



REPORT TO: Finance and Corporate Services Committee

DATE OF MEETING: April 28, 2014

SUBMITTED BY: C. Tarling, Director of Legislated Services & City Clerk,
519-741-2200 ext. 7809

PREPARED BY: Patricia Harris, Manager of Licensing,
519-741-2200 ext. 7854,
Cory Bluhm, Manager, Downtown Community Development
519-741-2200 ext. 7065

WARD(S) INVOLVED: All

DATE OF REPORT: April 11, 2014

REPORT NO.: FCS-14-071

SUBJECT: FOOD TRUCKS

RECOMMENDATION:

THAT the following Food Truck program be implemented in 2014 to enable food truck owners to operate within the City of Kitchener throughout the week, in a manner that allows the entire community to experience food trucks, while simultaneously fostering positive relationships between food truck operators and existing restaurant operators:

- Parks – permit food trucks in McLennan Park, Huron Natural Area, Budd Park and Southwest Optimist Park, subject to restrictions where park permit holders are providing their own food services and subject to any limits to the number of trucks as outlined in staff report FCS-14-071
- Huron Business Park – permit food trucks on any private property within Huron Business park provided they have obtained the property owner's permission
- Minimum distance setbacks – establish a 30 metre setback from restaurants unless permission received from restaurant owners within the distance separation; and establish a 90 metre setback from schools unless permission granted by the school
- Downtown – prohibit food trucks in the downtown with the exception of the following:
 - Monday lunch hours on Civic Square as programmed by The City of Kitchener
 - As part of festivals and events (City and community)
 - As one-off promotional events between a restaurant(s) and a food truck(s), for a maximum period of 4 hours, provided all neighbouring restaurant do not object
 - Thursdays between 4 p.m. and 10 p.m. on locations agreed upon between the City, Food Truck Operators and the KBIA (no limit on the number of trucks)
 - Pilot in Civic District where 1 to 3 food trucks would be permitted to operate on one evening per week
- Fees – That the following licensing fee structure be approved:

- \$1,947 annually which would include private property, park locations, and any City sponsored special events that the food trucks wished to be participants in;
 - In addition, there would be a \$150.00 per event fee payable to the BIA fee to cover expenses such as marketing, music, etc. for the Thursday night program, if participating
- OR
- \$1,051 if only operate on private property
 - All refreshment vehicle fees to be reviewed before 2015 licence fees approved

BACKGROUND:

On March 3, 2014, as per Council's resolution, staff was requested to report back on April 28 after consultation with various stakeholders in the food industry and other potentially affected parties regarding the appropriate regulations and license fees for food trucks. Staff was asked to consider the following:

- Possible food truck zones in various City parks and the Huron Industrial Park specifically
- Possible food truck zone in the former Bramm Street yards/Innovation District Area
- Begin a formal discussion process with the City's Business Improvement Areas about the enhanced role, beyond special events, that food trucks could play in those areas
- Possible reductions to the existing 200 metre and 400 metre distance separations listed in Kitchener Municipal Code Chapter 586 (Refreshment Vehicles)

Staff's goal is to create opportunities across the city which enables food truck owners to operate throughout the week, in a manner that allows the entire community to experience food trucks, while simultaneously fostering positive relationships between food truck operators and restaurant operators.

The purpose of this report is to summarize the stakeholder consultation completed to date, the options available to Council, and the different stakeholder perspectives on the opportunity. A table has been prepared at the end of the report to summarize the decisions required, the range of the options, and the staff proposal which attempts to balance stakeholder interests and move forward with a meaningful food truck program in Kitchener for 2014, consistent with Council's direction.

REPORT:

The food truck industry is a growing market in Ontario and around North America. Many municipalities have started to regulate food trucks more leniently than previously, but there is no consistency with regards to the licensing and regulating of food trucks across the Province. Some municipalities permit food trucks to roam around the City provided they obtain a licence (Hamilton). Others such as Kitchener, Guelph and Ottawa require food trucks to be in stationary locations.

In order to understand the full scope of the issues and opportunities surrounding food trucks, staff contacted various municipalities regarding their by-laws and participated in meetings with both the food truck operators and restaurant owners to hear their concerns and ideas. Information was also received from the Ontario Restaurant Hotel and Motel Association (ORHMA). The City of Kitchener Manager of Park Planning and the Manager of Transportation

Planning were also contacted regarding the presence of food trucks in various City parks and in the Huron Industrial Business Park area.

City staff met with the food truck operators on March 28 for a two hour meeting to listen to the food truck operators' concerns. Seven food truck operators attended. Another meeting was held with restaurant owners on April 2 for an additional two hours. Five food truck operators also attended this meeting. Two downtown restaurant owners attended the meeting to provide input and offer suggestions how both the merchants in the downtown and the food truck operators could work together. No restaurant operators outside the downtown core attended although restaurant operators within 200 metres of the parks were invited. A further meeting was held on April 11 with Cory Bluhm, Manager of Downtown Community Development with food truck operators and a few restaurant operators in the Downtown in an attempt to establish agreement and provide a cohesive plan to Council.

The information received from all sources has been summarized below under the categories of zones, distance separations, fees, enforcement and other considerations for ease of understanding and decision making.

