



Council Agenda Report

Item 7a

Department: Public Works
Cost Center: 5010
For Agenda of: 7/20/2021
Placement: Study Session
Estimated Time: 90 Minutes

FROM: Matt Horn, Public Works Director
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SUBJECT: STUDY SESSION: OPEN SLO LONG-TERM STRATEGIES

RECOMMENDATION

1. Receive a presentation on potential long-term strategies for various elements of the Open SLO program; and
2. Provide preliminary direction to staff to guide long-term program and policy development for the potential continuation of certain Open SLO program activities.

REPORT-IN-BRIEF

As a result of the COVID-19 pandemic, the San Luis Obispo City Council approved the Open SLO program in May of 2020, which included a multi-pronged approach to expand the use of city streets and public spaces to help support the economic recovery of local businesses and provide additional opportunities for responsible physical distancing. Open SLO has included a variety of public health, outdoor activation, and other strategies allowing local restaurants and retailers to expand their footprints into the street, use of Mission Plaza for take-out dining downtown, addition of parklets to expand sidewalk space, and other quick-build strategies to improve safety and access for residents jogging, bicycling and strolling in their neighborhoods.

On July 6, 2021, the City Council approved an extension of the Open SLO program for up to one year following the termination of the proclamation of a local emergency, which will allow for continuation of the pilot program at least through July of 2022 if needed. This provides time for City staff to fully analyze the successes and lessons learned over the last 14 months, develop long-term program and policy recommendations (if desired by Council), and work collaboratively with the community to transition from pilot program to permanent program implementation. Long-term program and policy development for parklets and other strategies will be guided based on feedback from a recent community survey that received over 7,000 responses, research on similar programs in comparable benchmark cities, and outlining long-term advantages, considerations and constraints associated with each pilot program activity.

This study session will provide the opportunity to receive additional input from the community and direction from the City Council on whether the City should develop long-term policies and/or programs for parklets and other Open SLO activities beyond the current pilot program.

DISCUSSION

Background

The rise of the COVID-19 pandemic in 2020 created two disasters: a public health crisis and unprecedented economic impacts that will reverberate for many months, if not years, beyond the pandemic. The City of San Luis Obispo (City) was certainly not immune to these impacts, as local businesses were economically impacted by this event, especially restaurants, hotels, and retail establishments. The emergence of the pandemic created both a significant challenge for the City - with an urgent need to support public health and economic recovery of our local businesses - as well as a unique opportunity to re-imagine how our public right-of-way can be utilized to improve long-term community vibrancy and economic vitality.

In May of 2020, the City Council authorized the “Open SLO” pilot program, a multi-faceted endeavor involving flexible enforcement of existing policies and temporary repurposing of public right-of-way to support physical distancing and economic recovery of local businesses affected by the COVID-19 pandemic. The Open SLO program included: the use of temporary street closures, parklets¹, more flexible sidewalk dining permits, activation of Mission Plaza for public takeout dining, relaxed enforcement of outdoor signage and on-site parking requirements in private parking lots, and several complete street and traffic calming quick-build enhancements, including conversion of Higuera Street from three to two lanes through the downtown core to reduce traffic speeds and provide additional space for people walking, bicycling, and dining within the new parklets.

While temporary evening and weekend street closures were a primary focus of the Open SLO program early on, staff quickly pivoted to focus on parklet deployment based on feedback from downtown businesses, who felt the street closures were negatively impacting non-restaurant retailers. Since June of 2020, the City facilitated the installation of temporary parklets for at least 42 individual businesses, with approximately 30 parklets still remaining in use today. About 10 businesses took advantage of the opportunity to expand outdoor dining within private parking lots, including five (5) restaurants who borrowed temporary barricades from the City in order to remain in business outdoors. The only temporary street closure that remains in effect is the half closure of Monterey Street between Morro and Chorro Streets. Attachment A includes a map of the parklets installed during the Open SLO pilot program.

¹ A “parklet” is a temporary sidewalk extension that provides more space and amenities for people using the street. Typically, parklets are installed on public streets within on-street parking lanes and extend into the street with a surface flush with the sidewalk. Parklets provide opportunity for additional restaurant/café seating, greenery and artwork, or simply a place for people to sit and rest while taking in the activities of the street.

While there were many ups and downs over the last 16 months due to changes in restrictions and resulting consumer behavior, the available quantitative and anecdotal data indicates that the various efforts to activate downtown likely had a positive benefit to the economic response and recovery of the City.

It is difficult to compare the impact of the Open SLO program vs. taking no action, and equally difficult to isolate the specific effects of the Open SLO program from other promotional efforts conducted by the City during the pandemic, like the “Buy Local Bonus” and “Light Up Downtown” holiday campaigns. However, the combination of all of these efforts encouraged both visitors and locals to come downtown to shop and dine out when that would not have been as inviting without these programs. Across the board the City’s sales tax, parking occupancy and Arrivalist data are trending back toward or above their pre-pandemic levels (see Attachment B for data trends). That being said, property and business owners who have locations throughout the country have anecdotally told City staff that our efforts were an example of an exceptional pandemic response across the various jurisdictions where they do business.

On July 6, 2021, the City Council approved an extension of the Open SLO program for up to one year following the termination of the proclamation of a local emergency, which will allow for continuation of the pilot program at least through July of 2022 if needed. The overall response to many Open SLO activities from the San Luis Obispo community, including residents, visitors, and local businesses representatives, has been overwhelmingly positive, with many requests encouraging the City to continue with certain strategies in a longer-term/permanent capacity. Constructive feedback received during the pilot program was primarily related to concerns about on-street parking loss, unappealing aesthetics of some temporary parklets, and unequal parklet opportunities for each business, depending on location and type of business. As we look ahead to the conclusion of the Open SLO pilot program, staff has organized this study session to invite input from the community and direction from the City Council on whether the City should develop potential long-term policies and/or programs for parklets and other Open SLO activities beyond the current pilot program.

