



EXECUTIVE SUMMARY

To: Patti McLaughlin, City Manager
Cc: Todd Stoughton, Assistant City Manager
Jim Young, Director of Code Compliance
Amanda Brady, Licensing Official

From: Katie P. Halloran, Director of Planning Department
Date: February 1, 2022
Subject: Sidewalk Dining/Sidewalk Cafe Fee Resolution

Action statement:

The purpose of this Resolution is to adopt the revised Sidewalk Dining/Sidewalk Café Fee Schedule to enact recent legislative changes to Chapter 2, Section 2-939 of the Code of Ordinances of the City of Key West, effective immediately.

Background:

Per F.S. Sec. 166.221 Regulatory fees.—A municipality may levy reasonable business, professional, and occupational regulatory fees, commensurate with the cost of the regulatory activity, including consumer protection, on such classes of businesses, professions, and occupations, the regulation of which has not been preempted by the state or a county pursuant to a county charter.

Currently, revocable license holders in the Sidewalk Cafe program must pay an annual base application fee of \$100 to participate in the program along with a one-time per seat impact fee of \$592, billed over seven years. The Café Dining/Café Seating ordinance program also previously required a \$500 per seat Revocable License Fee, which was removed at second reading on January 19, 2022, through aforementioned Code amendments to Section 2-939.

City elected officials and staff received input from restaurateurs and other local business owners expressing concern regarding the costs associated with the Sidewalk Café program. The City subsequently convened a workshop on June 8, 2021, to further discuss concerns related to the program with the public. City officials have expressed a desire to support and facilitate this program, especially in light of the public health benefits of outdoor dining during the pandemic.

The proposed new fee schedule is attached to this document as Exhibit A and implements changes to the Code approved on January 19, 2022.

Options/Advantages/Disadvantages:

Option 1: Approve the proposed amendments to Café Seating fees.

1. Consistency with the City's Strategic Plan, Vision, and Mission: This action would provide enhanced services consistent with the mission and vision of the City. Additional businesses may choose to request a Sidewalk Café license.
2. Financial Impact: The proposed amendment would reduce the total fees collected associated with this program.

Option 2: Deny the proposed amendments to Café Seating fees.

1. Consistency with the City's Strategic Plan, Vision, and Mission: This action may limit the number and type of businesses that can take advantage of this licensing program.
2. Financial Impact: There would be no impact to the City.

RECOMMENDATION:

Staff proposes the City Commission approve the proposed resolution to adjust the Sidewalk Café program fees, as noted above and in the attached Exhibit A, effective immediately.