



Legislation Details (With Text)

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Title: Considering the Duration of the Closure of the Second and Third Block of Main Street for Restaurant / Retail Use During the COVID-19 Pandemic

Attachments: 1. Att#1 HBBID Ask Letter 2nd Block Extended Closure 9.1.pdf, 2. Att#2 2nd Block Support for Extended Closure, 3. SC Hopkins #28 Maps 09042020, 4. SC Borrego #28 09042020, 5. SC Hall #28 09042020, 6. 09.08.20 SC Main Street Block Closures PPT, 7. 09.08.20 SC Emails

Date	Ver.	Action By	Action	Result
9/8/2020	1	City Council/Public Financing Authority	substitute	Fail
9/8/2020	1	City Council/Public Financing Authority	approved	Pass

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Travis K. Hopkins, Assistant City Manager

Subject:

Considering the Duration of the Closure of the Second and Third Block of Main Street for Restaurant / Retail Use During the COVID-19 Pandemic

Statement of Issue:

On July 1, 2020, Governor Newsom ordered the closure of indoor operations for restaurants, personal care services, hair salons, and other select businesses, in response to an increase in coronavirus cases statewide. To help ease the impact of these restrictions on the Huntington Beach business community, the City developed a Temporary Emergency Use Permit program, whereby businesses could apply to expand their operations outdoors. Additionally, on July 6, 2020, the City Council directed the City Manager to temporarily close the 2nd block of Main Street to provide greater opportunity for downtown businesses to operate outdoors. After a successful pilot program on the 2nd block that increased business and pedestrian activity in the area, particularly for dining establishments, the City Council further directed on August 3, 2020, that the City Manager expand the street closure program and temporarily shut down the 3rd block of Main Street. These measures were directed to be short-term in duration, and that the street would be reopen to vehicular traffic when the State permitted indoor restaurant operations to resume.

Recently, the City has received competing requests regarding the closure of the 2nd block and 3rd block of Main Street. First, the Downtown Business Improvement District (BID) has asked that the

City extend the closure of the 2nd block of Main Street until December 31, 2020.

Additionally, we have received requests from certain retail businesses on the 3rd block of Main Street that the road be reopened to vehicular traffic. Concurrently, we have received competing requests that the 3rd block of Main Street remain closed in coordination with the decisions made on the 2nd block.

Financial Impact:

The fiscal impact to continuing or modifying downtown street closures and expanded outdoor operations is minimal. City staff time is required to process permit requests, conduct necessary inspections, install and maintain the safety bollards and closure barricades for the street closure, and patrol the area for compliance with COVID-19 related health and safety guidelines.

Recommended Action:

A) The City Council is being asked to choose one of the following options for the 2nd block of Main Street:

1. Authorize the City Manager to extend the temporary closure of the 2nd block of Main Street through at least December 31, 2020;

-or-

2. Direct that the existing determination for the 2nd block of Main Street (i.e., that the street be reopened to vehicular traffic once indoor restaurant dining is allowed) be maintained.

B) The City Council is being asked to choose one of the following options for the 3rd block of Main Street:

- 1) Maintain the 3rd block closure of Main Street to vehicle traffic in coordination with the determination made on the 2nd block of Main Street;

-or-

- 2) Reopen the 3rd block of Main Street to vehicular traffic, while also allowing restaurants and commercial operations to continue utilizing parking spaces and / or walkways for business expansion purposes.

Alternative Action(s):

Do not approve the recommended actions and provide staff with alternative direction.

Analysis:

Following Governor Newsom's July 1, 2020, order restricting many types of indoor business activities, including restaurant and retail operations, the City Council approved the creation of an expedited Temporary Emergency Use Permit program to help businesses across the city expand their operations outdoors to reduce the economic toll of COVID-19. Across Huntington Beach, the program has been well received with over 80 businesses having applied for a Temporary Emergency Use Permit.

In the downtown area specifically, 17 businesses have expanded their operations outdoors following the closure of the 2nd and 3rd blocks of Main Street. These measures were intended to be temporary in duration and to be reevaluated, as needed, based on changing State and County business regulations.

Due to the success of the 2nd block street closure, which has resulted in increased business activity (particularly for dining establishments), the BID has submitted a letter showing the support of 19 downtown businesses requesting that the street closure be extended until at least the end of the calendar year.

Against the success of the 2nd block closure of Main Street, the 3rd block closure has been met with mixed results, as there are fewer dining establishments and more retail businesses on that section of the street. Restaurants have largely reported a positive increase in revenue, while retail store operators have shared that they have been negatively impacted since the street closure. Due to this downturn in retail, the retail business owners have requested that the City reevaluate its decision to close the street. If the City Council were to direct that the street be reopened, it would be possible to institute a modified approach on the 3rd block that would allow for the reopening of the street to vehicular traffic, while also allowing businesses the option of using the parking spaces and / or walkways in front of their operations for expanding their business functions.

Environmental Status:

Not applicable.

Strategic Plan Goal:

Strengthen long-term financial and economic sustainability

Attachment(s):

1. Letter from the Huntington Beach Downtown BID Ask Letter Sept 1, 2020
2. Huntington Beach Downtown BID Poll results.