



Legislation Details (With Text)

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Title: Recommendation to request City Manager to work with the Department of Financial Management and the Economic Development Department to explore the feasibility of deploying tools and resources necessary to ensure retail businesses and restaurants can successfully and safely reopen.

Sponsors: COUNCILMEMBER REX RICHARDSON, NINTH DISTRICT, COUNCILWOMAN MARY ZENDEJAS, FIRST DISTRICT, COUNCILWOMAN STACY MUNGO, FIFTH DISTRICT, COUNCILMEMBER ROBERTO URANGA, SEVENTH DISTRICT

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| Date | Ver. | Action By | Action | Result |
|----------|------|--------------|------------------------|--------|
| 6/9/2020 | 1 | City Council | approve recommendation | Pass |

Recommendation to request City Manager to work with the Department of Financial Management and the Economic Development Department to explore the feasibility of deploying tools and resources necessary to ensure retail businesses and restaurants can successfully and safely reopen.

Such as:

- A queueing management system to alleviate lines and waiting areas for retail,
- Regulation of third-party delivery platform fees to help local restaurants, and
- Compliance education and technical support for small businesses

On Wednesday, May 27, 2020, the City of Long Beach announced the reopening of in-store retail and office-based businesses with prescribed restrictions to prevent the spread of COVID-19. While this reopening is in alignment with the State of California and Los Angeles County, the Los Angeles County awaits pending State to allow limited seating in restaurants and the reopening of hair salons, moving further into Stage 2 of the California Resilience Roadmap.

It is imperative that as more business establishments reopen, they are equipped with the tools necessary to ensure the safety and well-being of their employees and customers, and they can successfully operate under the changing health orders.

Queueing Management System

The revised health order restricts in-store retail to up to 50% of its maximum capacity, which can cause long lines, often seen at grocery stores and markets. By deploying a queueing

management system for local businesses, consumers can access real-time updates on a store's capacity and wait times. Access to this kind of infrastructure would enhance social distancing during the in-store experience.

A queuing management system can control store traffic, alleviate long lines, and inform a customer of when they are next in the queue for service. A queuing system offers a modern tool for business activity, which will benefit the business and its patrons.

Third-Party Delivery Platforms

To remain active during the COVID-19 pandemic, restaurants have had to rely on robust takeout and delivery services, often utilizing third-party platforms to meet the demand. While third-party applications, such as Uber Eats, DoorDash, Grubhub, and Postmates offer great convenience to both the business and consumer, service fees of almost 30 percent obstruct businesses from profiting from their sales.

The recommendation to examine regulating third-party delivery platforms was proposed during the April 30, 2020, Special Meeting of the Economic Development & Finance Committee on "Reopening the Economy." Cities such as New York, San Francisco, and Los Angeles have enacted legislation to cap delivery app fees at a certain percentage of the total transaction to prevent price gouging. While many restaurants consider permanent closures, the City must provide the resources and tools necessary to ensure a successful and productive reopening.

Education & Outreach Materials

Lastly, Staff should consider making literature and training available to our different business establishments to remain current on the changing health order. Discussing best practices can also assist entrepreneurs in pursuing a thoughtful, responsible reopening during the COVID-19 pandemic.

Statement of Urgency

Council consideration is especially timely as the City announces the reopening of more businesses.

No Financial Management review was able to be conducted due to the urgency and time sensitivity of this item.

Approve recommendation.

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