



CITY OF SALINAS COUNCIL STAFF REPORT

DATE: JUNE 22, 2021

DEPARTMENT: COMMUNITY DEVELOPMENT
PUBLIC WORKS

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TITLE: EXTENTION AND FEE WAIVER FOR CERTAIN OUTDOOR
ACTIVITY PERMITS

RECOMMENDED MOTION:

A motion to allow extension of COVID-19 outdoor activity permits for: 1) restaurants, bars and COVID-19 testing and vaccination clinics until December 31, 2021 with a continued fee waiver and, 2) all other currently permitted COVID-19 outdoor activities until August 15, 2021.

RECOMMENDATION:

It is recommended that the City Council approve a resolution approving the extension of COVID-19 outdoor activity permits for: 1) restaurants, bars and COVID-19 testing and vaccination clinics and the associated permit fee waiver granted by Executive Order Nos, 05-2020 and 06-2020 and Resolution Nos. 21948 and 22049 until December 31, 2021 and, 2) all other currently permitted COVID-19 outdoor activities until August 15, 2021.

EXECUTIVE SUMMARY:

The Shelter in Place Orders that took effect in March 2020 resulted in sudden and dramatic impacts to local small businesses as many were forced to reduce operations or close their doors. The City established a fast-track permitting process through its emergency powers to facilitate legal outdoor business operations in accordance with state and local guidelines utilizing the Temporary Use of Land Permit (TULP) and Sidewalk Café Encroachment Permit (SCEP) processes. City Council approved fee waivers for these permitting processes to minimize further impacts to struggling businesses.

As of June 2, 2021, Monterey County has moved into the Yellow Tier and the State is set to fully re-open on June 15, 2021. As part of these re-opening plans, Governor Newsom issued a letter to local leaders encouraging them to extend regulatory relief that allows restaurants and bars to maintain expanded outdoor operations through the end of 2021. Consistent with this

recommendation, a proposal is being brought to City Council for consideration that would extend outdoor activity permits for restaurants, bars, and testing and vaccination clinics until December 31, 2021 with a continued fee waiver. In addition, it is recommended that all other businesses conducting outdoor operations with a valid permit be extended until August 15, 2021 to allow for an orderly transition to normal operations.

BACKGROUND:

Federal policies and state and local orders put in place starting in March 2020 to slow the spread of COVID-19 resulted in sudden and dramatic impacts to local small businesses as many were forced to reduce operations or close their doors. A fast-track permitting process was established to facilitate legal outdoor business operations in accordance with state and local guidelines. Staff utilized the City's existing Temporary Use of Land Permit (TULP) and Sidewalk Café Encroachment Permit (SCEP) processes to allow business operations to move outdoors. SCEPs are required for expansion into the public right of way, including streets, alleyways, and sidewalks, while TULPs allow for certain temporary operations on private property.

To support fast-tracking, staff provided assistance with completing the application and committed to permit approval within 24-hours of an application being deemed complete. In addition, the length of time for TULPs was extended from four (4) consecutive days to six (6) months, with one six (6) month extension (Order 06-2020). As indoor restrictions continued into the fall of 2020, City Council approved waiving the fees for temporary outdoor activity through June 30, 2021 (Resolution 21948).

In February 2021, the City Council approved further extension of outdoor activity permits and fee waiver. Resolution No. 22049 allows outdoor activity permits to be extended every six-months and associated permit fees be waived until the County of Monterey returned to the Yellow tier.

To date, staff has issued 65 Temporary Use of Land Permits to allow for outdoor activities on private property and eight (8) Sidewalk Café Encroachment Permits for outdoor operations in the public right of way. See Table 1 below for a more detailed breakdown of permits issued.

Table 1

Outdoor Business Activity	SCEP		TULP	
	Total Permits Issued	Current Active Permits	Total Permit Issued	Current Active Permits
Restaurant/Bar	8	8	34	13
Personal Service (barber, Hairdresser, nail salons)	--	--	12	0
Shopping Centers	--	--	8	2
Gym	--	--	6	2
Card Room	--	--	1	1
Bingo Parlors	--	--	2	1
Religious Assembly	--	--	1	1
COVID-19 Testing Site	--	--	1	1

Effective June 2, 2021, Monterey County moved into the Yellow Tier. The State has set June 15, 2021 as the date it intends to move beyond the “Blueprint for a Safer Economy” tier system with all sectors listed in the current Blueprint Activities and Business Tiers Chart being able to return to usual operations. On June 3, 2021, Governor Newsom issued a letter to local leaders encouraging them to extend regulatory relief that allows restaurants and bars to maintain expanded outdoor operations through the end of 2021. The Governor’s letter, attached to this report, states it remains a public health and economic recovery priority to support and continue to allow outdoor dining opportunities.

DISCUSSION:

In response to the Governor’s request and the removal of the “Blueprint for a Safer Economy” tier system and operation limits and guidelines on June 15th, staff proposes that COVID-19 outdoor activity permits for restaurants, bars and COVID-19 testing and vaccination clinics be extended until December 31, 2021 with a continued fee waiver. In addition, all other businesses conducting outdoor operations with a valid permit will be extended until August 15, 2021 to allow for an orderly transition to normal operations. Since these businesses have permits that would be valid until August 15, 2021, with City Council approval of the resolution, no fee waiver would be needed. Thus, the fee waiver is only needed for the businesses that would be extended until December 31st.

If approved, staff proposes taking the following actions:

- 1) Code Enforcement staff will continue to cite all outdoor activities operating without the required permits (SCEP and TULP). Restaurants and bars operating without a permit need to cease operations but have the opportunity to obtain a permit by August 15, 2021.
- 2) Code Enforcement, Development Engineering and Plan and Project Implementation staff will reach out to restaurants, bars, and COVID-19 testing sites with active permits to inform them of the permit and fee waiver extension to confirm their interest and intent to continue outdoor activities. Staff will verify current operations are being conducted as approved and that liability insurance is in place through the end of the year.
- 3) Code Enforcement and Plan and Project Implementation staff will notify other currently permitted COVID-19 outdoor activities such as bingo/card rooms, gyms, and religious assembly that they will be extended to August 15, 2021, but are to cease outdoor operations and remove all associated furniture, equipment and structures by that date.

Businesses desiring to continue outdoor dining activities in 2022 under a SCEP will be required to renew their permit by January 1, 2022 in compliance with SCEP program requirements, including payment of fees. SCEPs are issued for one year and can be renewed annually.

CEQA CONSIDERATION:

The proposed actions are not projects as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines section 15378).

STRATEGIC PLAN INITIATIVE:

This staff report and recommendations align with the following City Council strategic plan initiatives (2020-2023):

- Investment Strategies/Risk Management
- Operational Efficiencies
- Public Safety

DEPARTMENTAL COORDINATION:

Administration, Community Development Plan and Project Implementation and Code Enforcement Divisions, Public Works Development Engineering Division, as well as the City Attorney's Office collaborated on the development of the proposed recommendation to extend outdoor operations.

FISCAL AND SUSTAINABILITY IMPACT:

General Fund revenue loss from outdoor activity permit fee waivers from July 2020 to date is \$18,007.86 for TULPs and \$2,543.88 for SCEPs. The City will evaluate whether this loss can be recouped through the American Rescue Plan funds. Future fiscal impact to the General Fund depends on City Council direction regarding fee waivers and the number of new and renewed permits issued through the end of 2021.

ATTACHMENTS:

1. Resolution approving extension of certain outdoor activity permits and fee waiver
2. Office of the Governor Letter dated June 3, 2021