

## REPORT

### PLANNING AND DEVELOPMENT COUNCIL MEETING

MEETING DATE: MARCH 20, 2017

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**FROM:** Economic Development Department

**DATE:** February 20, 2017

**SUBJECT:** **Patio and Outdoor Display Fees - Oakville's Business Improvement Areas**

**LOCATION:** Oakville's Business Improvement Areas

**WARD:** Multiple Wards: 1, 2 and 3

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#### RECOMMENDATIONS:

1. That the permit fees for patios and outdoor displays in Oakville's Business Improvement Areas (BIAs), as approved by Council in 2014 for the three year pilot program, be extended to the end of 2019; and
2. That the rental charge for the use of town-owned lands related to patios and outdoor displays in Oakville's BIAs be waived until the end of 2019.

#### KEY FACTS:

The following are key points for consideration with respect to this report:

- Reduced fees for patios and outdoor displays and a waiver of rental charges for the use of town-owned lands were approved by Council in 2014 as an effort to improvement the economic situation in the BIAs.
- The reduced fees and waiver expired at the end of 2016.
- The period for the planned reconstruction of the Lakeshore Road Streetscape has been deferred until 2019-2020 at the request of local merchants and the Downtown BIA.
- This report recommends an extension of the discounted rates and rental waiver for patios and outdoor displays in the BIAs, until the end of 2019.

#### BACKGROUND:

At its July 14, 2014 meeting, the Community Services Committee approved the report "*Strategies for Oakville's Main Street Commercial Districts*" which was subsequently approved by Council. Included in the report were a number of recommended actions to help improve the economic environment in the BIAs,

including a three year pilot program for patios and outdoor displays. This report addresses the current status of the program which expired in December 2016.

### **COMMENT/OPTIONS:**

The three year pilot program for patios and outdoor displays was effective January 1, 2014 through December 31, 2016. It included defined guidelines and fees for the following patio types and outdoor displays:

Description	Permit Fee per season
Bistro patio	\$250
Patio with enclosure on the boulevard	\$750
Extended patio with enclosure in parking stall	\$750
Outdoor displays	\$110

In addition to the permit fees referenced in the above table, the pilot program included a waiver of the \$20/parking stall/day fee for lost parking revenue, where patios extended into parking spaces.

Since the pilot program was implemented, there has been a modest increase in the number of patios in the BIAs, the results of which are summarized below.

Description	2014	2015	2016	2017 Proposed to date
Bistro patio	-	-	-	-
Patio with enclosure on the boulevard			2	2
Extended patio with enclosure in parking stall	1	2	2	7
Outdoor displays	-	-	-	-

Engineering staff has undertaken a survey of municipal patio rates and fees. The survey found a wide variation in the range of fees, although several municipalities have implemented discounted fees or waivers in the first year.

With a view to encouraging more economic activity in the BIAs, it is recommended that the permit fees established in 2014 remain unchanged and that the waiver of the fee for the use of town-owned lands continue until the end of 2019, being the end of the first phase of construction the Lakeshore Road Streetscape Project. While this project affects only the Downtown BIA, it would be prudent to provide the same rates in each of the BIAs, thus contributing to revitalization efforts in these districts.

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Staff will be reporting back in 2019 on a strategy going forward (2020+) for permit fees for patios and outdoor displays in BIAs.

**CONSIDERATIONS:****(A) PUBLIC**

The BIAs have provided feedback from their memberships regarding the reduced fees for patios and outdoor displays. They have indicated that the reductions have prompted a number of restaurants to consider introducing these elements. Given that the summer planning process is already underway for many stores and restaurants, the BIAs have requested that Council consider the request to extend the pilot program at this time.

**(B) FINANCIAL**

There will be lost revenue to the Town if patios and outdoor displays are implemented in the BIAs because the proposed fees are reduced; however, the reduction in fees may motivate some restaurants and merchants to introduce patios and displays that would not have done so without the lower fees. There is also a cost associated with the lost revenue (\$20/stall/day) from any parking stalls that are used for patios. If seven patios are erected in parking stalls in 2017, the lost revenue would be approximately \$13,440 for a four month season.

**(C) IMPACT ON OTHER DEPARTMENTS & USERS**

The proposed reduction in fees may trigger an uptake in patios and outdoor displays which will have a minor impact on Engineering staff who are involved with the requisite permitting process.

**(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS**

This report addresses the corporate strategic goal to:

- enhance our economic environment
- provide outstanding service to our residents and businesses

**(E) COMMUNITY SUSTAINABILITY**

BIAs are an important component of community sustainability as they contribute to the overall well-being of the town by supporting economic growth, providing opportunities for community engagement and interaction, as well as supporting community identity and culture through festivals and events.

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