



REPORT

Report Date: September 28, 2020
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Meeting Date: October 6, 2020
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TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Extension to the Temporary Patio Program Through COVID-19 Recovery

RECOMMENDATION

THAT Council approve in principle an extension of *the By-law to Enact a New Temporary Patio and Street Vending Fees By-law* according to Option 1 outlined within this report, consistent with Council direction on September 16, 2020;

FURTHER THAT the Director of Legal Services bring forward for enactment such by-law amendments as are necessary to implement the above.

REPORT SUMMARY

This report responds to Section A of the September 16, 2020, Motion of Council regarding Extending Pop-Up Patios this Fall and Winter which directed staff to *'extend the Temporary Expedited Patio Program (TEPP), that included free permits for local businesses, beyond October 31, 2020, into this coming Fall and Winter'*.

Since Council provided this direction, the Province has announced an extension of relaxations pertaining to outdoor liquor service through to October 31, 2021. In light of this emerging information, staff have brought forward a recommendation to advance the direction provided by Council on September 16, 2020, as well as options that would enable Council to align the program extension with the timelines of the Provincial extensions.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Council has the authority to allow the private use of street space pursuant to Section 289A of the *Vancouver Charter*. Council has exercised that authority through the *Street Vending By-law* and in particular Section 5 and Schedule A: Fees to allow for patios on public spaces.

On May 27, 2020, Council approved in principle by-law amendments to temporarily waive all permit and application fees associated with temporary expansion of patio spaces until October 31, 2020 and directed staff to bring forward for enactment such by-law amendments as are necessary to implement this approval.

On June 11, 2020 Council passed a *By-law to Enact a New Temporary Patio and Street Vending Fees By-law* to implement Council's resolution of May 27, 2020, to temporarily waive all permit and application fees associated with temporary expansion of patio spaces until October 31, 2020.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

To address the September 16, 2020 Council motion regarding extending the temporary patio program, staff have identified several options outlined in Table 1.

The primary City considerations with respect to these options are operational and financial:

- **Operational:** Approximately 75% of the temporary patios issued through the program are situated in the curb lane of the street. This is a relatively new patio type for the City of Vancouver to implement at such a significant scale. With any extension of the temporary patio program, whether it is to the spring or fall of 2021, it will be important to maintain flexibility to ensure patios are safe, to manage impact on other street uses and to learn from what is working and what is not. Patios will need to be reviewed, and in some cases adjusted or removed based on seasonal or other operational considerations.
- **Financial:** Extending the patio program, including waiving the fees, will result in ongoing lost revenue opportunity associated with the temporary patio program; as a result the staff costs associated with supporting the program will not be covered.

In addition, as the program is extended, there is revenue risk associated with the regular patio programs because businesses may opt to not pay for the renewal of their patio in light of the free temporary option. Annual revenue associated with regular patio programs is approximately \$1.1 million.

In all options staff will report back to Council on continuing a Pop-Up Summer Seasonal Patio Program annually, as directed by Council in Section E of the September 16, 2020 motion.

Table 1: Options to Extend the Temporary Patio Program

	Description	Revenue impact (associated with temporary patio program)*
Option 1 Extend Temporary Expedited Patio Program to March 31, 2021, including fee waiver	<ul style="list-style-type: none"> • Consistent with Council direction provided on September 16, 2020 • Each patio subject to review and may require adjustments or removal on a case by case basis • Details for the program beyond March 31, 2021 to be brought back at a future date, as directed by Council on Sept 16, 2020. 	\$400,000
Option 2 Extend Temporary Expedited Patio Program to October 31, 2021, including fee waiver	<ul style="list-style-type: none"> • Align temporary expedited patio program with Provincial timelines for relaxation of liquor regulations (October 2021) • Each patio subject to renewal on a quarterly basis and may require removal or adjustments on a case by case basis • Details for the program beyond Oct 31, 2021 to be brought back at a future date, as directed by Council on Sept 16, 2020. 	\$1,100,000
Option 3 Extend Temporary Expedited Patio Program to October 31, 2021; reinstate fees on November 01, 2020	<ul style="list-style-type: none"> • Align temporary expedited patio program with Provincial timelines to relax liquor regulations (October 2021) • Each patio subject to renewal on a quarterly basis and may require removal or adjustments on a case by case basis • In order to manage the revenue impact of the program and to recognize the ongoing use of public space, reinstate fees affective November 1, 2020 	0

**Revenue impact does not include the cost of staff time, materials or equipment associated with supporting the program or revenue impacts to other patio programs. More information on those aspects will be presented separately.*

Recommendation

Option 1 is recommended as it is consistent with the Council direction from September 16, 2020.

Financial

Based on the enrolment in the program to date, staff estimates that the lost revenue impact of the recommended Option 1 is approximately \$400,000. This does not include staff time materials or equipment associated with supporting the program or revenue impacts to other patio programs. More information on those aspects will be presented separately. Revenue impacts will be built into the 2021 Draft budget to be brought forward for Council consideration, and will be offset by options for cost reductions and/or revenue increases in other areas of the overall City budget.

CONCLUSION

Staff recommends extending the Temporary Patio Program as directed by Council on September 16, 2020 and have presented three options on how to do so. Recommended Option 1 is consistent with direction to staff on September 16. Subject to approval in principle, the Director of Legal Services will bring forward for enactment such by-law amendments as are necessary to implement this decision.

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