

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: October 5, 2020

To: Honorable City Council
c/o City Clerk, Room 395, City Hall
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From: Seleta J. Reynolds, General Manager 
Department of Transportation

Subject: **L.A. AL FRESCO PROGRAM UPDATE**

SUMMARY

This report provides an overview, update, and next steps for street dining and lane closures to support essential workers and businesses for the L.A. Al Fresco Program.

RECOMMENDATION

That the City Council RECEIVE AND FILE this report.

BACKGROUND

On May 29, 2020, Mayor Garcetti launched the L.A. Al Fresco Program to support businesses impacted by COVID-19 to assist them in staying open while safely practicing physical distancing for workers and patrons. The Office of Mayor Garcetti directed the Los Angeles Department of Transportation (LADOT) to launch a Street Dining Temporary Use Authorization program to authorize restaurants to use the public right-of-way for outdoor dining.

The first phase of L.A. Al Fresco offered immediate authorization for restaurants to create temporary outdoor dining areas on sidewalks and on private property. Phase 2 of the Program, launched on June 26, 2020, expanded Al Fresco options to include curbside dining areas (parklets), lane closures, and full street closures. In Phase 2, LADOT set a goal of 55 percent of program resources supporting businesses located in communities with higher concentrations of Black, Indigenous, or People of Color (BIPOC), ownership that identified as BIPOC, or businesses located in neighborhoods heavily impacted by COVID-19. A Controller's Office analysis of COVID-19-related job losses identified these neighborhoods as having experienced at least a 16 percent decrease in employment since COVID-19 Stay-at-Home orders.

Local businesses expressed overwhelming demand for L.A. Al Fresco. Nearly 2,000 restaurants have taken advantage of the Program. LADOT reviewed over 350 on-street Al Fresco applications, installed 50 curbside dining areas, and implemented five lane closures. Thus far, LADOT provided these on-street dining options at no cost to the restaurants, but as the pandemic restrictions continue, the Department developed a new approach to reach as many restaurants as possible while preserving resources for where they are needed most.

DISCUSSION

Mayor Garcetti extended the L.A. Al Fresco Program until December 31, 2020 through the Safer L.A. emergency authority. LADOT has finite resources to meet increasing applicant demand for the Program and to provide ongoing equipment rental costs incurred with each new curbside dining area or closure installation. Below outlines how the Department plans to adapt L.A. Al Fresco to address this challenge and to structure the Program in a way that benefits the most restaurants while being fiscally prudent and efficient.

Program Overview

L.A. Al Fresco is a temporary emergency response program that streamlines requirements and approvals across multiple City departments for outdoor dining on sidewalks, parking lots, and streets. LADOT, in consultation with partner departments, set up the application portal for eateries, including permitted street vendors, to apply for the Program at <https://corona-virus.la/laalfresco>. Restaurants and street vendors can typically complete an online application in less than 20 minutes and, at no cost to them, receive a digital City-issued authorization to set up a dining area on the sidewalk or on private property with the property owner's consent. LADOT staff review applications for curbside dining and street closures and assess field conditions to make engineering decisions that ensure the safest project.

Nearly 2,000 restaurants received approval for one or more Al Fresco options:

- 1,159 Sidewalk Dining Authorizations
- 1,364 Private Property Authorizations
- 50 Curbside Dining Authorizations
- 24 Closure Authorizations (across 5 lane closures)

Restaurant owners, operators, and employees view the Program as an invaluable lifeline and the City has seen overwhelming demand for the Program.

Curbside Dining

Through Phase 1 of the L.A. Al Fresco Program, LADOT accepted applications for on-street dining options and secured materials to deliver installations. Since the Program launched, 299 restaurants applied for a curbside dining area for their restaurant. LADOT reviewed each application to determine if the location met the site criteria which includes:

- Streets with a speed limit of 25 MPH or lower or streets with sufficient separation between the parking lane and vehicular traffic
- Streets with less than three lanes in each direction (not including left turn lanes)
- Not within 15 feet of a fire hydrant
- Two on-street parking spaces adjacent to the business

LADOT determined that over half of the applications (163) are not eligible for the Program based on this criteria. The majority of these ineligible locations do not have on-street parking, are in privately-owned shopping plazas, or are on higher speed streets. To date, 99 locations are eligible for a curbside dining area and 37 need further field review to verify eligibility.

On June 26, 2020, LADOT installed its first curbside dining area to coincide with the launch of Al Fresco Phase 2. To date, LADOT installed a total of 50 curbside dining areas and exhausted the Department's initial supply of heavyweight planters and shade parasols.

Lane and Street Closures

Groups of restaurants or community organizations, such as Business Improvement Districts or Chambers of Commerce, can apply to close a lane or an entire street to create a larger on-street dining area in which multiple restaurants can operate. All street closures must provide space for City permitted street vendors and a group of City permitted street vendors can apply for their own closure. LADOT received over 150 closure applications, but the vast majority were submitted by individual restaurants, not by the eligible applicants mentioned above. To date, 19 eligible applicants requested a lane closure or a street closure:

- 5 lane closures installed
- 4 applications withdrawn
- 10 applications under review

None of the closure applications under review would serve an impacted community.

