

### **Two-Year Extension for Stationary Food Trucks (R55 Curb Lane Vending Permits)**

**Date:** May 31, 2018

**To:** Licensing and Standards Committee

**From:** Executive Director, Municipal Licensing and Standards

**Wards:** All

#### **SUMMARY**

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As directed by Licensing and Standards Committee on April 21, 2015, this report recommends a two-year extension for stationary curb lane vendors (R55 Curb Lane Vending Permit holders) to continue to operate in fixed, designated spots until December 31, 2022.

A stationary curb lane vendor is a food truck or ice cream truck that can operate from a fixed and designated parking spot on the road (also called a fixed curb lane spot). On April 1, 2014, City Council adopted a new bylaw, Chapter 740 Street Vending, which introduced new permit requirements for street food vendors. These changes resulted in phasing-out the stationary curb lane vendor permit and introducing the new mobile food vendor permit. Currently, there are 23 stationary curb lane vendors permitted to operate until December 31, 2020.

Municipal Licensing and Standards (MLS) will be reviewing Chapter 740, Street Vending throughout the remainder of 2018, as directed by City Council, with a report expected in the first half of 2019. As such, and in response to the feasibility of an extension, staff are recommending a two-year extension for the existing stationary curb lane vendors to provide business certainty, pending this report.

Staff consulted the street food vending industry on this issue in May 2018.

Legal Services was consulted in the preparation of this report.

## RECOMMENDATIONS

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The Executive Director, Municipal Licensing and Standards recommends that:

1. City Council amend Chapter 740, Street Vending to permit R55 Curb Lane Vending Permit holders to continue to operate in designated curb lane locations until the extended deadline of December 31, 2022.
2. City Council direct the Executive Director, Municipal Licensing and Standards to complete additional research on other outstanding issues relating to Chapter 740, Street Vending and report back by the first half of 2019.

## FINANCIAL IMPACT

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There are no financial impacts beyond what has already been approved in the current year's budget. Any operational and/or financial impacts will be reported through the 2019 Budget process.

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

## DECISION HISTORY

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On May 5, 2015, City Council adopted [LS3.1 Chapter 740, Street Vending - One Year Review](http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.LS3.1) (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.LS3.1>). The report recommended new permit fees and, as a result of experiences from a year of implementation, amended various specific components of the bylaw to increase clarity.

On April 14, 2015, Licensing and Standards Committee adopted [LS3.1 Chapter 740, Street Vending - One Year Review](http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getDecisionDocumentReport&meetingId=9798) (<http://app.toronto.ca/tmmis/viewPublishedReport.do?function=getDecisionDocumentReport&meetingId=9798>) which included a request for the Executive Director, Municipal Licensing and Standards to review and report on the feasibility of allowing R55 stationary curb lane vending permit holders to continue to operate beyond 2020 and the ability for R55 stationary permit holders to transfer permits to spouses and/or children.

On April 1, 2014, City Council adopted [LS27.1 New Opportunities for Toronto's Street Food Vendors](http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.LS27.1#) (<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.LS27.1#>). The report recommended a new bylaw, Chapter 740 Street Vending. City Council directed the Executive Director, Municipal Licensing and Standards, to report to Licensing and Standards Committee in one year on the impact of the new regulations on street vending in Toronto.

## COMMENTS

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### **Background: Current Street Vending Bylaw**

Street food and ice cream vendors must hold a permit under Toronto Municipal Code Chapter 740, Street Vending.

A stationary curb lane vendor is a food truck or ice cream truck that operates from a fixed and designated parking spot on the road and holds an "R55 Curb Lane Vending Permit". Currently, there are 23 vendors permitted to operate from fixed curb lane spots. Cars and other vendors are not allowed to park in these spots. Designated spots are located in places such as the University of Toronto campus and in front of the Metro Toronto Convention Centre. Stationary curb lane vendors are not allowed to operate outside their designated locations, unless on private property with the permission of the property owner.

