

May 12, 2020

Dear Mayor Liccardo, Members of the City Council, and the City Manager,

Over the past several weeks we have seen the rippling effects that the pandemic has brought to neighborhoods throughout San José. With shelter-in-place orders spanning across the region our day to day lives have been completely turned upside down. This pandemic has magnified deep challenges and disparities in our business community; many small and micro-business owners are people of color. We need to act swiftly to ensure these businesses are able to reopen and facilitate their renewed operation.

Although there is uncertainty as to how life will be over the long term, we know that we will need to remain nimble and creative to support a reactivation of public life. Outdoor community connections are essential for our wellbeing, quality of life, and physical health during this pandemic. As shelter-in-place orders are relaxed, we must consider how we emerge from this period safely while creatively supporting business activity.

That is why we are thrilled by the proposed San José Al Fresco initiative. We applaud Mayor Liccardo and Councilmember Davis for proposing this new program in an effort to ease the burden on our business community.

We urge City Council to package this initiative with additional measures and use this opportunity to pilot new ideas that could become permanent. **This is San José's time to lead - to make public life the focus of our recovery strategy.** We can support our small and micro-businesses by taking advantage of the City's great weather, existing public life strategy and lessons learned from the successful Viva Calle SJ open streets program and allow businesses to serve our residents safely and in a way that allows us to support them while reconnecting with one another.

SPUR recommends the following items:

Create Business Recovery Zones:

SPUR recommends that City Council create business recovery zones in areas throughout San José with a high density of ground floor commercial activity. Since restaurants and bars will not be permitted to maintain the same indoor capacity levels, we suggest that Staff temporarily close off the adjacent streets or temporarily transform a lane of parking or traffic to allow for these businesses to spill out onto the street. Due to social distancing standards, we need to increase outdoor seating capacity. In most commercial districts the width of the sidewalk is not wide enough to accommodate additional seating plus allow for accessible pedestrian use.

SPUR will work with Staff to identify areas throughout San José that would benefit from the program. In an effort to deploy these closures rapidly and cost-efficiently, we suggest the City leverage the principles and tools of tactical urbanism--street paint, planters as blockades, parklets and easily distributable outdoor furniture--fast and inexpensive ways to test out changes to the built environment.

In an effort to balance outdoor dine-in access and takeout services, we recommend that alleyways and surface parking lots be utilized as designated pick up stations for delivery services such as UberEats, Grubhub etc.

Reduce fees and allow for implicit temporary uses:

Our small businesses are under increased pressure to iterate on their existing service and business model to be able to adapt throughout the pandemic. There is a tension between the need to allow social distancing and needing the density of people to generate economic vitality. This is also costing our businesses greatly. **We recommend that City Council waive sidewalk cafe and parklet permitting fees during this time.**

Additionally, we recommend that Staff allow for businesses to provide additional offers and services outside of what their active use permit states. In order to meet their financial needs our bars, restaurants and other street-facing commercial operations, will need to evolve. This may mean that they begin to distribute and sell additional goods and services as well as host entertainment activities.

Analyze capping delivery fees:

We recommend that Staff analyze the impact of service delivery fees on food and beverage businesses. Third-party delivery firms usually charge restaurants and bars up to a 30 percent commission fee from every customer's order which can make it difficult for the local restaurants to gain a profit. Cities such as San Francisco, Seattle and D.C. have begun to cap the service fee to 15%; New York City is examining capping this at 10%. While we do not want to discourage delivery service altogether, as these platforms serve a need and employ local residents, we must identify any and all measures to facilitate a resumption of on-premise operations as well.

Rethink parks and parking lots as multi-use spaces:

In an effort to maximize space throughout the city we should allow for parks, parking lots and alleyways to be reimaged for additional outdoor seating use. Many of our food and beverage establishments in San José are not located in traditional business districts where spilling out onto the street would be permissible. These public spaces can also host temporary art installations as a



way to create moments of joy through the city. As we encounter more large swaths of vacant parking lots and empty storefronts, art can create visual connection along our street network to keep people engaged.

Thank you for your on-going efforts to support residents and businesses through this challenging time. We look forward to continuing to work with the Mayor's Office to support the implementation of San José Al Fresco.

Thank you,

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SPUR