



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item Number:

Title:

Recommendation to approve amendments to City Code Section 12.04.102 “Outdoor cafes and food carts in public places” regarding Sidewalk Cafés.

Presenter:

Russell Colby

Meeting: Planning & Development Committee

Date: March 14, 2022

Proposed Cost: \$

Budgeted Amount: \$

Not Budgeted:

Background:

The City Code allows businesses in the CBD-1 Central Downtown Business District to utilize public sidewalks and plazas for outdoor cafés, subject to meeting certain standards and obtaining a yearly Sidewalk Café permit. In the First Street district, Sidewalk Cafés are limited two 100-day permits, between April 15 to Oct. 31. (The 100-day timeline is due to IRS restrictions on use of space improved by use of tax-exempt bonds.)

In response to the pandemic, starting in summer 2020, a Temporary Outdoor Dining program was created to allow for expanded utilization of both private and public outdoor spaces. The Temporary Program will end on April 15, 2022. This date coincides with the start of the regular Sidewalk Café program in the City Code.

Expanded use of the First Street plazas for outdoor dining during the Temporary Program was successful at generating business, activity and attention for the City’s downtown district. There is interest from the businesses in continuing the expanded use of the plaza in some form. There is also a recognition that going forward, it would be appropriate to require a fee for expanded use of public space.

Proposal for 2022:

- Leave the existing Sidewalk Café permit process in place for use of public *sidewalks*, under the same guidelines that had been in place prior to the pandemic, with some administrative updates (switching all permits to the 100-day schedule for consistency, updates to insurance/indemnification forms, etc.)
- Establish a separate fee for use of the First Street Plazas based on square footage: \$0.50 per square foot, per 100-day period. Fees would range from \$400 to \$900 per business per 100-day period, or about \$800 to \$1,800 for the entire summer season. (Note- At this time, any outdoor dining beyond Oct. 31 is not being considered, until the schedule for the plaza expansion construction project is determined.)

Discussion of the Proposed Plaza Fee:

- The proposed fee information has been shared with the 5 affected business, of which 2 businesses expressed that the fee might be high.
- Other area communities that are continuing expanded outdoor dining in 2022 have devised various calculation methods for fees, in part based on the specific set up cost or maintenance for the location. In the case of the First Street plazas, the setup and maintenance is done by the businesses. The City manages ancillary services that are part of managing general public space.
- The First Street Plaza is unique, in that the publicly-owned space does not have a designated use or function when not utilized for outdoor dining, other than being a general public plaza available for events. The fee as proposed is intended to offset the benefit the businesses gain from use of public property that is not available to other businesses, and contribute to general maintenance costs of the plaza, which may experience greater wear and tear due to the increased usage.

Plaza Dining Plan

For 2022, Staff is proposing to continue with the same plaza space configuration as last year, recognizing that the First Street plaza and adjacent street are planned to be under construction starting in 2023. During construction, the availability of the plaza spaces for outdoor dining has not been determined.

Once the plaza expansion project is completed, the outdoor dining areas are planned to be reconfigured to utilize a greater portion of First Street, keeping the the central portions of the plazas open for other public uses.

Attachments *(please list):*

Fee information and comparison, City Code Section with Redline, Plaza outdoor dining maps.

Recommendation/Suggested Action *(briefly explain):*

Recommendation to approve amendments to City Code Section 12.04.102 “Outdoor cafes and food carts in public places” regarding Sidewalk Cafés.