



## Staff Report

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File #: REPORT 21-0771, Version: 1

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Honorable Mayor and Members of the Hermosa Beach City Council  
Regular Meeting of December 14, 2021

### **EXTENSION OF TEMPORARY OUTDOOR PERMIT PROGRAMS AND DOWNTOWN LANE RECONFIGURATION AND PLAN FOR DEVELOPING PERMANENT PROGRAMS**

(Environmental Programs Manager Doug Krauss)

#### **Recommended Action:**

Staff recommends City Council:

1. Introduce and adopt by four-fifths vote Ordinance No. 21-XXXU titled, "An Urgency Ordinance of the City of Hermosa Beach, California, Extending a Temporary Permit Program for Outdoor Dining/Seating and Outdoor Retail Display to Assist Restaurants, Food, and Retail Establishments During Covid-19; and Extending Temporary Lane Closures to Accommodate Outdoor Permits; and, Setting Forth the Facts Constituting Such Urgency;
2. Receive and provide feedback on the proposed planning and implementation schedule for permanent versions of the outdoor permit and downtown lane reconfiguration programs; and
3. Appropriate \$60,000 from the Capital Improvement Fund to fund consultant services to perform the necessary California Environmental Quality Act (CEQA) analysis for the proposed permanent programs.

#### **Executive Summary:**

At its October 26, 2021 meeting, City Council provided staff with direction to develop permanent versions of the outdoor dining and downtown lane reconfiguration programs. This direction included returning to Council before the end of the year to temporarily extend the programs and provide an implementation plan detailing next steps and timelines for program development.

#### **Background:**

##### **Expanded Outdoor Dining and Retail**

The City has long supported and encouraged outdoor dining on private and public property to supplement indoor operations. With the onset of the pandemic and related health orders, businesses were limited to conducting business outdoors. Recognizing this hardship, City Council approved a program to allow expanded outdoor dining and other commercial activity. The City also suspended zoning and parking requirements that allow outdoor dining on private property and established a temporary encroachment permit program allowing encroachments into sidewalks, public streets, and Pier Plaza. Both the private property programs and encroachment program (together, the "Outdoor

Permit Program”) include a basic set of guidelines. These guidelines include:

- Business hours no later than 11:00 P.M.;
- Temporary furnishings to be brought in every night;
- Cleanliness;
- Alcohol service only with food; and
- Insurance maintained by permittees.

The City has issued over 60 permits during the term of the Outdoor Permit Program in a variety of commercial locations. To date, City Council has allowed these uses without consideration of any encroachment area rents or reimbursement of lost parking meter revenue. Pursuant to the urgency ordinances that established and later extended the Outdoor Permit Program, the program would remain in effect until terminated or superseded by ordinance. In June 2021, Council approved extension of this pilot program through December 31, 2021 and authorized implementation of a reapplication process for outdoor dining areas that included:

- Renewal of applicants’ permissions from neighboring businesses where decks encroach upon the frontage of these other businesses. This renewal served to reconfirm cooperation and coordination between businesses, especially in light of changing situations regarding health orders, capacities, etc.; and
- Requirement of a surety bond or deposit to fund any City costs related to deck removal in the event of maintenance emergencies or abandonment.

### **Lane Reconfiguration**

At the May 12, 2020 City Council meeting, City staff presented an item describing a concept to repurpose sections of public right of way to improve multimodal traffic safety and expand physical-distancing options for the public and businesses per Los Angeles County Health orders related to the COVID-19 pandemic. The City Council moved quickly to accommodate these programs and staff developed guidelines based on information gathered from existing programs in other cities and internal review of policies and regulations.

City Council directed staff to work with the Economic Development Committee (EDC) to explore aspects of the program that could directly benefit local businesses. At meetings in August and September 2020, Council directed staff to move forward with designs of lane reconfiguration concepts for both Hermosa Avenue and Pier Avenue. These concepts included removing one through vehicle lane in each direction, addition of a bike lane, installation of nine new on-street ADA accessible parking spots, and associated signage and pavement markings (hereafter, the “Downtown Lane Reconfiguration Program”). At the October 27, 2020 meeting, Council awarded a contract to perform the work. Work began in early January 2021 and was completed by January 16, 2021. As directed by Council, the lane reconfiguration was to be in place for at least six months starting from

the completion date of the work and was to, therefore, operate until July 2021. At the July 13, 2021 meeting, Council approved a Resolution extending the Downtown Lane Reconfiguration Program through the end of the year.

### ***Past Council Actions***

<b>Meeting Date</b>	<b>Description</b>
June 9, 2020	Approved Ordinance 20-1410U allowing temporary permit program for outdoor dining in response to pandemic.
July 14, 2020	Directed staff to proceed with development of lane closure plans.
August 11, 2020	Chose a lane reconfiguration concept for Hermosa Avenue, extended it to 8 <sup>th</sup> Street, authorized the City Manager to implement lane reconfiguration, and provided a six-month duration.
September 8, 2020	Chose a lane reconfiguration concept for Pier Avenue.
October 27, 2020	Awarded contract for construction of lane reconfigurations.
June 22, 2021	Approved extension of the outdoor permit program through December 31, 2021.
July 13, 2021	Approved Resolution authorizing extension of lane reconfigurations.
October 26, 2021	Approved development and implementation of permanent versions of these programs.

