



DPW Sidewalk Dining Permit Fee Study

SUMMARY

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General Overview

The purpose of the fee study conducted by the Department of Finance's Management Consulting Services, on behalf of the Office of Revenue, was to propose a fee structure for the Department of Public Works (DPW) to permit the use of sidewalks for dining. The study benchmarked fees assessed by cities across the country, and also calculated the cost of Atlanta maintaining a program to evaluate and permit Right-of-Way dining

The study found that while many cities viewed the growth in the number of sidewalk cafes as a non revenue-generating boost to community development, larger cities were more likely to consider it as a source of revenue.

Participating cities have chosen a number of different ways to apply fees. Examples are

- Application fees e.g. Seattle
- Recording fees e.g. Dallas
- Permit fees or taxes
 - Flat fee e.g. Charlotte, Jacksonville
 - Based on square footage e.g. Boston (considered like a lease)
 - Based on whether an investigation is needed or not e.g. Los Angeles
 - Assessed by each department involved e.g. New York
 - Based on need for a site review every 5 years e.g. Keene, NH
 - Based on use of furniture e.g. Savannah, GA
- Issuance fees e.g. Seattle
- Appeals/Board Review fees e.g. Los Angeles

Atlanta's proposed \$250 application fee plus a \$500 - \$1000 annual permit fee based on the size of the encroachment, puts it in the middle of the pack in terms of the fees charged by cities. 2



Fee Study Items

Initial Application Fee

- Fully loaded DPW direct staff for intake, review, initial inspection and approval process
- Vehicle costs for initial site inspection
- Indirect costs including upper management oversight and administrative costs

\$250

Initial Permit and Annual Renewal Fee

- Fully loaded DPW direct staff for review, periodic inspections and approval process
- Vehicle costs for periodic site inspections
- Indirect costs including upper management oversight and administrative costs
- Depreciation of infrastructure

\$500 for < 250 sq ft

\$750 for 250 – 500 sq ft

\$1000 for > 500 sq ft

Atlanta's Code of Ordinances preclude the City from making a profit from the program



Revenue Projections

- A true estimate of the revenue impact to the City is not clear at this time, but it is expected to be small. Fees charged are intended to allow for cost recovery only.
- Since Atlanta has a limited number of sidewalks that are wide enough to fit dining furniture and patrons as well as provide adequate clearance for pedestrian through-traffic, the ability to take advantage of the opportunity for sidewalk dining is not widespread.
- A sidewalk inventory assessment currently in progress and scheduled to be completed in 2020, may provide more information on Atlanta's overall opportunity for sidewalk dining.