

# PERKINS + WILL

## Memo

To: Thomas Rogers, City of Menlo Park

---

From: Mark Hoffheimer

---

Date: March 6, 2012

---

Subject: Task I. Restaurant Study

### Purpose

To consider revisions to the Draft Specific Plan's Eating and Drinking Establishments land use designations, with particular focus on the appropriateness of "Restaurant, Limited Service" for the Downtown/Station Area Retail/Mixed Use and Downtown/Station Area Main Street Overlay designations.

### Key Findings

- Although the Draft Specific Plan took into consideration an earlier study in Menlo Park (see attached table – 2006 draft zoning ordinance study), there is no apparent or compelling reason to distinguish between Restaurants, Full Service and Restaurant, Limited Service for purposes of permitted uses in the downtown area.
  - Limited services restaurants are generally considered as those where food and beverages are prepared and may be consumed on the premises, taken out or delivered, but where limited or no table service is provided and patrons pay before eating.
  - Café Borrone and Le Boulanger are examples of a Restaurant, Limited Service
- Restaurants, Take Out Only should not be permitted in the downtown area, consistent with nearby communities.

### Recommendations for Specific Plan Revisions

The following restaurant designations are recommended for the Downtown/Station Area Retail/Mixed Use and Downtown/Station Area Main Street Overlay designations:

- Restaurants, Full/Limited Service – Permitted;
- Restaurants, Full/Limited Service with Alcohol and/or Outdoor Seating – permitted with an Administrative Permit by the Community Development Director (no change from the Draft Specific Plan);

- Restaurants, Full/Limited Service with Live Entertainment – permitted with Use Permit by Planning Commission (no change from Draft Specific Plan; and
- Restaurants, Take-Out Only – Not Permitted.

#### Methodology

Perkins+Will reviewed restaurant designations in Redwood City and Palo Alto to understand how nearby communities handled different types of restaurants in their downtown area. Perkins+Will also considered the appropriate size limit for a limited service restaurant by reviewing existing Limited Service Restaurants in downtown Menlo Park and trade publications.

#### Discussion of Findings

The attached table summarizes definitions and permitted/conditional uses for restaurants for Menlo Park, Redwood City and Palo Alto. It also provides definitions for restaurants from the North American Industry Classification System, a standard used by Federal statistical agencies.

#### **Eating and Dining Establishments in the Downtown/Station Area Retail/Mixed Use and Downtown/Station Area Main Street Overlay Designations**

The Draft Specific Plan provides for the following Eating and Dining Establishment uses in the Downtown/Station Area Retail/Mixed Use and Downtown/Station Area Main Street Overlay Designations:

- Restaurants, Full Service – Permitted;
- Restaurants, Limited Service – Permitted subject to limitations (less than 3,000 SF); may be exceeded with Use Permit by Planning Commission;
- Restaurants, Full/Limited Service with Alcohol and/or Outdoor Seating – permitted with an Administrative Permit by the Community Development Director;
- Restaurants, Full/Limited Service with Live Entertainment – permitted with Use Permit by Planning Commission; and
- Restaurants, Take-Out Only – Permitted subject to limitations (less than 3,000 SF although may be exceeded with Use Permit by Planning Commission) in the Downtown/Station Area Retail/Mixed Use designation and prohibited in the Downtown/Station Area Main Street Overlay designation.

#### **Definition of Restaurant, Limited Service**

The Draft Specific Plan generally defines Limited Services Restaurants as those where food and beverages are prepared and may be consumed on the premises, taken out or delivered, but where limited or no table service is provided and patrons pay before eating. For the full and precise definition, see the attached table and/or Appendix H of the Draft Specific Plan.

Café Borrone and Le Boulanger in downtown Menlo Park are two examples of a limited service restaurant. The two restaurants are approximately 2,700 square feet and 4,500 square feet in size, respectively.

### **Draft Specific Plan compared to Redwood City and Palo Alto**

The Draft Specific Plan makes a distinction between Restaurants, Full Service and Restaurants, Limited Service. The cities of Redwood City and Palo Alto make no such distinction.

The Draft Specific Plan permits Restaurants, Full Service and Restaurants, Limited Service (with limitations) in the Downtown/Station Area Retail/Mixed Use and Downtown/Station Area Main Street Overlay Designations. This is consistent with the cities of Redwood City and Palo Alto.

