	<div>STAFF</div> <div>REPORT</div>
<b>Date:</b>	September 16, 2021
<b>Prepared By:</b>	Anna Mitchell, Assistant City Administrator
<b>Subject:</b>	Courtyard Park - Alleyway

Earlier this year, staff received and presented to the Board a request for proposed use of the parkland at 111 North Bridge Street for outdoor dining space for Humphrey's Bar and Grill. At the May 4 Work Session, the Board directed staff to research options for potential use of this space to bring back for review and discussion.

The proposal submitted is included as is a map of the Downtown area with the potential area of use outlined in black (in the alleyway portion of Courtyard Park).

The land that the proposed patio would be located on is City Land and part of the adjacent Courtyard Park. The owner is asking for the use of the property to then construct the patio with no financial help from the City. The options below hold the assumption that the constructed patio is for private use only and not available for public use.

Because the proposal uses park land (the area used as an alleyway is technically park land and not designated as an official alley or parking lot) and in the Downtown area, this proposal has been reviewed by both the Parks and Recreation Committee and the Main Street group. Both groups have indicated the proposed use is consistent with goals of the community.

Staff has consulted the City legal team and has formulated three possible paths forward on this proposal.

Option 1: Lease the property: An RFP would be posted for the lease of the property and a bid process completed.

Pros

- Any improvement on the property would be accepted as City property at the end of any lease.
- Any structure built on the property would be subject to approval from the board
- If the restaurant and or owner no longer have an interest in the property, it will still remain the City's property
- Insurance and Maintenance would be solely on the private business with the City listed as an additional insured.

- Revenue generated according to a lease agreement.

#### Cons

- The land is currently park land where alcohol is not permitted except on a temporary basis for short term events. To allow for the consumption of alcohol on the premises, our legal team would have to do further research as there is no clear way to allow it at this time.
- The construction of the patio will decrease parking and ease of accessibility to the parking behind the Courtyard Park Stage.

Option 2: Sale of property: An RFP would be posted for the sale of the property and a bid process completed.

#### Pros

- As the property would no longer be public land, the process of doing private business on public land would not be necessary.
- Revenue generated according to a purchase agreement.

#### Cons

- The City would not have any say, other than codes set by Planning and Zoning, on what happens with the property.
- The construction of the patio will decrease parking and ease of accessibility to the parking behind the Courtyard Park Stage.
- New property lot lines would need to be drawn to accommodate the sale.

Option 3: Do nothing/provide alternatives: Staff is willing to discuss other alternatives to a patio that is on that specific portion of land. Options may include using the space behind the building or converting the rooftop into outdoor seating.

#### Pros

- Parking would not be decreased, access continues
- Existing space that is available is being used by the property owner
- Future complications due to possible new restaurant/owner is minimized if not eliminated altogether.

#### Cons

- If the property owner decides not to go with any of the alternatives, the outdoor dining feature would not be available for this restaurant.

Staff seeks direction from the Board regarding next steps.

