

<b>TO:</b>	<b>CHAIR AND MEMBERS COMMUNITY AND PROTECTIVE SERVICES Meeting on May 27, 2013</b>
<b>FROM:</b>	<b>G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT &amp; COMPLIANCE SERVICES AND CHIEF BUILDING OFFICIAL</b>
<b>SUBJECT:</b>	<b>FOOD TRUCK PROPOSAL – PUBLIC PARTICIPATION MEETING</b>

**RECOMMENDATION**

That on the Recommendation of the Managing Director, Development & Compliance Services and the Chief Building Official, the following actions be taken:

- a) This report **BE RECEIVED** for information; and
- b) that an amendment to the Business Licensing By-law L-6 **BE INTRODUCED** at the Municipal Council Meeting on June 11, 2013 to provide for regulations and locations for a food truck pilot program in Downtown London for 2013.

**PREVIOUS REPORTS**

February 25, 2013 – Food Truck Proposal Report - CPSC

**BACKGROUND**

Civic Administration was approached by Downtown London to discuss the possibility of permitting local downtown restaurants to sell food from food trucks parked on City streets in the downtown area. While this topic of discussion was initiated by local restaurant operators as an idea to grow their business, participation from the growing food services vehicle industry would be likely if a pilot project was approved by Council. On March 5, 2013, Municipal Council directed Civic Administration to report back at a public participation meeting of the Community and Protective Services Committee meeting on amendments to the Business Licensing By-law to implement a pilot program of permitting food trucks in the downtown area.

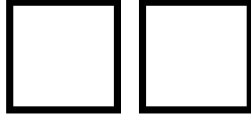
**Business Licensing By-law**

The current Business Licensing By-law requirements for refreshment vehicles are outdated as they were originally drafted to deal with catering trucks, hot dog vendors and pedal powered ice cream vendors. The food service industry has diversified and in many municipalities, consumer demand for a greater variety of food products, specifically in downtown areas, has resulted in numerous reviews and amendments of municipal business licenses.

London’s Business Licensing By-law regulates a number of classes of refreshment vehicles including stationary and mobile vehicles. Refreshment vehicles are permitted to set up on private and public property. For example, food vendors are allocated public locations ( i.e. entrances to Victoria Park) by way of a lottery. Joint inspections are undertaken by the Health Unit, Fire Prevention and Municipal Law Enforcement to ensure that all respective regulations are in full compliance.

**Stakeholder and Community Engagement**

The food truck industry has seen a significant rise in popularity across North America. There has been a growing trend towards promoting healthy, innovative and diverse food choices from



food trucks parked on city streets and off-street lots. Celebrity chefs, social media and reality television shows have all added to the increased interest in the evolving food service industry.

For the most part, municipalities in Canada have approached and/or regulated this type of food vendor in a variety of ways – hours of operation, controlled menu's, setbacks from restaurants, fees and other locational criteria. One of the key findings is the consistent buffer zone regulations for non-predestinated City sites.

Civic Administration has consulted with the local stakeholders such as restaurateurs, business associations, business owners, and regulatory agencies. The following provides a summary of the discussions.

The most common opinion from Downtown restaurateurs was a concern about cost/benefit equity between operating a bricks and mortar restaurant (taxes, employee cost, maintenance, health and safety, utilities etc.) versus a food truck which has little or no overhead and low staffing costs. Restaurants in close proximity to the Downtown or even in the outskirts of the Downtown were not completely opposed and perceived food truck as a sign of progress; if food trucks are going to come to London then the business community should be engaged in the decision making (selection panel) to ensure a unique food experience and that negative impacts are minimized. Other responses included proximity to existing restaurants, garbage, health and safety standards for food, patrons and employees, washrooms for patrons and staff, accessibility for all, noise, hours of operation.

Responses from other stakeholders mainly outside the restaurant industry were positive, suggesting the food industry is changing and people should have a choice. Several suggested the influx of food truck and food alternatives will bring new people to the downtown, put feet on the street and draw-out existing downtown workers and residents creating energy and increased commerce.

The Ontario Hotel Motel Restaurant Association (ORHMA) was also consulted. Their feedback indicated food trucks are likely here to stay however regard must be given to existing restaurateurs noting the cost of operating a food truck differs significantly to that of a bricks and mortar restaurant.

