

FOSTER CITY

ECONOMIC DEVELOPMENT ROUNDTABLE SUMMARY

March 15, 2016

EXECUTIVE SUMMARY

On March 15, 2016, the City held a Business Roundtable Meeting to discuss City Council's vision for the future, provide a framework of challenges and opportunities currently facing our community, and engage the business community in a dialogue about ways to improve the business climate. Approximately sixty business leaders were in attendance, representing businesses ranging from one-person consulting businesses to multi-national iconic business brands. The major themes from the Roundtable



discussions included regional traffic congestion, alternative transportation options, maintenance of existing shopping centers, affordability of workforce housing, the desire for more small business assistance programs, the desire for more opportunities for the businesses community to interact with each other, better coordination with regional and state partners on business concerns, and a continued dialogue between the City and the business community about economic development initiatives.

INTRODUCTION

The City Council held a Special City Council meeting on Monday, January 25, 2016, to discuss a vision statement and establish priorities for the remainder of the fiscal year and beyond. The vision statement established by the City Council reads, **"We are committed to ensuring the long-term financial stability of the City and providing services that enhance the quality of life for those who live, work and play in Foster City."** With this vision statement as the foundation, the Council also established five (5) priority focus areas that include land use, traffic and circulation, infrastructure, economic development, and quality schools.

To support these priorities, five Ad Hoc Council Subcommittees were created consisting of one or two Councilmembers and executive staff for each topic. The Ad Hoc Council Subcommittees will work to develop a strategic work plan for their respective areas for consideration and approval by the entire body. The Economic Development Business Roundtable Meeting held on March 15th was the initial

“kick-off” to a series of initiatives designed for elected officials, the City Manager and City staff to dialogue directly with the business community about issues that are important to them.

ECONOMIC DEVELOPMENT CHALLENGES, OPPORTUNITIES & TRENDS

During the meeting, staff explained that Foster City was developed as a “Planned Community,” constructed on the basis of an organized program of development that was conceived over 40 years ago. For the most part, Foster City growth has been guided in a manner that is consistent with its original master plan. Foster City was designed to be a full service City of nine defined residential neighborhoods, supported by commercial and light industrial land uses. The original master plan for the City envisioned a self-contained, urban community with a variety of housing types

(including single family detached, houses, single family attached housing, garden apartments, high rise apartments, housing for elderly, and hotels), an internal lagoon system, multiple parks and multi-level offices. At the time the master plan was approved, it anticipated a maximum population of 35,000 to be housed in 11,000 residential units, and called for 157 acres of parks, 138 acres of schools and 184 acres designated for a lagoon system. The outstanding characteristic of the community was to be a unique cosmopolitan atmosphere, created by the multi-use Town Center and interwoven surrounding apartment house complexes, housing a wide range of incomes, family sizes, societal groups, most of who could walk to work nearby.



The current physical state of the City is not far from what was projected several decades ago. Today, the City is substantially “built-out” and land for new development is limited. Its housing stock is showing signs of aging in some areas, and three of the City’s five retail centers could benefit from rehabilitation. Most of the land north of Hwy 92 has been developed to support businesses who specialize in biomedical and life sciences, creating a defined distinction between development and land use patterns north of E. Hillsdale and south of E. Hillsdale. Residents and members of

the business community have expressed concerns about limited retail and restaurant opportunities. Further, although traffic congestion near Hwy 92 and Hwy 101 intersections for the most part are not generated from Foster City traffic, it has a significant impact on the business community and residents.

MOST FREQUENTLY HEARD THEMES

These themes were consistently heard most frequently throughout the morning:

- The need to protect the supply of affordable workforce housing
- Concerns about traffic congestion and the limited current mix of transportation alternatives to meet our community needs
- Commercial rents / property managers holding space vacant rather than lowering rents
- Concerns about limited retail & restaurant opportunities and the maintenance of existing retail centers
- Concerns about limited cultural, artistic, & entertainment opportunities
- San Mateo-Foster City School District options for overcrowding in Foster City schools
- The desire to have a continued dialogue between the City and businesses about business needs
- The lack of employee awareness of City amenities and the desire to foster cross promotion among businesses in the community



A complete list of comments heard during the roundtable has been attached for review.

