



AGENDA REPORT

TO: Edward D. Reiskin
City Administrator

FROM: Alexa Jeffress
Director, Department of
Economic and Workforce
Development

SUBJECT: Permanent Flex Streets Program

DATE: January 31, 2022

City Administrator Approval

Date:

Feb 10, 2022

RECOMMENDATION

Staff Recommends That The City Council: Adopt An Ordinance Amending Chapter 8.62, Section 5.51.150, Section 12.08.250, And Section 17.07.060(C) Of The Oakland Municipal Code (OMC) To Create A Permanent Program For Restaurant, Retail, Café, Parklet, And Mobile Food Vending Uses Of Outdoor Private Spaces And Public Right-Of-Ways (Oakland Flex Streets Program) To Continue To Encourage Healthy Outdoor Use And Enjoyment Of Business; Direct City Administrator To Return With Ordinance Amending The Master Fee Schedule With A Flex Streets Application And Annual Permit Fee To Take Effect By July 1, 2023 For Each Component Of The Program, Including An Equity Fee Waiver Program For Flex Streets Program Applicants Who Meet Certain Equity Criteria; And Adopt Appropriate California Environmental Quality Act (CEQA) Findings

EXECUTIVE SUMMARY

To facilitate businesses' compliance with COVID-19 public health restrictions on indoor activities, on June 19, 2020, the City Administrator adopted Emergency Order No. 4, the Flex Streets Program (Flex Streets).¹ Flex Streets established free streamlined permitting for businesses' use of sidewalks, streets, private outdoor spaces, and City property during the COVID-19 Local Emergency. Under Emergency Order No. 4, these permitting processes sunset one month after the expiration of the Local Emergency. On June 15, 2021, the City Council passed an ordinance to extend Flex Streets in its current form until March 31, 2022.

Flex Streets has enabled retail businesses and restaurants to retain employees, generate tax revenue, and activate City streets during a challenging economic period. Based on the current surge in COVID-19 cases, it is likely that the pandemic may continue to discourage people from congregating indoors and limit indoor business operations for the foreseeable future. However, in its current form, Flex Streets provides no fees to cover staff costs and, in some cases, can result in excessive noise or unsatisfactory public access to the public right-of-way.

¹ Emergency Order No. 4 in its entirety is available at: <https://cao-94612.s3.amazonaws.com/documents/CAO-Emergency-Order-COVID-No.-4-Flex-Streets-Program-FINAL-6-19-20-signed.pdf>

Given both the ongoing need to support the local economy with outdoor spaces and the need to ensure the City has the resources to manage these spaces, staff recommends adopting a permanent version of Flex Streets that introduces application and permitting fees to cover the cost of staff processing and monitoring. The proposed ordinance directs staff to develop and phase in these fees beginning July 1, 2023, with a fee exemption for businesses that meet equity criteria. Consequently, the proposed ordinance allows businesses to continue to operate safely outdoors, while establishing a fee framework that will provide the City with resources to effectively administer Flex Streets.

BACKGROUND / LEGISLATIVE HISTORY

COVID-19 Public Health Restrictions on Indoor Activities

In response to the COVID-19 pandemic, local, state, and federal public health agencies have issued orders limiting indoor activities and gatherings to minimize the spread of infections. These restrictions, particularly early in the pandemic, hurt Oakland restaurants, cafe and retail businesses by requiring them to close or limit their business operations. This resulted in many businesses experiencing sharp declines in revenues and laying off workers. In turn, this decrease in economic activity decreased tax revenues used to support City services.

However, on June 19, 2020, Alameda County's Department of Public Health announced that outdoor dining and outdoor retail could resume. This change allowed businesses to increase the footprint of their businesses by using outdoor space, providing businesses an option to safely increase business activity and revenue.

How Does Flex Streets Compare to Permitting Pre-COVID-19?

