

From: Angela Pace
Sent: Thursday, May 21, 2020 5:16 PM
To: Monica Renn <mrenn@losgatosca.gov>; Experience LG <ExperienceLG@losgatosca.gov>
Subject: Re: The Towns is seeking your input!

Hello,

As the county is now preparing to allow more businesses to re-open, we understand that the Town of Los Gatos is considering closing the downtown corridor.

We've been only seeing one side of the discussion so we'd like to reach out and present a different viewpoint as we are NOT in support of closing Main Street or North Santa Cruz. Please consider the following:

1. Currently, because all dining rooms are closed, 100% of restaurant revenue is being generated through takeout, curbside pickup and delivery. Of these sales, the high majority comes from curbside and delivery. As such, it's reasonable to assume that non-face-to-face services such as curbside pickup and delivery are preferred because people are scared of the virus and want to have minimal person-to-person contact.
2. Closing main downtown streets effectively eliminates curbside pickup and creates a barrier to those who want takeout (i.e., they would have to find a parking space somewhere farther away, walk to the store while possibly coming into contact with others). Closing the streets will not help restaurants or retailers and we are opposed to any action that materially impacts the only revenue stream which has been consistent through this crisis.
3. When dining rooms are permitted to re-open, depending on the restaurant's layout, we're anticipating permitted occupancy to be 25%-50% of pre-Covid levels. If this is the case, restaurants need to turn a table 4 – 4.5 times a day to make up for the seats lost to physical distancing. We do not envision this being possible given the current environment.
4. Advocates of the street closure will contend that closing the street will provide restaurants with additional seating outside, thus making up for some of the inside seating that is "lost" due to social distancing requirements. However, the frontage of most restaurants will only allow for 2-4 tables on the sidewalk while still maintaining social distances. This is a far cry from making up for lost seats inside and will actually cause restaurants to incur additional costs in order to service those few outside tables.

The bottom line is that we do not believe it's prudent to close any downtown street and jeopardize our current sales through effectively eliminating curbside business and creating a barrier for takeout.

ATTACHMENT 2

The effort of (again) adjusting our operations, which includes incurring additional labor and other expenses, so we can adhere to new re-opening requirements will likely further erode our already slim margins. Simply, we believe that closing the streets will exacerbate matters and we are opposed to it.

Under "normal" circumstances, we understand there may be benefits of a walking downtown; however, things are currently far from "normal" and closing the street will not yield the same results. Historical data points of walking downtowns are not applicable during a pandemic.

With so much at stake, we propose that the Town consider the results of other cities/towns that have closed their main downtown street as part of their re-opening effort before making such a significant decision like closing our town.

Ideally, we propose that the Town designate parking along North Santa Cruz and Main Street to be for curbside/takeout (i.e., 5-10 min parking). Then people could just pick up their food and be on their way. In regards to retailers, this proposal would also help them as they're only permitted to do curbside pickup. The less barriers there are for customers, the better and we see having to park elsewhere and walk into downtown as a barrier.

If the Town decides to move forward with street closures, we would like to propose that this "test" be limited to 2 months and be available only on Mondays-Wednesdays. We would also like to see designated parking spaces that are solely for curbside pickup and takeout. Currently, there are a few signs placed randomly around Town but these are not nearly enough to accommodate the downtown restaurants and we would like to see more designated pickup parking spots should the Town decide to close North Santa Cruz and/or Main Street.

There is a broad range of views regarding this crisis and the prevention of further spread of the virus. Some people are refusing to wear masks while others will not venture into any area with another human being. With this, if the Town decides to close the streets, the Town should also then be responsible for providing a safe environment for our community as a whole. Thus, will the Town be enforcing social distancing requirements? Will the Town have barriers to clearly identify physical distances and protect diners on the sidewalk patios from foot traffic?

We understand that there is no easy answer but we hope that you consider all perspectives before making a decision like closing North Santa Cruz and Main Street which would immediately impact access to the only revenue source that all restaurants have (i.e., takeout/curbside).

Thanks for your consideration on this matter.

Regards,

Angela Pace
Owner - Blue Line Pizza

Current resident of Los Gatos/Monte Sereno (since 2002)
Resident of Saratoga from 1974-2001

Fan us at www.facebook.com/BlueLinePizza

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From: Aghazarian
Sent: Thursday, May 21, 2020 3:55 PM
To: Marcia Jensen <MJensen@losgatosca.gov>
Subject: Draft Los Gatos Cabana Company

Your Honor,

I have an idea to help Los Gatos that I want to run by you before investing time and monies.

Idea: Deliver goods and services from local businesses to LG parks and open spaces.

Example: A 10 foot "picnic circle" in the grass with a QR scan code that residents could use to order a burger delivered directly via bicycle delivery.

Or for increased isolation:

Rent a cabana and have food and drinks delivered.

Ways it might help:

- Create safe distance means to enjoy our town.
- Reduce traffic and people density in town by spreading out to parks.
- Increase commerce.
- Create jobs for our service workers.

How we might approach:

Label picnic/cabana locations so businesses know where to deliver goods and services.

Create a web portal (like door dash) to assist our businesses with digital transactions.

Create bike delivery jobs to bring goods fastest and without traffic slow downs.

Create LG Cabana company: 1. set up/maintain cabanas and picnic circles 2. Maintain QR code placements.

I would love to hear your thoughts and if you think the town could permit me to help.

Tony Aghazarian

Owner of a LG business

Los Gatos Town Council and Town Manager,

On behalf of the commercial property owners and small businesses of Los Gatos listed below, we take this opportunity to express our great concern regarding the delays in opening our Town for business. Time is of the essence as we are facing the largest economic crisis since the Great Depression. Your action and advocacy on behalf of the business community is critical to reverse the tide of this financial disaster.

None of us question the early actions taken by the County and Town to control and minimize the impacts of Covid-19 pandemic. We understand that the health and safety of our community is a priority. In conjunction with this priority, there has to be a complimentary commitment and prioritization to restoring business operations to lessen the financial burdens weighing on the business community. This is not a "one over the other" proposition, to the contrary, they are inherently linked. The wellbeing and dignity of the small business community depends upon the timely reopening of business in our Town. The small business community and their families derive their livelihood from the ability to operate their respective business. Without further easing of the County restrictions to allow for small business operations, most will not survive.

Our Town was a leader at the outbreak and now it is time to be a leader in reopening our local economy for business. Of critical concern is the County's demarcation between "essential" and "non-essential" businesses. What is at issue is the continued delay in allowing our small business owners to responsibly open their businesses to the public. The latest Order (dated May 18, 2020) from the Santa Clara County Health Officer provides for "Additional Business" (e.g. retail stores) to operate with curbside transactions as outlined in Appendix C-1 & C-2 of the Order commencing May 22, 2020. While this is a positive step, it is unrealistic to believe that curbside retail, as provided for in the Order, will provide any boost to the bottom line for retailers. In fact, we believe it does just the opposite in that the expenses associated with the operation of the business (i.e. utilities, employee wages, insurance, rent, etc...) will exceed any perceived financial benefit.

We believe that the small retail experience is a much safer environment for the public than the operations occurring at local grocery stores, Costco, Target, Walgreens and similarly designated "essential" businesses. Local business owners are uniquely suited to address and control their business environment to offer a safe experience. Small business owners will implement necessary precautions as directed by the County and Town to accommodate and ensure a safe experience. Additionally, customers will have their own expectations and standards for visiting a small business. To the extent a business owner fails to comply with the health standards, is not operating in a safe manner, or the customer is uncomfortable entering the premises, the customer will choose to delay the visit or shop elsewhere. The bottom line is that we need to entrust that our business community will comply with and implement those necessary safety standards to effectively operate their business and mitigate the risk to the community.

As the Town and surrounding cities in the County have rallied to flatten the curve of the pandemic, there remains an elevated sense of fear and anxiety in our community. Much of this is the result of the 24/7 news coverage and the mixed messaging we receive from media and government officials. The "at-risk" population (i.e. elderly and those with pre-existing conditions) know the severity of the risk associated with the virus and should continue to shelter-in-place. The rest of our population that are healthy and

desire to visit the small businesses in our Town must have the right to do so. Open our Town to allow our small business community to responsibly serve its customer base and curve the financial crisis upon us.

Respectfully Submitted,

List of Landlords and Small Business Owners

Los Gatos Investments, LLC	Los Gatos Shopping Center
West Main Properties, LLC	32 Gallon Investment
Vermont Building, LLC	Vargo Properties
40 NSCA, LLC	Marchese Properties
La Canada Investments, LLC	Kirkorian Enterprises
Farwell Family	Lester Square
Ed Rathmann	Kristi and Vance Driscoll
Willow Street Pizza	George Sorich, LLC
Main Street Burgers	March Development Company
Lexington House	Purple Onion
Rootstock Wine Bar	Garrett Station
Aldo's Café	Out of the Envelope
Enoteca La Storia	Cin-Cin Wine Bar & Restaurant
Bianco	Village Lane 1, LLC
Dry Walk	Sirlen, LLC
Rao Family Trust	Zona Rosa
Diane Speno	Opera House
Steamer's Restaurant	Los Gatos Plumbing Supply
Centonove	C.B. Concrete
PintxoPote Tapas & Wine Bar	Mountain Charley's
NorCal Strength Studio	Just Write Arts
Image to the Max	Bettina's of Los Gatos

From: Louise Roon
Sent: Sunday, May 24, 2020 10:35 AM
To: Experience LG
Subject: Opening safely

As I read about other communities with renowned restaurants such as Berkeley, I would advocate that parts of Santa Cruz Avenue and Main Street be closed to traffic and that restaurants in particular and possibly shops be allowed to utilize those spaces. We must save our struggling businesses and allow the town to come back to life.

Louise Roon
Sent from my iPad

Dear Los Gatos Town Council and Town Manager,

I, Hanna Pham, own and operate NORTH (previously HANNA BISTRO), the popular Vietnamese fusion restaurant that has had a presence on North Santa Cruz Avenue for over six years. The Covid-19 crisis has had a devastating effect on restaurants, which have remained closed for over eight weeks, and who have been allowed to open for take out, per the health and safety guidelines in Santa Clara County.

Given South Bay commercial rents, labor costs, and rising food costs, my restaurant business survives under very slim profit margins, and maximizing seating and turnover is essential. Like many restaurants on North Santa Cruz Avenue, my restaurant is small, with an approximately 800 square foot dining area, 32 seated at tables and bar seating accommodating 12. It appears that recovery guidelines will reduce seating by at least 50%, and also eliminate bar seating, and require 6 feet of social distancing between patrons at tables or the installation of barriers. While this is to maintain public safety and health, I realize that these regulations will reduce my seating and revenue exponentially, like many restaurants and retailers that are facing a financial challenge beyond what we have endured for the past months of shelter-in-place.

The Town must offer its businesses some relief from this nightmare. We need to attract more foot traffic to the downtown business core, create a viable increase in our restaurant seating, and to offer our patrons a more comfortable way to enjoy dining out during this crisis, while ensuring that they and our workers are as safe as possible given the circumstances. The recovery regulations hardly create an ideal indoor dining experience.

We can be creative, as other towns and cities all over America that are opening up are doing, by closing North Santa Cruz Avenue to vehicular traffic and on-street parking during the duration of the recovery. Please allow the numerous restaurants and retail merchants along the Avenue to set up outdoor dining venues and displays in front of their establishments where patrons can dine or shop in a casual, comfortable, and spacious atmosphere where they can interact with social separation while enjoying the lovely South Bay Weather and sites and sounds of the outdoors. The sidewalks would remain open to pedestrians for strolling and window shopping. Businesses would be responsible for providing tables, seating, cleanup, and proper hygiene and sanitation, while ensuring that all ABC and County Health regulations are met.

Now is the time for the Town to step forth and support their struggling businesses, many of whom are sure to fail without local government intervention. Los Gatos is only as strong as its people (and businesses) are.

Thank you for your consideration of this request.

Hanna Pham, Owner
North
133 North Santa Cruz Avenue

From: Susan Brouwer
Sent: Sunday, May 24, 2020 3:40 PM
To: Experience LG
Subject: letter regarding proposal for Los Gatos

Susan Wiesenfeld

Los Gatos, California
May 24, 2020

To Whom It May Concern:

It has recently come to my attention that the Los Gatos Town Council is considering closing Santa Cruz Avenue and Main Streets to automobile traffic downtown, making them into walking streets.

I am very opposed to that idea. I was raised in Los Gatos and I enjoy patronizing our local businesses. To close the streets at this time would be a terrible blow to all the merchants, especially the restaurants. Due to the Coronavirus, businesses in Los Gatos are struggling to stay alive. To require people to walk from scarce parking to pick up a meal or make a purchase would feel so inconvenient to many customers that they would go elsewhere to buy meals or merchandise.

I realize that this would be an experiment — the more we can get people out of their cars and walking or biking, the better — but to do it at this time, I'm afraid, would cause the demise of many of our businesses that are barely surviving as it is.

Parking is part and parcel of the problem. Are there enough lots available and nearby to make this a viable option for Los Gatos? Not in my experience. In addition to inconveniencing people at a time when they want to be able to get in and get out of their destination business quickly, with minimum exposure to other people, there is also the issue of handicapped access. How will that be addressed?

Please, if you would like to try this experiment, wait until the town and its merchants have recovered completely and have reliable business and patronage again.

Yours sincerely,

Susan Wiesenfeld
(a friend a customer of many of our local businesses)

May 24, 2020

Philip Brouwer

Los Gatos, CA 95032-3918

To the Management of the Town of Los Gatos

It has come to my attention that the Town is contemplating closing Santa Cruz Ave and Main Street to encourage more outdoor seating. I am writing to strongly object to even considering this idea at this time.

My family owns the building currently occupied by Blue Line Pizza and the Chamber of Commerce. In the case of the restaurant, the business has been reduced to survival mode with take out and delivery only due to the Coronavirus Shelter in Place. As businesses begin to slowly reopen, many will continue to be afraid to dine in or even be out in public. The new norm is social distancing.

Now is not the time to consider experimental ideas. The roadways must be open to allow the new norm of take out and delivery as the main means of businesses for many restaurants. Likewise, the small boutique retailer who have been reduced to curbside delivery must be able to have curbside to deliver. The negative impact from closing streets on our established businesses will be immediate and long lasting.

