

DATE OF MEETING September 28, 2020

AUTHORED BY BILL CORSAN, DIRECTOR, COMMUNITY DEVELOPMENT

SUBJECT DOWNTOWN RESTAURANT PATIOS

OVERVIEW

Purpose of Report

To provide Council with an update on the temporary restaurant patio program and to seek Council approval to extend the program through the winter of 2020 to the fall of 2021. |

Recommendation

That Council:

1. Extend the temporary restaurant patio program until 2021-OCT-31.
2. Direct Staff to notify the Liquor and Cannabis Regulation Branch that the City of Nanaimo has authorized pre-approval for all temporary service area expansions for liquor primary and manufacturing licences until 2021-OCT-31 in response to Liquor Control and Regulation Branch policy directive 20-26; and
3. Continue to suspend the current City approval process for temporary service area expansion of all liquor primary and manufacturing licences until 2021-OCT-31.

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 affected 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 set out four phases for the pandemic response. During Phase 1 of the pandemic, restaurants were restricted to offer only takeout and delivery service.

On 2020-MAY-19, the Province entered into Phase 2 of the recovery. For a restaurant/café to reopen, it had to follow the WorksafeBC protocols and the Provincial Health Order issued on 2020-MAY-15. Under the new regulations, restaurants/café must not exceed 50% of their usual capacity of patrons at one time, restrict tables to parties of six people, and require 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 30 days in the event there is a need for contact tracing on the part of the medical health officer.

Local government had an opportunity 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.

At the 2020-MAY-25 Council Meeting, Staff were directed 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.”

At the same meeting, Council directed Staff to provide the Liquor and Cannabis Regulation Branch (LCRB) with pre-approval for all temporary service areas expansions for liquor primary and manufacturing licences, in response to policy directive 20-13. The City also waived its approval process for temporary service area expansion to assist restaurants to reopen in a timely manner.

Program Review

The City has an existing downtown Patio Program, and in response to the pandemic, two restaurants in the downtown core entered into new agreements for outdoor patio space on sidewalks.

With regard to the temporary patio program, four businesses downtown and one business in Departure Bay chose to take part in the program. Within a two-week period, City Staff met with the owners, prepared licence agreements, and constructed the wooden platforms.

The temporary patio program was set up under a trial period from 2020-JUN-01 to 2020-SEP-30, with the City to remove the patios over the winter months and then reinstall them in the spring of 2021. The business owners are charged a monthly fee over a two-year period to cover the costs of the construction and maintenance of the platforms.

Table 1: City of Nanaimo Patio Agreements – As of September 2020

Address	Trade Name	Patio Space Prior to May 2020	New Patio Space
221 Commercial Street	Modern Café	33.8 m ²	33.28 m ² wooden deck on road
223 Commercial Street	Melange Restaurant	39.3 m ²	40 m ² on sidewalk
1-321 Wesley Street	La Stella Trattoria		36.25 m ² on sidewalk
100 – 2835 Departure Bay Road	Drip Coffee		24 m ² wooden deck on road
366 Selby Street	Breakfast Nook		27 m ² wooden deck on road
486A Franklyn Street	Flavours of India		6 m ² wooden deck on road
153 Commercial Street	Craft Fare		25 m ² wooden deck on road
120 Commercial Street	Mon Petit Choux	23.28 m ²	
299 Wallace Street	New York Style Pizza & Pasta	14 m ²	
499 Wallace Street	The Vault Café	19 m ²	

Address	Trade Name	Patio Space Prior to May 2020	New Patio Space
300-60 Commercial Street	Serious Coffee	9.38 m ²	
39 Commercial Street	Gabriel's Cafe	27.87 m ²	
14 Victoria Crescent	Nana Sushi	13.4 m ²	
101 Commercial Street	Red's Bakery	2.6 m ²	
67 Victoria Crescent	Aladdin's Cafe	2.6 m ²	

DISCUSSION

The addition of the temporary outdoor patio space for restaurants has been successful in creating more vibrancy in the city and providing a safe gathering space for the public to accommodate physical distancing requirements during the pandemic.

Nanaimo's downtown core was adversely affected by the temporary closure of many businesses as a result of the Provincial Health Emergency restrictions. Additional patio space has not only enabled restaurants to keep operating, but has also increased foot traffic in the downtown area and created a positive atmosphere for residents and tourists.