The discussion below provides a summary of current Open SLO pilot program activities, potential policy options for long-term consideration, key advantages, considerations and constraints associated with each long-term option, and suggested strategies to transition from the current pilot program to permanent policies and practices.

Open SLO Focus Areas for Long-Term Consideration

This study session focuses on the following primary Open SLO activities:

- A. Parklets within Public Streets
- B. Sidewalk Dining
- C. Outdoor Dining in Private Parking Lots
- D. Monterey Street Configuration

A summary of the current pilot program actions and potential options for long-term consideration is provided for each focus area topic below. These were developed based on numerous due diligence efforts including: an assessment and analysis of what has worked or not worked during this pilot period, research of outdoor dining programs in other cities, and input from the community. This also included the most recent community survey conducted in June that received 7,125 responses (see Attachment C). Further discussion of policy context, public outreach and due diligence, and potential fiscal impacts associated with each focus area is provided later in this staff report.

A. Parklets



Pre-COVID Activities:

- No parklet program.

Current Pilot Program Activities:

- Facilitated the installation of more than 40 temporary parklets, with approximately 30 parklets remaining in place today.
- Parklet encroachment permits issued with no fees during pilot program.
- City installed basic parklet features (i.e., flush decking, simple barrier system), with many businesses investing private funds to upgrade and further customize their parklets.

Potential Long-Term Options:

OPTION 1: Return to pre-COVID policies, removing all parklets at conclusion of pilot program.

OPTION 2: Develop long-term parklet program.

Pros, Cons and Key Considerations:

OPTION 1: Remove Parklets After Pilot Program

Pros

- Maximizes on-street parking supply.
- Maintain parking revenue.

- Eliminates risk of potential vehicle collisions with outdoor dining areas in parking lane.
- Requires no new staffing resources or capital expenditures on parklets beyond end of pilot program.

Cons

- Limits available space for outdoor dining activation, providing less opportunity to increase vibrancy of pedestrian environment.
- Inconsistent with recommendations of Downtown Concept Plan, Active Transportation Plan and General Plan Land Use Element, which recommend exploring opportunities for parklets.

OPTION 2: Develop Long-Term Parklet Program

Pros

- Provides more opportunities for outdoor dining, which adds to vibrancy of the public realm.
- Helps additional businesses with economic recovery.
- Visually narrows the street, which can have a traffic calming effect.
- Supports policy recommendations of Downtown Concept Plan, Active Transportation Plan and General Plan Land Use Element.

Cons

- Reduces on-street parking supply.
- Increased cost to City to continue parklet program, including parking revenue loss, costs for manual street sweeping, installation costs for City-funded locations, maintenance and program administration. Excluding installation, total ongoing costs are \$5,000-\$6,000 annually per parking stall occupied.
- Parklets need to be removed to facilitate roadway paving work, resulting in higher costs for work and direct temporary impacts to business that utilize parklets. Costs would be influenced by complexity of parklet construction and timeframes of construction.
- Parklets do not directly benefit all types of businesses.
- Increased risk for vehicle collisions for anything located within the footprint of the roadway.
- Increases frequency of commercial loading in traffic lanes, which slows through traffic and require additional enforcement to avoid blocking bike lanes.
- Additional staff time required to develop and administer permanent program, which may shift focus from other priorities in current work program.

Key Considerations for OPTION 2

- *Public vs. Private Space* – There are various philosophies and practices with pre-COVID parklet programs in other cities regarding whether parklets should be treated as public spaces (available to all), reserved for exclusive use of individual businesses, or somewhere in between. Some cities require all parklets to be available to public, while others allow exclusive use by private businesses entirely or in some sort of hybrid fashion (i.e. portions of parklet seating reserved for public, exclusive use allowed during limited hours only, etc.).
- *Activation* – Many parklets occupied by cafes or restaurants are not activated certain times of the day, or even some days of the week, leaving empty and underutilized spaces outside of business hours.

- *Public vs. Private Costs* – What is a reasonable fee to charge parklet owners for use of public right-of-way and to offset City costs?
- *Equality of Opportunity* – Parklets do not directly benefit all types of businesses and will not be feasible at all business locations based on site constraints.
- *Design Standards* – If pursuing a long-term parklet program, the City will need to consider what level of design standards should be applied. Should all parklets have a uniform visual appearance or should more flexible standards be applied to encourage unique designs?
- *Process* – If pursuing a long-term parklet program, consider application and approval process, what level of discretionary review is required, how adjacent businesses are notified, and what form of appeal process will be provided. Also, what mechanisms will be in place to ensure parklet permittees maintain their spaces appropriately and are in compliance with permit conditions of approval.

Next Steps to Develop Permanent Policy/Program:

OPTION 1: Remove Parklets After Pilot Program

- No action needed. Remove all parklets at end of pilot program.

OPTION 2: Develop Long-Term Parklet Program

- Develop framework for long-term parklet program and policies, including developing objective design guidelines, proposed fee schedules, and amendments to the City Municipal Code required to continue with a permanent program.
- Conduct additional community businesses outreach to guide refinement of proposed parklet policies.
- Identify strategies to address ongoing fiscal impact to Parking Fund if parklet program continues beyond pilot program.
- Present final parklet program and policy recommendations for advisory body and Council consideration for approval.

Staff Recommendation:

- Proceed with OPTION 2 and begin development of a long-term parklet program with local business and community input. Recommend developing detailed, but flexible objective design standards for safety and aesthetics, with approval by the Community Development Director via ministerial design review. Program should include an appropriate use fee (based on Council input) and include a process for notification of adjacent properties and opportunity to appeal new parklet proposals to the City Council.

