



April 28, 2022

Capitola City Council
420 Capitola Ave.
Capitola, CA 95010

VIA EMAIL

Re: April 28, 2022 Meeting Agenda Item 9E, Temporary Outdoor Dining

Mayor and Councilmembers:

I am writing on behalf of my business, Sante Adairius Rustic Ales, located at 101-105 Kennedy Drive within the City of Capitola (the "City"). Specifically, I write in support of the City's continuation of the Outdoor Dining Program both outside of the village (where my business is located) and inside the village.

As you are aware, the onset and continuation of the Covid-19 pandemic has been a significant challenge to all small businesses, but in particular, businesses like mine that rely on in-person patronage from locals and tourists. As the pandemic raged on and small restaurants, bars, and breweries continued to suffer, outdoor dining was deemed somewhat "safe." In response, both the State of California and the City offered us a lifeline by approving the use of outdoor space adjacent to our existing premises for outdoor dining. This approved use allows us to serve the public (and keep our business afloat) while keeping our staff and our customers safe.

My brewery applied for and received outdoor dining permits from the City and the California ABC in the summer of 2021, and we proceeded to erect an outdoor area completely within the confines of our privately-owned parking area. This outdoor space has been instrumental to my brewery's continued survival and success, and losing it at this juncture, when we have not fully recovered from the pandemic, would likely cause us economic harm.

In constructing the approved outdoor dining areas, many small businesses spent thousands of dollars. Indeed, we at Sante Adairius spent over Fifteen Thousand Dollars (\$15,000) just to

construct our outdoor space. Given our substantial investment, we take seriously our commitment to maintaining the space, and we regularly pay someone to replace dead or dying plants. I have attached photos of our outdoor dining area for your review. These are investments we made in our business, but also in our customer community; a community that routinely tells us how much they enjoy being able to sit outside and enjoy the near-perfect climate of our lovely City. As such, Sante Adairius plans to apply for a permanent permit once they become available. In the meantime, it would be onerous for us to completely deconstruct our outdoor dining area next month as scheduled.

In sum, I urge the council to continue the temporary outdoor dining permits on both public and private land until such time that permanent outdoor dining permits become available for application and issuance. I appreciate your time and attention to this matter. Please feel to email me directly at Adair@RusticAles.com if you have any additional questions or would like a tour of our outdoor space.

Best,

/s/ Adair Paterno

Adair Paterno
Co-Owner, Sante Adairius Rustic Ales
101-105 Kennedy Dr.
Capitola, CA 95010



Woodmansee, Chloe

From: anthony kresge <chefkresge@gmail.com>
Sent: Thursday, April 28, 2022 5:25 PM
To: City Council
Subject: Outdoor parklet meeting

To all City Council and Planning commissioners of Capitola City

I never knew until a month ago how important parklets are for visitors and locals. I have nothing but incredible response about the parklet and outdoor space for our patrons. I believe that if any council members are actually business owners in this iconic village, then they would agree with the benefits providing outdoor options for all patrons. There are many patrons that wear masks, and for whatever reason they choose, its our responsibility to provide them a safe space where they can comfortably dine. For many other cities across the nation including Santa Cruz, parklets have had incredible benefits

1. My parklet was carefully designed with the intent of space, comfort and layout. With the design that has been proposed, it is spacious, green and neat.

2. My parklet is safe

3. My parklet has allowed me and many others to grow business these past couple of years, mine being more recent however, it has grown my participation rate by nearly 20%.

4. I am in agreement to pay for my space however, I do think we need to discuss rates and location (I have taken over a 24 minute parking) Although I have extended my seating capacity where I didn't have any prior, I feel responsible to participate with the injection costs otherwise collected for parking fees.

In conclusion; I ask the council and planning dept to identify some or all of these facts for local dining business growth. Let's make this village great, come together and collectively think of a solution in line of the successful parklet towns.

This ultimately may weigh heavily on my longevity here in Capitola Village.

Respectfully,

*Anthony Kresge
Chef/Owner
Reef Dog Deli*



Sent from my iPad

Woodmansee, Chloe

From: AnnMarie@CapitolaWineBar.com
Sent: Thursday, April 28, 2022 10:42 AM
To: City Council
Subject: Capitola Outdoor Dining - Public Comment Attached
Attachments: Outdoor Dining Area 220425.docx

Hello,

Please see attached document for tonight's meeting. I would like this to be entered into the Public Comment and read at the meeting.

