



Legislation Details (With Text)

File #: 39140 **Version:** 3 **Name:** Restructuring sidewalk cafe license fees
Type: Ordinance **Status:** Passed
File created: 6/30/2015 **In control:** COMMON COUNCIL
On agenda: 10/20/2015 **Final action:** 10/20/2015
Enactment date: 10/29/2015 **Enactment #:** ORD-15-00120

Title: A SUBSTITUTE ALTERNATE Amending Sections 9.13(5)(c), 9.13(6)(h)3.a.iv., and 9.13(6)(h)3.a.v. of the Madison General Ordinances to create a per-square-foot license fee for all sidewalk cafés and increasing the license fees for Mall/Concourse sidewalk cafes in the State Street Mall/Capitol Concourse Vending Area.

Sponsors: Michael E. Verveer, Zach Wood

Indexes:

Code sections:

Attachments: 1. Sidewalk Cafe fees staff report.7.1.15, 2. BID_BOD_LegID39140_SidewalkCafeFeesReport.pdf, 3. BID_BOD_AUG15_SpeakerRegistrations.pdf, 4. Fromagination.Madison Common Council.Ordinance Amdt. 39140.08.18.15.pdf, 5. Version 1, 6. Version 2 Alternate, 7. Version 3 -Substitute Alternate

| Date | Ver. | Action By | Action | Result |
|------------|------|-----------------------------------|---|--------|
| 10/20/2015 | 3 | COMMON COUNCIL | Adopt | Pass |
| 10/6/2015 | 2 | COMMON COUNCIL | Refer to a future Meeting to Adopt | Pass |
| 9/30/2015 | 2 | VENDING OVERSIGHT COMMITTEE | | |
| 9/28/2015 | 1 | BOARD OF ESTIMATES | RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER | |
| 9/28/2015 | 2 | BOARD OF ESTIMATES (ended 4/2017) | RECOMMEND TO COUNCIL WITH THE FOLLOWING RECOMMENDATIONS - REPORT OF OFFICER | Pass |
| 9/17/2015 | 1 | DOWNTOWN COORDINATING COMMITTEE | Return to Lead with the Recommendation for Approval | Pass |
| 9/16/2015 | 1 | ECONOMIC DEVELOPMENT COMMITTEE | Return to Lead with the Following Recommendation(s) | Pass |
| 8/20/2015 | 1 | DOWNTOWN COORDINATING COMMITTEE | Re-refer | Pass |
| 7/7/2015 | 1 | VENDING OVERSIGHT COMMITTEE | Refer | |
| 7/7/2015 | 1 | VENDING OVERSIGHT COMMITTEE | Refer | |
| 7/7/2015 | 1 | VENDING OVERSIGHT COMMITTEE | Refer | |
| 7/7/2015 | 1 | COMMON COUNCIL | Referred | Pass |
| 6/30/2015 | 1 | Attorney's Office | Referred for Introduction | |

Fiscal Note

FISCAL NOTE PENDING

Version 1 Fiscal Note

The proposed amendment will shift the permit fee schedule for sidewalk cafés from a per chair model to a square footage fee structure. Under the proposed amendment annual licenses for sidewalk café permits within the Mall/Concourse Area will be \$13 per square foot. This change will be phased in over the course of two years; during 2016 and 2017 the fee will be \$5 per square foot. During 2016 and 2017 under the \$5 fee, the projected increase in revenue is approximately \$42,910. Once fully implemented at \$13/square foot, the projected increase in revenue is \$198,167 annually.

The increased fee revenue would be incorporated into the General Fund; however, it is the Mayor’s intent that these funds be used for such activities as improving the downtown pedestrian experience, additional support for Mall Maintenance, and creating/providing programming for State Street and the Capitol Square. These funds would be prioritized and authorized during the annual operating budget process.

Alternate Version Fiscal Note

The table below outlines the revenue estimates under the proposed alternate fee schedule.

| Year | Fee Amount | Increased Rev |
|------|------------|---------------|
| 2016 | \$4.50 | \$35,142 |
| 2017 | \$5.00 | \$42,910 |
| 2018 | \$5.50 | \$54,322 |

Title

A SUBSTITUTE ALTERNATE Amending Sections 9.13(5)(c), 9.13(6)(h)3.a.iv., and 9.13(6)(h)3.a.v. of the Madison General Ordinances to create a per-square-foot license fee for all sidewalk cafés and increasing the license fees for Mall/Concourse sidewalk cafes in the State Street Mall/Capitol Concourse Vending Area.

Body

DRAFTER'S ANALYSIS: This ordinance changes the sidewalk café license fee structure. Currently, the annual license fee is determined by the number of chairs that can be seated in the café. Under this ordinance, the fee would be calculated using the square foot measurement of the approved café space. Beginning with the adoption of this ordinance and through the 2016 vending season, the license fee for sidewalk cafes within the Mall/Concourse Vending Area would increase to \$4.50 per square foot. The fee would increase to \$5.00/square foot for the 2017 season and \$5.50/square foot for the 2018 season and thereafter. License fees for sidewalk cafes outside of the Mall/Concourse area (“Citywide” cafes) would convert to \$3 per square foot immediately, which is roughly the equivalent fee as is paid now under the existing method. License fees for cafes in the 400 block of West Gilman would be \$3/square foot effective with the 2016 vending seasons. A tree grate or other permanent obstruction within the cafe boundaries would be subtracted from the total square footage for purposes of calculating Mall/Concourse café fees. A construction discount is available if the café is located on a block experiencing public road construction, the fee that year would be 33% of the regular fee. This ordinance also deletes outdated language that allowed a discount during the State Street Reconstruction project of 2004. Finally, cafes that are reduced in size on Saturdays due to the presence of a licensed street vendor adjacent to the café are eligible for a 5% discount.

