





MAY 9, 2022

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PURPOSE & OVERVIEW

- Seeking Council input on the proposed permanent parklet standards and program policies; and
- Consider adopting an interim ordinance and resolution to continue the pilot parklet program until December 31, 2022.



OVERVIEW

Parklets During and After the Pandemic

- Offering outdoor dining allowed many businesses to remain open during the height of the COVID 19 pandemic
- Palo Alto allowed parklets for the first time in order to aid local businesses and provide a place for residents to gather safely
- Parklets have been widely popular in Palo Alto, with council receiving thousands of emails in support over the duration of the temporary program the past two years



BACKGROUND

Legislative History

June 2020

 City Council adopted Ordinance No. 5500 and Resolution 9909



 City Council directed staff to develop a permanent parklet program and extended pilot program to December 2021

June 2021

 Extension of pilot parklet program ordinance passed



September 2021

 Pilot program extended to new sunset date of June 2022



 Council will receive a progress report and consider extending temporary program to December 2022.



PILOT PARKLET GUIDELINES

Pilot guidelines focus on:

- Reducing overall risk
- Maximizing immediate safety for parklet patrons, motorists, and pedestrians

Pilot guidelines do not focus on:

- Aesthetics and overall design consistency
- Did not include fees or charges





DISCUSSION

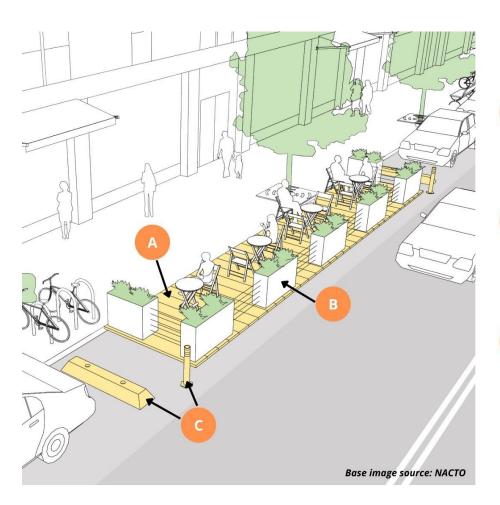
Parklets 101: What's a parklet?

- Extension of the pedestrian right of way typically utilizing 1 – 3 parking spaces for public or private use
 - Permitted for legally existing restaurants only
 - On streets with a speed limit of25 miles per hour (mph) or lower.





PARKLET DETAILS



- Platform at grade with the sidewalk to create a seamless transition.
- Barrier- Physical barrier separating parklet area from travel lane.
- Traffic Safety Features'Wheel Stop' between adjacent parking spaces and 'Reflective Delineators' visible from the travel lane.

Parklets sometimes include:

- Roofs
- Lighting
- Landscaping
- Umbrellas
- Misc. Furnishings & Fixtures



Key Areas of Change and Consideration:

- 1. Retrofitting
- 2. Edge Treatment
- 3. Sidewalls
- 4. Heaters
- Neighboring Business and Building Owner Support

- 6. Limit sidewalk dining in conjunction with parklets
- 7. No fabric tents or canopies
- 8. Alcoholic Beverage Service



Parklet Design and Operation Standards for Safety and Aesthetics

Retrofitting

- Existing parklets would need to be brought into compliance with current standards
- Retrofitting would occur during a transitionary time period to allow applicants to obtain approval for retrofitting.
- This may include:
 - A deadline for existing permit holders to apply for a permanent parklet
 - Set timeline for application review
 - A deadline for retrofitting to be completed



Parklet Design and Operation Standards for Safety and Aesthetics



Edge Treatment

- Staff Recommends requiring "periodic barriers"
 - Planters or other heavy containers filled with 500 lbs. of soil, sand, water, or concrete
- Council may consider more robust edge treatments (i.e. k-rail or other MUTCD rated barriers)
- ARB recommends max height of barrier and enclosure at 36" +/- a few inches to allow for variation in expression



