

April 25, 2023

OUTDOOR PERMIT PROGRAMS AND DOWNTOWN LANE RECONFIGURATIONS



CITY OF
HERMOSA
BEACH

OUTDOOR DINING

- During the COVID-19 pandemic, the City moved quickly to offer outdoor dining and other associated programs
- This included on-street dining decks, downtown lane reconfigurations, private property dining, and additional encroachment areas on Pier Plaza

OUTDOOR DINING

- In December 2021, City Council directed staff to come back with a permanent program
- Fees of \$1.50 per square foot per month were implemented on March 1, 2022
- Temporary orders extended the program multiple times with a final deadline of May 1st given by Council



OUTDOOR DINING

- Staff worked to develop the long-term program elements
- Community feedback collected from Council meetings, meetings with individual businesses, stakeholder groups, Economic Development Committee, surveys, and an information session meeting

COMMUNITY FEEDBACK

Staff gathered feedback since 2020 from a variety of stakeholders. Some common themes:

- Greatly enjoy the new vitality of downtown resulting from outdoor dining and music
- Customers still want to eat outside, almost exclusively
- Pier Plaza is the jewel of Hermosa and is more attractive than ever with the expanded encroachments
- Pier Plaza's expanded dining is diverting too many people away from non-Plaza businesses



COMMUNITY FEEDBACK (CONTINUED)

- Bad weather and rising costs have made this (2022-23) one of the worst seasons ever
- Permanent on-street decks should be aesthetically pleasing but allowed to be individually creative
- Encroachments should be open to public during the day when business is closed to maximize utilization
- Live music program should continue also

LONG-TERM OUTDOOR DINING

- Pertains only to Public Right-of-Way(not private property)
 - Pier Plaza
 - Off-street (i.e., Martha's on 22nd Street and sidewalks)
 - On-street within parking spaces (Dining Decks)
- Staff worked on multiple elements to develop the proposed permanent program



RECOMMENDATIONS

Staff recommends City Council approval of:

1. An ordinance amending Hermosa Beach Municipal Code Chapter 12.16 to establish basic guidelines for a permanent outdoor dining and retail program;
2. A resolution establishing a new fee schedule for encroachments citywide;
3. A resolution establishing the downtown lane reconfigurations and bike lanes become permanent;
4. A resolution amending operational and design guidelines for Pier Plaza; and
5. CEQA determination for the program elements.



ADDITIONAL RECOMMENDATIONS

- Staff will bring to Council at a later date a resolution adopting guidelines for operational and design standards for on-street dining decks

This item is being delayed to help staff and its consultant fully assess all safety concerns and process efficiencies (plan submittal, standard specifications, etc).

- Staff also suggest a phased in implementation to allow existing decks an efficient transition



ORDINANCE

- Specifies maximum size for encroachments citywide
 - 500 additional square feet for Pier Plaza and other off-street encroachments
 - 1,000 square feet maximum total area
- On-street encroachments limited to 2 parallel or 3 head-in parking spaces

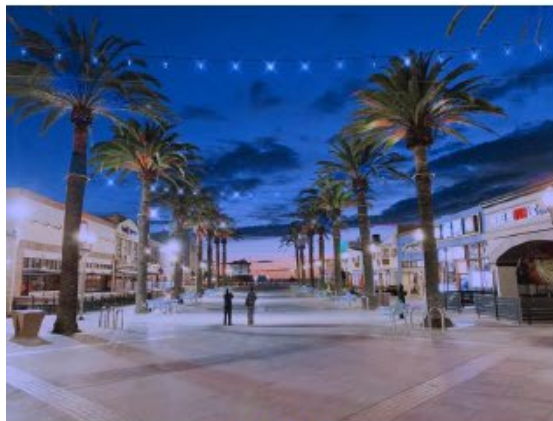
Pier Plaza Permanent and Proposed Encroachments



Pier Plaza - West Facing

Pier Plaza - East Facing

All measurements shown are approximate



April 2020



June 2022



March 2017



June 2022

ORDINANCE

- Specifies encroachments may only be in business frontage (excluding on-street)
- Subject to City approval, variations may be considered (Loreto Plaza)
- Existing and expanded encroachments would be united administratively

ORDINANCE

- Pier Plaza and off-street encroachments must close at midnight
- On-street and off-Plaza encroachments close at 11:00 p.m.
- City has authority to establish alternate hours of operation as needed (e.g., North End encroachment closes at 10:00 p.m.)



