



# STAFF REPORT ACTION REQUIRED

## New Opportunities for Toronto's Street Food Vendors

<b>Date:</b>	March 4, 2014
<b>To:</b>	Licensing and Standards Committee
<b>From:</b>	Executive Director, Municipal Licensing and Standards
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2014\Cluster B\MLS\LS14002

### SUMMARY

This report proposes new opportunities for street food vendors across the City and provides more choices to the public for a diverse street food experience.

The City is currently home to dozens of licensed street food vendors selling diverse, world class fares. The difference between Toronto's street food industry, and many others staff reviewed, is not a lack of menu options here, but rather an inability for all but a handful of vendors to make those menus regularly and conveniently available to the public. The path to a street food experience in Toronto that truly matches its celebrated diversity is through easing restrictions and creating opportunities for vendors to make their businesses easily accessible to the public.

In consultation with the Street Food Working Group, and based on staff's research and public consultations, a new city-wide street vending by-law is being recommended to create opportunities for: mobile food trucks and ice cream trucks to operate temporarily at parking spaces on the road; for mobile ice cream trucks to operate temporarily on local and residential streets; and for stationary food carts to operate at designated locations on the sidewalk. Eliminating the 10 minute vending rule in parking lots will provide another opportunity for vendors.

The recommendations in this report will help balance the City's need to manage the competing uses of the right of way, and improve the public's access to a diverse street food experience through expanded opportunities for vendors across the city.

### RECOMMENDATIONS

**The Executive Director, Municipal Licensing and Standards recommends that:**

1. City Council enact Chapter 740, Street Vending, a new Chapter in the Toronto Municipal Code, substantially in the form of the draft by-law, as described in

Attachment 1, subject to any refinements as may be identified by the Executive Director, Municipal Licensing and Standards and the City Solicitor.

2. City Council authorize the City Solicitor to rescind, at such time as appropriate, the existing provisions in the Code Chapters, policies and by-laws, or relevant sections thereof, of the former municipalities described below, and any other provisions that the Executive Director or City Solicitor may identify relating to and that have been superseded or replaced by the new Code Chapter.
  - a. Chapter 315, Street Vending of the former City of Toronto.
  - b. Chapter 738 Street Food, Healthier of the Toronto Municipal Code.
  - c. By-law No. 18-97 of the former Borough of East York.
  - d. By-law No. 41-93 of the former Municipality of Metropolitan Toronto.
  - e. By-law No. 32-95 of the former Municipality of Metropolitan Toronto, being a by-law "to establish removal zones and regulate vending on Metro roads."
  - f. By-law No. 98-97 of the former Municipality of Metropolitan Toronto, being a by-law "to provide designated areas for the purposes of mobile vending on Metropolitan Roads."
  - g. By-law No. 32100 of the former City of North York.
3. City Council authorize the City Solicitor to amend any City by-laws, policy or Code Chapters, or sections therein, that may contain references to any by-law, policy or Code Chapter, or section therein, that is to be superseded by the proposed Code Chapter.
4. City Council approve the amendments to Toronto Municipal Code Chapter 545, Licensing, as described in Attachment 2.
5. City Council approve amendments to Chapter 441, Fees, by adding the following new permit fees for 2014, subject to the annual inflation rate:
  - a. Sidewalk Vending Permit
    - i. Major Arterial Road: \$4,575.11
    - ii. Minor Arterial Road: \$2,488.52
  - b. Mobile Food Vending Permit: \$5,066.69
  - c. Ice Cream Vending Permit: \$525.19
6. City Council approve that any fee increases for current Sidewalk Vending Permit holders in 2014 be applied equally over three years.
7. City Council approve that any fee decreases for current Sidewalk Vending Permit holders be applied on May 15, 2014.
8. City Council permit the existing R55 Curb Lane Vending Permit holders to continue operating as is until December 31, 2016, at which time they must obtain a Mobile Food Vending Permit to continue operating curbside.

9. City Council repeal Chapter 545, Licensing, Section 269 G to permit vendors to operate for more than ten minutes in licensed commercial parking lots.
10. City Council implement a moratorium on R53 Sidewalk Vending Permits and R55 Curb Lane Vending Permits for all non-food vendors until such time as the Executive Director, Municipal Licensing and Standards reports back on the appropriateness of this type of vending on the public right of way.
11. City Council continue to implement a moratorium on R53 Sidewalk Vending Permits for all food vendors in wards 20, 27 and 28.
12. City Council direct that the proposed changes come into force on May 15, 2014.
13. City Council authorize and direct the City Solicitor, in consultation with the Executive Director, Municipal Licensing and Standards, to make application to the Senior Regional Justice of the Ontario Court of Justice for set fines with respect to the new proposed Code Chapter 740 of the City of Toronto Municipal Code.

