



EXECUTIVE SUMMARY

To: Greg Veliz, City Manager
Cc: Patti McLauchlin, Assistant City Manager
Jim Young, Director of Code Compliance
From: Amanda Brady, Licensing Official
Date: February 26, 2021
Subject: Awning and Sign Revocable License Fee

Action statement:

Commission approval to implement an annual fee for all revocable licenses for awnings and signs for fiscal year 2021-2022 for \$100.00. This proposed revision does not in any way change the Sidewalk Café Permit of Sec. 2-939.

Background:

Per Sec. 2-939, The City may grant a revocable license for a nonpermanent use of city property. A revocable license shall be revocable at the will of the city. The city is authorized to issue a revocable license which allows a nonpermanent use of the area over city right of way/sidewalks for an awning. Although historically used as a vehicle to license signage as well, it is not codified in the current ordinance. This revision seeks to clarify the practice of including signage.

Permittee shall furnish and maintain such public liability and property damage insurance protecting the city from all claims and damage to property or bodily injury, including death, which may arise from the existence of the awning. Such insurance shall provide coverage of not less than \$1,000,000.00 for bodily injury and property damage respectively, per occurrence. Such insurance shall be without prejudice to coverage otherwise existing therein and shall name as additional insureds: the City of Key West, its officers, employees, and representatives and shall further provide that the policy shall not terminate or be cancelled without 45 days' written notice to the Licensing Official, sent via certified mail; and



Building permits for new awnings and signs are applied through the building department at a percentage of the value of the project. This is an average cost of around \$88.00. If it is in the HARC district, an additional fee through HARC will apply for the permit. Once the building permit is approved, a revocable license is issued.

Revocable licenses for awning and signs are issued at no cost and expire at the same time as the expiration date of the insurance. There are 155 revocable licenses on file for awnings and signs that the Licensing Department tracks and regulates through Central Square and a spreadsheet. For the safety of the City, these licenses expire on the day the liability insurance expires. In an effort to keep these licenses up to date, notices are sent out every month to the owners whose insurance is going to expire in the next 30 days.

Recommendation:

The Licensing Department recommends the City Commission adopt a resolution to include signs in City Ordinance 2-939 and to implement a \$100.00 licensing fee for all revocable licenses for signs and awnings. The estimated revenue impact for existing revocable licenses for awnings and signs is \$15,500.00.

This revenue increase will help with the cost of Code Compliance to enforce the renewal of these licenses. This fee will also support the Code Compliance department to conduct a thorough inventory to ensure that all awnings and signs are licensed and insured appropriately for the safety of the City.

The Licensing Department also recommends the City Commission approve the verbiage changes which are indicated in the attached revision of sec. 2-939, City of Key West Municipal Code, the changes include signs in addition to awnings to be considered nonpermanent use of city airspace and enforcement for delinquent revocable licenses.