

October 22, 2008

To: Executive Committee

From: Board of Health

Subject: Toronto Street Food Pilot

Recommendations:

The Board of Health recommended to the Budget Committee and the Executive Committee that:

- 1. Toronto Public Health, in consultation with Legal Services and Municipal Licensing and Standards Division, implement a one year pilot project with eligible existing street food vendors to expand their menu selection to include healthier food choices, as described in Attachment A of this report.**
- 2. Toronto Public Health, in consultation with Legal Services and Municipal Licensing and Standards Divisions, implement a three year “Toronto a la Cart” pilot project as described in Attachment B of this report.**
- 3. New fees for the processing of applications, issuance of endorsements and annual license fees for the use of Toronto a la Cart vending locations be approved as set out in Attachment C of this report.**
- 4. The “Toronto a la Cart” logo shown on Attachment D be approved as the official mark for the Pilot and any subsequent “Toronto a la Cart” program and staff be authorized to take the necessary actions to secure the exclusive rights for the City to protect and use this logo.**
- 5. City Council accept the proposal from Crown Verity, originally submitted in response to the Request for Expressions of Interest No. 0616-08-7021 and authorize the agreement with Crown Verity on the terms described in the body of this report and Attachment E, and other terms as may be satisfactory to the Medical Officer of Health and the City Solicitor.**
- 6. Toronto Public Health oversee the implementation and administration of the pilot projects and, in consultation with the City Manager’s Office, provide future governance recommendations as part of the project evaluation.**
- 7. All revenues associated with the pilot projects be directed to Toronto Public Health to offset costs.**

- 8. The Toronto Public Health 2009 Operating Budget request be increased by \$86,000 gross and \$0.0 net, and a staff increase of 1.0 temporary position, to reflect required funding for the implementation of the Toronto Street Food pilot projects.**
- 9. Any year-end deficit resulting from the implementation of the Toronto a la Cart program be reported to the Budget Committee and funded from within Toronto Public Health's 2009 Operating Budget.**
- 10. The Medical Officer of Health be delegated the authority for the term of the pilot project to make final decisions with respect to:
 - a. The processing of applications and issuance of endorsements to eligible existing street food vendors; and**
 - b. The issuance of a request for applications document and award of agreements to selected Toronto a la Cart vendors,**and City Council retain no authority to act with respect to such matters.**
- 11. City Council adopt the Terms of Reference as set out in Attachment F to this report, as amended by the Board of Health, and establish a Street Food Pilot Appeal Committee, and delegate the authority to consider staff recommendations and make final decisions respecting any appeal of a notice to revoke a healthier food endorsement issued to an existing vendor or a notice to terminate a licence agreement with a Toronto a la Cart vendor for the term of the pilot project to the Board, and City Council retain no authority to act with respect to such matters.**
- 12. Toronto Public Health be directed to further explore opportunities with food-related non-governmental organizations to test the feasibility of using street food vending to enhance their ability to achieve common goals and objectives and be directed to provide further pilot program details to the Board of Health at a later date.**
- 13. The Medical Officer of Health, in consultation with the City Solicitor be authorized to report to the next Executive Committee respecting any necessary amendments to City by-laws and the Municipal Code as required to implement and regulate the operation of the pilot projects as proposed in this report.**
- 14. The Medical Officer of Health provide recommendations on an annual basis, beginning in the fall of 2009, with respect to the status of the Toronto a la Cart pilot project.**

Background:

The Board of Health on October 22, 2008, considered the following:

1. (October 17, 2008) Report from the Medical Officer of Health and the Acting Director, Purchasing and Materials Management, entitled "Toronto Street Food Pilot".

Background Information

Toronto Street Food Pilot - Staff Report

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16298.pdf>)

Attachment A

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16299.pdf>)

Attachment B

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16300.pdf>)

Attachment C

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16301.pdf>)

Attachment D

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16302.pdf>)

Attachment E

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16303.pdf>)

Attachment F

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16304.pdf>)

Attachment G

(<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16305.pdf>)

Speakers:

Marianne Moroney, Executive Director, Street Food Vendors Association; and
Marvin Greenberg, Ontario Restaurant, Hotel and Motel Association.

Secretary,
Board of Health

C. Davidovits/jd
Item HL18.6

Attachment

- c. Medical Officer of Health
Acting Director, Purchasing and Materials Management
Councillor John Filion, Chair, Board of Health
Interested Parties



STAFF REPORT ACTION REQUIRED

Toronto Street Food Pilot

Date:	October 17, 2008
To:	Board of Health
From:	Medical Officer of Health Acting Director, Purchasing and Materials Management
Wards:	All
Reference Number:	

SUMMARY

Changes to Regulation 562 of the Health Protection and Promotion Act in 2007 enable street food vendors to sell a wider variety of food items from street food vending carts. This report outlines a three stream approach to testing the impact of broadening healthier food choices available in the City from street food vendors to maximize the potential benefits from this regulatory change. The report requests authority to implement a 2009 pilot project to expand the menus of the existing street food vendors. It requests a spring 2009 pilot launch of the Toronto a la Cart program for new vendors at selected locations on City property to offer culturally diverse, nutritious menus. This report requests authority to enter into an agreement with the respondent of the previously released Request for Expressions of Interest for the production of food carts. It further outlines a future third opportunity to engage in partnerships with external food-related Non-Governmental Organizations to explore the use of street food vending to achieve common goals.

To ensure sufficient lead time for cart manufacturing and spring 2009 launch, City Council approval must be given by December 2008.