### **Submitted By-law Amendment**

Subject to comments received at the public participation meeting, if Council wishes to go forward with a pilot project, Civic Administration has prepared an amendment to Business Licensing By-law setting out regulations and locations for the pilot program. The regulations are very similar to the current regulations for the refreshment vehicles located on public property, other than the locations are on City roadways.

Currently, category 1 refreshment vehicles are assigned locations on City property for specific time periods by way of a lottery system. The same license issuance system is proposed for category 7 refreshment vehicles. For the pilot project, three locations will be available within designated parking spots surrounding Victoria Park: two locations on Dufferin Avenue, and one on Clarence Street. The locations will be designated as food truck parking between the hours of 8 am – 9 pm. There will be a limitation on the days of operation due to planned street closures and special events scheduled for Victoria Park ( i.e. Sun Fest, Home County). The licensee will be responsible to pay for the bagging of a parking meter for a maximum of three parking spaces. The daily cost of bagging a parking space is \$9.00.

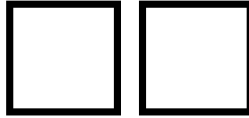
In several municipalities, there is an effort to encourage healthier and more diverse food alternatives from food trucks. Selection panels are established which provide independent and professional expert assessments of food truck applications based on submitted business profiles and menu diversity/innovation. The panel membership includes local representatives with experience in the food industry including menu development and food sales. The panel ranks the applications based on the applicant's qualifications and experience, and menu diversity and innovation. For this pilot project, menu diversification will not be judged as currently there are no defensible criteria to include in a licensing by-law as a prerequisite for applications. Administration has consulted with local food experts in regard to menu uniqueness in the food truck industry and if Council desires, after a pilot project is evaluated, to consider menu diversity as a criteria, Administration can report back on this matter.

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The proposed licence fee is \$959. This represents costs of administration and enforcement and the provision for picnic tables and garbage containers.

<b>PREPARED BY:</b>	<b>RECOMMENDED BY:</b>
<b>O. KATOLYK MANAGER OF LICENCING AND MUNICIPAL LAW ENFORCEMENT SERVICES</b>	<b>G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT &amp; COMPLIANCE SERVICES AND CHIEF BUILDING OFFICIAL</b>
<b>REVIEWED &amp; CONCURRED BY:</b>	
<b>MARK HENDERSON DIRECTOR OF BUSINESS LIAISON</b>	

cc: Downtown London  
Old East Village  
Middlesex London Health Unit



Bill No.  
2013

By-law No.

A by-law to amend By-law No. L-6 entitled "A by-law to provide for the licensing and regulation of various businesses".

WHEREAS the Council of The Corporation of the City of London wishes to amend By-law L-6 entitled "A by-law to provide for the licensing and regulation of various businesses" to add a new category of refreshment vehicle;

AND WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Council of The Corporation of the City of London enacts as follows:

1. Section 18.2 of the Business Licensing By-law L-6 is hereby amended by adding the following new category of refreshment vehicle:

"Category 7 shall include food service vehicle or trailer from which food products are sold from a location on City owned property approved by the Licence Manager for more than 15 days, not necessarily consecutive, in total in one calendar year, and where the food products are prepared on the vehicle or trailer."

2. The Business Licensing By-law L-6 is hereby amended by adding the following new sections 18.17, 18.18, 18.19, 18.20, 18.21 18.22, 18.23, 18.24, and 18.25:

**"18.17 Category 7 Refreshment Vehicle Licence – licence period**

Notwithstanding any other provision of this by-law, a Category 7 licence shall be valid only for the period from June 27, 2013 to November 1, 2013.

**18.18 Category 7 Refreshment Vehicle Licence – location – permitted**

No person shall operate a Category 7 refreshment vehicle in the City except:

- (a) in the location designated as locations 1, 2, and 3 on Schedule "L" of this by-law; and
- (b) under the authority of a licence that is issued and has not been suspended or revoked under this by-law.

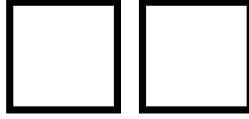
**18.19 Category 7 Refreshment Vehicle Licence – limitation on number of licences**

- (a) The number of Category 7 refreshment vehicle licences issued under this by-law is limited at any time to three (3) and not more than one licence shall be issued with respect to each location designated as a location as shown on Schedule "L" and not more than one licence shall be issued to any one person.
- (b) The locations as shown on Schedule "L" shall be precisely demarcated by the Licence Manager so as to identify the exact location where a Category 7 Refreshment Vehicle may be located (the "assigned location").

