

February 13, 2014

To: Members,
Public Works Committee

Re: Addition to *The Clean Property Bylaw No. 9881*. – Schedule ‘K’ Mobile Food Vending Regulations

RECOMMENDATION

1. That Schedule “K” *with respect to mobile food vending regulations* be added to *The Clean Property Bylaw No. 9881* as referenced in Appendix A attached.
2. That the City Solicitor be instructed to prepare the necessary Bylaw amendments to reflect the changes as outlined in this report.
3. That this report be forwarded to the March 24, 2014 City Council meeting to allow sufficient time for advertising of the required public notices for the amendment of *The Clean Property Bylaw No. 9881*.

CONCLUSION

The 2012-2013 Mobile Food Vending Pilot Project has come to a close and a recommendation on the future of the program is required. Over the course of the two-year pilot project 12 vendors accessed the program, creating and supporting activity throughout the city and generating part-time employment. Allowing vendors to operate in the downtown has created small-business opportunities for local entrepreneurs while at the same time reinforcing the City’s efforts to create a vibrant pedestrian environment, support local festivals and events, and activate the City Square Plaza. It is the Administration’s recommendation that this program be continued and that it be formalized as part of *The Clean Property Bylaw No. 9881*.

BACKGROUND

During the Regina Downtown Neighbourhood Plan (RDNP) process Regina’s lack of mobile food vendors, and its prohibition on their operation in the downtown area was identified as a policy that could be altered to help create a more vibrant and pedestrian-oriented downtown. Prior to the 2012-2013 pilot project, the City’s mobile vending policy restricted stops in residential areas to 20 minutes, and prohibited operations in the downtown. The policy seemed to be geared towards governing slow-moving ice-cream trucks and prohibiting all other forms of vending. Menu restrictions to only prepared foods and snacks and a four-week permit processing window were also seen as major limitations which did not allow for creative, full-service, modern, rolling kitchens.

In the fall of 2011, staff from the City Centre (now Neighbourhood Planning) and Traffic Control and Parking Branches worked together, with the advice and feedback of some local entrepreneurs, to develop a two-year pilot project that would allow modern mobile food vending to occur in the downtown and throughout the City. This pilot project removed all menu restrictions and reduced permit processing time to same-day service.

The pilot project allowed vendors to operate on local streets throughout the City in accordance with posted parking restrictions and it encouraged operations in the downtown through the provision of parking meter bags, and parking permissions that allowed longer stays than the posted restrictions.

Concurrent with the development of the Mobile Food Vending Pilot Project, the City developed a policy to govern food vending on the City Square Plaza as a way to generate and support activity in the newly constructed space. In the spring of 2012, a much publicized lottery was held to allocate spots on the plaza to vendors. In 2013, based on observations and feedback on the previous summer's operations, the plaza vending policy was revised to eliminate the lottery, and instead evenly allocate time on the plaza to all vendors willing to pay an annual plaza vending fee. The food vending program has played an important primary role in activating the City Square Plaza on a day-to-day basis when events are not occurring, and on event days the vendors have played an equally important supporting role in providing food and drink to keep the activity going and the participants downtown.

In 2012 and 2013, nine permits were issued each year for mobile vending at a cost of \$500 each. In 2013, six vendors paid an additional \$600 for the right to operate on the City Square Plaza.

DISCUSSION

The proposed Schedule 'K' of *The Clean Property Bylaw No. 9881* (Appendix 'A') incorporates the policies found in the Mobile Food Vending Pilot Project and the City Square Plaza Food Vending Policy into a single bylaw schedule. By combining the two policies, the City will better serve the vending community through a single clear document that governs mobile food vending on all public highways throughout the City and on the City Square Plaza. By incorporating the policies into *The Clean Property Bylaw No. 9881*, the City will both simplify and clarify enforcement.

