



To: Members of the Common Council

Cc: Kerry Thomson, Mayor; Gretchen Knapp, Deputy Mayor; Adam Wason, Director, Public Works; Jane Kupersmith, Director, Economic & Sustainable Development; Michelle Wahl, Parking Services Director, Public Works; Andrew Cibor, Director, Engineering; Tim Clapp, Fire Marshal; Larry Allen, City Attorney; Mike Stewart, Transportation Technician, Engineering; Michael Shermis, Special Projects Coordinator, Community and Family Resources; Ash Kulak, Deputy Administrator / Deputy Attorney for Common Council; Stephen Lucas, Council Attorney

From: De de la Rosa, Assistant Director for Small Business Development, and Chaz Mottinger, Special Projects Manager, Economic and Sustainable Development

Date: March 28, 2024

Re: **Resolution 2024-05 - Expanded Outdoor Dining Program: Parklets in 2024**

Executive Summary

In response to the COVID-19 pandemic, the City of Bloomington Common Council approved Ordinance 20-11, An Ordinance Recommending that Portions of the Bloomington Municipal Code be Temporarily Suspended Due to the Ongoing Public Health Emergency, which suspended portions of the municipal code to support the operation of businesses in downtown Bloomington. The Common Council extended this ordinance and approved the expansion of outdoor seating through the end of 2021. In Ordinance 22-01: An Ordinance Establishing and Approving the Expanded Outdoor Dining Program in the Downtown Corridor, the Common Council approved the Expanded Outdoor Dining Program (“the Program”), which extended the ability for local restaurants to utilize parklets and enhanced pedestrian seating space on Kirkwood Avenue. Council reserved the right to extend the Program and the terms of Ordinance 22-01 by authorizing resolution. Currently, the Indiana Alcohol and Tobacco Commission continues to allow operations in this capacity.

Due to the increased economic benefits of the Program, City Staff recommends that the City Council pass Resolution 2024-05 to continue the Program as set out in Ordinance 22-01 with certain changes. The overview below outlines how the City can continue to support this seasonal program in 2024 with modifications.

Overview

Based on stakeholder input, staff recommends reimplementing the parklet program from April 29, 2024, to November 4, 2024. The Kirkwood conversion program from 2023 will not be considered in 2024 due to the Clear Creek Reconstruction project, which requires that parts of Kirkwood Avenue be used for traffic detours as improvements are made to the underground stormwater system.

Resolution 2024-05 allows the continuation of the expanded outdoor dining program to generate increased economic vibrancy and cultural connectivity in our pedestrian-friendly community. The 2024 expanded outdoor dining program requires participating businesses to pay fees of \$250 for each parklet as outlined in Exhibit A: Program Guidelines — see exhibit for logistical details of the outdoor dining programs.

Businesses may request a temporary parklet during Indiana University graduation weekend. The parklet must be installed by May 2, 2024, and removed no later than May 10, 2024. Businesses requesting a parklet only during graduation weekend must still meet all the program requirements below. The fees for graduation weekend remain \$250 for each parklet, with a \$50 application fee payable to the City of Bloomington Engineering Department.

Timeline:

- Council vote on Resolution 2024-05: April 3, 2024
- Applications available to businesses: April 4, 2024
- Deadline for submitting applications: April 15, 2024
- Final staff determination of the number and location of parklets: April 26, 2024
- Implementation of outdoor dining program (*weather permitting*): April 29 –30, 2024
- Take down of graduation weekend parklets only: May 6-10, 2024
- End of seasonal outdoor dining program: Nov. 4, 2024

Fiscal Impact Analysis

The financial impact of the Program is modeled on last year's participation while incorporating proposed 2024 Program changes. Staff estimates that meters would ordinarily operate for 158 days during the 2024 Program.

In 2023, 6 businesses used 11 parking spaces and generated \$12,800 in revenue. During the 2023 Kirkwood conversion, which used 2.5 blocks consisting of 50 parking spaces, 6 businesses participated and generated \$19,050 in revenue. The total 2023 revenue from participating businesses was \$31,850.

For 2024, an estimate of 12 businesses using 2 parking spaces would amount to 24 parking spaces utilized for the entirety of the season. At least 2–3 parking spaces will be used for the

temporary program during graduation weekend. Thus, this year's estimated revenue is \$6,000 (24 spaces x \$250 per parking space), not including the temporary weekend.

Meters generate a maximum of \$13 a day from each parking space. Assuming maximum usage, the opportunity cost for parking meters would be \$31,408 from parklets, as well as additional income from the graduation weekend parking space closures.

Parking Services data shows that in 2023, parking revenue was not significantly impacted, as parking was simply pushed into nearby areas. Given these findings, Parking Services is able to support the 2024 Program as an economic initiative for local businesses.