NEXT STEPS

The City Council, the Economic Development Ad Hoc Council Subcommittee and City staff will utilize the information gained from the roundtable to confirm the economic vision for the future and develop a list of guiding principles. Based on this guidance, the City will reengage with the business community stakeholders on a series of more detailed discussions with various business sectors (e.g., biotech, retail, commercial, office, software, etc.) and topic specific meetings (e.g., traffic improvements, project specific, infrastructure, land use, etc.) where targeted focus groups will be invited to have a more focused discussion on issues that were raised at this initial meeting. The next significant action will be April 18th where the City Council will consider the Economic Development Vision Statement and Guiding Principles. In the interim, City staff will continue to conduct in-person visits with businesses to make a personal connection between the City and the business community and to offer assistance in any matters related to the City.

Economic Development Business Roundtable

Chart Notes

Topic 1: City Policy

What's working well?

- City Manager has the pulse of the Council and is able to deliver on Council priorities.
- Good increase in communication with the public/business community in the recent past.
- Welcome feeling
- Staff/Council accessible and easy to work with
- Foster City is well managed as is demonstrated in the visible differences between Foster City and San Mateo streets and medians
- Business Roundtable was well-received; however, more time for the roundtable sessions is needed.

What could be done to help businesses?

- Council can establish a clear vision and follow through to implement that vision. Consider whether the original Master Plan 9 neighborhood model is still relevant today. Preserve the original intent of the Master Plan, since the community has a comfort level with it.
- Need to have better power reliability with PGE. Would like to see more/better communication between the City/PGE/Business Community.
- Help to create connections and communication amongst the members of the business community.
 - We need a local business support system.
 - City-initiated mixers, separate from what the Chamber of Commerce has put forth, is needed.
 - There needs to be an improvement in communication, on a variety of topics related to business.
 - Disparity between business and resident community, and between smaller businesses and larger businesses
- Address negative comments/misinformation in the community and on social media
- Fireworks brand this place and should be leveraged
- Wants less expensive studies
- Reduction of bureaucracy
- Break down the barriers between independent agencies (e.g., City and school districts).

Topic 2: Land Use

Revitalizing Shopping Centers/Plazas

- The aging plazas need to be redeveloped or rezoned and properly maintained to encourage better businesses to come in, as well as succeed.
- Maintenance and up-keep of commercial centers should be better regulated. The City should be proactive and better engaged in the improvement of commercial centers.

- There is a desire for diversity of businesses, amenities, and restaurants (rather than what we have now) for both residents and businesses to utilize.
- Help businesses figure out how they can rebuild
- Concern over commercial/retail vacancies

Housing/Jobs

- Ratio of office space vs. housing in new development
- Workforce housing is needed.
- People can work in biotech in Foster City but still not afford to live here which results in increased traffic.
- Housing developments moving ahead of business development

Growth/Development/Redevelopment

- There is not common understanding that the “original Master Plan” HAS been updated over the years in the form of the General Plan. It is the on-going implementation of that initial vision.
- Growth needs to be balanced and sustainable.
- There should be development at Edgewater and Shell.
- As the City develops, we should evaluate a more balanced plan.
 - The City has not capitalized on giving access to the lagoon.
 - All light industrial zones are given up.
- There needs to be a message from the City that they aren’t rezoning.
- “Growth without growth” – foster what is in Foster City.
- This current model of growth may be good for revenue, but not necessarily for residents.
- As the City is rezoning, we are losing retail space.

Conducting Business with the City

- City permit process is lengthy and complicated. It needs to be streamlined and handled in a way that is personalized (personalized in that there is a single person or team working on a request).
- Signs in commercial spaces especially are an obstacle for businesses in Foster City. There needs to be improvement in wayfinding signage and raising the profile of restaurants and amenities in hard-to-find locations, like some of the shopping centers.
- Retail space listings should be centralized somewhere.
- It feels like conducting business with the City is lengthier and more complicated.
- There needs to be a clear way of communicating the process of conducting business in Foster City.

Topic 3: Traffic/Infrastructure

Water Supply/Conservation

- Desalination is a cost-prohibitive option for alternative water supply, but the City is considering non-potable water for irrigation and/or potable re-use as part of the Wastewater Treatment Plant project.
- A conservation option would be to implement a “net zero” water impact requirement for new construction.
- Sewer & water best practices/green initiatives

- Solar roadways/bike paths on new levee
 - Purple pipe/recycled water
 - CNG
- Additional Information should be provided to residents and businesses on water recycling/conservation

Transportation

- There is no public transit (or hardly any) available. There needs to be better and more bus routes.
- Limited parking
- More private buses are needed.
- Shuttles don't seem to be very well publicized or utilized.
- Need to connect people in Foster City through better transportation options.
- In a catastrophe, such as an earthquake, what would we do with the transportation out and resources in? We are strictly governed by surrounding bridges.