As a former proprietor of Accent on Rugs of Los Gatos operated in the space now occupied by the Chamber, I can personally attest to the negative impact of street closing events on my former business. While I appreciate the history and tradition of the Christmas Parade, that was always a day that I may have as well closed my doors. These street fairs simply do not improve business or income for the established businesses. These street closings have never improved business...never have and never will. To the contrary, there is a direct and negative impact when streets are closed and access is limited. Only the transitory vendors like the farmers market benefit, while negatively impacting those who have a vested interest in their established business and property.

The Town must first consider the needs to the established business and property owners. While I understand that increasing outdoor seating may be desirable for some during this transition, if access and parking are limited there will be an immediate negative impact upon our established businesses.

We are in a challenging time and the challenges for business will continue for the foreseeable future. If the Town proceeds with the street closings, the Town will surely put the nail in the coffin of a clearly failing downtown business environment.

Sincerely yours,

Philip Brouwer

From: Lois Anderson
Sent: Monday, May 25, 2020 5:48 PM
To: Experience LG; Council; Town Manager
Subject: Closure of North Santa Cruz

To the Mayor of Los Gatos and the Town Council ~

My name is Lois Anderson and I have lived in the same house on University Ave since the 70s. My husband and I have put our daughters through the public school system. During this time, we have seen many changes, some good and some not so good. One of the negative changes was the introduction of the temporary Parklets last year. The new ones that are permanent are much better. What was so awful about last year's changes was the citizens of Los Gatos never had a say about this. Nobody saw it coming. It was great when they took everything down and we went back to our darling, small-feeling town. Why are you doing this again without more of a notice? A week for some, a day for others and some people don't even know this is happening. We are once again asking you to please think about this carefully and give the people of Los Gatos a voice in this. I for one can't imagine what will happen to University when you do this. This is not a good idea. Please don't close North Santa Cruz.

*Thank you,
Lois Anderson*

From: Phil Koen -
Sent: Monday, May 25, 2020 9:38 AM
To: Marcia Jensen; Marico Sayoc; BSpector; Rob Rennie
Cc: Laurel Prevetti; ; Rick Van Hoesen (mailto:rick@losgatos.org); Catherine Somers; Lee Fagot; Maria Ristow; Heidi Owens; Experience LG
Subject: Agenda item #1 - Special Meeting of Council May 26,2020
Attachments: COVID 19 Economic stimulus letter.pdf; jpmc-institute-small-business-report-exec-summary.pdf; City of Los Altos - Economic Relief Program.pdf

Dear Honorable Mayor and Council Members,

Attached please find our recommendations on how the Town of Los Gatos can provide economic assistance to local businesses which have been severely impacted by COVID 19. We believe the Town has the financial capability to lead a public/private partnership to create programs which can help these businesses jump start their recovery and recreate a vibrant Town. We want to thank the Council for leading this effort and working with the Chamber of Commerce to define specific recovery programs.

Our recommendation of a two-step process where the Council immediately establishes a \$2 million committed reserve in the General Fund for COVID 19 Economic Recovery and follows up with specific projects defined by the private sector addresses the Council need for speed, oversight and flexibility. The Chamber will need a reasonable period to fully define the scope and cost of various programs. By setting aside the funds today in a general fund committed reserve, the Council can proceed with the approval process for the FY 21 Operating and Capital budgets since the funds to establish this reserve exist and are available to be repurposed by a Council resolution.

Lastly, we would encourage the Council and Chamber to review the economic relief program that the City of Los Altos approved last week. We have attached their staff report and draft resolution for your review. We also understand that the City of Los Altos Hills is currently evaluating a similar program. This could be a specific program which could draw on the funds set aside in the committed reserve.

Please let us know if you have any questions.

Los Gatos Community Alliance

Phil Koen
Rich Van Hoesen
Jak VanNada

May 24, 2020

Re: Options for economic recovery and community vitality in response to COVID-19

Dear Honorable Mayor and Council Members,

At the upcoming special council meeting on May 26, you will be discussing various options to help our local business community survive and rebuild from the devastating impact of the COVID-19 crisis.

Without a vibrant and healthy local business community, much of the charm and uniqueness of Los Gatos would be lost. And, let us not forget their role in helping generate \$8m of revenue in the form of sales tax. With that in mind, we request the Council seriously consider the following recommendations:

- 1. Immediately establish a General Fund Committed Reserve totaling \$2 million for Economic Recovery Programs to be developed by the Chamber of Commerce. Ultimate approval of specific programs will be determined by the Council.**

We agree with the Staff's assessment that the order of magnitude of investment required to create meaningful economic recovery and community vitality programs post COVID 19 could approach \$2m. By establishing a \$2m Committed Reserve today, the Council is publicly stating that these funds can only be used for the purpose of providing economic recovery and promoting community vitality for our local businesses. Furthermore, it gives the Chamber of Commerce the certainty it is seeking to ensure that money is available to fund specific recovery programs they recommend. The actual use of funds will be governed by these programs and must be approved by Council.

Given the shortness of time, it is not reasonable for the Chamber to fully develop specific programs by the time of this meeting. By establishing the reserve today, no money is spent. It is simply reserved and provides the Council with the future flexibility it is seeking to approve future specific programs. This newly created reserve will be similar in status to the budget stabilization reserve, catastrophic reserve and the CALPERS/OPEB reserve. The Council used this exact approach when it created the committed reserve for the Almond Grove Street Project.

If the funds are not fully spent, the Council, at its sole discretion, can repurpose these funds to other projects. We see no downside and strongly suggest that the Council establish this new reserve now. To drive home the seriousness of the challenge many of our local businesses are facing, we are attaching a report by JP Morgan Chase and Company which details the lack of cash that these small businesses have. Their survey of over 597,000 businesses showed that half of all small businesses hold a cash buffer large enough to support 27 days of their typical outflows. With the SIP order now going on for over 80 days, one can only imagine the economic distress these small businesses are facing.

To fund the \$2m committed reserve we also agree with the Staff's recommendation to repurpose the \$1,972,384 Downtown Streetscape project, plus an additional \$27,616 from the

Surplus Property Reserve which currently has \$1,200,000 available. We disagree with the Staff's recommendation to use any funds from the Parking Study capital project given the strategic importance of that study and that other sources are readily available.

On the other hand, the Downtown Streetscape project has no detail project plan, no detail project cost estimate, and no specific delivery date. On that basis alone it is not a capital project, but rather a "placeholder" for a future project. It is difficult to conceive a better use for these funds than to be repurposed to help stimulate our local businesses.

Additionally, the Council might recall that the original sourcing for the Downtown Streetscape capital project came by reallocating \$1m from the General Fund Capital/Special Project Reserve and \$972,384 from the Internal Service Fund – Vehicle Maintenance. If at the time this decision was made the Council was aware of the impact of COVID 19 on our business community, we are certain that instead of establishing a Downtown Streetscape project, the Council would have prudently established the \$2m Economic Recovery Reserve we are suggesting. Now is the time to do exactly that.

2. The Town should immediately halt all Town mandated financial burdens on small businesses

For a business with little to no revenue, the prospect of paying taxes, licensing fees or other Town fees poses a significant threat to their ability to remain open and pay their employees. The Town has the authority through a resolution to suspend these financial burdens. We recommend that the Council take the action to suspend payment for these fees for all of FY 21.

3. The Town should explore creating a local relief fund like the fund created by the City of Los Altos

This recommendation could be one of the specific projects recommended by the Chamber of Commerce. The idea is to replicate the program that the City of Los Altos recently adopted. Spring boarding off other good ideas has always accelerated progress in businesses and communities.

To mitigate the impact of COVID-19 on Los Altos small businesses and their employees, the Los Altos City Council committed up to \$250,000 in one-time funds to create a Small Business Assistance Grant Program. The Los Altos Community Foundation and Los Altos Chamber of Commerce will work to raise additional funds to provide funds to more businesses.

The program is well defined with specific eligibility requirements and program timelines. The City of Los Altos is almost identical in size as Los Gatos and their staff has been able to administer this project. We recommend that the Council direct Staff to work with the Chamber of Commerce to investigate the possibility of creating a similar program for the Town of Los Gatos.

Every day the news only gets worse about the economic devastation of small businesses across the country. We do not want to watch this town die a slow and painful demise. We believe that the Town

has the financial resources to assist our local business who contribute to and help define our Town. The merchants, led by the Chamber and its board, should be viewed as partners with the common goal of preserving the unique character of Los Gatos for subsequent generations.

Thank you for your consideration of these recommendations.

Los Gatos Community Alliance

September 2016



Cash is King: Flows, Balances, and Buffer Days

Evidence from 600,000
Small Businesses

Executive Summary

JPMORGAN CHASE & Co.
INSTITUTE

Executive Summary

For most small business, cash reserves are a critical tool for meeting liquidity needs. Cash reserves provide a readily available means to pay employees and suppliers in normal times and are an important buffer to draw upon during adverse times. This is particularly true for small businesses with limited access to credit and other sources of liquidity. In other words, cash reserves are a key measure of the vitality and security of a small business.

In this inaugural report on the small business sector, the JPMorgan Chase Institute explores the financial lives of small business through the lens of cash inflows, outflows and account balances. We find that, despite the importance of cash reserves, most small businesses hold a level of cash reserves that would provide an insufficient cushion in the face of a significant economic downturn or other disruption. Using a new data asset constructed from over 470 million transactions conducted by 597,000 small businesses from February to October 2015, our analysis shows that half of all small businesses hold a cash buffer large enough to support 27 days of their typical outflows.

This report also explores key industry characteristics that help explain the drivers of cash buffers. Additionally, it offers a new synthesis of publicly available data to begin to draw together a comprehensive view of the small business sector.




These findings are relevant to policy makers who seek to assist small businesses; to nonprofit organizations that coach small business owners; to financial services firms that help small businesses manage their liquidity; and to owners of small businesses who seek benchmarks for guidance in managing their own liquidity.

We hope this report draws attention to cash balances as an important issue, helps people better understand differences among small businesses, and helps in the development of smarter programs, products, and policies that enable small businesses to flourish.

Data




We constructed a sample of 597,000 businesses who hold Chase Business Banking deposit accounts and meet our criteria for small, core metropolitan operating businesses. We then used 470 million anonymized transactions from these businesses to produce a daily view of cash inflows, cash outflows, and end-of-day balances over the nine non-holiday months from February 2015 to October 2015.

597,000
SMALL BUSINESSES

-  Hold Chase Business Banking accounts
-  End-of-day combined balances do not exceed \$20 million each day
-  Do not identify with more than a single address and/or a single industry

CORE METROPOLITAN OPERATING BUSINESSES

We study businesses that have financial activity that indicates they are not seasonal.

-  For at least five of nine months, at least \$500 in outflows and 10 combined inflows and outflows
-  At least one inflow and outflow in each month
-  Are located in one of 367 Metropolitan Areas where Chase has a representative footprint

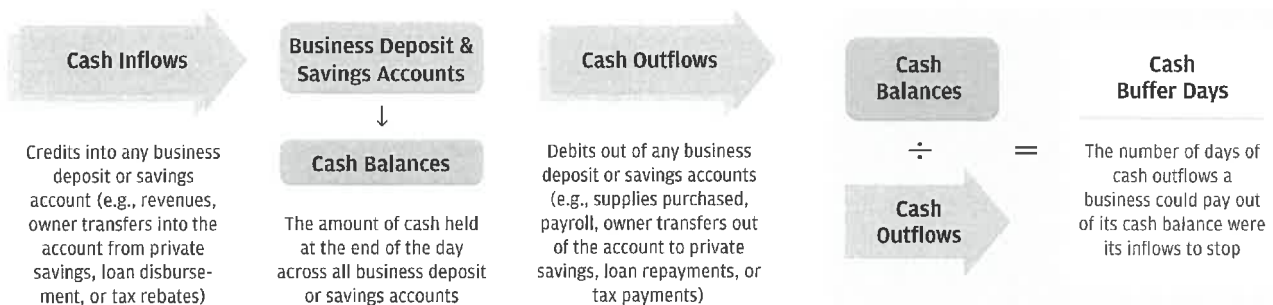
SELECTED KEY INDUSTRIES

We focus on small businesses in 12 representative industries that capture most small business employees

-  Construction
-  Personal Services
-  Health Care Services
-  Real Estate
-  High-Tech Manufacturing
-  Repair & Maintenance
-  High-Tech Services
-  Restaurants
-  Metal & Machinery
-  Retail
-  Other Professional Services
-  Wholesalers

Together, these 12 industries capture 73 percent of for-profit employer small firms and 65 percent of for-profit small business employment

Measuring cash inflows, outflows, balances, and buffer days

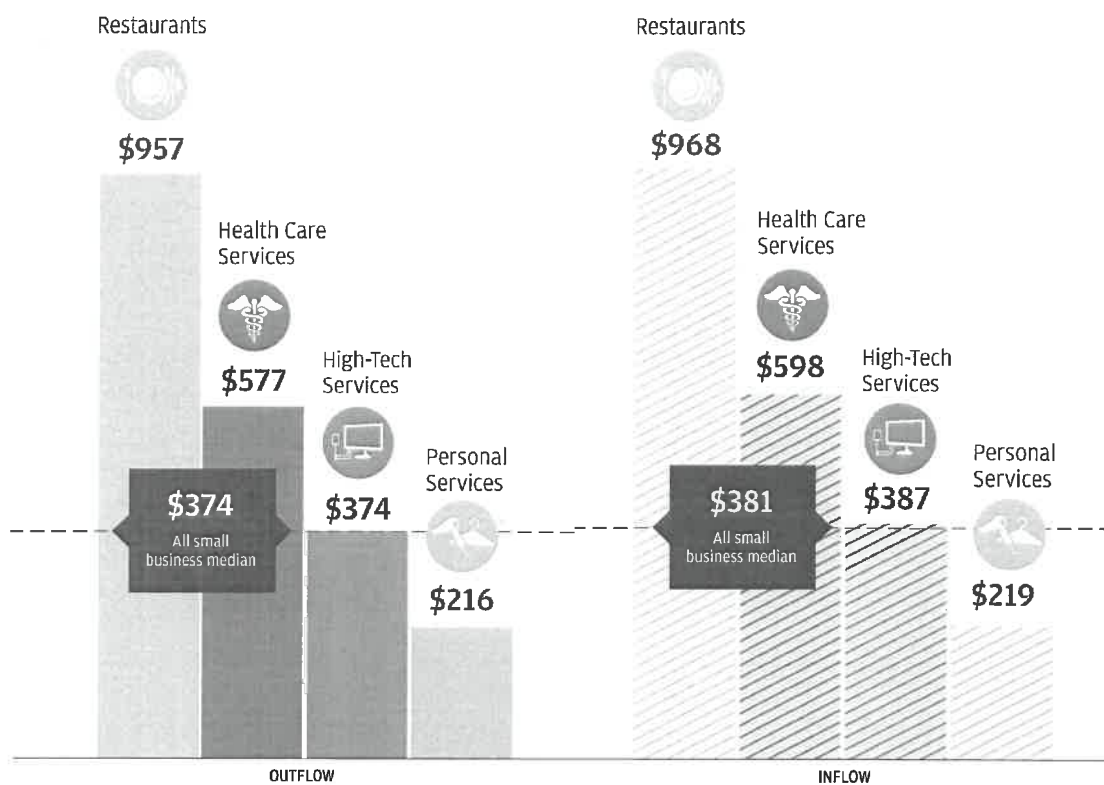


Finding One

The median small business has average daily cash outflows of \$374 and average daily cash inflows of \$381, with wide variation across and within industries.

