



Agenda Report

March 17, 2020

TO: Honorable Mayor and City Council
FROM: City Manager
SUBJECT: CONSIDERATIONS OF ACTION TO REDUCE THE IMPACTS ON RESIDENTS AND LOCAL BUSINESSES RELATED TO THE COVID-19 OUTBREAK

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to state CEQA Guidelines Section 15061 (b)(3) (Common Sense Exemption)
2. Consider and provide direction on the following options to reduce the financial burden on residents and local businesses during the period of Local Emergency related to the COVID-19 outbreak:
 - a. Suspension of all late fees and penalties on City provided services including but not limited to municipal services (water, power, refuse) and administrative citations;
 - b. Suspension of all utility shut offs for non-payment;
 - c. Modify various parking policies to reduce the financial burden on residents and to support local business;
3. By way of a separate agenda item, adopt a resolution of the City Council relating to a moratorium on eviction for non-payment of rent by tenants impacted by the COVID-19 Pandemic.

BACKGROUND:

The Covid-19 outbreak and related response has sent shockwaves through the country. It is anticipated that no region will face a greater economic impact than California. Numerous employers have ceased operations and employees let go. While it has become necessary to order the closure of bars, restaurants, gyms and other assemblies to safeguard public health, there is also recognition that these actions will greatly impact the local business community, particularly restaurants.

In order to mitigate, in some small way, some of the economic impacts of the current COVID-19 crisis, staff has prepared the following list of options for the City Council to consider. As events unfold and the response shifts into new phases, it is possible that additional future action would be recommended. Moreover, should the City Council direct staff to study additional actions that might assist residents/businesses, staff would return with the appropriate analysis.

Recommended Actions:

- A. Suspension of all late fees and penalties on City provided services including but not limited to municipal services (water, power, refuse) and administrative citations:

Due to the potential financial burden or stress that may be impacting the City's residents and business, a proposal to suspend the assessment of late fees or penalties (penalties) for certain types of payments due to the City should be considered. The suspension of penalties would apply to City provided services such as municipal utilities (water, power, refuse and sewer), emergency medical services, license or permit renewals, rents, and accounts receivables currently in good standing. City assessed fees for the violation of the Municipal Code, Charter or state law are not considered penalties under the proposed action and will continue to be assessed if necessary. The waiver of penalties would not be applied retroactively to past due amounts where penalties have already been assessed. Additionally, penalties would not be waived for the non-payment of citations, franchise fees or taxes (utility users tax, transient occupancy tax, or the tourism business improvement tax).

- B. Suspension of all utility shut offs for non-payment:

Staff recommends that utility service disconnections for non-payment be suspended during the term of the declared emergency. Staff recommends that late fees and delinquency charges be suspended for those customers who are having difficulties paying their bill on time. These actions would become effective immediately upon approval by the City Council, and will apply to both residential and commercial customers. This will ensure that all of the City's utility customers continue to receive essential, reliable water and power service during this difficult time. In addition, PWP staff is prepared to address requests from customers who have recently had services disconnected for non-payment and will assess each situation on a case by case basis.

- C. Modifications to the parking policy in an effort to reduce the financial burden on residents and to support local businesses. Staff is proposing to:

- a. Temporary suspension of metered parking enforcement to facilitate posting of delivery and curbside pick-up zones for food from restaurants.
- b. Temporary suspension of non-critical vehicle impounds.
- c. Temporary suspension of booting and impounds for five or more past-due parking citations and for vehicles with expired registrations.

On Monday, March 16th staff meet with local restaurateurs to discuss the necessity from a public health perspective to prohibit dine-in service. Also discuss were ways the City could assist local residents and businesses. The above options were well received by the group. The City was also asked to consider whether to slow down the implementation of the local minimum wage and to consider longer-term parking strategies that would provide a greater free parking period. Staff is not requesting action on these items this evening, but the Council is free to consider them.

COUNCIL POLICY CONSIDERATION:

The proposed actions are consistent with the City Council's Strategic Plan Goal to support and promote quality of life and the local economy.

ENVIRONMENTAL ANALYSIS:

The proposed action is exempt from the California Environmental Quality Act (CEQA) pursuant to state CEQA Guidelines Section 15061 (b)(3) (Common Sense Exemption)

FISCAL IMPACT:

Several of the actions proposed herein would have a direct fiscal impact on the City; however, given the magnitude of the economic disruption caused by the COVID-19 virus and response, both directly and indirectly to the City, the amounts are expected to be negligible.

Respectfully submitted,



STEVE MERMELL
City Manager