Parklet Design and Operation Standards for Safety and Aesthetics Sidewalls

- As proposed: Walls no higher than 42" from the ground
 - Reasons: visibility for motorists and pedestrians, enhancing safety, and visibility to storefronts
- ARB has indicated that some level of transparent siding should be allowed (i.e. plexiglass, rolled down transparent plastic, etc.) and wants time for additional deliberation





Parklet Design and Operation Standards for Safety and Aesthetics

Heaters

- Staff recommend prohibiting the use of propane heaters at all parklets.
- Reasons: major compliance issues, safety, and city sustainability goals
- ARB noted heaters are crucial and wanted an ARB sub-cmte to look further into electric vs. propane





Parklet Design and Operation Standards for Safety and Aesthetics

Neighboring Business and Building Owner Support

- If the proposed parklet extends beyond an applicant's storefront, staff recommend the applicant obtain letters of support from the neighboring ground-floor tenant(s) and building owner(s)
- This procedure aims to increase communication among neighbors, reduce conflict, and minimize negative impacts of the parklet's design and construction on neighboring businesses



Parklet Design and Operation Standards for Safety and Aesthetics

Limit sidewalk dining in conjunction with parklets

- Parklets paired with sidewalk dining can too greatly decrease the area for pedestrians to pass safely and comfortably
- Staff recommend requiring 8 feet of clear, unobstructed path of travel in order for a restaurant to be eligible for a sidewalk dining permit in conjunction with a parklet



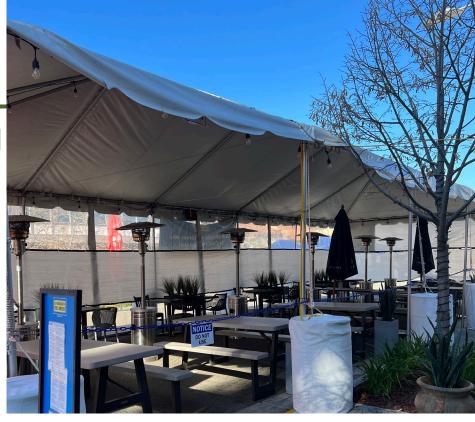


Parklet Design and Operation Standards for Safety and Aesthetics

No fabric tents or canopies

- Roof structures over parklets are allowed under the proposed standards
- Parklet operators may also choose to use umbrellas to provide shade to patrons
- Roofs made of fabric, tents, and canopies are not allowed to minimize fire hazard and risk of wind uplift
- ARB recommended allowing fabric coverings if safety can be in relation to heating elements
- ARB also recommended prohibiting use of vinyl, soft plastics, tarp or soft plastic as part or roof or side covering or other part of enclosure





Parklet Design and Operation Standards for Safety and Aesthetics

Alcoholic Beverage Service

- The California State Department of Alcoholic Beverage Control (ABC) relaxed many regulations during the pandemic. While state lawmakers have made some of the changes enduring, staff anticipate a return to pre-COVID regulations at some point.
- Palo Alto requires amendments to conditional use permits (CUPs) when alcohol service expands outdoors.
- Restaurants seeking to serve alcoholic beverages at parklets must apply for and be granted an amendment to their conditional use permit and design their parklet to comply with ABC rules.



Program Permits and Operations

- Public Works will engage partner departments as necessary to review the permits, such as of Office of Transportation and Planning and Development Services
- The permanent program will also feature inspection of the parklet during construction. Further, the parklets will be subject to an annual inspection
- Applicants will pay a cost recovery application fee that includes plan review and construction inspections
- Staff recommend establishing an annual time period during which parklet applications can be submitted



Two Methods for Fee Structure

Parking Space Value

 The cost of an on-street parking space in Palo Alto for a full calendar year.

Commercial Rent Valuation

• Using average ground-floor retail rents in Palo Alto, applying that rate or a discounted portion of that rate to the average square footage of a parking space.