In anticipation of Alameda County's allowance of outdoor dining and retail, in the summer of 2020, the City Administration assembled an interdepartmental team to equitably and swiftly assist these businesses to operate safely in the public right-of-way. This work culminated in City Administrator Emergency Order No. 4, which established the Flex Streets program that provided free streamlined permitting for businesses to operate in the public right-of-way, private outdoor areas, and available City property with minimal expense. Flex Streets provides a menu of options for retail and dining to accommodate the variety of streetscapes across the City.

While permits for use of these spaces were available prior to Flex Streets, the associated fees and processing timelines were not agile enough to address the large sudden demand from businesses who needed outdoor space to operate safely during the pandemic. For example, businesses interested in a sidewalk café or a parklet had to obtain an encroachment permit, which required a detailed site plan, submission of a grant deed and legal description, indenture agreement, recordation with Alameda County, and approval of the property owner. This process involved multiple City departments, including the Oakland Department of Transportation (OakDOT), Planning and Building Department (PBD), Oakland Fire Department (OFD), and Economic Workforce and Development Department (EWDD) and was time-consuming and costly for small businesses. Likewise, pre-Flex Streets, commercial districts could apply for a

short-term encroachment permit with the Oakland Police Department (OPD) to close a street for special events, but closure was limited to no more than twice a year and for no longer than three days a year. While effective for occasional street festivals, these restrictions were too limiting in the context of COVID-19's restrictions on indoor activities. Finally, before Flex Streets, mobile food vending permits were limited by number and vendors were limited to specific locations.

Table 1 offers a comparison of the permitting process before and during Flex Streets.²

Table 1: Pre-Flex Streets vs. Flex Streets Processes

Location/Use	Process Pre-Flex Streets	Flex Streets Process
Sidewalk Cafe	Applicant applies for minor encroachment permit, requires OakDOT and PBD approvals; fees near \$3,000; multiple weeks to process.	Applicant submits free application online and receives automatic approval.
Parklet	Applicant applies for major encroachment permit, requires OakDOT and OFD approvals and recordation with Alameda County; bond required, fees near \$3,000; months to process. Parklets are public. No provision for businesses to make exclusive use of space in the parking lane.	Applicant submits free application online and receives automatic approval. Parklets are not open to general public; businesses may make exclusive use of space in the parking lane. No recordation or indenture agreement; Permit with conditions issued to business and does not run with the land.
Closure of Traffic Lane	Applicant applies for short term encroachment permit with OPD; OPD and OFD fees required for event. No more than two street closures per year and no longer than three days without City Council approval. Long-term closures have been much less frequent and generally involved a major encroachment permit approved by City Council.	Project champion submits interest form and works with EWDD staff to develop final drawings for OakDOT approval. No fee and no artificial limit on the duration/frequency of street closures.
City Property	Applicant required to pay market rent unless City Council makes a finding for each proposed use.	Below market rentals available for businesses in areas disproportionately impacted by COVID-19.
Outdoor Private Property	Zoning code prohibited outdoor dining on private parking lots or required a discretionary Conditional Use Permit.	Applicant submits free application online and receives automatic approval.
Mobile Food	Overall limit on the number of permits available, limited time windows when	No limit on the number of permits available, applicants can apply at any time, no fee, and vending

² For a more detailed comparison of City encroachment permits to Flex Streets administration visit : <https://cao-94612.s3.amazonaws.com/documents/20-0619-Flex-Streets-Info-Memo-2.pdf>

	applications accepted, vendors limited to one location and \$600 fee.	allowed at multiple locations if compliant with buffers from brick-and-mortar restaurants and other vendors.
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Community Outreach During Initial Phase of Flex Streets

To make the public aware of Flex Streets, staff and volunteers took a number of steps, both figuratively and literally. EWDD staff emailed all businesses on the City’s roster, met with Business Improvement District (BID) representatives, and shared program details with news media who released articles about the Flex Streets program. Staff from various departments and volunteers also went door to door in areas lacking BIDs distributing information about Flex Streets and public health requirements.

