

Excerpts from City of Toronto Parks Committee meetings about food in public spaces, June 9, 2003

**Amendment to Purchase Order No. 6006617**  
**Fort York - Bake Oven Restoration**

(Ward 19 Trinity-Spadina)

The Economic Development and Parks Committee had before it a report (May 13, 2003) from the Commissioner of Economic Development, Culture and Tourism, amending Purchase Order No. 6006617 by \$14,224.01 (inclusive of GST) for extra work encountered during the restoration of the Bake Oven in Historic Fort York; and recommending that:

(1) Purchase Order No. 6007867 be amended by \$14,224.01 including all taxes and charges, in order to complete restoration work for the bake oven at Historic Fort York with the new contract value of \$48,233.06 (inclusive of GST); and

(2) the appropriate City officials be authorized and directed to take the necessary action to give effect thereto.

On motion by Councillor Pantalone, the Economic Development and Parks Committee recommended to Council the adoption of the aforementioned report.

**(Clause No. 12, Report No. 5)**

<http://www.toronto.ca/legdocs/2006/agendas/committees/edp/edp060912/it025.pdf>

Tuggs Incorporated (Tuggs) has operated the Boardwalk Restaurant in Woodbine Beach Park and two seasonal concessions in the Eastern Beaches (D.D. Sommerville Pool and Kew Gardens) since 1986. Tuggs originally built the Boardwalk Restaurant with its own finances, and has made leasehold improvements to the two concessions. Their original agreement was for eleven years and there have been two five-year renewal options exercised. The current agreement ends on September 14, 2007.

It should be noted that at its meeting of December 7, 1992, former Toronto City Council adopted Executive Committee Report 31, Clause 51, granting the City the opportunity to enter into an agreement with the Operator amending the concession agreement of September 3, 1986, whereby the City would receive 8% of alcohol sales and also granting the Operator a 10% rent abatement, due to the elimination by the City of one of the Operator's original four concession facilities. The rent abatement will terminate on September 14, 2007.

Tuggs recently communicated with Parks, Forestry and Recreation Division and proposed to invest a significant amount over 2006 and 2007 for capital improvements to repair and redevelop the Boardwalk Restaurant, the two Eastern Beaches concessions, and to contribute to the repairs of the Woodbine Beach Bathing Station. In return, Tuggs requests a twenty-year extension to the agreement with an escalating rent paid to the City.

<http://www.toronto.ca/legdocs/mmis/2007/pe/bgrd/backgroundfile-637.pdf>

Over the twenty year period Tuggs proposes to pay the City \$5.75 million in land rent; spend \$2.15 million in capital facility upgrades and expansion to improve service; and possibly donate funding for community improvements. In addition Tuggs proposes to pay to the City 20% of any sponsorship revenues that may be developed or \$0.025 million per year (escalates to \$0.050 million starting in 2018) whichever is greater.

<http://www.toronto.ca/legdocs/2006/agendas/committees/edp/edp060309/it012.pdf>

Background:

In January 1996, the former Municipality of Metropolitan Toronto's Parks and Culture Department issued an RFP to enter into a license agreement for the food concession operations located at the five golf courses and three locations in the parklands.

Based on the fact that the food concessions were a non-core service of the department, the need for outsourcing the food and beverage facilities was recommended as the best practice in concession operations.

It was decided that the private sector would have a distinct advantage in food and beverage operations over public operation by the Parks and Culture Department.

The successful proponent for this RFP, H.S. Food Services Limited entered into a ten (10) year license agreement with the former Municipality of Metropolitan Toronto for the period from April 1, 1996 to March 31, 2006. To ensure continuity of service and in keeping with Council direction, an RFP was issued on November 9, 2005 through Purchasing and Materials Management for this service that is scheduled to expire on March 31, 2006.

The RFP sought proposals from qualified firms and individuals to provide services for the operation of food and beverage facilities at five golf courses: Don Valley Golf Course, Dentonia Park Golf Course, Humber Valley Golf Course, Scarlett Woods Golf Course Tam O' Shanter Golf Course and three additional locations in the parklands: Sunnybrook Park, G. Ross Lord Park and Ken Morrish Softball Complex. Proponents were allowed to bid on any or all eight concession locations. Proponents were requested to examine opportunities for the required capital investment; the development of improved service levels; expanded amenities; and more diverse and healthy food choices for the general public and the golfing community.