**18.20 Category 7 Refreshment Vehicle Licence – limitation on hours of operation**

No person shall operate a Category 7 refreshment vehicle between the hours of 9:00pm to 8:00am.

**18.21 Category 7 Refreshment Vehicle Licence – limitation on days of operation**



No person shall operate a Category 7 refreshment vehicle on the following days: July 3, 4, 5, 6, 7, 8, 16, 17, 18, 19, 20, 21, 22, 26, 27, 28, 29, 30 and 31; August 1, 2, 3, 4, 5, 6, 7, 30 and 31; and October 5 and 6.

**18.22 Category 7 Refreshment Vehicle Licence – application**

Every applicant for a Category 7 refreshment vehicle licence shall file with the Licence Manager proof of insurance in respect of the Category 7 Refreshment Vehicle in the amount of \$2,000,000.00 and public liability insurance in the amount \$5,000,000.00 which insurance shall be satisfactory to the Licence Manager who shall be notified within 60 days of its cancellation or expiry.

**18.23 Category 7 Refreshment Vehicle Licence – conditions to obtain and hold licence**

In addition to all of the requirements set out in this by-law, every licence holder of a Category 7 refreshment vehicle licence is subject to the following condition of obtaining and continuing to hold the licence;

- (a) maintain insurance as required under section 18.22;
- (b) file with the Licence Manager at least 5 days prior to the expiry date of any current insurance policy an insurance renewal policy or certificate of insurance.

**18.24 Category 7 Refreshment Vehicle Licence – operational conditions**

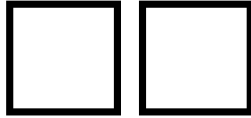
Every holder of a Category 7 refreshment vehicle Licence shall:

- (a) ensure that the refreshment vehicle is removed from the assigned location when it is not in operation;
- (b) sell, serve or offer refreshments only from or through a window or opening on the refreshment vehicle that is directly adjacent to and faces the sidewalk;
- (c) ensure that no waste accumulates on the assigned location and that all waste is removed before leaving the assigned location each day;
- (d) not erect, install or place any signs, including without limitation to advertising or menus, on or near the assigned location;
- (e) post a menu on the exterior of the refreshment vehicle;
- (f) provide a menu to the Licence Manager upon request.

**18.25 Category 7 Refreshment Vehicle Licence – allocation of Licences and locations**

The following regulations apply for determining the allocation of Category 7 refreshment vehicle licences:

- (a) the Licence Manager is to accept applications for Category 7 refreshment licences until June 21, 2013 at 4:30pm;
- (b) a person may submit only one application for a Category 7 refreshment vehicle licence;
- (c) the Licence Manager shall determine from all applications for a Category 7 refreshment vehicle licence wishing to operate a Category 7 refreshment vehicle, by lot, at a time and place to be set by him or her;
- (d) all such applicants will be notified of the time and place of the determination by lot and may be present at the determination;
- (e) all sites shown on Schedule “L” of this by-law not allocated by lot pursuant to the regulations of this by-law, and those sites that become available from time to time, shall be allocated on a priority list basis as determined by lot by the Licence Manager;



- (f) all decisions of the Licence Manager with respect to refreshment vehicle site allocations shall be final; and
- (g) all applicants allocated a refreshment vehicle site who by August 9, 2013 fail to obtain a Category 7 refreshment vehicle licence or place his or her refreshment vehicle in operation will have his or her licence and assigned location revoked by the Licence Manager. The refreshment vehicle licence and assigned location will then be re-allocated pursuant to section 18.25(e) of this by-law.”

3. The Business Licensing By-law L-6 is hereby amended by adding to Schedule “A” the following row:

D	Refreshment Vehicle (Category 7)	\$959.00	
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4. The Business Licensing By-law L-6 is hereby amended by adding a new Schedule “L” attached to this amending by-law as Appendix 1.