Thanks

--

Ann Marie Conrad
Owner
Capitola Wine Bar & Merchants

www.capitolawinebar.com

[instagram.com/capitolawinebar](https://www.instagram.com/capitolawinebar)

[facebook.com/capitolawinebar](https://www.facebook.com/capitolawinebar)

Thoughts on Outdoor Dining Area (ODA)

- We have analyzed our own data for consideration of how to proceed and looking at return on investment
 - We have spent over \$8,700 on our ODA between furniture, decorations and upkeep
 - In July 2021, 35% of our revenue came from the ODA
 - In April 2022, only 10% of our revenue came from the ODA (when city's survey was done)
- The city has a district tax on top of sales tax. The value of this added income to the city will help offset the loss in parking revenue. Hence the city needs to not only look at the loss of parking revenue but also the increase in sales tax dollars it has benefited since the creation of the ODA's.
 - The outdoor dining adds an ambience to the Village life that if taken away leads to one less reason for guests to come to the village. The businesses suffer as well as the city from the lost tax revenue.
- The proposed square foot price, or \$238/month per parking spot should be reduced
 - We propose a discounted rate at half of this full amount, \$119/month until a more permanent solution is put into place for next season, or when Senate Bill SB-314, and Assembly Bill No. 61 expires in July 2024. Giving a larger window of ODA occupancy allows the business to budget accordingly to keep the ODA's in tip top shape.
 - Perhaps the new parking ad-hoc committee review could slightly raise hourly rates to offset the deficit
- The timetable when the survey was completed on Item 9E isn't the best timing for patron flow
 - It's painfully obvious from your report that we don't have the number of patrons pre-pandemic visiting the village. There are still empty parking spots even on Saturdays.
 - Noon (survey time) – On Friday, Saturday and Sunday, this is when we open – patrons aren't seated yet
 - 6pm (survey time) - On Sunday, this is our one day when we close early
 - After sunset the outdoor dining area occupancy increases
 - Had the survey picked up the Saturday night at 7pm, occupancy rates are significantly higher.
 - Weather is an enormous factor in the enjoyment of ODA The dates picked were on the cooler side.
 - Suggest revisiting this survey with July statistics, traditionally a busier time. Pick a weekend, like July 15th, 16th & 17th at Noon and also at 7:30pm, as the sun sets later and review the astounding differences.
 - Also, it would have been a more comprehensive study to include how many parking spots were also vacant during these surveys.

Regarding the design

- We believe that a uniform look of the base is desirable.
 - Safety of patrons should be a top consideration, include traffic bollards
 - The plan should consider how to have string lights easily installed.
 - A line of definition to separate businesses as there are different hours, clientele, cleanliness standards and ABC licenses.
 - Each restaurant is unique in their design and should be reflected in the ODA If too similar it can cause confusion for the guests as to which restaurant oversees a particular area.
 - Requiring us to purchase new outdoor furniture when we already have invested in this portion of the ODA is not a green business practice. New furniture requirements *should not* be part of the plan.
 - It should be also known that furniture is a reflection an establishment's design. Please don't make us purchase new furniture that may not match our business model and add to unnecessary additional expenses.
- Most establishments that have an ODA also hold a Liquor License. Please design in accordance to ABC standards. (i.e.: railings, separations from sidewalk and public)

To conclude, our businesses expenses have dramatically increased in just the past three months. Please consider a reduced rate for the rental rate to extend until a more permanent plan is accepted. We are still in a process of rebuilding. Please consider the guidelines set by the Senate and Assembly bills to allow and extend the time of occupancy beyond July 2022. Thank you.

Woodmansee, Chloe

From: doug@capitolawinebar.com
Sent: Thursday, April 28, 2022 12:35 PM
To: City Council
Subject: Public comment Parklett

Honorable city Council,

Doug Conrad here, owner, with my wife Ann Marie, of Capitola Wine Bar and Merchants on San Jose Ave.

Sorry for the broken record, but history for your edification again. In 2017 we had an approved plan to build a parkett. Approved by the council, coastal commission, ABC, and the property owner, we were and ready to build our redwood parkeltt with lots of seating, plants, bike racks, soft lighting, and most of all a safe place to enjoy outside dining. We pulled away at the last moment as the fees due the city would have been too much of a cash flow risk. So here we are again reinventing something that has already been done. Again the city is welcome to use these approved plans at no cost. The design from 2017 is much better, but more about design later.

In front of you a survey that is loaded with inaccuracies. You cannot use this flawed survey to base any decision on. Planning is welcome to have accurate data from our point of sale for a real time picture of the outdoor dining use. Unfortunately the surveys were taken when business were not open in the mornings, during cold weather, and during tax time, a notorious slow time in retail and service industry. A key metric is missing on this survey...how many parking spaces were also empty at these survey times. Planning stated that "the use has gone down due to seating being available inside" is not true. Many days we have more customers outside than in. Customers still have fear of seating inside, customers are still wearing masks, and our village is not back as it was before. Parking spots go empty even on Saturdays for hours and hours. When you're in the trenches, as we are, it's obvious we are still in recovery mode.

Operationally we whole hardily agree anyone benefiting from a parklett must be open a minimum of five days (and it should be added at least 6 hours or more each day). The resolution should include verbiage to the effect that the program is for restaurants and bars. The future program should not be open to business like retail, food carts, hot dog carts, food trucks, etc.

