6 Biotechnology/Life Sciences Market**  
The City shall support new development that expands its position as a regional office and biotechnology/life sciences market, particularly projects near the Millbrae Station that leverage the city's accessibility and amenities. [MPSP, JP]

**ED-1.7 Key Sites Strategy**  
The City shall identify and actively encourage the development of key commercial, office, and light industrial sites. [RDR]

**ED-1.8 Local Hiring**  
The City shall promote local hiring, including youth employment and paid internships to help achieve a more positive jobs-housing balance and reduce regional commuting. [SO, PI]

## 4.2 Business Retention and Expansion

The City has an opportunity to focus on community assets to expand local industries. The City of Millbrae recognizes the value of existing businesses and their potential to expand and grow local employment opportunities. This goal and its supporting policies are designed to retain existing businesses and support their local expansion efforts.

**ED-2 *Grow the local economy by supporting local businesses to stay and expand in Millbrae.***

**ED-2.1 Business-Friendly Climate**  
The City shall strive to improve the business climate for existing and future businesses by helping to support and foster strong relationships in the Millbrae business community. [SO]

**ED-2.2 Public/Private Partnerships**  
The City shall support and encourage public/private partnerships with existing Millbrae businesses that align with the City's economic and community development goals. [JP]

**ED-2.3 Buy Local**  
The City shall, to the extent possible, purchase goods and services from local businesses in Millbrae and encourage residents, businesses, schools, and community organizations to do the same. [SO, PI]

**ED-2.4 Sustainable Businesses**  
The City shall implement local strategies to support the diversification of businesses to focus on sustainable industries, as well as help businesses conserve resources such as water and energy, prevent pollution, and minimize waste and unsustainable business practices. [SO, PI]

## 4.3 Leisure and Hospitality

Millbrae is adjacent to the San Francisco International Airport, the seventh busiest passenger airport in the country in terms of passenger traffic. The City has an opportunity to capture a larger share of economic activity generated

by the airport, including providing accommodation and entertainment to passengers who are in the area during a long layover. There are seven hotels and motels in Millbrae, including nationally known chains such as Fairfield Inn and Suites and The Westin. The City collects a transient occupancy tax (TOT) of 12 percent on all hotel room revenues, which in Fiscal Year 2020/2021 accounted for eight percent of the entire General Fund budget. It is important to note that Fiscal Year 2020/2021 was greatly impacted by the Covid-19 Pandemic, which resulted in a 65 percent reduction of TOT revenue. The policies in this section focus on enhancing the leisure and hospitality sector in Millbrae.

### **ED-3 *Strive to support and expand Millbrae's leisure and hospitality sector.***

#### **ED-3.1 *Hospitality Sector***

The City shall encourage and support expansion of the hospitality sector in Millbrae, including hotels, restaurants, visitor services, and amenities such as conference and meeting facilities. [MPSP]

#### **ED-3.2 *High-Quality Hotels***

The City shall support the establishment of high-quality hotels, including boutique hotels, that serve travelers to and from the San Francisco International Airport and business travelers. [RDR]

## **4.4 Business-Friendly City – Improved Development and New Business Permitting**

Partnerships and collaboration between the City, business community, and local and regional organizations is key to economic success. Successful partnerships can lead to a unified community that focuses on fostering a business-friendly environment collectively advancing the City. This section describes how the City will foster and develop partnerships that expand the City's regional economic influence, leverage the power of collaborative efforts, and support the City's ability to both assist businesses as well as attract regional and international visitors.

### **ED-4 *Be recognized as a desirable and business-friendly place to locate and conduct business on the Peninsula.***

#### **ED-4.1 *Collaborative Business Relationships***

The City shall encourage a collaborative and supportive relationship between the City and the business sector that emphasizes the success of doing business in Millbrae. [JP]

#### **ED-4.2 *Streamline Development Approval and Permitting***

The City shall encourage private-sector investment in the community by establishing mechanisms and new technologies to streamline approval of commercial development that is consistent with the General Plan and specific plans and the approval of permits for new businesses. [RDR]

#### **ED-4.3 *High Performing Business Infrastructure***

The City shall encourage the construction and maintenance of the infrastructure necessary to attract and support businesses, including high-speed fiber optic and other high performing infrastructure. [MPSP]