Businesses located in East and West Oakland shared a common concern that traffic safety along busy or dangerous streets and higher COVID-19 case rates discouraged businesses from participating in the program. Many Community Based Organizations (CBOs) shared that their primary focus was to support health-based programs and to increase access and awareness about food distribution, testing and vaccination sites and that they lacked bandwidth to also provide business support. Incidentally, many of these CBOs partnered with the City to provide pop-up food distribution, testing and vaccination sites on City rights-of-way and properties using streamlined administrative tools identical to the Flex Streets program.

Program Results to Date

Flex Streets has resulted in a surge of parklets, sidewalk cafes, and street closures, transforming the use of the public right-of-way from a space devoted exclusively to cars to a space for people as well as vehicles. Specifically, Flex Streets has resulted in over one-hundred and forty sidewalk cafes and parklets; this represents a dramatic increase from the previous two fiscal years during which the City permitted one new sidewalk café and zero parklets. Flex Streets has also included thirteen street closures, fourteen permitted private spaces, and over sixty mobile food truck permits.

To better understand the impact of these interventions on businesses, in November 2020 staff surveyed businesses that were utilizing Flex Streets. The majority of surveyed businesses indicated that they found the Flex Streets application process easy and that Flex Streets helped sustain their business, increased their sales, and allowed them to retain staff. Several businesses shared confusion about the nature of “automatic” permits particularly given that the previous process involved significant interaction and many touch points with City staff. Additionally, some businesses expressed that staff responsiveness to businesses’ questions needed improvement. These concerns were primarily expressed during the early months of the program and during times when the County’s COVID-tier restrictions changed rapidly.

To better understand the impact of Flex Streets on the general public, in 2020 staff also made surveys available via SMS-based text messaging and QR codes in areas near parklets and street closures. Survey respondents expressed a mixture of positive and negative feedback,

with negative feedback focused on excessive noise, obstruction of bike lanes, and concerns regarding close proximity to vehicles and people not wearing face coverings. In terms of geography, the majority of Flex Streets parklets and street closures are located in Downtown, Uptown, and North Oakland.³ However, Flex Streets license agreements of public land has facilitated outdoor markets outside of these areas, such as Akoma market in East Oakland and vending pilots at Lake Merritt. In terms of demographics, the majority of the 2020 Flex Streets Applicant survey respondents identified as White, followed by Asian and then Latinx. Staff did not survey the demographics of businesses' employees impacted by the Flex Streets program.

Community Engagement Following June 2021 Program Extension

Following the City Council's June 2021 extension of Flex Streets through March 31, 2022, staff canvassed East Oakland neighborhoods to understand why businesses in these neighborhoods did not utilize Flex Streets as much as Downtown businesses. Specifically, staff met with businesses along the MacArthur Boulevard and Bancroft Avenue corridors from Seminary to Durant as well as businesses in the Hegenberger area. Businesses in these areas expressed a strong desire to know more about Flex Streets. Businesses in these corridors indicated that the distance from the City Center is a major challenge and that the City should bring information to the community. In surveys, businesses in these areas identified lack of information, and the need for financial and technical assistance as the top obstacles discouraging businesses from participating in Flex Streets. Businesses also identified street design and traffic as additional challenges.

In addition to reaching out to businesses that have not utilized Flex Streets, in the fall of 2021 staff also followed up with businesses who had received a Flex Streets permit issued by OakDOT. All of these businesses indicated that Flex Streets is critical to their business and that the City should extend Flex Streets while they are recovering from the financial impacts of the COVID-19 Pandemic. Specifically, businesses utilizing Flex Streets noted that the program provided space for businesses to remain in operation and rehire workers. Most businesses claim that using the parklets increased their space for operations by 30 to 40 percent. A few businesses had to move 100 percent of their seating to the parklet area because the size of their indoor space could not comply with social distancing requirements. Of the businesses interviewed, 91 percent indicated that being able to retain employees was the most important benefit of the Flex Streets program.

