



PERMANENT PARKLET PROGRAM DISCUSSION AND DIRECTION

City Council Item #11



Image Source: Feeney Inc

March 27, 2023

www.cityofpaloalto.org

CUSTOMER EXPERIENCE

Traffic Safety

- Balancing customer safety in urban setting
- Parklets on slower streets, minimum setbacks from driveways and alleys, design standards

HAZMAT Use and Storage

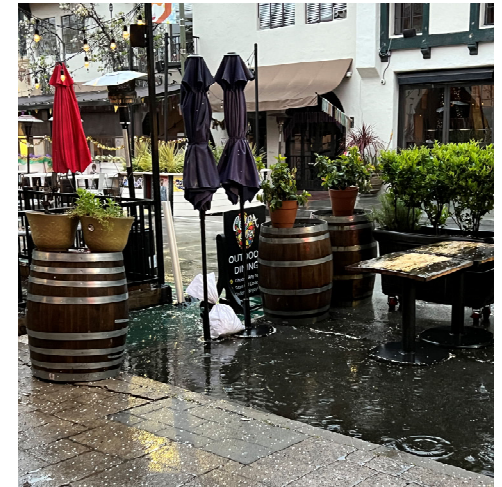
- Propane usage vs. storage

Drainage

- Standards to allow free flow of water and maintaining cleanliness under parklets

General Experience

- Balancing aesthetics, cleanliness and safety in the public right-of-way



DISCUSSION

Continued Areas of Focus:

(cont'd from 3/13 meeting)

- 1) Size and scale of parklets (limiting to 2 parking spaces)
- 2) Heaters
- 3) License Fee for use of public right-of-way and Cleaning Fee



Image Source: Meristem



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PERMANENT PARKLET PROGRAM DISCUSSION AND DIRECTION

City Council Item #6

Image Source: Feeney Inc

March 13, 2023

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PURPOSE & OVERVIEW

1. Review and provide direction to staff on:
 - a. The proposed changes to the parklet standards (Attachment A)
 - Parklet size – max. 2 parallel parking spaces or 3 angled parking spaces
 - Heaters
 - Parklet location, eligibility and design standards
 - Application requirements
 - b. Parklet fees to be collected – specifically the license fee
2. Amend the Fiscal Year 2023 Budget Appropriation for the General Fund (2/3 supermajority)
 - a. Increasing the Public Works expenditure for contract services by \$85k
 - b. Decrease the Budget Stabilization Reserve by \$85k

BACKGROUND

Legislative History

1. June 2020	<ul style="list-style-type: none">• City Council Adopted Ordinance No. 5500 and Resolution 9909
2. April 2021	<ul style="list-style-type: none">• City Council directed staff to develop a permanent program and extended the pilot program to end of 2021
3. June & September 2021	<ul style="list-style-type: none">• Extension of pilot parklet program ordinance passed• Pilot program extended to new sunset date of June 2022
4. May 2022	<ul style="list-style-type: none">• Council extended pilot program to end of 2022 and updated temporary guidelines
5. October 2022	<ul style="list-style-type: none">• Council extended the pilot parklets through June 2023 and directed staff to require a letter of consent in certain cases beginning January 1, 2023.• Council directed staff to implement the draft permanent standards upon adoption of a permanent parklet ordinance.• Council directed staff to return with a recommendation for continuing propane use, establishing parklet fees, and limiting amplified sound to only come from buildings in the permanent standards.

BACKGROUND

Temporary program:

- As of January 1, 2023, new and existing parklets were required to renew their permits and demonstrate compliance, including the letter of consent requirement.

Permanent Program

- Several added dimensions have led to proposed changes to the permanent standards
 - The overall size and scale of parklets
 - The suitability of parklet regulations across varying sized parklets and structures



DISCUSSION

Areas of Focus:

- 1) Size and scale of parklets (limiting to 2 parking spaces)
- 2) Heaters
- 3) License Fee for use of public right-of-way and Cleaning Fee



1) SIZE AND SCALE OF PARKLETS

How large parklets should be:

Staff recommends limiting parklets to 2 parallel parking spaces or 3 angled parking spaces and requiring letters of consent consistent with October 2022 Council direction.