- Sidewalk Dining



Pre-COVID Activities:

- Sidewalk Dining Program administered with issuance of encroachment permits for Sidewalk Café or Tables & Chairs permits, governed under City Municipal Code Chapter 5.50.
- Sidewalk Café permit requires barrier to delineate space, size limited to business frontage, allows restaurant table service and alcohol sales with ABC permit. Use fee is \$1 per square foot of dining area per month.
- Tables & Chairs permit allows up to 3 small two-person tables only within business frontage. No table service or alcohol sales allowed. No use fee.
- Both Sidewalk Café and Tables & Chairs permit requires maintaining 8 feet minimum clear sidewalk width, which is infeasible in most locations downtown.

Current Pilot Program Activities:

- No-fee encroachment permits issued with relaxed minimum requirements for both Sidewalk Café and Tables & Chairs permits to allow participation by a greater number of businesses.
- Minimum sidewalk clear width reduced from 8 feet to 4 feet at pinch points (min. for ADA compliance). No limit on number of tables and chairs allowed.
- Restaurant table service allowed with both Sidewalk Café and Tables & Chairs permit.
- Alcohol service allowed with Sidewalk Café or Tables & Chairs permit with ABC approval.

Potential Long-Term Options:

OPTION 1: Return to pre-COVID Sidewalk Dining policies per existing Municipal Code.

OPTION 2: Amend existing sidewalk dining policies with more flexible requirements to facilitate more sidewalk dining opportunities.

Pros, Cons and Key Considerations:

OPTION 1: Return to Pre-COVID Sidewalk Dining Policies

Pros

- Retains wide sidewalk clearances (8 feet min.), which provides more space for pedestrian traffic and ensures consistency with pedestrian level of service targets and City Engineering Standards.
- Does not require any updates to pre-COVID policies/programs.

Cons

- Sidewalk dining will remain infeasible in most areas of the City due to inadequate sidewalk widths.

OPTION 2: More Sidewalk Dining with Narrower Sidewalk Clearances

Pros

- Provides more opportunities for outdoor dining, which adds to vibrancy of the public realm.
- Helps additional businesses with economic recovery.
- No loss in street parking supply or parking revenues; little direct fiscal impact to City to modify existing policies.

Cons

- Narrower sidewalk clearances can impede pedestrian traffic, particularly if restaurants offer table service within sidewalk dining area.
- Potential for heightened risk of trip and fall, and potential concerns with ADA access if businesses aren't actively managing their equipment responsibly.
- More challenges cleaning (i.e. leaves, trash, sweeping).
- If more businesses are able to participate in the sidewalk dining program, this would require additional staff time for program administration and code enforcement.

Key Considerations for OPTION 2

- *Public vs. Private* – More flexible sidewalk dining will encourage additional use of public sidewalk right-of-way by private businesses.
- *Equality of Opportunity* – Sidewalk dining does not directly benefit all types of businesses, and not all interested businesses will have same opportunity to participate, depending on available sidewalk area fronting their business.
- *Consistency with City Policies/Standards* – Reducing requirements for clear sidewalk width (less than 8 feet) will require amendments the Municipal Code, City Engineering Standards, and Council Action to accept potential pedestrian level of service deficiencies within the downtown (see Policy Context section later in this report for additional details).

Next Steps to Develop Permanent Policy/Program:

OPTION 1: Return to Pre-COVID Sidewalk Dining Policies

- No action needed. Return to pre-COVID sidewalk dining policies following end of pilot program.

OPTION 2: More Sidewalk Dining with Narrower Sidewalk Clearances

- Staff would need to prepare amendments to City Engineering Standards and Municipal Code Chapter 5.50 to allow sidewalk widths of less than 8 feet within the downtown core.

- Staff would need to prepare necessary policy conformity analysis and develop potential Council Resolution to formally accept pedestrian level of service policy deficiencies where sidewalk clear widths are reduced for outdoor dining. Alternatively, this could be accomplished via General Plan Amendment to allow exemptions to pedestrian level of service policy thresholds where reduced sidewalk clearances are considered in order to provide other elements that activate the pedestrian environment, such as sidewalk dining.

Staff Suggestion:

- Proceed with OPTION 2, reducing minimum required sidewalk clearance width from 8 feet to 6 feet. Require sidewalk use fee for both Sidewalk Café and Tables & Chairs permits if space is for exclusive use of private business. No limit on tables and chairs, but dining area should not extend beyond business frontage.

C. Outdoor Dining in Private Parking Lots



Pre-COVID Activities:

- Off-street parking is required to be maintained consistent with approved site plans for intended users including staff, residents, and/or customers.
- Uses must remain consistent with parking requirements to provide the minimum number of parking spaces required by Zoning Regulations.
- New uses can only be established if the minimum required number of spaces are available for the use.
- Use of Parking lot areas for sales, temporary events, outdoor eating areas, or other uses can only be approved through Intermittent or Temporary Use Permit, or through approval of a Minor or Moderate Development Review Approval.

Current Pilot Program Activities:

- Restaurants and other businesses with private parking lots may continue to expand operations within off-street parking areas with permission of the property manager/owner.
- Enforcement of current off-street parking requirement has been temporarily suspended allowing for portions of private parking lots to be converted to seating or expanded retail space.

Potential Long-Term Options:

OPTION 1: Return to pre-COVID policies.

OPTION 2: Establish policies and regulations to allow for long-term or permanent conversion of private parking areas for other uses.

Pros, Cons and Key Considerations:

OPTION 1: Return to Pre-COVID Policies

Pros

- Maximizes off-street parking supply.
- Eliminates risk of potential vehicle collisions with outdoor dining areas.
- Requires no new staffing resources by City beyond end of pilot program.
- Would not require amendments to Zoning Regulations or accommodations for new or continuing uses which would not be able to meet parking requirements due to converted parking lots.

Cons

- Could have a negative impact on local businesses by requiring them to pull back and reduce expanded operations.
- Reduced opportunity for the public to experience outdoor dining and conversion of large outdoor areas which have been dedicated to auto parking and circulation.
- Would require businesses desiring to continue expanded operations to obtain permits and initiate Planning applications, assuming they can meet minimum parking requirement.