<http://www.toronto.ca/legdocs/2003/agendas/committees/edp/edp030908/it005.pdf>

The City of Toronto intends to secure a contract with the successful proponent granting him the rights to undertake a food and beverage business enterprise at Historic Fort York. In exchange for granting these rights, the Culture Division will receive from the successful proponent remuneration in the form of percentage of gross revenue and a \$2.50 (including G.S.T.) per capita Facility Rental Surcharge (FRS), and capital investment over the seven-year term. The estimated net revenues over the seven year period is \$442,757.00. The proponent will be responsible for the payment of all property taxes, utilities assessed at 1% of gross revenue and other operating costs.

The only bid received from Jessup Food and Heritage Ltd. has been reviewed by Economic Development, Culture and Tourism and was found to be acceptable.

<http://www.toronto.ca/legdocs/2004/agendas/committees/edp/edp040913/it010.pdf>

In November of 1998, Toronto City Council approved Clause No. 26 of Report No. 17 of the Corporate Services Committee, Historic Food Service of Fort York, allowing for the Toronto Historical Board to enter into an agreement with Jessup Food and Heritage Limited to provide food services at Fort York. The agreement was entered into for four years, commencing on April 1, 1999 and ending on March 31, 2003. Subsequent to Council's approval of Report No. 6 of The Economic Development Committee in April of 1999, Implementation of Council Decisions on Heritage Governance, the operation of Fort York and related agreements became the responsibility of the City of Toronto Culture Division. In April 2003, Council approved Clause No. 8 of Report No. 3 of the Economic Development and Parks Committee, allowing an extension of the contract with Jessup Food and Heritage Limited until March 31, 2004 or until such time as a new agreement is in place to allow time for the Request for Proposal (RFP) process to be completed, reviewed and approved.

On April 8, 2003 an RFP was issued and Council adopted Clause No. 10, Report No. 7 of the Economic Development and Parks Committee, awarding the RFP to Jessup Food and Heritage Limited on September 22, 23, 24 and 25, 2003. However, due to a series of business drawbacks, Jessup Food and Heritage Limited informed the Culture Division in October 2003 that it would not be entering into a food services agreement with the City of Toronto subsequent to RFP 0613-03-0046. Legal services advised the Culture Division to re-issue a new RFP and to report back to Council on the new recommendations. On June 8, 2004 a new RFP document was issued for operating food and beverage services at Historic Fort York.

<http://www.toronto.ca/legdocs/2003/agendas/committees/edp/edp030707/it005.pdf>

#### Background:

The City of Toronto has had a longstanding relationship with the Operator for over 20 years. These three agreements are for the operation of concession facilities including Sunnyside Café in the Western Beaches, and the Grenadier Restaurant, operating a full service family oriented restaurant without a liquor licence, in High Park and three snack bars and mobile vending within High Park. It should be noted that the terms of the City of Toronto acquisition of High Park prevent these concessions located within High Park from acquiring a liquor license. The three separate agreements are described as follows:

#### High Park Grenadier Restaurant

In April 1982, the former City of Toronto approved an assignment of an existing contract issued in 1978 and held by the Grenadier Restaurant Inc. to the Operator.

In May 1996, the former City of Toronto issued a Request for Proposal for the Grenadier Restaurant which called for a ten-year term until 2006 with an option for the City to renew the

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contract for two successive five-year terms to expire in 2016, on conditions to be agreed between the Operator and the City.

In November 1996, the former City of Toronto Board of Management adopted a report, which recommended the proposal from the Operator for the operation of The Grenadier Restaurant under the conditions and term described in the Request for Proposal. The agreement was subject to the Operator substantially completing the renovations as submitted in their Request for

Proposal. These capital renovations were completed in 1998 at a cost of over \$830,000.  
Snack Bars/Mobile Vending in High Park

In January 1992, a Request for Proposal was issued and awarded to the Operator at the former Toronto City Council meeting on March 23, 1992. The contract was awarded on a seasonal basis from April 1 to October 31 for the years 1992 and 1993, and the contract was subsequently extended until 1996 to have the same expiry date as the Grenadier Restaurant.

In July 1995, the contract was extended for an additional ten years to May 9, 2006. Various conditions were applied to this extension including the renovations on two of the three snack bars totally at the Operator's expense. In keeping with the agreement, significant capital upgrades have been completed to two of the three concession locations within High Park. The third concession was demolished by the City in September, 2002, for reasons outlined below. The Western Beaches and Sunnyside Café

In January 1992, the former City of Toronto issued a Request for Proposal for the operation of the snack bars and the development of café facility at the Sunnyside Bathing Pavilion. After a selection process, the City awarded the contract to 505707 Ontario Limited. The City of Toronto Tender Committee approved this contract on August 6, 1992. The rent was agreed at 30 percent of annual gross sales plus 8 percent of gross amount of sale of alcoholic beverages.