Food Truck Zones

Currently the City of Kitchener permits refreshment vehicles on both private and public property. Refreshment vehicles located on public property are regulated under By-law 2014-024 (Street Vendors By-law). There are specific locations where a refreshment vehicle such as a hot dog cart, may be located. These locations include: Victoria Park, corner of King and Gaukel Streets, King Street across from the Bargain Shop and the Harry Class Pool.

Refreshment vehicles are also permitted on private property in site specific locations provided they have obtained the permission of the property owner, are in the proper zone and are at least 200 metres from any existing restaurant and 400 metres from any other refreshment vehicle.

When the current by-law was first passed in 2002 Council had received numerous complaints from restaurant owners in the areas outside of the downtown core regarding the proliferation of refreshment vehicles set up close to their business locations that were causing undue hardship for the established businesses. Council included the current distance separations after reviewing their concerns.

Generally, both the Managers of Park Planning and Transportation Services are supportive of allowing food trucks in some parks and in the Huron Business Park area. That said, Council should be aware of the following implications of moving forward with a program:

- There is no funding built into budgets to cover any costs for additional debris pick-up in the parks and damage potentially caused by food trucks (e.g., ruts in turf, turf wear, spills, etc.)
- Some park locations are bookable and might have a food service as part of the booked use, presenting a potential conflict between paying park users and food truck operators
- It can be challenging to ensure that food trucks that show up in the park for short period of time are appropriately licensed to ensure consumer protection

Below is information from staff regarding each park and business park location:

PARK LOCATION	NUMBER OF TRUCKS RECOMMENDED	CONSIDERATIONS
McLennan Park	2	Parking location would need to be identified on the grass area due to limited parking spaces.
Huron Natural Area	2	
Budd Park	1	Would be in a defined area. Conflict with groups running their own food/bbq service to help support their operations.
Southwest Optimist Park	1	Ball diamonds are used from 6 p.m. to 9 p.m. in summer. Tournaments normally run their own food service as fundraisers for their organization.
Victoria Park	0	<p>Given historic concerns from neighbourhood residents as well as the proximity to downtown, staff recommend food trucks be prohibited in Victoria Park except for Special Events.</p> <p>Condition of Boathouse lease that requires refreshment vehicles to be 200 metres away from the Boathouse except for Special Events</p>
Huron Business Park	No set number	<p>Will not be permitted on Strasburg Road. Recommend a minimum setback of 30 metres from driveways, intersecting roadways and transit stops for safety reasons. Will not be permitted in areas signed no parking or no stopping. Damage to boulevard grass and/or landscaping is a concern. Garbage and recycle facilities must be proved by the applicant to reduce the potential to litter.</p> <p>It would be preferable to locate the food trucks only on private property in Huron Business Park due to the lack of sidewalks.</p>

Because of the large scope of the original request, and after discussion with various City staff, it was determined that the discussion of a food truck zone in the former Bramm Street yards/Innovation District should be reviewed at a later date in consultation with the Kitchener Business Improvement Area as some parts of this district come under the Business Improvement Area.

The following would form part of the implementation of food truck zones:

- Spaces would be available on a first-come, first-served basis
- Food trucks must provide service off the passenger side of the vehicle only, and limit customer waiting and service areas to the boulevard/sidewalk of the truck, thereby eliminating any potential for pedestrians to be on the roadway
- Any potential signage that may be proposed in the area to advertise the food truck should be subject to applicable zoning and signing by-law requirements
- All proposed locations for a food truck within Huron Business Park must be reviewed and approved by the Director of Transportation Services, or designate
- Any approvals for food trucks within parks and the Huron Business Park must be subject to any existing agreements with restaurant/refreshment vehicle owners.
- Require a formal approval procedure to manage requests for placement of a food truck on-street

The Ontario Restaurant Hotel and Motel Association (ORHMA) has suggested that:

- Food trucks be required to apply for fixed site permits – with rules referring to a specified location of business in permit issued
- Limit trucks to pre-approved vending spots that meet the aforementioned restrictions
- Not allow food trucks to occupy any parking spaces that are needed to meet the requirements for principal use of a property.

The food truck operators wish to be permitted to operate curbside food truck vending on any metered parking spaces subject to a 20 meter perimeter restriction to operating restaurants.

Food Trucks in Downtown Kitchener

Originally, staff recommended the following opportunities for food trucks in the downtown:

- 16 lunch hour events on Civic Square with live music and a food truck
- 2-3 food truck festivals throughout the summer; and
- Integrating food trucks into as many events as possible

While initially Council did not direct staff to pursue new opportunities for food truck operators in the core (consultation was deferred until the summer), a group of downtown restaurants met with the food truck operators to try to develop a win-win solution. In essence, rather than permitting food trucks to operate during peak lunch hours, to provide opportunities during off-peak hours as a way of collectively driving new traffic to the downtown during these quieter periods.

