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Community Services - Economic Development Report 2015-36

TO: Committee of the Whole
DATE: November 17, 2015
SUBJECT: Downtown Patios – Pilot Project
ORIGIN: Community Services – Economic Development

RECOMMENDATIONS

THAT Community Services - Economic Development Report 2015-36 dated November 17, 2015 regarding the Downtown Patios Pilot Project be received and the following recommendations be adopted:

- 1. THAT staff be directed to prepare the necessary changes to by-laws to enact a permanent downtown patio program;**
- 2. AND THAT the program be consistent with established requirements for design, closing hours, accessibility, noise, and costs;**
- 3. AND THAT staff consider up to two additional applicants (maximum four) requiring on-street parking in 2016 subject to established criteria and in consultation with the BIA;**
- 4. AND THAT the Lower Main Street Business Improvement Association be notified of this decision.**

COMMENTS


Executive Summary

The purpose of this report is to inform Council of the results of the pilot project to permit up to two restaurants to open patios that encroach onto municipally-owned property in downtown Newmarket. Council approved this pilot project for the summer of 2015 at its meeting on May 11, 2015. This report contains information on the participating restaurants, public feedback results, and recommendations on next steps.

Initial findings suggest that the downtown patios have been successful. Surveys of patio patrons are nearly universally positive, indicating that more visitors are attracted to Main Street, that patios enhance the downtown, and that patio patrons also strongly tend to connect with other downtown businesses during their visit.

Background

Some Main Street business owners historically placed informal seating arrangements adjacent to their storefronts in order to provide fair-weather seating for customers. These are located on private frontages



and/or the public right-of-way, Permits have also been issued to allow businesses to expand their operations into the public right-of-way during special events. The growth of new restaurants and increased visitor activity in the Main Street area over the past few years led to Town staff being approached by restaurant owners to consider allowing seasonal patios in time for the 2015 season. In May, 2015, Council subsequently endorsed a pilot project to permit two outdoor restaurant patios encroaching onto the municipally-owned right-of-way.

Staff established an application process for the two pilot patios, which included a number of elements:

1. Valid liquor license (if premises are to be licensed)
2. Site plan with required design elements
3. Application fee
4. Liability insurance
5. Dates and times of operation
6. Accessibility design standards
7. Heritage design
8. Application evaluation criteria

Following feedback and minor design changes, staff approved two patio applications from Made in Mexico and Hungry Brew Hops restaurants. These were installed in late June and commenced operations by July 1st. The patios operated throughout the summer, and were removed by the end of October.

Benefits

A number of benefits have been identified through the pilot project:

1. **Extended hours of operation:** The two participating restaurants were required to open seven days each week, which led to increased activity in the downtown outside of traditional peak hours, including Mondays when they were previously closed.
2. **Improved visual attractiveness:** Staff received anecdotal feedback from residents and visitors that the design of the patios has enhanced the appearance of the downtown, indicating the success of the established design standards.
3. **Increased visitor activity:** While absolute numbers of visitors to the downtown are not available, a survey of patio visitors indicates a significant proportion of visitors came to downtown Newmarket due to the patios, and patio businesses witnessed increased visitor numbers.
4. **Attraction of new customers for other businesses:** The same survey indicates a large proportion (over 70%) of visitors also patronized other businesses downtown, creating additional customers for Main Street businesses.
5. **Increased sales:** Participating business owners attributed increased sales to the patios, both on days they were not previously open, as well as throughout the week. In effect, Monday sales were surprisingly strong and did not cannibalize rest of week sales.

Public engagement

A survey was provided to both participating restaurants for completion by customers on the patios, which generated 859 responses. While the surveys only capture customers who choose to visit the patios, they do provide valuable data on the patio patrons and their impact on the downtown. A summary of survey

results are presented below, while more complete numbers and a full list of comments are available in Attachment A.

- 98% of patio patrons believe the patios are an improvement to downtown
- 3 in 4 patio patrons came downtown because of the patios
- 7 in 10 patio patrons also visit other downtown businesses during their visit
- 4 in 10 patio patrons are visitors to Newmarket

Staff met with the two participating business owners, who noted that they had benefited from an increase in sales as a result of the patios. Additional revenues were generated not only on the additional days that they were open each week, but also throughout the week, indicating increased numbers of customers overall and not simply a shifting of customer demand between days. In particular, the business owners were surprised to find high sales volumes on days that were traditionally slower such as Mondays and Tuesdays, suggesting an increase in visitor traffic in the downtown on days when many businesses have traditionally been closed.

