



Legislation Text

File #: 20-1229, Version: 1

Recommendation to receive and file a report on the Restaurant Retention Strategy and provide input and policy direction to staff on economic relief strategies for independent, full-service restaurants, with an emphasis on equity, designed to improve the economic survival of restaurants impacted by the COVID-19 pandemic across Long Beach. (Citywide)

On August 18, 2020, the City Council directed the City Manager to work with the Financial Management Department to waive user fees and charges for the most vulnerable Long Beach, independent, full-service restaurants, with an emphasis on equity, from March 1, 2020 through March 31, 2021; and, requested the Director of Economic Development and other appropriate departments to develop a Long Beach Restaurant Retention Plan, designed to improve the economic survival of restaurants across Long Beach impacted by the COVID-19 pandemic.

Since that time, the City Council approved a series of individual recommendations from the City Manager to assist small businesses impacted by the COVID-19 pandemic including the extension of the eviction moratorium, implementation of an outdoor dining program, and a series small business grant programs funded by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Specifically related to the above action, on November 17, 2020, the City Council approved a recommendation to allow payment deferral of business license taxes and fees until March 31, 2021; and, approved a recommendation to provide grants to businesses to offset business license taxes and fees for those businesses closed or materially restricted and impacted for an extended period of time due to Health Orders restrictions with an estimated and maximum cost of \$1.3 million plus administrative costs of \$75,000.

Economic Development and Finance Committee

The purpose of the Economic Development and Finance Committee (Committee) is to review and recommend policies to the City Council for the growth of the local economy. On December 1, 2020, the Committee met to receive and file a report from staff regarding the restaurant and bar retention program requested by the City Council, and to refer to the City Council a recommendation for the City Manager to work with staff from the Economic Development Department to prepare a restaurant resiliency strategy to help locally-owned, full-service, sit-down restaurant owners survive the economic hardship caused by COVID-19. In addition to the background information presented to the Committee at the meeting, the Committee approved the recommendation to refer this item to the City Council on December 8th agenda, with the following priorities included for City Council consideration:

1. Develop a comprehensive Restaurant Retention Strategy addressing immediate and urgent items, including key performance measures to promote retention and limit job losses.
2. Make the application and approval process for outdoor dining and permanent parklets less than 45 days.
3. Approve an Urgency Ordinance for the cap on online, app-based, delivery fees charged to restaurants at 15 percent.
4. Adopt a Resolution to prioritize restaurants in the next round of federal stimulus as part of the City legislative agenda.
5. Provide regular public reporting on the distribution of CARES Act funds including the original budgeted amount, funds committed, distributed, and remaining; and, identify available funding to reallocate to restaurants experiencing the greatest impacts of COVID-19.

Since August 18, 2020, staff conducted outreach to restaurant industry experts, business associations, restaurant owners, and nonprofit community-based organizations impacted by the COVID-19 pandemic, to review best practices and recommended strategies for consideration by the City Council. In addition to the five priorities identified by the Committee on December 1, 2020, staff provided a presentation (Attachment) that summarizes these strategies for City Council consideration.

This matter was reviewed by Deputy City Attorney Monica J. Kilaita on December 3, 2020 and by Budget Management Officer Rhutu Amin Gharib on December 4, 2020.

STATEMENT OF URGENCY

Immediate City Council action is requested to provide staff with further input and policy direction on the next steps to provide immediate economic relief to restaurant owners impacted by the COVID-19 emergency.

EQUITY

The City has incorporated the Equity Toolkit in this recommendation, as requested by the City Council on April 21, 2020. For many, the pandemic has the potential to exacerbate existing racial, economic, health, education, and gender inequities. In response, the City will consider racial and economic equity and examine how the most vulnerable businesses to the impacts of COVID-19 will be affected. As much as possible, any spending allocations will be made equitably to address the greatest COVID vulnerability in priority areas.

City Council action is requested on December 8, 2020.

This recommendation is to review a report on the Restaurant Retention Strategy and to receive direction from City Council on economic relief and recovery strategies for restaurant owners. The actual fiscal impacts of the specific options in the Restaurant Retention Strategy are unknown at this time. Depending on City Council's input and policy direction on potential economic relief and recovery strategies, staff will return with the fiscal impact and cost estimates of any proposed strategy along with the staffing impact, which could range from low to significant depending on the item. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

THOMAS B. MODICA
CITY MANAGER