RECOMMENDATIONS

The Medical Officer of Health and the Acting Director of Purchasing and Materials Management recommend that:

1. Toronto Public Health, in consultation with Legal Services and Municipal Licensing & Standards Division, implement a one year pilot project with eligible existing street food

vendors to expand their menu selection to include healthier food choices, as described in Attachment A of this report;

2. Toronto Public Health, in consultation with Legal Services and Municipal Licensing & Standards Divisions, implement a three year “Toronto a la Cart” pilot project as described in Attachment B of this report;
3. New fees for the processing of applications, issuance of endorsements and annual license fees for the use of Toronto a la Cart vending locations be approved as set out in Attachment C of this report;
4. The “Toronto a la Cart” logo shown on Attachment D be approved as the official mark for the Pilot and any subsequent “Toronto a la Cart” program and staff be authorized to take the necessary actions to secure the exclusive rights for the City to protect and use this logo;
5. City Council accept the proposal from Crown Verity, originally submitted in response to the Request for Expressions of Interest No. 0616-08-7021 and authorize the agreement with Crown Verity on the terms described in the body of this report and Attachment E, and other terms as may be satisfactory to the Medical Officer of Health and the City Solicitor;
6. Toronto Public Health oversee the implementation and administration of the pilot projects and, in consultation with the City Manager’s Office, provide future governance recommendations as part of the project evaluation;
7. All revenues associated with the pilot projects be directed to Toronto Public Health to offset costs;
8. The Toronto Public Health 2009 Operating Budget request be increased by \$86,000 gross and \$0.0 net, and a staff increase of 1.0 temporary position, to reflect required funding for the implementation of the Toronto Street Food pilot projects;
9. Any year-end deficit resulting from the implementation of the Toronto a la Cart program be reported to the Budget Committee and funded from within Toronto Public Health's 2009 Operating Budget;
10. The Medical Officer of Health be delegated the authority for the term of the pilot project to make final decisions with respect to:
 1. The processing of applications and issuance of endorsements to eligible existing street food vendors; and
 2. The issuance of a request for applications document and award of agreements to selected Toronto a la Cart vendors,

and City Council retain no authority to act with respect to such matters;

11. City Council adopt the Terms of Reference as set out in Attachment F to this report and establish a Street Food Pilot Oversight Board, and delegate the authority to consider staff recommendations and make final decisions respecting the revocation of healthier food endorsements issued to existing vendors or termination of licence agreements with a Toronto a la Cart vendor for the term of the pilot project to the Board, and City Council retain no authority to act with respect to such matters;
12. Toronto Public Health be directed to further explore opportunities with food-related non-governmental organizations to test the feasibility of using street food vending to enhance their ability to achieve common goals and objectives and be directed to provide further pilot program details to the Board of Health at a later date;
13. The Medical Officer of Health, in consultation with the City Solicitor be authorized to report to the next Executive Committee respecting any necessary amendments to City by-laws and the Municipal Code as required to implement and regulate the operation of the pilot projects as proposed in this report;
14. The Medical Officer of Health provide recommendations on an annual basis, beginning in the fall of 2009, with respect to the status of the Toronto a la Cart pilot project;
15. This report be forwarded to October 23, 2008 Budget Committee for consideration; and
16. This report be forwarded to November 10, 2008 Executive Committee for consideration.

Financial Impact

The resources required to implement these pilot projects in 2009 will be fully funded by incremental revenues. To offset project administration and operation costs, revenues are generated through application fees, endorsement fees from existing vendors and location fees from new vendors. 2009 revenues represent only a partial year for new vendors, and both 2009 and 2010 are expected to be revenue neutral. A temporary position will be required in 2009 to administer the pilot project. Detailed expenditures and revenues are included in the body of this report (see Overall Resource Requirements on page 13).

	2009
Expenditures	\$86,000
Revenues	\$86,000
Net Impact (Expenditures – Revenues)	\$0
Staffing (FTEs)	1

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

Subsequent to the 2007 changes to Regulation 562 of the Health Protection and Promotions Act, City Council approved a motion to amend the City's street vending by-laws and Chapter 545, Licensing. This action was taken to delay the sale of expanded street food items until City Council had the opportunity to consider how such changes should be implemented in the City of Toronto. City Council's objective in taking this action was to protect the health and safety of the public and ensure that any expanded street food vending program contributes to the economic, social and environmental well-being of the City.

At its June 3, 2008 meeting Executive Committee considered the Toronto Street Food Pilot Implementation report (<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-13199.pdf>) which recommended that City Council undertake a street food vending pilot project comprised of 13 pilot locations, where vendors would purchase or lease identical carts from a cart manufacturer (in partnership with a leasing entity) who responded to a City issued Request for Expressions of Interest (REOI).

The Executive Committee deferred consideration of this report, and referred the street food project to the Toronto Board of Health to develop recommendations for the introduction of healthy, ethnically diverse food.

COMMENTS

Street Food Regulatory Changes

Prior to the changes to Regulation 562, street food vendors were limited to selling only pre-cooked meats in the form of a wiener or sausage. Changes to Regulation 562 (effective August 1, 2007) provide municipalities with the opportunity to allow a much broader scope in the items which may be sold from street food carts.

Essentially the revised regulations allow the selling of street foods which are:

- pre-packaged, and/or
- pre-cooked in another food premise and re-heated on the street vending cart, and/or
- non-hazardous (meaning any food that is not capable of supporting the growth of pathogenic organisms or the production of the toxins of such organisms)

Foods not falling within these broad categories are permitted under the Regulation but require permission from the local Medical Officer of Health.