The Western Beaches and Sunnyside Contract was extended by the former City of Toronto Council at their meeting of November 27, 1995, for a further four years to October 31, 2005 to enable the Operator to recover the cost of construction of the new Sunnyside Café. The rent conditions continued from the 1992 agreement. The new café opened in July, 1996.

[2http://www.toronto.ca/legdocs/2003/agendas/committees/edp/edp030107/it008.pdf](http://www.toronto.ca/legdocs/2003/agendas/committees/edp/edp030107/it008.pdf)

2002 The purpose of this report is to recommend the award of the Request For Proposal (RFP) for the operation of concessions services for the North District of the Parks and Recreation Division of the Economic Development Culture and Tourism Department.

Financial Implications and Impact Statement :

The R.F.P. terms included improved service levels, more diverse and healthy food choices, significant capital investment and improved financial return. Based on the submissions being recommended, the proponents' minimum annual rent payable to the City from concessions is estimated to be \$86,680. The projected net revenues over a five year period is estimated at \$433,400, with a similar financial impact in the second five year period if the City's option is executed. At present, these snack bar locations net to the City \$84,238 per year, with little to no capital investment, and this will meet the budgeted revenues for this component. Further returns can be expected as the public experiences the improved standards of product offered and levels of service. In addition, the proponents will be making a capital investment of approximately \$400,000, during 2003 and 2004, and be responsible for all taxes and utilities.

<http://www.toronto.ca/legdocs/2003/agendas/committees/edp/edp030107/it008.pdf>

Background:

Prior to amalgamation, the former City of North York outsourced the Parks and Recreation food service concessions in 1994. These contracts are now included in this RFP for the operation of concession services in the North District of the Parks and Recreation Division.

The RFP was posted on the City of Toronto Internet web site and advertised in the Globe & Mail newspaper on September 16, 2002. The RFP provided for the operation of concession services

at 17 locations in the North District which were grouped in four blocks of locations in order to ensure that services would be provided at smaller and more seasonal locations in addition to the larger facilities. Further, the RFP requested that proponents examine opportunities for capital investment in order to improve the overall functionality and aesthetics of the locations, consider the introduction of branded concepts and provide a range of product offerings including healthy menu choices as well as traditional fare.

Two firms are being recommended as follows:

**International Foods:** This proponent scored the highest overall in the evaluation process and is being recommended for thirteen locations. The concept will include significant capital investment of \$339,000 and will be centred around the Bagel Stop brand, which has been in Canada since 1994. In addition to its signature bagels, fresh sandwiches, coffee and pizza slices will be offered, in conjunction with traditional arena foods. This proponent is at present operating the majority of the snack bars in the North District of the Parks and Recreation Division. The recommended locations are: Bayview Arena, Baycrest Arena, Downsview Arena,, Flemingdon Arena, York Mills Arena, Gord & Irene Risk C.C., Grandravine C.C., John Booth C.C., Habitant Arena, Fenside Arena, Victoria Village Arena, Pleasantview C.C., and Oriole C.C.

**Cittadelle Café:** This proposal scored the second highest overall in the evaluation process and is being recommended for four locations. The concept will include capital investment and will be centred around high quality coffee, baked goods, fresh sandwiches and other traditional arena foods. The proponent is at present operating the snack bars at four locations, and are being recommended for Don Mills Arena, Earl Bales C.C., Herbert H. Carnegie C.C., and the North York Ski Centre.

<http://www.toronto.ca/legdocs/2002/agendas/committees/edp/edp020327/it011.pdf>

The Toronto Economic Development Strategy adopted by Council in August 2000, recognizes the Food Industry Cluster as a key industry cluster driving the regional economy, due to its significant employment concentration in the City. The cluster is defined as a set of inter-linked private sector industries and public sector institutions, whose final production reaches markets outside the region.

Since the City's amalgamation, staff has been working with representatives of the food industry, private companies, academia, senior levels of government and staff from other City departments to implement the objectives of the Strategy in support of the food sector. On-going activities and programs focus on the Strategy's key areas of attention and recommended actions. As such, an active outreach program was developed to gather intelligence on the sector, to identify investment and export opportunities as well as to position the City as the best place to do business.

The purpose of this report is to provide an update on the status of the implementation of Toronto's Economic Development Strategy with respect to the Food Industry Cluster, to provide an update on food sector activities and initiatives, as well as to seek Council's endorsement of the recently formed Toronto Food Industry Advisory Committee.

