CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL FROM: GABE OSBURN, DEVELOPMENT SERVICES DIVISION DIRECTOR RAISSA DE LA ROSA, ECONOMIC DEVELOPMENT DIVISON DIRECTOR PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT SUBJECT: PARKLET PROGRAM

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council, by resolution: 1) adopt the Parklet Program Manual, outlining requirements to expand a business' outdoor operating space on a public street; 2) approve the application of existing permit and use fees associated with the cost of program uses in the right-of-way; and 3) authorize staff to approve future changes in the Program Manual where references to State Code requirements and/or application process and/or submittal requirement streamlining require updating.

EXECUTIVE SUMMARY

The Parklet Program provides a pathway for businesses to build outdoor spaces in the public right-of-way for business and/or public community uses. The COVID prompted temporary Parklet Program has allowed businesses to use parking and underutilized areas of public streets to offset indoor use restrictions connected to local and state health orders. A permanent program would outline installation requirements and ensure compliance with all associated federal, state and local codes, policies, and standards, as well as set procedures and apply existing fees associated with these uses.

BACKGROUND

In March 2020, in response to local and state COVID-19 health order mandates, the City established requirements and guidelines associated with the use of the public right-of-way for the construction of temporary shared space areas (i.e. right-of-way areas not specific to parking) and parklets (curb-side areas taking up on-street parking spaces, also known as "street seats" or "curbside seating") adjacent to any legal business use, jointly known here and in the Parklet Manual as

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"Parklets". These types of uses are normally established to accommodate unmet demand for public space on thriving neighborhood retail streets and commercial areas, and are guided by requirements on design, hours of operation, maintenance, uses, liability, and others. They are not limited to eateries, but may include other public uses such as seating, bicycle racks, and non-food related activities or uses. While this was generally true for the temporary program, that program was streamlined and abbreviated with the specific intent to support outdoor dining and other business needs, with or without table service, incidental to a public eating or other business establishment due to loss of indoor access. The interest was to use the temporary installations as a pilot program to inform the development of policies and procedures associated with permanent Parklets.

The permitting path that was applied to quickly allow the installation and operation of the temporary Parklets was performed under an encroachment permit pursuant to Chapter 13.04 of the Santa Rosa City Code. Equally important, the use was tied to established occupancy rates of the given business, with the new outdoor area used to offset loss of the interior capacity. The Permittee is responsible for all requirements contained in the permit, as well as any applicable codes, policies, and standards associated with the use of the public right-of-way or any public sidewalk easements. Encroachment permits have been issued for a period of time extending 12 months from the date of application submittal.

PRIOR CITY COUNCIL REVIEW

On June 16, 2020, the Council approved the resumption of paid parking effective July 1, 2020, with certain parking fee reductions (including waiver of parking fees for temporary Parklets) effective through December 31, 2020.

On December 15, 2020, the Council authorized the extension of certain parking fee reductions (including waiver of parking fees for temporary Parklets) to the earlier date of June 30, 2021, or to when Sonoma County reaches the Yellow Tier of the State's COVID restrictions, and retroactively waived encroachment permit fees and building permits associated with relocation of business operations to exterior spaces.

On April 27, 2021, the Council approved extension of the temporary reduction of certain parking user fees (including waiver of parking fees for temporary Parklets) through June 30, 2021, regardless of when Sonoma County reaches the State's Yellow Tier for COVID restrictions.

On June 22, 2021, the Council held a study session to review the temporary Parklet program, and to provide feedback and direction to staff.

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ANALYSIS

The goals, policies, processes, procedures, and guidelines associated with the creation of Parklets and shared spaces within the public right-of-way are outlined in the Parklet Program Manual (Exhibit A to the Resolution). The Manual focuses on activating space within the public right-of-way that generally falls within the curb zone. Proposals to activate exterior spaces within the "frontage zone" or "furnishing zone" – areas of a public sidewalk outside of the required uninhindered five-foot "through zone" or walking path area, as well as proposals on private property, fall under a separate approval and permitting process.