Outflows refer to debit transactions paid out of any business deposit or savings accounts, such as the purchase of material and payroll, owner transfers out of the account to private savings, loan repayments, or tax

Inflows refer to credit transactions into any business deposit or savings account, such as revenues, owner transfers into the account from private savings, loan funding, or tax



Individual small business average daily inflows and outflows are highly correlated.

Average daily cash inflows and outflows vary widely by industry:

- In the Personal Services industry, daily cash outflows and inflows were the lowest at \$216 and \$219, respectively.
- In the Restaurant industry, daily cash outflows and inflows were the highest at \$957 and \$968, respectively.

Average daily cash outflows vary substantially within industries as well:

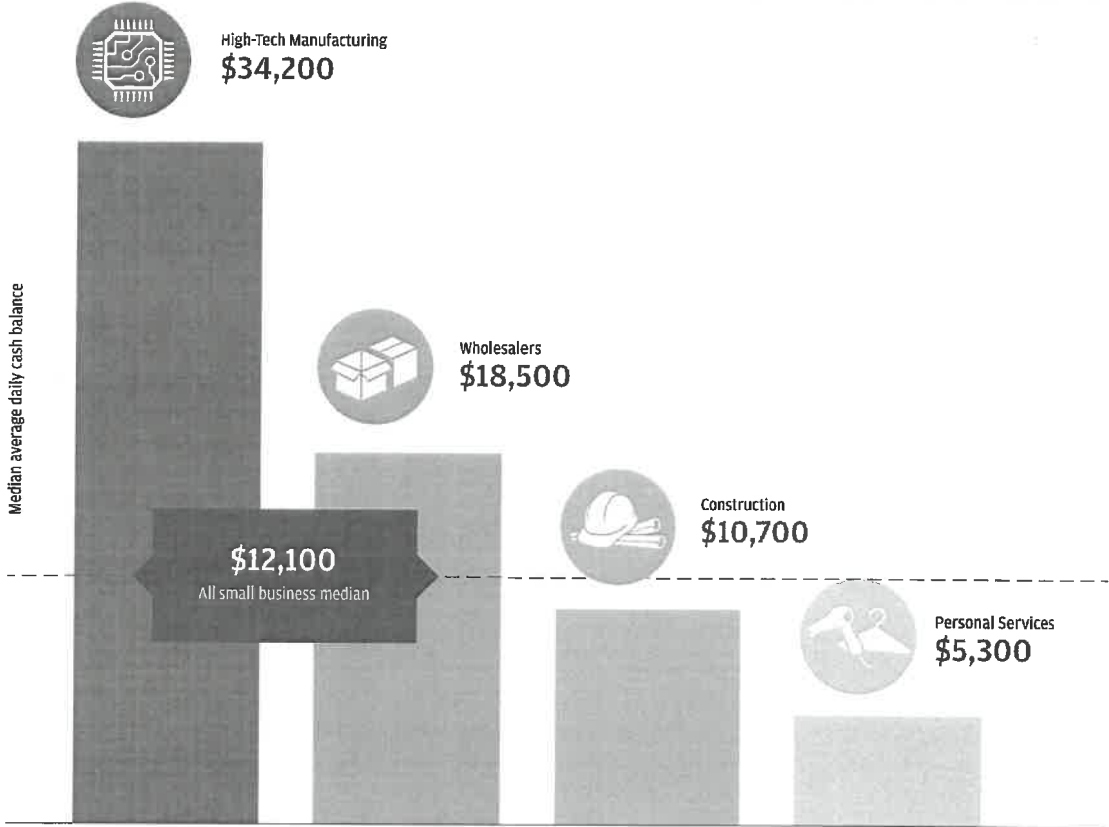
- Outflows varied the most among small businesses within the Wholesale, Metal & Machinery Manufacturing, and High-Tech Manufacturing industries—in these industries small business at the 75th percentile had outflows four times higher than the median.

Cash inflows and outflows were computed by first computing the average daily cash inflow/outflow for individual small businesses, and then computing a median average daily cash inflow/outflow for an industry or our whole sample.

Finding
Two

The median small business holds an average daily cash balance of \$12,100, with wide variation across and within industries.

Balances refer to the amount of cash held by a business across all its business deposit or savings



Cash balances vary widely by industry:

- In the Personal Services industry, the median small business held a cash balance of \$5,300.
- In the High-Tech Manufacturing industry, the median small business held a cash balance of \$34,200.

Cash balances vary substantially within industries as well:

- In most industries, small businesses at the 75th percentile carried balances 3 to 4 times the median level.

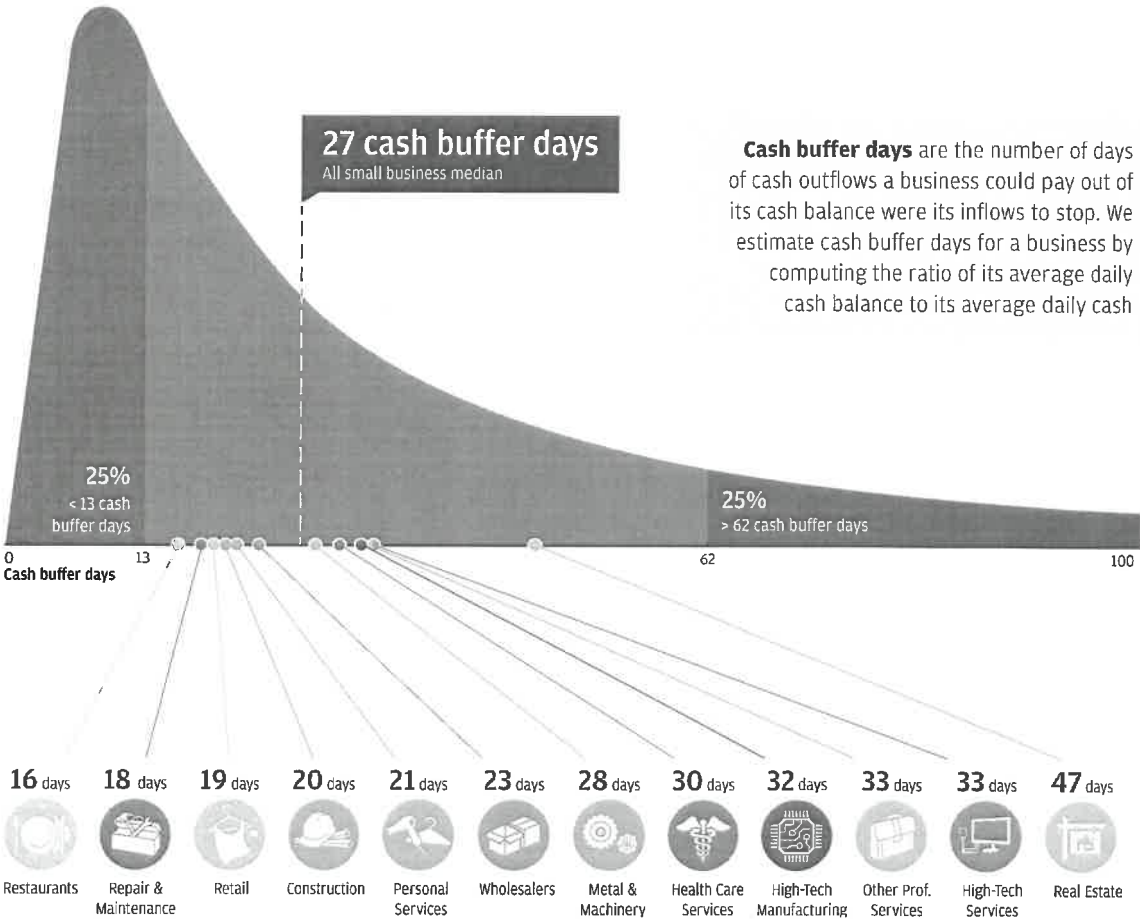
Cash balances were computed by first computing the average daily end-of-day cash balances for individual small businesses, and then computing a median average daily cash balance for an industry or our whole sample.

Finding Three

The median small business holds 27 cash buffer days in reserve.

Half of all small businesses hold a cash buffer of less than one month.

- Moreover, 25 percent of small businesses hold fewer than 13 cash buffer days in reserve.
- In contrast, 25 percent of small businesses hold over 62 cash buffer days in reserve.

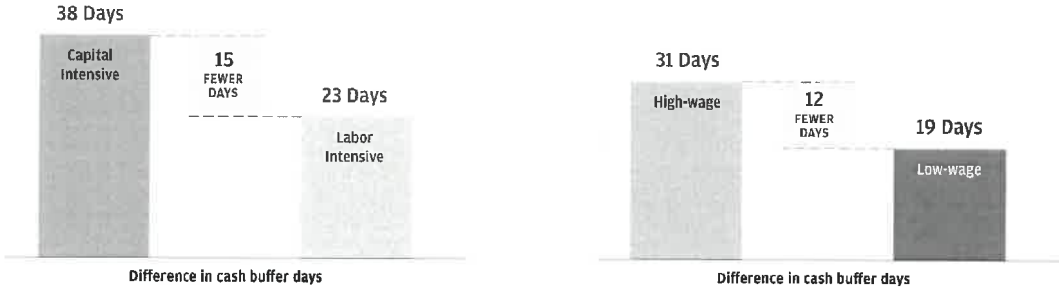


Median cash buffer days vary substantially across industries.

- The median small restaurant holds 16 cash buffer days in reserve.
- The median small business in the real estate industry holds 47 cash buffer days in reserve.

Finding Four

Small businesses in labor-intensive or low-wage industries hold fewer cash buffer days than those in capital-intensive or high-wage industries.



Share of Total US Small Business Employment within Each Segment



Small businesses in industries with a high amount of information technology or intellectual property (IT/IP) do not hold cash buffer days that are very different from low IT/IP industry businesses.

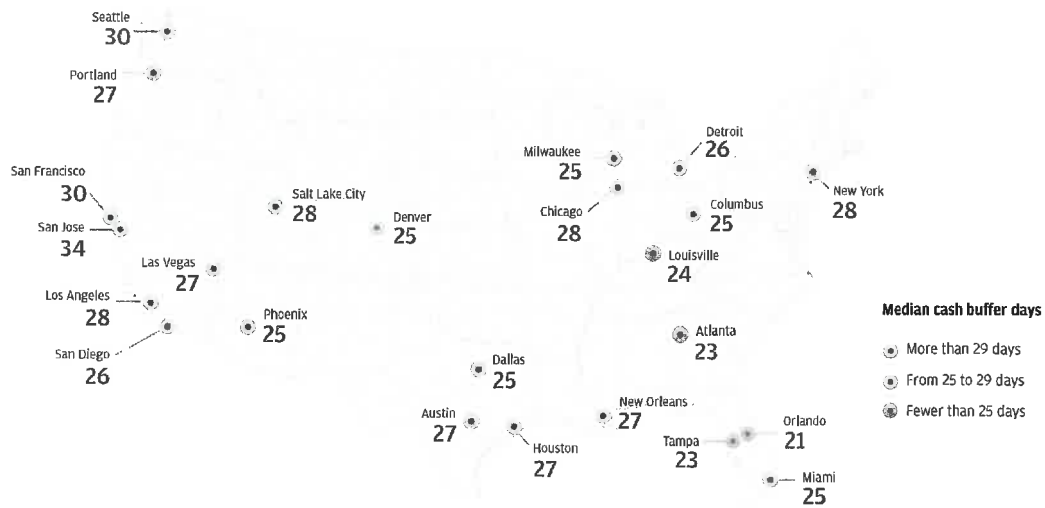
Similarly, small businesses in business-to-business (B2B) industries do not hold cash buffer days that are very different from business-to-consumer (B2C) industry businesses.

We define an industry as labor-intensive if labor costs comprise over 71 percent of its combined labor and capital payments, and capital-intensive otherwise. We define an industry as high-wage if its average labor costs are greater than \$30 per hour, and low-wage otherwise. We define an industry as having a high IT/IP capital allocation if intellectual property and information technology make up more than 12 percent of all capital inputs, and as having a low IT/IP capital allocation otherwise. We define an industry as B2B if over 65 percent of its domestic output was purchased by businesses, as B2C if over 65 percent of its domestic output was purchased by households, and as Mixed otherwise. We performed all calculations at the industry level—these classifications reflect the characteristics of all employer businesses within the industry, not just small businesses within the industry.

Finding Five

Small business cash buffer days vary across metropolitan areas, but no clear pattern emerges from this variance.

Median cash buffer days in our 24 selected cities vary from 21 days in Orlando to 34 days in San Jose, a spread of 60 percent. Differences in industry mix and population between metropolitan areas do not explain this variation.



Cash buffer days are the number of days of cash outflows a business could pay out of its cash balance were its inflows to stop. We estimate cash buffer days for a business by computing the ratio of its average daily cash balance to its average daily cash outflows.

Conclusion

This study leverages a new JPMorgan Chase Institute small business data asset to highlight cash buffer days as a key financial vitality indicator for small businesses. Our research shows substantial variation in cash buffer days for small businesses across and within industries and by region. Many small businesses may not have enough cash to continue operations in the face of a month-long loss of cash inflows due to an economic downturn or other negative shock.

Interventions that help small business owners better understand and manage cash could support the financial health of a sector that provides the economic base for a large portion of the US population. Specifically, our new industry segmentation draws attention to an opportunity to develop new policies that target large numbers of especially financially fragile small businesses in labor-intensive or low-wage industries, in contrast to policies that target small businesses in high-technology, capital intensive, high-wage, or business-serving industries.