Flex Streets business participants indicated that compliance, traffic control, and safety are the top concerns they have going forward with a permanent version of the program. There was a strong desire for more resources to go into the Ambassador Program as it attracts people to the areas where safety may be perceived as a challenge, while making the businesses as well as their patrons feel safe.

³ For a map of parklets, sidewalk cafes and street closures visit:
<https://oakgis.maps.arcgis.com/home/webmap/viewer.html?webmap=f8b30e3e36924ead83960173e556146f>

ANALYSIS AND POLICY ALTERNATIVES

Staff recommends adopting a permanent version of Flex Streets even if local and state public health orders ease restrictions on indoor activities for several reasons. First, COVID-19, through its variants and seasonal fluctuations in infections, has demonstrated that it will continue to impact indoor activities for the foreseeable future, creating an ongoing need for outdoor spaces. Second, the larger footprint available for businesses under a permanent Flex Streets program will enable Oakland restaurants and retailers to both weather future economic fluctuations and recover from the hardships of the past two years. Third, a permanent Flex Streets program provides businesses with clarity when making investments in outdoor spaces. Fourth, Oakland's climate allows for all-season outdoor dining making this additional space usable year-round. Finally, Flex Streets has revitalized city streetscapes, repurposing the public right of way from a space reserved for cars to a landscape accessible for people.

Approval of the requested action advances the Citywide priority of **housing, economic, and cultural security**.

I. Staff Recommends Adopting Permanent Version of Flex Streets with Phased in Fees

Below staff outlines recommendations for the permanent version of Flex Streets by each permit type with a reflection on needed staff resources. **Table 2** offers a summary of the recommendations.

A. Parklets and Sidewalk Cafes

With respect to parklets and sidewalk cafes, staff recommends continuing the streamlined Flex Streets permitting process with no application and permit fees until July 2023 and exempting businesses from these fees if they satisfy to be determined equity criteria, such as being located in an area of the City that has been disproportionately impacted by COVID-19. Postponing the imposition of fees until July 2023 allows businesses to continue to recover for another full year, including another potential winter surge in COVID-19 infections.

As compared to pre-COVID-19 sidewalk cafes and parklets, the Flex Streets approach has been exponentially more popular, and the addition of application and permit fees will support the cost of staff time to review applications and monitor activities in the field. While the City has absorbed these costs up to now, the collection of fees is essential to a sustainable and effective program, particularly with respect to follow up in the field to ensure operators are carrying out what they proposed in their applications. At the same time, staff recommends postponing the imposition of fees until July 2023 to allow businesses time to continue their recovery from the economic shocks of the pandemic. Staff also recommends exempting businesses that meet to be defined equity criteria from any fees to avoid imposing a barrier to participation in Flex Streets. Altogether, these fee recommendations strive to balance the sustainability of Flex Streets with support for businesses impacted by COVID-19, and particularly businesses in East and West Oakland that are disproportionately impacted.

B. Street Closures

With respect to street closures, staff recommends continuing Flex Streets' current approach until July 2023 with the inclusion of community groups as eligible applicants and the permanent removal of the pre-COVID-19 limit of two street closures per year without City Council approval.

Without Flex Streets, closures lasting more than three days require City Council approval. These recommendations will allow existing and new street closures to remain in effect until July 2023, at which time the applicants will need to either remove the closure or obtain City Council approval to continue and pay all applicable fees. As a result, businesses and community groups have another year to utilize the more flexible street closure process and both applicants and the City Council have an opportunity to reevaluate the need for these longer street closures. Likewise, staff recommends removing the pre-COVID-19 limitation of two street closures per year on a permanent basis to facilitate more frequent street closures, such as monthly closures by community groups. Even after July 2023, street closure applicants will still need to notify neighbors and obtain approval from a majority of impacted neighbors.

C. Private Property and City Property

In terms of private property under Flex Streets, such as privately-owned parking lots used for outdoor dining or retail, staff recommends continuing the status quo until July 2023. This extension will allow Planning Bureau staff to evaluate Flex Streets' usage of private property as part of the updated General Plan and its assessment of Citywide parking policies, which Planning staff anticipates completing by July 2023.

