

#### COMMUNITY DEVELOPMENT DEPARTMENT

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#### CITY COUNCIL STAFF REPORT

Meeting Date: September 15, 2020

## <u>Subject</u>

An Urgency Ordinance temporarily waiving permit fees for certain temporary commercial signs and banners.

### **Recommended Action**

That the City Council:

- 1. Find that the proposed actions are exempt from CEQA; and,
- 2. Conduct the only reading and enact Urgency Ordinance No. 20-XXXX: "An urgency ordinance of the City Council of the City of Cupertino temporarily waiving permit fees for certain temporary commercial signs and banners."

#### Discussion

There have been several local, regional, and state orders regarding Sheltering-in-Place in response to the COVID-19 pandemic:

- March 11, 2020: Cupertino City Manager declared a local emergency related to COVID-19, which was ratified by the City Council on March 17, 2020.
- March 16, 2020: Santa Clara County issued a Shelter-in-Place Order including limitations on non-essential work and operations, including prohibitions on most residential and almost all commercial construction.
- March 19, 2020: Governor Newsom issued a statewide Shelter-in-Place Order directing all California residents to stay home until further notice, with limited exceptions, to stop the spread of COVID-19.
- May 18, 2020: the latest Shelter-in-Place order was issued and continued restrictions on indoor dining, retail, and personal care services operations until further notice; and although the County's June 5 and July 2, 2020 updates to the Shelter-in-Place Order allowed several new categories of businesses and activities to reopen, subject to specific conditions and limitations, key restrictions remain in place under these updates, requiring people to stay in their homes except when engaging in certain essential or allowed activities.

- July 15, 2020: the Governor ordered, for counties on the State Monitoring List, including Santa Clara County, the closure of indoor operations for additional sectors that include personal care services like barbershops, hair salons, nail salons, and similar business, as well as gyms and fitness facilities; and specified that certain operations may continue outdoors, where risk of transmission of COVID-19 is lower, under specified circumstances.
- August 28, 2020: The State released its Blueprint for a Safer Economy ("Blueprint"), which outlines an updated framework for a safe progression of opening more businesses and activities in light of the pandemic in phases.

Local businesses are essential to the Cupertino economy and sales tax base for the City, and provide essential goods and services to residents, and local businesses must be able to operate during the COVID-19 pandemic in order to ensure public health, safety, and welfare.

The COVID-19 pandemic, Shelter-in-Place orders, associated restrictions on business operations, and reduced customer traffic have imposed severe hardships on local businesses. Local businesses must be able to attract customers in order to viably maintain operations during the COVID-19 pandemic, and the extended use of temporary signs can be an effective tool to advertise business operations and communicate with customers.

If businesses are not allowed to effectively advertise key information to inform customers of modified hours or operational changes, they will be forced to permanently close which will lead to the loss of local jobs vital to the Cupertino community. Temporarily waiving the permit requirement fees for such signs will support local businesses and their ability to operate during the COVID-19 pandemic, and these measures will help protect public health, safety, and welfare.

For purposes of this ordinance, a qualifying temporary sign means any special event banner, promotional device, or portable sign and display erected pursuant to Cupertino Municipal Code ("CMC") section 19.104.270. Cupertino Municipal Code Section 19.104.270 provides for the temporary erection of these qualifying temporary signs subject to the issuance of a permit, and the City charges a fee to apply for such a permit. However, in order to allow Cupertino businesses to attract business during the COVID-19 pandemic, no fee shall be charged to apply for a Temporary Sign Permit until the expiration of the Shelter in Place orders or until further notice from the City Council, whichever is sooner.

Any permit issued under this Urgency Ordinance is non-transferable, and only the business for which the temporary sign permit was issued may erect a sign pursuant to the permit. Except for the temporary waiver of the permit application fee noted above, the standards pertaining to banners, promotional devices, and portable signs and displays shall remain consistent with the existing standards in Section 19.104.270.

A Temporary Sign Permit does not create any property interest, and the Director of Community Development may revoke a Temporary Sign Permit issued pursuant to this ordinance at any time and for any reason. The temporarily waiving of the permit requirement fees shall terminate upon the expiration of the Shelter in Place orders or upon further notice from the City Council, whichever is sooner.

### Noticing and Public Comment

Since this is an Urgency Ordinance, no notice is required pursuant to the California Government Code. No public comment has been received with regard to this Ordinance as of the date of this staff report.

## **Environmental Impact (CEQA)**

The proposed Ordinance is not a project as defined by section 15378 of the California Environmental Quality Act (CEQA) Guidelines because it has no potential for resulting in physical change in the environment, either directly or ultimately. If the Ordinance is found to be a project under CEQA, the Ordinance is considered exempt via CEQA Guidelines section 15061(b)(3) because it can be seen with certainty to have no possibility of significant effect on the environment.

## Sustainability Impact

No sustainability impacts.

# Fiscal Impact

Minimal fiscal impact of waiving one-time permitting fees of \$384 is potentially offset by the revival in sales tax revenue from the reopening and continued operations of local businesses essential to the vitality of the Cupertino community.

<u>Prepared by:</u> Angela Tsui, Economic Development Manager <u>Reviewed by:</u> Benjamin Fu, Director of Community Development <u>Approved for Submission by:</u> Dianne Thompson, Assistant City Manager

Attachments:

A – Draft Urgency Ordinance No. 20-XXXX

3

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