As a test pilot, a number of restaurants (while not the majority, nor acting on behalf of the BIA) suggested consideration of a fourth option – creating a street-party type event every Thursday night throughout the warm months, from 4 p.m. to 10 p.m. The goal of this event would be for

the food truck operators and downtown businesses to work together to foster vibrant activity during what is normally a quiet evening. Food truck operators could operate in pre-arranged locations, such as along King Street. Restaurant owners would be encouraged to stay open and offer specials or special menus, while retail owners would also be encouraged to stay open and offer sidewalk sales. The City and BIA would be able to provide staff resources to assist with the event, while the BIA may be able to provide live music. If Council were to endorse this option, staff recommend waiving the special event licensing fee of \$244.00 for this event, but adding a \$150.00 fee per food truck fee to assist the BIA with the cost-sharing of providing live music, marketing and event support.

While it appeared as though food truck operators were generally in support of this fourth option, at a recent meeting between both groups, food truck operators suggested that they may not be willing to participate if the City does not provide all day, every day access for food trucks to operate in the Civic District. Based on feedback received to date, it is clear that, while food options directly in the Civic District are limited, those that work in this district provide an important customer base to the rest of the Downtown, particularly for lunch hour traffic. As such, staff suggest that providing the Civic District as a daily food truck option would cause significant concern from existing restaurants. Rather, staff suggest undertaking a test pilot, where 1-3 food truck operators would be permitted to operate during off peak times, such as one evening of the week.

Staff did not consult restaurants or the BIA on the potential for food trucks in the Civic District. As such, staff recommend that any actions beyond a modest test pilot be deferred until further consultation has occurred.

Distance Separations

Most municipalities have required distance separations from restaurants and food trucks. They range from a 10 metre distance separation up to 60 metres. Kitchener currently has a distance separation of 200 metres (property line to property line) from a restaurant and a refreshment vehicle and 400 metres from another refreshment vehicle. The distance separation was established in Kitchener in 2002 when several restaurant owners complained that there was a proliferation of refreshment vehicles setting up close to their establishments and they were causing undue hardship for their businesses.

Below is information from various municipalities with respect to distance separations:

CITY	MOBILE/STATIONARY	PROXIMITY REQUIREMENTS
Kitchener	Stationary	200 metres from restaurant/400 metres from another refreshment vehicle
Waterloo	Mobile	10 metres from restaurant*
Guelph	Stationary	No distance separation but are only permitted in the University Zone and are not permitted on any roadways
Toronto	Mobile	50 metres from a licensed eating establishment 25 metres from the property line of a place of worship

		25 metres from another vendor 30 metres from the property line of a school
Hamilton	Mobile	30 metres from a restaurant without written permission of the owner 100 metres from a school, park, hospital, special event boundary
Ottawa	Stationary	46 metres from a restaurant 2 metres from another vendor 91 metres from a public market

**The City of Waterloo permits a distance separation of 10 metres to a restaurant because there would not have been any locations in the uptown where they would be permitted to operate if the distance separation was greater than 10 metres. Food trucks cannot operate on King Street in Waterloo because it is a Regional road, nor are they permitted to operate at any metered parking spaces because of the lack of on-street parking in uptown Waterloo. They are currently permitted to operate in two surface municipal parking lots in the uptown and staff is recommending that food trucks be permitted to operate in two more surface municipal lots.*

The Ontario Restaurant Hotel & Motel Association (ORHMA) is suggesting a distance separation of 100 metres away from restaurants unless written consent of the restaurant operator is obtained.

The local food truck operators are requesting a distance separation of 20 metres from an operating restaurant.

Staff is suggesting a distance separation of between 30 metres and 50 metres from an operating restaurant unless they are able to obtain written permission from restaurants within that distance separation to locate within a closer proximity to them. This will allow several more opportunities for food trucks to locate on private property and is consistent with other municipalities in Ontario. It is also being recommended that food trucks be at least 90 metres from any school during school hours unless they have received written permission from the school and at least 100 metres from any special event unless permission has been received from the special event organizer and a licence has been obtained. The distance separation from schools is consistent with the regulations currently in place for mobile ice cream refreshment vehicles (i.e. Dickie Dee) and is consistent with other municipalities in the Province.

Fees

The current licence fees for refreshment vehicles such as food trucks range from a low of \$200.00 in Oshawa to a high of \$6,748.00 in Ottawa. Kitchener's licence fee is \$1,051.00 for stationary refreshment vehicles which are located at a specific location. As with most business licence fees, the fees for refreshment vehicles were established based on cost recovery which included:

- Administrative fees (including providing information to applicants, checking distance separations, attending Committee meetings and informing residents and businesses within the permitted distance separation)

- Inspection fees – (ensuring refreshment vehicle is within the distance separation if there are complaints)
- Enforcement – laying charges and attending court for those refreshment vehicles that were operating without a licence.

A street vendor such as a hot dog cart that operates on City property pays an annual fee of \$1,947.00. This fee includes the cost of power washing the sidewalk if there are grease spills, the cost of the ad that is placed in the paper each year to advertise vacant locations as well as administration and inspection fees.

