



AGENDA REPORT

SAN CLEMENTE CITY COUNCIL MEETING
Meeting Date: June 2, 2020

Agenda 9E
Approval _____
City BP
Dept. CAD
Attorney _____
Finance _____

Department: Community Development Department
Prepared By: Gabriel Perez, City Planner

Subject: *ZONING-RELATED SMALL BUSINESS ASSISTANCE STRATEGIES TO OVERCOME IMPACTS RELATED TO NOVEL CORONAVIRUS (COVID-19)*

Fiscal Impact: Yes. The small business assistance strategies will have a positive fiscal effect by providing more opportunities for small businesses to recover from the impacts of COVID-19 with increased revenue and added jobs. The majority of strategies outlined would utilize existing City staff resources and not result in new expenditures. An appropriation from the General Fund at an amount to be determined by the City Council would be required if the Council elects to implement a small business microloan program.

Summary: Staff recommends that Council consider the various small business assistance strategies that can be offered by the City of San Clemente to assist local small businesses in the recovery from the economic impacts of COVID-19.

Background: On March 4, 2020, Governor Newsom declared a state of emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19. On March 17, the City Council adopted a resolution proclaiming a local emergency and making certain orders, which the Council supplemented on March 30 and April 21. On March 19, Governor Newsom issued Executive Order N-33-20 directing all residents to heed State public health directives to stay home, except for maintaining operations of essential critical infrastructure sectors.

As a result of the Stay at Home Order, a significant number of local small businesses closed or limited capacity to reduce the spread of COVID-19. Restaurants were forced to adapt and limit food service to take-out to remain open. On May 23, 2020, Governor Newsom approved Orange County's Expanded Stage 2 reopening, which includes in-restaurant dining, retail, offices, outdoor museums, and limited personal services, subject to the State requirements such as physical distancing. The local economic recovery will be challenging, as some businesses are unable to operate at full capacity with the business reopening requirements. Several California cities have adopted business assistance strategies such as relaxing local zoning requirements to temporarily allow additional business signs or create opportunities for outdoor dining and retail that will assist in the economic recovery. Several local restaurants have contacted the City staff requesting immediate opportunities for permitting outdoor dining on private and public property.

Discussion: Staff developed a list of small business assistance strategies the City could pursue to assist in the local economic recovery from the impacts of the Governor's Stay Home Order (Attachment 1). This report focuses on two temporary strategies available to the City that the local business community has requested as follows: 1) relaxing zoning requirements for temporary outdoor dining and retail display 2) suspend enforcement of certain business signs.

1. Temporary Outdoor Dining and Retail

As California businesses begin to reopen under the expanded Stage 2 of the State's Resilience Roadmap, they are subject to State requirements, such as social distancing, to prevent the spread of COVID-19. Restaurants will need to limit seating for dine in services and reconfigure kitchens to meet physical distancing requirements within the constraints of existing tenant spaces. A reduction in restaurant seating will result in reduced revenue, making financial recovery difficult for many businesses.

Many cities are implementing creative ways to assist reopening businesses to overcome these challenges, which includes temporarily relaxing zoning requirements for outdoor dining on private property or within City-owned sidewalks, parking spaces and streets (Attachment 2). Currently, outdoor dining for restaurants requires: a minor conditional use permit or conditional use permit; meeting minimum parking requirements; and, being subjected to a public hearing and fees between \$536 and \$5,000. Recently, the Department of Alcohol and Beverage Control loosened restrictions temporarily for alcohol service where bonafide meals are served in outdoor areas such as sidewalks and parking lots subject to a \$100 temporary catering permit with approval by Police, City staff, and the property owner. Outdoor retail display is currently permitted with approval of a minor conditional use permit at a public hearing, a \$536 fee and prohibition of outdoor display in private parking areas or in the public right of way. Temporary provisions for outdoor dining and retail could be permitted administratively, through a no cost special activity permit, in two categories: 1) on private property or 2) in the public right of way:

Temporary Outdoor Dining and Retail - Private Property

- Allow access to private sidewalks and up to 50% of private parking immediately adjacent to restaurant property or on restaurant property if Fire Department requirements can be satisfied and ADA parking preserved.
- Maintain 6 feet distance between tables and pathways.
- Commercial Center property owners could request outdoor retail and dining for multiple businesses under one Special Activities Permit.
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Temporary Outdoor Dining – Public Property

- Allow access to sidewalk areas and adjacent on-street parking spaces on City streets.
- Maintain a 6 foot unobstructed pedestrian path, which shall be marked.
- The applicant shall obtain comprehensive general liability insurance and apply through a Special Event Permit.