### **Financial Impact**

There are no additional staff resources required to implement the recommendations in this report. The issuance of new permits will add revenue to the Division's operating budget in 2014 and beyond, though at this time it is difficult to assess the exact increase in revenues, or how many new permits will be applied for and issued.

Staff issued 152 total permits in 2013 and it is anticipated that 340 permits will be issued under the new model.

The total revenue collected in 2013 for vending licence and permit fees was \$0.855 million. With the issuance of new permits, staff estimate that the potential additional revenue for 2014 will be \$181,507. For 2015, the anticipated annual revenue will be \$1.070 million. The anticipated annual increase in revenues over 2013 is \$0.215 million or 25.1%.

Staff will report on any impacts to the 2014 operating budget during the 2015 operating budget process including any necessary refinements to the fee structures. The permit fees are subject to annual adjustments for inflation.

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

### **DECISION HISTORY**

At its May 17, 2011 meeting, City Council directed staff to form a working group to review the current licensing, regulatory and inspection framework for street food vending, with the objective of permitting licensed food vendors to offer a wider range of food items and to address issues associated with harmonizing the licensing and regulatory framework.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX5.2>

At its November, 2011 meeting, the Licensing and Standards Committee directed staff to report back on distance requirements between ice cream trucks operating on the road and on ice cream trucks being stored in residential neighbourhoods.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.LS10.3>

At its May 24, 2012 meeting, the Licensing and Standards Committee directed staff to report on amending Municipal Code 545, Section 269G, to allow food cart, truck and refreshment vendors to be allowed to park and operate, for the purpose of serving food or refreshments, on licensed premises such as parking lots.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.LS13.7>

At its June 12, 2012 meeting, Executive Committee directed the Executive Director, Municipal Licensing and Standards, in consultation with City Planning, to consider the impacts and recommendations of any necessary zoning amendments to allow commercial parking lots to accommodate food trucks and vending stalls where they front onto public streets in commercial zones.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX21.37>

At its July 11, 2012 meeting, City Council adopted a report from the Executive Director, Municipal Licensing and Standards to amend applicable street food vending by-laws to allow existing vendors to expand their menu choices.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.LS14.2>

At its November 13, 2013 meeting, City Council adopted a report from the Executive Director, Municipal Licensing and Standards, providing an update on the street vending by-law review and recommending the elimination of the Refreshment Vehicle Assistant Licence (T14).

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.LS24.1>

## **ISSUE BACKGROUND**

In March 2002, Council implemented a moratorium in wards 20, 27 and 28, which prohibits the issuance of any new street vending permits on the right of way in the downtown core. The moratorium was initially implemented in response to concerns about a high concentration of vendors downtown, and was to stay in place until such time as a harmonized vending by-law was approved. Toronto's street vending industry remains governed by regulations established in the vending by-laws of the former municipalities and the moratorium remains in place.

In December 2008, Council adopted staff's recommendations to implement the A La Cart pilot project to promote expanded and healthier menu options for existing street food vendors. There were a number of major concerns with the project during the first two seasons, including the choice of location and the design of the carts. In 2010, a consultant was hired to review the project and found that it was too restrictive and subject to too much regulation.

In May 2011, Council discontinued A La Cart as it did not meet its objectives, and directed staff to form a working group to assess opportunities for vendors to sell an expanded menu and to address issues associated with harmonizing the by-laws.

In July 2012, Council adopted the Street Food Working Group's recommendations to amend applicable by-laws to allow food cart vendors to expand their menu choices.

In April 2013, the Working Group reconvened to continue addressing issues associated with harmonizing the street vending by-laws.

## **COMMENTS**

### **The Street Food Vending Industry in Toronto**

Street food has been a staple of life and work in Toronto's downtown core for decades, and has evolved over the years. Where the landscape was once dominated by ice cream trucks and food carts selling primarily hot dogs and sausages, there is now a diversity of vendors licensed to sell street food in Toronto, with menu items ranging from hot dogs and sausages, to pulled pork sandwiches and fish tacos, to cupcakes and fresh salads.

The City licenses four main types of street food vendors: food carts, selling primarily hot dogs and sausages; food trucks, which operate like mobile restaurants with full service kitchens; coffee/catering trucks, which serve primarily pre-packaged goods; and ice cream trucks, which sell only ice cream or other frozen confectionaries.