Below is information relating to license fees charged for refreshment vehicles in various municipalities throughout the Province:

MUNICIPALITY	LICENCE FEE
Kitchener	\$1,051.00 (stationary), \$1,947.00 for refreshment vehicle on City property (hot dog carts)
Toronto	\$5,000.00 (proposed)
Ottawa	\$6,748.00 (includes permit fee)
Waterloo	\$300-350.00 (proposed)
Guelph	\$324.00
Hamilton	\$311.00
Oshawa	\$200.00

Council could implement a two tier fee structure for refreshment vehicles. Refreshment vehicles only operating on private property could pay a fee of \$1,051.00 for the year. This would give them access only to locations on private property with no access to park locations or special events organized by the City unless they paid the individual special event fee. If refreshment vehicles also wished to utilize a park location and/or participate in special events that the City was organizing, a fee of \$1,947.00 annually could be implemented which would cover private property, all park locations and City organized Special Events without obtaining a separate special event licence for each event. The current Special Event licence fee is \$244.00 per event unless the special event is organized by a charitable organization and all proceeds go to the charity. The Special Event licence fee of \$244.00 includes administrative costs as well as any inspection fees such as the Fire Departments approval and any enforcement costs. In 2013 there were approximately 25 special events licensed.

In suggesting the above fees, staff took into consideration the current fees for stationary refreshment vehicles and licence fees for the street vendors currently operating. Most of the refreshment vehicles have paid their licence fees for 2014 and it would be unfair to charge a much lower fee for food trucks in 2014. Based on the various licence fees across the Province, staff is prepared to review the licence fees for refreshment vehicles for 2015.

Enforcement

In speaking with various municipalities, enforcement of refreshment vehicles has been difficult in the past where they have allowed refreshment vehicles to come into the City without a specific location in mind. A refreshment vehicle from out of town can set up for a few hours at a location, make their money and take their profits with them all without obtaining a licence. It has been difficult to locate the vehicles in order to bring them into compliance. Licensing has one

enforcement officer and it will be very difficult to locate refreshment vehicles that pop in and out of the City and roam from location to location.

Further Comments received from various stakeholders

Ontario Restaurant Motel and Hotel Association

As the attached correspondence outlines, the ORHMA has additional comments and concerns regarding the food truck industry as follows:

- Unpredictability of when and where a food truck may show up creates an unfair disadvantage for brick and mortar restaurants – this level of competition must be addressed by permits and regulations guiding when and where a food truck can operate
- Restaurants have contributed to the City’s economy for many years with fixed expenses and paying taxes
- Hours of operation should be limited

United Food Trucks Unlimited

Comments (see attached) from United Food Trucks Unlimited are as follows:

- Create designated food truck locations throughout the city with stakeholder input
- Redefine existing restrictions to permit regulated Park Access
- Permit school property service upon written request

Decisions Required

The following table summarizes the decisions required from Council to implement an expanded food truck program in 2014.

DECISION REQUIRED BY COUNCIL	CURRENT	COMMENTS FROM FOOD TRUCK OPERATORS	COMMENTS FROM RESTAURANT ASSOCIATION	STAFF RECOMMENDATIONS
Parks – Determine park locations where food trucks will be permitted	Food trucks not permitted in parks except during Special Events	Redefine existing restrictions to permit regulated park access	No comments	Permit trucks in McLennan park, HNA, Budd Park and Southwest Optimist Park subject to restrictions where park permit holders are providing their own food services and subject to any limits to the number of trucks as outlined above. Prohibit food trucks in Victoria Park except for Special Events

Huron Business Park – Determine number of food trucks	Permitted in Huron Business Park provided they meet the current distance separations and are on private property	No comments	No comments	Permit trucks on any private property within Huron Business park provided they have obtained the property owner's permission
Distance Separations	200 metres from Places of Refreshment, 400 metres from another Refreshment Vehicle; cannot be within 90 metres of a school during school hours	20 metres from restaurant Permit school property access upon written request	100 metres from restaurants	30 metres from restaurants – property line to property line unless permission received from restaurant owners within the distance separation 90 metres from schools unless permission granted by the school
Downtown	Only in downtown core during special events	Permit curbside parking on any metered parking spots subject to a 20 metre perimeter restriction to operating restaurants Operate in the Civic District 5 days a week during lunch hours	Food trucks not to be allowed to occupy any parking spaces that are needed to meet the requirements for principal use of a property Not be allowed to operate in downtowns with high intensification of restaurants	Prohibit food trucks in the downtown with the exception of the following: Monday lunch hours on Civic Square as programmed by The City of Kitchener As part of festivals and events (City and community) As one-off promotional events between a restaurant(s) and a food truck(s), for a maximum period of 4 hours, provided all neighbouring restaurant do not object Thursdays between 4 pm and 10 pm on locations agreed upon between the City, Food Truck Operators and

				<p>the BIA (no limit on the number of trucks)</p> <p>Pilot in Civic District where 1-3 food trucks would be permitted to operate on one evening per week</p>
Fees	<p>\$1,050.00 for stationary refreshment vehicle; renewal fee \$729.00</p> <p>\$1,947.00 for street vendors on city property (hot dog carts)</p>	\$300 to \$350.00	No fee expectations	<p>\$1,947 annually which would include private property, park locations, and any City sponsored special events that the food trucks wished to be participants in</p> <p>In addition, there would be a \$150.00 per event fee payable to the BIA fee to cover expenses such as marketing, music, etc. for Thursday night program, if participating</p> <p>\$1,051 if only operate on private property</p> <p>All refreshment vehicle fees to be reviewed before 2015 licence fees approved</p>