OPTION 2: Develop Policies to Allow More Outdoor Dining in Private Parking Lots

Pros

- Could assist businesses in fully recovering from economic impacts of pandemic.
- Provides opportunity for public to continue enjoying outdoor dining and use of outdoor areas for sales or other uses.
- Increased flexibility for property owners/managers and lease holders to manage parking supply vs. reliance on staff enforcement of parking requirements for each use and shared parking arrangement.

Cons

- Less parking provided for patrons.
- Expansion of outdoor dining does not directly benefit all types of businesses.
- Increased potential for inadequate parking at times of peak demand.
- Need to consider safety and design to minimize increased risks of vehicle collisions or pedestrian safety issues.
- Additional staffing resources may be required to develop and administer permanent program may shift focus from other priorities in current work program to implement Major City Goals.

Key Considerations for OPTION 2

- Allowing a conversion of portions of parking lots containing required off-street parking for one or more uses will require adjustments to the Municipal Code so expansion of existing uses and new uses are able to meet parking requirements and to ensure ongoing uses do not become non-conforming.
- Need to ensure that conversion of private parking lots does not affect compliance with ADA parking requirements.
- Long-term policy revisions should include consideration for potential spillover of private parking demand off-site to other properties or public streets.

Next Steps to Develop Permanent Policy/Program:

OPTION 1: Return to Pre-COVID Policies

- No action needed. Return to pre-COVID policies following end of pilot program.

OPTION 2: Develop Policies to Allow More Outdoor Dining in Private Parking Lots

- Develop framework for long-term conversion of portions of private parking lots including amendments to the City Municipal Code required to continue with a permanent program.

Staff Recommendation:

- Proceed with OPTION 2, allowing staff to explore development of a permanent program allowing a portion of all private parking areas to be converted to other uses.

D. Monterey Street Configuration



Pre-COVID Activities:

- Monterey Street between Morro and Chorro Streets existed as a two-lane, two-way street with on-street parking and commercial loading areas.

Current Pilot Program Activities:

- Monterey Street converted to one-way westbound only. Existing parking and commercial loading preserved on northern (westbound) half of street.
- Southern half of street closed to through traffic. Allows for expanded outdoor dining area, an eastbound bike lane, area for commercial loading and curbside pickup parking, and the Monterey Street Bike Plaza, a small island of unused space with street murals, free bike parking, planter boxes and benches for public seating. The Bike Plaza has been identified as the designated bike valet parking area for Thursday night's Farmer's Market and Concerts in the Plaza through the summer and fall of 2021.

Potential Long-Term Options:

OPTION 1: Return this block of Monterey Street to pre-COVID two-way configuration.

OPTION 2: Retain this block of Monterey Street with current one-way configuration, with aesthetic enhancements.

OPTION 3: Explore concept of a pedestrianized or "car light" configuration for this block of Monterey Street, limiting vehicular access to only local delivery, service and emergency vehicles.

Pros, Cons and Key Considerations:

OPTION 1: Return to Two-Way Street

Pros

- Returns to pre-COVID traffic circulation. Restores intuitive two-way access and on-street parking for drivers.
- Would not preclude the potential to retain standard parklets within reduced footprint of parking lane for interested restaurants.
- Lower cost for City to return to pre-COVID configuration than with other alternatives, both in terms of upfront cost for design and implementation of physical improvements and in terms of lost on-street parking revenue.
- Least amount of change for existing businesses along this block.

Cons

- Limits available space for outdoor dining activation.
- Less opportunity to increase vibrancy of pedestrian environment, as envisioned for Monterey Street in the Downtown Concept Plan.
- Would require removal of Monterey Street Bike Plaza.

OPTION 2: Retain as One-Way Street

Pros

- Preserves large area for outdoor dining activation.

- Provides some opportunity for additional creative enhancements to pedestrian realm, which could include addition of public outdoor seating, additional planter boxes and landscaping, additional street murals and/or other public art installations.
- Retains existing Monterey Street Bike Plaza, which provides additional bike parking and dedicated bike valet area for Farmer's Market and other downtown special events.

Cons

- Permanent loss of approximately 7 metered parking stalls, resulting in parking revenue loss of roughly \$40,000 annually.
- Less intuitive access for drivers. Shifts additional vehicle traffic to parallel streets, such as Higuera and Palm Streets.
- Requires traffic analysis to evaluate potential impacts to circulation on nearby streets, and potential general plan amendment prior to authorizing permanent one-way configuration.

OPTION 3: Pedestrianize "Car-Light" Street

Pros

- Preserves large area for outdoor dining activation.
- Provides significant opportunity for additional creative enhancements to pedestrian realm, which could include addition of public outdoor seating, additional planter boxes and landscaping, additional street murals and/or other public art installations.
- Builds off concepts identified for Monterey Street in Downtown Concept Plan, creating linear extension of Mission Plaza pedestrianized space along Monterey Street.
- Provides additional area for expansion of Farmer's Market or other large special events downtown.
- Retains existing Monterey Street Bike Plaza, which provides additional bike parking and dedicated bike valet area for Farmer's Market and other downtown special events.

Cons

- Permanent loss of approximately 10 metered parking stalls, resulting in parking revenue loss of roughly \$56,000 annually.
- Less intuitive access for drivers. Shifts additional vehicle traffic to parallel streets, such as Higuera and Palm Streets.
- Requires traffic analysis to evaluate potential impacts to circulation on nearby streets, and potential general plan amendment prior to authorizing permanent conversion to pedestrianized or "car-light" configuration.

Key Considerations for OPTION 2 and OPTION 3

- Potential perception of inequitable opportunity for large outdoor dining expansion for restaurants on this block compared to other restaurants within the City.
- Permanent changes have not been thoroughly vetted with adjacent business and property owners. Will require additional public outreach and coordination with adjacent businesses before presenting final recommendations for Council consideration.