Since Council amended the vending by-laws in June 2012, there are no restrictions on the types of food that may be sold from carts or trucks, provided these vehicles meet Toronto Public Health regulations concerning food storage and preparation capacity. The challenge currently experienced by Toronto's vendors, particularly food trucks, is that while their businesses have evolved and their menus have diversified, the legislation permitting their use of the right of way has not. In Toronto and East York, vendors may apply for permits to operate stationary food carts on the sidewalk and stationary food trucks in the curb lane, except in wards 20, 27 and 28 where the moratorium remains in place. In North York, food trucks are not permitted to operate at designated locations on the road, because the vending by-law of the former municipality did not allow it. And in Etobicoke, York and Scarborough, there is no vending on the right of way, because legislation of the former municipalities did not allow it.

### **Street Food Working Group**

To assess the potential for expanded vending opportunities and to harmonize the regulatory framework across the City, Council directed staff to form a Street Food Working Group in May 2011.

In July 2012, Council adopted the Working Group's recommendations to amend applicable by-laws to allow food cart vendors to expand their menu options. In April 2013, the Working Group reconvened and has since met monthly to discuss improving opportunities for vendors and issues associated with harmonizing the vending by-laws.

The Working Group is currently comprised of members from the Toronto Street Food Vendors Association; the Ontario Food Trucks Association; the Ontario Restaurant, Hotel and Motel Association; the Toronto Association of Business Improvement Areas; and staff from Toronto Public Health, Parks Forestry and Recreation, Economic Development and Culture, Transportation Services and ML&S.

The Working Group identified the following key issues for consideration: the space that vendors may occupy on the sidewalk; the proximity of food carts and trucks to established restaurants; how permits are issued, including the role of Business Improvement Areas in the process; the current moratorium and/or capping the number of permits issued; opportunities and regulations for street food vendors on public and private property; and mobile vending opportunities for food trucks.

### **Research on Street Food Vending in Other Municipalities**

Due to the popularity of street food vending in general, and the recent growth in popularity of food trucks in particular, many cities in North America have revised their legislation over the past five years to better address the public's demand for street food through expanded opportunities for vendors.

The emergence of the mobile food truck has been a key focus of regulatory revisions in many municipalities. Where and how these food trucks may operate in other jurisdictions is not uniform. In many cities, such as Seattle and Portland, food trucks are popular on private property and many occupy spaces and stalls in parking lots. In other cities, such as Vancouver, Boston and Ottawa, food trucks occupy fixed locations on the right of way. In still other jurisdictions, such as Calgary, Saskatoon, Hamilton, Chicago and Winnipeg, food trucks are permitted to roam and vend from parking spaces on the road.

While no city compares exactly to Toronto, the challenges and best practices experienced in other jurisdictions provided a useful context for reviewing Toronto's regulations. This research was used to inform the public consultations and to assess potential options to increase vending opportunities.

*A summary of staff's research on other municipalities is contained in Attachment 3.*

### **Public Consultations**

In October and November 2013, ML&S held six public meetings to discuss the street food experience in Toronto and the key considerations identified by the Working Group. A survey was conducted online and staff solicited comments by mail, phone and email.

Two further public consultations were held in January 2014, where staff proposed options to expand vending opportunities and invited industry stakeholders and members of the public to comment on these potential changes.

In total, approximately 255 people attended the consultation sessions, including food cart, ice cream truck and food truck vendors, restaurant owners, members of BIAs and members of the public.

*A summary of the information heard through the public consultations is contained in Attachment 4.*

## **Creating Opportunities for Street Food Vendors Across Toronto**

To improve opportunities for street food vendors in Toronto, staff recommend five key measures, applied across the city:

- 1) Permit mobile food trucks to operate temporarily in parking spaces on major and minor arterial roads.
- 2) Permit mobile ice cream trucks to operate for up to 30 minutes on local and residential streets.
- 3) Permit stationary food carts to operate at designated spaces on the sidewalk.
- 4) Lift restrictions on vending in licensed commercial parking lots to allow vendors to operate on all private property, subject to the zoning by-law.
- 5) Maintain opportunities for vendors on City-run property and at special events.

*A summary of how these measures will increase opportunities for vendors and improve the public's access to diverse street food, is contained in Attachment 5.*

### **1. Opportunities for Mobile Food Trucks on the Road**

Over the past five years, the number and popularity of food trucks in the city has increased dramatically. Promoting themselves as 'restaurants on wheels', these vendors sell diverse menu items ranging from pulled pork sandwiches to fish tacos, cupcakes to fried chicken.