Since the establishment of the policies in 2011, minor changes have been made to the program including the addition of inspection and permit requirements from SGI, the Office of the Fire Marshall and SaskPower Gas Inspections prior to the City issuing a vending permit. In addition, portions of 11th Avenue and 13th Avenue have been added to the list of areas where vending may be permitted.

To simplify program administration and enforcement, the Administration proposes to eliminate both the plaza vending fee and variable-season parking meter bag fees and replace them with a single flat-rate fee that would allow all vendors to operate on the City Square Plaza (max. six at a time) as scheduled by the Neighbourhood Planning Branch, at approved metres in the downtown and curb-side on local streets throughout the City for the entire length of their permit. This single fee will help to encourage vendors to operate in the downtown area, significantly reduce permit processing to one visit per vendor per year, and ensure that a single set of regulations and permissions applies to all vendors.

Feedback received from bricks and mortar restaurants in the downtown during and after the 2012 vending season highlighted concerns that the City was creating an unlevel playing field in the downtown area through low vending fees. In response, the City added a plaza vending fee in 2013 which raised the cost of vending on the City Square plaza from zero dollars in 2012 to \$600 in 2013, in addition to the existing \$500 per year permit fee. This report recommends a further increase to a combined single annual fee of \$1,400, details of which are provided in the Financial

Implications section of this report. In addition to the City’s fees, the RDBID has advised that they will charge an annual membership fee of \$250 to all vendors operating in the downtown area in recognition of the marketing and maintenance services that they provide to vendors, and their invitation to vendors to participate in RDBID events, such as Movies in the Park, at no additional charge. Proof of payment of this fee will be included as a requirement in section 4.0 of the proposed Schedule ‘K’ (Appendix A). SaskPower Gas Inspections will also charge an annual fee of approximately \$125 to recover their costs to inspect mobile food vendors’ propane systems.

In addition to the fees above, Council approved a significant update to the Outdoor Restaurants policy in the spring of 2013 permitting most downtown restaurants to create outdoor patios on the sidewalk or in the parking lane adjacent to their businesses. This change facilitated more direct competition between restaurateurs and mobile food vendors for al-fresco dining dollars. Combined, the Administration believes that these efforts address level playing field concerns.

| Policy Change Summary | | |
|--|---|---|
| | Pilot Project Policy | Proposed Bylaw Schedule |
| 1. Mobile Vending Pilot project and City Square Vending Policy | Separate Policies | Both policies combined in one document |
| 2. Vending Fees | Separate fees for annual permit, plaza vending, and meter vending | Single flat fee |
| 3. Administrative requirements | Multiple permits issued for annual permit, plaza vending, meter vending. | Single annual permit |
| 4. Annual Fee | Annual fee varied from vendor to vendor, costs ranging from \$500/year to \$1,100 or higher | Single proposed fee of \$1400 per year for all vendors |
| 5. Plaza vending | Annual lottery for plaza space created uncertainty for vendors and distorted their business plans based on the ‘luck of the draw’ Lottery also limited variety of food available annually on the plaza to the offerings of just six vendors | Even allocation of Plaza time and space supports annual certainty for business planning for all vendors, a level playing field between vendors, and maximizes variety on the plaza |
| 6. Approved vending Locations | No vending allowed on 11 th Avenue east of downtown and 13 th Avenue west of downtown | Allows vending on 11 th Avenue east of downtown between Broad and Winnipeg Streets and on 13 th Avenue west of downtown between Albert and Elphinstone Streets in locations that meet all other vending criteria. |
| 7. Additional Inspections and Memberships | Certificate of Compliance, Office of the Fire Marshall | Certificate of Compliance, Office of the Fire Marshall, SaskPower Gas Inspections RDBID Membership |

RECOMMENDATION IMPLICATIONS

Financial Implications

Annual fees for the operation of food trucks have remained steady at \$500 since the mid 1990s. Fees for operating a mobile food vending unit at a parking meter are currently assessed at \$8.76 per day in addition to the annual permit fee. In 2013 a \$600 per year fee was established on top of the annual permit fee for vendors wishing to operate on the City Square Plaza.

