

City of Costa Mesa Agenda Report

File #: 21-416 Meeting Date: 11/2/2021

TITLE:

EXTENSION OF URGENCY ORDINANCES 2020-15 AND 2020-16 SUSPENDING CERTAIN PERMIT REQUIREMENTS AND DEVELOPMENT STANDARDS FOR OUTDOOR ACTIVITIES DUE TO THE COVID-19 PANDEMIC

DEPARTMENT: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT

PRESENTED BY: JENNIFER LE, DIRECTOR OF ECONOMIC AND DEVELOPMENT

SERVICES

CONTACT INFORMATION: SCOTT DRAPKIN, scott.drapkin@costamesaca.gov

RECOMMENDATION:

Staff recommends the City Council:

- 1. Extend Urgency Ordinances 2020-15 and 2020-16 for one-year to expire on December 31, 2022; and
- 2. Direct staff to investigate opportunities for amending the City's outdoor dining regulations to allow similar outdoor dining conditions afforded as a result of the COVID-19 pandemic.

BACKGROUND:

To reduce the potential social and economic impacts from the Coronavirus Disease to the City's business establishments and residents, on June 2, 2020, City Council approved Urgency Ordinance 2020-15 which temporarily suspended permit requirements and development standards for outdoor activities for dining patios and places of religious assembly, as well as a waiver of valet parking requirements. The ordinance was approved for a period of six months with the potential for City Council to extend it as needed. Similarly, on July 21, 2020, City Council approved another urgency measure (Urgency Ordinance 2020-16) that suspended the permit requirements and development standards for outdoor activities and parking requirements applicable to retail sales and service businesses. The ordinance was approved for a period of six months with the potential for City Council to extend as needed. Under both ordinances, certain outdoor activities required City issuance of a Temporary Use Permit (TUP), for example the establishment of outdoor dining within a parking lot.

On November 4, 2020 and as a result of continuing pandemic conditions, the City Council further extended the aforementioned urgency ordinances for approximately one-year, to expire on December 31, 2021. Since the adoption of the urgency ordinances, the City has issued over 60 TUPs.

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ANALYSIS:

The State of California Public Health Officer recently issued the <u>Beyond the Blueprint</u> order, which accounted for the State entering into a new phase of the COVID-19 pandemic and reiterated that California should remain vigilant against COVID and its variants especially given high levels of transmission in other parts of the world. The state of emergency as declared by California's Governor remains in effect and COVID-19 remains a concern to public health.

Pursuant to the most recent <u>County of Orange Health Officer's Orders and Strong Recommendations</u> (September 28, 2021), the physical and social distancing requirements for businesses, with a few exceptions, have now been lifted. As a result, many of the City's restaurants, churches, and other businesses that were allowed to conduct outdoor activities during the pandemic are slowly returning to pre-pandemic interior operating conditions. However, based on evolving public health conditions, including virus variants, there is still uncertainty as to how the spread and impacts of the virus may continue. In addition, *economic recovery* from the COVID-19 pandemic is ongoing. Therefore, staff is recommending that the previously approved urgency ordinances be extended for an additional year, to expire on December 31, 2022. These extensions would be adopted by urgency ordinance and would be effective immediately. The draft ordinances are attached.

While the impetus for allowing greater flexibility in regulations surrounding outdoor uses began in response to the pandemic, it is clear that many of the City's local restaurants and other business establishments have benefited from the outdoor activities allowed under the City's adopted urgency measures. These activities have also contributed to a renewed community enthusiasm for outdoor dining. As such, staff recommends that (concurrent with the extension of the temporary urgency ordinances) the City Council consider directing staff to further investigate opportunities to allow for some of the subject outdoor business activities to remain permanently. This effort would focus on crafting creative solutions that would allow Costa Mesa businesses and residents to celebrate our local outdoor dining culture, better activate Costa Mesa streets and pedestrian activity, maintain pedestrian safety, maintain the attractiveness of the City's public rights-of way, foster neighborhood interaction and support local businesses and employment. The goal would be to facilitate greater opportunities for restaurant establishments to offer "al fresco" customer dining experiences while minimizing potential community impacts. Staff would return to the City Council in 2022 with specific recommendations for modifications to City regulations and programs that incentivize outdoor dining and other similar business activities.

ALTERNATIVES:

The City Council can determine that they do not wish to extend one or both of the ordinances. Additionally, the City Council can decide not to further investigate or consider more permanent outdoor dining regulations.

FISCAL REVIEW:

There is no direct impact to the City's General Fund. However, these Ordinances are intended to assist businesses in Costa Mesa to continue operating during the COVID-19 pandemic, subject to compliance with State and local public health regulations, which would ultimately have a fiscal benefit

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to the City through sales tax.

LEGAL REVIEW:

The City Attorney's Office has reviewed this staff report and the attached urgency ordinances and approves them as to form.

CITY COUNCIL GOALS AND PRIORITIES:

- Achieve long-term fiscal sustainability
- Strengthen the public's safety and improve the quality of life

CONCLUSION:

Staff recommends that the City Council extend Urgency Ordinances 2020-15 and 2020-16 for one-year to expire on December 31, 2022 and to direct staff to return to the City Council with specific recommendations that would allow for and incentivize outdoor dining and other similar activities on a more permanent basis. If the City Council concurs with these forthcoming recommendations, the next step would be for the Council to direct staff to forward the draft provisions to the Planning Commission in the form of a Code amendment and for the Planning Commission to make a recommendation to the City Council for adoption.