This regulatory change presents an important opportunity to improve access to safe and nutritious foods, reflecting Toronto's diverse communities. The ability to achieve this objective is maximized by considering the Street Food Project in three separate streams:

1. Broadening the menus of existing vendors to offer healthier food choices;
2. Introducing a "Toronto a la Cart" program for new, branded vendors who can offer healthier, diverse menus;

3. Partnering with the not-for-profit sector to use street food vending to increase access to affordable, healthy, culturally appropriate foods particularly in underserved and vulnerable areas.

The balance of this report elaborates on these streams, and explores the opportunities within each.

Stream 1: Existing Vendors

There are approximately 300 licensed street food vendors operating non-motorized carts on public highways in the City of Toronto. These vendors offer hot dogs, sausages and beverages for sale on public and private property. These existing street food vendors provide food and beverages to thousands of customers from all walks of life: tourists, students, shoppers, vulnerable populations, and people in need of a quick meal during work breaks. The foods offered by these vendors have an impact on the nutritional intake and Toronto experience of many residents and visitors.

Potential Impacts:

- This stream has the potential to have the most immediate and widespread impact since there are already 300 hot dog/sausage street food vendors in the City;
- Provides residents and visitors with the opportunity to make healthier food choices when purchasing street food;
- Enhanced economic opportunity for existing vendors;
- Menu expansion could result in increased food safety risk if not mitigated. Mitigation measures for the pilot program will include enhanced inspection, and focus on non-hazardous food items. Currently, to obtain a street food vending licence, the existing vendors must have a pre-operation cart inspection by TPH Inspectors on an annual basis at a TPH site. Subsequent on-site inspections are conducted proactively as resources allow, and reactively to investigate complaints. With an expanded menu, pre-operational inspection (to obtain the permit) should be augmented by at least one on-site unannounced inspection to ensure food handling compliance.

Preliminary consultation with the street vending industry association suggests:

- That approximately 25% of the existing vendors will likely not change their menu even if permitted to do so;

- Those vendors that are interested in expanding their menus would like to add the following to their menus:
 - pre-packaged salads
 - hummus (a dip or spread made from mashed chickpeas) and tabbouleh (a traditional Lebanese salad)
 - pre-cooked chicken, lamb and beef souvlaki
 - “shredded beef” sandwiches
 - pre-cooked hamburgers, cutlets and veggie burgers
 - soups
 - chilli dogs
 - bagels & cream cheese
 - coffee, tea and juice
 - corn on the cob

TPH supports expanding the menu choices of the existing vendors only to those items which are healthier non-hazardous foods which can be prepared and served safely using existing cart equipment.

Existing Vendor Pilot Project

To assess the impact of allowing menu changes, a one year pilot project with about 15 (i.e. 5%) of the existing hot dog/sausage vendors (i.e. not including ice cream vendors) is recommended.

Existing vendors interested in participating in this pilot project will be required to submit an application, along with a non-refundable application fee. Vendors selected for pilot project participation will be required to pay an additional fee of \$1,000 (plus GST) to endorse their existing permit fee. These fees will be collected to offset program administration costs. The endorsement will be valid for the one year duration of the pilot.

Criteria for pilot project participation will be developed by staff from TPH, ML&S and Legal Services. Criteria will include:

- Proposed menu expansion:
 - (a) Food items which are aligned with Public Health nutrition goals,
 - (b) Food items which comply with Regulation 562,
 - (c) Foods which are not in direct competition with existing nearby restaurants,
 - (d) Foods must be from the following recommended list:
 - Pre-packaged cut fruits and vegetables using only vinaigrette dips
 - Whole fruits and vegetables, including corn on the cob
 - Pre-packaged fruit salad
 - Bagels with individual serving containers of butter, margarine, peanut butter or jam
 - Pre-packaged nuts and seeds
 - Pre-packaged salads containing only vegetables and/or fruits with all dressings to be pre-packaged and not requiring refrigeration
 - Pre-packaged Tabbouleh salad & pita bread
 - Soups

- Pre-cooked veggie burgers
- Coffees and teas
- Willingness to provide post pilot feedback
- Willingness to post compliance signage
- Agreement to be in a fixed location (for inspection purposes)
- Successful completion of the Certified Food Handler course
- Current compliance with all City by-laws
- History of compliance with respect to food safety

Where feasible, pilot vendors will be selected to achieve a distribution of 5% of the existing vendors located within the boundaries of each former local municipality. Where more vendors meet the criteria than required to attain a 5% sample base, a lottery system will be used to select the required number of vendors.

At the conclusion of the pilot a workshop with participating vendors will be conducted to collect data such as:

- i) What food sells and where does it sell?
- ii) What problems were encountered from the vendor's perspective?
- iii) Was there a change in consumer habits?
- iv) Will the vendor likely continue with the expanded menu?

Staff in TPH and ML&S will evaluate the compliance trends and anecdotal information provided by the vendors.

At the end of the pilot year, the Medical Officer of Health, in consultation with ML&S will report on:

- Compliance results from a food safety perspective
- Recommendations as to whether the expanded menu program should be made available to other eligible existing vendors
- Recommendations as to what the menu expansion criteria should be
- Projected impacts on resources due to increased inspection needs

It is recommended that the following authority be delegated for the purposes of the Pilot Project: City Council delegate to staff the authority to select vendors and issue endorsements according to the applicable criteria. The staff decision in issuing an endorsement or rejecting an application would be final; however any recommendation to revoke an endorsement may be appealed to a Street Food Pilot Oversight Board to be established according to the Terms of Reference provided in Attachment F of this report. The proposal would be that City Council not retain any authority in respect of these matters once delegated and that the report on the outcome of the Pilot also consider the efficacy of this streamlined model.

