

Memorandum



CITY OF DALLAS

Date: May 10, 2013

To: Quality of Life Committee: Angela Hunt (Chair), Sandy Greyson (Vice Chair),
Mónica R. Alonzo, Dwaine Caraway, Carolyn R. Davis

Subject: Streetscape Licenses Briefing

On Monday, May 13th, you will be briefed on "Streetscape Licenses" and potential revisions to processes and fees. This is a follow-up briefing to one provided to the Quality of Life committee on February 11th, 2013. A copy of the briefing is attached.

Please contact Theresa O'Donnell at 670-4127 should you have any questions.

A handwritten signature in blue ink, appearing to read "Ryan S. Evans".

Ryan S. Evans
Assistant City Manager

cc: Honorable Mayor and Members of the City Council
Mary K. Suhm, City Manager
Thomas P. Perkins, Jr., City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel Solis, Administrative Judge
A.C. Gonzalez, First Assistant City Manager
Jill A. Jordan, P.E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Theresa O'Donnell, Director, Sustainable Development and Construction
Stephanie Cooper, Assistant to the City Manager

Streetscape Licenses

Quality of Life and
Government Services Committee
May 13, 2013



Purpose

- Discuss policies and fees for using public right-of-way for streetscape improvements
- Review impacts
- Consider next steps

BACKGROUND

- Briefed Committee February 11, 2013
 - Vibrant, active streets are desirable
 - Currently implemented through Licensing
 - Reduced fees are desirable for using public right-of-way for streetscape improvements
- Committee requested follow-up to provide:
 - Breakdown of revenue for streetscape uses
 - Recommendations on fees for using public right-of-way for streetscape improvements

Place-making focuses on the grey area between public and private realms



Current Regulations

- License to use the public right-of-way is provided by Section 43-112 of the Dallas City Code
 - Application Fee - \$750 (credited towards first year's license fee)
 - Metes and Bounds Description
 - Commercial General Liability Insurance
 - Council Approval

Current Fees

- Annual fees to use the public right-of-way are provided by Section 43-115 of the Dallas City Code
 - Fees are based on the per square foot value (DCAD) of the area to be used
 - Minimum License Fee is \$1,000 or calculated in accordance with one of the following formulas (whichever is greater)
 - Surface Use: area x market value x 85% x 12%
(maximum fee of \$2,500 for a sidewalk café)
 - Subsurface Use: area x market value x 30% x 12%
 - Air Rights: area x market value x 85% x 85% x 12%
(Including awnings and canopies with premise sign)

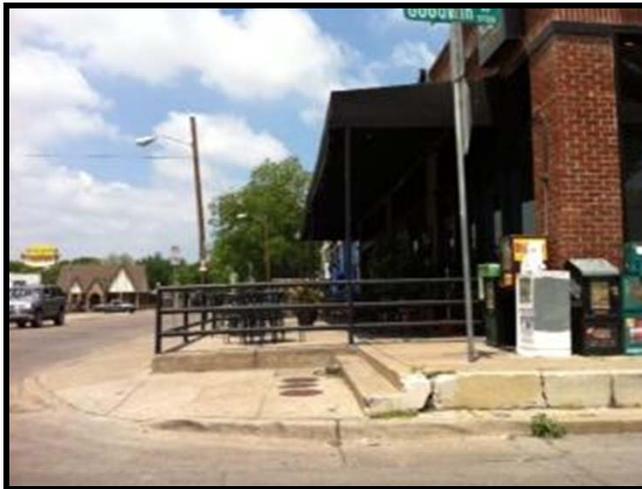
Current Fees

- Exceptions to the annual fee requirement are outlined in Section 43-115.1. It allows for special “one-time” fees to be charged for particular uses
 - Landscaping and appurtenant irrigation systems: \$1,000 – one-time fee
 - Awnings and canopies without premise sign: \$1,000 – one-time fee per awning or canopy
 - Subdivision sign - \$1,000 – one-time fee per sign
 - Streetscape amenities - \$5,400 – one-time fee
 - Streetscape improvement projects - including, but not limited to, landscaping as part of a streetscape improvement project, planters, crosswalk texturing and coloring, artwork, lighting, benches, and trash receptacles

