

**Subject: Encroachment Fees for Pop-up Patios** 

To: Council

From: Office of the Chief Administrative Officer

Report Number: 2024-38

Meeting Date: April 9, 2024

#### **Recommendation:**

That Chief Administrative Office Report 2024-38 be received; and

That the by-law attached as Appendix A, being a By-law to Amend By-law 6665/29/19, being a By-law to Adopt a Policy for Encroachments on Municipal Property, be approved.

### Purpose:

The purpose of this report is to update Council on the staff review of the Encroachment By-law Application Pop-up Patio fees and to propose amendments to the By-law.

## Background:

The City first enacted the Encroachment Policy in 2019 and the guidelines for Pop-up patios in 2020. City staff continue to engage with the Business Improvement Areas (BIAs) and business owners to ensure the City policies are supportive.

Last year's Canal Days Marine Heritage Festival introduced a licensed open-air patio that stretched from Princess Street to Sugarloaf Street. All hospitality businesses in this footprint were invited to participate in this new community-focused opportunity. The new space activation was successful and could be measured by the feedback from the eight (8) participating restaurants and establishments, who sold food and refreshments to festival attendees as part of the City's Special Occasions Permit (SOP) and hired twenty-seven (27) musical acts for the 4-day event, providing a soundtrack for Canal Days visitors. It should also be mentioned that the City also welcomed positive feedback from the Alcohol and Gaming Commission of Ontario (AGCO), whose inspectors

suggested that the City's model could be used by other municipalities planning to host this style of event.

After consultations and engagement with the business community regarding the 2023 Canal Days Festival, staff are proposing fee changes and By-law amendments to take effect in 2024.

#### **Discussion:**

With the success of the 2023 Canal Days licensed open-air patio space, and in recognition of local business contributions to its success and expense with the hiring of musical acts, it is recommended that the City waive the Encroachment Permits in exchange for in-kind contributions for community events, such as Canal Days, of equal or greater value. An example of a qualifying in-kind contribution could be hiring of musical acts to activate and animate the Canal Days festival, like many vendors did in 2023.

With the proposed increase, Port Colborne fees remain amongst the lowest in the Region and staff are proposing they be waived in exchange for a service which supports both the City and the businesses. It is important to note that all applications for encroachment permits, pop-up patio permits, and the Canal Days SOP must still be applied for separately and meet the individual requirements.

#### Internal Consultations:

The recommendation in this report was arrived at with consultation between Events, Recreation, Finance, Clerk's, and Economic Development staff.

## **Financial Implications:**

Currently, the approved City's fees for an Encroachment Permit are \$100 for renewals and \$300 for new patios. It is recommended that the fees be raised for encroachments in the Canal Days footprint to \$300 for renewals and \$500 for new patios.

This fee would be waived if the business that is applying makes an in-kind contribution to the Canal Days festival of equal or greater value that the encroachment fee.

## **Public Engagement:**

Planning for this year's SOP kicked off on January 25, 2024, at a meeting which brought restaurant owners to City Hall to meet with Events Staff to discuss this year's Canal

Days. Discussion topics included the potential for an expanded footprint along Clarence Street to Catherine Street, increased collaboration with business and community groups to showcase their services, and the opportunity to have temporary patio extensions fees waived in exchange of in-kind contributions with the hiring of live entertainment for this year's event taking place August 2, 2024, to August 5, 2024. Events Staff are working diligently to reinforce community engagement by offering this opportunity to all fifteen (15) restaurants and establishments located in the expanded festival footprint. This concept of the waiver in exchange or the activation and animation was well received during the consultation process.

#### **Strategic Plan Alignment:**

The initiative contained within this report supports the following pillars of the strategic plan:

- Welcoming, Livable, Healthy Community
- Economic Prosperity

#### **Conclusion:**

The Encroachment By-law amendments will support and promote vibrant pedestrianoriented streets within the downtown. The proposed revisions provide an opportunity for the City to support the development of local businesses by creating new opportunities for local restaurants and enhancing the utilization of public spaces. Staff recommend the increase in fees and new fee be offset with the waiving of fees in exchange for the in-kind contribution to community events by the applicants.

## **Appendices:**

a. Encroachment By-law

Respectfully submitted,

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# **Report Approval:**

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.