Staff contacted the five participating business owners to obtain feedback on the program. The key messages are as follows:

- Additional patio space helped their business
- City response time in establishing the program was good
- Patrons have commented on the design aesthetic (nice appearance)
- No complaints from surrounding business owners
- Some businesses had to hire extra staff; there were line-ups, lots of tourists
- Patios added to atmosphere and increased foot traffic downtown
- Would like to see the program continue permanently
- People want more public space on waterfront and more restaurant patios
- Nice not to have City initiate and lead process
- 100% satisfied with project
- A few complaints about loss of parking spaces
- A few participants thought cost was high, majority thought it was reasonable

The participating restaurant owners have unanimously requested the temporary patio structures remain in place over the fall and winter. Canopies and heater units can be added at the owners' cost to increase the usability during the upcoming colder weather. City Staff would work with the business owners to evaluate the improvements from a safety perspective.

The Alliance of Beverage Licensees, BC Restaurant and Foodservices Association, and BC Craft Brewers Guild sent a request to municipalities for support to ensure the success and continuing employment of those in the hospitality industry by considering ways to winterize patios and streamline the application process (Attachment A).

The LCRB has issued Policy Directive 20-26 to allow for the extension of the existing Temporary Expanded Service Area authorizations until 2021-OCT-31. Local governments are

required to confirm their support or objection to the extension by 2020-OCT-16. If Council wishes to continue the temporary outdoor patio program until 2021-OCT-31, Staff recommend the necessary approvals from the LCRB be sought at the same time. |

OPTIONS

1. That Council:
 1. Extend the temporary restaurant patio program until 2021-OCT-31.
 2. Direct Staff to notify the Liquor and Cannabis Regulation Branch that the City of Nanaimo has authorized pre-approval for all temporary service area expansions for liquor primary and manufacturing licences until 2021-OCT-31 in response to Liquor Control and Regulation Branch policy directive 20-26; and
 3. Continue to suspend the current City approval process for temporary service area expansion of all liquor primary and manufacturing licences until 2021-OCT-31.
 - Advantages: Downtown is a priority for Council as outlined in the 2019-2022 Strategic Plan. The pandemic has created significant challenges for businesses, especially restaurants, to succeed. The outdoor patio space will provide more seating options for the public to enable physical distancing. The downtown core will retain its vibrancy as a public space.
 - Disadvantages: Some of the technical challenges of winterizing the patios need to be considered. Additional structures must be code and safety compliant. In the event of a snow event, it may be difficult for City crews to clear the street.
 - Financial Implications: The patio program is cost neutral as the City's costs are being recovered from the participating businesses.

2. That Council:
 1. Continue with a seasonal approach to the temporary patios requiring removal by 2020-OCT-31 and reinstallation no earlier than 2021-APR-30.
 2. Direct Staff to notify the Liquor and Cannabis Regulation Branch that the City of Nanaimo has authorized pre-approval for all temporary service area expansions for liquor primary and manufacturing licences until 2021-OCT-31 in response to Liquor Control and Regulation Branch policy directive 20-26; and
 3. Continue to suspend the current City approval process for temporary service area expansion of all liquor primary and manufacturing licences until 2021-OCT-31.
 - Advantages: The longevity of the platforms will be extended if they are removed and protected from deterioration by the outdoor elements.
 - Disadvantages: Some restaurants may face financial impacts from the reduction of seating space. The economic recovery of the downtown core will be impacted.
 - Financial Implications: The patio program is cost neutral as the City's costs are being recovered from the participating businesses.

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.
- The City expanded its existing patio encroachment policy to occupy additional sidewalk space. Where there is no sidewalk space available, wooden platforms were constructed over a limited number of parking stalls to create elevated patios. A trial period from 2020-JUN-01 to 2020-SEP-30 was established.
- The City also provided consent to the Liquor and Cannabis Regulation Branch (LCRB) to allow for restaurants to qualify for the temporary service area expansions until 2020-OCT-31.
- Due to the success of the patio program, and the continued need for physical distancing and additional patio space, program participants have requested the platforms be left in place to extend the period of use.
- The LCRB under Policy Directive 20-26 has enabled local governments to extend the temporary service area expansions until 2021-OCT-31.
- Council is being asked to extend the temporary patio program and provide support to the LCRB to extend liquor licensing of these temporary patios until 2021-OCT-31.

ATTACHMENTS:

ATTACHMENT A: Request for Support: Expanded Patio Permissions |

Submitted by:

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Concurrence by:

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