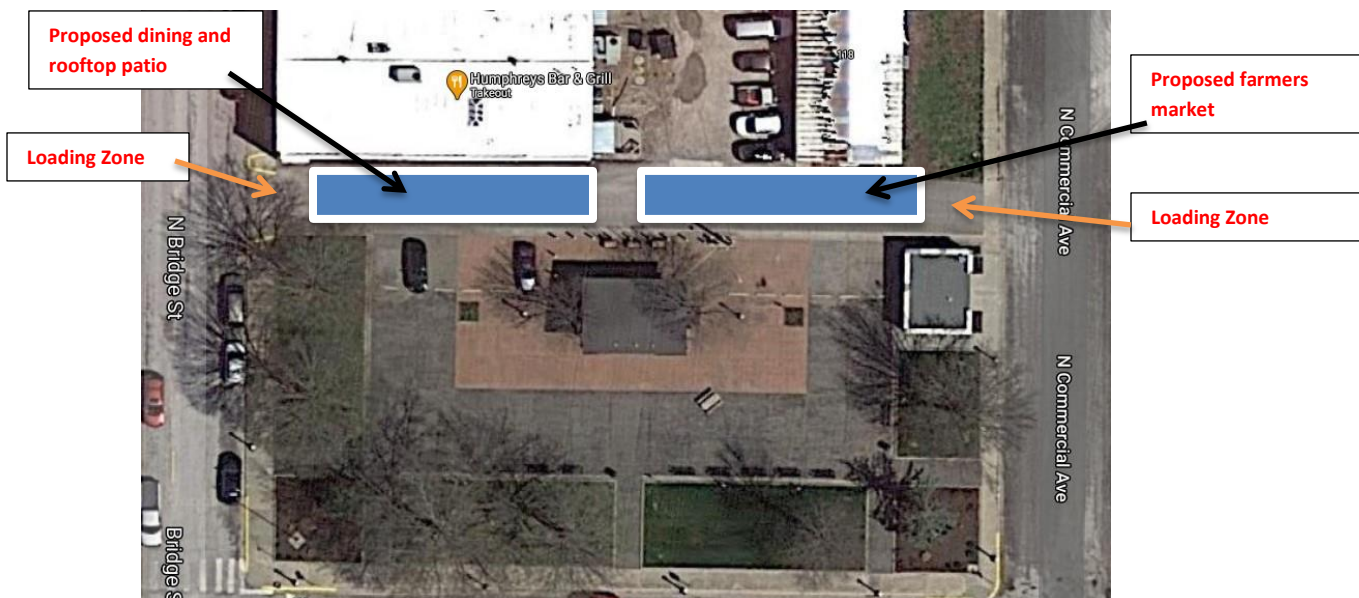


## 111 N. Bridge St./Courtyard Park Outdoor space concept

Per preliminary conversations with the Mayor, we would like to explore the opportunity of creating an outdoor, covered dining area adjacent to Humphrey's Bar and Grill. The proposed structure would be approximately 20' wide by 75' long with a covered dining area on the ground level and an upper deck dining level that would overlook the park. This would allow us to add much needed outdoor dining space. We would propose the structure be built in the existing paved "alley" area, that runs East to West on the North side of the park, adjacent to the Humphrey's building. Additionally, we have discussed building a free standing, single level structure, directly to the East of the outdoor dining structure that would be home to a local farmer's market. This structure would be very similar in size to the outdoor dining area.

Given the current situation with the pandemic, many potential customers are still reluctant to patronize indoor dining establishments. This would allow a much needed alternative to indoor dining. Additionally, this would bring more visitors to downtown Smithville, which in turn would generate more sales tax revenue. The proposed area, in its current state, with the parking stalls on the North side of the park, also has some potential downsides. Many times when the public parks in these spaces, they come very close to hitting the building given the tight turning radius of these parking spots in relationship to the building. We feel that adding the outdoor dining area along with a farmer's market would allow this area to be better utilized in a manner that provides more benefit to residents and visitors of Smithville.

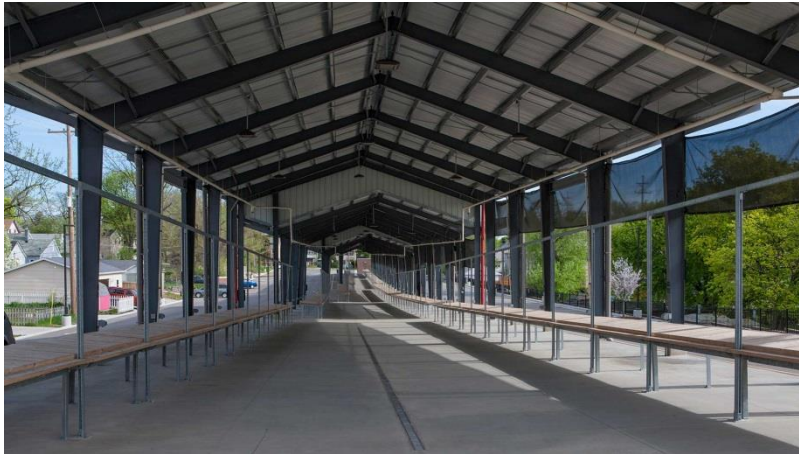
The below satellite aerial image shows the proposed location of the structures.





Below are examples of design elements and details that would be similar to the proposed structures:





In closing, we feel this is a great opportunity to create an excellent partnership that would bring a very unique and creative feature to downtown Smithville.