

DATE OF MEETING May 25, 2020

AUTHORED BY BILL CORSAN, DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT COVID-19 RESPONSE TO DOWNTOWN RESTAURANT PATIOS

## **OVERVIEW**

### **Purpose of Report**

To seek Council approval to implement a temporary downtown restaurant patio program in response to the phased reopening of businesses during the COVID-19 Pandemic.

### **Recommendation**

That Council direct Staff to:

1. implement a temporary downtown restaurant patio program in response to the phased reopening of businesses during the COVID-19 Pandemic; and
2. reallocate \$25,000 from the Downtown Event Grants to facilitate the temporary improvements with any shortfall in funding to be funded from Council's Strategic Infrastructure Reserve.

## **BACKGROUND**

On 2020-MAR-16, the Province announced a Provincial Health Emergency in response to the COVID-19 pandemic. As a result of the Provincial Health Emergency, many businesses chose to close while restaurants and cafés were restricted to takeout and delivery. Downtown Nanaimo, like all communities, was adversely effected with the closure of businesses.

In early May, the Province of BC presented "BC's Restart Plan", a series of steps to protect people and ensure the province can come back from COVID-19 stronger than before. The restart plan sets out four phases for the pandemic response. During Phase 1 of the pandemic, restaurants were restricted to offer only takeout and delivery service. This resulted in many restaurants temporarily closing.

On 2020-MAY-19, the province entered into Phase 2 of the recovery. For a restaurant/café to reopen, it must follow the WorksafeBC protocols and the Provincial Health order issued on 2020-MAY-15. Under the new regulations, restaurants/cafés must not exceed 50% of their usual capacity of patrons at one time, restricts tables to parties of six people, and requires two metres between patrons sitting at different tables. In addition, employers are required to retain contact information for one member of every party of patrons for thirty days in the event there is a need for contact tracing on the part of the medical health officer.

There is an opportunity for local governments to assist cafés/restaurants during Phase 2 of the Restart Plan by providing patio space on sidewalks and public rights-of-way to help thin out the number of indoor diners and allow customers to eat outdoors.

The City is able to act on these requests in a timely manner as there is an established outdoor patio 'encroachment' policy in the downtown core that many restaurants and café's are enrolled in.

The general requirements of the program are that the patio:

- must be located immediately next to the building where the restaurant or café is located, along either the front or the side of the building;
- must leave enough space on the sidewalk for pedestrian passage around it and any other obstacles, such as street lights, parking meters, or trees.
- must not block exits from the adjacent businesses;
- must not block access to Fire Department connections, sewer connections, or any other type of utility;
- requires the restaurant to cover liability within the patio area;
- restaurants are charged \$14 per square metre per annum as a licence fee; and
- restaurants are responsible for maintaining and cleaning the area. |

## **DISCUSSION**

Staff are proposing to amend the downtown patio program by either expanding patio space on city sidewalks, or on a trial basis converting a limited number of parking spaces to elevated patio space. Adding the additional space during the summer of 2020 will enable restaurants to help thin out the number of indoor diners and keep their business operating. As a trial program, Staff will adjust as feedback is received.

The temporary program will be in place from 2020-JUN-01 to 2020-SEP-30. The owners will enter into or amend their existing patio encroachment agreement. The City will remove the temporary structures in the fall and reuse them in 2021 where possible.

Attachment A outlines the restaurants and cafés that have patio agreements that may wish to expand their area or enter the program for the first time. Staff estimate that where parking stall conversion is required, it will cost roughly \$1,800 per stall to convert to a seasonal elevated patio. Staff recommend that the cost of the construction be recouped from the business over a two year period in addition to the annual \$14 per sq m licence fee.

Staff recognize not every restaurant/café will wish to have an elevated patio and, therefore, recommend a budget of \$25,000 be allocated to the project on a first-come, first-served basis. To date, five businesses have expressed an interest in the program. Six parking spots and one loading zone would be impacted by these requests.

Funding for the patios can be directed from the unused portion of the 2020 Downtown Event Grants. Many of the grants issued for 2020 events are now cancelled and the organizations are expected to return the unused funds to the City. If the returned grants are less than \$25,000, any shortfall in funding would be funded from Council's Strategic Infrastructure Reserve. A separate report on the 2020 Downtown Event Grants will be brought to Council at a future date. |

## **OPTIONS**

1. That Council direct Staff to:
  1. implement a temporary downtown restaurant patio program in response to the phased reopening of businesses during the COVID-19 Pandemic; and
  2. reallocate \$25,000 from the Downtown Event Grants to facilitate the temporary improvements with any shortfall in funding to be funded from Council's Strategic Infrastructure Reserve.
  - Advantages: Downtown is a priority for Council as outlined in the 2019-2022 Strategic Plan. During Phase 1 of the COVID-19 pandemic, many of the downtown restaurants and retailers closed. The creation of expanded patio seating adjacent to downtown restaurants on city streets will help restaurants and cafés to reopen during Phase 2 of the restart plan. As businesses begin to reopen, the downtown core will increase in its vibrancy as a public space.
  - Disadvantages: Providing a temporary patio program in the downtown core may be seen as assisting a select number of businesses.
  - Financial Implications: Staff estimate a budget of \$25,000 for the improvements. The Downtown Event Grants allocated \$150,000 in 2020 to support events in the downtown core. The majority of these events are no longer taking place and the unused portion of the grants are expected to be returned to the City. These returned funds can be allocated to other Council priorities.
2. That Council deny Staff's request to implement the downtown restaurant patio program.
  - Advantages: By not supporting the program, Staff can allocate their resources to other key Council priorities.
  - Disadvantages: Several of the downtown restaurants may not be able to reopen without additional outdoor seating. The economic recovery of the downtown core will be impacted.
  - Financial Implications: Grants returned will remain unused in the Downtown Event program. The funds can be allocated to another Council priority. There is potential that some of the restaurants may not reopen, which would impact downtowns vibrancy and job creation.

## **SUMMARY POINTS**

- On 2020-MAR-16, the Province announced a Provincial Health Emergency in response to the COVID-19 pandemic.
- As a result of the Provincial Health Emergency, many businesses chose to close and restaurants and cafés were restricted to takeout and delivery. Nanaimo's downtown was adversely impacted by the closure of businesses.
- In May 2020, the Province announced BC's Restart Plan, which sets out four phases to respond to the pandemic.
- Phase 2 of the restart program began 2020-MAY-19 and allowed restaurants and cafés to reopen, subject to new WorksafeBC protocols and a Provincial Health Order

that requires businesses to operate at 50% capacity, restricts tables to parties of six people or less, and requires two metres of physical distance between patrons at different tables.

- Providing outdoor patio space on city sidewalks and roads is one way of assisting local restaurants and cafés to operate during Phase 2.
- The City of Nanaimo has an established patio encroachment policy in the downtown core.
- Staff recommend the program be expanded to allow restaurants/cafés to occupy additional sidewalk space. Where there is no sidewalk space available, a limited number of parking stalls could be covered to elevated patios. This would be a trial period from 2020-JUN-01 to 2020-SEP-30.
- Council is being asked to reallocate \$25,000 from the Downtown Events Grants towards the construction of the patios.
- The patios would be allocated on a first-come, first-served basis.

#### **ATTACHMENTS:**

ATTACHMENT A: Downtown Restaurant Patio Encroachment Agreements (Existing & Potential)

#### **Submitted by:**

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#### **Concurrence by:**

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General Manager, Development Services

Wendy Fulla for Laura Mercer  
Director, Finance