The Common Council of the City of Madison do hereby ordain as follows:

1. Subdivision (c) entitled “License Fees” of Subsection (5) entitled “Citywide (Non-Mall/Concourse) Sidewalk Cafe Licenses” of Section 9.13 entitled “License for Selling on Public Streets” of the Madison General Ordinances is amended to read as follows:

“(c) License Fees. The fee for a Citywide Sidewalk Café vendor license shall be the same as for a Sidewalk Café on the Mall/Concourse, under 9.13(6)(h), and the information required to be displayed on the license shall also be the same. The annual license fee for a Citywide Sidewalk Café vendor license shall be three dollars (\$3.00) per square foot of the café’s approved dimensions, as measured by the Vending Coordinator. The square footage of any tree grate or other obstruction that is considered unusable in the opinion of the Vending Coordinator shall be subtracted from the total square footage of the café for fee purposes. The information required to be displayed on the license

shall be the same as for a Sidewalk Café on the Mall/Concourse, under 9.13(6)(h) Annual licenses shall be issued on the fifteenth (15th) day of April each year or thereafter when applied for and shall expire on the fourteenth (14th) day of April of the year following its issuance. The license fee shall be paid to the City Treasurer."

2. Subsubparagraph iv. entitled "Sidewalk Cafes" of Subparagraph a. entitled "Annual License" of Paragraph 3. of Subdivision (h) entitled "Mall/Concourse Vending Licenses and Fees" of Subsection (6) entitled "Regulations and Procedures for Vending on the State Street Mall/Capitol Concourse" of Section 9.13 entitled "License for Selling on Public Streets" of the Madison General Ordinances is amended to read as follows:

"iv. Sidewalk Cafes:

Standard Annual Fees. ~~Except as indicated in v. below, t~~The annual sidewalk café license fee shall be determined by the size of the café, based on the number of chairs shown on the approved sidewalk café application: using a fee-per-square foot of the café's approved dimensions measured by the Vending Coordinator. The square footage of any tree grate or other obstruction that is considered unusable in the opinion of the Vending Coordinator shall be subtracted from the café's total square footage for fee purposes. Except as indicated in v. below, the annual fees shall be as follows:

~~9 or fewer chairs: \$400/year~~

~~10 to 15 chairs: \$550/year~~

~~16 to 20 chairs: \$650/year~~

~~21 or more chairs: \$750/year~~

Remainder of 2015 vending season: Four dollars and fifty cents (\$4.50) per square foot.

2016 vending season: Four dollars and fifty cents (\$4.50) per square foot.

2017 vending season: Five dollars (\$5.00) per square foot.

2018 vending season and thereafter: Five dollars and fifty cents (\$5.50) per square foot."

3. Subsubparagraph iv. entitled "Sidewalk Cafes" of Subparagraph a. entitled "Annual License" of Paragraph 3. of Subdivision (h) entitled "Mall/Concourse Vending Licenses and Fees" of Subsection (6) entitled "Regulations and Procedures for Vending on the State Street Mall/Capitol Concourse" of Section 9.13 entitled "License for Selling on Public Streets" of the Madison General Ordinances is amended to read as follows:

400 Block West Gilman Street. The annual fee for a sidewalk café located in the 400 block of West Gilman shall be three dollars (\$3.00) per square foot effective with the 2016 vending season.

Cafes Adjacent to Street Vending Sites. If a Saturday-only street vending site (established on the official map) is located adjacent to an establishment that qualifies for a sidewalk café, and the size of the café is reduced on Saturdays by the presence of the street vending site, the café's annual license fee shall be reduced by five percent (5%) for that vending season. The license shall be approved for both the full size and the reduced Saturday size.

Construction Discount. For sidewalk cafes and merchant vendors located on a block or series of blocks that experiences public road construction under a City of Madison Public Works contract during any portion of the vending season, the annual fee for that vending season shall be 33% of the total as calculated above of State Street that is scheduled for reconstruction anytime during the vending season pursuant to the "State Street and Adjacent Street Reconstruction Assessment District" project commencing in 2004 ("State Street Reconstruction") the annual fee for a sidewalk cafe license shall be \$50 and the fee for a merchant vendor license shall be \$25. A vendor shall be entitled to this reduced fee if, at the time the vendor applies for the annual license, the Common Council has adopted a resolution approving plans, and specifications and schedule of assessments for a phase of road construction to take place anytime during the vending season in question, for any portion of the block on which that vendor is located, as indicated by the plans that are approved for the project number(s) listed in that resolution.

These reduced \$50 and \$25 annual fees shall only be available until the last day before the first full vending season after the street reconstruction for that block has been completed. This provision shall have no further effect for vendors in those blocks after that date. This provision, in its entirety, shall expire the day before the first full vending season after street reconstruction for all blocks of State Street have been

completed under the State Street Reconstruction project.

~~The license fee shall be paid to the City Treasurer. Annual licenses shall be issued on the fifteenth (15th) day of April each year or thereafter when applied for and shall expire on the fourteenth (14th) day of April of the year following its issuance."~~