Finally, cash buffer days can focus the attention of policymakers, advocates, and private-sector partners on liquidity as an important feature of the credit landscape. New educational programs and diversified credit offerings can help small business owners better understand and manage their liquidity, and substantially improve the financial resilience of the small business sector.

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DISCUSSION ITEMS

Agenda Item # 15

AGENDA REPORT SUMMARY

Meeting Date: May 12, 2020

Subject: Resolution 2020-19 A resolution of the City Council of the City of Los Altos Adopting the Process and Eligibility Criteria for the Small Business Relief Assistance Program

Prepared by: Chris Jordan, City Manager

Attachment(s):

1. Resolution 2020-19

Initiated by:

City Council

Previous Council Consideration:

April 28, 2020

Fiscal Impact:

\$250,000 from the General Fund (allocated April 28, 2020)

Environmental Review:

Not applicable

Policy Question(s) for Council Consideration:

- Does the Council wish to adopt the attached resolution and Attachment A that provides the process and eligibility criteria for the Los Altos Small Business Relief Assistance Program?

Summary:

- The attached resolution includes the eligibility criteria and process for the Small Business Program
- The process includes a lottery instead of a “first come, first served” process as previously outlined

Recommended Motion:

Adopt Resolution 2020-19.

City Manager *CJ*

Reviewed By: *SE*
City Attorney

Finance Director *SE*



Subject: Resolution 2020-19: A resolution of the City Council of the City of Los Altos Adopting the Process and Eligibility Criteria for the Small Business Relief Assistance Program

Purpose

To approve the process and eligibility criteria the Small Business Relief Assistance Program that the Council approved on April 28.

Background

At its April 18 meeting the City Council approved Resolution 2020- creating the Small Business Relief Assistance Program and allocated \$250,000 from the General Fund to start the program. The Council requested that staff work with the Los Altos Chamber of Commerce and the Los Altos Community Foundation to:

- 1) Determine the eligibility criteria for the program
- 2) Prepare a process for accepting and reviewing applications and for granting the funds
- 3) Initiate a fundraising campaign to add additional resources to the Program

In accordance with the Council direction, staff and Mayor Pepper met with the various organizations and developed the eligibility criteria and process that is Attachment 1 to the Resolution.

Analysis

Eligibility Criteria: As mentioned previously, the City has approximately 800 small businesses (less than 25 employees). The group is proposing that eligibility be limited to those businesses meeting the following criteria:

- For a \$10,000 grant award, applicants must be a small business with at least one and no more than 25 full-time employees that has been deemed non-essential under the County of Santa Clara Public Health Department order dated March 16, 2020.
- For a \$5,000 grant award, applicants must be a small business with at least one and no more than 25 full-time employees that has been deemed essential under the County of Santa Clara Public Health Department order dated March 16, 2020.
- Applicants must verify the business has experienced a loss of income due to COVID-19 by completing the Estimated Disaster Economic Injury Worksheet.
- Applicants must submit a current copy of its W-9 form.
- Applicants must operate out of a physical commercial storefront in the city limits of Los Altos.
- Applicants must have an active City of Los Altos Business License. Applicants must be in good standing with the City. Applicants who are involved or have been involved in legal or financial issues may not qualify
- Applicants must have been in operation in the City of Los Altos for at least one year as of March 1, 2020.
- Chains (national or local with 3 or more locations) will not be eligible for award.



Subject: Resolution 2020-19: A resolution of the City Council of the City of Los Altos Adopting the Process and Eligibility Criteria for the Small Business Relief Assistance Program

The proposed process is as follows:

- April 28 – City Council approves initial \$250,000 funding and gives staff direction to move forward with the program
- May 12 – City Council reviews program guidelines and application
- May 12-18 - City staff conducts outreach notifying businesses about program
- May 18 – City staff releases program application and guidelines on website
- May 25 – City staff opens application window
- June 1 – City staff closes application window
- June 2 – City staff reviews applications based upon objective criteria and conducts lottery
- June 18 – City staff starts issuing checks to approved businesses
- July 31 – City staff reviews initial documentation to verify funds were spent appropriately

The City will use social media, email lists, and newspaper advertising to assist in marketing the program.

The lottery will be conducted using an on-line random number generator.

Recommendation

If the Council believes the eligibility criteria and process is in accordance with its prior direction, the City Council should move to adopt Resolution 2020-19.

RESOLUTION NO. 2020-19

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS
ADOPTING THE PROCESS AND ELIGIBILITY CRITERIA FOR THE SMALL
BUSINESS RELIEF ASSISTANCE PROGRAM**

WHEREAS, the City of Los Altos continues to operate under the emergency proclamation of March 12, 2020 and ratified by the City Council on March 17, 2020; and

WHEREAS, the Los Altos community and Santa Clara County are living under the Shelter-in-Place Order of the Public Health Officer until at least May 3, 2020; and

WHEREAS, small businesses in Los Altos are essential to the long-term livability and prosperity of the Los Altos community; and

WHEREAS, during the COVID-19 emergency, many Los Altos small businesses have been deemed essential and able to remain open, but with significant operating restrictions that have impacted revenues; and

WHEREAS, during the COVID-19 emergency, many Los Altos small businesses have been deemed non-essential and prohibited from operating; and

WHEREAS, many of these businesses would greatly benefit from an influx of grant funds from the City of Los Altos, and

WHEREAS, by providing relief grants to small businesses, the Los Altos community will benefit by having a prosperous business community following the re-opening of the business sector when the Health Order is modified or lifted; and

WHEREAS, the City of Los Altos will benefit from a more prosperous business community which will provide needed sales tax revenue to the City; and

WHEREAS, at its April 28 meeting, the Los Altos City Council approved the allocation of \$250,000 to be used to provide grants, and created the Los Altos Small Business Relief Assistance Program; and

WHEREAS, as directed, City staff, the Chamber of Commerce and the Los Altos Community Foundation have worked together to develop Attachment A to this resolution which describes the process and eligibility criteria for the grant program.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby adopts Attachment A as the eligibility criteria and process for the Los Altos Small Business Relief Assistance Program.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 12n th day of May, 2020 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Jan Pepper, MAYOR

Attest:

Andrea Chelemengos, MMC, CITY CLERK



Overview & Objectives

To mitigate the impact of COVID-19 on Los Altos small businesses and their employees, the Los Altos City Council committed up to \$250,000 in one-time funds to create a Small Business Assistance Grant Program. The Los Altos Community Foundation and Los Altos Chamber of Commerce will work to raise additional funds in order to provide funds to more businesses.

The objective of this program is to offer immediate financial assistance to small businesses located in Los Altos to aid in maintaining their business and workforce.

Program Overview

1. Grants of \$10,000 for qualified small businesses with at least one and no more than 25 full-time employees that have been deemed non-essential under the County of Santa Clara Public Health Department order dated March 16, 2020.
2. Grants of \$5,000 for qualified small businesses with at least one and no more than 25 full-time employees that have been deemed essential under the County of Santa Clara Public Health Department order dated March 16, 2020.
3. Qualifying business are exclusively restaurants, retail, and personal service businesses as defined in the Los Altos Municipal Code 14.02.070.
4. Grant funds from the City's Small Business Relief Program can be used for any business expenses.
5. Grants will be awarded on a lottery basis for qualified applicants who have submitted a complete application between May 25, 2020 and May 31, 2020. Incomplete applications will not be considered.

Eligibility Requirements

- For a \$10,000 grant award, applicants must be a small business with at least one and no more than 25 full-time employees that has been deemed non-essential under the County of Santa Clara Public Health Department order dated March 16, 2020.
- For a \$5,000 grant award, applicants must be a small business with at least one and no more than 25 full-time employees that has been deemed essential under the County of Santa Clara Public Health Department order dated March 16, 2020.
- Applicants must submit a current copy of its W-9 form.
- Applicants must operate out of a physical commercial storefront within the city limits of Los Altos.
- Applicants must pay sales tax to the City of Los Altos.
- Applicants must have an active City of Los Altos Business License. Applicants must be in good standing with the City. Applicants who are involved or have been involved in legal or financial issues may not qualify.
- Applicants must have been in operation in the City of Los Altos for at least one year as of March 1, 2020.
- Chains (national or local with 3 or more locations) will not be eligible for award.
- Grant recipients will be required to provide documentation as to how the funds are spent within one month of receiving the grant.



Program Timeline

- April 28 – City Council approves initial \$250,000 funding and gives staff direction to move forward with the program
- May 12 – City Council ratifies program guidelines and application
- May 12-18 - City staff conducts outreach notifying businesses about program
- May 18 – City staff releases program application and guidelines on website
- May 25 – City staff opens application window
- May 31 – City staff closes application window
- June 1-5 – City staff reviews applications based upon objective criteria
- June 5 – City staff conducts lottery
- June 18 – City staff starts issuing checks to approved businesses
- July 31 – Grant recipients provide documentation to City as to how the funds have been spent
- July 31 – City staff reviews initial documentation to verify funds were spent appropriately



Business Information

Business name: _____

Business owners name: _____

Business address: _____

City of Los Altos business license number: _____

Business type: Retail Restaurant Personal Service

Contact Information

Contact name: _____

Contact title: _____

Contact e-mail: _____

Contact phone number: _____

Eligibility Information

(Qualified businesses will submit "yes" to #1 or #2, "yes" to #3 - #8, and "no" to #9 - #15)

1. Is your business a small business with at least one and no more than 25 full-time employees that has been deemed non-essential under the County of Santa Clara Public Health Department order dated March 16, 2020?

Yes No

2. Is your business a small business with at least one and no more than 25 full-time employees that has been deemed essential under the County of Santa Clara Public Health Department order dated March 16, 2020?

Yes No

3. Have you enclosed a current copy of the W-9?

Yes No

4. Do you operate out of a physical commercial storefront within the city limits of Los Altos?

Yes No



5. Does your business pay sales tax to the City of Los Altos?
- Yes No
6. Has the business been in operation in the City of Los Altos for at least one year as of March 1, 2020?
- Yes No
7. Does the applicant have six or more months left on a lease for a commercial storefront in the City of Los Altos?
- Yes No
8. Is the business or the applicant in good standing with the City of Los Altos?
- Yes No
9. Does the business or applicant own a chain with three or more locations?
- Yes No
10. Has the business or the applicant ever been involved in a bankruptcy or insolvency proceeding?
- Yes No
11. Does the business or the applicant have any outstanding judgments, tax liens, or pending lawsuits against them?
- Yes No
12. In the past year, has the business or the applicant been convicted of a criminal offense committed during and in connection with a riot or civil disorder or other declared disaster, or ever been engaged in the production or distribution of any product or service that has been determined to be obscene by a court of competent jurisdiction?
- Yes No
13. Is the business or the applicant delinquent on any federal taxes, direct or guaranteed federal loans (SBA, FHA, VA, student; etc.), federal contracts or federal grants?
- Yes No
14. Is the applicant currently suspended or debarred from contracting with the federal government or receiving federal grants or loans?
- Yes No
15. Is the applicant presently a) subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction; b) been arrested in the past six months for any criminal offense; c) or for any criminal offense - other than a minor vehicle violation - 1) been convicted, 2) plead guilty, 3) plead nolo contendere, 4) been placed on pretrial diversion, or 5) been placed on any form of parole or probation (including probation before judgment)?
- Yes No



Informational Questions (Will not affect eligibility)

1. What are you planning to use the funds for?

2. Have you applied for and been approved for any other loan or grant programs? Please provide details on the program type and amount of award.

Grant Process and Terms

1. Grant applications must be emailed directly to econdev@losaltosca.gov between May 25, 2020 and May 31, 2020 with the following attachment:
Current copy of a W-9
2. If application is found complete, application will be reviewed for eligibility and applicants will receive a notice of award or no-award by June 18 through email. In all cases, the City reserves the right to reject any and all applications in the event the City identifies a potential conflict of interest or the appearance of a conflict of interest. Submission of an application in no way obligates the City to award a grant and the City reserves the right to reject any or all applications, wholly or in part, at any time, without penalty.
3. Awards will be made on a lottery basis to complete, qualified applications received in the application window.
4. If awarded, the application becomes a binding contract between the applicant and the City of Los Altos.
5. If awarded, funds must be used exclusively for applicant's business.
6. Businesses receiving funding are required to:
 - a. Submit evidence (invoices and receipts, cancelled checks, etc.) that the grant funds have been spent in the manner and for the purposes stated in the application within thirty (30) days of the payment date. Evidence provided must be to the satisfaction of the City.
 - b. The City reserves the right to audit the applicant's books and records for compliance with terms in the agreement.
7. Businesses receiving funding are encouraged to:
 - a. Comply with State and County orders for operating their businesses (social distancing, clean down procedures, limiting in-store occupancy, etc.)
 - b. If applicable, prioritize delivery of food and services to seniors and economically vulnerable populations.



- 8. Grant funds will be issued upon execution of the agreement.
- 9. The program will remain in effect during the City of Los Altos' declared state of local emergency and while funds are available.

Signature

By my signature below, I have read and understand the Small Business Assistance Grant Program. I make the following representations and acknowledge agreement to the following terms and conditions:

- Upon approval of this application, as evidenced by the signature of the City Manager below, this application becomes a binding contract between the entity named above and the City of Santa Clara (Agreement).
- I am the duly authorized representative of the entity named above and can bind the entity to the terms of this Agreement.
- If funds are provided by the City, the funds will be used for business expenses.
- In no event shall the City's financial responsibility exceed the approved amount, set forth below.
- I bear full responsibility for any and all tax consequences of receiving grant funds including, but not limited to, issuance of a 1099 by the City.
- There is no agency, employment, joint venture or other such relationship created by virtue of award of the grant. The City does not endorse the specific business.
- Applicant shall defend and indemnify the City and its employees from and against any claim, injury, liability, loss, cost and/or expense or damage including all costs and reasonable attorney's fees, arising from or alleged to arise from the activity or event.
- The representations made by applicant in this Application are material terms of the Agreement, as is compliance with Small Business Assistance Grant Program. The City may cancel this Agreement at any time upon discovery that any of the information set forth above is inaccurate, that these terms have been violated, or any provision of the Small Business Assistance Grant Program has been violated.

Signature: _____

Date: _____

Internal Staff Review

Was this application granted? Yes No

If the application was not granted, why not?

Applicant notification date:

Check issue date:

Follow-up documentation date:

From: Heidi Owen
Sent: Monday, May 25, 2020 8:51 PM
To: Phil
Cc: Marcia Jensen; Marico Sayoc; BSpector; Rob Rennie; Laurel Prevetti;
Rick Van Hoesen atherine Somers;
Lee Fagot; Maria Ristow; Experience LG
Subject: Re: Agenda item #1 - Special Meeting of Council May 26,2020

I fully support this proposal.