Traffic

- Traffic as a Regional Issue
 - Most people don't care that traffic is a regional problem; they just want it fixed.
 - There needs to be improvement on getting people in and out of the City.
 - Sync traffic signals with highway traffic conditions
 - More access to the freeways is needed. A southern route to Highway 101 should be considered.
 - Conduct comprehensive, regional traffic studies
 - Work with surrounding cities, such as San Mateo, to find solutions to traffic problems. How can we work with the City of San Mateo? Are there any efforts there?
 - Declare no more building until 101 is fixed.
- Traffic Studies
 - Traffic studies should be conducted when school is in session.
 - Want cycle time studies and experiments for short term ideas on how to make a difference in traffic
- Traffic is changing the way business is being done – now more so out-of-the-home.
- Encourage walking and biking to school
- Want information on website telling you if there is a 5 minute backup from leaving the house
- This is a cultural issue we need to overcome – people prefer driving to public transportation even when it is available.
- We should take advantage of the lagoon. There should be an option to add boat docks, taking residents and employees from one side of Foster City to the other.
- Getting new employees (working in Foster City) to live in Foster City is a short term solution for decreasing traffic because they can eventually move out of the city.
- Right turns on red lights – lack of full stopping and pedestrian awareness

Infrastructure

- Pavement management plan
 - Slurry seal vs. overlays was discussed

- Edgewater Blvd. needs resurfacing
 - City will coordinate w/ utilities/repairs
- Foster City has a proactive approach to maintenance

Topic 4: Economic Development

- Keep communication constant with the business community in order to keep up with trends and changes as they happen, since change happens so quickly in business.
 - More networking, face to face meetings, & roundtable meetings
- Foster City should capitalize on its perfect location. The location is why businesses come initially and then the City should create a “value added” in order for them to stay and thrive.
- We should raise the profile of Foster City’s destinations – the services and activities and amenities that draw businesses and residents here.
- Different types of businesses (small, large, retail, etc.) have different needs. The concerns of both small and large businesses should be considered when discussing economic development.
- Create an incentive for developers to create and price space for businesses of all sizes and types: smaller, larger, service, non-profit, etc.
- High cost of real estate/rent is hurting businesses.
 - The City should consider subsidizing retail rents.
- Explore regional best practices.
- Lack of transportation and affordable housing negatively impact businesses.
- Determine what residents need/want so they don’t go outside of the City
- There is no central downtown
 - Retailers have trouble with location in Foster City with no central downtown
 - 15 Acres/Foster Square – The City should utilize this space and place consideration on businesses that occupy. It would be a good place to help draw people from outside the City in; increasing economic development.
- Want to see startups growing in Foster City
- Hold events promoting business, such as a small business fair.
 - Weekend events miss people who work (and don’t live) in Foster City
- Recommendations from many to join the Chamber of Commerce
- Lack of resources within Foster City for businesses, such as big box or supplies stores.
- The City should develop relationships with businesses so the businesses are invested in the City.
- The City should facilitate driving big business employee traffic to small businesses.

Topic 5: Communication

What’s Working Well?

- Co-broadcasting meetings on FCTV and PenTV.
- Mailings
- Chamber of Commerce
- Parks and Recreation Events

- Find City to be responsive
- Impressed to see vision and values always present. This is what makes Foster City special.

What are some ways the City can increase dialogue?

- More marketing of outreach tools (Foster City Forum, Foster City Access, etc.).
“Communicate the communication.”
- Continue hosting meetings, forums, roundtables, business workshops, etc.
- Utilize “indirect” communication opportunities to connect through a mutually known third party, such as the Chamber of Commerce, the faith community, sports groups, etc. that already have built relationships and credibility.
- Continue to use various outlets for communicating (mail, newspaper, website, PenTV, utility billing messages, apps/social media, bulletin board, etc.).
- The different platforms introduced are appreciated, but it may be too many outlets. Analyze which tools target and work best with the audience.
- The event calendar is great, but there aren’t any other events listed besides City events. It would be nice to incorporate events like those from the Chamber of Commerce or from local businesses.
- Business newsletter is a great idea; however highlighting 1 business per month is not enough.
- Create a Facebook page for Foster City business owners
- There should be a discussion about the tourism market and how this could help with businesses.
- Getting out of the shadow of the Chamber of Commerce (Information is being transmitted through them, rather than the City directly)
- Engage with home businesses (such as a forum)
- Improvement signal & Wi-Fi in the City; explore fiber optics
- Make City Council meetings and other Council interactions more comfortable for business representatives so they know that they can speak directly to the Council and staff.