ALIGNMENT WITH CITY OF KITCHENER STRATEGIC PLAN:

Quality of Life – A focus on vitality, public health and safety and community vitality

Organizational governance – Business practices and compliance

FINANCIAL IMPLICATIONS:

There will be costs associated with clean up in parks, damages to parks from trucks leaving ruts in turf, turf wear, spills, etc. The costs are unknown at this time but there are no additional budget dollars in 2014 to deal with these costs and the additional costs associated with enforcement. The review of fees contemplated for 2015 will consider whether or not the license fee needs to be set at a different level to fully recover the associated costs.

There are presently:

- 3 street vendors licences @ \$1,947.00 = \$5,841.00
- 9 Stationary refreshment vehicles @ \$1,051.00 = \$9,459.00

An additional 5-7 food trucks @ \$1,947.00 could provide revenue of \$9,735-\$13,629 but, as noted above, will result in increased costs of administration, enforcement and maintenance.

COMMUNITY ENGAGEMENT:

Meetings were held with City staff and seven food truck operators on March 28 to hear their concerns. A further meeting was held on April 2 for restaurant owners from the downtown and the areas close to the City parks who had been notified by mail of the meeting. Two restaurant owners from the downtown attended this meeting along with five food truck operators. A further meeting was held with staff, food truck operators and a few downtown restaurant operators on April 11 to further discuss options for a collaborative effort between the downtown businesses and food truck operators.

ACKNOWLEDGED BY:

Dan Chapman, Deputy CAO

MINUTES OF MEETING WITH FOOD TRUCK OPERATORS

Date and time: Friday, March 28, 2014 2:00-4:00 PM

Location: Conestoga Room

Participants:

- a. Pat Harris-City of Kitchener
- b. Cory Bluhm-City of Kitchener
- c. Darren and Brad Schmuck-Schmuck Truck
- d. Manish Patel and Sandor Dosman-Fo'Cheezy
- e. Paul Gough-Curbside Gourmeh
- f. Nadia Dragusamica-Cafe du Monde Creperie
- g. Reuben Salonga and Emma Putt-Luchador Gourmet Streatery
- h. Andrea Hennige-West of Seoul
- i. Dave Betts-Great British Bake

Meeting to discuss the future for Kitchener Food Truck Operators

Agenda of the meeting

1. Introductions
2. Review of the Council Resolution and the City's focus for 2014
3. Food Truck Operators Concerns
4. Review Current Chapter 586 (Refreshment Vehicles) and receive input from operators as to possible changes
5. Next Steps
6. Closing Remarks

Summary of discussions and detailed decisions

The meeting started at: 2:00 PM

Review of the Council Resolution and the City's Focus for 2014
<ul style="list-style-type: none">● Matter is before Council on Monday, April 28, 2014● Food Truck Zones● Formal BIA discussion● Refreshment Vehicle Bylaw● Possible Distance Reduction (discussion from 200m to 50 or 65m)● Finding a balance between needs of Food Truck Operators and local restaurants

Other discussions

- **Public Meeting-Wednesday, April 2, 2014 9:00-11:00 AM**
 - Pat informed the Food Truck Operators of this meeting but asked that there be no hostile discussion between the Food Truck Operators and the Restaurants.
 - Discussion of Ontario Restaurant Owners that the huge amount of rent and taxes that they pay.
 - Discussion of Food Truck areas with access to water and electricity.
 - Discussion of Enforcement Issues
 - Discussion of fees and what is currently paid by stationary vehicles-\$1000.00 initially and \$778.00 for renewals.
 - Fees of other municipalities talked about.
 - Pat explained Special Events licenses and possible use of a tag to be installed on outside of Food Trucks to identify a current licence.
 - Pat informed the Food Truck Operators of possible use of food truck zones-McLellan Park, Huron Natural Area/Huron Industrial Park area, Budd Park (subject to discussions with Kitchener Soccer), Southwest Optimist Park and Victoria Park.
 - Cory mentioned possible Thursday evening in which Food Trucks, retailers and restaurants would stay open late as a means of gauging if this could be successful for all involved in the future.
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- Pat informed the Food Truck Operators that she would be compiling all of the information into a report and then Council would be making their decision.

Food Truck Concerns/Wish list

- Andrea (West of Seoul) expressed that there is a good relationship with “bricks and mortars” (restaurants) and wants to have collaborative events. Issue with wording-stated that a clause that allowed restaurants to invite Food Trucks to less than the specified bylaw meters would be helpful. Also stated that other municipalities allow this. Andrea also identified use of seasonal restaurants if given permission by property owners, i.e. Dairy Queen as a chance for capital gain for such restaurants.
- Rueben Salonga (Luchador Gourmet Sreatery) suggested the interest of The City of Kitchener should be health and safety and right of passage for pedestrians as opposed to multiple inspections. He stressed that the education piece is missing for “bricks and mortars”, The City of Kitchener and the community in general.
- Paul Gough (Curbside Gourmeh) emphasized that the expenses of Food Trucks need to be accounted for. He also remarked that there is an inequity and that The City of Kitchener does not legislate the same control over other businesses as they do with Food Trucks, for example he stated that he has had 26 health inspections over one year as opposed to his experiencing in working in a restaurant for 11 years where he only received 5 inspections.