Next Steps to Develop Permanent Policy/Program:

OPTION 1: Return to Two-Way Street

- No policy/program development needed. Restore roadway striping and signage modifications to return street to pre-COVID configuration.

OPTION 2 (Retain as One-Way Street) & OPTION 3 (Pedestrianized “Car-Light” Street)

- Conduct traffic analysis to evaluate potential off-site circulation impacts.
- Conduct community outreach, including focused discussions with adjacent businesses and property owners.
- Prepare General Plan amendment, if required.
- Develop concept designs for permanent upgrades and identify funding needs.

Staff Recommendation:

- Recommendation is to explore Options 2 or 3 as part of an outreach and engagement process to enhance pedestrian experience, maintain active streetscape, and preserve bike facilities.

Other Open SLO Activities to be Discussed



In addition to the Open SLO activities addressed in the focused discussion above, there are several other activities initiated as part of the City’s Open SLO pilot program, including quick-build active transportation safety enhancements (i.e. Higuera Street lane reduction and bike lane, Johnson Avenue protected bike lane near UPRR crossing, etc.), activation of Mission Plaza for public take-out dining, and temporarily suspending enforcement of most Sign Regulations in non-residential zones. While the intent of this study session is to invite input primarily on the key focus areas discussed above (parklets, sidewalk dining, outdoor dining in private parking lots, Monterey Street), the Council can also provide questions and direction to staff on the following areas. A brief summary on the long-term plans for these activities is provided as follows:

- Quick-Build Projects: Staff will continue implementation of quick-build active transportation and safety projects through ongoing implementation of the Active Transportation Plan and Traffic Safety Program.

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- Mission Plaza Activation: The Parks and Recreation Department plans to continue activating Mission Plaza for public take-out dining for the foreseeable future. This program has been very well received and the recently adopted 2021-23 Financial Plan includes the operating budget needed to fund the staffing resources and equipment needed to continue this program, which cost approximately \$20,000-\$25,000 annually.

- Outdoor Sign Regulations: During the Open SLO pilot program, the City temporarily suspended enforcement of many forms of outdoor signage, allowing businesses to post signage and A-Frame boards on sidewalks to draw attention to their businesses. Pre-COVID, all outdoor signage proposals were regulated strictly based on the City's Sign Regulations most and all signs were prohibited within the public right-of-way. In order to help with the continued economic recovery of local businesses beyond the COVID-19 pandemic and Open SLO pilot program, Community Development Department staff are exploring potential amendments to the City's Sign Regulations to allow more flexible policies for business signs in non-residential locations. Staff will return to Council for input on specific policy proposals on this item.

Parking and Accessibility Considerations

At the onset of the pandemic, the temporary removal of on-street parking for parklets was deemed essential to support the local business community during a period of economic uncertainty. The City's Parking Services Division has continued to pivot and adapt throughout the pandemic to meet the quickly shifting needs of downtown visitors and businesses: relocating commercial loading zones, designating courtesy curbside pickup locations and providing free parking for several months. As we enter the summer tourist season in 2021, parking demand within the downtown core has begun to creep back to pre-COVID levels, with on-street parking occupancy near 90%-100% within the downtown core and off-street garage parking occupancy reaching 85% occupancy during peak days/times (Thursday through Sunday). With parking demand continuing to normalize, the Parking Division will continue to adapt and provide incentives and management strategies such as the recently installed pay stations and updated parking rates/times to encourage on-street parking turnover and prioritize use of off-street parking structures. While the current loss of on-street parking due to parklet installations (apx. 60 spaces total) does place an additional near-term burden on the existing off-street parking structures, the upcoming addition of the Palm-Nipomo Structure will provide the much-needed capacity needed to meet the long-term parking demand within the downtown, regardless of whether the Council decides to continue with a permanent parklet program.

While the City and local businesses have had to act quickly to adapt throughout the pandemic, the City has retained a focus on maintaining and improving accessibility for all users as part of Open SLO activities. While many initial parklet installations were installed rapidly, with the seating surface below the sidewalk at the street level, staff worked quickly to install elevated decking systems to create a surface flush with the sidewalk at all remaining public parklets so that these spaces are accessible for users with mobility challenges. Staff has also continued to work collaboratively with local businesses with sidewalk dining permits to convey the importance of retaining minimum ADA-compliant sidewalk clearances at all times. Further, the City has been incrementally increasing the supply of on-street accessible parking stalls throughout the downtown and has plans to install several more accessible stalls on Marsh and Higuera Streets as part of the planned 2021 and 2022 summer paving projects.

Transition from Pilot Program to Long-Term Program/Policy Implementation

Further, there will be some time required to work with the community and local businesses to transition from current pilot program activities to compliance with the future permanent programs and policies. Staff is proposing the following general approach and timeline to transition from pilot to lasting program (if that is the Council's consensus from this Study Session):

1. July 2021 – Winter 2022

- Continue pilot program: address ongoing nuisance concerns (i.e. cleanliness, noise, ped conflicts, etc), remove parklets and sidewalk dining areas that are no longer fully utilized and/or kept in a state of good repair, work with business owners on aesthetic enhancements that do not require unreasonable financial burden.
- Staff to develop long-term policy framework and related analysis needed to continue desired activities Begin draft policy review with the public and businesses.
- Conduct additional community and business outreach on long-term policy proposals.

2. Winter 2022

- Continue to monitor the extended Open SLO pilot program for additional six months through summer of 2022 to allow time for continued vaccine rollout toward necessary levels to achieve “herd immunity” and to provide dining options for sensitive groups emerging from the pandemic and to allow for additional economic recovery, formal policy adoption and transition.

3. Winter/Spring 2022

- Present formal policy recommendations to applicable City advisory bodies and City Council for consideration and adoption.

4. July 2022

- Terminate pilot program and transition to full implementation and enforcement of permanent programs/policies.