Similarly, staff recommends that City-owned property continue to be available through July 2023 as provided under the existing Flex Streets order. This is an option of last resort available to businesses that meet certain equity criteria and are otherwise unable to feasibly use sidewalks, parking lanes, private outdoor areas or rights-of-way for outdoor operation. The equity criteria require that a qualifying business be in an area of the City disproportionately impacted by or vulnerable to COVID-19. Staff invoked this component of Flex Streets to establish the first Lake Merritt Vending Pilot and continue the Akoma Market in East Oakland and staff recommends reserving this option, at least until July 2023, for similar projects. After July 2023, publicly-owned land will revert back to pre-COVID-19 policy of requiring market rate rent unless City Council makes a finding.

D. Mobile Vending

Staff's recommendations for mobile vending are similar to staff's recommendations for parklets and sidewalk cafes, namely continuing the streamlined Flex Streets permitting process with the addition of application and permit fees starting in July 2023 unless a business meets to be determined equity criteria. The Flex Streets approach to mobile food vending eliminated the previous artificial cap to the number of permits available, which was both cumbersome for staff to administer and limited opportunities for entrepreneurs and consumers. At the same time, Flex Streets requires mobile food vendors to preserve ADA access on sidewalks and comply with buffers between mobile food vendors and brick and mortar restaurants, unless a restaurant agrees to a waiver or the mobile food vendors take part in a mobile food pod.

As part of the permanent Flex Streets program, staff also recommends extending the current Flex Streets permitting process for mobile food vendors to all mobile vendors to better align with the 2018 Senate Bill (SB) 946.⁴ SB 946 prohibits the criminalization of sidewalk vending and limits local government restrictions on sidewalk vending to health and safety concerns in order to promote entrepreneurship and support immigrant and low-income communities. Establishing a permitting process for retail mobile vendors would also fulfill the recommendation of the February 28, 2017 City Council Community and Economic Development Committee that staff return to the City Council at a future date with an ordinance that amends the Oakland Municipal Code to permit mobile retail sales. Accordingly, staff recommends a mobile retail permitting process analogous to the permitting of mobile food vending to include: preservation of ADA access and no artificial limit on the number of permits, but buffers between vendors and between retail vendors and brick and mortar retail establishments. Any vending in parks will still be subject to approvals from the Park and Recreation Advisory Commission (PRAC).

Table 2: Current vs. Proposed Permanent Flex Streets Processes

Location/ Use	Current Flex Streets Process	Proposed Permanent Flex Streets Process
Sidewalk Cafe	Applicant submits free application online and receives automatic approval.	Same except applicants that do not meet equity criteria must pay an application and annual permit fee starting in July 2023.
Parklet	Applicant submits free application online and receives automatic approval. Parklets are not open to general public; businesses may make exclusive use of space in the parking lane. No recordation or indenture agreement; Permit with conditions issued to business and does not run with the land.	Same except applicants that do not meet equity criteria must pay an application and annual permit fee starting in July 2023.
Closure of Traffic Lane	Project champion submits street closure interest form then collaborates with EWDD staff to develop final drawings for OakDOT approval. No fee and no artificial limit on the duration/frequency of street closures.	Adds community groups as eligible applicants and extends current process until July 2023. By July 2023, street closures longer than three days must obtain City Council approval and pay fees. After July 2023 no cap on the number of street closures per year.
City Property	Below market rentals available for businesses in areas disproportionately impacted by COVID-19.	Same until July 2023, at which point reverts to pre-COVID policy of applicant required to pay market rent unless City Council makes a finding for each proposed use.

⁴ More information on SB 946 is available at:
https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB946

Outdoor Private Property	Applicant submits free application online and receives automatic approval.	Same until July 2023 at which point will revert to pre-COVID policy or comply with new General Plan parking policies.
Mobile Food	No limit on the number of permits available, applicants can apply at any time, no fee, and vending allowed at multiple locations as long as compliant with buffers from brick-and-mortar restaurants and other vendors.	Same except applicants that do not meet equity criteria must pay an application and annual permit fee starting in July 2023.