Stream 2: Toronto a la Cart

A unique opportunity exists to showcase the diverse ethnocultural cuisine of Toronto and provide more nutritious food options through street food. In fact, this happens throughout the year on a temporary basis at Toronto's many popular festivals and special events. Previous reports have fully outlined the many benefits of a branded Street Food Program. Some of these benefits include: promoting healthier food choices, strengthening Toronto's image by branding the City as a place where residents and visitors can enjoy a vast array of diverse cuisine, promoting local cuisine, and contributing to the recognition of Toronto as a desirable destination within the growing culinary tourism industry. This report concurs with previous recommendations that a pilot project is required to test the viability of the Toronto a la Cart program.

“Toronto a la Cart” Street Food Carts

One of the cornerstones of the Toronto a la Cart program is brand recognition. All carts and associated food vending items (banners, canopies, aprons, etc.) must be highly recognizable to tourists and residents. To ensure the highest degree of brand recognition all carts within the Toronto a la Cart program would look identical to the consumer, although the interior components would differ depending on the food items being prepared. It would also be preferable to use a uniform cart design which has been inspected and approved from a food safety perspective as appropriate for the preparation of the proposed foods. To achieve this, all carts must be obtained from one source, as was proposed in the previous report recommending Crown Verity as the cart supplier for the program.

Control of the carts and cart operation is another key factor in operating a branded program. The highest degree of City control would be achieved if the City (or another partner agency) owned the carts, and rented them to qualified street vendors participating in the program. However, City ownership of carts would require a significant amount of City administration as the program grows. Essentially the carts represent a fleet, which would require repair, maintenance, and replacement. City ownership of carts would also potentially increase the City's liability (e.g. loss of vendor revenue if a replacement cart is not available for a period of time). Furthermore, City ownership of carts would require either City funding or external funding for the initial cart purchases, neither of which was available at the time of writing this report.

It is recommended that the selected Toronto a la Cart vendors be responsible for purchasing and financing their own carts, but to participate in the Toronto a la Cart program, successful cart vendors must agree to purchase the cart from the City approved cart manufacturer, and that all branded components of the cart (eg. canopies, awnings, signage) will be deemed to be the property of the City. This will enable the City to quickly remove the branded items from vendors who are not upholding the standards of the Toronto a la Cart brand.

On February 8, 2008, staff issued an REOI for the manufacture of up to 15 carts which would meet City specifications for the Toronto a la cart program. This broadly-worded REOI allowed for responses ranging from the mere submission of comments or information to be considered by the City in respect of these issues, to the submission of actual proposals from potential respondents to *either* just supply the carts, *or* for the supply of the carts plus a financing option to assist potential street food vendors with obtaining a cart. A consortium led by Crown Verity, a

cart manufacturer, in conjunction with Equilease, a lease financing organization, was the sole respondent to the REOI.

The cart design (see Attachment G for a sample rendering) which resulted from this REOI is:

- Made of high quality stainless steel
- Component based, so that different cooking modules can be used depending on the type of food being prepared
- Commercial grade restaurant quality (as opposed to domestic, such as the barbeques provided on most hot dog carts)
- Easily cleaned since all door hinges can be removed without tools
- ANSI/NSF (National Sanitation Foundation) approved for the preparation of food for human consumption
- Carts include a removable awning, made of high quality material screen printed with Toronto a la Cart markings as provided by the City of Toronto
- Carts will include a removable, high quality lexan front panel bearing the Toronto a la Cart markings;

Since the time that Executive Committee referred the Toronto a la Cart pilot project to the Board of Health, staff have met with Crown Verity to discuss its initial proposal and have negotiated certain adjustments to the proposal which will render it consistent with the program parameters now being recommended:

- Toronto a la Cart vendors will purchase carts directly from Crown Verity without a specified leasing partner – this removes any leasing profits or penalties from the cart pricing
- The necessity for Cart components, such as grills, barbeques, steamers, refrigeration equipment, and condiment containers will be determined by Crown Verity and the individual Toronto a la Cart vendor (options are determined based upon the food preparation requirements) and will be priced accordingly
- A standard one year warranty will be included
- An optional extended warranty will be offered to vendors
- An optional enclosure will be offered to protect the vendor from the elements (to be utilized only where permitted under City by-law)
- Trailers for the carts will not be required or included in pricing, but are readily available at retail outlets at a cost of approximately \$1,600 and will be recommended by the cart manufacturer (carts can also be transported via a cube van)
- Cart pricing is as follows (based on a minimum order quantity of 6 carts):

	Price to Purchasing Vendor	Optional Extended 2 Year Warranty
Cart 1 (full service except without mechanical	\$21,950 plus taxes	\$ 500.00

refrigeration)		
Cart 2 as above less condiment display, bun rack, griddle, grill, hand sink & faucet, 2 compartment sink and water system, propane tank & propane system, sneeze guard, menu board and front shelf	\$15,400 plus taxes	\$ 400.00
Cart 3 (cart 1 plus mechanical refrigerator/freezer)	\$27,800 plus taxes	\$ 500.00

Timing of Approvals

To ensure the pilot project is initiated in the spring of 2009, successful Toronto a la Cart vendors must be able to confirm their cart purchase from the Recommended Respondent (Crown Verity) no later than February 15, 2009. To achieve this, Budget Committee approval must be obtained on October 23, 2008, followed by Executive Committee in November 10, 2008, and ultimately City Council approvals must be in place in December 2008. (A Toronto a la Cart vendor selection process must be undertaken in December and January).