Special Events Permits are traditionally administered by the Beaches, Parks and Recreation Department for activities on public property; but, under the declaration of a local emergency both Special Activity and Special Event Permits for temporary outdoor dining and retail would be administered through the Planning Division. The permits would be reviewed on a case-by-case basis and be subject to review by the Fire Department, Planning, Public Works, Building and Code Compliance. A reasonable timeframe for allowing temporary outdoor dining should be considered by the Council, which would include suspension of the current 15-day limits for special activities in the Municipal Code. The City of Irvine allows temporary outdoor dining for a 45-day period with the ability to renew administratively and the City of Rancho Santa Margarita permits outdoor dining until September 30, 2020. The Council may consider a timeframe similar to these cities or until the Council's termination of the local emergency.

In addition to permitting temporary outdoor dining and retail, the Council discussed opportunities for temporarily closing Avenida Del Mar on Sundays to vehicle traffic. The street closure would provide greater opportunities for outdoor dining and retail in the Downtown and create more public space for outdoor activities, while maintaining social distancing. Under this open streets scenario, the Council may consider allowing restaurants and businesses with permits for outdoor dining or retail to extend up to 30 feet into the public right of way. Staff would work with Del Mar restaurants and businesses to promote more walking and biking opportunities during the proposed open street effort to reduce the demand for available on-street parking. Staff seeks direction from Council regarding the street closure segment and timeframe for temporary closure, including hours of the day. Street closure extending into the evening may require additional expenses for providing outdoor lighting.

2. Suspend Enforcement of Commercial Banner Signs

Retail stores and restaurants have a need to promote their businesses that are operating under the restrictions of State guidelines during the ongoing public health emergency. The emergency has created the need for additional business signage regarding new business hours, safety protocols, operational changes and other restrictions. The Council may consider temporarily suspending enforcement of temporary banner signs during the local emergency. A maximum of 1 banner sign, not to exceed 64 square feet, is permitted for businesses with a banner permit and payment of a \$12 permit fee for up to 120 days. Under the temporary suspension, a banner sign permit would not be required. It is recommended that other signage not reasonably associated with the local emergency be processed according to code requirements.

The business assistance strategies outlined in this report are new and creative ways the City can work with local businesses to support in the City's economic recovery while creating more public space opportunities that comply with State guidelines during the public health emergency. City staff has been in communication with the San Clemente Chamber of Commerce, Downtown Business Association and individual businesses about the business assistance strategies.

Implementation

Under the City's declaration of a local emergency, the City Council or the City Manager as Director of Emergency Services for the City through Executive Order, may authorize variances or exceptions to local laws. This includes the ability to waive normal processes for interim zoning regulations such as temporary outdoor dining and retail permits and suspension of enforcement of temporary commercial banner signs. Alternatively, the City Council could initiate an amendment to the zoning ordinance to achieve the same results on an interim basis. However, that process involves environmental review, a Planning Commission public hearing, and City Council public hearing and approval. This process could take up to four months.

**Recommended
Actions:**

STAFF RECOMMENDS THAT the City Council take the following actions:

1. Provide input and direction on small business assistance strategies.
2. Provide input and direction for the temporary closure of Avenida del Mar.
3. Adopt a resolution directing the City Manager, as Director of Emergency Services, to implement temporary outdoor dining and retail permits on public and private property, close Avenida Del Mar on Sundays, and suspend enforcement of temporary commercial banner signs and require no permit fee under local emergency authority.

