



REPORT

Report Date: June 25, 2021
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Meeting Date: July 6, 2021
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TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Granville Promenade 2021 – City Budget Approval

RECOMMENDATION

THAT Council direct City staff to fund the incremental City expenses related to the implementation of the June 9, 2021, Council Motion “Granville Street Promenade- A People First, Pedestrian Friendly, Summer 2021 Pilot”, up to a maximum of \$102,500 funded from Council Contingency.

REPORT SUMMARY

On June 9, 2021, Council passed the Motion, “Granville Street Promenade - A People First, Pedestrian Friendly, Summer 2021 Pilot” directing staff to work with the Downtown Vancouver Business Improvement Association (DVBIA) and other stakeholders to support the initiative. Since then, staff have engaged with the DVBIA to understand the vision for the pilot, establish roles and responsibilities and develop cost estimates. The DVBIA has confirmed they will take on the responsibility for costs of programming and managing activations and events within the Promenade zone.

Engineering staff have been in discussion with the DVBIA regarding the potential cost for the street closure, which include traffic, policing, sanitation and other related City services. The DVBIA has requested that the City cover those costs, which is estimated to be up to \$102,500. A breakdown of the dates, times, cost elements and key assumptions can be found in Appendix A.

The motion did not specify a budget or cost assignment for any incremental City expenses related to the street closure and therefore these costs are being brought forward to Council for decision. The costs shown are order of magnitude only and will be refined once the traffic management plan and implementation plan is completed.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

On June 9, 2021, Council affirmed its support for a Summer 2021 Granville Street Promenade pilot and directed staff to work with the DVBIA, Hospitality Vancouver Association and TransLink to support a people-first pedestrian-friendly public space initiative for July through September.

In September 2019, Council approved the City's Special Event Framework, which became the Special Event Policy (ADMIN -031) that has been in place since January 1, 2020. That policy included limited financial support to certain eligible events.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager recommends approval of the foregoing.

REPORT

The Granville Promenade 2021 is expected to involve a closure of Granville St. from Smithe St. to Helmcken St, and will include placement of seating, activations of live music with an opportunity for more robust events taking place on the promenade as summer progresses. Most elements are coming into place with the expectation that the first weekend for the Promenade will be July 24 and 25.

The City costs related to the closure of Granville St. include the development of a Traffic Management Plan (TMP) and the implementation of equipment and personnel to support parking clearances and street closures on a weekly basis, as well as some police resources to support public safety. Costs have been factored on the assumption that the closure will be facilitated using the minimum required implementation devices as per the Ministry of Transportation and Infrastructure. Should more traffic personnel or closure implementation devices be required, Engineering will work with the DVBIA to refine the scope of the activation and address the budget gap. Based on current conceptual plans those costs are estimated at \$102,500 (see Appendix A). The costs shown are order of magnitude only and will be refined once the traffic management plan and implementation plan is completed.

While the DVBIA has confirmed its commitment to managing any activations, activities, and events within the Promenade zone, they are not able to cover those costs related to the street closure itself.

Strategic Analysis

The Special Event Framework, approved in September 2019, guides the City support provided to offset City costs for short-term activations and special events such as this. Event Hosts of certain types of events are eligible for having the City pay for the first \$1000 of City costs and up to 75% of the City costs above that. This City support is called the FestShare Program. Within that framework, "Regular Events" (i.e. reoccurring) are considered ineligible for the FestShare Program.

Ineligibility for Regular Events was implemented as a cost control measure, to ensure the relatively small annual FestShare budget would be able to support historical cultural and

community Celebrations and Parades, such as Chinatown Festival, Vaisakhi, Pride Parade, New Year's Eve, Italian Day, and hundreds more annual Special Events.

Based on the Special Event Policy, staff determined that the Granville Promenade 2021 is not eligible for FestShare program support. Further, due to 2021 budget constraints and reduced viability for events during the pandemic, the 2021 budget did not include adequate allowance for a special event activation of this magnitude.

Without an additional funding source secured to cover the road closure costs, the promenade space will not be possible to create and the DVBA would likely not be able to move forward with programming or activations within the promenade in 2021.

Financial

The 2021 Operating Budget did not account for a public space activation of this magnitude; should Council wish to financially support the Granville Street Promenade, incremental funding is required. The financial impact of this decision is up to \$102,500 and is recommended to be funded from Council contingency.

The 2021 Budget included a \$2 million Council contingency, which has historically been set aside for unanticipated one-time costs related to external events. The contingency could be used to fund costs related to the unique events of this past year, given the impacts of COVID-19 on the community. Use of Council contingency budget is subject to Council approval. Historically, the remaining balance has been transferred to the general revenue stabilization reserve to build up the balance to the target level of 8 to 16 per cent of annual non-utility revenues (\$100-\$200 million). As a result of COVID-related revenue losses, the City forecasts that there will be limited available balance in this reserve at the end of 2021 and the balance will need to be replenished over a number of years.

There are sufficient funds available in Council's Contingency Budget to cover the cost of implementing the recommendations in this report (\$102,500). To date, \$1.7 million of the Council Contingency Budget has been allocated by Council, to fund permitting improvements (\$1 million), graffiti abatement grants to BIAs (\$0.5 million), and the integrity office (\$0.2 million). If the recommendations in this report are approved, \$0.2 million of the Council contingency budget would remain unallocated.

CONCLUSION

The Granville Promenade 2021 is an important opportunity supported by Council. In order to move it forward a new funding source to cover up to \$102,500 in road closure costs over the six week duration of the event is required.

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Granville Promenade Preliminary Budget

Event Dates & Time Details

- Saturday and Sunday only (no Fridays)
- Six consecutive weeks, starting July 24, 2021
- Set up begins at 8am
- Tear down complete by 10pm

Cost Estimates Summary

Cost Type	Estimated Cost	Funding Source
Traffic Management Plan	\$500 ^[1] ^[2] ^[3] ^[5]	TBD
Traffic Control Equipment delivery, setup, take down	\$30,000 ^[1] ^[2] ^[3] ^[5]	TBD
Traffic Control Personnel	\$45,000 ^[4] ^[5]	TBD
Vancouver Police (public safety)	\$27,000 ^[6]	TBD
Activations and activities within site	n/a	DVBIA
Site Security	n/a	DVBIA
Participant Management and PHO compliance	n/a	DVBIA (Safety Ambassadors)
Restaurant Patio Extensions or Liquor License Permits (outside of TEPP eligibility)	n/a	Restaurant/Business Operators
FUNDING GAP FOR CITY COSTS	\$102,500	

Estimating Assumptions:

^[1] Duration is for six weekends (Saturday & Sunday only) with all set up, operations, take down completed within the hours of 8am-10pm daily).

^[2] Traffic Management can be conducted primarily with traffic control equipment and minimal personnel requirements

^[3] Traffic Management equipment and personnel to be contracted out to authorized third party traffic control company.

^[4] The City will monitor effectiveness of traffic control and crowd control requirements and may need to add additional controls should traffic control issues emerge or as programing and events within the Promenade zone scale up.

^[5] A 25 per cent contingency variable is included in the estimate.

^[6] Any additional VPD deployments for management of the Granville Entertainment District (GED) that are unrelated to the Promenade Project are out of scope for the Project and any GED related costs would be accounted for in the same manner as pre-pandemic processes.