The Draft Specific Plan permits Restaurants, Take-Out only (with limitations) in the Downtown/Station Area Retail/Mixed Use designation but prohibits them in the Downtown/Station Area Main Street Overlay Designation. The Cities of Redwood City and Palo Alto do not permit such restaurants in their downtown area. In addition, the City of Palo Alto does not allow drive-in service in their downtown area.

The Draft Specific Plan permits Restaurants (Full Service and Limited Service) with alcohol service and/or outdoor seating through an Administrative Permit. The Draft Specific Plan permits Restaurants (Full Service and Limited) with live entertainment through a Use Permit by the Planning Commission. This is generally consistent with the City of Redwood City. No such review and approval is required by the City of Palo Alto.

### **Size of Restaurants, Limited Service**

The following information provides a gauge for a reasonable size for Restaurants, Limited Service if the City were to choose to use such a designation with limitations based on size.

#### Typical Parcel Size

Typical Downtown Parcel Size: 50' x 100' to 125' = 5,000 SF to 6,500 SF

#### Café Borrone and Le Boulanger in downtown Menlo Park

- Café Borrone – approximately 2,700 square feet
- Le Boulanger – approximately 4,500 square feet

#### 2009 Retail Tenant Directory

The Retail Tenant Directory, recognized throughout the industry as the most accurate data source available, contains in-depth profiles on over 6,000 retail chains across the U.S. and Canada. It is used by anyone interested in real estate development and the marketplace.

The directory includes a chart that demonstrates how new retail space is likely to be utilized by distinct retail categories. The Range of Average Square Feet for three restaurant types follows:

- Fast Casual Restaurants: 2,441 to 3,540 SF
- Fast Food: 1,861 – 3,420 SF
- Restaurants/bars: 4,686 – 6,770 SF

## References

- 2009 Retail Tenant Directory, Trade Dimensions/Nielsen, pages 15-16

## Attachments

- Task I: Restaurant Study Table

cc: Menlo Park El Camino Real/Downtown  
Specific Plan – SA #498012.006

Menlo Park Additional Services

Task I: Restaurant Study, Downtown Menlo Park

6 March 2012

	Definitions	Permitted Use	Limitations/ Permits Required
Menlo Park Specific Plan			
<b>Restaurants, Full Service</b>	Restaurants providing food and beverage services to patrons who order and are served while seated and pay after eating. Takeout service may be provided. Alcohol service, outside seating, and live entertainment are not permitted except by administrative permit or use permit as allowed in the Land Uses table.	PERMITTED	
<b>Restaurants, Limited Service</b>	Establishments where food and beverages are prepared and may be consumed on the premises, taken out, or delivered, but where no table service is provided and patrons pay before eating. Limited Service Establishments include restaurants that sell ready-to-eat prepared foods and beverages for immediate consumption on- or off-premises that are packaged and served in or on disposable wrappers, containers, or plates. This classification includes cafeterias, delis, coffee shops, and snack bars but excludes take-out only establishments. Alcohol service, outside seating, and live entertainment are not permitted except by administrative permit or use permit as allowed in the Land Uses table.		Permitted subject to limitations (less than 3,000 SF); limitations may be exceeded with Use Permit by Planning Commission
<b>Restaurants, , Full/Limited Service with Alcohol and/or Outdoor Seating</b>	None		Permitted with Administrative Use Permit by Community Development Director
<b>Restaurants, Full/Limited Service with Live Entertainment</b>	None		Permitted with Use Permit by Planning Commission
<b>Restaurants, Take Out Only</b>	Establishments where food and beverages are prepared and may be taken out or delivered, but may not be consumed on the premises. No seating is provided on the premises.		Permitted subject to limitations (less than 3,000 SF); limitations may be exceeded with Use Permit by Planning Commission