E. Staff Resources Needed for Effective Permanent Program

While existing staff have managed Flex Streets’ various program components to date in order to keep the local economy afloat during an unprecedented emergency, a more effective and sustainable program requires additional staff resources. Specifically, adding a position in OakDOT to monitor compliance in the right-of-way will improve staff response time and ensure that applicants implement parklets and sidewalk cafes according to approved designs. Likewise, adding business outreach staff in EWDD can help improve communication with businesses outside of BIDs, particularly in East and West Oakland, with respect to Flex Streets and other City programs. Staff has been analyzing the appropriateness of adding positions or utilizing existing vacancies to accomplish these efforts and anticipates bringing recommendations to the City Council in the upcoming mid-cycle Budget process. Furthermore, the proposed Ordinance directs staff to develop application and permit fees for each component of Flex Streets by July 2023, which will then support the costs of City staff administering the program.

II. Alternative Policy Actions

A. Allow Flex Streets Program to Expire on March 31, 2022

If the City Council takes no action, Flex Streets will expire on March 31, 2022. This would revert all permitting processes back to status quo before the pandemic. This would require all businesses to reapply for minor or major encroachment permits if they choose to continue their use of any public rights-of-way or remove their structures and other property entirely. The drawbacks to this approach are many: 1) it eliminates businesses’ ability to generate additional revenue during the recovery period; 2) it fails to take advantage of any of the learnings and benefits of Flex Streets, such as streamlined permitting and supporting businesses as they continue to recover from pandemic related public health restrictions; and 3) if a high number of businesses choose to reapply under the former encroachment programs, staff workloads could be overwhelmed and cause significant delay in review and approvals.

B. Adopt a Permanent Version of Flex Streets with Modifications to Staff’s Recommendations

Alternatively, the City Council could adopt legislation to make Flex Streets permanent with modifications to the proposed ordinance. For example, City Council could elect to impose fees

before July 2023 to support staff costs sooner. As with any legislation, City Council should ensure that any amendments are reasonably related to the public's health, safety, and welfare.

C. Extend Flex Streets in Its Current Form to an Alternative Date

A third alternative City Council could explore is extending Flex Streets as-is, with no program modifications, to a date other than March 31, 2022. In selecting an alternative date, staff recommends the City Council consider the following factors: the anticipated end of the local emergency, the time needed for restaurants and retailers to recover from COVID-19's economic impacts, the uncertainty that a temporary extension signals to businesses, holiday interruptions, and the warm weather months in which outdoor spaces are most beneficial, and staff costs.

FISCAL IMPACT

Flex Streets has been a free permitting program and thus the City has not received any fee revenue to cover the costs incurred by staff administering, monitoring, or enforcing Flex Streets nor market rent for use of City property. In addition, the parking spaces utilized by parklets and street closures are made inaccessible to vehicles, which results in lost parking revenue. On the other hand, Flex Streets has enabled businesses to operate outdoors during a once-in-a-century pandemic that prevents people from congregating indoors; as a result, businesses that had shuttered or limited all operations to take out or delivery have been able to maintain operations, employ staff, and contribute business and sales tax revenues.

Specifically, parking management staff estimate that Flex Streets parklets have resulted in the loss of between \$200,000 to \$420,000 in gross parking meter revenue between July 1, 2020 and January 1, 2022. The range takes into consideration factors such as availability and use of alternative metered spaces and the increased demand for parking that was generated by the Flex Streets program itself. A reduction per transaction and other variable expenses means that net revenue loss is even less. Likewise, the licensing of the Lakeview Branch Library parking lot over 16 days in 2020 to facilitate the initial Lake Merritt Pilot Program generated zero dollars as opposed to an estimated \$1,050 in fair market rent.