- **Hard core points from Food Truck Operators-they want reasonable fees and said they would be willing to pay \$500.00; they want reasonable distance restrictions and designated locations of operation.**

- Paul Gough (Curbside Gourmeh) believed an amendment to Chapter 586 (Refreshment Vehicles) made economic sense due to time constraints. He would also like to be able to park on private property with approval. This led to a group discussion on a standard approval letter that could be signed by a property owner and emailed to Licensing by the Food Truck Operator.
- Reuben Salonga (Luchador Gourmet Sreatery) asked for The City of Kitchener to allow daily access to business. He also expressed that the Food Truck Operators would like the same rules as the “bricks and mortars”. Reuben would like to see permission to provide service to school properties upon written request.
- Manish Patel (Fo’Cheezy) brought up that Food Truck Operators do not want distance between other food trucks.
- Dave Betts (Great British Bake) would like dedicated spots as the Food Truck Operators use social media to advertise their businesses. The Food Truck Operators do not want to roam from place to place as it takes too much time to find a space and to set up.

The meeting ended at: 4:10 PM

Minutes compiled by: Cola Pearson

MINUTES OF MEETING WITH RESTAURANT OWNERS

Date and time: Tuesday April 2, 2014 9:00-11:00 AM

Location: Conestoga Room

Participants:

- a. Pat Harris-City of Kitchener
- b. Cory Bluhm-City of Kitchener
- c. Linda Jutzi-Entertaining Elements
- d. Le-Anne Pilecki-Kava Bean
- e. Ashish Gulta-Transfer Restaurant
- f. Paul Gough-Curbside Gourmeh
- g. Nadia Dragusamica-Cafe du Monde Creperie
- h. Reuben Salonga and Emma Putt-Luchador Gourmet Streatery
- i. Dave Betts-Great British Bake

Meeting for Kitchener Restaurant Owners to discuss Kitchener Food Trucks

Agenda of the meeting

1. Introductions
2. Review of the Council Resolution regarding Food Trucks
3. Restaurant Owner Concerns
4. Open discussion between Restaurant Owners and Food Truck Operators
5. Next Steps
6. Closing Remarks

Summary of discussions and detailed decisions

The meeting started at: 9:10 AM

Review of the Council Resolution regarding Food Trucks

- Matter is before Council on **Monday, April 28, 2014**
- Finding a balance between needs of Food Truck Operators and local restaurants
- Main focus-the third part of the resolution, regarding downtown restaurants (since all restaurant owners present were from the downtown area.)
- Also a focus on the last part of the resolution, regarding the reduction zone

Other discussions

- Some of the restaurant owners also sit on the BIA and were able to provide some of this perspective although they were clear that they were there as independent restaurant owners and not as representatives of the BIA.
 - Open discussion between the Restaurants Owners and the Food Truck Operators.
 - Main points: Food Trucks need other good locations on the other days so that they may succeed.
 - Reuben Salenga (FT Operator) suggested using experiences of other municipalities to benefit Kitchener.
 - Pat acknowledged these experiences but reminded the Food Truck Operators that Kitchener is in the infancy of this process and she is looking at finding a win-win situation to benefit all involved. By opening up the distances and allowing authorized use of private properties the Food Truck Operators would have a means of successfully supporting their businesses.
 - Cory reaffirmed that this relationship building process is crucial for a long term successful partnership. Cory also discussed the Monday lunch at Civic Square as well as the other opportunities for Food Truck Operators during the remainder of the week.
 - Discussion of a clause in the bylaw that allowed “one off partnerships” with individual restaurants if there were no complaints from surrounding businesses.
 - Linda Jutzi (Entertaining Elements) suggested a meeting before council so that the group might facilitate a larger conversation with all sides involved to prepare an amicable proposal to present to council. Pat said if this was ready in time she could attach it to her report.
 - Food Truck Operators requested access to a copy of a GIS-system to tell them where they can park
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- Pat informed the Restaurant Owners that she would be compiling all of the information into a report and then Council would be making their decision.
 - Report will be done by April 15, 2014.
 - Pat also let everyone know that they would all receive a copy of the report approximately one week before the meeting.

Restaurants Concerns/Wish list

- Not all restaurants are in favour of the Food Trucks and the proposed pilot may be a way to ease concerns and explore whether this will be beneficial for all.
- In order to go thru with this pilot project, the restaurant owners need a **firm commitment** from the Food Truck Operators that they will in fact come each and every week.
- Linda Jutzi (Entertaining Elements) expressed that the restaurant owners were also making sacrifices. This downtown event would be difficult for franchise owners who

are not able to put on the promotions that other businesses might. Linda also voiced that she felt there would be a huge uprising if Food Trucks were given open access to the downtown area.