- Consistent and scaled back parklet footprints
- Balance the needs of restaurateurs and business with safety requirements while continuing to enliven the public realm and enhance the experience of diners, pedestrians, and vehicles.
- Streamline program administration for both applicants and staff

1) SIZE AND SCALE OF PARKLETS

How large parklets should be:

- New structures over 350 square feet require automatic sprinklers, with a water connection and fire permit (PA municipal code) – 2-space limit ensures they are within 350 square feet
- Electrical and lighting needs scale with parklet size – the size limitation and accompanying standards minimize these impacts.
- There is an interest in balancing the public and private use of the public right-of-way
- A maximum parklet size allows staff to estimate occupancy increases with a parklet
- Limiting parklet size ensures that street sweeping can take place on streets with parklets
- A smaller streamlined parklet footprint limits encroachment over neighboring storefronts, providing greater certainty for businesses and staff.

Other jurisdictions that limit parklet sizes to 2 parking spaces include San Francisco, Campbell, and San Mateo

1) SIZE AND SCALE OF PARKLETS

Bathrooms

Staff is not recommending requiring that permittees add additional bathroom capacity

- The recommendation to limit parklet size minimizes impacts on existing restroom facilities
- Similar approach to other jurisdictions
- Alternative option could be to reference bathroom standards in the California Building and Plumbing codes for indoor facilities
 - Consider feasibility (including space, cost, and practicality) of requiring additional bathroom facilities

2) HEATERS

Heaters

The permanent standards include provisions for both propane and electric heaters

- Following Council direction, the standards allow propane heater use in parklets with a valid hazmat permit (Palo Alto Fire Department).
 - Location and quantity of propane.
 - Cannot be stored on parklets, indoors, or in public right-of-way.
 - Min. 5 feet clear of flammable material
 - Not under roofs, canopies, or tents, etc.
 - Annual inspections.



3) PARKLET FEES

Staff recommend establishing five fees that will be required to establish a parklet under the permanent program including:

- a) An initial application fee of \$2,000 to \$2,250
- b) An annual renewal fee of \$750 to \$1,000
- c) A cleaning fee
- d) A fully refundable deposit of \$3,000
- e) A license fee for use of the public right-of-way.

Staff seek specific guidance on the cleaning fee and license fee for use of the public right-of-way.

3) PARKLET FEES

License Fee - Pricing the Right-of-Way

Staff proposes establishing a rate per square foot using current ground floor retail lease rates and applying a “discount” to account for public right-of-way conditions (adjacent to travel lane, unfinished, no roof, walls, etc.)

There are three different rental rate options and yields an annual fee per parking space used in a parklet.

Fee Comparison Using Palo Alto Retail Rental Rates			
Ground Floor Retail Rental Rates*	RATE/SQFT	COST/SPACE (160 sqft)	COST/PARKLET (320 sqft)
Downtown (DT) *Includes Stanford Shopping Center	\$79	\$12,595	\$25,190
Non-Downtown (NDT)	\$56	\$8,947	\$17,894
All Palo Alto (APA)	\$71	\$11,419	\$22,839

Source: 2022 average rental rates

Note: the average parallel parking space is 160 square feet

3) PARKLET FEES

License Fee - Pricing the Right-of-Way

- This table represents a sliding scale parklet fees after a discount

DT = Downtown (including Stanford Shopping Center)

NDT = Non-Downtown

APA = All Palo Alto

Parklet Fees after Discount									
	RATE/SQFT			COST/SPACE			COST/PARKLET		
Discount	DT	NDT	APA	DT	NDT	APA	DT	NDT	APA
90%	\$8	\$6	\$7	\$1,260	\$895	\$1,142	\$2,519	\$1,789	\$2,284
80%	\$16	\$11	\$14	\$2,519	\$1,789	\$2,284	\$5,038	\$3,579	\$4,568
70%	\$24	\$17	\$21	\$3,779	\$2,684	\$3,426	\$7,557	\$5,368	\$6,852
60%	\$31	\$22	\$29	\$5,038	\$3,579	\$4,568	\$10,076	\$7,158	\$9,135
50%	\$39	\$28	\$36	\$6,298	\$4,474	\$5,710	\$12,595	\$8,947	\$11,419
40%	\$47	\$34	\$43	\$7,557	\$5,368	\$6,852	\$15,114	\$10,737	\$13,703
30%	\$55	\$39	\$50	\$8,817	\$6,263	\$7,994	\$17,633	\$12,526	\$15,987
20%	\$63	\$45	\$57	\$10,076	\$7,158	\$9,135	\$20,152	\$14,316	\$18,271
10%	\$71	\$50	\$64	\$11,336	\$8,052	\$10,277	\$22,671	\$16,105	\$20,555
0%	\$79	\$56	\$71	\$12,595	\$8,947	\$11,419	\$25,190	\$17,894	\$22,839