Through consultations with vendors, staff heard that many wish to operate on the City's streets in a manner which allows them to move around to different locations at different times throughout the day. In several jurisdictions that staff reviewed, vending legislation has been revised to permit food trucks to operate in this mobile capacity.

The following outlines staff's proposal for implementing a mobile vending model that works for Toronto. This model is based on extensive research and consultations about best practices in other cities; consultations with vendors and the Working Group; consultations with appropriate City divisions, including Toronto Public Health and Transportation Services; and consultations with the Toronto Parking Authority and the Toronto Police Service's Parking Enforcement Unit.

Under the proposed model, vendors who obtain a Motorized Refreshment Vehicle Owner licence may apply for a Mobile Food Vending Permit that will allow them to operate temporarily on the road in areas designated as Mobile Vending Zones.

Mobile Vending Zones will include:

1. All pay-and-display parking spaces on Major and Minor Arterial Roads, except Restricted Zones identified by the Executive Director, ML&S, in consultation with BIAs and ward councillors.
2. Areas of the right of way, such as non pay-and-display parking spaces or lay-bys, identified by the Executive Director, ML&S, in consultation with BIAs and ward councillors.

Permit holders will be required to abide by all relevant traffic and parking regulations, just as if they were a passenger or commercial vehicle occupying the parking space; Mobile Vending Zones will not be designated solely for vending purposes. In addition to the permit fee, vendors will be required to pay for the parking spaces they occupy.

To balance the interests of all stakeholders and to provide appropriate management of the right of way:

1. Mobile Food Vending Permit holders will be permitted to vend for a maximum of three hours on any one block; after the maximum three hours, vendors will be required to move to a Mobile Vending Zone on another block, subject to all applicable parking regulations.
2. No more than two Mobile Food Vending Permit holders will be permitted to operate on any block.
3. Mobile Food Vending Permit holders will be required to vend 50 metres from a licensed eating establishment that is open and operating.
4. Mobile Food Vending Permit holders will be required to operate in a Mobile Vending Zone 30 metres from the property line of any school or place of worship.
5. Mobile Food Vending Permit holders will be required to operate 25 metres from a designated vending area on the sidewalk.

#### *Identifying Mobile Vending Zones*

ML&S will develop and maintain a list of Mobile Vending Zones comprised of pay-and-display parking spaces on major and minor arterial roads. From this list, BIAs and councillors will be permitted to request that pay-and-display parking spaces in specific areas be listed as Restricted Zones (no vending permitted), or that mobile vending in certain areas be restricted to specific times of the day. ML&S will designate these identified areas as Restricted Zones. Vendors wishing to operate in Restricted Zones may appeal to the Executive Director, ML&S to lift the restrictions on that area. Upon receipt of such an appeal, ML&S will report to the local Community Council for a final decision on whether the area should be designated a Mobile Vending Zone.

Because the City's pay-and-display parking spaces concentrate generally in the downtown/midtown area, ML&S will accept submissions from BIAs, local councillors or vendors to have areas without pay-and-display parking designated as Mobile Vending

Zones. Such areas could include non pay-and-display parking spaces or lay-bys. The intent is to provide as many possible opportunities for vendors to find areas where they wish to vend and to allow the industry to expand throughout the city. When ML&S receives such an application, staff will notify businesses within 50 metres of the proposed area and the local BIA and councillor. If staff receive no objections within 14 days, the space will be designated a Mobile Vending Zone. If there is an objection to the proposed Mobile Vending Zone within 14 days, staff will report to Community Council for a final decision.

The list of Mobile Vending Zones will be compiled and maintained by ML&S and will be published on the ML&S webpage.

#### *Potential Opportunities*

Using GIS mapping software, staff assess that the model as described would provide more than 350 potential Mobile Vending Zones. This calculation is based on the distance pay-and-display stations are located from restaurants, and estimates the number of opportunities if all BIAs were listed as Restricted Zones. This estimate does not include the many areas staff believe could be suitable for Mobile Vending Zones, and which may be identified by BIAs, local councillors and vendors in the future. As a result, staff estimate that 350 opportunities is a conservative figure, and that the number of opportunities is likely much higher.

#### *Implementation*

Upon receiving Council's approval, ML&S will consult with local BIAs and councillors to compile a list of Mobile Vending Zones. At that time, ML&S staff will host public information sessions about the new mobile vending model and licensed Motorized Refreshment Vehicle Owners may begin applying for Mobile Food Vending Permits. The Mobile Vending Zones List will be distributed to vendors who obtain a Mobile Food Vending Permit and will be posted to the ML&S webpage.