CURRENT FEE SCHEDULE

- Currently four categories of encroachment fees:
 - Pier Plaza late night - \$5/sq. ft.
 - Pier Plaza non-late night - \$2/sq. ft.
 - Pier Plaza snack shop and off-Plaza - \$1/sq. ft.
- Temporary encroachments Citywide - \$1.50/sq. ft.



PROPOSED FEE SCHEDULE

- Fees for on-street encroachments from other agencies vary greatly, both on price and factors:

Agency	Fees	Notes
Manhattan Beach	\$3/sq.ft. per month (all encroachments)	Suspended on-street program but exploring permanent program
Redondo Beach	\$2/sq.ft. per month	Exploring permanent program
Santa Monica	Approximately \$2-4/sq.ft. monthly fee plus \$1000 in one time admin. fees and \$1300 per seat one-time wastewater fee	Pre-existing and revised during pandemic
San Francisco	One-time fee of \$3000 for first parking space occupied, \$1500 for second. Additional \$2000 per space annually for business with over \$2 million gross receipts. Half if less than \$2 million	
El Segundo	No fees	Future plans unclear at this time
Long Beach	\$1375 one-time permit fee	Additional inspection fees. Pre-existing program.
Pasadena	\$7.75/sq.ft. or \$4/sq.ft. per year depending on district. Parking meter recovery fee of \$2.25/sq.ft. per year	Pre-existing program
Berkeley	\$1000-\$5000 annually per parking space occupied plus upfront \$1700 encroachment fee	Based on parking meter revenue lost

APPRAISAL REPORT

- Considered by Council in January 2023
- Examined all current temporary outdoor dining areas, on Plaza, sidewalks and on-street
- Surveyed and analyzed the rates being charged in other market areas
- Analyzed the market value of the land and applied a rate of return
- Reconciled to the following rates for Hermosa Beach

Locations	Market Rental Rate (per square foot per month)
Pier Plaza	\$5.67
Non-Pier Plaza (areas primarily along Hermosa Avenue, north and south of the Plaza)	\$4.63
East of Hermosa Avenue (primarily Pier Avenue, up to Pacific Coast Highway)	\$4.00



PROPOSED FEE SCHEDULE

- Staff assessed information from:
 - Other agencies in the region;
 - Feedback from Chamber of Commerce business survey;
 - Feedback from direct communications with businesses; and
 - Consideration of our immediate neighbors



PROPOSED FEE SCHEDULE

- Three categories proposed:
 - Late night Plaza with alcohol - \$6/sq. ft.
 - Non-late night Plaza with alcohol - \$3/sq. ft.
 - All others (Plaza with no alcohol, off-Plaza, sidewalk and on-street - \$2/sq. ft.
- Additional permit and plan check fees will apply but vary per application

LANE RECONFIGURATIONS

- Resolution will make these elements permanent:
 - Downtown lane reconfigurations;
 - Downtown bike lanes; and
 - Limited street closures (North End).

PIER PLAZA AND OFF-STREET GUIDELINES

- Guidelines in place since creation of Pier Plaza and revised multiple times, most recently in 2015 with additions during COVID-19 pandemic
- Guide the operational and design standards:
 - Furniture placement, awning sizes, stanchion height, maintenance and cleanliness, etc.

PIER PLAZA AND OFF-STREET GUIDELINES

- Proposed revisions would apply to all off-street encroachments
 - Prohibition from queueing included
 - Prohibitions from blocking ocean views
- May be more easily revised (than code) as program evolves

CEQA DETERMINATION

- On-street outdoor dining and lane reconfigurations were analyzed together
- A Categorical Exemption was determined
- City and consultants did thorough study of impacts to traffic, noise, and emissions to help inform determination



CEQA DETERMINATION

- Changes to Pier Plaza and other encroachments determined to be Categorical Exempt as separate project

FUTURE MATTERS

- On-street dining deck guidelines to return to City Council
- City would need permit from Coastal Commission
- Ongoing monitoring and adjustments are planned

April 25, 2023

OUTDOOR PERMIT PROGRAMS AND DOWNTOWN LANE RECONFIGURATIONS



CITY OF
HERMOSA
BEACH