



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/02/2023

ITEM NO: 10

DATE: April 27, 2023
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Rescind and Replace the Town's Economic Recovery Resolution 2022-066 with Draft Economic Recovery Resolution (Attachment 1) to Continue to Support the Town's Economic Recovery Efforts, Including the Completion of the Construction and Implementation of the Semi-Permanent Parklet Program, and to Allow Time for the Planning Commission and Town Council to Consider Implementing Amendments to the Town Code that Reflect the Streamlining Efforts of the Resolution.

RECOMMENDATION:

Rescind and replace the Town's Economic Recovery Resolution 2022-066 with Draft Economic Recovery Resolution (Attachment 1) to continue to support the Town's economic recovery efforts, including the completion of the construction and implementation of the semi-permanent parklet program, and to allow time for the Planning Commission and Town Council to consider implementing amendments to the Town Code that reflect the streamlining efforts of the Resolution.

BACKGROUND:

The Town Council remains proactive, adaptive, and flexible in its efforts and actions to support the business community through the dynamic economic recovery environment created by the COVID-19 pandemic. The Council has been steadfast in its support of the Town's business community, while delicately balancing competing interests and continuing to consider additional options to provide available assistance.

One key element of continued economic recovery support is the currently adopted Economic Recovery Resolution, Resolution 2022-066, which provides flexibility and additional opportunities for businesses to adapt to the dynamic environment.

PREPARED BY: Monica Renn
Economic Vitality Manager

Reviewed by: Town Manager, Town Attorney, Community Development Director, and Finance Director

BACKGROUND (continued):

Some of the ongoing opportunities of note in the Resolution include: Town-subsidized business permits; the ability for private commercial properties to flex their space for outdoor dining and other business opportunities; the subsidized semi-permanent parklet program with grant funding allocated by the Town Council using American Rescue Plan Act (ARPA) funds; streamlined opportunities that reduce cost and timelines for businesses to locate, relocate, bifurcate, and evolve within the Town; and time extensions on the expiration of permits.

At the direction of the Town Council, these efforts and initiatives have provided many businesses with new options and flexibility to pivot during some of the most trying economic times. In addition, the Town Council adopted updated Strategic Priorities in January 2023, which continue to prioritize Economic and Community Vitality efforts including business process and permit streamlining.

The Economic Recovery Resolution was first adopted on May 26, 2020, then extended on three subsequent occasions with the current, Resolution 2022-066, sunseting on June 30, 2023. As the Town Council continues to acknowledge the successful support and process streamlining the Resolution provides the Town's business community, staff is recommending another extension to the Resolution (Attachment 1), until October 31, 2023.

DISCUSSION:

Since the semi-permanent parklet program and grant funding structure were adopted on April 20, 2021, Town staff has been working continuously with stakeholders to implement the semi-permanent parklet program. This project originally set a completion date of December 31, 2022, requiring all parklets to be fully built with final inspection approval, and the required paperwork filed for grant payment. Given the disruption in supply chains, increased costs of labor and materials, and most notably, the severe winter storms of December 2022 through April of 2023, parklet project timelines have been extended and many put completely on hold and the stakeholders were unable to move forward with completing the parklet build-outs. Thus, staff is recommending additional time for the stakeholders to complete the work, and submit their documents for grant funding. The Town Council previously allocated the funds for the semi-permanent parklet program using existing Downtown Revitalization Funds and ARPA funding. The time extension will not increase the amount needed to fund the program.

The chart below offers a snapshot of general phases in the parklet design and construction process, with the column on the right noting the number of semi-permanent parklets currently in that phase.

DISCUSSION (continued):

PARKLET PHASES	# OF PARKLETS
Parklet complete, full grant issued	20
Parklet complete, awaiting grant documents or grant payment in process	5
Parklet in construction	1
Parklet building permit issued and agreements executed	10*
Parklet in design, building permit review, or agreement processing phase	0
* Of these ten businesses, three have indicated they no longer plan to build a parklet; and six businesses will be combining efforts to construct three large parklets, internally divided.	

In addition to completing the construction phase of the semi-permanent parklet program, staff has been working to evaluate the economic vitality opportunities and flexibility provided by the Economic Recovery Resolution since its original adoption in June of 2020, and craft proposed Town Code amendments that enhance, support, and extend this streamlining. It is not anticipated that this work could be completed by the sunset date of Resolution 2022-066. For this reason, staff is recommending an extension of the temporary streamline options to remain consistent for businesses until a time in which the proposed amendments may be fully discussed and vetted by both the Planning Commission and Town Council.

In consideration of the need for this extension, staff recognizes that the local, state, and federal emergency orders regarding the COVID-19 pandemic have all been rescinded, thus the proposed draft Economic Recovery Resolution does not cite these documents and recognizes that while the emergency orders are no longer in place, the lasting effects of the pandemic still exist as challenges for the Town's business community. An extension of the streamlining efforts offers additional support to the Town's business retention and attraction efforts.

CONCLUSION:

Town staff recommends that the Town Council rescind Resolution 2022-066 and adopt the attached draft Economic Recovery Resolution to allow additional time for the completion of the construction and implementation of the semi-permanent parklet program and allow time for the Planning Commission and Town Council to consider implementing amendments to the Town Code that reflect the streamlining efforts of the Resolution. The Planning Commission began their discussion and recommendations to the Town Council on April 26, 2023 and Town Council is tentatively scheduled to discuss the Commission's recommendations at its June 20, 2023 meeting.

PAGE 4 OF 4

SUBJECT: Approve an Extension to the Economic Recovery Resolution

DATE: April 27, 2023

COORDINATION:

The preparation of this report was coordinated with the Community Development Department and Town Attorney's office.

FISCAL IMPACT:

Funding for the Economic Recovery efforts supported by the Economic Recovery Resolution have been previously allocated by the Town Council.

ENVIRONMENTAL ASSESSMENT:

The program extended by this resolution is statutorily and categorically exempt from CEQA as outlined in the resolution.

Attachment:

1. Draft Economic Recovery Resolution