



DATE: July 6, 2020
TO: Council Economic Development Committee
FROM: Deputy City Manager
SUBJECT: Business Districts Reopening Plan Update

RECOMMENDATION

That the Council Economic Development Committee receives the information on the Business Districts Re-opening Plan and provides feedback on the program.

SUMMARY

The business districts re-opening plan is an on-going process to assist businesses as they re-open from the extended closures due to the COVID-19 pandemic.

BACKGROUND

On March 17, 2020, Alameda County Health Department along with the other regional health offices issued a Shelter in Place order to help curb the impacts of the COVID-19 virus. At that time, all businesses deemed non-essential closed or significantly reduced their operations. Restaurants had to become take-out only, if they elected to continue operating at all. Most retailers were also forced to close unless they were essential, such as hardware stores, pharmacies and grocery stores.

On June 19, 2020, the Alameda County Health Department issued a revised Shelter in Place Order, which allows for all retail to reopen and restaurants to allow outdoor dining.

DISCUSSION

In the weeks leading up to the announcement by the County Health Department about the allowance of outdoor dining, staff began exploring options for accommodating expanded outdoor dining and retail options. Several cities and counties in and around the Bay Area were open before Alameda County, which allowed City staff to research programs and processes that were being utilized by other jurisdictions. Staff also worked with representatives from the Downtown Hayward Improvement Association (DHIA) and Chamber of Commerce to work with property owners and business owners to review ideas and options.

Expanded Dining – Sidewalk and Parking Areas

As many other cities have recently done, Hayward has created new outdoor dining regulations and a simplified process to allow restaurants to create expanded outdoor dining opportunities. For those businesses located in the downtown or in areas with no parking lots, restaurants are able to apply for a [Temporary Outdoor Dining Permit](#) to utilize the sidewalk area located in front of their business. This permit includes outdoor dining operating standards to temporarily allow local restaurants, eateries, and other food establishments to expand into open areas, parking spaces, and, if authorized, City-owned property (i.e. streets, City parking, sidewalks) to accommodate social distancing in a safe and organized manner.

Businesses wishing to create the outdoor dining area will need to submit a basic site plan showing the location of the area to be used, minimum accessibility standards (4' clearance), and proof of insurance when using the public right-of-way. In addition to City regulations, those businesses currently holding a permit to serve alcohol must also update their permit with ABC to allow alcohol sales in the expanded dining area.

Restaurants located in areas with private parking lots are also allowed to expand their dining area into the adjacent parking spaces near the business. They also must maintain proper access to the business and adjacent businesses, provide a barrier between the diners and vehicles in the parking lot, and utilize no more than 30% of the parking spaces. Canopies and umbrellas are permitted to provide shade and cover for patrons. Tents over 400 square feet must have a permit from the Fire Department. No outdoor cooking will be allowed in the outdoor dining areas.

The City is waiving fees customarily associated with the Zoning Conformance Permit and Encroachment Permit.

Expanded Dining – Closed Downtown Streets

The City, in partnership with the DHIA, is exploring a pilot program of closing B Street and Main Street to allow expanded outdoor dining for the restaurants. Prior to the opening of outdoor dining, a survey was sent to 89 downtown businesses seeking input regarding the possibility of a street closure to allow for outdoor dining on B Street. Of the surveys sent, only six responses were received and no restaurant on B Street responded to the survey. Interest from those that did respond were more interested in expanded dining on the sidewalk or parking spaces rather than a full street closure.

Since the allowance of outdoor dining, staff has begun to hear more interest from the B Street restaurants to move forward with a full street closure to allow expanded dining. The pilot program is proposed to close B Street and Main Street on a Saturday to make it a pedestrian corridor and allow those restaurants that front those two streets to use the street area for expanded dining. Following the event, staff will collect feedback from downtown businesses to determine the event's effectiveness and adjust as necessary in order to ensure the program

meets their needs. Staff will provide a verbal update at the July 6 CEDC meeting on this program.

ECONOMIC IMPACT

In order to assist the restaurant industry to re-open and provide adequate space required for their safe operations as quickly as possible, the fee for the permit for expanded outdoor dining is being waived for both the use of public and private areas. The hope is that the waiver of the fee will encourage more restaurants to provide outdoor dining and work to getting back up to full service and staffing.

FISCAL IMPACT

There is a cost associated with the staff time for reviewing the applications for the expanded outdoor dining. Those costs are not being covered at this time due to the proposed fee waiver associated with the permits. In addition, if a full street closure for expanded dining does occur, additional costs for staff time to set up traffic barricades, police patrols, and post-event clean up will also be incurred by various departments. There could also be a sales tax benefit to the City of assisting businesses to re-open their operations.

STRATEGIC ROADMAP

This agenda item is related to the COVID-19 crisis and does not relate to any of the six priorities outlined in the Council's Strategic Roadmap.

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