The estimated overall fiscal impact of the City's partnership with participating businesses totals \$25,408 for the 2024 Expanded Outdoor Dining Program. This amount represents the estimated public investment to promote economic vibrancy in our downtown community via the 2024 parklet program. Investment in this program helps drive visitors downtown during months where Bloomington businesses normally see reduced revenues—turning Bloomington's downtown corridor into a magnet during its beloved "townie summer," while also helping stabilize our local economy.

Conclusion

The Program and accompanying recommendations promote cultural vibrancy and economic benefits while balancing the need to retain parking downtown. Recalling that the program was initiated as a temporary measure, Resolution 2024-05 strives to create predictability for the future while continuing to gather feedback and improve implementation through this seasonal program.

Exhibit A: 2024 Outdoor Dining Program Guidelines

Costs:

- All extended outdoor dining will be subject to the \$50 permitting fee to the Engineering Department.
- All fees are due in full by April 15.
- Businesses are responsible for any direct costs associated with utilizing a parklet.
- Cost to businesses will be \$250 per parking space plus the permitting fee for the 2024 season, payable to Parking Services. A two-space parklet will cost \$500 plus the permitting fee, 3 spaces will cost \$750 plus the permitting fee.
- Each participating business must submit a certificate of insurance to the Economic and Sustainable Development Department establishing proof of a comprehensive general liability policy naming the City of Bloomington as additional insured to the extent of at least \$500,000 bodily injury and \$100,000 property damage, which shall be in effect during the term of this authorization.
- Businesses that share a parklet may split the cost.

Logistics:

- Eligibility:
 - Eligibility is limited to any food service establishment adjacent to metered parking in downtown Bloomington.
 - All participating businesses must agree to cease alcohol sales in parklets by midnight.
 - Eligible businesses must complete the application and payment process as outlined in this memo.
- Application process:
 - Application form will go live on the City's webpage on April 4, 2024.
 - Applications are due by April 15, 2024. Businesses may submit applications in advance of the deadline.
 - Fees are payable by check or card to Parking Services by April 26, 2024.
- Implementation:
 - The Parking Services division in the Department of Public Works will install and remove the orange jersey barriers at the beginning and end of the 2024 season.
 - City staff will fill the jersey barriers with water on the installation day. Participating businesses will be required to top off the barriers with water as needed, and the barriers must remain sufficiently full for safety purposes.
 - If the weather in April and early May 2024, is not conducive to outdoor dining, City staff may exercise discretion on the exact dates the parklets are installed.
 - If a parklet is removed, either by request of the business or by determination of City staff, it may not be reinstalled in the same calendar year. Any fees paid by the business will not be refunded

- Requirements for participating businesses:
 - Participating businesses are required to provide their own furniture, decorations, etc.
 - Participating businesses are required to invest in the beautification of parklet spaces through decor that meets safety standards (see Exhibit B)
 - Participating businesses must meet all requirements for their extended outdoor seating, including the Americans with Disabilities Act (ADA), Indiana Alcohol Tobacco Commission (ATC), Monroe County Health Department, safety, and insurance requirements.
 - Tents and heaters are not allowed for use in the Parklet Program.
 - Participating businesses must comply with Indiana Fire Code regulations.
 - Businesses must remove all seating, furniture, decorations, and any other property from the parklet before the end of the program on November 4, 2024, when the water-filled barriers are set to come down or face fines in accordance with Title 12 of the Bloomington Municipal Code.

Exhibit B: Beautification Guidelines

Several options are available to parklet program participants for beautification. Examples of parklet beautification may include, but are not limited to, the adornment of art, accessibility alterations, or cosmetic improvements, all per guidelines listed in this “Exhibit B: Beautification Guidelines.” Given the potential costs for professional parklet beautification, employing cost-friendly and easy-to-implement solutions is crucial, as businesses will bear the costs.

Beautification Options:

- Additional seating platforms
 - Outside of their uses associated with outdoor dining, parklet installations may include wooden or metal benches, platforms, ramps, or additional forms of seating to compensate for increased customer capacity and general community interactions.
- Adornment of art
 - Parklet program participants are encouraged to use a variety of art sources to beautify parklets.
 - E.g., collaboration with local artists and the utilization of murals
- Parklet greenery
- Additional lighting
- Further cosmetic and logistical improvements
 - More options for cosmetic improvements include the use of budget-friendly space dividers, outdoor rugs/flooring, temporary installations of menu/special boards, spaces dedicated for bike parking, and the inclusion of interactive features
- Businesses should work with City staff to determine appropriate beautification options for the parklets.