- Goal-want more foot traffic in downtown area. A small group of Restaurant Owners feel this will happen if everyone works together. Envision a place to “come, live and play”.
- Believe Food Trucks could help with this and that if they work together it could be a “win-win” situation for all involved.
- Proposing a pilot evening (possibly Thursdays) for the summer months that would be a combined venture involving restaurants, retailers and food trucks. All businesses would extend their hours into the evening, food trucks would have access and there would be live music.
- Linda Jutzi (Entertaining Elements) expressed that she thought the BIA would be in support of this and would contribute to a marketing campaign for the downtown event as the BIA wants to see everyone benefit.
- Discussion that as this would be a new event, all involved would need to stick it out for the whole season in hopes that it could be an annual event.
- Restaurant Owners would like to revisit this issue after the summer event to evaluate.

The meeting ended at: 11:45 AM

Minutes compiled by: Cola Pearson

UNITED FOOD TRUCKS UNLIMITED

In Kitchener specifically, we ideally would like to see the following:

1. Include actual food trucks in any city discussions regarding our industry
2. Provide sustainable annual licensing fees commensurate to other comparable markets . . .
Guelph charges \$330 & Hamilton is at \$400. Waterloo is expected to propose \$300 per year.
3. Duly recognize Food Trailers as a part of the local food truck movement as it is everywhere else
4. Create designated food trucks locations throughout the city with stakeholder input
5. Permit Curbside Food Truck Vending on any metered parking spots subject to a ~~10~~ 20 meter
Perimeter Restriction to "operating" restaurants
6. Reduce existing Perimeter Restrictions on private property operation between food trucks &
"operating" restaurants to ~~10~~ 20 meters (less with written permission)
7. Redefine existing Restrictions to permit regulated Park Access
8. Permit School Property Service upon written request
9. Create even more collaborative community events that support all stakeholders including brick
n' mortar restaurants, BIA merchants & food trucks
10. Create a Transient Traders' Policy that is regionally competitive but prorates local businesses
above "out-of-town" Vendors
11. Further explore daily City Hall Community Events that better utilizes the immense popularity of
food trucks.
12. THE ABOVE 11 POINTS REPRESENT THE MINIMUM CONDITIONS UFT FOOD TRUCKS REQUIRE TO
JUSTIFY INVESTMENT IN A KITCHENER FOOD TRUCK LICENSE.

Patricia Harris

From: Leslie Smejkal <lsmejkal@orhma.com>
Sent: Wednesday, March 05, 2014 1:42 PM
To: Patricia Harris
Cc: Fatima Finnegan; Leslie Smejkal
Subject: ORHMA
Attachments: ORHMA Food Trucks.pdf

Patricia,

Please know your email has been shared with me to respond on behalf of ORHMA – Ontario Restaurant Hotel & Motel Association.

We would be pleased to participate in Street Food Truck Vendor consultations with the City of Kitchener. You will find attached our position regarding Street Food Trucks in municipalities.

Street Food Trucks continue to pop up in municipalities across Ontario – ORHMA has been an active participant with the City of Toronto MLS Working Group as they harmonize their bylaws.

ORHMA recognizes the investment, labour and passion our members put into their restaurants and advocate to create a level of fairness with municipalities as they create bylaws for street food trucks. We also appreciate that street food trucks can also contribute to the vibrancy of communities – it is finding the balance for both to succeed without compromising a fair and level playing field.

Our position is that food trucks should have a designated location within the municipalities; however, they should not compete in close proximity to brick and mortar restaurants and should not occupy metered parking essential to local residents visiting restaurants, retailers and professional service providers (doctors, dentists, lawyers etc..) that pay property taxes, business taxes and locate their businesses based on parking access for their customers. We also need ensure that there is a level playing field and that the regulations that apply to bricks and mortar should also apply to street food trucks such as health and safety.

Please see the attached link for the most recent media coverage with a quote from ORHMA.

http://www.thestar.com/news/city_hall/2014/02/19/toronto_streetfood_rules_might_finally_be_cooking.html

Thank you for your time and consideration.

ORHMA looks forward to working with you on this matter.

Best Regards,

Leslie A. Smejkal

Vice-President, Government Relations

ORHMA – Ontario Restaurant Hotel & Motel Association

Email: lsmejkal@orhma.com

Web: www.orhma.com

Follow us on Twitter: www.twitter.com/orhma

From: Patricia.Harris@kitchener.ca [<mailto:Patricia.Harris@kitchener.ca>]

Sent: Thursday, February 27, 2014 3:19 PM

Food Truck Concept – Unfair for Brick and Mortar Restaurants



Despite the rise in popularity of food trucks in American cities, the local restaurant groups there have spoken out on the unfair playing field and disadvantages of a food truck operation against the expense of running a brick and mortar restaurant. Debates on regulating food trucks have occurred in every city and are still occurring and this type of business seems to be here to stay. Ontario is experiencing a rise in the number of mobile food vendors and cities such as Hamilton, Toronto and Ottawa are receiving pressure from the vendors to loosen the regulatory restrictions that would allow them to freely roam the streets. ORHMA members have voiced their concerns on the damage this type of unrestricted environment would create for their traditional brick and mortar establishments. Brick and mortar restaurants contribute significantly to the culture and economy of a city, so it is imperative that regulation of this new mobile element of the industry is drafted with the intention of maintaining the confidence of restaurateurs that municipalities value the presence of a strong food service industry in the form of traditional brick and mortar establishments.