Finally, parklets are intended to serve as temporary structures to allow expansion of sidewalk space in a rapid and low-cost manner. The longer-term vision for expansion of outdoor dining and public space within the downtown, as guided by the City's Downtown Concept Plan, Mission Plaza Concept Plan, and Active Transportation Plan, involves more significant reconstruction of our streets, with permanent expansion of sidewalks, and the corresponding elimination of some on-street parking over time as the City is able to construct more off-street parking (i.e. the Palm/Nipomo Garage) and improve access to other transportation options, such as walking, bicycling and transit. As the City implements more significant sidewalk widening projects over time, outdoor dining areas within parklets could be converted to standard sidewalk cafes. Council's initial thoughts on the timing for this transition is presented below as one of the study session questions to be discussed.

Previous Council or Advisory Body Action

On May 22, 2020, the City Council authorized initiation of the Open SLO program, which included a variety of temporary strategies for use of City right-of-way to facilitate social distancing and COVID-19 economic recovery. The staff report and resolution related to this initial Council action is provided as Attachment D. In March of 2021 the City Council approved the extension of all current Open SLO activities and policies through the end of 2021 (see Attachment E), which was then superseded by Council action on July 6, 2021, which authorizes the extension of the pilot program up to one year from termination of the local emergency declaration, which extends the program at least through summer 2022. Attachment F includes the staff report and resolution related to the latest extension of the Open SLO pilot program.

Policy Context

The strategies initiated in the Open SLO pilot program have been implemented as temporary actions pursuant to applicable existing City policies, codes, and ordinances and within the City's authority to apply flexible interpretation and enforcement of these activities as part of the overall pandemic response efforts under the City's local emergency declaration. However, if certain Open SLO activities are to be considered for long-term continuation beyond the COVID-19 pandemic, there are several policies, ordinances and programs that would need to be modified or expanded.

- A. *Parklets within Public Streets* – Currently, the City has no formal programs or ordinances supporting provision of parklets. Creation of a permanent parklet program would require adoption of a new ordinance to either amend the existing municipal code chapter on Sidewalk Cafes ([Chapter 5.50](#)) or create a new section within municipal code Title 5 (Licenses, Permits, and Regulations).
- B. *Sidewalk Dining* – Currently, sidewalk dining is permitted via issuance of an encroachment permit pursuant to [Chapter 5.50](#) of the municipal code (Sidewalk Cafes), with provisions for both Sidewalk Cafe (removable barrier delineating area, allows table service and alcohol sales) and Tables and Chairs permits (up to three small tables allowed, no table service or alcohol sales). Modifications to current sidewalk dining policies to allow a narrower clear sidewalk width (< 8 feet) would require amendments to this section of the municipal code, amendments City Engineering Standards, and formal Council action accepting potential pedestrian level of service deficiencies² at locations where sidewalk dining is permitted.

² The General Plan Circulation Element establishes Multimodal Level of Service (LOS) thresholds for various modes of transportation. Pedestrian level of service is based on factors such as sidewalk widths, pedestrian volumes, volume and speed of adjacent motor vehicle traffic. Based on pedestrian volumes and traffic conditions downtown, areas with sidewalk clear widths of less than 8 feet may result in deficient pedestrian levels of service.

- C. *Outdoor Dining in Private Parking Lots* – Any permanent expansion of business operations into an outdoor area on private property requires approval through either Minor or Moderate Development Review, assuming minimum on-site parking requirements are met pursuant to the City Zoning Regulations. Amendments to the Zoning Regulations would be required to facilitate a process for approving permanent expansion of outdoor dining or other services where on-site parking minimums cannot be met.
- D. *Monterey Street Configuration* – Temporary closure of public streets for construction activities or special events, such as the weekly Farmer’s Market or use of the traveled way for outdoor dining, is governed under the provisions of [California Vehicle Code Section 21101](#) and per [Council Resolution 11152 \(2020 Series\)](#). While these policies allow the Public Works Director to approve short-term temporary closures of public streets if deemed necessary to support the health and safety of persons using these streets, any long-term permanent closures or reconfiguration of public streets would need to be evaluated under the framework of the General Plan Circulation Element and California Streets and Highways Code. If streets such as Monterey Street are to be considered for permanent one-way or full closures to through car traffic, staff would need to conduct an analysis of potential off-site transportation impacts and potentially prepare a General Plan Amendment for Council Consideration prior to proceeding with any proposal.
- E. *Downtown Concept Plan & Mission Plaza Concept Plan* – The Downtown Concept Plan outlines the long-term blueprint for Downtown San Luis Obispo, with illustrative streetscape concepts and policies that guide future land use and infrastructure strategies. The Downtown Concept Plan includes several specific policies to improve the walkability and vibrancy of the downtown pedestrian environment, including expansion of sidewalk widths, additional enhanced bikeways, expansion of parklets and sidewalk dining, and conversion of Monterey Street between Santa Rosa and Nipomo to a shared street (a.k.a. a “woonerf”), a semi-pedestrianized car-light street where pedestrians are prioritized and motor vehicle through traffic is minimized. Similarly, the Mission Plaza Concept Plan identifies long-term improvements for Mission Plaza, including extension of the semi-pedestrianized street or “woonerf” along the dogleg portion of Monterey Street between Mission Plaza and Nipomo Street.



Examples of Future Monterey Street as Shared Street or “Woonerf”

All activities conducted as part of the Open SLO program, whether temporary or considered for permanency in some fashion, are intended to support the City’s Major City Goal for Economic Recovery, Resiliency and Fiscal Sustainability. In addition, both the City’s Downtown Concept Plan, Active Transportation Plan and General Plan Land Use Element include policies encouraging the addition of sidewalk dining, parklets, and other strategies that support a vibrant, human-scale pedestrian environment.

