



Council Agenda Report

Item 6c

Department: Public Works
Cost Center: 5051
For Agenda of: 7/19/2022
Placement: Consent
Estimated Time: N/A

FROM: Matt Horn, Public Works Director
Prepared By: Adam Fukushima, Active Transportation Manager

SUBJECT: SECOND READING OF ORDINANCE NO. 1716 (2022 SERIES) AMENDING THE CITY OF SAN LUIS OBISPO MUNICIPAL CODE TITLE 5, TO AMEND CHAPTER 5.50 (SIDEWALK CAFES) AND ADD CHAPTER 5.51 (PARKLETS)

RECOMMENDATION

Adopt Ordinance No. 1716 (2022 Series) entitled, “An Ordinance of the City Council of the City of San Luis Obispo, California, amending Title 5 (Licenses, Permits, and Regulations) of the Municipal Code to amend Chapter 5.50 (Sidewalk Cafés) and add Chapter 5.51 (Parklets).”

POLICY CONTEXT

Three recent resolutions by the City Council have focused on the use of the public right of way for parklet purposes. The second reading of this Ordinance memorializes the Council’s previous policy direction.

1. [Resolution No. 11118 \(2020 Series\)](#) authorizes the implementation of the “Open SLO” pilot program for parklets.
2. [Resolution No. 11264 \(2021 Series\)](#) authorizes the extension of Open SLO pilot program activities and that they may continue up to and no longer than one year following termination of the proclamation of a local emergency related to the COVID-19 pandemic.
3. [Resolution No. 11344 \(2022 Series\)](#), adopted recently on July 5, 2022, approves the City of San Luis Obispo Outdoor Dining Guide and adopts new fees for parklets and sidewalk dining in the public right-of-way.

DISCUSSION

On July 5, 2022, the City Council voted 5-0 to introduce Ordinance No. 1716 (2022 Series), which amends Title 5 (Licenses, Permits, and Regulations) of the Municipal Code to amend Chapter 5.50 (Sidewalk Cafés) and add Chapter 5.51 (Parklets). In addition, the City Council voted 5-0 to adopt Resolution No 11344, approving the City of San Luis Obispo Outdoor Dining Guide and adopting new fees for parklets, sidewalk cafes, and tables and chairs permits with the following changes outlined below:

1. **Fee Adjustment.** Council directed staff to adjust the proposed parklet use fee calculation to reduce the component of the use fee for street sweeping to assume a greater number of permanent parklets will remain (20 parklets in lieu of 10 parklets). This calculation results in an ultimate use fee of \$6,760 annually (\$42.25 per square foot) per parking space for a parklet.
2. **Bike Corrals Community Benefit.** Council directed staff to update the Outdoor Dining Guide and use fee schedule to clarify that the area for bike corrals should not be included when measuring the square footage used to calculate use fees for individual parklet operator, as the bike corrals provide community-wide benefit.
3. **Parklet Perimeter/Barrier System.** Council directed staff to update the Outdoor Dining Guide to clarify that parklet perimeter barrier systems must be constructed using metal or wood materials. The relevant section of the Outdoor Dining Guide design guidelines has been updated as follows:

“Parklets must have a continuous vertical barrier along each end, and along the exterior side adjacent to the vehicle travel lane. Unless otherwise approved by the City, this barrier must be between 36 and 42 inches in height (as measured from the parklet surface) and **may shall** be constructed using metal or wooden structures. The barrier system must be able to withstand a minimum of a 250-pound horizontal force and should have no gaps or openings larger than 4 inches to minimize potential for persons exiting the parklet into the street.”

4. **Bicycle Parking Placement.** The Council directed staff to update the Outdoor Dining Guide design guidelines to reflect the desired placement of on-street bicycle parking as follows:

“Parklets occupying two or more parking spaces will be required to include bicycle parking **on the downside of the flow of traffic** unless approved by the Public Works Director.”

5. **Operating Requirements.** Council directed staff to update the Outdoor Dining Guide to reflect the following changes to the section on operating requirements for outdoor dining operators:

“D. A path of travel for pedestrians shall be maintained free and clear of any existing obstacles (street furniture, utilities, etc.) to the satisfaction of the Public Works and Community Development Directors. Such clear pathway shall link **continuously** with pathways on each side of the property and shall allow a minimum clear space of 6 feet. For new sidewalk construction, the pathway should be 8 feet. These minimum widths are to ensure compliance with ADA standards and reduce liability concerns due to shifting tables, wait staff standing in the sidewalk or other obstructions which can reduce the effective width.