Staff also received two phone calls early in the process from residents regarding the patios. One was a concern regarding the position of a patio adjacent to a bus stop, which was resolved with York Region Transit, and the second was a resident who disagreed with the pilot project in principle. The Town's Customer Service Centre reported no complaints throughout the pilot period.

Parking

The use of four parking spaces for these two patios created additional seating for 56 patrons. Counts of parking and patio occupancy indicate that patios bring up to six times as many people per hour as the average on-street parking space downtown. This estimate is based on four key data sources:

- The observed on-street parking demand demonstrated in the 2010 downtown parking study by the BA Group, adjusted to increased current demand;
- The average duration of stay of a parked car downtown, measured at 90 minutes by the BA Group study;
- The average number of passengers in a vehicle trip, measured at 1.6 by Natural Resources Canada;
- The observed occupancy rate of the patios and average duration of stay of a patron, as indicated by the restaurateurs.

These four data sources allow us to measure how many people a parking space serves per hour, then compare this to the number of people that a patio serves per hour. It is then possible to estimate the impact of this change, assuming that more people in the downtown means a more successful downtown. Under this model, the average parking space serves 0.5 people per hour. The average patio space this summer served 3.0 people per hour.

It is important to consider parking not based solely on whether there is enough of it at the few times when everyone wants to come downtown, but rather what use of the space will bring more people downtown throughout the day. With the exception of the lunch hour period, the peak patio parking demand periods are later in the evening and therefore complement traditional peak parking demand—i.e., after store hours—

creating a longer period of sustained visitor traffic downtown, which was especially noticeable during evening hours.

Next steps

Staff have documented feedback from internal departments, agencies, partner businesses, and members of the public to ensure continuous improvement should Council authorize the continuation of the patio program. These include changes to timing, earlier review of designs with partner agencies, minor changes to design standards, and improved coordination between internal departments. Design standards that would allow additional restaurants without available on-street parking to establish smaller patios are also being considered. An appropriate fee structure is also being investigated to ensure businesses pay for the privilege to participate and benefit from on-street patios.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

Strategic Vision and Council Strategic Priorities

Outdoor patios in the downtown area support Council's vision of "Well Planned and Connected" through revitalization of the downtown area and "Living Well" through arts, culture, entertainment and heritage preservation. They also align with Council's 2014-2018 "Economic Development/Jobs" Strategic Theme by supporting innovative projects and partnerships with various sectors.

Official Plan

The Official Plan supports the principles behind permitting and encouraging outdoor restaurant patio space. For instance, section 12.2.3 of the Official Plan underlines the need for pedestrian amenities as a way to ensure comfort outdoors, stating: "Designing for pedestrian amenities should be informed by the following: [...] Comfortable outdoor gathering places, particularly in work and entertainment centres, can be created by designing for human scale and providing shelter and shade." Similarly, 12.2.4 relates to the importance of usable common areas, saying: "Common areas such as plazas, parks, recreation areas and other outdoor spaces, create 'breathing room' – areas for rest and relaxation in our urban environment." Outdoor seating, both public (in the form of benches along sidewalks) and private (in the form of restaurant and café patios) are an important part of this outdoor comfort.

Community Improvement Plan

The 2001 Newmarket Historic District Downtown Community Improvement Plan includes a vision for Main Street as a welcoming, bustling beehive of activity. For instance, section 6.3 of the Plan includes a vision for "A welcoming, historic, beautiful downtown [that is] pedestrian friendly (possibly by narrowing the street)". The potential exists to enhance the role of the street as a pedestrian-friendly environment throughout summer months, as the plan calls for "A downtown full of outdoor places to celebrate community spirit, [including] cafés, outdoor seating, courtyards, [and] public open spaces."

CONSULTATION

This project has been presented to Engineering Services, Bylaw Services, Public Works Services, Planning Services, Building Services, and the Main Street District Business Improvement Association.

HUMAN RESOURCE CONSIDERATIONS

None.

BUDGET IMPACT

Operating and Capital Budgets (Current and Future)


Each business owner was required to pay a one-time fee for a Building Compliant letter (\$104.34), and a liquor license administration fee (\$160.00), plus an outdoor serving area permit fee (\$328.00), which is required annually. Staff are also investigating approaches to monetize the Town right-of-way within our rates and fees policy through a lease agreement, which will be comparable to rates charged in other communities yet support our downtown revitalization objectives.