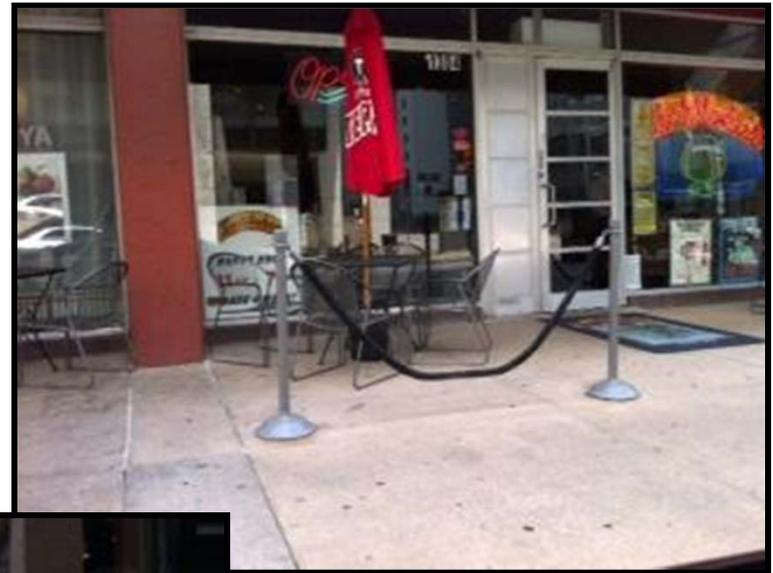
Bishop Arts Examples



Greenville Avenue Examples



Downtown Examples



Potential Policy Change

- Option: Implement Permit Program
 - Chapter 43, “Streets and Sidewalks” of the Dallas City Code could be amended to establish such a permit program for certain uses in the public right-of-way.
 - Application fee (\$1,000)
 - Metes and bounds description
 - Indemnity Agreement
 - Cash or surety bond required (no provision to waive)
 - Commercial General Liability Insurance required
 - Council approval not needed for issuance of permit

Issues

- Current License Fees
 - Some deem current fees for streetscape improvements excessive

- Proposed Permit Program
 - Surety Bond (Reimburse costs of City or Utility if amenities have to be removed)
 - No provision in state law to waive

Recommendations

- Request Design Studio assistance in developing streetscape standards
- Implement 5-year Pilot Program to reduce sidewalk café and streetscape license fees under current license policy

Fees	Landscaping and Irrigation	Awning/Canopy w/Premise Sign	Awning/Canopy w/o Premise Sign	Subdivision Signs	Sidewalk Café	Streetscape Improvements
Current	\$1,000 one-time fee	\$1,000 each/annually	\$1,000 each/one-time fee	\$1,000 each one-time fee	Min \$1,000 Max \$2,500 Annually	\$5,400 one-time fee
Option #1	\$500 one-time fee	No change	\$500 each/one-time fee	\$500 each one-time fee	Min \$500 Max \$1,500 Annually	\$2,500 one-time fee
Option #2	\$250 one-time fee	No Change	\$250 each/one-time fee	\$250 each one-time fee	Min \$250 Max \$1,000 Annually	\$1,250 one-time fee

Impact

- Loss of General Fund revenue from reduced license fees

- Potential for increased submittal of license applications
 - Could result in increased processing times with current staffing levels

Revenues

- General Fund Impact
 - Streetscape Revenue received in 2012: Approx \$315K

 - Option #1 revenue:
 - Reduce streetscape revenues by half
 - Approximate reduction of \$157,000

 - Option #2 revenue:
 - Reduces streetscape revenues by three-quarters
 - Approximate reduction of \$236,000

Budget Implications

- FY 2012-13 Approved Budget includes \$1.6M in total license revenue
 - Revenue funds 2.75 FTEs in Real Estate
 - Remaining revenues to GF
 - Implementing any change that would reduce revenues prior to new fiscal year would require budget adjustment

Next Steps

- Committee guidance is requested on potential changes to the current fees.