

## Committee of the Whole (2) Report

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**DATE:** Tuesday, April 12, 2022

**WARD(S):** ALL

**TITLE:** POST COVID-19 BY-LAW SUPPORT FOR BUSINESSES

**FROM:**

Gus Michaels, Deputy City Manager, Community Services

**ACTION:** DECISION

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**Purpose**

Many of the City's COVID-related relief initiatives shall expire once the City's declared state of emergency is terminated by the Head of Council. With the possibility of the state of emergency coming to an end, this Report provides recommendations with respect to which programs may be extended as post-COVID support initiatives to continue to provide businesses with recovery assistance.

This Report was prepared in consultation with City departments, including Economic Development, Building Standards Department, Development Planning, Legal Services, and Corporate and Strategic Communications.

**Report Highlights**

- Since the start of the COVID-19 emergency, the City has provided a variety of relief initiatives for businesses, including temporary outdoor patios, Sign By-law relief, waiving of late business licence renewal fees, and the Open for Business registry.
- As the emergency appears to be nearing its conclusion, staff have considered and are recommending which initiatives may be extended in order to provide temporary recovery support for businesses.
- The recommendations are in line with Council's Strategic Priorities, specifically: Good Governance; and Economic Prosperity, Investment and Social Capital.

## **Recommendations**

1. THAT By-Law 094-2020, as amended, being the temporary use by-law to permit Temporary Outdoor Patios, be amended to, notwithstanding the provisions of both By-law 1-88 and 001-2021, replace subsection 1(d) with language to provide that the By-law be repealed on January 1, 2023;
2. THAT a Public Meeting be held to receive comments from the public and the Committee of the Whole to amend City-wide Zoning By-law 001-2021 to permit Temporary Outdoor Patios and the expansion of existing outdoor patios, accessory to existing Eating Establishment Uses for a period to end on January 1, 2023, and that a Temporary Use (Zoning) Patio By-law, to amend City-wide Zoning By-law 001-2021, be prepared in a manner acceptable to the City Solicitor;
3. THAT By-law 123-2013, as amended by By-law 095-2020 and 149-2020, be amended to replace subsection 5(b) with language to provide that the exemption of Temporary Outdoor Patios from Site Plan Control will be in effect until January 1, 2023;
4. THAT By-law 096-2020, as amended, being the by-law to provide eligibility criteria, performance standards and other requirements for the establishment of outdoor patios or the expansion of existing outdoor patios that are ancillary to municipally licensed eating establishments and banquet halls, during the declared COVID-19 Emergency, be amended to replace section 19.0 (Force and Effect) with language to provide that the By-law be repealed on January 1, 2023;
5. THAT Council approve the waiving of late fees for all businesses that have not yet renewed their business licences as of March 10, 2021, until December 31, 2022;
6. THAT Council approve relief from Licensing By-law 315-2005 by allowing non-operating licensees to cancel their licences until they can begin operations again, at which time, assuming no ownership or other material changes have taken place with the businesses, and that such renewals take place within two years of cancellation, such licensees can renew their licences going forward, until December 31, 2022; and
7. THAT staff be authorized to take any operational and administrative actions required to implement the recommendations of this report.

## **Background**

Since the City's COVID-19 state of emergency declaration in March of 2020, the City of Vaughan has introduced a number of initiatives to support businesses and individuals, while continuing to also ensure the health, safety and well-being of the public.

Most notably, through the direction of Council, in the summer of 2020, staff implemented the necessary processes to permit temporary outdoor patios and the expansion of existing outdoor patios, accessory to eating establishments including

restaurants and banquet halls, across the City to enable a safe option for allowing additional outdoor seating capacity. This program continues to be well received by both the industry and the public.

In addition, due to the provincially-mandated periodic closures, the City has also supported businesses by allowing businesses to renew licences that would otherwise have been considered lapsed and cancelled and by waiving any associated late licence renewal fees. In conjunction with this, the City has also allowed businesses that needed to close down, due to COVID-19 restrictions, to be able to cancel their licence and renew it upon a return to operation. These measures were intended to encourage ongoing compliance with licensing requirements while recognizing the difficult context in which many businesses have been operating.

The initiatives undertaken were set to expire within fourteen days after the termination of the City's state of emergency by the Head of Council. As the province is currently in the RoadMap Step Exit Stage under the Reopening Ontario (A Flexible Response to COVID-19) Act, 2020, S.O. 2020, c. 17, and the province plans to lift all remaining COVID-19 restrictions on April 27, 2022, the City is exploring opportunities to further support businesses through this recovery phase.

### **Previous Reports/Authority**

Extension of Temporary Outdoor Patios

([Report](#) approved by Council on September 27, 2021)

COVID-19 Relief for Business Licensees

([Report](#) approved by Council on March 10, 2021)

Extension of the Temporary Outdoor Patio Permissions

([Report](#) approved by Council on October 21, 2020)

City of Vaughan Zoning By-law Amendment File Z.20.017 Temporary Use By-law to Permit Temporary Outdoor Patios for Eating Establishments and Banquet Halls

Amendment to Site Control By-law ([Report](#) approved by Council on June 29, 2020)

[Vaughan Business Action Plan](#) (as approved by Council on March 17, 2020)

Vaughan Business Resilience Plan

([Report](#) received for information by Council on June 29, 2020)

Advantage Vaughan ([Report](#) approved by Council on February 15, 2022)