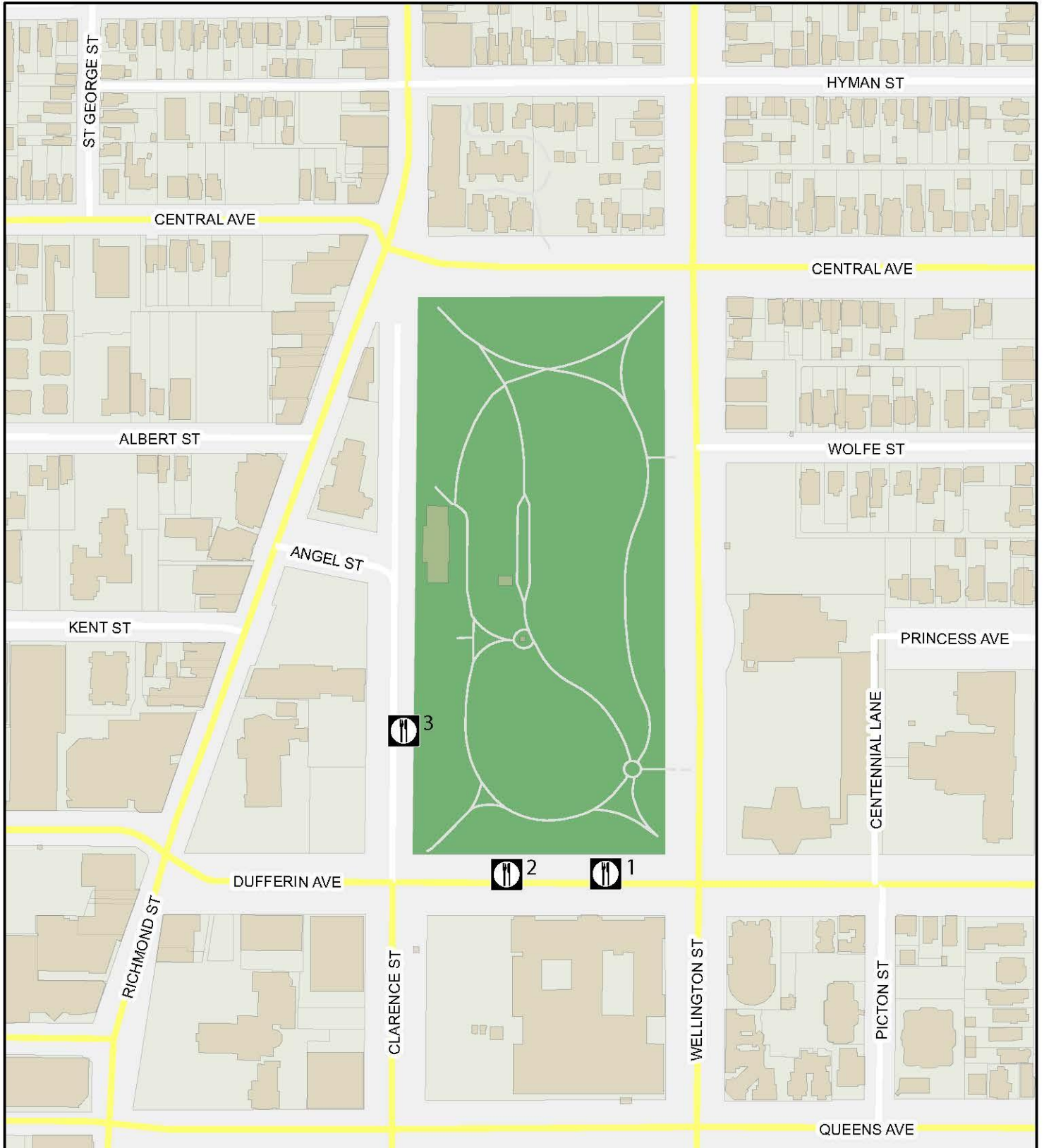
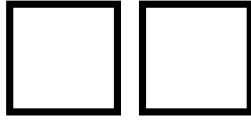
5. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on \_\_\_\_\_, 2013.

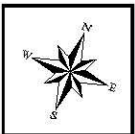
Joe Fontana  
Mayor

Catherine Saunders  
City Clerk

First reading -  
Second reading -  
Third reading –



## Schedule L - Category 7 Refreshment Vehicle Locations



### Legend



Food Trucks



Victoria Park