

ECONOMIC VITALITY COMMITTEE REPORT

January 20, 2022 Economic Development

TITLE: RECEIVE DOWNTOWN PARKLET PROGRAM UPDATE AND PROVIDE FEEDBACK ON DOWNTOWN PARKLET GRANT PROGRAM

BACKGROUND

In 2013, the City Council adopted the current Economic Development Strategic Plan which the Economic Vitality Committee uses as the foundation for its work. As noted below, included in the plan is a goal focused on sustaining Pleasanton's economic health so that the City can continue to provide high-quality public services and amenities supported by strategies to establish programs to improve the performance of small retail centers and recruit new types of retail development.

The City's Economic Development Strategic Plan comprises 3 focus areas:

- Priority Area A: Business Development and Communication
- Priority Area B: Built Environment and Workforce
- Priority Area C: Economic Health and Resilience

Priority Area C: Economic Health and Resilience

Businesses are an integral part of the Pleasanton community; from the jobs they provide for residents to the essential services and amenities supported by the revenues they generate. Business continuity was severely affected when the COVID-19 pandemic necessitated temporary closures and restrictions. To assist in retaining businesses that were experiencing financial loss of income due to the pandemic, the City developed a framework for a Business Assistance Program designed to share information and resources and provide relief to local businesses so they can bridge the gap until allowed to reopen and fully operate. The program is aligned with the goals and objectives of Priority Area C: Economic Health and Resilience so the City can continue to provide high quality public services and amenities for the benefit of the community. The assistance program has been in operation for 21 months. Through the Business Support Loan program, 115 businesses have received over \$1.3 million in financial assistance.

To provide additional business support, the City allowed businesses to temporarily expand dining and other business activities outdoors into private parking lots, sidewalks, and the public parking spaces – these temporary areas are known as "pop-ups." On July 20, 2021, the City Council discussed the existing temporary pop-ups, and advised that the program conclude at the end of the calendar year and directed staff to prepare a more formal parklet program. On December 21, 2021, the City Council was presented with a draft program (Link to Item 18) which the Council approved, with a few additional clarifications made regarding the width, wheel stop locations, and timing on January 4,

2022. The approved program includes guidelines related to parklet location, size, design, maintenance, and other considerations. The Council also discussed a permit process and fees. The Council directed staff to have the program operational as soon as possible so that businesses could install approved parklets beginning March 1, 2022. This will allow time for the City to conduct necessary and deferred street maintenance between January 10-February 28, 2022.

Also discussed at the December 21, 2021, Council meeting was potential financial assistance in the form of a grant to help businesses with the associated costs of a parklet, if approved for their business. Based on the City Council's direction, staff has drafted a Downtown Parklet Grant Program. In developing the draft program, staff researched similar existing grant programs and talked with staff at other cities who have offered grant programs for outdoor operations.

DISCUSSION

The proposed program is consistent with elements provided in similar grant programs, particularly the amount proposed, eligibility requirements, and restrictions.

Program Description

The program will reimburse eligible expenses incurred by the business related to the outdoor development, construction, and operation of a parklet. A parklet is defined as a longer-term installation within the public right-of-way, while maintaining safety, accessibility, and design standards consistent with the downtown district.

Grant Amount

Grants up to 50% of the total cost, not to exceed \$10,000 will be available for eligible expenses approved under the Downtown Parklet Program. Total funds allocated for the Downtown Parklet Grant Program will not exceed \$250,000.

Business Eligibility Requirements and Restrictions

Under the Downtown Parklet Grant Program, eligibility criteria include, but are not limited to:

- Be an approved parklet by the City of Pleasanton Community Development Department and Engineering Division (Parklet and Encroachments Permits issued)
- Be physically located in the City of Pleasanton Downtown District
- Possess an active City of Pleasanton Business License
- Be in good standing with the City and demonstrated compliance with the County Health Order
- Be an eating or drinking establishment (i.e., restaurant, bakery, bar, brewery, café, coffee/tea, etc.) or a retail establishment which sells goods/merchandise (considered on a case-by-case basis).

The following businesses are <u>not</u> eligible to apply:

- Corporately owned chain/franchise establishments
- Home-based businesses or hotels.

Eligible Expenses

Under the Downtown Parklet Grant Program, eligible expenses include, but are not limited to:

- Furniture
- Umbrellas or other City-approved weather protection
- Lights, heaters, etc.
- Construction materials
- Physical improvements or construction services to install the approved parklet
- Cost of architecture/design services limit of up to \$5,000.

Expenses <u>not</u> eligible for reimbursement include, but are not limited to:

- Business furniture that is not associated with and approved as part of the parklet permit (i.e., indoor furniture, back patio furniture, etc.)
- Façade and other site improvements not specifically listed or approved as part of the parklet permit
- Branded or sponsor-type products or structures

Process for Reimbursement of Expenses

Once a business is provided with formal approval to install a parklet by the City, the business can apply for the grant program by submitting an application and required documentation of expenses (i.e., invoices, receipts, etc.) to the Economic Development Department for review. Grants are provided as a reimbursement for qualified expenses.

<u>Timeline</u>

Applications will be accepted on a first-come, first-served basis beginning March 1, 2022. Businesses which have received approval in the Downtown Parklet Program may apply through March 1, 2023, until available funding has been exhausted, or until a date otherwise determined by the City Council.

The EVC is asked to provide input on the proposed Downtown Parklet Grant Program.

ACTION: RECEIVE DOWNTOWN PARKLET PROGRAM UPDATE AND PROVIDE FEEDBACK ON DOWNTOWN PARKLET GRANT PROGRAM