ML&S will monitor the success of the Mobile Food Vending Permits for the course of a vending season. Staff will consult with the Working Group, BIAs, councillors' offices and the public during this time and report to Council in 2015 on any changes that may be required.

## **2. Opportunities for Mobile Ice Cream Trucks**

In Toronto and East York, ice cream trucks are currently allowed to operate in a mobile capacity, provided they do not stop for more than 10 minutes at a time and they are not on one street for more than 30 minutes. Ice cream trucks are not currently required to obtain a permit to operate in this capacity.

Going forward, staff propose the creation of the Ice Cream Vending Permit, which would recognize that, like all vendors, whether they are on local or major arterial roads, ice cream trucks are occupying a portion of the right of way, and that in addition to the regulations governing that space, they are subject to a reasonable fee for locating there.

The Ice Cream Vending Permit would allow ice cream trucks to vend temporarily on local and residential streets across the city for up to 30 minutes at a time on any one street. To ease restrictions, staff recommend removing the regulation which requires ice cream trucks to move from one location to another on that street after 10 minutes. From a community impact perspective, it matters far more whether a vendor is on one street for longer than 30 minutes, than it does how long a vendor occupies a particular spot on that street within the 30 minute period.

To increase opportunities for ice cream trucks, staff propose removing the current regulation which requires them to maintain a 30 metre distance from public parks and ferry docks. Staff were unable to identify the purpose of this regulation and heard no concerns about the proposal to omit it from the new by-law. However, to ensure the safety of children who might dart out from a school yard at the sight of an ice cream truck, staff propose maintaining the current regulation, which requires these vendors to operate a minimum of 30 metres from a school.

### **3. Opportunities for Stationary Food Carts on the Sidewalk**

#### Size of the Designated Area on the Sidewalk (the footprint)

Stationary food cart vendors are currently permitted to occupy a maximum of 2.32 square metres of the sidewalk, within which their cart and all of their supplies must be located. Through consultations, staff heard from food cart vendors that, in order to sell an expanded menu, vendors may require a larger footprint to accommodate equipment such as mechanical refrigeration or an extra grill.

Considering the density of the City's sidewalks, and the need to ensure that vending locations are not encumbering pedestrians, staff recommend that the footprint remain 2.32 square metres of the sidewalk. However, to provide opportunities for food cart vendors wishing to sell an expanded menu, staff recommend that current and prospective vendors be permitted to apply for up to 50% extra space. Upon application, ML&S will assess whether the vendor's location can accommodate a wider footprint and, if it can, endorse the permit to that effect.

#### Passable Space

In addition to the maximum amount of space vendors may occupy on the sidewalk, the current designated area must be situated where there is 3.66 metres of passable space between the designated area and the curb and between the designated area and any other obstruction to pedestrian passage.

To improve opportunities for vendors, staff recommend reducing the passable space requirement to 2.5 metres. This would increase vendors' ability to find a suitable location and still maintain compliance with the City's Vibrant Street guidelines, which stipulate that a minimum of 2.1 metres of the sidewalk should remain free around the vendor for an unobstructed pedestrian clearway. Staff assess that the extra 0.4 metres (for a total of 2.5 metres of passable space) would be sufficient to account for the handful of individuals who at any one time may queue to attend a food cart.

To further improve opportunities for food cart vendors, staff recommend removing the requirement that their designated vending areas be located a minimum of 3.66 metres from the curb. This would allow vendors to occupy spaces in the furnishing zone, which, in addition to increasing the number of suitable locations, will also improve the pedestrian clearway, by having all objects that may encumber pedestrian passage located on one area of the sidewalk.

*The recommended changes to the footprint and passable space requirements are illustrated in Attachment 6.*

### Proximity Requirements

To balance the interests of all stakeholders and the potential impacts a concentration of vending can have on the right of way, staff recommend maintaining the following regulations contained in Chapter 315, which require stationary food carts to operate:

- A minimum of 25 metres from a restaurant;
- A minimum of 25 metres from a place of worship;
- A minimum of 25 metres from another stationary food cart.

These regulations have served the industry and surrounding communities well for several decades and research suggests that this distance is generally consistent with other municipalities, most of which contain regulations of this nature.

### The Permit Issuance Process for Designated Vending Locations on the Sidewalk

Each of the current vending by-laws outline a process through which vendors may apply to obtain permits to operate in designated locations on the sidewalk.

