

Report to Council



Date: April 12, 2021
To: Council
From: City Manager
Subject: Sidewalk Seating Fee Reduction 2021
Department: Real Estate

Recommendation:

THAT Council receive, for information, the Sidewalk Patio Fee Reduction report from the Real Estate department dated April 12, 2021;

AND THAT Bylaw No. 12210 being Amendment No. 40 to the Traffic Bylaw No. 8120 be forwarded for reading consideration.

Purpose:

To reduce the fees payable for the Sidewalk Seating Program on public lands by 50% for 2021 to reflect the reduction in patio seating capacity due to orders from the Provincial Health Officer

Discussion:

Adapting to COVID restrictions has been a hardship for many different industries and sectors. Restaurants throughout the City who have access to private land for patios, such as parking lots and large side yards, may not experience the same hardships as those with limited outdoor space who need to apply for the use of public lands.

Patio fees, for the use of public lands, are based on appraised value to ensure they transact at fair market value. The fees also assume the patio is being used at full capacity. Due to social distancing requirements, patios this season can only accommodate 50% of the guests.

On May 25, 2020, Council approved a 50% fee reduction to reflect the reduced seating capacity as a result of the impact of social distancing protocols on table spacing. The approved reduction was only for 2020. Staff are recommending a 50% reduction for 2021 as restaurant patios are anticipated to experience a second year with the same requirements.

Staff are also recommending the application fee be reduced to \$100 (standard fee is \$300 for new patios and \$180 for amendments).

For clarification, this program is only for the use of public lands. The City's Planning department has as a separate process to review and approve requests to use private lands, (i.e., side yards or parking lots), to create a temporary patio areas.

Financial/Budgetary Considerations:

As previously articulated, in order to maintain integrity and equity in the course of business, the City's Real Estate and Property Management department transact at fair market value for the use of public lands. This approach is further supported by Section 25 of the Community Charter, which prohibits the City from providing any assistance to business. While fees associated with the existing patio seating program are based on an independent, third-party appraisal, the unique circumstances associated with the use of the program in a COVID-environment – in particular the requirement for social distancing – merits a reconsideration of what constitutes fair market value. Given the approximately 50% reduction in the density of seating on a given patio space, a 50% reduction in the existing patio program fees is recommended.

Patio program revenue for 2020, as well as projected revenue in 2021, is shown below.

	2020	2021 (projected)
Patio Program Revenue	\$49,000	\$49,000

Internal Circulation:

Financial Services
Corporate Strategic Services

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
External Agency/Public Comments:
Communications Comments:

Submitted by: J. Adamson, Manager, Property Management

Approved for inclusion: J. Säufferer, Real Estate Department Manager

Attachments: 1. Schedule A - Sidewalk Patio and Retail Display Guidelines
2. Schedule B - PowerPoint