On a side note, the Zoom and password are not published in the agenda. One must email ahead of time to get the link and password to make comments at the meeting. That is just completely unacceptable in terms of Brown Act and public participation. Does anyone already have the link? If not, I'll forward it as soon as I get it.

On May 25, 2020, at 9:38 AM, Phil Koen <phil.koen@losgatosca.org> wrote:

Dear Honorable Mayor and Council Members,

Attached please find our recommendations on how the Town of Los Gatos can provide economic assistance to local businesses which have been severely impacted by COVID 19. We believe the Town has the financial capability to lead a public/private partnership to create programs which can help these businesses jump start their recovery and recreate a vibrant Town. We want to thank the Council for leading this effort and working with the Chamber of Commerce to define specific recovery programs.

Our recommendation of a two-step process where the Council immediately establishes a \$2 million committed reserve in the General Fund for COVID 19 Economic Recovery and follows up with specific projects defined by the private sector addresses the Council need for speed, oversight and flexibility. The Chamber will need a reasonable period to fully define the scope and cost of various programs. By setting aside the funds today in a general fund committed reserve, the Council can proceed with the approval process for the FY 21 Operating and Capital budgets since the funds to establish this reserve exist and are available to be repurposed by a Council resolution.

Lastly, we would encourage the Council and Chamber to review the economic relief program that the City of Los Altos approved last week. We have attached their staff report and draft resolution for your review. We also understand that the City of Los Altos Hills is currently evaluating a similar program. This could be a specific program which could draw on the funds set aside in the committed reserve.

Please let us know if you have any questions.

Los Gatos Community Alliance

Phil Koen

Rich Van Hoesen

Jak VanNada

<COVID 19 Economic stimulus letter.pdf><jpmc-institute-small-business-report-exec-summary.pdf><City of Los Altos - Economic Relief Program.pdf>

From: Lee Fagot

Sent: Monday, May 25, 2020 8:58 PM

To: Marcia Jensen <MJensen@losgatosca.gov>; BSpector <BSpector@losgatosca.gov>; Marico Sayoc <maricosayoc@gmail.com>; Rob Rennie <RRennie@losgatosca.gov>

Cc: Laurel Prevetti <LPrevetti@losgatosca.gov>; Rick Van Hoesen <RickVanHoesen@losgatosca.gov>; Catherine Somers <Catherine@losgatoschamber.com>; Maria Ristow <MariaRistow@losgatosca.gov>; Heidi Owens <HeidiOwens@losgatosca.gov>; Experience LG <ExperienceLG@losgatosca.gov>; Phil Koen <PhilKoen@losgatosca.gov>

Subject: Re: Agenda item #1 - Special Meeting of Council May 26,2020

Dear Madam Mayor and Council Members,

Please know I fully endorse the comments and the attached specific proposal from Phil Koen, Jak VanNada, and Rick Van Hoesen of the Los Gatos Community Alliance, as well as the suggestions of Terry Duryea. Their proposals of a multi step process, rather than rushing to beat the June 2 Budget deadline, particularly where there are significant funds (\$2M) already identified within the current draft Budget Proposal, which can now be more specifically repurposed for relief to sustain our community and which would then again help to later build the on-going tax base for full economic vitality long term. At this meeting please repurpose some funds and establish this RECOVERY reserve, and again, without rushing to meet the June 2 deadline, please instead create a collaborative with the Finance Committee, well qualified citizen volunteers and the Chamber, to determine the right investments in our Town's merchants, such as reduced Town fees, including grants to local and well qualified merchants/restaurants and then, together, also determine other investments in our Town's infrastructure that facilitates faster and sustainable recovery.

Thank you for looking at this issue now, and as importantly, looking for solutions that are collaborative with the folks in need, and that are not rushed, but paced for continued improvement.

And, to each of you, thank you for your work during this unbelievable time, to help our community and our families.

Respectfully,

Lee Fagot

On Tue, May 26, 2020 at 4:12 AM Donna Novi <thepastariaandmarket@gmail.com> wrote:

Hello Laurel and Arn,

I hope you are both doing well. We are doing okay, busy keeping the boat afloat, (so far) at The Pastaria. I don't think I have ever worked so hard as I have in the last 10 weeks, and I am a hard-worker!

After 24 1/2 years of successfully operating in town, we find ourselves in the same pickle that many of our fellow restaurant and bar owners also find themselves in. As you know, during Covid-19 we have been operating on a 'Take-out only' model. Most of applied for and received the PPP small business loan. In order for us to fully benefit from the PPP, we need to strictly follow the guidelines that were set forth.

We need to spend 75% of the loan on payroll, hiring back our employees within 8 weeks from the date the loan funded. This wouldn't be a problem, normally except for 2 problems:

1. We are not able to open yet, so so far, we don't have a need for everyone to come back.

However, I am happy to have them come back to clean and organize or do any other things we can come up with, but most are not ready to come back, either because they are worried about Covid-19 or their unemployment benefits and the extra dollars added are a sure thing right now and serving tables will not be what it was pre-covid.

2. When we do get permission to open up our dining room, it will be with distancing. Every restaurant will differ in capacity depending on their layout and dining areas, but for us, it will be with about a 40% occupancy. Unfortunately for us, our new space is narrow and the aisle doesn't allow for 6 feet between tables.

Sadly, we will not open up for dining-in when we get the green light due to this impossible scenario of having to operate with a full staff, but at a 40-45% guest occupancy. I will have 7 tables with the current guidelines for re-opening. To put it in perspective, I had 11 tables at our old location for 1/3 of the rent price. We will just have to continue to do take-out for as long as possible.

If the Town and its members could find it in their hearts to find a way to allow us *temporary* outdoor dining outside of our building, it would help offset the table deficit, and we could consider resuming full service dining.

Ironically, I got my bid for a parklet on March 13th. We were weighing out the high cost versus return, which worked for us until you add the layer of it possibly being torn out when the pilot program ends in under 2 years.

Perhaps the parklet program could be more permanent which would tip the scales for us.

Although it only provides about 2 tables during social distancing, it's a start! Of course I would prefer a beautiful street with garden lights and greenery, temporarily closed to cars, with outdoor diners and shoppers, like a mini Santana Row, but that's a pipedream and a conversation for another day ;)

I am available for any questions, I have so many ideas and possible solutions if anyone needs input.

Sincerely,

Donna Novi

The Pastaria & Market

From: Paulette Altmaier
Sent: Monday, May 25, 2020 11:03 AM
To: Council <Council@losgatosca.gov>
Subject: Need to join 46 Counties in Restarting Economy: Context - Full-page Open Letter ad in MercuryNews

I am writing in the context of the full page Open Letter advocacy ad (pdf attached) I placed on Sat 23rd, on the back page of the Local Section of the San Jose Mercury News. I bring this up only as a mark of the extent to which I care about the cratering of our local economy.

The Open Letter highlights the key issues related to the County Health Officer's (Dr Cody's) unilateral decision to **lag far behind what the State would permit based on our health metrics**, which is imposing extreme financial hardship on thousands of small businesses and tens of thousands of workers in our County.

The County's health case metrics qualify it to move to CA's 'Full Stage 2', which includes in-store shopping and in-store dining, and would do much to resuscitate our local economy. I have provided key summary information below on State requirements vs our County status that shows that the County meets State requirements - by a mile.

46 Counties as of today have moved to Full Stage 2. Only Dr Cody's unilateral insistence on indefinite delay stands in the way of reviving our economy.

Action Needed:

To save our local businesses, Santa Clara County cities **need to join together on an urgent, crisis time-frame to ask for Gov Newsom's intervention to direct Cody to file the application to move to Full Stage 2**. Only Gov. Newsom can change the picture in the near term.

Your urgent action is critical to save the County's local businesses from collapse. Legislative fixes and legal remedies will take too long.

Please act - the future of our County and its cities depends on you.

Key Facts:

- On May 18, Gov Newsom-announced new, highly reachable metrics for Counties to open up to **'FULL stage 2'** on the State's reopening plan, which includes in-store shopping and in-restaurant dining
- Counties only need to file a Variance Attestation Form to get the green light for Full Stage 2 (See 'County Variance' Section at <https://covid19.ca.gov/roadmap/#top>)
- Gov. Newsom indicated that 53 of 58 counties met the state's health case metrics to get the variance, which are:
 - 7-day case positivity rate: less than 8%
 - 7-day daily average of hospitalization change: less than 5%
- **46 counties have moved to Full Stage 2, including San Diego on 5/21 and Orange County on 5/23**. The list is here:
https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/County_Variance_Attestation_Form.aspx

- **Bottom Line - across the state, county economies are reviving.**
- Due to a very badly-written State law, Health Officers in some counties, including our own, have asserted absolute control over every aspect of life in their counties, unchecked by local elected officials, and are exhibiting tunnel vision of the most destructive kind. These health officers, including Dr Cody, are ignoring the enormous economic distress and well-documented permanent long-term health and societal damage from their actions, and delaying reopening well beyond what the data indicates, and what the state permits.

Status in Santa Clara County:

- Dr Cody has not even allowed all of 'Early phase 2', which includes curbside retail, reopening offices, and Limited Services. San Mateo permitted all of these May 18. But in Santa Clara, ONLY curbside retail was allowed by Cody.
- SCC easily meets the state case health metrics for FULL Stage 2 (see below)
- Cody has provided no date for meaningful change - the May 18 changes were the most token change possible.
- Bottom Line - Santa Clara is relentlessly and needlessly killing its local businesses, unlike other counties in the state.

	State Requirement	SCC status
7-day case positivity rate	Less than 8%	Less than 1.5%
7-day daily average of hospitalization change	Less than 5%	Meets. Usually less than 2%

Sincerely,
Paulette Altmaier

Dr. CODY, YOU OWE US ANSWERS

Open Letter to Dr. Sara Cody, Santa Clara County Health Officer

Dear Dr. Cody,

On March 16, you ordered the first Shelter-in-Place (SIP) for Santa Clara County. The rationale in the Order was to "slow the spread" of COVID-19, to ensure our hospitals would not be over-run.

For the next month, as unemployment skyrocketed, and civil liberties were all but eliminated, we cooperated. Then your SIP order was extended and made more draconian. And extended again, with minimal modifications, through May.

Meanwhile, substantial case data has become available that indicates that a limited, clearly defined slice of the population is at high risk, per the CDC and CA - those over 65, and those of any age with serious comorbidities.

County hospitals now have only about 3% of hospital beds and 6% of ICU beds occupied by COVID-19 patients, and the 7-day average for positive cases is less than 1.5% of total tests. Only about 100 people are hospitalized with COVID-19 in a county of 1.9 million people.

Yet your Public Health department is operating as though nothing has been learned and nothing has changed.

Meanwhile, the economic damage from SIP is fearsome and mounting. Unemployment in California has reached a Depression-era level of 25%, businesses are shuttering daily, families are going hungry, and financial stress is reaching pandemic levels.

Mindful of these facts, on May 8 Governor Newsom permitted all counties to commence 'Early Phase 2' Reopening and on May 18 provided reasonable metrics counties need to meet for FULL Phase 2 Reopening, which allows all stores and restaurants to reopen.

Santa Clara County easily meets the state's hospitalization-trend and positive-test metrics. The remaining criteria are based on the readiness of your Public Health Office to support reopening.

But you have not only set the bar higher than the state requires for further reopening, you are making negligible progress towards meeting the targets which you have set, and for which you are responsible. Your lack of performance is the sole reason SCC cannot reopen its small businesses in a meaningful way. You are cratering our economy, and the longer your shutdown continues, the greater and more permanent the damage becomes.

Since you are responsible for delaying reopening, you owe the people of Santa Clara County answers to these basic questions:

- **Please justify your insistence on lagging behind what the State permits, ignoring local hardship.**

Are you not aware of the need, cited by so many public health professionals and doctors, for balance between imposing extreme long-term economic distress and the single issue you are focused on? Poverty and stress also have significant impact on mortality and health. You claim that "conditions haven't really changed in our county" due to the lack of "herd immunity and a vaccine," yet everywhere else in the world it is recognized that this reasoning cannot be the guiding principle in reopening. Other states and countries are also not seeing the "exponential spread" you claim will occur on reopening.

- **Please justify why your office has not achieved the level of testing you deem a prerequisite to reopen, given the County is not using all its available test capacity.**

SCC lags far behind other counties in meeting testing goals and has not set up an efficient, coordinated testing network. Are County residents to lose their livelihoods because your office is not competent to get its act together and achieve what you have deemed to be the needed amount of testing prior to opening?

- **Please justify why you still need additional weeks to hire the contact tracers you deem a prerequisite to reopen.**

Are County residents to suffer because your office lacks the creativity and needed sense of urgency to meet your own metric, and has not aggressively leveraged the enormous resources of Silicon Valley to achieve this goal?

- **Are you willing to publicly commit to making the same financial sacrifices you are imposing on others?**

Your insistence on delay, your constantly moving goalposts, and your lack of urgency are causing small business owners to lose their livelihoods and life savings, and countless others to face long-term unemployment. You have a moral obligation to share the pain you are inflicting on others by committing to permanently donate your salary and future pension towards the relief of those you are impoverishing. At present, you are leading from behind, totally insulated from the impact of your own actions, and your salary and pension will be paid on the backs of the very people you are impoverishing.

Public health officials all over the US are reopening their local economies. They are showing respect for the financial needs, dignity, and civil liberties of Americans, and for the fact that poverty, financial stress, and blighted futures are also killers, and have enormous long-term impacts on health and wellbeing.

Your approach to reopening the economy and lack of execution towards targets are the cause of continued immense hardship. You owe us answers to these basic questions.

Sincerely,

Paulette Altmaier

On Behalf of the Suffering Residents of Santa Clara County

Contact: paulette.altmaier@gmail.com

From: Mike Calise
Sent: Sunday, May 24, 2020 7:48 PM
To: PublicComment <PublicComment@losgatosca.gov>
Subject: Important feedback for Los Gatos moving forward. Please consider for the upcoming Special Meeting May 26x

Hello Mayor and members of Council:

As you know, it's important to strike equal balance of COVID-19 safe, and the next step to improve local Los Gatos commerce and vitality.

I suggest the Town reviews the following actions on behalf of local businesses and patrons.