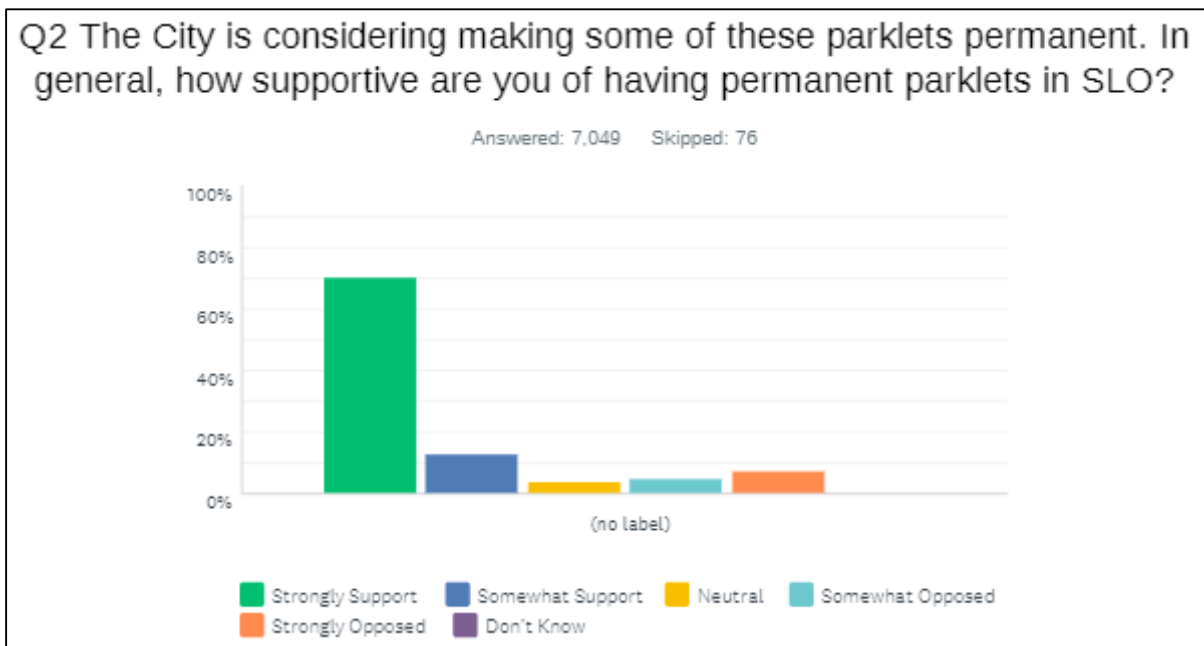
Public Engagement

At the onset of the Open SLO program in spring of 2020, the City conducted a community survey to gather input from residents, visitors, and local businesses to better understand how the City could best focus efforts to facilitate community economic resiliency and public health during the midst of the COVID-19 pandemic. Building off the success of this engagement strategy, staff has conducted a second community survey in June of 2021 to invite input from all stakeholders on the potential extension of various Open SLO activities in a long-term capacity beyond the current pilot program. Key takeaways from the 2021 community survey are highlighted below, while Attachment C provides a more detailed summary of the survey results.

Key Findings from Community Survey:

1. Total number of survey participants = 7,125
 - a. 70% are residents of San Luis Obispo
 - b. 20% represent a local business owner, manager, or decision-maker
2. Parklets
 - a. 83% support permanent parklets (70% strongly support)
 - b. Of those businesses with a current parklet now, 65% have interest in making it permanent.
 - c. 77% of businesses with temporary parklets are willing to share some cost to retain a parklet, while 23% would not be willing to pay any fee to retain a parklet.
 - d. Of businesses with current parklets, 31% would be willing to pay \$1,000-\$5,000 annually, 30% would be willing to pay \$5,000-\$10,000, and 16% would be willing to pay \$10,000 or more annually to retain a parklet.

3. Sidewalk Dining
 - a. 60% favor more sidewalk dining, even with narrower sidewalk clearances
4. Mission Plaza
 - a. 73% are neutral or support continuing outdoor dining in Mission Plaza
5. Monterey Street (Morro to Chorro Street)³
 - a. 13% support returning Monterey Street to original two-way configuration
 - b. 50% support converting Monterey Street to pedestrian or “car-light” street
 - c. 45% support keeping Monterey Street as one-way with large outdoor dining area



In addition to inviting community input via the online survey, social media engagement, and a dedicated Open SLO informational webpage and email contact list, staff has also presented information on the potential long-term considerations for the Open SLO program to be discussed at this study session to Downtown SLO and the San Luis Obispo Chamber of Commerce.

Finally, this study session itself intends to serve as an opportunity to invite feedback from the City Council and community on the potential for continuing these Open SLO activities beyond the current pilot program. Additional community outreach will be conducted in conjunction with any long-term policy proposals that evolve from this study session. Staff has followed the “inform” level of public engagement for this meeting, with noticing consistent with the City’s Public Engagement and Noticing Manual.

³ This survey question allowed selection of more than one alternative; thus, percentage totals exceed 100%.

CONCURRENCE

Transportation Division staff have worked closely with staff from other divisions of the Public Works Department (Parking, Streets Maintenance), the Community Development Department, City Administration, and the City Attorney's Office in developing the initial Open SLO program and in reviewing potential long-term policy and program strategies as part of this study session. Those staff concur with the content and recommendations provided in this staff report and study session presentation materials.

ENVIRONMENTAL REVIEW

This study session itself does not constitute a "Project" under California Environmental Quality Act (CEQA) Guidelines Section 15378. Similarly, the current activities in action as part of the Open SLO pilot program are also exempt from environmental review pursuant to CEQA Guidelines Section 15269, because the temporary program includes specific actions that would allow for safe physical distancing consistent with the State's Resilience Roadmap and County and State Guidelines in order to mitigate the COVID- 19 public health emergency.

Many of the Open SLO activities contemplated for some form of long-term continuation would be categorically exempt under CEQA Guidelines Section 15301 (Existing Facilities) because the actions are limited to permitting, leasing, and minor alteration of existing public facilities. However, staff will carefully evaluate any activities considered for continuation and conduct the appropriate level of project specific CEQA review prior to returning to Council with any permanent program or policy proposals.