Attachments:

1. Resolution
2. List of Recommended Small Business Assistance Strategies
3. Temporary Outdoor Dining and Retail Examples

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN CLEMENTE, CALIFORNIA DIRECTING THE
DIRECTOR OF EMERGENCY SERVICES TO IMPLEMENT
CERTAIN ZONING-RELATED SMALL BUSINESS
ASSISTANCE STRATEGIES

WHEREAS, on March 17, 2020, as empowered by California Government Code section 8630 and San Clemente Municipal Code chapter 8.12, the City Council adopted Resolution No. 20-13 proclaiming a local emergency regarding novel coronavirus (COVID-19); and

WHEREAS, with Resolution No. 20-13 section 3, the City Council authorized the City Manager, as Director of Emergency Services, to furnish information, to promulgate orders and regulations necessary to provide for the protection of life and property pursuant to California Government Code section 8634, to enter into agreements and to take all actions necessary to obtain State emergency assistance to implement preventive measures to protect and preserve the residents of the City within the scope of the local emergency; and

WHEREAS, on March 30, the City Council adopted Resolution No. 20-24 and, on April 21, the City Council adopted Resolution No. 20-30, which both supplement its proclamation to further address the local emergency; and

WHEREAS, the imminent and proximate threat of introduction of COVID-19 in the City of San Clemente continues to threaten the safety and health of City residents; and

WHEREAS, this Resolution authorizes and directs the Director of Emergency Services to implement certain zoning-related small business assistance strategies—allowing more temporary outdoor dining and retail, closing Avenida Del Mar for traffic on Sundays, and allowing more commercial banner signs without a permit—intended to help businesses operate safely and successfully following social distancing and other guidelines; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of San Clemente, California resolves as follows:

Section 1. Temporary Outdoor Dining and Retail

The City Council hereby authorizes and directs the Director of Emergency Services to implement a program allowing more temporary outdoor dining and retail on public and private property as appropriate. Further, the City Council hereby authorizes and directs the Director of Emergency Services to implement a program closing Avenida Del Mar for traffic on Sundays to allow use of the street for outdoor dining, retail, and other activities.

Section 2. Commercial Banner Signs

The City Council hereby authorizes and directs the Director of Emergency services to implement a program allowing commercial banner signs without a permit.

Section 3. Duration

The City Council's authorization and direction to the Director of Emergency Services shall last for the duration of the local emergency, or until terminated by the City Council. Any action taken by the Director pursuant to this authorization and direction shall last for the duration of the local emergency, or until terminated by the Director or City Council.

Section 4. Powers of Government

During the existence of said local emergency, the powers, functions, and duties of the emergency organization of this City shall be those prescribed by state law, ordinances, and resolutions of this City of San Clemente.

Section 5. Certification

The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

ATTEST:

City Clerk of the City of
San Clemente, California

Mayor of the City of San
Clemente, California

STATE OF CALIFORNIA)
COUNTY OF ORANGE) §
CITY OF SAN CLEMENTE)

I, JOANNE BAADE, City Clerk of the City of San Clemente, California, do hereby certify that Resolution No. _____ was adopted at a regular meeting of the City Council of the City of San Clemente held on the 2nd day of June, 2020, by the following vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of San Clemente, California, this _____ day of _____, _____.

CITY CLERK of the City of
San Clemente, California

Approved as to form:

City Attorney

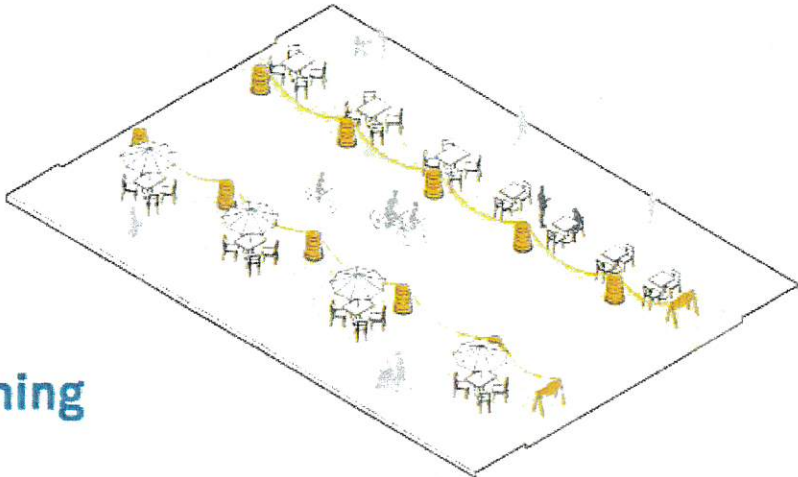
ATTACHMENT 2

Small Business Assistance Recommendations

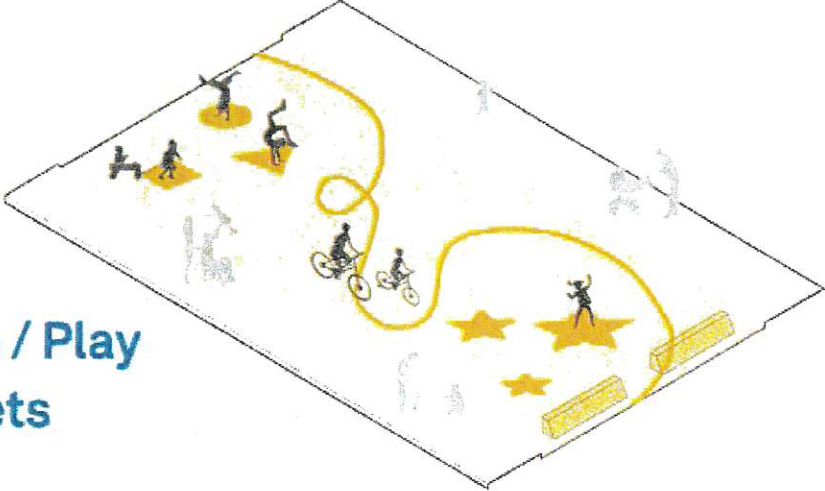
	Recommendations	Priority	Cost	Time	Responsibility
1	Update website to provide business-specific information and resources	High	Low	2 weeks	Staff
2	Temporarily suspend enforcement of signage regulations (i.e., do not require permit to display banners, etc.)	High	Low	Suspend until full reopening	Council Planning Code
3	Leverage partnership with Small Business Development Center (SBDC) and other resource partners	High	None	2-3 weeks	Staff
4	Survey of Businesses to ask what our small businesses need.	High	Low	1.5 weeks	N/A
5	Temporarily allow businesses to extend their activities outdoors to promote social distancing (i.e., creating an outdoor customer waiting area, outdoor dining, outdoor retail display)	Medium	Medium (traffic control)	Allow until full reopening	Public Works Building Planning
6	Temporarily allow additional signage types not currently permitted by code (e.g., stake yard signs)	Medium	Low	Allow until full reopening	Council, Planning, Code
7	Partner with a local sign manufacturer to create banners where businesses can purchase signs with group discount pricing	Medium	Low	Allow until full reopening	Planning
8	Allocate CDBG-CV funding to reimburse businesses for specific activities, such as PPE purchases	Medium	Low	Under consideration by Council	Community Development
9	Use FEMA funding to purchase PPE for essential businesses, such as face masks for senior centers	Low	Low	Ongoing	Public Works
10	Create social media marketing campaign to promote businesses that are open	Low	Low	Begin immediately until full reopening of businesses	City Manager's Office Planning
11	Subsidize membership costs for Chamber members	Low	Medium	2 months	Council
12	Organizing webinars on topics such as how to complete a successful loan application, and what to know about reopening your business	Low	Medium	1 month to organize the webinars	Planning
13	Microloan program	Low	High	1 month award loans	Council

