



BURLINGTON
DOWNTOWN

BDBA/Burlington Restaurant
Association Position

City of Burlington Outdoor Patio Program 2024

Support: with key modifications

COW, February 5, 2024

PL-05-24

Delegation material from B. Dean, B. Glazier, S. Bell

**BDBA/Burlington Restaurant
Association Position**

Support

- ✓ **Clarification of patio definitions (seasonal vs. permanent)**
- ✓ **Zoning amendment = capacity of 1.11 square meters per person**
- ✓ **Restrictions on proximity to residential zones**
- ✓ **Time period for outdoor patio program April 15-October 31**
- ✓ **No requirement for site plan approval for temporary seasonal patios**
- ✓ **One time submission of engineer-stamped drawings**
- ✓ **Pedestrian by-pass permitted in front of non-participating business**
- ✓ **Ban on promotional materials lifted**
- ✓ **Set-backs for applicants near driveway reviewed on case-by-case basis**
- ✓ **Streamlining of patio applications/expediting returning applicants**
- ✓ **Standardization of fees**

Restaurant Industry **BY THE NUMBERS**

“As of the start of 2024, the industry has still not fully recovered from these impacts, with **53%** operating at a loss or barely breaking even, **compared to just 10% pre-pandemic**” - *Restaurants Canada*

“2024 changing consumer preferences are expected to **slow down recovery time** for the industry even further...polling suggests over **one-third of patrons** planning to eat out less” – *Agri-Foods Analytics Lab, Dalhousie University*

“Survey of small business confidence...hospitality industry responded with **second lowest confidence ratings** about performance expectations over next three months” - *Canadian Federation of Independent Business*

“More than ½ of respondents cited wages, **tax/regulatory costs, insurance, borrowing (CEBA)**, as major constraints” – C.F.I.B.

“Food service operators would be well served with **sector specific supports**”

Insurance Requirements

“ Staff continue to recommend **\$5 million** the liability requirement for liability insurance, per occurrence for patios and curb lane installations on public property for 2024 patio season”

MODIFY

“ recommend **\$2 million** the liability requirement for liability insurance

Notes

- Requirement for \$5M is an over-reach and excessive
- Industry experience: most claims don't even reach the threshold of \$2M
- Smaller establishments with limited alcohol sales carry \$1-2M
- Increase to \$5M from \$2M can increase premiums by 50-100%
- Additional burden can be \$10K- \$40K on annual basis to meet seasonal requirements

Full Cost -Recovery Model:

Option 1:

Year	2024
Application Fee	\$450
Seasonal Patio Permit Fee (per m2)	\$103.45
Barrier Rental/Deployment Fee (per 1m)	\$80.12
Projected Program Costs	\$99,334.21
Total Projected Revenue	\$99,334.21
Recovery of Program Costs	100%
Subsidized Program Costs	\$0

÷ 12 applicants **and** BDBA

Comparative Analysis (page 14):

Table 2-4 Comparison of Fees – Proposed in Burlington vs. Other Municipalities

Municipality	Seasonal Patio Permit Fee (per sq. m)	Application Fee
City of Toronto (Curb Lane Café)	\$132.42	\$865.00
City of Burlington	\$103.45	\$450.00
City of Guelph	\$50.00	\$431.003
City of Hamilton	\$47.30	\$676.11
City of Toronto (Sidewalk Café)	\$44.14	\$865.00
City of St. Catharines	\$43.60	\$393.15
City of Niagara Falls	\$35.00	\$525.00
Town of Oakville	\$30.38	\$414.00

Barrier rentals and cost of signage installation



- Cost downloaded to all applicants on Lakeshore Road (east)
- Cost downloaded to all applicants on Lakeshore Road (west)
- Cost downloaded to applicant on Elgin Street

- Barrier rental and deployment costs: **\$9,334.21**
- ÷ 6 applicants **and** BDDBA

- Applicants penalized by their address other applicants citywide would not bear this cost

Recommendation:

City **buy and store barriers**; can be used city wide for other projects throughout spring/summer, autumn

Joint Recommendations

- 1) Defer any fee implementation for the Outdoor Patio Program to summer 2025
- 2) Institute a requirement of \$2M for liability insurance (*in perpetuity*)
- 3) City to absorb fees for barrier rentals and deployment
- 4) Staff return costing model for 2025 program with a “Seasonal Patio Permit Fee” rate that does not represent full-cost recovery (\$103.45 x sq./m)