### **Analysis and Options**

As the Province continues to loosen COVID-19 regulatory requirements in its path to a full reopening, the termination of the municipally declared emergency also becomes imminent. Despite this, businesses continue to struggle in the aftermath of closures, capacity restrictions and tepid demand. Although the City's economy generated more

than \$22 billion in GDP, that was down from just over \$24 billion in 2019. The Ontario Chamber of Commerce estimates approximately 50,000 businesses in Ontario have closed permanently since the start of the pandemic, while many others are still dealing with the aftermath. Those whose revenues have experienced the steepest declines include food and accommodations; arts, entertainment, and recreation; and retail – these industries are expected to continue to shrink in 2022. Despite the recent easing of public health measures, revenues and foot traffic in these sectors remain well below pre-COVID-19 levels, amid consumer uncertainty and widespread labour shortages, some of which continue beyond the peak of the last wave of the pandemic. Business confidence in the accommodation and food services industry stayed below average at the end of 2021, and overall, small businesses remain less confident in their futures. In Vaughan, small businesses make up more than 87% of all businesses in Vaughan – retail trade; accommodation and food services; and arts, entertainment, and recreation account for 14% of all businesses in Vaughan. From 2019 to 2021, Vaughan saw a decline of 5% in these establishments.

With this in mind, and in addition to the Sign By-law relief recently approved by Council until December 31, 2022, staff are recommending that other relief initiatives be continued as COVID-19 recovery support to businesses until the end of the current year.

Recovery support for businesses is also being offered by numerous other municipalities in the region. The table below provides a summary of the recovery support being offered by some of the area's major municipalities.

Table 1: Post-pandemic Recovery Support Initiatives in Other Municipalities

	<b>Temporary Outdoor Patios</b>	<b>Sign By-law Relief</b>	<b>Licensing By-law Relief</b>
<b>Toronto</b>	CafeTO approved until the end of 2022, with a possibility of further extension	None provided	None for 2022
<b>Mississauga</b>	Approved until the end of 2023	Approved until September of 2022	None for 2022
<b>Oakville</b>	Approved for the 2022 season	None for 2022	None for 2022
<b>Markham</b>	None for 2022	None for 2022	None for 2022
<b>Brampton</b>	Approved until January 1, 2023	None for 2022	None for 2022

Most of the municipalities surveyed have introduced temporary outdoor patio programs and intend to continue such programs for the 2022 season. The City of Toronto, with its branded CafeTO initiative, is also looking at the possibility of making it a permanent program. Of the cities surveyed, only Mississauga will be extending mobile sign by-law relief through 2022. Despite early relief initiatives by some, none of the municipalities surveyed will be extending further licensing by-law relief through 2022.

Staff believe that post-pandemic recovery support for businesses is warranted through to the end of 2022, even after the municipal emergency is likely to have been terminated. Specifically, and aside from the Sign By-law relief that Council recently approved until the end of 2022, staff are recommending to continue with the following programs:

#### Temporary Outdoor Patios

This initiative was launched in June of 2020 and has been well received, with over 100 businesses availing themselves of the regulatory relief to set up patios. The permits are provided at no cost and do not require renewal. Permit holders must comply with the program's regulations, which include complying with the Ontario Building Code (e.g., for any tents used that are larger than 60m<sup>2</sup>) and fire code provisions (e.g., for any outdoor heaters used). Staff believe that this initiative, which benefits both businesses and residents and visitors who patronize such businesses, should continue through to January 1, 2023 (to accommodate New Year's Eve celebrations). Unlike prior to the enactment of the City's new Zoning By-law, two amendments will be required (one to Zoning By-law 1-88 and another to Zoning By-law 001-2021) to ensure compliance with both Zoning By-laws.

#### Licensing By-law Relief

This initiative was launched in May of 2021 and was intended to provide relief for business owners who stopped operating due to COVID-19 restrictions and whose licences expired. Under normal circumstances, after a licence has been expired for more than 90 days, the licence is cancelled and if the owner wishes to restart the business a new licence application is required. Under the relief, a business owner would still be able to renew his or her expired licence without any late fees and even after 90 days have elapsed. It is important to note that the relief is intended for businesses that could not operate; a business that continues to operate is still required to be duly licensed. Businesses caught operating without a licence would be given a notice to renew forthwith (again, under the relief conditions), but failure to comply could result in charges being laid and fines imposed. Staff believe that there are still some businesses that may benefit from this initiative, although not nearly as many as in 2021, and as such are recommending that the relief be extended until December 31, 2022.

If approved by Council, By-law & Compliance, Licensing & Permit Services will work directly with Corporate and Strategic Communications and all other staff to ensure a timely release of a public service announcement on this new initiative, including ensuring that Members of Council are provided with necessary communications support, to share and promote the decision of Council.

### **Financial Impact**

There are no significant financial impacts anticipated to the City as a result of the recommendations of this report.

### **Broader Regional Impacts/Considerations**

There are no broader regional material impacts or considerations as a result of the recommendations of this report.

### **Conclusion**

As the Province moves towards full reopening, after more than two years of pandemic-related regulatory restrictions of varying degrees, businesses continue to recover from the impacts. Staff believe that ongoing support for businesses, in the form of regulatory relief, is warranted through 2022. Specifically, staff are recommending to extend the temporary outdoor patio program and the business licensing relief to facilitate the reintegration of businesses that had to halt operations. Staff believe that these initiatives will not only benefit businesses, but also residents and visitors who patronize them.

**For more information**, please contact: Susan Kelly, Director and Chief Licensing Officer, By-law and Compliance, Licensing and Permit Services, ext. 8952.

### **Prepared by**

Rudi Czekalla-Martinez, Manager, Policy & Business Planning, ext. 8782

### **Approved by**



Gus Michaels,  
Deputy City Manager,  
Community Services

### **Reviewed by**



Nick Spensieri,  
City Manager