ATTACHMENT 3

Open Streets Illustrative Examples



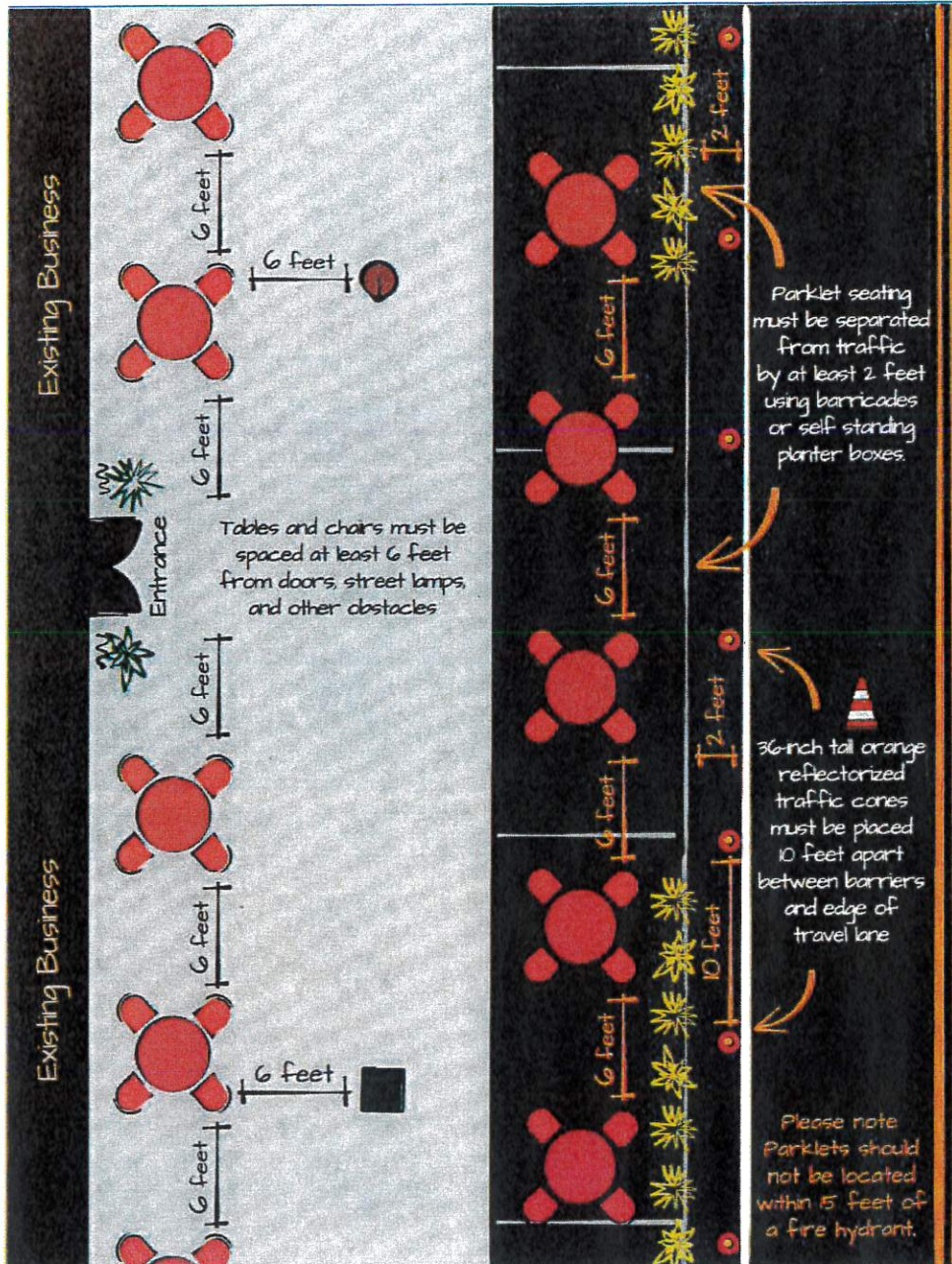
Dining



**Open / Play
Streets**

Source: Streets for Pandemic Response and Recovery

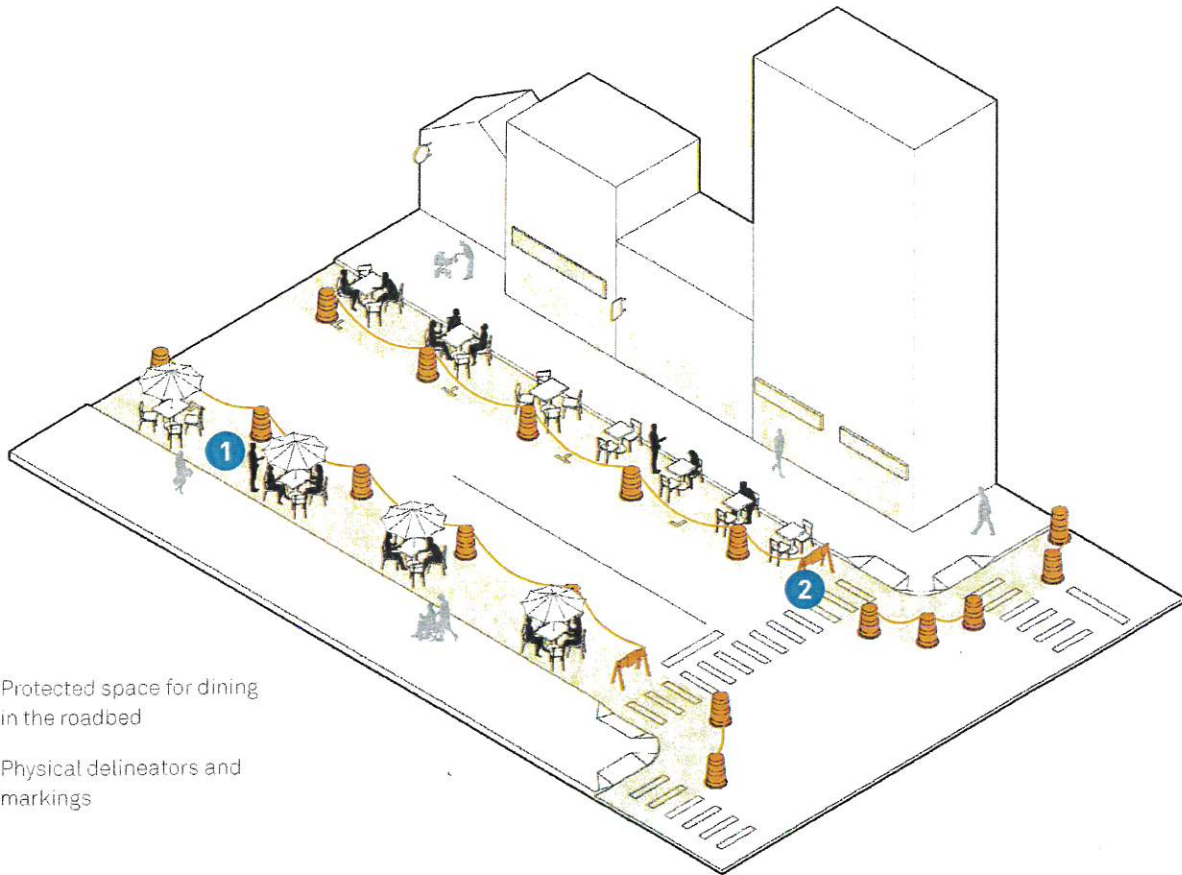
Sample Site Plan from City of Tampa Lift of Local Economic Recovery Plan -
Outdoor dining in the public right of way



Parklet and Outdoor Dining Examples



OUTDOOR DINING



- 1 Protected space for dining in the roadbed
- 2 Physical delineators and markings

Provide space for outdoor dining so that restaurants can comply with physical distancing guidelines while resuming dine-in operations.

CONTEXT

- Where restaurants, cafes, food stalls, and/or street food vendors are clustered along several blocks

KEY STEPS

- Identify restaurant clusters and designate 'dining street' zones
- Waive existing permit fees for outdoor dining within preselected zones, as necessary
- Establish clear occupancy standards (e.g. table counts) for 'dining street' zones

