

AGENDA ITEM
8C

Date: July 7, 2020

Council Action Date: July 13, 2020

TO: Honorable Mayor and City Council

FROM: Alex D. McIntyre, City Manager

SUBJECT: COVID-19 Temporary Outdoor Business Expansion

SUMMARY

In an effort to support the Ventura business community, the City Council authorized a 30-day pilot program allowing businesses to extend their business footprint into the public right-of-way and/or private parking lots. There is interest in extending the pilot program until September 14, 2020.

RECOMMENDATION

- a. Extend the Temporary Outdoor Business Expansion through September 14, 2020 or by the conclusion of the Emergency Health Order, whichever concludes first.
- b. Waive fees related to the review and preparing of the temporary outdoor business expansion permit.

DISCUSSION/ANALYSIS

Because of the impacts of COVID-19, the City of Ventura is facing one of the greatest economic impacts in recent history. Business survival is paramount to support the local economy. On May 18, 2020, Council approved the *Main Street Moves* concept allowing businesses to reopen with expanded outdoor areas into the public rights-of-way or private parking areas in order to assist with the COVID-19 safety protocol compliance. On June 15, 2020, Council adopted the resolution to temporarily waive special event permit fees and reduce insurance requirements for the expanded temporary retail/restaurant operations on public property submitted by the Downtown Ventura Partners (DVP). While *Main Street Moves* is a specific program, the concept has been applied citywide.

On July 1, 2020, Governor Newsom announced additional business restrictions and closures in response to the increase in COVID-19 across California for a minimum of

three weeks. These new restrictions included the closure of all bars, pubs, brewpubs, breweries, wineries, wine tasting rooms, and distilleries. In addition, restaurants must cease all indoor dining service. Outdoor dining is still permissible, with some restrictions around length of stay, hours of operations and number of guests at the same table.

City staff has seen an increase in applications since the Governor's announcement and is working on the increase application requests. City staff has also heard from DVP, who has reported great success with Main Street Moves. A formal request from DVP to extend Main Street Moves through Labor Day has been received. Staff suggests extending the period to September 14, 2020.

Feedback received from businesses, residents, DVP, and other key business partners, indicates a desire to see the temporary outdoor business expansion continue through the summer.

Fees

Many cities are allowing outdoor business activity to allow for proper social distancing while also promoting consumer spending. To safely administer the temporary program for outdoor expansion, staff from all city departments are working to administer and approve permits for the use. Assisting our businesses and making it easier for them to open and operate during this time is our priority. By waiving the traditional fees for this specific special events permit, we hope businesses will be able to more readily participate. Fees include review and processing of permit by staff from all departments, fire site map review and inspection, building and safety review if needed and loss of parking revenue.

FINANCIAL IMPACT

By waiving fees, the City is choosing to defer revenues. Each application must be reviewed and vetted through several departments to ensure compliance and safety for operations. For example, each site must be reviewed by Fire to ensure proper safety access to adjacent buildings, as well as proper set up of site.

Permit Fee	Department(s)	Fee
Application Fee	All	\$250
Site Inspection / Plan Review	Fire	\$210
Site Inspection	Building & Safety	\$168
Total Inspection Fees		\$403

The City has processed over a dozen applications in the last two weeks. We anticipate this number to at least double. With a potential to see over two dozen applications, estimated loss revenue projected at \$9,672. In addition, Fire completed over 25 site visits for the *Main Street Moves*, which would have totaled \$5,250.

Through the CARES Act, Cities may have the ability to be reimbursed for efforts directly related to business recovery efforts. Currently, Staff has spent a recorded 505 hours totaling \$23,745 supporting these efforts. Staff will continue to monitor their time spent on the COVID-19 activity, specifically time spent on Business Reopening with Outdoor Expansion.

Anecdotally, the Main Street Moves program concept is successful. However, due to the delay in filing sales tax, the City won't have any sales tax data to substantiate this claim for several months. Once known, staff will report back to the Council our financial experience with the program.

Prepared by: Estelle Bussa – Economic Development Manager