	Definitions	Permitted Use	Limitations/ Permits Required
Menlo Park Specific Plan			
Menlo Park Commercial Zoning Ordinance Update: Draft Ordinance (9/27/06)			
<b>Restaurants, Full Service</b>	Restaurants providing food and beverage services to patrons whole order and are served while seating and pay after eating. Takeout service may be provided.	Not applicable	
<b>Restaurants, Limited Service</b>	Establishments where food and beverages are prepared and may be consumed on the premises, taken out, or delivered, but where no table service is provided and patrons pay before eating. Limited Service Establishments included restaurants that sell ready-to-eat prepared food and beverages for immediate consumptions on- or off-premises that are packaged and served in or on disposable wrappers, containers or plates. This classification includes cafeterias, delis, coffee shops, and snack bars but excludes take-out only establishments.	Not applicable	
<b>Restaurants, Take Out Only</b>	Establishments where food and beverages are prepared and may be taken out or delivered, but may not be consumed on the premises. No seating is provided on the premises.	Not applicable	
Redwood City			
<b>Restaurant, Accessory Food Service</b>	An establishment that sells food and/or beverages as an accessory use in a retail, office, or institutional structure and that does not change the character of the primary use.	Not applicable	
<b>Restaurant, Drive-Through</b>	An establishment that provides food and/or beverages accessible to persons who remain in their motor vehicles.		<b>X - Not Permitted</b>
<b>Restaurant, Fast Food</b>	A restaurant that supplies food and beverages primarily in disposable containers and that is characterized by self-service and short stays by customers.		<b>X - Not Permitted</b>

	Definitions	Permitted Use	Limitations/ Permits Required
Menlo Park Specific Plan			
<b>Restaurant, Sit-down</b>	An establishment engaged in the business of selling food and beverages, including alcoholic beverages, prepared on-site for primarily on-site consumption. Food and beverages are served to the customer at a fixed location (i.e., booth, counter, or table). Food and beverages are ordered from individual menus. Customers typically pay for food and beverages after service and/or consumption.	PERMITTED Restaurants and cafes, including the sale of beer and wine, but not including liquor;	Permitted with Conditional Use Permit; - Restaurants, cafes, and bars, including the sale of liquor and other alcoholic beverages, and including catering establishments when food is also sold on the premises - Restaurants with exterior seating
<b>Take-Out Service</b>	An establishment that offers a limited variety of food or beverages. Transactions are sales for off-site consumption. Customers are served either at a counter or service window. Incidental seating (less than two hundred fifty (250) square feet of seating area) may be provided for limited on-site consumption of food or beverages. Typical uses include bakeries, coffee stores, ice cream and frozen dessert stores, delivery-only pizza establishments, small delicatessens, and similar establishments.		<b>X</b> - Not Permitted
Palo Alto			
<b>Definitions</b>			
<b>Eating and drinking service (47)</b>	A use providing preparation and retail sale of food and beverages, including restaurants, fountains, cafes, coffee shops, sandwich shops, ice cream parlors, taverns, cocktail lounges and similar uses. A minimum of 50% of revenues from an "eating and drinking service" must be derived from the sale of food. Related definitions are provided in subsections (45) and (136).	PERMITTED	
<b>Drive-in service (45)</b>	A feature or characteristic of a use involving sales of products or provision of services to occupants in vehicles, including drive-in or drive-up windows and drive-through services such as mechanical automobile washing, pharmacy windows, coffee stands, automatic teller machines, etc.		<b>X</b> - Not Permitted

	Definitions	Permitted Use	Limitations/ Permits Required
Menlo Park Specific Plan			
<b>Take-out service (136)</b>	A characteristic of an eating or drinking service which encourages, on a regular basis, consumption of food or beverages, such as prepared or prepackaged items, outside of a building, in outdoor seating areas where regular table service is not provided, in vehicles parked on the premises, or off-site.		<b>X - Not Permitted</b>
North American Industry Classification System (NAICS)	Source 2002: The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.		
<b>722211 Limited-Service Restaurants</b>	This U.S. industry comprises establishments primarily engaged in providing food services (except snack and nonalcoholic beverage bars) where patrons generally order or select items and pay before eating. Food and drink may be consumed on premises, taken out, or delivered to the customer's location. Some establishments in this industry may provide these food services in combination with selling alcoholic beverages.	Not applicable	
<b>7222 Limited-Service Eating Places</b>	This industry group comprises establishments primarily engaged in providing food services where patrons generally order or select items and pay before eating. Most establishments do not have waiter/waitress service, but some provide limited service, such as cooking to order (i.e., per special request), bringing food to seated customers, or providing off-site delivery.	Not applicable	
<b>72221 Limited-Service Eating Places</b>	This industry comprises establishments primarily engaged in (1) providing food services where patrons generally order or select items and pay before eating or (2) selling a specialty snack or nonalcoholic beverage for consumption on or near the premises. Food and drink may be consumed on the premises, taken out, or delivered to the customer's location. Some establishments (except snack and nonalcoholic beverage bars) in this industry may provide these food services in combination with selling alcoholic beverages.	Not applicable	