3) PARKLET FEES

License Fees - Pricing the Right-of-Way

- Council may consider parklet fees in other jurisdictions

Peer Jurisdiction Fee Comparison						
	Palo Alto	Los Altos	Burlingame	Mountain View	Redwood City	San Mateo
Staff fees						
Initial Application Fee	\$2,250.00	\$500.00		\$769.00	\$2,226.00	\$500.00
Annual Renewal fee	\$1,000.00			\$205.00	\$583.00	
Cleaning Fee	TBD		\$3,000.00	\$576.00		
License Fee*	TBD	\$3/sqft	\$5/sqft	\$6/sqft	\$10.16/sqft	\$1.56/sqft
License Fee (160sqft)		\$480.00	\$800.00	\$960.00	\$1,625.60	\$249.60
License Fee (320sqft)		\$960.00	\$1,600.00	\$1,920.00	\$3,251.20	\$499.20
Refundable deposit	\$3,000.00					
Total 1st year (320 sqft)	\$5,250.00	\$1,460.00	\$4,600.00	\$3,265.00	\$5,477.20	\$999.20
Total ongoing (320 sqft)	\$1,000.00	\$960.00	\$4,600.00	\$2,701.00	\$3,834.20	\$499.20

3) PARKLET FEES

Cleaning Fee

- A cleaning fee is challenging to determine as the cleaning cost is fixed and the number of parklets is variable
- Downtown area sidewalks are steam cleaned 1x month.
- At this time, *staff does not have a recommendation but offers potential options for cleaning.*

Estimated Annual Cost for Current and Increased Cleaning in Downtown Areas

Frequency	Annual Cost
Monthly*	\$59,040
Semi-monthly	\$100,680
Weekly	\$149,040

- Table above demonstrates current and increased cleaning costs
- Another option is to have a full-time staff person dedicated to cleaning

AMENDMENTS TO FY 2023 BUDGET APPROPRIATION FOR THE GENERAL FUND

- Over the past two and a half years, over 40 temporary parklet permits have been issued, including review, enforcement, inspection, administration, and ongoing project management
- On January 1, 2023, staff began work to implement Council direction to require a letter of Consent if more than half of a parking space in front of their neighboring business' frontage.
 - This effort has taken over 160 hours of additional work by Public Works staff and additional hours from other departments.
- Staff anticipate a large percentage of the 35 existing parklet permit holders will transition to the permanent program
- The Public Works department requires staffing resources to implement the permanent program

NEXT STEPS

- Following Council direction, staff will refine design standards and program operations as needed and return in the spring with a formal ordinance to enact the program.

Additional Information

- Temporary parklet program is authorized through June 2023
- Continuing this temporary parklet program would require an ordinance amendment (two readings + 30 days)
- Staff can bring an amendment to Council on consent in early April to extend the program to the end of 2023 (or another date)
- If a permanent program ordinance is adopted in the meantime, the temporary program can be shortened accordingly



