

Presented To:	Operations Committee
Presented:	Monday, Dec 07, 2015
Report Date	Tuesday, Nov 17, 2015
Type:	Managers' Reports

Request for Decision

Full Sidewalk Patio Update

Recommendation

THAT the City of Greater Sudbury creates a new administrative fee of \$400 for the full sidewalk patio program;

AND THAT the City phases in the fees over a 4-year period, as outlined in the November 17, 2015, report from the General Manager of Growth and Development;

AND FURTHER THAT the City charges 50% of the cost of parking spaces associated with the full sidewalk patio program.

Finance Implications

If approved the City would implement a gradual escalating payment fees structure for the those patios with the first year waiving of 100%, 2nd year waiving of 75%, 3rd year waiving of 50% and 4th year waiving of 25%. Any road occupancy permit fees or building permit fees would continue to be charged.

Background

On May 4, 2015, Operations Committee made the following recommendation:

"OP2015-07 THAT the City of Greater Sudbury approves the Downtown Sudbury Business Improvement Area Association's request to make the full sidewalk patio pilot program a permanent program;

AND THAT staff be directed to prepare an amendment to By-Law 2011-218 to allow for full sidewalk patios based on the considerations outlined in the [April 22, 2015 report from the General Manager of Growth and Development]

AND FURTHER THAT the City implements an incremental fee structure as proposed by the Downtown Sudbury Business Improvement Area Association, and amend By-Law 2011-218 accordingly."

Subsequent to this meeting, on May 26, 2015, Greater Sudbury Council passed By-law 2015-109, which effectively made the full sidewalk patio pilot program a permanent program.

A full sidewalk patio involves the occupation of the entire sidewalk adjacent to the business establishment and the construction of a replacement sidewalk around the patio area in the travelled portion of the municipal right-of-way. These replacement sidewalks typically occupy on-street parking spaces.

Signed By

Report Prepared By

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Division Review

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Recommended by the Department

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Recommended by the C.A.O.

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Purpose:

This report discusses the current fees associated with the establishment of a full sidewalk patio. The report further outlines considerations regarding the collection of fees regarding full sidewalk patios, under an incremental fee-structure.

Discussion:

The *Downtown Master Plan and Action Strategy* defines downtowns as “the historic and symbolic heart of a community, the reflection of a city’s image, pride and prosperity. They are the meeting place for the entire city, where all types of different people come together to celebrate and share common experiences. A healthy, active, successful downtown makes a positive statement about the prosperity of a city, sending a confident message to future residents, businesses and investors.” As expressed through the master plan, the City’s vision for the Downtown is a “renewed and re-energized Downtown that has become a confident advertisement to the world about the city’s rich offer.”

The full sidewalk patio pilot program generated positive reviews and has added to the vitality of the Downtown. The full sidewalk patio program is consistent with the broad goals of the official plan, and with the vision outlined in the Downtown Master Plan. As such, on May 26, 2015, City Council made the full sidewalk patio pilot program a permanent program. At that time, staff was directed to implement a 4-year incremental fee structure and to amend the appropriate by-laws accordingly.

The following is a discussion of the fees associated with By-law 2011-218 (A By-law of the City of Greater Sudbury to Regulate Road Occupancy Including Road Cuts, Temporary Closures and Sidewalk Cafes). These fees include, but are not limited to, the cost of the road occupancy permit and the sidewalk lease rate. Other potential costs include the cost of parking spaces, and, if applicable, the cost of the removal and replacement of parking meter heads.

Discussion of Individual Elements of a Fee**The Road Occupancy Permit**

The City of Greater Sudbury currently charges \$36 for a road occupancy permit. This fee is set by the City’s Miscellaneous User Fee By-law. Any change to the fee would require an amendment to the by-law.

The Administrative Fee

The City of Greater Sudbury does not currently charge an administration fee for the full sidewalk patio program. The City of Barrie, who is widely touted as a strong example of a successful full sidewalk program, has taken a cost-recovery approach to these full sidewalk patios. The costs associated with processing and issuing a permit at the City of Barrie is \$400.00. Barrie’s fee includes the Right-of-way Activity Permit (the equivalent to the City of Greater Sudbury’s Road Occupancy Permit) and one inspection visit.

City of Greater Sudbury staff concurs that a fee similar to that of Barrie would represent an appropriate amount of staff hours required to issue the permit and inspect the site. The introduction of an administrative fee would require an amendment to the City’s Miscellaneous User Fee By-law.

The Sidewalk Lease Rate

The City of Greater Sudbury currently charges \$1.50 per square meter per month for a sidewalk lease rate.

For example, the patio at 63 Cedar is approximately 34 square meters in size (approx. 365 sq feet). This would result in a sidewalk lease in the region of \$51 per month (and \$250 for the season).

The Cost of Parking Spaces

The City charges \$13/day to bag a parking meter. The City's revenue for one parking space during the 2016 patio season would be \$1,521 (calculated at \$13/day for 117 days – May 1 to October 15, 2016, excluding weekends).

A decision point for the City of Greater Sudbury is whether to charge for the lost revenue of the on-street parking spaces. Staff presents the following options for the Committee's consideration:

Option a - charge 0% of the parking rate (\$0 for 2016 season)

Option b - charge 50% of the parking rate (\$760.50 per space for the 2016 season)

Option c - charge 100% of the parking rate (\$1521 per space for the 2016 season)

In 2010, IBI Group conducted surveys to determine the utilization of all on-street parking spaces for the City's Strategic Parking Plan. As indicated in that report, daily occupancy rates for streets in the downtown area ranged from 36% (Elgin Street, from Cedar to Paris Street) to 90 percent (Cedar Street, from Elgin Street to Paris Street).

City Staff recommends that the City charge 50% of the cost of the parking spaces.

Business Improvement Area Request

At their November 5, 2015 board meeting, the Downtown Business Improvement Area (BIA) recommended that the fee structure for the full sidewalk patio program follow the City of Barrie example, whereby first-time applicants would pay an administrative fee but not the sidewalk lease rate. Second-time applicants would pay the administrative fee and the sidewalk lease rate. The BIA further recommended that no other fees be charged.

Summary and Recommendations

This report presents options regarding the establishment of a fee for full sidewalk patios and options regarding the recovery of on-street parking revenue, under a 4 year incremental fee structure.

Staff recommends that the sidewalk lease rate be maintained, and that 50% of the costs of the parking spaces be collected. Staff also finds that the establishment of a new administrative fee is reasonable given the staff time required in reviewing the plans, conducting a site visit, and administering the permit. Staff recommends phasing in the fees over a 4-year period, as originally recommended at the May 4, 2015 Operations Committee.