- Open all parking stalls in front of restaurants to promote outdoor tables to add back some prior volume, but this also retains the necessary curbside pickup vital for immediate cash flow
- Open certain side streets/lots to meet similar objectives as above. This would encourage more people to get out of their homes and spend money
- Allow permitting of small individual table enclosures to create safe dining zones between patron and server.
- Offer outdoor retail markets to allow retailers to show off and sell inventory while protecting physical distancing
- Create safe salon zones inside and outside where haircuts and/or colors can be done using PPE similar to healthcare workers. Cosmetologists are licensed in safety and health already. PPE is proven safe within 6ft.
- Create guidelines as temporary permits for alcohol served outdoors with meals
- Create taped off controlled safety barrier zones for outdoor music events limiting crowd size. This can be done cabaret seating/tables style
- Create guidelines for temperature sensing for those who opt in
- Offer Town tax or other incentives to businesses to offset capital outlay
- Create LG as no cash zone to reduce transmission
- In the future, determine whether closing NSC will increase commerce once we're past curbside pickup requirements. I understand it's vital for restaurants to be open to drivers for pickup, and closing off streets may hurt short term.
- Create mask only zones and offer free masks for those in need.

The overall objective is to increase commerce, save jobs, and give Los Gatans new places to enjoy being entertained, but it is critical that this is all done in a COVID safe environment.

Bring in LGMDPD to monitor mask wearing and proper physical distancing practice. Keep it friendly.

I'm confident the Town can make quick decisions. The City of San Jose and others are moving forward. It's critical that we move to this level of commerce, but equally important to be COVID safe. It would serve the citizens of Los Gatos and Town leadership to communicate equal priority for both.

Best,
Mike Calise
Los Gatos, CA
M:
From iPhone

From: William OHara
Sent: Tuesday, May 26, 2020 9:09 AM
To: Experience LG; Council; Town Manager
Subject: considering ideas to stimulate economic recovery and community vitality during shelter in place orders for Covid-19.

Hello Town Council,

Re: Special Meeting of the Town Council for May 26th,2020 considering ideas to stimulate economic recovery and community vitality during shelter in place orders for Covid-19.

I read the meeting agenda notes and input from business owners I am happy to hear that the Town Council is considering all of these options. As a resident of downtown Los Gatos on University Ave, I am behind any opportunity that will stimulate the town. I am also concerned about the impact to traffic patterns and want to put forth a few ideas.

I do not believe that we should close any streets indefinitely as some have proposed.

I do believe that we should plan for a series of street closures every weekend through July 4th.

The street closures need to be designed to minimize or eliminate passing through beach traffic in downtown. Even going so far as to block off Santa Cruz all the way from Broadway to Bachman (allowing Wood Lane residents to turn west on Broadway to give them access) while closing Main Street from Victory Ln to University.

Whatever we do, it should be short lived – over a weekend. If it works out – then perhaps we could do another weekend. If that works out perhaps we could do all weekends during summer.....

William O’Hara

From: Silvana Casale
Sent: Tuesday, May 26, 2020 8:19 AM
To: Council <Council@losgatosca.gov>
Subject: For discussion tonight. Thank you for reading

Town Council
Submit for comment May 26, 2020

To: Mayor and our Los Gatos Council
From: Dr. Silvana S. Casale

Hello, I would like to speak to our council however I understand that there was a deadline that passed. Please accept this note for your consideration.

I am a pediatric neuropsychologist that has worked with young children with brain and learning disorders for 25 years. I have worked in Boston, Miami, and for the past 6 years here in the California area. My family loves Los Gatos and we are thrilled that we decided to reside here to raise our children.

My private practice was open previously in Campbell and I now provide consulting services for my patients with neurological difficulties in the greater S.F. Bay Area.

My reason for comment today is to determine what mechanism our mayor and governing body, our council, have in place for educated expertise regarding Covid considerations.

Is there a steering committee that you have formed to include volunteer experts that live in Los Gatos?

Is there a written or public submission format or platform that we can use to further the discussion on Covid with our area experts?

My reasons for asking these is (if one does not exist) is to respectfully request the formation of a formal volunteer expert committee to allow Los Gatos residents to participate in this process. Our community happens to consist of many medical professionals, experts, that can help guide what we all would like to see, as we begin to allow buissness and schools to operate once again.

Our community has many serious concerns regarding how Los Gatos proceeds to operate during the next 5 months and more. We believe our town can be considered differently from Los Angeles, San Jose, and obviously San Francisco. Decisions made for all 1.9 Million residents of Santa Clara county could be perhaps adapted uniquely for our smaller, area. We hope during these critical decision making times that Los Gatos , have alternative considerations for our tax payers.

For example, As a pediatric neuropsychologist I am in a unique position to comment on how children are currently reacting to a lack of peer human contact. For every action there is a re-action that must be factored into the decision making formula as to what happens next for our

children. A risk assessment of each decision and step during the towns and schools next moves is crucial.

What is the current mechanism in place for our Los Gatos experts and professionals to comment or guide our council during these crisis time? Where is the forum for research submissions? Is there an opportunity for us, as residents, and contributing members of our town, to offer our expertise to you our council?

Thank you for your consideration and I look forward to more information on this matter.

Dr. Silvana S. Casale.

Silvana S. Casale M.A. ABSNP Ph.D.
Pediatric Neuropsychologist / Autism Specialist

c

Comments for Special Town Meeting May 26,2020 Agenda item 1.

Michael Burke

Los Gatos, CA 95031

Madam Mayor and council members,

I wish this letter made it into the packet, but the first we heard of this meeting on Friday evening in the town's "What's New!" e-mail. At this point the deadline for inclusion in the packet had already passed.

As residents of downtown Los Gatos, we are not asking you to give us anything, all we are asking is that you refrain from trading our quality of life for uncertain, short term, financial gain for a select group of business and property owners.

Closing North Santa Cruz Ave. We did that half-way/one-way last year and it was a disaster. Closing it again this year, whether it is evenings, weekends, or the entire summer is completely unacceptable. Last summer was stolen from us by the Town. As I showed in my video last fall, traffic was ridiculously bad during the one-way pilot. The noise wakes us up in the middle of the night, and the increased traffic during the day make it a real challenge to back out of our driveways. In addition to more traffic during the day, we also get the late-night bar traffic and early morning delivery trucks.

While I very much want to help the restaurants, closing North Santa Cruz with all the pain that brings the residential neighborhoods is too high a price to pay and its success is far from guaranteed. And as the staff reports states:

Concerns around street closures and loss of on street parking have been raised by some businesses as it could negatively impact the access and ease of curbside pickup and to go orders.

The financial model for retail and restaurant property has fundamentally changed. A business property that could support \$5.00s/sq. ft last year, may only be able to support \$2.50/sq. ft. Closing streets so a few restaurants can have outdoor dining is not going to solve this problem. The only way to solve this problem is for the various parties to change their expectations on what is fair. Maybe the town could facilitate the meeting of the minds between landlords and tenants.

My Suggestions:

1. Keep both lanes of traffic on North Santa Cruz.
2. For restaurants without outdoor dining, their own parking lot that be converted to outdoor dining, or a parklet under construction, allow them to use the sidewalk in front of their business for outdoor dining.
3. To make up for the loss of the sidewalk, the parking spots in front of the lost sidewalk would be blocked off and used for pedestrian flow. This would also serve to separate the diners from the parking cars.
4. Retail business and restaurants that are not using their sidewalk for dining could choose to have the parking spots in front of their establishments as short-term/pick-up only parking.
5. Also – Outdoor dining needs to be music free. We are most likely stuck sheltering at home this summer. Let us enjoy it the best that we can, whether that is in our homes or in our backyards.

In conclusion I ask the council to consider the needs of the residents who are sheltering in place this summer. Let's make working & staying at home a pleasant experience. We look forward to continuing to patronize our local businesses that are currently open and to patronizing the other business as they are able to reopen.

Thank you.

Michael Burke

Mayor and members of the Town Council,

With the health and **economic state of emergency induced by the corona virus**, and the need to **take immediate steps to assist the Los Gatos businesses** in recovery, I implore the **Town Council to make bold and necessary changes**, some temporary and others with a view to the long term.

Los Gatos has already been changing and planning to **accommodate more outdoor dining and to rethink how and where cars are parked**. Both the parklet pilot program and the Dixon parking study were begun prior to COVID19. This crisis presents **an opportunity to move forward on an accelerated schedule**.

All businesses in Town need assistance with **relaxed regulations on parking, outdoor dining and alcohol service, outdoor classes**, etc. Our local businesses, ranging from neighborhood shopping centers to downtown are the economic engine and heart and soul of Los Gatos. Please keep in mind their survival is critical to the success of our Town, and their survival requires your action.

How best to re-envision parking spaces in front of restaurants and businesses is best left to the merchants, landlords and Chamber of Commerce to weigh in.

My request is that **we make investments in the downtown and neighborhood shopping areas** with three goals:

1. **Continue the work started:**

- ◆ toward **more outdoor space for people** in terms of expanded sidewalks and liberal installation of parklets
- ◆ toward **implementing part 1 of the Dixon Parking study** including an employee parking solution for downtown

2. Adjust for the immediate crisis:

- ◆ **allow active use (restaurant seating and public space for people)** in passive space (parking spaces).
- ◆ **eliminate fees and barriers** for the next 6 months, year or longer, to allow businesses to recover
- ◆ **extend the options for use of public spaces**

3. Plan for the future:

- ◆ **Invest** in street bollards, bike racks and other amenities that Los Gatos can use for years

- ◆ **implement employee parking program NOW**
- ◆ create **parking lot signage** that follows our plan
- ◆ track the pros and cons of all changes made now to **determine what changes should remain** once the Town has recovered sufficiently and temporary measures come to an end
- ◆ view this as a **pilot project for a future Santa Cruz Avenue**
- ◆ Reconsider **public space and parking requirements within private developments**
- ◆ **Improve the pedestrian experience along Highway 9**, from Monte Sereno through Los Gatos. As mentioned by another letter to the Town Council, make the Highway 9 crossing at Santa Cruz (and perhaps at University also) **FUN!!!!** Fix up the sidewalks leading to the North Lot, paint the crosswalks, etc. Many other cities have colorful and beautiful crosswalks, **and we need to make folks feel comfortable crossing 9 on foot and on bike.** It must feel like a part of downtown.

I have **specific recommendations for downtown.**

With reduced car traffic, increased foot traffic, and certainly some version of social distancing likely to extend through the summer, **I agree with many of the suggestions for reducing or eliminating parking on some or all of Santa Cruz Avenue** for the summer.

What needs to be done first:

- **New CLEAR signage for all muni lots** must be in place, to direct visitors to the lots and off-street parking. (Dixon parking study)
- The **employee permit parking program must be rolled out NOW to move employees to residential streets, private lots (with agreements) and more distant muni lots to free up the main lots for visitors.** (As employees slowly return to work downtown, now is the ideal time to move them into the employee parking program.) In her presentations, Julie Dixon pointed out that the employee parking problems built up over a long period, and it would take time to change behavior. Then COVID19 hit, and **we have a sudden, abrupt interruption.** With employees slowly returning back to downtown jobs, now is the **PERFECT** time to get them into an employee parking permit program (maybe free permits this year?) and away from the prime visitor spaces. We know **there are safe, convenient places where employees can PARK ONCE**, walk one to

three blocks and leave the short term spaces for visitors. **Now is the BEST time to create new habits!**

- Designate and clearly mark **parking spaces in the muni lots for short-term, curbside pickup** as well.
- In terms of parking on Santa Cruz Avenue, my guess is that **loading areas will need to remain and be clearly marked**. So will the new **Curbside Pickup** spaces. **I'd recommend any parking on Santa Cruz Avenue be 15-30 minutes MAX to serve the intended purpose**. Those desiring to visit LG should park in the lots. The Employee ALL DAY spaces need to be clearly marked and the 3-hour visitor spaces marked as well.

Other considerations for Downtown:

- Likely something perhaps **more attractive than last summer's K-rails** would run along the edge of the travel lanes, reserving the former parking spaces for outdoor seating or extended sidewalk areas?
- If **Santa Cruz Avenue is planned to be closed periodically, then this street really should have NO PARKING at all**, to facilitate the regular closure without having to tow cars or and up with vehicles trapped in a closed road.
- **Sharrows** need to be painted in the travel lanes to ensure cars and cyclists understand the lane is for all modes of transit.
- I urge an investment in **better, more attractive ways to block the streets**, knowing we have closed Santa Cruz Avenue for multiple events every year, that we might close it occasionally or regularly this summer, and that we will certainly have periodic event closures in the future. One option could be **street bollards**. Permanent plates could be installed in the pavement across the side streets and the ends of Santa Cruz Avenue at Main Street and Highway 9. Then the bollards could be attached and locked in whenever the streets need to be closed. These would be attractive and block cars but not people or bicycles. Bollards would be easier to place and remove, store, transport, etc. One example: <https://www.maxiforcebollards.com/removables/>
- The suggestion of **pedicabs** (by Donna Novi) has never sounded better!
- **Pop-up parks seem more appealing when bounded by buildings and businesses**, so perhaps the southern half of the lot between Elm and Main Street, or more side streets off Santa Cruz Avenue make sense. Upper level of Lot 4 is too far away and huge and hot.

Whether Santa Cruz Avenue is closed periodically or all summer is best discussed by the merchants who will better be able to state how they feel their businesses will best thrive.

Thank you for all you are doing for the residents and businesses in town!

Maria Ristow

From: paul novi
Sent: Tuesday, May 26, 2020 10:20 AM
To: Monica Renn



Hello, My name is Paul Novi from the Pastaria and Market, We have been serving Los Gatos for 24 years and just recently moved our restaurant to the downtown to enhance the community, better serve customers and contribute to the vitality of this town. We need to continue on this path as every other business owner here to keep our beloved town alive and prosperous. Decisions you will make can/will keep this town from devastation from this crisis. Time is of the essence. We need help to survive by either finding a way to allow outdoor seating for those of us who have not installed a parklet yet with a temporary parklet or help with the funds to fast-track the process. Funds could be a city assisted loan or a partnership or, instead. some sidewalk dining parameters to increase dining customers. Also, a street closure (Santa Cruz ave) at least on weekends with a pedi-cab service may turn the downtown into a Santana row-type setting. We look forward to hearing your thoughts and ideas.

Thanks,
Paul Novi
The Pastaria

From: Jennifer Shelton
Sent: Tuesday, May 26, 2020 10:32 AM
To: Experience LG
Subject: Budget

Why not postpone the budget until there is a clearer picture of both the effects of covid-19 and appropriate responses for local businesses?