#### **ED-4.4 *Digital Permit Process***

The City shall ensure a timely, fair, and streamlined digital permit process that integrates multiple City departments into a single coordinated organization and improves the delivery of city services. [SO]

**ED-4.5 Excellent Customer Service**

The City shall provide excellent customer service to residents and businesses by creating a culture that listens, gains an understanding of customer concerns and goals, and proactively seeks solutions to address challenges. [SO]

**ED-4.6 Permit Technology**

The City shall optimize its review, case management, and permit procedures by using technology and other tools to improve the delivery of city services. [SO]

**ED-4.7 Increasing Cultural and Language Diversity**

The City shall respond to the increasing cultural and language diversity of Millbrae business owners, by including more inclusive and transparent outreach methods including providing multi-lingual resources and translation services to local businesses. [SO, PI]

## 4.5 Downtown Millbrae

Downtown Millbrae is conveniently located adjacent to El Camino Real and within walking distance of the Millbrae Station. Downtown is quaint, with a pedestrian-friendly scale that makes it walkable. The area is characterized by small storefronts along Broadway, many of which are locally-owned. While many visitors pass through Millbrae to access the Millbrae Station and regional transportation corridors, they generally do not stay to eat and shop. The City seeks to diversify its business types in the downtown core to ensure that residents and visitors are attracted to shop and dine in Millbrae, rather than in neighboring cities. Increased diversity of business types will improve sales tax revenue, which otherwise would be captured by retailers in surrounding communities. There is also a need for investments in downtown public spaces to draw people to shop, dine, and hang out. Investment in public spaces will contribute to enhancing city image, attracting patrons, and creating a more enjoyable environment for residents. The policies in this section are designed to cultivate a vibrant downtown with a strong sense of place that serves as a gathering place for the city.

**ED-5 Create a high-quality, pedestrian-oriented, mixed-use district along Broadway.****ED-5.1 Local Business Association Collaboration**

The City shall collaborate with the Millbrae Chamber of Commerce, the Peninsula Chinese Business Association, and other business organizations on opportunities to grow and support Downtown businesses. [JP]

**ED-5.2 Community Anchors**

The City shall encourage the development of a community anchors or anchor districts on Broadway between Meadow Glenn Avenue and Civic Center Lane, to actively boost pedestrian traffic from the Millbrae Station to the city's core along the Broadway and El Camino Real corridors. Types of anchors uses may include a single use, or a district of combined, synergistic uses such as a cultural venue, performing arts theater, amphitheater, boutique hotel, specialty retail, a large public plaza, or other public cultural amenity. [MPSP]

**ED-5.3 Business Improvement District**

The City shall encourage and support the formation of a business improvement district or other similar method/approach to evaluate, manage, and curate the uses in Downtown Millbrae. The business improvement district should have the responsibility and authority to ensure that the

collective businesses and uses provide a variety of offerings and add economic vitality. In addition to overseeing business mix, the business improvement district should also address streetscape improvements, cleanliness of the public space, a coordinated marketing program, and special event programming. [MPSP, JP]

**ED-5.4****Business Mix**

The City shall encourage a mix of commercial uses that includes small, locally-owned businesses as well as large national retailers. In particular, the City shall encourage quality locally, independently and minority-owned retailers, such as clothing stores, home furnishing stores, and diverse quality markets. [MPSP]

**ED-5.5****Street Cleanliness**

The City shall encourage efforts to improve and maintain the cleanliness of Downtown, including providing additional trash and recycling receptacles, and increasing trash and recycling pickup. [MPSP]

**ED-5.6****Civic Landscaping Beautification**

The City shall encourage the development of a Civic Beautification Program to lead efforts to enhance the planting, maintenance, and preservation, of quality landscaping along Broadway on public and privately-owned spaces, including tree plantings, flower beds, and flower baskets. [MPSP]

**4.6****Community Character and Recognition**

Business owners and operators consider the image and reputation of a community when deciding where to locate or expand their business. Business owners and operators are generally looking for communities that have a good reputation and are desirable places to live, work, and recreate. This goal and its supporting policies strive to increase economic investment in Millbrae by enhancing the city's image and developing a branding strategy.