### *The role of Business Improvement Areas (BIAs) in the permit issuance process*

Currently, in the downtown area where most vendors are located, BIAs effectively have a veto over vending applications because ML&S cannot accept one unless it is accompanied by the written consent of a BIA in which the vendor proposes to operate.

To balance the opportunities of prospective vendors with the recognition that BIAs have invested considerably in their neighbourhoods, staff propose removing the requirement for a vending application to be accompanied by the written consent of a local BIA, but maintain that BIAs will be notified of prospective vending applications and provided with an opportunity to object to having a vendor in their area. This provides all vendors with an opportunity to apply for a permit, but retains the current process that gives local businesses an opportunity to weigh in on vending applications that may have impacts which are specific to the neighbourhood and which are not addressed in the by-law.

### *Rejections, objections and appeals*

Under the current by-laws, staff reject permit applications at two stages: first, if the proposed location does not meet the by-law criteria aimed at mitigating the impact of vending on the right of way; and second, if the location meets the by-law criteria, but a

neighbouring business or BIA raises objections. If an application is denied at either of these stages, the vendor has the right to appeal to the local Community Council.

Going forward, staff recommend that a vendor whose proposed location does not meet the minimum criteria in the by-law should not be allowed to appeal the rejected application. These criteria, including the size of the footprint and required passable space around the designated area, were developed through extensive consultation to serve as the minimum requirements necessary to ensure that vending areas do not negatively impact the neighbourhoods where they locate. A vendor's right to appeal a rejected application for a vending area that does not meet these minimum criteria, challenges the purpose they are intended to serve and could create a situation where some vendors are occupying the sidewalk in contravention of the by-law to which other vendors must adhere.

For applications which meet the location criteria in the by-law, staff will notify businesses within 25 metres of the proposed vending area and the local BIA and councillor. Those notified will have 14 days to object in writing and if there are objections within 14 days, the permit will be denied. At this stage, staff recommend that vendors who have done their due diligence in finding a location that adheres to the by-law, should maintain the right to appeal a rejected application to the local Community Council.

This objection and appeal mechanism ensures that staff's role in the permit issuance process is to apply objectively the by-law criteria, but that if there are other factors unique to a neighbourhood, which might make it unsuitable for vending, there is an opportunity to consider those factors in a fair and transparent manner at the local Community Council. Taking these considerations before the permit is issued ultimately increases the chances of the vending location's success.

#### **4. Opportunities for Mobile and Stationary Vendors on Private Property, Including Parking Lots**

Currently, vendors may operate on private property, subject to the zoning by-law. These vendors are required to obtain the appropriate business licence, but are not required to obtain a permit from ML&S and are not regulated by the vending by-laws.

One notable exception to vending on private property is a regulation contained in Chapter 545, Licensing, which prohibits refreshment vehicles from stopping in licensed parking lots for more than ten minutes, if their purpose is to vend. To improve opportunities for vendors, staff recommend that Council repeal Chapter 545-269 G, to allow street food vendors to operate in licensed parking lots without time restrictions. Going forward, vendors operating in parking lots would only be subject to the zoning by-law.

The zoning by-law specifies what land uses are permitted on private property. The sale of goods or commodities such as at a retail store, or the preparation and sale of food for consumption elsewhere, as in the case of a take-out eating establishment, are permitted uses in several zones, including the Commercial-Residential (CR) and the Commercial-

Residential-Employment (CRE) zones. Consequently, vending from a vehicle rather than from a building would be a permitted use on private property in these zones, though there may be conditions specific to each lot that must be met in order for vending to be permitted.

There are currently 58 surface-level licensed commercial parking lots in CR and CRE zones that could potentially accommodate a street food vendor, subject to specific conditions that might exist at each lot. Removing the regulation in the Licensing by-law that currently prohibits vending in these areas would considerably expand opportunities for vendors, and by encouraging more vending on private property, mitigate the potential impacts of a concentration of vending on the right of way.

## **5. Opportunities for Stationary and Mobile Vendors on City-Run Property and Special Events**

### *Toronto Parking Authority Off-Street Green P Parking Lots*

In addition to commercial parking lots licensed by ML&S, there are many Green P parking lots around the City, operated by the Toronto Parking Authority (TPA). To explore further opportunities for vendors, TPA is currently assessing these lots to determine the suitability of vendors renting space and vending there temporarily. Upon approval of its Board of Directors, TPA will be developing this program, in consultation with vendors and BIAs, over the summer of 2014.