Term of the Pilot

Toronto a la Cart vendors will be required to make their own purchase or financing arrangements in order to obtain approved carts. To enable the participants to recover their initial investment, it is recommended that the vendors be assured that the program will operate for a period of at least three (3) years. However, it should be noted that the results of the Pilot will be reported on an annual basis, allowing for decisions about the future of the program to be made prior to the end of the three-year term.

Size of the Pilot – Year One (2009)

It is anticipated that up to 15 carts will be launched in the spring of 2009.

Locations and Location Fees

Previous reports have proposed that the locations be restricted to off-street public squares and parks. To provide adequate pilot data it is proposed that a cross section of locations be tested, including selected on-street locations. 2009 locations and annual location fees are provided in Attachment C.

Vendor Selection Process

The vendor selection process will be initiated by media release and posting of the Request for Information and Application on the City's website. Communication efforts will ensure that diverse Toronto communities receive the information. Additionally, all individuals who have previously contacted the City expressing an interest in the opportunity of becoming a Toronto a la Cart vendor will be advised of the proposal call.

The City will host a mandatory vendor orientation session which will provide information regarding the pilot program including nutritious food planning, food safety, and basic mandatory components of a vendor business plan.

A two stage selection process will follow, with the first stage involving screening by City staff using the criteria below and the review of the vendors proposed business plan. The second stage

will involve a small expert panel that will judge the proposed food items from the standpoint of diversity, quality and culinary excellence. Members of the panel could potentially include representatives from culinary schools and other food experts.

The following criteria will be used in selecting food vendors for the Toronto a la Cart program:

1. By-law regulation compliance history
2. Nutritional content and food safety risk of proposed menu
3. Quality of food and suitability for street vending
4. Ethnic diversity of food items
5. Use of local sustainably produced foods
6. Experience and qualifications

Vendors will be asked to indicate their preferred locations. In cases where more than one vendor has indicated a preference for a particular location, locations will be assigned based upon the need to achieve a diversity of food in a given area and the need to ensure there is no direct competition with existing restaurants selling similar food. Where more than one vendor satisfies these criteria, the location will be assigned to the vendor with the highest evaluation scores from the selection process.

Regulatory Framework

The following regulatory framework is recommended:

1. One food vending licence per individual;
2. Carts must be purchased from the cart manufacturer selected by the City;
3. Any removable signage, panels, awnings, canopies, or other materials bearing the Toronto a la Cart official mark shall be deemed to be the property of the City of Toronto as part of the program;
4. The City of Toronto will be entitled to seize or require the return of the branded items in the event that the program ceases to exist or in circumstances where the vendor has not operated in accordance with the terms set out in the agreement ;
5. A licence agreement stipulating the permitted menu items;
6. Approval of all foods to be sold from the cart by the Medical Officer of Health;
7. Any operator must have a valid food handling certificate;
8. Toronto a la Cart vendors must be sole proprietors operating the cart a minimum of 70% of operating hours on a weekly basis;
 - a. An assistant's licence issued to each person other than the owner who operates the carts;
 - b. No more than three assistants may be employed by a cart owner;
 - c. The owner shall supply the City with a list of all assistants approved on the cart and will advise the city of any additions and/or deletions to that list;
9. The lease or license agreement with the city includes the street vendor regulations as contained in Chapter 315, Street Vending, of the former City of Toronto, which provide for full cost recovery and no city liability for claims for damages, including business interruption losses, due to the removal or relocation of a cart due to construction, special events, or other civic operations;

10. Evidence of conformity with Ontario Regulations 211/01 2000 (Propane Storage and Handling) and Ontario Regulation 212/01, 2000 (Gaseous Fuels), both made under the Technical Standards and Safety Act; and
11. Inspection of each cart by TPH and ML&S.

A delegation of authority similar to that for the endorsements process is recommended. It is proposed that City Council would delegate to staff the authority to issue the request for applications and select vendors according to the applicable criteria, provided that any recommendation to terminate an agreement shall be considered by the proposed Street Food Pilot Oversight Board. Again, the recommendation is that City Council not retain any authority in respect of these matters once delegated and that the report on the outcome of the Pilot also consider the efficacy of this streamlined model.

In the event that the agreement is terminated, the vendor will remove all logos and branded materials from the cart and return them to the City. Should the vendor refuse to take this action, the City will be entitled to undertake such action itself and charge for the removal.

Evaluation of Pilot

The previous report to Executive Committee provides a well developed approach to pilot evaluation, including, on-street field observation, direct and web-based surveys, and interviews with key stakeholders.

Program evaluation will be conducted on an annual basis, beginning in the fall of 2009 (fall reporting is required to ensure sufficient lead time for cart production if program expansion is recommended). Staff will report on the outcomes achieved, and will make recommendations as to annual or future program expansion.

In consultation with the City Manager's Office, the final evaluation will include governance recommendations.

Stream 3: Not for Profit Sector

TPH has a long history of successfully collaborating with Non-Governmental Organizations (NGOs) to benefit each organization and the public at large.

There are numerous food-related not-for-profit organizations operating in the City of Toronto. The goals and objectives of these organizations include:

1. Improving nutrition and increasing food awareness through education
2. Improving food access for marginalized or vulnerable populations
3. Promoting access to sufficient nutritious foods
4. Modelling healthy foods as snacks and quick meals
5. Promoting local and sustainable food production

Street food vending could potentially enhance these NGOs' abilities to meet their goals and objectives. Additionally, these NGOs are well positioned to meet the needs of Toronto's

underserved populations by providing their clientele with access to a range of affordable, nutritious, and culturally appropriate street foods.