Parking Space Value

Annual Fee	Monthly Fee	Notes		
\$9,125 = 1 space	\$760/ month	The current daily fee for use of a parking		
\$18,250 = 2 spaces	\$1,521/ month	space is \$25/ day.		
\$27,375 = 3 spaces	\$2,281/ month	\$25 x 365 days = \$9,125 per space		
		Parklets range from 1-3 parking spaces		

Other cities using or considering this method: City of Walnut Creek (\$7,000 a year)



Commercial Rent Valuation

Area of Palo Alto*	Rental Rate Average	Annual Rent Cost (Applies to 200 Sq. Ft.**)	10%	30%	50%
Downtown Palo Alto	\$63	\$12,600	\$1,260	\$3,780	\$6,300
All of Palo Alto	\$57	\$11,400	\$1,140	\$3,420	\$5,700
Remainder of PA (excluding downtown)	\$30	\$6,000	\$600	\$1,800	\$3,000

^{*}Rates for Ground Floor Retail leases signed between January 2020 and March 2022 from CoStar Lease Comps Summary

^{**200} sq. ft. is average size of parallel parking space



Commercial Rent Valuation: Parklet with 2 Parking Spaces

Area of Palo Alto	10%		30%		50%	
	Annual	Monthly	Annual	Monthly	Annual	Monthly
Downtown Palo Alto	\$2,520	\$210	\$7,560	\$630	\$12,600	\$1,050
All of Palo Alto	\$2,280	\$190	\$6,840	\$570	\$11,400	\$950
Remainder of PA (excluding downtown)	\$1,200	\$100	\$3,600	\$300	\$6,000	\$500

Other cities using or considering this methodology: Burlingame (\$1,500), Mountain View (\$1,200 plus \$6/sf)



WHERE DOES PALO ALTO FALL?

Jurisdiction	Annual Fee	Methodology
Oakland	\$0	See parklets as valuable public service and generate revenue through sales tax
Seattle	\$500	Cost comparison between parking revenue across the city and benefit of more livable streets and climate goals.
Pleasanton	\$1,000	Median cost of current charge for downtown parking and hypothetical value of metered parking
Long Beach	\$1090	Estimated Cost of parking space (over 200 sq. ft.)
Mountain View	\$1,200 plus \$6/ sf	Based on 9% of going market rental rates in city (based on typical parklet being ~300 sq. ft.)
Burlingame	\$1,500	Based on 9% of going market rental rates in city (based on typical parklet being ~300 sq. ft)
San Diego	\$2,000 - \$6,000 per space	The fees vary depending on business location within the San Diego Climate Equity Index
Palo Alto	\$3,780/ space	Based on 30% of going market rental rates in Downtown Palo Alto
Walnut Creek	\$7,000	Cost of daily parking revenue annualized (pending council review and approval)
Palo Alto	\$9,125/ space	Cost of daily parking annualized

Feedback from Business & Property Owners

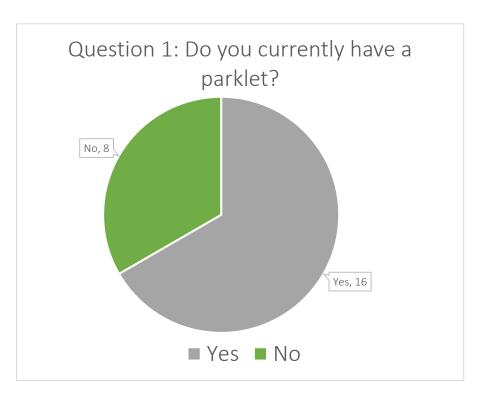
Focus Group Key Feedback:

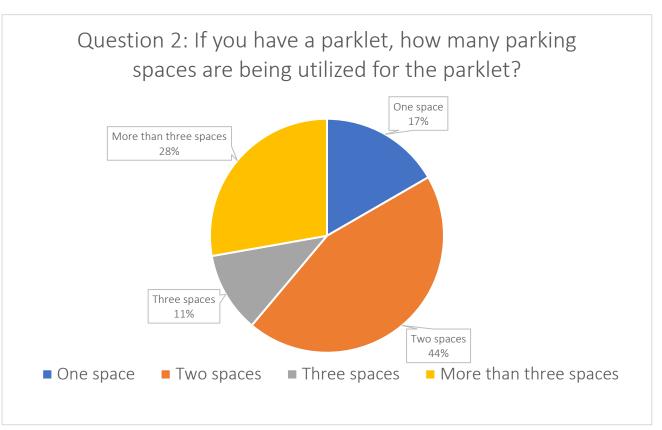
- Design Standards:
 - Landscaping and Planters—lack of proper maintenance, planters collecting trash and debris
 - Enclosure and Sidewalls—patrons request and expect certain levels of protection from sun and wind
- Power Supply
 - Propane is more cost effective and should be permitted
- Program Fee
 - Some felt there should be no fee
 - A few expected a fee for private use of the public right of way



Feedback from Business & Property Owners

Business Survey: 24 respondents

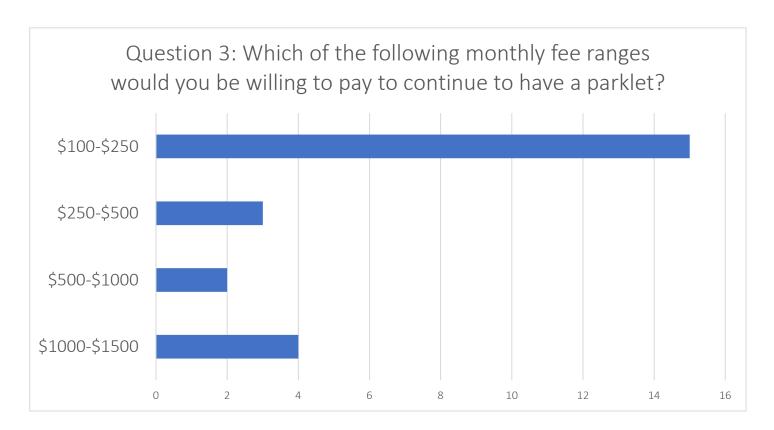






Feedback from Business & Property Owners

Business Survey: 24 respondents





Feedback from Business & Property Owners Business Survey: 24 respondents

- Guidelines
 - Keep guidelines streamlined and have clear standards
 - Propane heaters should be allowed
 - Provide pre-approved parklet plans for businesses
 - Parklets should have a uniform look
 - Should offer protection from wind, sun, other weather.

- Fees
 - Fees should be low (if they need to be imposed at all
- Operations
 - Need to have more maintenance and cleaning around parklets
- Miscellaneous



Feedback from the Architectural Review Board

ARB Straw Poll Topics

- Color do not limit color
- Lights Allow more variety of lighting
- 4' Setbacks (at the ends of parklets) Wheel Stops, Delineators Study further
- 36" Height of Enclosure and Periodic Barrier (+/- a few inches)
- Side Covering/Sidewalls Study further; favorable to allow
- Quality of Materials Limit some low-quality; otherwise allow variety
- Fabric Roofs Allow w/limitations
- Aluminum Allow
- Not Require Design Professional
- Vegetation generally favorable



Extension of Pilot Program

- As noted in the recommendation, staff request a six-month extension of the pilot program to allow for resolution of outstanding issues with the standards, program permitting and operations plan, development charges, and further engagement with the ARB.
- If adopted by Council, the interim ordinance and resolution will continue the existing temporary program until December 31, 2022.
- If Council does not adopt this legislation, the pilot parklet program will end on June 30, 2022, pursuant to the existing interim ordinance.



COUNCIL FEEDBACK REQUESTED

Feedback Requested

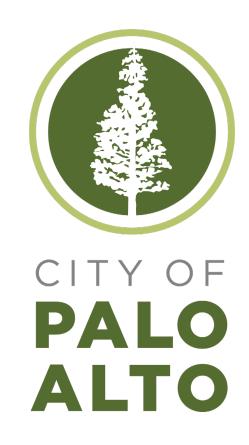
- Feedback on standards themselves
- Feedback on preferred fee methodology; such as direction to further explore one method vs. another
- Resolution to extend current ordinance and pilot guidelines











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