Jennifer Shelton

From: CHRISTINA JANSSON
Sent: Tuesday, May 26, 2020 10:35 AM
To: Experience LG
Subject: SUPPORT OF TOWN BUSINESSES

To whom it may concern,

Please re-allocate the Beautification money towards helping the town's businesses!
We are not a real town without them!

Sincerely,
Christina Jansson

Lynn Kennedy

Los Gatos, CA 95031

May 25, 2020

Los Gatos Town Council
110 E. Main Street
Los Gatos, CA 95030

Re: Proposed downtown street closures and parklets

Dear Council Members:

I've put on a couple of pounds recently eating far more restaurant food than normal, doing my part to help keep our town vital. Whenever possible I've made purchases in Town, including shopping for my locked down Mother. I want Los Gatos to emerge from the novel coronavirus in as good shape as possible!

I hope landlords are doing all they can to help our businesses too, including forgiving and renegotiating rents, and I think there's plenty the Chamber of Commerce can do to help as well. Unfortunately, what I'm seeing right now is a misguided and heavy-handed attempt by these parties, facilitated by Town staff and the majority of the Council, to run roughshod over residents. Shame on you all!

Shame on you for quietly voting to close Grays Lane for a parklet with NO notification of neighbors, and shame on Town staff for enabling that action! I call on you to retract this decision immediately to allow for public comment. This should cause no hardship, because this is NOT a time you should be encouraging gatherings. We should all be picking up our takeout and enjoying it in our homes and yards, protecting our community! I want to do just that, and I do NOT want my right to the quiet enjoyment of my back yard impacted by whatever you might have planned for this street. As I told you last fall, the Thursday night parties on Grays Lane were NOT acceptable for multiple reasons, DJ music that ruined the ambiance of our home and violated the spirit of sensible Town noise ordinances. Failing to consider the negative impact on residents when making any decision is completely unacceptable, and failure to provide notification of pertinent issues stinks of sleazy backdoor politics and third world cabals.

Instead of encouraging gatherings and experiences during this phase of the pandemic, I call on the Town and Chamber to develop an outreach program to local residents to help preserve as much as we can of the town we love. Educate residents about the importance of shopping locally and new ways to do that. Help businesses that don't have websites or online ordering platforms quickly establish an online presence and connect with customers. These are some of the tools businesses need right now to survive.

Furthermore, please help ALL local businesses by making it as convenient as possible for customers to come to Town quickly and easily to pick up orders. Do not create gridlock, or close parking lots, impairing that ability, and likely contributing to permanent closure of retail business and restaurants.

Closing North Santa Cruz Avenue DOES NOT WORK. We proved this last summer beyond a shadow of a doubt, and downtown residents are not willing to tolerate this nonsense again! Please refer to my

letters of September 24, 2019 and petition with signatures of 70 University Avenue residents protesting last summer's ill-conceived one-way pilot. Let's recap the problems we encountered:

- Gridlock and danger entering/egressing narrow driveways
- Commercial traffic including heavy trucks and very early morning deliveries
- Late night drunks causing noise and totaling parked cars
- Non-stop noise, worse in the summer when windows must be opened to cool historic homes
- Dirt, pollution and respiratory problems
- Exhaustion from lack of sleep
- Loss of business by merchants on the wrong side of the street (mountain residents no longer stopped for coffee, etc., etc.)

The impacts of a street closure this year would be even worse, as many residents no longer have offices to which they can retreat; lots of us are stuck at home 24 hours a day. Please note that closing N. Santa Cruz only for selected hours, or days, will not mitigate these problems; this will just cause confusion. If drivers find N. Santa Cruz closed once, they will avoid it in future and begin to take University for all trips. As we learned last year, habits are hard to break - recovery from the one-way pilot has been slow.

In addition, staff stated last year that closing N. Santa Cruz in both directions was not feasible, as the intersection at University and Main could not handle the traffic. While traffic patterns have changed during the pandemic (and continue to change), University was gridlocked for several days last week when there was tree trimming on Highway 17. It takes very little to push this street over the edge, so there is no reason to believe that closing N. Santa Cruz will work now!

Many sections of North Santa Cruz have wide sidewalks that are sadly underutilized. Town and businesses could cooperate to make good use of this existing space whether for pickups or quiet, distanced outdoor dining. There might be areas for pop up business presence. Encourage creative thinking like Steamer's outdoor pizza oven. If people want to enjoy takeout in a public area, why not encourage use of the Old Town amphitheater and lawns around Town Hall in addition to our actual parks, and maybe selected area at the High School. Choose areas already open to pedestrians in locations where noise does not impact nearby residents. Don't eliminate parking or close any streets – all of this discourages customers and frustrates neighbors. **Do NOT allow amplified music outside any downtown business or in public area** – it is not permitted in Town for good reason!

Another local Chamber is conducting webinars with guest speakers including bankers who are helping that community's businesses understand how to talk to bankers and navigate new lending opportunities. If our Chamber hasn't already worked on similar programs, maybe it can start now.

I again encourage you to invite Los Gatos' many smart, creative residents to participate in a genuine exchange of ideas could yield a win-win concept that actually supports business and does not do so at the expense of residents. Instead you and the Chamber have reached out only to businesses and have surprised everyone else with last minute newspaper announcements about this meeting (Friday Weekly before Tuesday meeting, and Friday Town email, buried very far down the message). This pandemic is a marathon, and we're all affected. Let's work together, not against each other, to get to the finish!

Sincerely,



From: Blair Dunton
Sent: Tuesday, May 26, 2020 10:49 AM
To: Experience LG
Subject: Allocate money to help LG businesses

It is well known that Los Gatos is a destination.

It is beautiful.

We need to support the businesses in LG that draw people there and support the residents.

It is wonderful that we ready have a fund that can be used to support the businesses in Los Gatos. We don't need to make Los Gatos more beautiful at this time. Please allocate the beautification fund to supporting businesses hurt by COVID-19.

Thank you

Blair Dunton

--

Blair

Dear Mayor Jensen, Council Members, Town Management, Town Staff and Los Gatos neighbors:

The restaurant business historically operates on thin margins, and coming out of 3 months of little or no business while needing to dramatically reduce seating capacity and indoor customers to enable proper physical distancing threatens the viability of most restaurants in Town. This holds true for small retailers too, who rely on foot traffic while having to limit it.

Saving our Los Gatos restaurants and retailers and giving them an opportunity to innovate and thrive - while simultaneously safeguarding the health of our community is challenging. It requires innovative thinking, decisive action, and rapid implementation before more restaurants and retailers in our wonderful town are forced out of business.

We know from the CDC that being outdoors, where most virus spores largely dissipate in the fresh air, is significantly safer than being among mixed company indoors where much of the same air is recirculated.

Ideas being presented tonight to close multiple streets in Town, including parts of N. Santa Cruz Ave. to enable are restaurants and retailers to effectively spill out onto our streets are right on target. And just as important is how fast we can, together, *make* it happen.

We've learned from the past (the one-way pilot, how we effectively produced Eat Drink Play Los Gatos with N. Santa Cruz closed all day - while 10,000 people attended - and parking was not an issue, etc.) and now is the time to take all that knowledge, filtered through the bright minds of our Town leaders and innovators, and make it *work for us* - not freeze us into months of discussing the minute details or becoming frozen in inaction. That would be far too late for many, many Town businesses.

What if Los Gatos rolled up it's sleeves and was heretofore seen as pro-small business, starting with what we do for our small business during this pandemic?
Would that be a victory for our small businesses and a huge opportunity to create economic vitality downtown?

What other Town in our area has the beauty and physical advantages of downtown Los Gatos?
Who can do this better than us?

I rest my case.

Please act now, and create Los Gatos' biggest win in recent memory!

For your reference - and I truly hope you will at least skim all of these - below are links to recent articles detailing how other towns & cities - around us, in the greater Bay Area, and around the county - are closing streets for their small businesses - or are actively working on it.

Let's make Los Gatos an innovative town par excellence. Our business need heroic acts now. Thanks for your tireless work, and your consideration.

With much appreciation,

- Scott
Scott Canali

;

San Jose Leaders Move Ahead With Outdoor Restaurant Dining Plan

<https://www.nbcbayarea.com/news/local/san-jose-leaders-to-vote-on-expanded-outdoor-restaurant-dining/2292925/>

<https://almanacnews.com/news/2020/05/13/every-seat-outside-would-help-cities-consider-closing-streets-to-traffic-to-make-space-for-struggling-restaurants>

<https://sf.eater.com/2020/5/14/21258980/berkeley-coronavirus-covid-19-jesse-arreguin-street-closures>

(The above article is excellent, but linking to it has been tricky with PA Online's Database. If the link doesn't take you there, please do a search on this: 'Every seat outside would help.' Cities consider closing streets to traffic to make space for struggling restaurants

“Restaurants, residents push elected officials to think creatively to spur recovery **by Elena Kadvany / Palo Alto Weekly**”).

<https://www.google.com/amp/s/www.sfchronicle.com/food/amp/To-survive-coronavirus-San-Francisco-restaurants-15255104.php>

https://www.montereycountyweekly.com/opinion/local_spin/the-successful-reopening-of-restaurants-might-lie-in-pedestrian-only-streets/article_fb566778-8ff7-11ea-be8e-6fed9c41789f.html

<https://www.google.com/amp/s/www.cnn.com/amp/2020/05/22/cities-let-restaurants-set-up-in-streets-to-ease-covid-19-restrictions.html>

<https://www.google.com/amp/s/amp.usatoday.com/amp/5217156002>

<https://www.google.com/amp/s/www.al.com/news/mobile/2020/05/safer-outside-mobile-allows-restaurants-to-spill-into-parking-lots-sidewalks.html%3foutputType=amp>

From: Eric Takahashi
Sent: Tuesday, May 26, 2020 11:12 AM
To: Experience LG
Subject: Support for Small Businesses

To Whom It May Concern:

I understand that the Town will hold a special meeting this evening via Zoom to discuss a proposal to redirect \$2M from a Downtown Beautification Fund to local businesses impacted by the economic downturn associated with the COVID-19 pandemic. While I have not seen the details of the proposal by the Chamber of Commerce, I am supportive of any initiative to provide financial support to local businesses as long as they are unable to conduct "normal business" operations due to public health and or government directives. I hope that the Chamber has a process to establish and prioritize needs across these businesses. For example, a business that cannot operate at all (e.g., hair salon, gym) should receive higher priority than restaurant that is able to offer take-out. In addition, the Chamber needs to verify that the funds are going towards ongoing business expenses, such as rent.

Please let me know where I can find more details about the proposal to be discussed this evening.

Thank you,

Eric Takahashi

From: Michael Parke
Sent: Tuesday, May 26, 2020 11:13 AM
To: Experience LG
Subject: Downtown Beautification Funds

Hello,

PLEASE reconsider redirecting Downtown Beautification Funds to preserve what we have, not to spruce up what could become a more attractive, empty shell.

I support redirecting Downtown Beautification Funds to preserve the Los Gatos we have.

Thank you,

Michael

Michael Parker

Los Gatos, CA 95030

"You can always teach people skills, but you can't teach people to give a \$hi^."



From: Kitty Yurich

Sent: Tuesday, May 26, 2020 10:34 AM

To: Experience LG <ExperienceLG@losgatosca.gov>; Council <Council@losgatosca.gov>; Town Manager <Manager@losgatosca.gov>

Subject: Closure of North Santa Cruz Avenue, Side Streets, and More!

Dear Mayor of Los Gatos, Town Council, and Town of Los Gatos,

I was just informed that there will be more "Summer" changes to the streets of downtown Los Gatos to supposedly help with summertime traffic and the regulations of COVID-19. I find it so amazing that it's been proven over and over that making changes like closing the Santa Cruz Avenue entrance to Highway 17, making Santa Cruz Avenue on-way, doesn't help the traffic at all. It actually makes traffic more congested, especially on University Avenue and the side streets, which in turn effects the many individuals that live in the downtown area. University Avenue turns into a parking lot, with a mass amount of gas fumes and noisy idling cars and trucks, and it makes it very difficult to even due the simplest errand in town. Unless I'm leaving for the day, I usually don't drive anywhere on Saturdays during the Summer months.

Now the town thinks its a wonderful idea to completely close Santa Cruz Avenue, side streets, and parking lots for "outside" dining? I know this is due to COVID-19 as well but does anyone realize how this will impact the health, well-being, and lives of Los Gatos's downtown residents? The answer is NO!! I just don't understand how these decisions are made without taking downtown residents in mind and also notifying these same individuals that these proposals have been made.

I have lived on University Avenue for over 17 years and have had to live with the repercussions of decisions made by the Mayor, Town Council, and Town of Los Gatos during that entire time. It has gotten worse over the years, more so over the past few years. Just recently, I've had to endure 4 bouts of road, sidewalk, and curb construction right in front of my house during "shelter in place" with no place to go to. It really gets old and shows over and over again what the town really thinks of residents like myself, which is you really don't care.

You all need to rethink the plans you have in mind for Summer 2020 and to also keep in mind the needs of Los Gatos's downtown folks like myself. Thank you!

Best,
Kitty Yurich

From: Stephanie Doan
Sent: Tuesday, May 26, 2020 11:17 AM
To: Experience LG
Subject: Written Comments regarding LG Town Council

Hi there,

I think to encourage people to go out and support local businesses, we should mirror what cities like San Francisco and Oakland have done in closing down streets to encourage more foot traffic while social distancing. There can be circles drawn, six foot apart, so people can enjoy the outdoor weather while supporting local businesses. These street closures and distance circles could also be a great way to have restaurants open and people can go, one at a time, to pick up there food, and enjoy it outside in Downtown Los Gatos.

I think there should also be a requirement for wearing a face mask if you are walking outside or into a restaurant to pick up food. Thanks!

From: Matt Hortor.

Sent: Tuesday, May 26, 2020 10:37 AM

To: Council <Council@losgatosca.gov>; Town Manager <Manager@losgatosca.gov>; PublicComment <PublicComment@losgatosca.gov>; Arn Andrews <aandrews@losgatosca.gov>

Subject: Concerns for Council Meeting 5/26

To Whom it May Concern,

As a Resident in Los Gatos for 28 years and counting, I would like to express my concern in support of our local businesses, who are doing everything in their power to stay afloat. I have no doubt that our Town and it's Council will find a way to do so. In speaking with multiple restaurant owners and employees, there seems to be an overwhelming agreement, close Santa Cruz Avenue to automobiles and open it up for an outdoor market place/dining room.