FISCAL IMPACT

Budgeted: Yes/No

Budget Year: 2021-23

Funding Identified: Yes/No

Fiscal Analysis:

Funding Sources	Total Budget Available	Current Funding Request	Remaining Balance	Annual Ongoing Cost
General Fund	\$	\$	\$	\$
State				
Federal				
Fees				
Other:				
Total	\$	\$	\$	\$

This study session itself does not have any direct fiscal impact since no formal action will be taken. However, it is important to acknowledge the potential fiscal impacts associated with the long-term continuation of various Open SLO activities (which notably negatively impact the Parking Fund due to loss of revenues and changes to loading zones) in an ongoing manner, which is summarized below:

- A. *Parklets within Public Streets* – Total cost to City is approximately \$7,500 per parking stall for parklet installation (applies only to City-funded parklets) with an annual ongoing cost of \$5,000-\$6,000 per each parking stall displaced (applies to all parklets). Ongoing costs include loss of parking meter revenue (\$3,500 per meter), in-house and/or contract services for manual street sweeping, inspection and maintenance, and general program administration. If all current parklets were to remain, the average annual loss in meter revenue to the Parking Fund would total approximately \$230,000 annually based on average pre-COVID meter revenues. With the recent addition of parking pay stations and extended paid parking hours, average parking revenues per parking stall are expected to increase; thus, this annual revenue loss would likely be even higher in future years.
- B. *Sidewalk Dining* – No direct cost to the City, other than staffing resources required to amend existing sidewalk dining policies (if directed by Council) and continue administration of existing program.
- C. *Outdoor Dining in Private Parking Lots* – No direct cost to City, other than staffing resources to review and administer planning and building applications for expansion of dining area within private parking lots.
- D. *Monterey Street Configuration* – Total cost to the City for Monterey Street (Morro to Chorro Street) would depend on which option Council chooses to proceed with. The cost to restore the current configuration to the previous two-way street is approximately \$40,000. The costs to retain the current one-way configuration or implement a potential pedestrianized car-light street configuration would vary based on the final design proposed for each option. For the purposes of this study session, it can be assumed that these costs could range from \$50,000-\$200,000 for moderate-level aesthetic enhancements to several million dollars for full street reconstruction as envisioned in the Downtown Concept Plan.

STUDY SESSION FRAMEWORK FOR FEEDBACK TO STAFF

At this study session, Council will receive a summary presentation of this report, hear input from the public, and provide questions and feedback to staff to guide further policy and program development for the potential long-term continuation of certain Open SLO activities (if any). In providing feedback to staff, below are a series of key focus areas and questions that Council may want to use to guide the discussion:

A. Parklets

Question #1. Does Council want to continue with a permanent parklet program?

Question #2. If a permanent parklet program is developed, should all or some parklets be open to use by the general public in lieu of reserving these spaces for the exclusive use of a private business, or perhaps some combination of public and private use?

Question #3. Does Council support stringent parklet design standards that encourage a uniform appearance, or more flexible design guidelines that still allow for unique designs, as long as they meet objective minimum standards for safety and quality of appearance?

Question #4. In general, what type of fee structure would Council like to propose for use of the public right-of-way for parklets on the range of 0% (\$0) to 100% (\$6,000 per parking stall annually) cost recovery for the City? If fees are adopted, should they be implemented gradually over the course of a few years?

Question #5. What level of notification and communication should be provided to adjacent businesses and property owners prior to approving new parklet applications?

Question #6. Should the City provide any funding support, such as through a grant program, to help local businesses fund permanent parklet upgrades?

B. Sidewalk Dining

Question #1. Does Council support amending the City's current sidewalk dining regulations to allow more potential for sidewalk dining, even if this results in narrower sidewalk clearances?

Question #2. Does Council want to allow restaurant table service in sidewalk dining areas with Tables & Chairs permits (i.e., no barrier delineating dining area)? If so, should the City begin charging a use fee for these permits?

C. Outdoor Dining in Private Parking Lots

Question #1. Does Council support developing a process to allow expansion of outdoor dining areas in private parking lots even if minimum parking requirements cannot be met by doing so?

Question #2. What sort of design guidelines does Council want applied to this use if it is allowed to continue?

D. Monterey Street Configuration

Question #1. What general street configuration would Council like staff to evaluate further for the segment of Monterey Street between Morro and Chorro Streets (i.e. return to two-way, retain as one-way, convert to pedestrianized/car-light street)?

Question #2. If Council wants to continue to focus on the block of Monterey Street between Morro and Chorro for permanent pedestrianization or “car-light” reconfiguration, should this focus expand to include the Mission Plaza and Broad Street “Dog Leg” and implementation of the Downtown and Mission Plaza Concept plans as well?

Question 2A. If the Council wants to pursue a larger pedestrianization effort? Should Staff begin planning and project efforts for the 23-25 financial plan?

Question 2B. If the Council wants to pursue an accelerated pedestrianization effort, does Council want a CIP request for this effort with tradeoffs brought to it at Mid-Year Budget Review (February 2022)?

Question #3. If Council directs staff to pursue either of the increased pedestrianization efforts (retain one-way or full pedestrianization), what design elements are important to the Council (i.e. maximize space for outdoor dining, provide additional public space/seating, addition of public art/murals, addition of more landscaping, etc.)?

ALTERNATIVES

Council could provide feedback in areas other than the example questions listed above.

ATTACHMENTS

A – Open SLO Parklet Map

B – Data Trends (Tax Revenues, Parking Demand, Downtown Visitors)

C – Summary of 2021 Open SLO Community Survey Responses

D – Council Agenda Report dated May 22, 2020, initiating the Open SLO program

E – Council Agenda Report dated March 16, 2020, extending the Open SLO program through 2021

F – Council Agenda Report dated July 6, 2020, extending the Open SLO program into 2022