



CITY OF PHILADELPHIA  
CITY COUNCIL

Councilmember Allan Domb  
Room 316, City Hall  
Philadelphia, PA 19107  
215-686-3414

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Councilmember At-Large

March 23, 2022

Mayor James F. Kenney  
City of Philadelphia  
City Hall Room 215  
Philadelphia, PA 19107

Dear Mayor Kenney:

As your public comments have indicated, we share an understanding that our local restaurants elevate Philadelphia's status as an internationally and nationally recognized place to live and visit. Restaurants and dining add so much to the cultural fabric of our city, but they also add significant value to our local economy in terms of employment and contributions to the City's tax base. Unfortunately, our hospitality industry (including restaurants) continues to lag behind the economic recovery trends of other sectors (still down 37% in employment from 2019 levels). A January 2022 National Restaurant Association operator impact survey showed that 76% of restaurant operators have lower sales volume today, than they did prior to the pandemic. This industry remains in a precarious financial situation, and it is incumbent upon us as City leaders to support its comeback for the benefit of all.

On February 11, 2022, your Administration released regulations guiding the implementation of an outdoor dining Streeteries program enacted in December of 2021. Unfortunately, these regulations failed to adequately address the financial and economic realities of many restaurants - especially those located outside of the downtown area, in neighborhoods all over the city - and did not further the goal of creating fun, accessible, and beautiful spaces for people to enjoy. Furthermore, the regulations were issued without seeking input from industry professionals and with almost no communication to City officials or the public. As a result, my office - with the support of the Pennsylvania Restaurant & Lodging Association - requested a public hearing to discuss these regulations, which took place on March 16, 2022, and drew over 125 participants, many of whom represented small, "mom and pop" establishments for which the Streeteries option was a lifeline throughout the pandemic.

It was made clear by the many voices who provided testimony on the regulations at this hearing that the restaurant industry supports the need for regulations, but meaningful changes are necessary to ensure equal and fair access to the Streeteries program. Therefore, please find below, suggested changes to the Administration's joint regulations for the licensure and operations of Streeteries on authorized portions of the right-of-way, pursuant to Bill No. 210776, and Section 9-215 of the Philadelphia Code:



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- Reduce the initial year license fee to reflect the immediate costs to restaurant owners to remove existing streeteries constructed during the temporary program and under previously developed guidelines, which are no longer effective. Additionally, provide a sliding scale license fee that takes into account the capacity, seasonality, and economic realities of less affluent restaurants in neighborhoods around the city. If fees are established based upon previous year earnings, we ask that the Administration embed this into the initial application process and eliminate the need for additional application work for restaurant owners.

### Suggested rates:

- Initial year fee for an annual license: \$500; Second year and thereafter: \$1,500
  - Sliding scale fee based upon revenues: \$500 for those with less than \$1M in previous year revenues, \$1,500 for those with more than \$1M in previous year revenues.
  - Unless changes are made to an application, annual renewal fees should be reduced to reflect a reduced administrative burden. We suggest a 50% reduction which would amount to \$750 in subsequent years.
- Eliminate the \$60,000 security bond requirement until there is a better understanding of the City's likelihood of incurring costs to remove and store Streeteries and remediate damage in the right-of-way. **The City should not put undue financial burdens on restaurants until we have further knowledge of those costs.** The assumption that \$60,000 is necessary also places our smaller, locally-owned, less wealthy businesses at a disadvantage. With many of our restaurant owners still recovering from shutdowns and the economic downturn caused by the pandemic, we should be more thoughtful about bonding requirements. Once we have more information regarding the potential cost to the City, perhaps spreading that liability among all license holders through the annual license fee would be a more fair and equitable practice going forward.
  - Provide two to three Streeteries design options for restaurants to select. There was a great deal of variability in Streeteries design during the temporary program. This caused a lot of work for both the applicants and for the City in their review, approval, and enforcement processes. Setting design options that conform to agreed-upon City standards will help streamline the approval process and provide aesthetic continuity across our city which residents and visitors will appreciate. Ideally, the Art Commission would provide input in the creation of these options and therefore would not need to provide approvals in the process where an applicant uses an approved design. Should a restaurant wish to apply for an alternative design, it should be allowed to do so with further City review and Art Commission approval.
  - Establish more clear regulations regarding the "crashworthy" barriers required around the perimeter of the Streeteries. These standards should be made part of the City-approved design options restaurants may select to reduce the need to approve alternatives to jersey barriers. In our conversations with residents, design advocates, and restaurant owners, we learned jersey barriers are not desirable from an aesthetics standpoint. Regulations should provide detailed options for safe alternatives to jersey barriers (e.g., planters, more substantial and more robust wall materials, etc.).



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- Clarify regulation language regarding Streeter removal during inclement weather. Different weather events and different Streeter designs should affect this guidance. Because design standards require heavy and likely cumbersome crash-worthy barriers, removal requirements due to extreme inclement weather situations should be extraordinarily rare in Philadelphia.
- Reconsider allowances for underground and overhead electrical conduits to provide safe heating and lighting options in Streeteries. Outdoor lighting helps create inviting spaces that feel safe and welcoming to patrons, neighbors, and passersby.

Our restaurant industry is a vital and necessary cultural, economic and social asset. It is therefore important that we get the regulatory framework right as our city moves forward. Working together, we need to put in place an amenity that can contribute to our growth as a world-class city and provide us with something that you cannot get in the suburbs. To accomplish this shared goal, we need to ensure that our restaurant owners do not face undue financial burdens, especially our smaller, locally-owned, neighborhood-based, and less wealthy businesses.

Recovery for the hospitality industry will take years, but we feel confident that it can start this spring with Philadelphia's vibrant outdoor dining program. Based on the seriousness of this matter and the impact the program will have on all Philadelphians, we hope the Administration will strongly consider our concerns. If you or anyone in the Administration would like to discuss this further, we would be happy to meet at your convenience.

Thank you for your time and consideration of this request. We stand ready to assist and help however we can.

Regards,

Handwritten signature of Allan Domb in blue ink.

Allan Domb  
Councilmember At-Large  
Philadelphia City Council

Handwritten signature of John Longstreet in blue ink.

John Longstreet  
President & CEO  
Pennsylvania Restaurant & Lodging Association

**Additional Supporters**

African-American Chamber of Commerce of PA, NJ and DE  
Asian American Chamber of Commerce of Greater Philadelphia  
The Chamber of Commerce of Greater Philadelphia  
Greater Philadelphia Hispanic Chamber of Commerce  
Independence Business Alliance  
Design Advocacy Group



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**Additional Supporters**

Aramingo Business Improvement District

West Philadelphia Corridor Collaborative

Rittenhouse Row

Manayunk Special Services District

Fishtown Kensington Area Business Improvement District

East Passyunk Avenue Business Improvement District

University City District

Mayfair Business Improvement District

South Street Headhouse District

Old City District

Northern Liberties Business Improvement District

Cc: Tumar Alexander, Carlton Williams, Richard Montanez, Karen Fegely, Michael Carroll, Ralph DiPietro, Stephanie Marsh