Fees are established in *The Traffic Bylaw No. 9900* for all temporary uses permitted in the road right-of-way, including mobile food vending. An amendment to Schedule ‘J’ of *The Traffic Bylaw* will result in the establishment of a single annual fee for mobile food vending of \$1400.

The proposed \$1400 annual mobile food vending permit flat fee is based on the following:

- \$700 annual permit fee (up from \$500, due to inflation).
- \$600 for the provision of parking, electrical service, and maintenance services on the City Square Plaza with access limited to non-farmers’ market, festival and event days.
- \$100 for 100 hours of parking meter time per vendor per year at one dollar per hour.

Future meter rate or plaza event rate increases or decreases should trigger a review of this fee.

By implementing a flat fee, the Administration will incentivise vendor attendance, especially in the downtown to maximize their investment. This in turn will maximize the overall impact of the program. Based on current program participation levels the proposed fee would equate to permit revenue of \$11,200-14,000/year.

The combined annual fees for mobile vending (City of Regina Permit, RDBID membership and SaskPower Gas Inspection) are roughly \$1,775.00 per year or approximately \$16.00 per day based on a five day-a-week, 22 week vending season.

The following chart provides a comparison of the City of Regina’s proposed annual mobile food vending permit fees and that of other major cites in western Canada.

| CITY | PERMIT FEES |
|--------------------|--|
| Regina (proposed): | \$1400 City permit + \$250 RDBID Membership + \$125 annual SaskPower gas system inspection = \$1,775.00 for an annual permit allowing operation on the City Square Plaza, and at parking meters |
| Edmonton: | \$111/ month + \$35 for power + \$23.15/day for parking + \$66 for meter bagging and unbagging = Approximately \$2,800.00 for a three month season at a parking meter with power |
| Calgary: | \$752.00 Annual License + hourly meter charge (\$3/hour) = Approximately \$1532.00 for a three month vending season at a meter. |

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|------------|--|
| Saskatoon: | \$500 base license + \$90 administration & meter bag + \$1,220 (3month meter fee) = Approximately \$1,810 for a three month season at a meter |
| Winnipeg: | \$391 annual license + hourly meter charge (estimated \$2/hour) = Approximately \$911.00 for a three month vending season at a meter. |
| Vancouver: | \$1138.22 annual license + up to \$700/mnth for metered parking = Approximately \$3238.00 for a three month vending season at a meter. |

Environmental Implications

None with this report

Policy and/or Strategic Implications

The formal establishment of a bylaw schedule to govern mobile food vending, which encourages operations in the downtown area is in alignment with the vision, principles and Big Moves identified in the Regina Downtown Neighbourhood Plan. Mobile food vending helps to create and support pedestrian activity, events and festivals in the downtown and throughout the city. Mobile food vendors are small businesses that create employment and can serve as business incubators for local entrepreneurs.

Other Implications

None with this report

Accessibility Implications

None with this report

COMMUNICATIONS

A draft version of the proposed Schedule 'K' of *The Clean Property Bylaw No. 9881* was circulated to all vendors who participated in the pilot project over its two-year run, for their review and feedback. Copies were also provided to the Regina Downtown Business Improvement District for distribution to their membership, and to the Regina Qu'Appelle Health Region, Wascana Centre Authority, Regina Farmers' Market, SaskPower and SGI. Throughout the pilot project a list of interested individuals who have requested the pilot project documents has been kept and everyone on that list will receive a copy of the final schedule upon approval.

These amendments will be advertised in the March 15, 2014 edition of the *Leader-Post*.

DELEGATED AUTHORITY

The disposition of this report is within the authority of the Public Works Committee.

Respectfully submitted,



For Diana Hawryluk, Director
Planning Department

Report prepared by:
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Respectfully submitted,



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