I am in complete support of this proposal as a current consumer/citizen, a former employee/manager of a family owned Los Gatos staple (The Pastaria and Market), but most of all someone who holds this unique town and its people very close to my heart.

Allowing businesses to operate on Santa Cruz Avenue will give them the opportunity to support their affected employees, provide happiness and a sense of community, a peace of mind, all while being more responsible to the public's health.

With the upcoming allowance of restaurants opening their dining rooms it creates the issue of having a high cost of labor, with about 1/4 of the revenue, putting these restaurants in a worse position than their current state.

With the proposed closure of Santa Cruz Avenue; you are able to keep social distance, that is of most importance, while giving restaurants the necessary opportunity to operate with a "normal" capacity of Patrons. All the while, not keeping these patrons in a closed and confined space, offering a peace of mind.

While I understand many opposers will note how traffic will be affected, I believe temporary closure will not be a large inconvenience. Less cars are on the road in general and the beaches in Santa Cruz are closed, which we know has already decreased traffic immensely.

I ask that the council strongly considers this temporary aid to provide our small businesses some support, they are working their tail off for our people. Let it not be without recognition.

Thank you in advance,

Matt Horton

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Matthew Horton II
Certified Sommelier
Cell:

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To: Los Gatos Town Council and Town Manager

From: Los Gatos Chamber of Commerce

Proposal: Ideas for Recovery Phases

Date: May 26, 2020

Due to the COVID-19 crisis and the effect it has had on our business community, we have been researching ways in which we can help our restaurants, merchants and community members as we move through the phases of recovery. We have three suggestions (in order of importance) that comprise our efforts to increase the seating capacity for restaurants and increase foot traffic for our merchants, as they work to comply with the new health and safety protocols due to COVID-19. In addition, we have identified some funding sources from the proposed budget, see Addendum A.

1. Town-wide, allow businesses to use the parking spaces in front of their locations for dining tables and retail displays on a daily basis.
 - a. We might consider the permanent blocking off of the parking spaces from Main Street to Royce or just to Bean on N. Santa Cruz and some on Main Street, leaving some spaces open for curbside pick-up and bike racks.
 - b. If blocking off spaces from Main Street to Royce – we lose 72 parking spaces. This would allow our sidewalk space to be expanded, enough to meet the 6’ social distancing regulations and make people feel safe.
 - c. In all cases, the business, whether restaurant or merchant, will be responsible for the space in front of their location. They will use their own tables, keep it clean and disinfected, maintain all safety and health measures.
 - d. In some parking spaces we should put bike racks to encourage more people to bike to Town.
 - e. In other Town commercial districts, we propose working with the landlords to roll out a similar plan in their own private parking lots. Consistent signage is essential in building Town community and unity.
 - f. See attached Addendum B for possible barricades for parklets and bike racks options. See attached Addendum C for placement of parklets and bike racks.
 - g. See Addendum D for proposed budget of Option 1.

2. Close a few additional streets as public parks, similar to what the Town is doing on Grays Lane. We could consider a closure at Bachman and Bean from N. Santa Cruz to Wilder. If these are made into parks, they should be inviting by putting down artificial turf, along with lighting and chairs.

3. If Option 1 and 2 are not sufficient, and if summer beach traffic becomes unbearable, we pivot swiftly and consider closing close N. Santa Cruz Avenue between Main Street to Royce on weekends or perhaps 3-4 afternoons a week between 3-9pm. This allows for a large pedestrian promenade where restaurants and retailers can expand onto the sidewalk and street and create a large pedestrian area for strolling.

- a. To be equitable, this scenario can include restaurants and retailers who are not in the designated area by assigning them a space to which they can bring merchandise or serve takeout. We could also utilize parking lots (US Bank, She She Shoes, etc) for this purpose.
- b. This plan should not impact University Avenue residents in the same way it did when N. Santa Cruz was one-way, since it is outside of truck delivery times, school drop off/ pick up times and beach traffic.
- c. In all cases, the business, whether restaurant or merchant, would be responsible for their space. They would use their own tables, keep it clean and disinfected, maintain all safety and health measures.
- d. We have reservations with this Option because it encourages larger gatherings and affects our University Avenue neighbors.

If we do not work fast and make some accommodations in the immediate future, we risk losing up to 40% of our existing restaurants and retailers.

In conclusion, the Chamber proposes that tonight you vote to set money aside for the Los Gatos Recovery Project. After prioritizing the ideas brought forth tonight, we encourage you to direct staff to work closely with the Chamber and the businesses to more fully develop and implement the ideas you choose tonight.

Attached:

- Addendum A – Funding Sources
- Addendum B – barricades and bike racks
- Addendum C – parklet layout
- Addendum D – budget for Proposal 1

ADDENDUM A

Possible Funding Sources

1. Reallocate funds from the existing General Fund reserves from the 2019-20 budget
2. Fund a committed reserve in the 2020-21 budget, which is not finalized and you are reviewing next week.

The Chamber believes #2 is the more viable and conservative option as we do not know how the loss of Sales Tax and TOT revenues in Q4 will ultimately affect the 2019-20 reserves.

Below we have listed potential funding sources where we believe \$1million can be reallocated from one or a combination of existing sources into a temporary Los Gatos Recovery Project Committed Fund. If unused Council can choose to return the money to its original source.

- \$1,972,384 – GFAR – Downtown Streetscape Revitalization project
- \$7,422, 640 – General Fund Capital/ Special Project Reserve
- \$5,427,063 – General Fund Budget Stabilization Reserve
- \$5,427,603 – General Fund Catastrophic Reserve

The Chamber proposes that tonight the Council commit \$1,000,000 to a Los Gatos Recovery Fund. By establishing this Fund, the Council is publicly stating that these funds can only be used for the purpose of providing economic recovery and promoting economic vitality for our local businesses. In looking ahead, we have no idea how long the economic effects from this COVID-19 crisis will last, so we believe it is prudent to put this sum aside to ensure that you have flexibility to spur business as necessary over the next few years.

ADDENDUM B

Traffic Barrier

24"x96" - \$181

Comes in various colors



Bike Rack

Can be ordered to fit 4, 6 or 8 bikes

\$287-\$432

Comes in various colors – can match the traffic barriers



Budget with water/ sand filled traffic barriers		
Barriers @\$181 each		
Barriers needed on N. Santa Cruz to Bean	40	\$7,240
Barriers Needed in front of Coup de Thai block	13	\$2,353
Barriers needed in front of We Olive	5	\$ 905
Barriers needed on Main Street (block with Southern Kitchen	12	\$2,172
Installation & removal of barriers		\$25,000??
Bike Racks	8	\$2500-3500

ADDENDUM D
Proposed Budget for Option 1

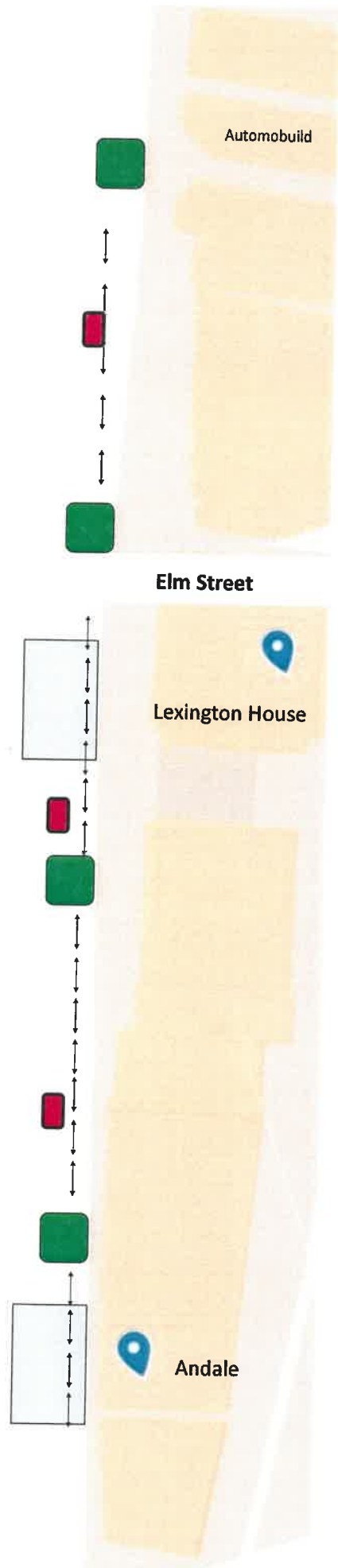
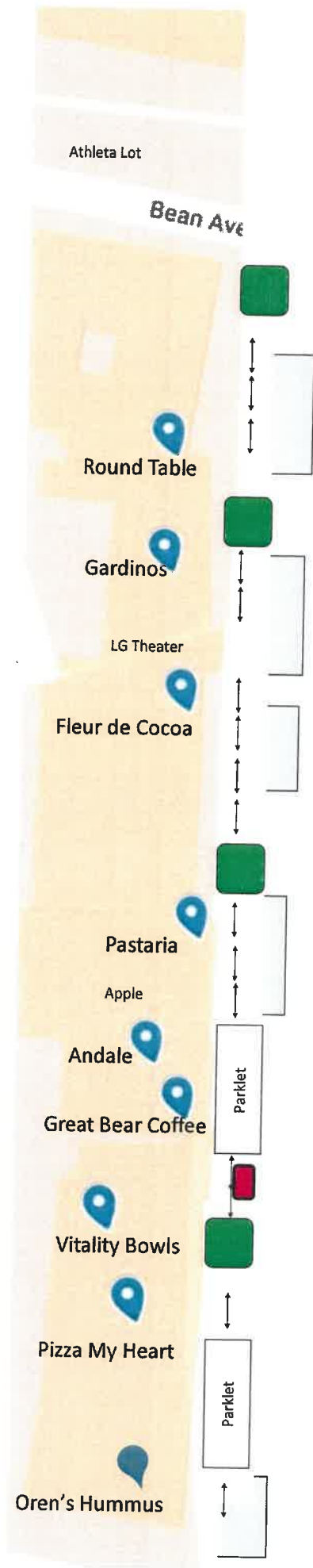
If implementing Option 2 & 3, costs would rise. Option 2 would require enhancing the new park space. Option 3 would require the cost of closing N. Santa Cruz

Option 1 with Planters			
Barriers @\$685 each			
N.Santa Cruz	140		\$95,900
Main Street Barriers	21		\$14,385
Installation & removal of barriers			\$55,000
Flowers-including dirt and installation			\$25,000
Hand sanitizer station-\$200/per	20		\$4,000
Hand sanitizer refill	288		\$5,760
ADA temp ramps			\$30,000
banner poles-\$20K each	4		\$80,000
administrative cost	6 months		\$75,000
social media-6 months			\$15,000
banners			\$10,000
signage (masks usage, sanitizer, curbside pick up)			\$20,000
advertising and promotion initiatives			\$50,000
Bike Racks	8	432	\$3,456
			\$483,501

Option 1 with water/ sand filled traffic barriers			
Barriers @\$181 each			
N.Santa Cruz	60		\$10,860
Main Street Barriers	12		\$2,172
Installation & removal of barriers			\$40,000
Hand sanitizer station-\$200/per	20		\$4,000
Hand sanitizer refill	288		\$5,760
ADA temp ramps			\$30,000
banner poles-\$20K each	4		\$80,000
administrative cost	6 months		\$75,000
social media-6 months			\$15,000
banners			\$10,000
signage (masks usage, sanitizer, etc)			\$20,000
street closure-\$2500 per closure	8		\$20,000
advertising and promotion initiatives			\$50,000
Bike Racks	8	432	\$3,456
			\$366,248

ADDENDUM D





From: Terry Duryea

Sent: Sunday, May 24, 2020 9:17 PM

To: Marcia Jensen; Barbara Spector; Marico Sayoc; Rob Rennie; Laurel Prevetti; Arn Andrews

Cc: Stephen Conway

Subject: May 26, 2020 Special Town Council Meeting Item 1

Honorable Members of Town Council

Watching the May 19 Town Council meeting, I felt an unstated presumption that budgeting at full staffing levels was more important than making an investments to jump start the Town's economic and community vitality. The irony is the first is only a budgeting ploy, while the second can create an economic return to the Town with increased sales tax and other revenues.

If you look at the cash consequences of the choice, the argument I heard was the Town needs to maintain full staffing to support the services it provides so it could only afford \$20,000 to support the downtown's financial vitality in light of the Covid 19 pandemic. I believe viewing this as a binary option is a false choice. Our goal should be to minimize the total harm to the Town—i.e. address the need for budget flexibility and financial sustainability, while also addressing the Town's economic vitality.

We all have a common interest. Town employees rely on the Town's economic vitality to generate sales tax revenues to fund staff salaries and benefits, while the merchants need a quality professional Town staff to support the variety of infrastructure needs that are necessary for economic and community vitality. And residents want both because our quality of life, and our home values are tied to community vitality as well as the Town's economic vitality.

The proposed 2020-2021 budget is balanced only because we are using \$800K of reserves, i.e. the Town had to use reserves to support the Town's staffing costs. It may be coincidental, but the \$800,000 is approximately the same as the 2020-2021 budget costs for the 1% COLA raise + 2% bonus for the Miscellaneous and Safety employees and Unrepresented Staff. **That tells me the money is there for certain priorities.**

Secondly, the Covid 19 pandemic is as much of a disruption to our Town as an earthquake or massive fire would be. Besides the Town merchants, ask the residents who lost their jobs or took salary cuts (as many health care professional have among others) if they feel this is comparable to an earthquake.

Lastly, I want to compliment Staff as the Memo prepared for the May 26, 2020 meeting showed greater understanding of the magnitude of the problem we are all addressing than was reflected at the May 19 Town Council meeting.

Given the short notice and little time to review the options presented, and more importantly, the significance of what we are trying to accomplish, I think it's unrealistic to reach a final

decision on specific projects at this meeting. My suggestion is that the Town Council pass a resolution setting aside significant money (greater than \$500,000) to support jump starting the Town's economic activity. The Town Staff can then work with the Chamber to identify the higher leverage projects. I ask when reviewing options, please view the spending as an investment, not just a cost. Staff and the Chamber can work together to make a best efforts attempt to quantify, at least within a range, the revenues that will be generated by spending on specific projects. The returns should also be considered when prioritizing specific actions.

I will not be talking at the May 26, 2020 meeting.

Respectively submitted,
Terry Duryea