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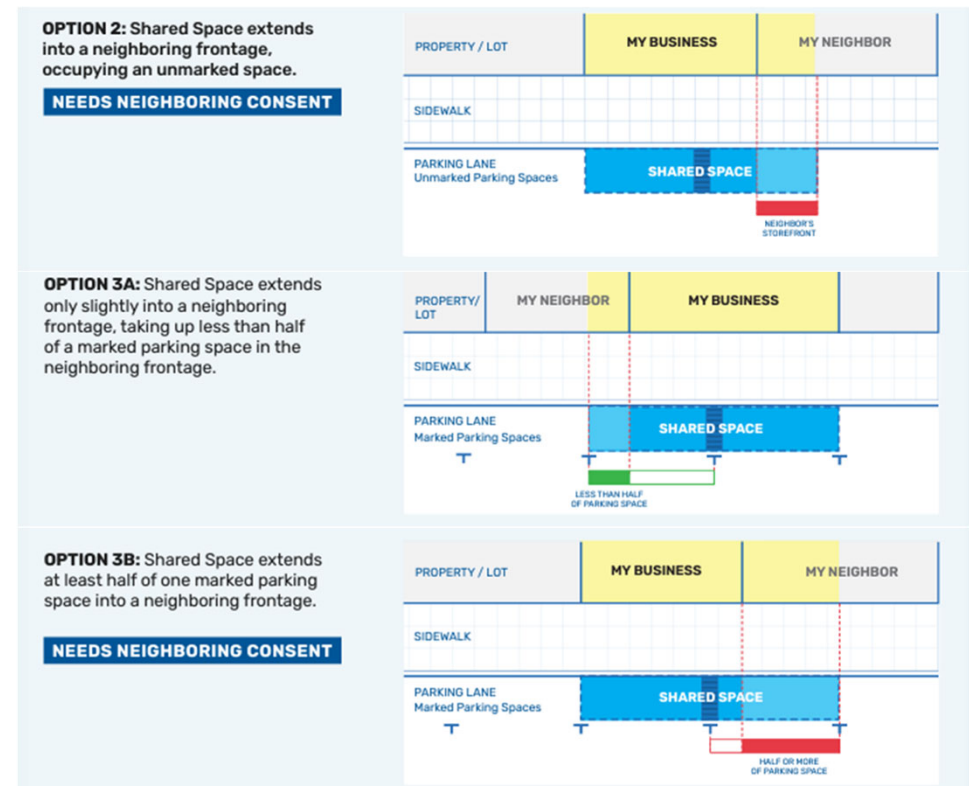
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APPENDIX – Letter of Consent

Letter of Consent required from both neighbor tenant and property owner when *a parklet occupies more than half (50%) of a marked parking space that is not in front of the applicant's storefront, or if any part of an unmarked parking space is not in front of the applicant's storefront.*



Source: City of San Francisco, 2022. Shared Spaces Manual

APPENDIX – PROPANE VS ELECTRIC HEATERS

PROPANE	ELECTRIC
<p>Requirements: HAZMAT permit:</p> <ul style="list-style-type: none"> • Submit parklet plans to PAFD showing how and where propane will be stored, where the heaters will be used, and the quantity of propane to be stored. • Create California Environmental Reporting System (CERS) account and annually update propane use. • Pay applicable permit fees (\$500 to \$3,000 annually) • Store propane outside in secure metal cages (i.e., anchored to the ground) – propane cannot be stored on parklets, indoors, or in public right-of-way. • Propane must be stored and operated 5 feet clear of flammable material. • Propane must be use and stored a minimum of 5 feet from exits or exit discharge (10 feet from buildings having only one exit) • Propane heaters cannot be used under roofs, canopies, or tents, etc. • If businesses do not have an approved private outdoor storage area, all propane containers must be removed from the premises at the close of business every day. • Undergo annual inspections. 	<p>Requirements:</p> <ul style="list-style-type: none"> • Must be an outdoor-approved type • Must be located on the parklet in accordance with the manufacturer’s instructions and specifications. • Electric heaters must be placed at least 3 feet away from any combustible materials. • Must be plugged into an approved GFCI receptacle, no extension cords. • A panel upgrade requires an electrical permit from the Building Department. Any electrical equipment must be listed and carry a product certificate for its intended use by a recognized electrical testing laboratory.
<p>Cost: Permit Fee: \$500 to \$3,000 annually (depending on the quantity of propane being stored)</p>	<p>Cost: Electrical Panel upgrade (if needed) one-time estimated cost: \$3,000 to \$5,000</p>
<p>GHGs: 0.024 MT of CO2 emissions per propane tank</p>	<p>GHGs: Net-neutral – the City provides carbon-neutral electricity</p>