

April 18, 2017

Mr. Cesar Palacio
Chair, Municipal Licensing and Standards Committee
City of Toronto
100 Queen Street West, Suite B37
Toronto, ON
M5H 2N2

Dear Councilor Palacio;

On behalf of more than 7,500 restaurants and 67,350 employees in Toronto, please accept this letter as a submission to the Licensing and Standards Committee in regards to LS 18.2, Framework and Consultation Plan for a harmonized sidewalk café and marketing by-law.

Currently there are two committees studying different sides of the same issue. As restaurant owners are hard pressed to find time to attend meetings, we would ask that these two committees combine their work on this issue so that owners may have a better chance to have their voices heard.

Restaurants Canada recognizes the need for harmonized regulations and fees, but it is clear that the main impetus for these changes is to get more revenue. In this case, we are talking about small businesses that are the backbone of the city. Harmonization should not mean a race to the highest fee levels. While the amended proposal is much better than the previous one, it still imposes a significant increase on many owners.

In an industry with tight margins, typically between 3 and 4 percent, it is essential that business costs are predictable and fair. Business plans are based on cost factors that cascade if there are unexpected increases. Even in the so-called "city's most marketable areas", increased costs can be harmful to a business and to menu prices. Remember, all other costs are higher in these areas as well, putting significant pressure on business.

It is important to look at what makes these "marketable areas" so successful. It is the businesses themselves that create the success. It is the restaurants and patios that add a vibrancy and life to these areas. This vibrancy has long been a major tourism selling point for Toronto.

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Because of the need to protect owners whose business plans are based on current rates, Restaurants Canada would ask that the committee considers instituting a grandfathering of current rates to existing businesses, with an annual inflation adjustment. This will balance the City's need for increasing revenue with the needs of the small businesses.

We also question the need for an annual renewal fee. There is no additional work for the city if there are no changes, so a renewal fee on top of the permit fee only seems like a cash grab. Restaurants Canada would request that any permit without changes be automatically approved without a renewal fee.

Thank you in advance for your consideration of this submission.

Sincerely,



James Rilett
Vice President, Ontario
Restaurants Canada



Steve Mastoras
Director
Restaurants Canada

c.c.: His Worship John Tory, Mayor of Toronto
Jaye Robinson, Chair, Public Works and Infrastructure Committee
Stephen Holyday, Vice Chair, Public Works and Infrastructure Committee