Investing in COVID-19 Impacted Communities

Phase 2 of the L.A. Al Fresco Program directed 55 percent of program resources to businesses whose ownership identifies as BIPOC, or businesses located in impacted neighborhoods that suffered job losses and related impacts due to COVID-19. Less than 30 percent of the Al Fresco applications met one of these equity criteria.

In an effort to bolster access to this Program, LADOT will coordinate communication efforts with other departments through field staff and using tools like Business Assistance Virtual Network (BAVN). Additionally, LADOT is separately seeking authority to amend the existing Open Street Program service contract with CicLAvia to provide intentional outreach and technical support for eligible restaurants in these impacted areas. This contractor will fulfill the required scope of work the L.A. Al Fresco Program demands, including direct outreach to stakeholders, small businesses engagement, logistical planning, and external communications associated with traffic control operations.

Program Expenditures

To date, LADOT spent approximately \$376,263 in equipment costs to deliver on-street dining areas to restaurants across the City, including 50 curbside dining areas and five lane closures. The planters and shade parasols provided to curbside dining areas, critical to the safety and character of the space, account for the majority of the costs. Ongoing costs to maintain the existing installations through December 31, 2020 total an additional \$32,247.

Future Program Implementation

LADOT identified a total of \$1,100,000 in Open Streets Program funding, through a combination of Measure M Local Return and Metro grants, to install additional on-street dining areas for the L.A. Al Fresco Program in impacted communities and support overall administration of the Program. LADOT proposes to repurpose these funds from postponed or cancelled open streets to comply with COVID-19 public safety guidance. Impacted communities include historically disadvantaged communities and those that have experienced at least a 16 percent decrease in employment since COVID-19 Stay-at-Home orders.

After an analysis of costs to date, LADOT projects that with the remaining funds, the Program can install the following in-street dining in impacted communities:

- Up to 20 additional curbside dining areas, and
- At least 20 additional lane closures

The exact blend of these may change based on demand. LADOT would install the dining areas and pay for three months of rental fees. After three months, the restaurant(s) or sponsoring agency would have the option to assume the ongoing costs or allow the City to remove the installation. The ongoing rental cost for a curbside dining area is approximately \$250 each month. The monthly rental cost for a lane closure varies depending on the length of the closure and can range from \$2,000 to \$5,000.

Lane closures will include an area set aside for two certified street vendors, depending on demand.

Traffic Control Contracts

LADOT executed City-approved emergency contracts with multiple contractors that provide services for the rental and installation of traffic control devices to support the L.A. Al Fresco Program. The combined contract ceiling for all of these emergency contracts is \$500,000. Also, as part of the approval of the contracts, LADOT must report to the Mayor and the City Administrative Officer (CAO) on the status of the L.A. Al Fresco Program when the combined total expenditures for all of these contracts reaches \$250,000 in order to continue to use these contracts up to the \$500,000 cost ceiling. LADOT spent \$40,841 to date, and plans to request an increase to the contract ceiling when the Department reports back to the Mayor and CAO.

Permitting Self-Funded Projects

Approximately 70 percent of the restaurants that applied for on-street dining options do not meet the Program's equity criteria. The Department will allow these restaurants to sponsor their own on-street dining area after review and approval to help unlock the potential of the Al Fresco Program. Like the existing curbside dining areas, applicant-installed curbside dining areas will be subject to program requirements to ensure the safety and comfort of the patrons and pedestrians in the project areas. LADOT will provide applicants with detailed project requirements that outline the site plan and the use of materials to secure the perimeter of the curbside dining area. Americans with Disabilities Act (ADA) access will be required for self-funded projects. LADOT estimates the initial cost for applicant-installed curbside dining area is approximately \$1,500 with an ongoing cost of approximately \$250 per month. These installations are temporary and should be considered emergency response.

Groups of restaurants or community organizations, such as a Business Improvement District or a Chamber of Commerce, can also fund lane closures or street closures. LADOT will assess the suitability of each location. If the location is deemed feasible, LADOT engineers will design the traffic control layout for the closure with the applicant. The cost of each closure varies widely depending on the length of the closure and the traffic control equipment needed. Initial costs for a closure can range between \$4,000 to \$20,000 with ongoing costs between \$2,000 to \$5,000 monthly.

FISCAL IMPACT

L.A. Al Fresco Program installations will be funded through \$1.1 million that was originally allocated to the City's Open Streets Program. The sources of these repurposed funds are Metro grant funds, front-funded by Measure M local return funds, and City Measure M local return match funds. There is an unknown fiscal impact to the Special Parking Revenue Fund at each location where the L.A. Al Fresco installation replaces one or more metered parking spaces. There also may be a negative impact to the General Fund due to reduced parking enforcement revenue related to the decrease in parking spaces.

SJR:NA:mv