The benches were put up to protect our customers from traffic, not ideal, but a suggestion from planning of replacing with a planter is worse protection. I suggest that the benches (only two) remain on San Jose ave or traffic bollards be installed in their place. Our customers need to be protected from cars, the liability for all parties is too great.

A refundable deposit of \$500 or more is a good idea. We believe a financial commitment to the city for this program is justified. But we are in a recovery mode, losses incurred during the pandemic are still being addressed. With this in mind we suggest the proposed lease fees be .075 sq foot until a final program is approved. This would help the city recover some parking losses while helping the business recover losses and rebuild.

One thing of important note, the city benefits not only from regular sales tax income, but also a special City of Capitola District tax income. These two taxes will increase with the addition of outdoor dining. This increase in both tax incomes to the city will help offset the loss of parking. It does not seem fair the city would charge the entire loss of the parking spot income, then also benefit from an increase in taxes income from that same spot, that's a double dip for the city!

Back to design briefly. We were greatly disappointed in the parkett design presented to planning. It is unsafe, will not pass ABC rules, will not work operationally, does not allow access below for utilities, looks cheap, and does not seat enough people to make enough income. It is not a design we can buy into or had any input into. Our original design had twice as many seats, took advantage of the view with bar seating, and would be a pleasing architectural addition the village, but most of all it was safe. The prefabricated modular landscape roof decking design proposed by a landscape architect will fail on many levels. Planning should work hand in hand with the business to create a design that works, after all it's us buying, building, and operating these parkletts.

Woodmansee, Chloe

From: petergwilk@gmail.com
Sent: Wednesday, April 27, 2022 6:06 PM
To: City Council
Cc: Herlihy, Katie (kherlihy@ci.capitola.ca.us)
Subject: Outdoor dining

I just read Mr. Termini's letter. I agree that there is now enough information to make a long term decision. May I remind the council that the planning commission recommended limiting the locations permitted. Nothing on Monterey or Capitola Ave. This kind of limitation would help the various event planners going forward.

Regards,
Peter Wilk

Sent from my iPhone

I urge the council to make a motion to continue the temporary outdoor dining program with the addition of a large deposit and reasonable monthly fees. During this time, together we can work towards a safe design we all be proud of that benefits our village for the long term.

Thank you,

Doug Conrad

Owner

Capitola Wine Bar

Woodmansee, Chloe

From: michael termini <4766206@gmail.com>
Sent: Monday, April 25, 2022 11:49 AM
To: Public Comment
Subject: Item 9E temporary outdoor dining

Follow Up Flag: Follow up
Flag Status: Flagged

Dear Capitola City Council:

I am writing on behalf of the Capitola Safety Foundation. As you know, our organization holds the annual car show in the village in June of each year. While we have not been able to hold this event for two years, 2022 is the year we are bringing it back.

Much talk around town has suggested that the car show is a rationale for removing the parklets to make room for more cars. This is not and has never been our position. The parklets do, however, pose a logistical issue for the Foundation. First, they do take up valuable display space for our entries but we can adjust to this. Second, and more important, many of our entries do not wish to have their cars placed adjacent to a restaurant's service area because of the risk of diners and employees inadvertently damaging their automobiles. What this means is that not only do we lose the spaces occupied by the parklets but also several spaces on each side.

We also recognize the importance of these parklets to many of our restaurants. In short, the well being of some of our village businesses should never be jeopardized by a two day a year event. What we are asking is for clear direction and decisive action by our City Council. Just delaying any decisions by keeping a temporary condition in place helps no one. We would very much like to know exactly how to proceed with our event, and the only way that can happen is if you give clear direction.

We respectfully suggest that those willing to secure a parklet pay a sum of money to the city to indicate their intentions. Those not willing to commit at this time should have their parklet removed immediately after the first weekend in June. This will enable us to make plans on how to arrange our show. We do acknowledge that the more parklets in place will seriously dilute the show, but for the sake of the city we certainly understand.

Please do not leave the Foundation and the city in limbo regarding our village and the restaurant's future. Make a decision as you see fit.

Respectfully,

Michael Termini
President
Capitola Public Safety Foundation

Woodmansee, Chloe

From: Carin Hanna <carinhanna@aol.com>
Sent: Monday, April 25, 2022 10:39 AM
To: City Council
Subject: Item 9e

Follow Up Flag: Follow up
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Regarding the 4 criteria for parklets in Capitola Village:

A 5th requirement should be added. The businesses with parklets should be required to have their BIA past and present dues paid in full. You would not allow a business that has not paid their business license to have a parklet, the same should apply to BIA dues as they are a legal requirement of the city. Please add this requirement to the temporary extension, if approved, and to the permanent parklet requirements.

Thank you,
Carin Hanna