TPH staff has consulted with several key stakeholders from this sector and has found that the organizations are interesting in working with the City of Toronto in street food vending pilot projects to jointly explore the:

- financial viability of using street food vending in the not-for-profit sector
- impact of providing safe, nutritious street food in vulnerable areas which are often served only by the traditional fast food industry
- impact of further partnering with other organizations to create positive social, training and employment opportunities for marginalized or vulnerable populations.

Consultation with these stakeholders has revealed that the NGOs feel that pilot projects would aid in determining whether the organizations can further their food-related objectives by operating Street Food carts on a break-even basis.

All organizations consulted indicate funding for pilot project participation does not exist within their existing budgets. Although many NGOs are enthusiastic about the possibility of providing this new service, they would likely have to seek new charitable funding for cart purchase and other pilot costs.

Further consultation with NGOs and potential financing partners is required to explore the potential of this stream.

Overall Resource Requirements

To administer the pilot projects, a temporary project manager will be required in 2009. The additional work of public health nutrition evaluation and food safety inspection for the proposed pilot can be carried out within existing public health resources.

Revenues are generated from a combination of fees. In 2009 the location fees represent eight months of the year since the program is not expected to be launched until May. A full revenue year has been included for 2010.

The following financial projection is anticipated:

	2009	2010 Incremental
Expenditures:		
Salaries & Benefits	\$76,941	\$41,933
Equipment	7,000	-6,000
Materials & Supplies	2,059	3,067
Total Expenditures	\$86,000	\$39,000
Revenues:		

Application Fees – Existing Vendor Endorsements - \$150 ea	\$3,000	-\$3,000	* Assumes 13 cart locations in
Endorsement Fees - Existing vendors - \$1,000 ea	15,000	-15,000	
Application Fees - a la Cart program - \$150 ea	3,000	-1,500	
Location Fees - a la Cart program *	65,000	58,500	
Total Revenues	\$86,000	\$39,000	
Net Impact	\$0	\$0	

2009, and an additional 4 carts in 2010

CONCLUSION

Changes to Regulation 562 present an opportunity for the City of Toronto to dramatically change street food vending. From a public health perspective, there is an opportunity to encourage vendors to provide healthier food choices for residents and visitors who consume street food. From an economic development and tourism perspective, there is an opportunity to showcase Toronto's cultural diversity through street food. For marginalized or vulnerable populations (often in underserved areas), access to healthier street food could improve nutrition and food security issues.

To ensure that these opportunities are managed in an orderly, safe, well regulated manner, pilot projects with the existing street food vendors, new Toronto a la Cart vendors and the not-for-profit sector are recommended. Toronto Public Health will implement these pilot projects on an interim basis and provide future governance recommendations as part of the final project evaluation.

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SIGNATURE

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Medical Officer of Health

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Management

ATTACHMENTS

Attachment A: Existing Street Food Vendor Menu Expansion Pilot Project Parameters

Attachment B: Toronto a la Cart Pilot Project Parameters

Attachment C: Fees

Attachment D: Official Mark

Attachment E: Terms of Agreement with the City of Toronto and Crown Verity

Attachment F: Toronto Street Food Pilot Oversight Board Terms of Reference

Attachment G: "Toronto a la Cart" Sample Cart Rendering

ATTACHMENT “A”

EXISTING STREET FOOD VENDOR MENU EXPANSION PILOT PROJECT PARAMETERS

Changes to Regulation 562 allow street food vendors to expand their menu beyond the current offering of hot dogs and sausages. A pilot project will assess the impact of allowing an expansion to their menu.

1. Up to 15 existing hot dog/sausage vendors will be permitted to participate.
2. Existing vendors will apply to participate in the pilot.
3. Applicants will be requested to identify the additional food items to be sold.
4. Food items will be restricted to the following:
 - a. Pre-packaged fruits and vegetables using only vinaigrette dips
 - b. Whole fruits and vegetables, including corn on the cob
 - c. Pre-packaged fruit salad
 - d. Bagels with individual serving containers of butter, margarine, peanut butter or jam
 - e. Pre-packaged nuts and seeds
 - f. Pre-packaged salads containing only vegetables and/or fruits with all dressings to be pre-packaged and not requiring refrigeration
 - g. Pre-packaged Tabbouleh salad & pita bread
 - h. Soups
 - i. Pre-cooked veggie burgers
 - j. Coffees and teas
5. Vendors will be selected based upon the following criteria:
 - a. Proposed menu expansion
 - b. Willingness to provide post pilot feedback
 - c. Willingness to post compliance signage
 - d. Agreement to be in a fixed location (for inspection purposes)
 - e. Successful completion of the Certified Food Handler course
 - f. Current compliance with all City by-laws
 - g. History of compliance with respect to food safety
6. Pilot vendors will be selected to achieve a distribution of 5% of the existing vendors located within the boundaries of each former local municipality. Where more vendors meet the criteria than required to attain a 5% sample base, a lottery system will be used to select the required number of vendors, while maintaining the requirement of including a cross-section of foods and geographic locations.

ATTACHMENT “C”

STREET FOOD PILOT PROJECT FEES

7. All pilot project applicants will be required to submit an application accompanied by a non-refundable application fee of \$150 plus GST.
8. Vendors participating in the Existing Vendor Pilot Project will be subject to an Endorsement fee of \$1,000 plus GST.
9. The following vending locations and respective location fees will be offered to new Toronto a la Cart vendors in the 2009 pilot project.