On April 1, 2014, City Council adopted a new bylaw, Chapter 740 Street Vending, which introduced new permit requirements for street food vendors. These changes resulted in the phasing-out of the stationary curb lane vendors' permits and the introduction of the new mobile food vendor permit ("R54 Mobile Food Vending Permit") that is neither stationary nor limited to vending from one consistent spot. Stationary curb lane vendors will, therefore, no longer be permitted to operate in their designated spots as of December 31, 2020. Until then, permit holders have been "grand parented" in Chapter 740, and are able to continue operating under the terms of their current permit. The grand parenting provision in the bylaw was meant to provide time for the industry to adapt and for staff to work with these vendors to assist with the transition to the new model. Stationary curb lane vending permit holders that want to continue to operate their business curbside on public roads after December 31, 2020 would be required to obtain a mobile food vending permit.

Mobile vending permit holders are allowed to operate in mobile vending zones at all pay-and-display stations on major, minor arterial and collector roads, and must be located 30 metres from an open and operating restaurant. These vendors are required to abide by all relevant parking regulations, and pay for parking. Vendors are allowed to operate for up to five hours at a time in a permissible location.

### **Recommended Street Vending Bylaw Amendments: Two-Year Extension for Stationary Curb Side Vendors**

Staff recommends permitting food and ice cream vendors, holding stationary curb lane vendor permits, to continue under the terms of their current permit until December 31, 2022. Beginning January 1, 2023, these permits would not be renewed. To continue operating, vendors would be required to obtain mobile food vending permits.

This recommended change is an interim solution, pending the outcomes of a review and report on a broad range of other outstanding issues regarding Chapter 740. A review of Chapter 740 was on the MLS Work Plan for 2017 - 2018, but will not be complete until 2019. Given this delay in the final report, staff recommend a two-year extension to allow

stationary curb lane vendors to continue to operate under their current permit terms in order to provide business certainty and continuity as research and consultations are undertaken.

## **Consultation Findings**

Staff sought feedback on this recommended change through a public consultation meeting on May 11, 2018 and through written submissions. 26 people attended the in-person consultation meeting. The majority of attendees were stationary curb lane vendors and mobile food vending permit holders. During the meeting, staff presented the recommendation to extend the stationary curb lane vending permit end date by two years.

Stationary curb lane vendors told staff that an extended deadline until December 31, 2022 was acceptable as a first step, but these vendors' preference is to have the City allow them to operate at their designated spots and under their current permit conditions without a sunset clause. The group was vocal about their desire to either hold the permit until retirement, pass the permit on to their next of kin after they pass away, or to be able to incorporate and transfer the permit to the corporation. Some individuals expressed an interest in expanding the extension up to 2030, noting that an additional two years is not sufficient time to recover potential costs for large upfront capital investments required for changing their business model.

Mobile food vending permit holders are opposed to the proposed extension to the stationary curb lane vending permit. They would like the opportunity to use the currently designated fixed locations, as they would any other mobile food vending zone in the city. These stakeholders, many of whom have been operating since 2014 without having fixed vending locations, believe that the elimination of the stationary curb lane vending permit in 2020 set a reasonable amount of time for mobile food vending zones to transition to the new business model. Mobile food vending permit holders regarded fixed, curb lane vending locations as creating disparity between the users of the two permits and saw the end of the stationary curb lane vending permit in 2020 as leveling the competition for food truck vendors.

## **Next Steps**

There are a number of outstanding committee and Council directives related to Chapter 740, Street Vending. Staff will be reporting on a broad range of issues relating to street vending in 2019.

### *Research – May to December, 2018*

Research will include a jurisdictional scan of food vending bylaws and industries in other cities and an analysis of comments and complaints received since Chapter 740 was implemented. Staff will also explore other issues such as environmental impacts, changes to permitted vending zones and other opportunities.

### *Consultation – September to October, 2018*

Staff will conduct stakeholder and public consultations on proposed changes to the bylaw.

Throughout the consultation phase, staff will consult with: the public; operators; Business Improvement Areas; restaurant associations; and environmental experts, among others.

### *Committee Report – First half of 2019*

Staff are planning to report to the Licensing and Standards Committee in the first half of 2019.

## **CONTACT**

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## **SIGNATURE**

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