### *Vending on City-Run Property*

Currently, vendors holding the appropriate business licence may enter into private agreements to vend on various City-run properties, such as parks, civic and community centres, and public squares. The appropriateness of a vendor at these locations, and the rules and regulations surrounding that vendor's operation, are assessed and enforced by the City division charged with managing those spaces.

### *Special Events*

Currently, many street food vendors operate at special events in the City. These vendors are required to obtain the appropriate business licence, but are not required to obtain a permit from ML&S and are not regulated by the provisions in the vending by-laws. Vendors must have the permission of the event organizer to operate within the designated event space and the event organizer typically requires a permit from the City.

### **Eliminate Designated Curb Lane Vending Permits**

There are currently 27 Curb Lane Vending Permits for food trucks and ice cream trucks operating at designated locations on the road, all in the downtown core. Many of the spaces these vendors occupy were formerly parking spaces at the side of the road. With the issuance of a Curb Lane Vending Permit, cars are not permitted to park in these spaces, even if the vendor is not operating there.

Staff assess that, given the City's growing density, and the evolution of the food truck business to a mobile model, it would be beneficial to both the public using the roads for

parking, and businesses wishing to occupy that space to vend, if all vehicles, vendors or otherwise, were allowed to stop only temporarily in curb lane spaces.

Staff recommend that, with the adoption of the Mobile Food Vending Permit, ML&S no longer issue Curb Lane Vending Permits for designated locations on the road and that the 27 Curb Lane Vending Permit holders be given three years to transition to the new model, after which their permits will not be renewed. During this time, staff will work with these vendors to assist with the transition to the new model. This change will appropriately re-orient food truck vendors in the public space they occupy and will free up the 27 designated spaces, many of which could be used by all Mobile Food Vending Permit holders to operate on a temporary basis, or for other vehicles to park.

**The Moratorium in Wards 20, 27 and 28**

The moratorium in wards 20, 27 and 28 was implemented to address concerns about a concentration of street food vendors in the downtown core, and to encourage vending in other areas of the city. The difficulty, however, is that because vending is not permitted on the right of way in Etobicoke, York and Scarborough and curb lane vending is not permitted in North York, 64% of vendors remain concentrated in wards 20, 27 and 28.

With the adoption of a harmonized street vending by-law, stationary food cart vendors will be allowed to apply for Sidewalk Vending Permits in all parts of the city. Considering the continued concentration of vendors in the downtown core, and with the introduction of the new Mobile Food Vending Permit, staff recommend maintaining the moratorium on Sidewalk Vending Permits in wards 20, 27 and 28 to encourage vendors to apply for permits in other parts of the City. Staff propose that the moratorium be reviewed annually by ML&S, to consider the potential of lifting it in the future, as the industry adjusts to the new opportunities under the harmonized by-law.

**Vending Licence and Permit Fees**

*Business Licence Fees*

ML&S currently charges licensing fees on a cost-recovery basis:

<b>Licence</b>	<b>Fee</b>
V15 Motorized Refreshment Vehicle Owner (food trucks, ice cream trucks, coffee/catering trucks)	\$1,090.51 issuance \$730.38 annual renewal
V27 Non-Motorized Refreshment Vehicle Owner (food carts)	\$383.00 issuance \$257.50 annual renewal
D13 Refreshment Vehicle Driver (food trucks, ice cream trucks, coffee/catering trucks)	\$362.55 issuance \$268.32 annual renewal

ML&S is conducting a full User Fee Review in late 2014, at which time these licence fees will be assessed. Staff will report back to Council on the results of this review through the 2015 budget process.

*Right of Way Permit Fees*

Current permit fees are charged based on the amount of space a vendor occupies on either a former Metro road or City street, and depend on whether the vendor is located in North York, or in Toronto and East York. The current permit fees are as follows:

<b>Sidewalk Vending Permit Fees</b>	
Former City Streets	
Ice Cream and Flowers	\$1,203.26
Food and Non-Food	\$2,406.13
North York Food and Non-Food Vending	\$2,570.91
Former Metro Roads	
Ice Cream & Flowers	\$2,211.83
Food & Non-Food	\$4,423.65
North York Food & Non-Food Vending	\$4,726.56
<b>Curblane Vending Permit Fees</b>	
Former City Streets	
Ice Cream & Flowers	\$4,296.62
Food & Non-Food	\$5,843.45
Former Metro Roads	
Ice Cream & Flowers	\$3,833.88
Food & Non-Food	\$7,667.72