Ward	Public Squares and Parks Locations		Annual Location Fee
20	Metro Hall - 1 spot		\$10,000
20	Roundhouse Park		\$5,000
23	Mel Lastman Square - 1 spot		\$7,500
27	Nathan Phillips Square - 2 spots @ \$15,000 each		\$30,000
27	Queen's Park east side close to University		\$7,500
20	HTO Park		\$5,000
38	Albert Campbell Square – Scarborough Civic Centre		\$7,500
	On-Street Locations		
22	1 St Clair Ave E	St Clair Ave E, south side east of Yonge St	\$5,000
19	901 King Street West	King St W, south side east of Strachan Ave	\$5,000
22	2263 Yonge Street	Eglinton Ave E, north side, east of Yonge St	\$5,000
12	2687 Eglinton Avenue West	Bicknell Ave, east side, south of Eglinton Ave W	\$5,000
38	3050 Lawrence Avenue East	Lawrence Ave E, north side, west of McCowan Road	\$5,000

ATTACHMENT "D"

TORONTO A LA CART OFFICIAL MARK



ATTACHMENT "E"

TERMS OF SUPPLY AGREEMENT WITH CROWN-VERITY

The following is a concise summary of the major terms and conditions which shall be included in the long form Cart Supply Agreement with Crown-Verity Inc. (the "Supplier"), along with such other terms and conditions as may be satisfactory to the Medical Officer of Health and the City Solicitor:

1. The term of the Agreement shall, unless terminated earlier, be for three (3) years.
2. The Supplier shall design, supply and install, and perform certain maintenance and repair work (the "Warranty Work") the Carts as required under the 1-year warranty applicable to the Carts (the "Warranty") and the Agreement, at the Supplier's sole expense, and subject to the terms and conditions of the Agreement.
3. The Supplier shall have the non-exclusive right to supply the Carts for the purposes of the Pilot in accordance with the terms and conditions of the Agreement.
4. The Supplier shall ensure that the Carts are designed, manufactured, supplied and installed, and all Warranty Work is done **at no cost to the City** and strictly in accordance with the requirements of this Agreement.
5. The Supplier will, subject to the requirements of the Medical Officer of Health of the City of Toronto Health Unit (the "Medical Officer of Health"), design, manufacture, supply and install up to 15 Carts according to the following schedule:
 - (a) First six (6) Carts - Sixty (60) Days from Receipt of
a. Purchase Order
 - (b) Remaining Carts - One Hundred (100) Days from
Receipt of Purchase Order
6. The Unit Prices for the Carts as contained in the Agreement shall be fixed until June 30, 2009, after which time the Supplier shall be entitled to increase the Unit Prices to reflect any increase in the cost of raw materials for the Carts, provided that the Supplier shall provide such evidence as may be requested by the City to support the cost increase.
7. Unless otherwise required or approved by the Medical Officer of Health, all Carts shall be designed, constructed and supplied by the Supplier, at its sole expense, in accordance with the Proposal to meet or exceed the specifications contained in the Agreement. The Supplier shall ensure that the required Logo Design is placed upon the Carts in the location as stipulated in the approved Cart design.

8. The ownership and copyright entitlement to all design specifications provided by the Supplier (the "Toronto Cart Designs") is vested in the name of the Supplier. The City undertakes not to use or suffer or permit any use, for any purpose, during the Term of the Toronto Cart Designs except as permitted herein or to the extent they are within the public domain or received by or from the City independently of this Agreement.
9. The Supplier acknowledges and agrees that all ownership and copyright or trademark entitlement in the name "Toronto a la Cart" and associated logo designs (the "Logo Designs") is vested in the name of the City. The Supplier undertakes not to use or suffer or permit any use, for any purpose, during the Term of this Agreement of the Logo Designs except as permitted herein or to the extent they are within the public domain or received by or from the Supplier independently of this Agreement.
10. The City shall be entitled to request the supply from the Supplier of further Carts of the same or similar design or, with the further agreement of the Supplier, use the Toronto Cart Designs for the design, manufacture and installation of Carts by third parties on other types of City property, such as Streets, at any time during or after the end of the Term.
11. Except as otherwise set out in the Agreement, the Supplier and the City agree that the Vendor or other Person responsible for the operation of the Cart shall be responsible for ongoing repair and maintenance of the Cart.
12. Where Warranty Work is required by a Vendor for the Carts, the Supplier shall perform such Warranty Work in accordance with the requirements of the Agreement.
13. The Supplier agrees that it shall consult with Vendors in the requirements for the Carts to be used by Vendors, provided that the Supplier shall not be required to undertake any modifications or improvements which would differ substantially from the specifications as set out in the Agreement.
14. The Supplier shall not, without the prior approval of the Medical Officer of Health, provide a Vendor with any Cart, accessory or component other than that which is suitable and required for the purposes of the preparation and sale of the foods which the Vendor is authorized by the City to prepare and sell from a Cart at that location. The Medical Officer of Health shall provide the Supplier with a list of Vendors, their locations and the foods permitted to be sold at the locations.
15. The Supplier shall train Vendors in the proper maintenance and operation of the Carts.
16. Vendors shall be entitled to purchase a Cart at the unit prices as set out in the Agreement.

