

#### SOPHIE HAHN

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> CONSENT CALENDAR June 2, 2020

**To:** Honorable Members of the City Council

From: Vice Mayor Sophie Hahn (Author), Mayor Jesse Arreguin (Co-Sponsor),

Councilmember Rigel Robinson (Co-Sponsor), and Councilmember Kate

Harrison (Co-Sponsor)

**Subject:** Berkeley Safe Open Air Dining

#### RECOMMENDATION

- 1. Direct the City Manager to explore and, if and when safe and feasible, identify locations throughout Berkeley, including but not limited to wide sidewalks, street medians, building curtilages, surface lots, public parking areas, and parks, for the placement of tables and chairs to be used for open air dining to support restaurants, cafes, food shops, and other small businesses impacted by the COVID-19 emergency. The City Manager is recommended to consider pursuing the procurement of such tables and chairs via public grants and/or philanthropic sources. The City Manager is further recommended to partner with the Berkeley Chamber, Downtown Berkeley Association, and local business improvement districts (BIDs) to develop protocols related to sanitation, upkeep, and storage.
- 2. Direct the City Manager to return to Council with recommendations for an ordinance that anticipates future revisions of Berkeley health guidelines to provide local businesses, particularly restaurants, cafes, and food shops, to access public space and private adjacent property for open air operations, with the following considerations:
  - a. Allow businesses and BIDs to apply for temporary use of streets, surface lots, public parking spaces, public recreation space, and adjacent parcels for outdoor dining that will enable compliance with public health dictates for physical separation.
    - i. To eliminate financial burden and fees on small businesses, consider:
      - use of federal reimbursement or funding to cover application costs, or
      - 2. "by right" permit in designated geographic locations that will not require additional processing.
    - ii. Waive any sidewalk cafe permits/fees to allow restaurants and other appropriate businesses to operate outside seating and service for customers who comply with Berkeley health guidelines.

iii. Work with the Berkeley Chamber, Downtown Berkeley Association, and Berkeley's BIDs to identify ideal geographic locations for use of streets, surface lots, public parking spaces, public recreation space, and adjacent parcels for outdoor food business activities, including outdoor restaurants and cafes.

### BACKGROUND

In response to the COVID-19 pandemic, Berkeley and six Bay Area jurisdictions announced an order directing residents to shelter at home beginning March 17. Among other things, the order prohibited in-person restaurant dining. While necessary for the safety of employees and the public, the order has led to a significant decrease in revenues for Berkeley's local restaurants, cafes, and food shops, resulting in layoffs and, in some cases, closures.

According to a recent analysis, the COVID-19 pandemic could result in the loss of 78% of food-related jobs in the San Francisco/Oakland/Berkeley metropolitan area.<sup>1</sup> In addition to the human cost, the shutdown has had a devastating impact on City finances. As of 2018, the food and beverage subsector was the largest contributor to Berkeley's sales tax revenue (34.5%).<sup>2</sup> The shelter in place order will have a severe impact on city revenues in FY 2021, as the full year's projections may have to be revised down by 15% or more.<sup>3</sup> Moreover, an extended impact on the overall economy will also reduce restaurant sales and could further impact Berkeley's sales tax revenue stream next year and beyond.<sup>4</sup>

Since the outbreak of COVID-19 and subsequent health orders, cities around the world, from Vilnius<sup>5</sup> to New York<sup>6</sup> to San Jose,<sup>7</sup> have taken steps to reimagine their use of public space for outdoor seating and dining, ensuring adequate social distance to protect the public and employees. Such initiatives recognize the vital role that restaurants play in cities. "The benefit of having good restaurants outweighs just their tax benefits. They are the anchors of communities. They support tourism and the neighborhood they are in."

Although the future is uncertain, it is likely that health orders limiting indoor dining will remain in effect for many more weeks, if not longer. While necessary for public health, these orders put

 $\underline{https://www.cityofberkeley.info/uploadedFiles/Manager/Economic\_Development/Attachment1\_CitywideEconDashboard(1).pdf}\\$ 

<sup>&</sup>lt;sup>1</sup> https://www.pacific.edu/documents/school-business/BFC/Covid19Reports/SF-OaklandMSA\_COVID19\_Pageb.pdf

<sup>3</sup> https://www.cityofberkeley.info/uploadedFiles/Clerk/20200427%20FY21%20Budget%20Update.pdf

https://www.cityofberkeley.info/uploadedFiles/Clerk/20200427%20FY21%20Budget%20Update.pdf

<sup>&</sup>lt;sup>5</sup> https://www.theguardian.com/world/2020/apr/28/lithuanian-capital-to-be-turned-into-vast-open-air-cafe-vilnius

<sup>&</sup>lt;sup>6</sup> https://nypost.com/2020/05/10/al-fresco-dining-may-be-key-to-nycs-restaurants-reopening/

<sup>&</sup>lt;sup>7</sup> https://www.sfchronicle.com/bayarea/article/San-Jose-leaders-push-for-outdoor-dining-to-15260353.php?t=5e4409aec0

<sup>&</sup>lt;sup>8</sup> https://www.nytimes.com/2020/05/07/us/coronavirus-restaurants-closings.html

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severe financial strain on restaurants and other local food establishments. A creative approach, consistent with health and safety protocols, is necessary to ensure that our small restaurants, cafes, and shops are able to recover from this shutdown, and that Berkeley's food and dining community is once again able to thrive.

# **FINANCIAL IMPLICATIONS**

Potential cost of procuring tables and chairs, and ensuring their upkeep and cleaning.

## **CONTACT INFORMATION**

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