*Permit Fees for Sidewalk Vending Permits*

Staff recommend maintaining the current fees for sidewalk vendors, but amending their application to reflect the new road classification system. Vendors will be charged a fee according to their location on a either a major arterial road, or a minor arterial road. Where a vendor operates on a road that is classified something other, such as local or collector road, as a few current permit holders are, the vendor's permit fee shall be assessed at the rate of a minor arterial road. The new permit fees will be:

- Sidewalk Vending Permit Fee – Major Arterial Road: \$4,575.11
- Sidewalk Vending Permit Fee – Minor Arterial Road: \$2,488.52

For some vendors, such as those operating on a major arterial road that was also a former Metro road, their fees will remain the same. For other vendors, including those operating on a major arterial road that was a former City street, their fees will increase. For vendors whose fees increase, staff recommend that this increase be applied over three years.

*Permit Fees for Mobile Food Vending Permits*

Fees for Mobile Food Vending Permits will be charged according to the current fees for stationary Curb Lane Vending Permits. Because these vendors will operate on both major and minor arterial roads, staff averaged the different fees for curb lane permits on former Metro roads and City streets. Considering these vendors do not have designated spaces, and therefore may not operate 24 hours per day, staff assess the annual fee at 75% operation throughout the year. The annual fee for Mobile Food Vending Permits will be: \$5,066.69, subject to annual inflation.

### *Permit Fees for Ice Cream Trucks*

Fees for Ice Cream Vending Permits will be charged based on the current fee for designated curb lane spaces for ice cream vendors operating on former City streets, because these vendors will operate mostly on local and residential streets. Considering these vendors do not have designated spaces, and do not operate most of the year, staff assess the annual fee based on the vendor operating 1/3 of every day, 5 months of the year. The annual fee for Ice Cream Vending Permits will be: \$525.19, subject to annual inflation.

### **Non-Food Vendors**

In addition to street food, the current vending by-laws also allow individuals to obtain permits to vend merchandise, such as t-shirts, jewellery and flags, from the City's streets and sidewalks. As a result, in the proposed city-wide by-law, staff recommend also including existing provisions to allow non-food vending, so that the current permit holders may continue operating. However, the potential impacts of expanding opportunities for non-food vending have not been specifically assessed during the course of this review. Staff therefore recommend that Council implement a moratorium on the issuance of any new vending permits for all non-food vending license holders, until such time as staff have reported back to Council on the feasibility and desirability of expanding permissions for non-food vending across the city. Staff will consult with members of the industry, BIAs and the public, and make recommendations to Council on the future of non-food vending, in early 2015.

### **Promotional Vehicles**

Through consultations, staff heard concerns about businesses that use the City's streets and sidewalks to distribute free merchandise and refreshments, typically for marketing purposes. Currently, because these businesses are not selling to the public, they do not qualify as vendors and are not required or able to obtain a permit to vend on either the sidewalk or the road. Like non-food vendors, staff have not specifically assessed the desirability of issuing permits for these businesses to operate on the right of way. Staff propose to undertake this assessment over the summer of 2014, in consultation with local businesses and the public, and report back to Council in early 2015.

### **Amendments to Chapter 545, Licensing**

The articles of Chapter 545, Licensing which regulate the street vending industry contain several sections and terms which, over the years, have become outdated and/or are no longer in force. To reflect these changes, staff recommend several administrative amendments to Chapter 545, described in Attachment 2.

### **Next Steps**

As the new by-law is implemented and the industry, local neighbourhoods, and the public adjust to the new vending opportunities, staff will assess and report back on:

1. The success of the Mobile Food Vending Permit and any legislative changes to the model that may be required.

2. The take up of new vending opportunities for food carts outside the moratorium area, how these impact the concentration of vendors downtown, and the possibility of lifting the moratorium.
3. Whether merchandise vending is an appropriate and desirable use of the public right of way, and whether permits should be issued for this type of business.
4. Whether promotional trucks – distributing free merchandise and wares – is an appropriate use of the public right of way, and whether permits should be issued for this type of business.

Staff will undertake the necessary consultations with members of the industry and the public and report back on these issues to Council in early 2015.

## **CONTACT**

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## **SIGNATURE**

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Tracey Cook, Executive Director  
Municipal Licensing and Standards

## **ATTACHMENTS**

- Attachment 1: Municipal Code Chapter 740, Street Vending
- Attachment 2: Amendments to Chapter 545, Licensing
- Attachment 3: Summary of jurisdictional research
- Attachment 4: Summary of public consultations
- Attachment 5: Current restrictions, proposed opportunities
- Attachment 6: Designated area/passable space diagrams