W. The parklet permit holder is required to keep the parklet area in activation, using the parklet for the intended use at least 5 days per week for at least 4 hours per day unless **otherwise** approved by the Community Development Director. ~~due to an emergency, inclement weather, or other approved reason.~~”

Ordinance No. 1716 amends Title 5 of the San Luis Obispo Municipal code by amending Chapter 5.50 (Sidewalk Cafes) and adding Chapter 5.51 (Parklets) and is provided as Attachment A to this staff report. Should Council adopt the ordinance, it would go into effect in 30 days, on August 19, 2022.

The final Outdoor Dining Guide as approved by the Council is available in Attachment B to this report. Resolution No. 11344 (2022 Series), approving the outdoor dining use fees and the Outdoor Dining Guide, was adopted on July 5, 2022, and is pending signature. The final version of this resolution will be provided for reference as Council Agenda Correspondence prior to the July 19, 2022 hearing, while the Council Agenda Report for the [July 5, 2022 outdoor dining topic is available for reference](#).

Public Engagement

The City Conducted a thorough engagement process in developing the final outdoor dining program, as outlined in the [July 5, 2022 Council Agenda Report](#).

CONCURRENCE

Community Development and Public Works Departments concur on the contents of this report.

ENVIRONMENTAL REVIEW

The parklets and sidewalk cafes are categorically exempt under CEQA Guidelines Section 15301 (Existing Facilities) because the actions are limited to permitting, leasing, and minor alteration of existing public facilities in the right of way within the program area. Any new use of the right of way under the program by additional parklets is negligible when compared to the total linear square footage of the program area. The parklet and sidewalk café programs are consistent with the Engineering Standards. Projects which qualify for parklets, and sidewalk cafes will be required to comply with all relevant City standards, codes, and regulations.

FISCAL IMPACT

Budgeted: No

Budget Year: 2021-23

Funding Identified: No

Fiscal Analysis:

| Funding Sources | Total Budget Available | Current Funding Request | Remaining Balance | Annual Ongoing Cost |
|------------------------|-------------------------------|--------------------------------|--------------------------|----------------------------|
| General Fund | \$ | \$ | \$ | \$ |
| State | | | | |
| Federal | | | | |
| Fees | | | | |
| Other: | | | | |
| Total | \$ | \$ | \$ | \$ |

Based upon Council direction at the July 5th meeting, the total cumulative cost to the City in creating and administering a permanent parklet program is estimated at approximately \$6,760 per parking space annually for a parklet (\$42.25 per square foot). This cost includes ongoing loss of parking meter revenue, contract services for manual street sweeping on a weekly basis, tree trimming, and program administration. This cost reflects a revised assumption on how many parklets are anticipated to remain, which directly affects ongoing street sweeping costs per parklet, as shown below.

Annualized City Costs Per Parking Space with Addition of Parklet

| Cost Type | Amount |
|--------------------------------------|----------------|
| Weekly Manual Street Sweeping | \$1,950 |
| Parking Revenue Loss | \$4,000 |
| Permit Administrations & Inspections | \$500 |
| Tree Trimming over parklet area | \$310 |
| Total | \$6,760 |

Adopted Outdoor Dining Fees

| Program | One-time Application Fee* | Use Fee (1/1/23-6/30/23) | Use Fee (7/1/23-6/30/24)** |
|-----------------|---------------------------|--|--|
| Parklet | \$908.17* | \$1.76/sq. ft./month \$21.13/sq. ft./year (\$3,380 per average parking stall)*** | \$3.52/sq. ft./month \$42.25/sq. ft./year (\$6,760 per average parking stall)*** |
| Sidewalk Cafe | \$908.17* | \$1/sq. ft./month \$12/sq. ft./year | \$1/sq. ft./month \$12/sq. ft./year |
| Tables & Chairs | None | \$1/sq. ft./month \$12/sq. ft./year | \$1/sq. ft./month \$12/sq. ft./year |

*Rate consistent with existing Application Fee for Sidewalk Cafes.

**Fees escalated annually beyond FY2023-24 based on Consumer Price Index (CPI).

***Estimated based on average parking stall size of 160 sq. ft. (20 feet long x 8 feet wide).

ALTERNATIVES

The City Council could decide not to adopt the proposed ordinance that amends the Sidewalk Café and establishes a permanent parklet program. This action is not recommended because it would prevent a permanent Parklet program and changes to the Sidewalk Café program from going into effect.

ATTACHMENTS

A - Ordinance No. 1716 (2022 Series)

B - City of San Luis Obispo Outdoor Dining Guide (as adopted on July 5, 2022)