CONTACT

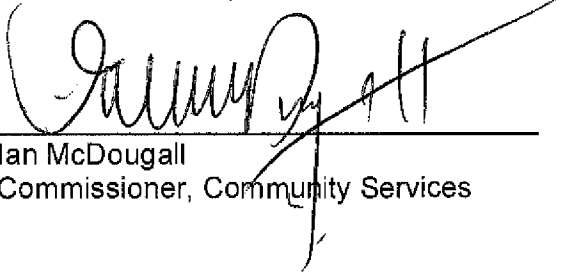
For more information on this report, contact Chris Kallio, Economic Development Officer, ckallio@newmarket.ca, ext. 2442.



Ted Horton
Planner



Chris Kallio
Economic Development Officer



Ian McDougall
Commissioner, Community Services

Attachment A: Survey Results and Comments

Evaluation			
	Residents	Non-residents	Overall
I visit downtown often	71%	26%	53.43%
I came downtown because of the patios	79%	66%	74.16%
I think the patios are an improvement for downtown	98%	98%	98.60%
I am visiting other downtown businesses during my visit	74%	61%	69.27%
I support having outdoor patios in downtown Newmarket	99%	99%	99.42%
I am a Newmarket resident	60%	40%	
Total number of survey responses			859

Public Comments from Surveys

- Great idea
- MORE PATIOS = YAY
- Have a good day!!
- Great patio!!
- Love the patio & boardwalk!
- YES!
- GREAT PATIO!
- Do we win anything for filling this out?
- This is wonderful - love it!
- Patio is a good idea!
- The patios are great!
- Long overdue.
- Everything looks great!
- Amazing
- We left Bradford Ribfest for the HBH patio!
- We love HBH!
- Also visiting Fourth Dimension.
- I love outdoor patios!
- The patio should be open until 2 AM.
- From Aurora
- I would return. Makes the dining experience better. Allows diners to enjoy the ambience of the street.
- Thanks so much
- Great idea for select businesses.
- Lovely establishment!
- From Aurora
- Please make these permanent!
- Why didn't you do this sooner?? Summer patios are awesome.

- A whole new way to enjoy downtown.
- More patios
- Wonderful lunch at Brew Hops. Love your downtown. Always enjoy coming here when visiting family.
- Born here 1943 - came back to check out old haunts!
- Great idea!
- From Aurora
- Love it!
- Outdoor patios are great and attract people to downtown. Suggest making Main Street one lane, one way, for entire summer!!!
- From Aurora
- This is exactly what Main Street needs!!
- They look great & there is plenty of parking in the lots below.
- Please more patios!
- Similar to Port Credit
- Needs smoking option area
- We also need more outdoor rinks in winter!!!
- Greatly enhances the experience.
- And I come down because of the market.
- The patios are awesome! Great addition to Main Street.
- It was awesome! Super super fun.
- Visiting from BC en route to Cookstown. Railings, planters, and detour sidewalks all done very nicely!
- Patio needs to be level, as it is on a hill - raised stage/patio?
- Love the patio, definitely vote for keeping it!
- Never been down in this part of town before.
- Great idea. I'm from Aurora, and we come to Newmarket because Aurora has nothing like this.
- Patios are an awesome addition!
- Patios rule!!
- Patios are great to get people walking, meeting people, people watching, & for visiting downtown
- From Toronto
- From Burlington
- I think the barrier between the patio and the road that is created helps benefit the patio a lot. Very nicely done!!
- We think the patios are a great idea!
- From Markham
- The patio is a great addition!
- Outdoor patios are awesome.
- Patios rule. Always have these patios.
- I am visiting downtown Newmarket because of the patios a lot.

- I love the patios and the flowers, that's why we are here!
- Love the patios!!!
- More patios and stop the red tape.
- It is a great way to attract people.
- Love the patio here!
- Patios and Farmer's Market!
- From Sutton West.
- Not too many!
- Love the patios.
- It feels like a "go to" destination now.
- Go patios go!
- Should stay open later to attract night life.
- Do not get rid of the patios or I am leaving this town!! This is the last straw!
- Patios are awesome.
- Best thing to happen to Main Street in some time. Keep this going.
- Hell yes
- Love it! Could be improved by more flora and fauna. People watching!!
- Keep the patios open! Love this weather.
- Close the street down, one block.
- How about closing Main from Water to Botsford for the summer months!
- A big improvement over 5 years ago.
- Please keep the patios!! They look great & add value to our downtown!
- Great idea!!
- I would come more often for this.
- The plastic chairs are uncomfortable & sweaty in the summer heat.
- Lovely!
- Very quaint!!!
- First time here but I support Newmarket patios.
- Definitely!