On the other hand, businesses with Flex Streets parklets contributed approximately \$693,098 in business and sales taxes to the City just in tax year 2021 (based on 2020 gross receipts). This figure does not include revenue from tax year 2022 (based on 2021 gross receipts) nor the tax revenue the City received during tax years 2021 and 2022 from the landlords of Flex Streets businesses, who may not have been able to contribute their share without the rent received from the Flex Streets businesses operating. Furthermore, some Flex Streets businesses contribute Excess Litter Fees in addition to taxes and by keeping staff employed and maintaining active store fronts, Flex Streets has also minimized unemployment and commercial vacancies.

The introduction of permitting fees will begin to cover staff's costs to implement Flex Streets; however, delaying fees until July 2023 will result in the General Fund continuing to support staff costs until July 2023. Likewise, exempting business that satisfy equity criteria will require the General Fund to cover the costs of permitting those businesses. Staff will include an analysis of proposed Flex Streets fees as part of future Master Fee Schedule amendments.

PUBLIC OUTREACH / INTEREST

As noted in the report, staff has engaged in various forms of public outreach during Flex Streets. For example, at the inception of Flex Streets, staff went door to door visiting businesses in areas disproportionately impacted by COVID-19 making them aware of the program as well as public health requirements. Staff has also been in contact with BIDs and community organizations to share information about and solicit feedback on Flex Streets. Furthermore, staff has made surveys available to Flex Streets applicants and members of the public to receive feedback on Flex Streets. Most recently, staff engaged with businesses in East Oakland who had not utilized Flex Streets and circled back with those business who had received a Flex Streets permit.

Additionally, staff has engaged with the Mayor's Commission on Persons With Disabilities (MCPD), the City's Planning Commission, and Oakland's Bicyclist and Pedestrian Advisory Commission to gather their feedback on Flex Streets.

COORDINATION

Flex Streets is the product of an interdepartmental team consisting of members of the City Administrator's Office, the Office of the Mayor, the Economic and Workforce Development Department, the Department of Race and Equity, the Department of Transportation, the Fire Prevention Bureau of the Oakland Fire Department, the Oakland Police Department, the Planning and Building Department, and the Office of the City Attorney. This report and the ordinance have been reviewed by the Budget Bureau, the Department of Transportation and the Department of Economic and Workforce Development, as well as by the Office of the City Attorney for form and legality.

SUSTAINABLE OPPORTUNITIES

Economic: Extending free permitting processes to July 2023 that allow businesses to operate outdoors will allow businesses to recover from the COVID-19 pandemic, increase sales and keep their staff employed; establishing a fee program with an equity waiver after July 2023, would allow the program to continue while providing adequate staffing and oversight.

Environmental: Adopting Flex Streets as a permanent program will continue to encourage walking and discourage vehicle usage, thereby reducing greenhouse gas emissions.

Race and Equity: The proposed permanent Flex Streets program advances racial equity by improving the economic security of local businesses and their employees, particularly in the restaurant and vending community, as they emerge from the pandemic.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council: Adopt An Ordinance Amending Chapter 8.62, Section 5.51.150, Section 12.08.250, And Section 17.07.060(C) Of The Oakland Municipal Code (OMC) To Create A Permanent Program For Restaurant, Retail, Café, Parklet, And Mobile Food Vending Uses Of Outdoor Private Spaces And Public Right-Of-Ways (Oakland Flex Streets Program) To Continue To Encourage Healthy Outdoor Use And Enjoyment Of Business; Direct City Administrator To Return With Ordinance Amending The Master Fee Schedule With A Flex Streets Application And Annual Permit Fee To Take Effect By July 1, 2023 For Each Component Of The Program, Including An Equity Fee Waiver Program For Flex Streets Program Applicants Who Meet Certain Equity Criteria; And Adopt Appropriate California Environmental Quality Act (CEQA) Findings

For questions regarding this report, please contact Greg Minor, Assistant to the City Administrator, at (510) 238-6370.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Alexa Jeffress', is written over a horizontal line.

ALEXA JEFFRESS
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