In the public right-of-way, mainly for the purpose of when certain fees may be applied, the Parklet Program differentiates between "Private Parklets" and "Public Parklets" as follows:

- A business that builds a PRIVATE PARKLET may limit the use of the Parklet to members of the public who patronize the sponsoring business.
- PUBLIC PARKLETS are designated as publicly accessible open spaces where members of the public may freely use the Parklet whether or not they patronize the sponsoring business(es) or organization.

An overview of addiitonal key elements of the Parklet Program are as follows:

PERMIT REQUIREMENTS:

Requests for new Parklets may be submitted under an encroachment permit application, consistent with the temporary Parklet program. Applications will be reviewed through a 2-step process with the initial review to determine site suitability. Only after a site is approved may the applicant move forward with and submit the full design. The design will be reviewed against the Manual requirements, as well as all codes, policies and standards associated with accessibility and work within the public right-of-way. Appropriately licensed contractors are required to complete the installation, including the implementation of any necessary traffic or pedestrian controls needed for safety during construction.

PERMIT DURATION:

Encroachment permits will be issued for a 12-month period and must be renewed annually. This allows the City to deny the extension of the permit if existing conditions change or are confirmed to be imminently scheduled to change in the general area and/or the Parklet is no longer able to meet the published location requirements when requesting renewal. Permits may also be denied if the applicant is found to be consistently non-compliant with any element of their permit.

PUBLIC OR PRIVATE:

The use of Parklets installed under this Manual may either be made available to the

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general public at all times or restricted to patrons of the sponsoring business. Public and private Parklets are defined above and in the "Definition" section of the Manual, and the various sections of the document point out where the requirements deviate based on the intended use.

PERMIT FEES:

By all accounts and across jurisdictions, the building of Parklets and shared space uses can be costly. Samples from Bay Area and national studies outline initial costs vs. annual costs, with initial costs being much higher than annual fees. Initial costs, installation, including materials, labor, and all relevant permits and fees, can run around \$10,000 to \$20,000 for a standard structure, with the bulk of the costs being structure related as opposed to fee related. Annual costs thereafter generally come down to renewal fees and general maintenance.

Specific to Santa Rosa, standard existing processing, plan review and inspection fees will be applied to all new Parklet applications as published in the City's Fee Schedule under "Encroachment Permit Fees" (Exhibit C to the Resolution). The standard Encroachment Permit fee will also be applied to the annual renewal of any approved Parklet Encroachment Permit.

Additional fees will be applied to PRIVATE PARKLETS that are <u>not</u> applied to Public Parklets in the form of:

• Water and Wastewater Demand Fee

Water and wastewater demand fees as published in the City's Fee Schedule under "Utility Fees" (Exhibit C to the Resolution)are a one-time fee that may apply to the Parklet. The installation of a Private Parklet results in an increase in the useable square footage associated with the business operation. All commercial buildings pay a one-time utility connection fee based on the anticipated monthly sewer and water use. Increases in square footage typically result in an increase in the overall sewer and water use. A one-time demand fee, due prior to issuance of the Encroachment Permit, may be required to cover the additional demand.

Parking Fees

For Private Parklets displacing paid parking spaces, a per space parking fee will be charged based on 50% of the 12-month per space Meter Cover rate at the time of the application or renewal, based on the Schedule of Parking User Fees meter cover rates as set by Council (Exhibit B to the Resolution). This fee offsets the revenue impact to the Parking District.

PUBLIC NOTICE:

New Parklet applications will require a 15-day public noticing process. Any comments received during that time period will be reviewed by the City prior to the City rendering a final determination. In cities that have developed Parklet programs,

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it has been shown that people are more likely to support a project when they are approached directly by the applicant as opposed to receiving notification through mail. Hence, it is strongly recommended that applicant discuss the proposal with the neighboring property owners or business operators prior to the formal submittal process.

TRAFFIC SAFETY:

Because Parklets are installed within close proximately to adjacent vehicular traffic, there are specific minimum measures that the applicant must take to protect the structure.

