



City of Huntington Beach

File #: 20-2090

MEETING DATE: 12/21/2020

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Ursula Luna-Reynosa, Director of Community Development

Subject:

Consider an extension of the Temporary Closure of the Second and Third Blocks of Main Street to Vehicular Traffic through next Labor Day (September 6, 2021)

Statement of Issue:

On November 16, 2020, the City Council considered a request from the Downtown Business Improvement District (BID) to extend the temporary closure of the second and third blocks of Main Street to vehicular traffic to allow downtown businesses the opportunity to continue operating outdoors to meet physical distancing requirements in a safe manner due to the COVID-19 pandemic. During their discussion, Council Members expressed the need to extend the closure, possibly to next Labor Day or the end of the calendar year. The City Council extended the closure to February 28, 2021, and stressed the importance of allowing the new City Council to make these important, longer-term decisions, requesting that the item be agendaized for further discussion and direction on December 21, 2020 (Attachment 1). Additionally, on December 7, 2020, a new State-mandated stay-at-home order took effect suspending both indoor and outdoor dining for at least three weeks. These current State orders illustrate how businesses are facing significant continued uncertainty as in-person dining restrictions may be extended further or re-imposed in the future if COVID case metrics do not improve. Therefore, staff is recommending that the City Council authorize the second and third blocks of Main Street to remain closed to vehicular traffic through Labor Day 2021.

Financial Impact:

There are no direct costs to the City if the City Council extends the temporary closure. If the closure does result in increased sales for the businesses, then there would be a nominal positive, corresponding fiscal impact to the City's General Fund via sales tax revenue.

Recommended Action:

Authorize the City Manager to continue the temporary closure of the second and third blocks of Main Street to vehicular traffic to accommodate outdoor dining and retail in the public right-of-way until September 6, 2021.

Alternative Action(s):

(A) Do not authorize an extension of the temporary street closure and direct that Main Street reopen to vehicular traffic effective March 1, 2021.

(B) Authorize an extension of the temporary street closure past March 1, 2021, and select an alternative date to extend the temporary closure.

Analysis:

On November 16, 2020, the City Council considered a request from the Downtown Business Improvement District (BID) to extend the temporary closure of the second and third blocks of Main Street to vehicular traffic to allow downtown businesses the opportunity to continue operating outdoors to meet physical distancing requirements in a safe manner due to the COVID-19 pandemic. During their discussion, Council Members expressed the need to extend the closure, possibly to next Labor Day or the end of the calendar year. There was also discussion about whether the first block of Main Street should be closed to vehicular traffic and/or if the third block should be reopened to vehicular traffic. The City Council extended the closure to February 28, 2021, and stressed the importance of allowing the new City Council to make these important, longer-term decisions, requesting that the item be agendaized for further discussion and direction on December 21, 2020 (Attachment 1).

Subsequently, on December 7, 2020, a new State-mandated stay-at-home order took effect suspending both indoor and outdoor dining for at least three weeks. These current State orders illustrate how businesses are facing significant continued uncertainty as in-person dining restrictions may be extended further or re-imposed in the future if COVID case metrics do not improve. Therefore, staff is recommending that the City Council authorize the second and third blocks of Main Street to remain closed to vehicular traffic through Labor Day 2021. If approved, this would give merchants certainty that this space will remain available through the pandemic in this otherwise highly uncertain time. This issue of uncertainty, where businesses do not have a definitive end date of when temporary outdoor activity is to cease being allowed, was raised by the Economic Recovery Task Force. Task Force members argued that it is difficult to make significant investments when you don't have a certain, guaranteed amount of time to get a return on investment (ROI). Discussion occurred that the City Council could select an outside date, regardless of whether the pandemic is still occurring, to provide enough time and certainty to allow a ROI. This input was considered in staff's recommendation.

During this last year as businesses have been so significantly impacted by pandemic restrictions, staff has begun exploring strategies to support downtown merchants in the long term after COVID-19. For example, staff revisited the idea of improving wayfinding and the pedestrian experience between Main Street, Pacific City, and the hotels located on Pacific Coast Highway to increase pedestrian traffic among these businesses. A concept plan was prepared in August 2019, which is attached to this staff report to demonstrate some potential ideas (Attachment 2). Also, the temporary closure of the second and third blocks of Main Street has been well received by the community for the more family-friendly downtown dining experience it has created and a more favorable business

climate for restaurateurs, particularly those on the second block, which have indicated increased sales when comparing summer 2020 to summer 2019.

The temperate climate of Huntington Beach and downtown's proximity to the Pacific Ocean make it an interesting area to study for year-round, permanent outdoor dining. Staff proposes engaging the services of an urban design firm to study alternatives for better pedestrian connectivity between downtown and the hotels/Pacific City, and a more permanent pedestrian and outdoor dining format for Main Street. Staff is also exploring the feasibility of forming a community benefit district for downtown property owners, which districts have proven to be highly successful in other communities, particularly for financing and maintaining physical improvements in business and tourism areas as well as promoting the districts offerings. Staff will report to the Council on the progress of each of these initiatives over the coming months.

Environmental Status:

The project is exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15304(e), because the proposed project consists of a minor temporary use having negligible or no permanent effects on the environment. The proposed project would not have a negative effect on biologically sensitive resources, and there is no evidence of any unusual environmental circumstances that might give rise to a reasonable possibility that the project will have a significant effect on the environment.

Strategic Plan Goal:

Non-Applicable - Administrative Item

Attachment(s):

1. November 16, 2020 RCA
2. Environmental Graphics & Wayfinding Concept Package