### **Discussion:**

As directed by Council at its October 26, 2021 meeting, staff developed a proposed planning and implementation schedule to develop permanent versions of the Outdoor Permit Program and Downtown Lane Reconfiguration Program. The schedule begins with an urgency ordinance temporarily extending the programs, which in turn would allow more time to develop the proper administrative, funding, and legislative mechanisms to allow permanent programs (**Attachment 1**). The administrative functions would likely include: municipal code amendments for commercial encroachment into the right-of-way and zoning code changes; establishment of encroachment fees; maintenance and improvements to the right-of-way; and programs to address the loss of public parking through alternative transportation and parking management strategies.

The proposed urgency ordinance would extend the programs for an additional six months through May 31, 2022. Should additional temporary extensions be necessary before establishment of the permanent authorizations, staff would work with the City Attorney to bring these to Council.

The table below summarizes the proposed planning and implementation schedule (**Attachment 2**), which provides a rough framework of the tasks necessary to develop permanent programs. Staff would continue to provide additional information on these necessary steps as the process gets underway. For instance, staff does not fully understand the timeframe and approach to the CEQA

analysis until we have retained a consultant to begin the work. Staff has also initiated development of a scope of work to solicit proposals from consultants that can assist with program development. The final scope would be shaped, in part, by the CEQA analysis. A plan for broad community outreach is currently uncertain as it is dependent on the progress on other tasks, as well as feedback from key stakeholders including committees and commissions.

Task	Performed By	Timeline	Cost
CEQA Analysis	Existing bench consultant(s), City Attorney	Begin immediately. 3-4 months	Approximately \$60,000
Initial Encroachment Fee Schedule to Council	City staff	Spring 2022	Staff time
Municipal Code Amendments to Council (and/or Commissions, as appropriate)	City staff/consultants	Begin immediately. 3-6 months	Staff time Consultant cost to be determined. Would be informed by CEQA analysis.
Coastal Commission Coordination and permitting	City staff	Ongoing	Staff time and CEQA consultant work
Stakeholder Meetings	City staff, EDC, and community stakeholders	Immediate and ongoing	Staff time
Program Design Standards brought to Council (or Commissions, as appropriate)	City Staff/consultants	Begin Spring 2022. 6-month duration	Staff time Consultant cost to be determined.
Public Outreach and surveys	City staff/consultants	Immediate, and ongoing	To be determined
Final Implementation	City staff	First quarter of 2023	Staff time
Ongoing Monitoring	City staff	Indefinite, upon completion	Staff time

### **General Plan Consistency:**

The proposed program options match the model of “living streets”, also known as “complete streets”, and a key guiding principle of the General Plan Vision is to foster a vibrant local economy. A living street combines safety and livability while supporting ground floor and outdoor economic activities. This centers on designing streets that can be safely shared by both vehicular and non-vehicular traffic. A living street should also contribute to an engaging public realm and a vibrant local economy.

Relevant Goals and Policies are listed below:

### *Governance Element*

#### **Goal 6. A broad-based and long-term economic development strategy for Hermosa Beach that supports existing businesses while attracting new business and tourism.**

Policies:

- **6.4 Business support.** Support the Chamber of Commerce, retailers, tourist service businesses, artists, and other agencies to develop an aggressive marketing strategy with implementation procedures.
- **6.6 Pop-up shops.** Develop plans and programs for underutilized spaces, such as vacant buildings, utility corridors, parkways, etc., for temporary retail, restaurant, and community promoting uses.

### *Mobility Element*

#### **Goal 1. Complete Streets (Living Streets) that serve the diverse functions of mobility, commerce, recreation, and community engagement for all users whether they travel by walking, bicycling, transit, or driving.**

Policy:

- **1.1 Consider all modes.** Require the planning, design, and construction of all new and existing transportation projects to consider the needs of all modes of travel to create safe, livable and inviting environments for all users of the system.

#### **Goal 7. A transportation system that results in zero transportation-related fatalities and which minimizes injuries.**

Policy:

- **7.1 Safe public rights-of-way.** Encourage that all public rights-of-way are for all users at all times of day where users of all ages and ability feel comfortable participating in both motorized and non-motorized travel.

### **Fiscal Impact:**

Staff recommends appropriation of \$60,000 to a new Capital Improvement Project Study 197, Hermosa Shared Streets Project to fund the consultant work to perform the CEQA analysis. Staff would return with updates and further information concerning additional costs for implementing permanent programs in the near future.

### **Attachments:**

1. Urgency Ordinance
2. Planning and Implementation Schedule

**Respectfully Submitted by:** Douglas Krauss, Environmental Program Manager

**Concur:** Ken Robertson, Community Development Director

**Noted for Fiscal Impact:** Viki Copeland, Finance Director

**Legal Review:** Mike Jenkins, City Attorney

**Approved:** Suja Lowenthal, City Manager