17. The City may, at its option, request that the Supplier sell all or any number of the Carts to the City or any Person designated by the City, and the purchase price for the purchased Carts shall be as set out in the Agreement.
18. The Supplier shall at all times observe and comply with the Warranty and all generally applicable statutory requirements, rules, regulations, standards, specifications and by-laws of the City as set out in this Agreement, applicable to the work to be done under the Agreement.
19. The Supplier agrees that it shall at all times when performing work under the Agreement comply with the City's Workers' Rights, Fair Wage, Re-Employment of Former City Employees and Non-Discrimination Policies.
20. The Supplier shall indemnify and save harmless the City, its employees, officers, agents and elected officials (collectively the "Indemnitees") from any and all claims, liabilities, damages, costs, expenses, suits or actions, or other proceedings by whomsoever made, sustained, brought or prosecuted in any manner against the Indemnitees resulting from any breach, violation or non-performance of any covenant, obligation or agreement of the Supplier contained in the Agreement or any negligence or willful misconduct of the Supplier.
21. The Supplier shall purchase and maintain in force, at its own expense (including the payment of all deductibles) and for the duration of the Agreement, policies of Comprehensive General Liability, "All Risks" Property and Automobile Liability insurance in such form and amount as required under the Agreement.
22. The Supplier shall each be solely responsible for the payment of all taxes, rates, duties, levies, etc. charged or levied in connection with the business of the Supplier.
23. The Supplier shall, at its own expense, procure full Workplace Safety and Insurance Board coverage for itself and all workers, employees, servants, agents and others engaged in or upon any work under this Agreement.
24. The Agreement does not create or provide the Supplier with any interest in the property of the City and that no person shall be entitled to register or claim an interest of any kind against City property. The Supplier shall comply with the *Construction Lien Act* (Ontario), to the extent that it is applicable, and any other statutes from time to time applicable to the work and activities contemplated under this Agreement, and shall promptly pay all accounts relating thereto.
25. As security for the performance of its obligations, including its obligations to design, manufacture and install the Carts and the Warranty Work under this Agreement (the "Obligations"), the Supplier shall provide upon execution of the Agreement, an unconditional and irrevocable Letter of Credit in the amount of Fifteen Thousand Dollars (\$15,000.00). The Letter of Credit shall be automatically renewed on an annual basis at the start of each Agreement Year and shall be held by the City for the

period of the Warranty applicable to the Carts and for one (1) year thereafter. The Supplier shall maintain said Letter of Credit in force for the period as required under this Agreement.

26. The City may draw on the Letter of Credit, after the expiry of the applicable notice period, in the event of a default by the Supplier in the performance of any one or all of its Obligations under the Agreement in order to recover any and all damages incurred by the City either directly or indirectly as a consequence of such default.
27. The Supplier shall maintain books of account and records of all transactions relating to the design, fabrication, installation, maintenance and repair of the Carts and the City or its auditor shall have the right, at all reasonable times, to review, copy or audit the Supplier's books of account and records relating to the Agreement and the Carts.
28. The City shall have the right, upon notice to the Supplier, to terminate the Agreement for an uncured breach of the Agreement by the Supplier and shall also have the option, on one hundred and eighty (180) days notice, to terminate the Agreement for any reason prior to its expiry without any payment of compensation to the Supplier.
29. The Supplier shall not be permitted to assign the Agreement without first obtaining the prior written consent of the Council of the City.

The Agreement shall contain such other normal commercial terms (e.g. notice provisions, force majeure) as may be satisfactory to the Medical Officer of Health and the City Solicitor.

As amended by the Board of Health on October 22, 2008

ATTACHMENT “F”

**TERMS OF REFERENCE FOR
STREET FOOD PILOT APPEAL COMMITTEE**

BACKGROUND:

The Street Food Pilot Appeal Committee is envisioned as a quasi-judicial body appointed by Council under the authority of the *City of Toronto Act, 2006* to conduct hearings respecting the proposed revocation of healthier food endorsements or the termination of license agreements issued as part of the Street Food Pilot recommended in this report. As these hearings will concern specific vending locations, the proposal is that one member of the Committee should be the Councillor for the Ward in which the affected vending location is situated.

NAME: Street Food Pilot Appeal Committee for the City of Toronto.

COMPOSITION:

A. The Committee shall consist of three members composed of:

- (1) The Chair of the Board of Health;
- (2) The Chair of the Licensing & Standards Committee; and
- (3) The Councillor for the Ward in which the subject vending location is situated.

In the event that the subject vending location falls within the Ward of either the Chair of the Board of Health or the Chair of the Licensing and Standards Committee, the Vice-Chair of the respective body shall act in place of the Chair.

B. The Chair of the Board of Health shall be the Chair of the Committee.

QUORUM: The majority of Committee members shall constitute a quorum.

TERM OF APPOINTMENT:

Committee members shall serve by virtue of their positions as Chairs (until their successors are appointed) or Councillor of the relevant Ward, provided that the term of all members of the Committee shall terminate at the end of the Healthier Street Food Pilot, unless otherwise extended by Council.

RESPONSIBILITIES:

The responsibilities of the Committee shall be solely to:

- A. Consider staff recommendations and hear submissions by vendors with respect to any appeal of a notice to revoke a healthier food endorsement or a notice to terminate a licence agreement with a Toronto a la Cart vendor; and
- B. Make final binding decisions with respect to revocation of an endorsement or termination of an agreement.

REMUNERATION: None.

PROCEDURES:

The Committee is a quasi-judicial body that shall conduct itself in accordance with the *Statutory Powers Procedure Act*.

STAFF SUPPORT:

The City Clerk shall provide meeting management support to the Committee.

ATTACHMENT “G”

“TORONTO A LA CART” SAMPLE CART RENDERING