TIMELINE: One week

DURATION: Months

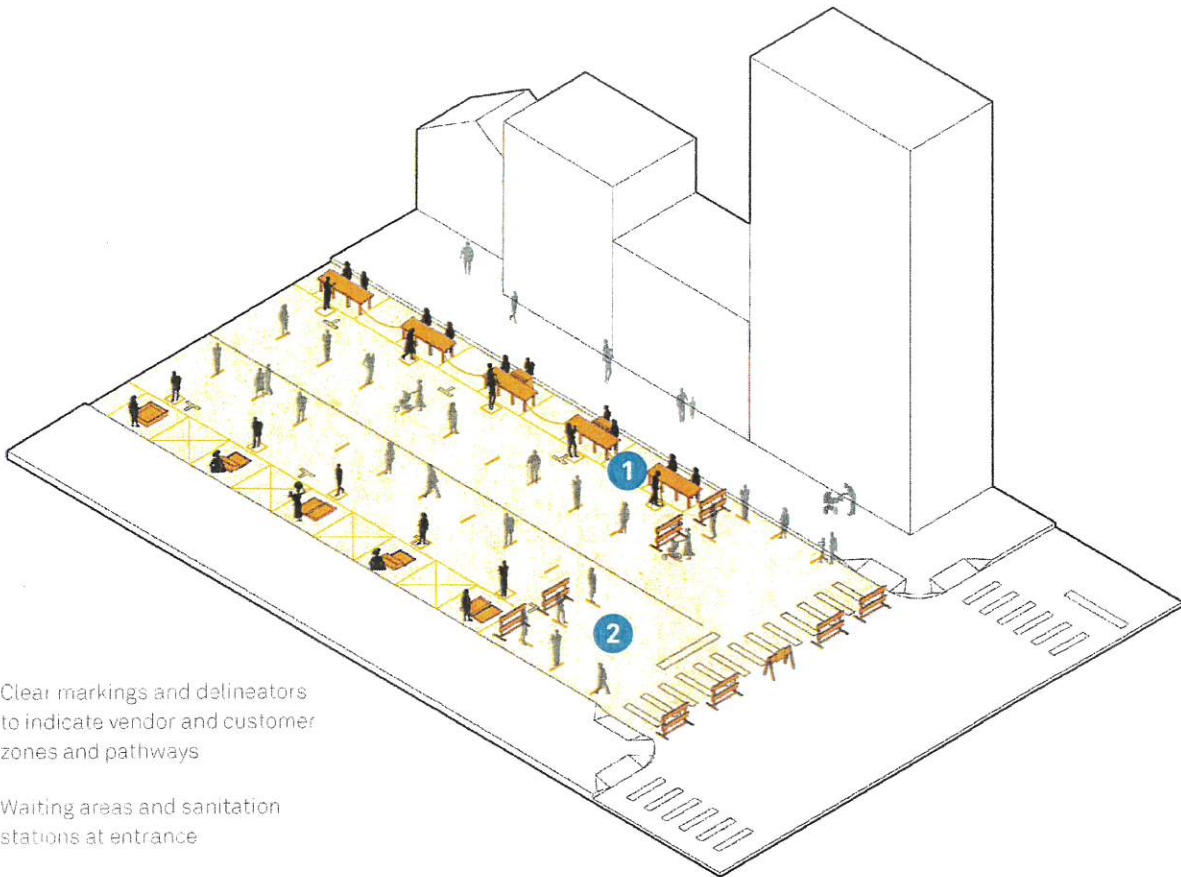


Credit: Go Vilnius

Vilnius, Lithuania

Eighteen public spaces in Vilnius, including the central Cathedral Square, have been opened for outdoor cafes and restaurants to allow businesses to operate safely. More spaces are expected to open during the summer.

MARKETS



- 1 Clear markings and delineators to indicate vendor and customer zones and pathways
- 2 Waiting areas and sanitation stations at entrance

Expand market footprints into adjacent streets to relieve crowding and support physical distancing.

CONTEXT

- Streets with permanent or active open-air markets
- Streets adjacent to market buildings or public spaces with markets
- Periodic farmers markets

KEY STEPS

- Allocate street space to allow markets an expanded footprint to operate with safe physical distancing
- Alter management and enforcement policy
- Define safe layout and spacing for vendor stalls and circulation routes based on local physical distancing guidelines

TIMELINE: Days to plan, hours to implement

DURATION: Hours, days, months, or permanent



Credit: Jain Weraphong

Kalaw, Myanmar

In Kalaw, paint was used to mark vendor stall locations in the marketplace, separating vendors and allowing customers to shop safely.