**ED-6** *Define and improve Millbrae's image to encourage economic investment, support businesses, and invoke civic pride.*

**ED-6.1****Marketing and Branding**

The City shall promote positive media coverage, branding, and marketing campaigns that build civic pride and create a favorable image of Millbrae. [SO, PI]

**ED-6.2****Streetscape Improvements**

The City shall undertake, and require as part of all development projects, including tenant improvement projects, streetscape improvements and place-making efforts near the Millbrae Station, and along El Camino Real and Broadway, consistent with the Downtown and El Camino Real Specific Plan, to maximize the potential for increasing business activity. [RDR, MPSP, SO]

**ED-6.3****Arts, Entertainment, and Dining**

The City shall promote investment and expansion of arts, entertainment, and dining in Millbrae, including special events, dining and night-life establishments, and arts venues. [JP]

**ED-6.4****Culinary Tourism**

The City shall strive to establish its reputation as a center for culinary tourism in the region. [PI]

**ED-6.5**

**Gateway Features**

The City shall enhance existing gateway features at the entrances to the city to boost city identity. Gateway features may include special architectural elements such as signage, enhanced lighting, distinctive public art, corner towers, and/or unique landscaping treatments. [MPSP]

## 4.7 Implementation Programs

Programs	Implements Which Policy(ies)	Responsible Supporting Department(s)	2022 - 2024	2025 - 2030	2031 - 2040	Annual	Biennial	Ongoing
			2022 - 2024	2025 - 2030	2031 - 2040	Annual	Biennial	Ongoing
<b>A Business Attraction, Expansion, and Retention Program</b>  The City shall collaborate with the Chamber of Commerce, the Peninsula Chinese Business Association, and other business organizations to support a business attraction, expansion, and retention program that will include the development and dissemination of promotional literature; research and publication of local market and trade information; surveys of local businesses to identify issues and opportunities; incentives for businesses to locate and/or stay in Millbrae; and tools to develop a business improvement district.	ED-1.1 ED-1.3 ED-1.6 ED-2.2	City Manager						■
<b>B Business Incentives for Local Hiring</b>  The City shall prepare and promote a package of business incentives (e.g., reduced business license fees) to encourage Millbrae businesses to hire local residents.	ED-1.8	City Manager		■				
<b>C City Staff Training in the Project Approval Process</b>  The City shall conduct training with appropriate City staff regarding the process and their role in the project approval process, from submittal of an application to receiving field inspections.	ED-4.4 ED-4.5	City Manager  Community Development	■					■
<b>D Permit Processing Software</b>  The City shall enhance its Development Services and business license permit processing software to streamline planning application reviews and the submission of electronic permit applications, reduce costs, and monitor processing time.	ED-4.4 ED-4.5 ED-4.6	Community Development						■

Programs	Implements Which Policy(ies)	Responsible Supporting Department(s)	2022 - 2024	2025 - 2030	2031 - 2040	Annual	Biennial	Ongoing
			2022 - 2024	2025 - 2030	2031 - 2040			
<b>E Customer Service Survey</b>  The City shall prepare and administer a customer service survey to evaluate and identify opportunities to improve permit procedures and the customer service of the Community Development Department and Finance Department (business license permitting). The City will send the survey to applicants after permits for the project are finalized.	ED-4.5	Community Development  City Manager  Finance						■
<b>F Economic Development Coordinator</b>  The City shall hire an Economic Development Coordinator, pending available funds, to implement economic development initiatives to transform Downtown Millbrae into a high-quality, pedestrian-oriented, mixed-use district. This position shall focus on cultivating a mix of businesses, promoting collaboration with local business associations, and supporting the formation of a Downtown Business Improvement District.	ED-5.5	City Manager		■				■
<b>G Marketing and Branding Strategy</b>  The City shall develop and maintain a marketing and branding strategy to promote doing business in Millbrae and maximize the effectiveness of the City's communication materials and website.	ED-6.1	City Manager	■					■
<b>H Culinary Tourism</b>  The City shall work with the business community to develop and implement a program to generate culinary tourism to attract visitors based on local food choices and destination restaurants.	ED-6.4	City Manager	■					■

Programs	Implements Which Policy(ies)	Responsible		2022 - 2024	2025 - 2030	2031 - 2040	Annual	Biennial	Ongoing
		Supporting Department(s)							
<b>I Enhancements to Gateways Signs to the City</b> The City shall identify opportunities to improve and maintain gateways into the City. This may include developer-funded improvements if a project is located at a Millbrae gateway, design, finance, and construct monument signs at the entrances to the city on each end of El Camino Real.	ED-6.5	Community Development			■				