- Parklets may be permitted on active public streets with a speed limit of 25 miles per hour or less, and with a trip volume of less than 5,000 vehicles per day.
- Parklets must be at least 15' from any street corner or intersection, and 15' from any active driveway connection, unless it is determined by the Traffic Engineer that a lesser setback will provide the appropriate visibility for drivers exiting and entering the driveway.

UTILITIES and PUBLIC SAFETY:

Access to all surface utilities, such as sewer manholes, water meter boxes, water valve covers, and underground vaults must be maintained at all times. As part of the initial review process, the City will determine any conflicts with future programed City sponsored capital improvement projects. The City may reject or delay the installation of a Parklet that conflicts with any scheduled City streetscape improvement or utility project.

Similarly, clear access must be provided to fire hydrants and fire department connections at all times. Furthermore, Parklets will not be permitted in bus zones, or in blue or red curb zones, but may be located adjacent to a bus zone, as well as in yellow, white or green curb zones. Applicants will be responsible for the full cost associated with removing and relocating a color curb zone.

In addition to the application approval criteria, DESIGN CRITERIA has been developed. Most importantly, Parklets and shared spaces must be designed for easy removal given they may sit on top of critical infrastructure and utilities. Creativity is encouraged, though inclusive design (ADA compliance) is required.

CALIFORNIA ALCOHOL BEVERAGE CONTROL (ABC):

Applicants must comply with all ABC regulations regarding alcohol use for the associated establishment.

Relevant State Legislation (approved and filed on 10/8/2021):

• AB 61, Gabriel. Business pandemic relief. A business pandemic relief bill authorizing the ABC to extend the period of time during which the COVID-19 Temporary Catering Authorization is valid. In addition, the Planning and Zoning Law authorizes the legislative body of any city or county to adopt ordinances that regulate zoning within its jurisdiction, as specified. Under that law, variances and conditional use permits may be granted if provided for by the zoning ordinance.

• SB 314, Wiener. Alcoholic beverages.

This bill authorizes the ABC, for a period of 365 days following the end of the state of emergency proclaimed by the Governor on March 4, 2020, in response to the COVID-19 pandemic, to permit licensees to exercise license privileges in an expanded license area authorized pursuant to a COVID-19 Temporary Catering Authorization. The bill would also authorize the ABC to extend the period of time during which the COVID-19 Temporary Catering Authorization is valid beyond 365 days if the licensee has filed a pending application with the department for the permanent expansion of their premises before the 365-day time period expires. The bill would make these provisions effective only until July 1, 2024, and repeal them as of that date.

Furthermore, existing law, with exceptions, prohibits a licensee from having, upon the licensed premises, any alcoholic beverages other than the alcoholic beverage that the licensee is authorized to sell at the premises under their license. This bill, as an exception to that prohibition, authorizes a licensed manufacturer to share a common licensed area with multiple licensed retailers, subject to specified provisions as stated in the bill.

FISCAL IMPACT

It is estimated that 50% of the daily per space Premium and Value Zone Meter Cover parking rates at the time of the application or renewal will adequately offset the loss of Parking District revenue for those Private Parklets occupying metered parking spaces. The impact of Public Parklets on the Parking District Revenue is unknown at this time, both in terms of per-space use as well as potential increased use in other meter areas and garages resulting from compaction.

As an example, the daily per space Meter Cover rate in the Premium Zone per the October 2021 Schedule of Parking User Fees (Attachment 2 to the Resolution) is \$15.00. The cost per space at 50% of the daily Meter Cover rate would be \$2,737.50 annually, and the annual cost of a three-space Parklet would be \$8,212.50. At the \$12.00/day Value Zone rate, the annual cost per space at 50% of the daily Meter Cover rate would be \$2,190, or \$6,570 for a three-space Parklet.

For context, based on the \$54,600.00 in total revenue generated by the 23 spaces on the 600 block of 4th Street between November 2019 to October 2020, the estimated cost of three spaces converted to Parklet use based on the average per-meter 12-month revenue would be \$7,122.00.

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ENVIRONMENTAL IMPACT

The proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Sections 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution
 - Exhibit A Parklet Program Manual
 - Exhibit B Schedule of Parking User Fees
 - Exhibit C Fee Schedule

CONTACT

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