



COUNCIL REPORT

Report Date: April 4, 2024
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Meeting Date: May 7, 2024
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TO: Vancouver City Council

FROM: General Manager of Engineering Services

SUBJECT: Street Vending By-law Amendments to Temporarily Waive Small Patio and Display Unit Fees to Support the Water Street Pilot

Recommendations

THAT Council approve, in principle, amendments to the Street Vending By-Law to allow the temporarily waiving of the permitting and application fees for “small patios” and merchandise “display units” in the 2024 Water Street Pilot area between June 1 and Sept 30, 2024, as described in this report and generally in accordance with Appendix A;

FURTHER THAT the Director of Legal Services be instructed to bring forward for enactment the necessary amendments to the Street Vending By-law, generally in accordance with Appendix A.

Purpose and Executive Summary

This report recommends that Council amend the Street Vending By-law to waive application and permit fees for small sidewalk patios and display units (also known as “merchandise displays”) in the area indicated on the map (see Appendix B) during the period of June 1 to September 30, 2024, in support of the Water Street Pedestrian Zone Pilot (“Water Street Pilot”). The purpose of waiving these fees is to reduce the financial impact and barriers to participation for small businesses, to encourage them to contribute to a lively pedestrian-first street and a successful Water St Pilot.

Council Authority/Previous Decisions

[“Gastown Summer 2024 Water Street Pedestrian Zone Pilot”](#) (February 7, 2024) directed staff to proceed with a summer 2024 pedestrian-first pilot on Water Street, simplify permit process and create more flexibility for local businesses and organizations.

Council Motion, [“A People-Focused Gastown: A Bold, Forward-Looking Vision for a Vibrant and Prosperous Neighbourhood”](#) (May 10, 2023) provides direction to staff to initiate the process to develop the Gastown Public Spaces Plan.

Council Motion, [“Flexible, Innovative and Expedited Patio Permitting”](#) (May 13, 2020) and the subsequent expansion of existing patio programs and implementation of the temporary curbside patio program shows waiving fees can encourage business participation in public life.

City Manager’s Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

Pedestrian-focused streets and plazas around the world find success when visitors and residents can eat, shop and gather in the street. Using the Water Street Pilot to test what a lively pedestrian-first street could look like in Vancouver relies on participation from a wide range of local businesses and organizations. By providing small merchandise displays and movable seating for patrons on the street, local retail businesses and smaller food establishments can help to activate the public realm, and provide additional opportunities for people to linger and gather during the Water Street Pilot.

Discussion

During engagement, many local businesses along Water Street expressed interest in participating in the pilot and shared ideas with staff about how they would like to help activate the public realm. In these discussions, a few challenges were also identified. For example:

- The pilot opportunity introduces new costs for businesses (staff, tables and chairs, displays, etc.)
- The pilot’s timeframe is short given the potential investment required of businesses; and
- Pedestrian-first streets generally bring greater benefit to larger food and hospitality businesses by providing more space for expanded and new large or curbside patios.

To provide support for a broader spectrum of business types along Water Street – in particular, smaller businesses such as retailers and small food establishments (e.g. cafes) – staff recommend temporarily waiving fees for merchandise displays and small sidewalk patios (tables and chairs placed along the building’s frontage, with no service or consumption of liquor) for the duration of the pilot.

The aim of waiving these permit fees is to encourage participation in the pilot by retail and café businesses by:

- Offering flexible, lightweight uses in the street that are most suitable and accessible for

these business types;

- Reducing businesses' initial financial investment to sign on, and removing the pressure to 'make back' a permit fee;
- Allowing businesses to redirect funds to tables, seating, displays or other materials; and
- Spurring experimentation by small businesses to activate the public realm.

Encouraging greater participation by small businesses along Water St will also increase the learnings from the pilot, to inform the long-term Gastown Public Spaces Plan and other city-wide initiatives. As staff will monitor the impacts of the Water St Pilot on a broad range of businesses, this temporary bylaw amendment will provide learnings on the potential impacts of reducing or removing fees for street uses for future pedestrian zone pilots or similar large events.

The Water Street Pilot is intended to start in late June / early July and end by August 31. While the intent of this temporary bylaw amendment is to allow businesses to install merchandise displays and small sidewalk patios during the pilot period itself, the dates to waive fees are written as June 1 to September 30, 2024 to provide flexibility for staff to adjust permit dates to support businesses' participation in the pilot, without returning to Council. The targeted area encompasses businesses along the Water Street pedestrian zone and those with storefronts on gateway streets leading into Maple Tree Square (see Appendix B map).

Financial Implications

Potential revenue loss for the City related to the temporary bylaw amendment is minimal. Currently, two businesses have small patios in the pilot area, and no businesses have merchandise displays. Not collecting fees for these permits will result in a loss of around \$218.00, to be absorbed within the City's 2024 operating budget.

Through one-on-one engagement, businesses have expressed interest in participating in the pilot which could add 13 new small patios and 11 new merchandise displays. Should these applications move forward, the fees not collected would total approximately \$2,800.00 for the two months.

Processing applications and working with the new businesses are not expected to require additional City resources.

Legal Implications

If the Recommendation in this report is approved, Legal Services will prepare by-laws amendments to allow for the temporary waiving of fees as outlined in Appendix A.

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Schedule A

Schedule C
2024 Water Street Pilot Area