Data on the business of food trucks in Canada in particular is scarce. A Globe and Mail article in the fall of 2011 sites that food trucks typically bank a profit equivalent to about 40 per cent of sales. For a bricks-and-mortar restaurant, the average profit is closer to 4 per cent on the high end. The relatively low entry costs for food trucks are a motivating factor for these businesses and the mobility gives operators an edge over bricks-and-mortar restaurants. The notion that the trucks attract people to a certain location is arguable, as they tend to gravitate to where the people are-they're not stuck in a location that can't make money.

Food Truck operators are calling for loosened regulations and a reduction in the number of restrictions they are currently faced with when attempting to sell their wares on the streets of any given municipality. ORHMA contends that such restrictions and regulations are necessary for the safe and fair operation of any food service establishment – mobile or not. Any such loosening of the laws must first consider the health and safety of the community as well as the unfair playing field that would be created for bricks and mortar food service establishments already operating at great expense within the community.

Significant Issues facing the Restaurant Sector must be considered if food trucks are to be regulated in Ontario Municipalities:

- Pressures from weakening economy have not been kind to the restaurant industry. The slim margins and increases to top line expenses that are currently seen will only continue to waiver by the competition from the food truck concept.
- Unpredictability of when and where a food truck may show up, creates an unfair disadvantage for brick and mortar restaurants – this level of competition must be addressed by permits and regulations guiding when and where a food truck can operate.
- Unfair playing field of start up and operational costs and permit burdens.
- Restaurants have contributed to cities economies for many years with fixed expenses and have been paying taxes.
- Municipalities need to consider the impact of mobile revenues wherein mobile units from “out of town” wheel in for a day, make their money and take their profits with them – where is the economic or social benefit for the municipality?

- Brick and mortar eateries concerned the trucks costing less to operate than traditional restaurants have an unfair advantage over the restaurants that:
 - Pay high property taxes and premium rents;
 - Employ locals, including many youth and students;
 - Start up operational costs are much higher, including licensing, permitting and inspection compliance requirements;
 - A typical restaurant has the expense of marketing their location and drawing customers to the location;
 - Long term leasing/capital expenses;
 - Requirements for availability of serviceable washrooms, garbage disposal, parking, safety and traffic.

Standard Health Inspections are mandated and routinely performed on general food business establishments, institutional food service establishments, mobile food premises and child nourishment programs for compliance with the Ontario Food Premises Regulations. ORHMA supports the continuation of a strong Health Inspection presence for mobile food units.

In addition to the health regulations, ORHMA suggests the following regulatory considerations must be extended to food trucks in every municipality:

Food Safety

- City ordinances regulating class of trucks ranging from those which sell pre-packaged/prepared foods to those with chefs that prepare food directly inside the trucks.
- Standard rules and frequency of health inspections.
- Mobile eateries to adhere to inspection signage regulations.

Locations away from restaurant traffic blocks

- Keep food trucks at least 100 meters away from restaurants – otherwise require written consent of restaurant operator to locate within distance less than 100 meters.
- Provide for notice period of not less than 72 hours to local restaurants when a special event may result in the presence of outside mobile food vendors in the area.
- Limit how many food trucks can park per acre: One truck per half-acre or less, two trucks on lots between one-half and one acre and three for lots between one and two acres. There is no maximum on lots that are more than two acres, as in the case of a special event.
- Not allowed to occupy any parking spaces that are needed to meet the requirements for principal use of a property.
- Plan to tie food trucks with parking violations and permanently revoke permits.
- No commercial activity at a parking meter -parking meters are for customers as to allow commercial activity-it will directly compete with business needs of traditional inline business.
- Not allow in downtowns, entertainment districts and theme districts with high intensification of restaurants (ie: "Chinatown").
- Limit trucks to pre-approved vending spots that meet the aforementioned restrictions.

Hours of Operation in same location

- Hours of operation should be limited.
- Restriction on length of time trucks can stay in one place , how far these can move when time is up.
- Stay mobile and stay in one location no more than 15 minutes.
- Not allowed to move to a second location within same block or general vicinity.

Permits

- Municipalities are encouraged to make permitting a mandatory requirement for operators and permits should be conditional for period of time no greater than one year in order to allow the city to evaluate success of food truck presence and to address any concerns/problems stemming from imposition of guidelines. A mandatory review of the system is encouraged within a prescribed timeline of issuance of first permit.
- Permits approval process should be subject to all appropriate municipal inspections.
- By-laws requiring trucks to apply for fixed site permits - with rules referring to a specified location of business in permit issued.
- Compromise discussion in city development zones where trucks can have a one day at the park to lessen impact on restaurants.
- Property owner and vendor would have to obtain a zoning permit.

Prevent crowds and late night disturbances

- Food trucks would not be allowed to have amplified sound or signs on sidewalks.
- Not allowed to set up outdoor seating areas.
- Since many of these are run by diesel emissions and are running all day and all night this will lead to unpleasant environment in smoke and vibrations - emissions must be minimized.