<http://www.toronto.ca/legdocs/2005/agendas/committees/edp/edp050704/it020.pdf> Background: In June 2000, the City issued a RFP to enter into a license agreement for the operation of beverage services for cold drink vending machines and pouring rights within Parks and

Recreation facility locations. The successful proponent of this RFP entered into a five-year license agreement with the City effective November 1, 2000. That license agreement expires October 31, 2005.

To ensure continuity of service, a RFP was issued in January 2005 through the Purchasing and Materials Management Division for this service that is scheduled to start on November 1, 2005. The current five (5) year License Agreement has provided the City \$1,500,000 for the exclusive rights to vend cold drinks. Commissions over the past four (4) years have averaged \$166,850 per annum and are projected to yield a total of \$834,253 by the end of the five (5) year term. The incumbent has also provided non-cash community benefits of \$500,000 over the five year term. The RFP provided for the operation of beverage services for cold drink vending machines and pouring rights. Proponents were requested to examine opportunities to be recognized as the Official Soft Drink Supplier to the City of Toronto Parks, Forestry & Recreation facility locations and to form a profitable partnership alliance with the City. Additional opportunities included community event participation and City initiatives on healthier beverage choices and recycling.

<http://www.toronto.ca/legdocs/2005/agendas/committees/edp/edp050912/it015.pdf>

Background:

In July 2000, the City issued a RFP to enter into a license agreement for the operation of snack and hot drink vending within the then named Parks and Recreation Division. The successful Proponents of this RFP entered into a five (5)-year license agreement with the City effective November 1, 2000 in the East and West Districts and May 1, 2001 for the North District. The license agreements expire on October 31, 2005 for the East and West Districts and April 30, 2006 for the North District. The South District did not have a license agreement.

To ensure continuity of service, a RFP was issued in April 2005 through the Purchasing and Materials Management Division for this service that is scheduled to start on November 1, 2005 in the East, West and South Districts and May 1, 2006 for the North District. Evaluation criteria were changed from the previous RFP to reflect the City of Toronto's commitment to ensuring that healthier food choices are available in Parks, Forestry & Recreation Division facilities.

Comments:

Prior to the development of the RFP, staff met with Dr. Wayne Roberts, Project Co-ordinator, Toronto Food Policy Council and Public Health Nutritionists to discuss the recent Provincial initiatives regarding healthy food and beverages in school vending machines. Discussions focused on the role that Parks, Forestry & Recreation could play in ensuring that healthier choices were available in our facilities. It was mutually agreed that due to the fact that our facilities service a wide range of patrons, it would be more appropriate to ensure that healthier food choices are available at our facilities rather than eliminating unhealthy products from vending machines.

<http://www.toronto.ca/legdocs/2005/agendas/committees/edp/edp051017/it014.pdf>

Background:

In July 2000, the City issued an RFP to enter into a license agreement for the operation of snack and hot drink vending for the Parks and Recreation Division. The successful proponents for this RFP entered into a five (5) year license agreement with the City for the period from November 1, 2000 to October 31, 2005 in the East and West Districts and from May 1, 2001 to April 30, 2006 in the North District. These license agreements expire on October 31, 2005 for the East and West Districts and on April 30, 2006 for the North District. The South District did not have a license

agreement.

To ensure continuity of service, an RFP was issued on April 12, 2005 through Purchasing and Materials Management for this service that is scheduled to start on November 1, 2005 in the East, West and South Districts and on May 1, 2006 for the North District.

The current five (5) year license agreements have provided commissions over the past four (4) years that have averaged \$101,732. per annum and is projected to yield a total of \$508,662 by the end of the five (5) year term.

The RFP provided for the operation of snack and hot drink vending and also included bulkhead vending. Proponents were requested to examine opportunities to market products to a large and diverse customer base within the City of Toronto, Parks, Forestry and Recreation and to form a profitable partnership alliance with the City. Additional opportunities included community event participation/sponsorship and City initiatives on healthier eating choices.

Comments:

Ten (10) firms on the City's Bidders list were invited to submit proposals and the RFP was also advertised on the City's Internet Website. Proponents could bid on all four (4) Districts or any combination thereof and could contain one or more of the three main product categories (e.g. snacks, bulkhead or hot drinks). Eight (8) submissions were received and opened at the public opening on May 6, 2005 from the following proponents:

- (1) Adventure Vending Inc (bulkhead vending)
- (2) Aftica Mortgage Services Inc. O/A Aftica Vend (bulkhead vending)
- (3) Keyway Vending Inc. (bulkhead vending)
- (4) S.I.R. Investments Inc. (snack and hot drink vending)
- (5) Eastwood/Le Jardin Food Service Inc. (snack and hot drink vending)
- (6) International Foods & Snacks Corp. (snack and hot drink vending)
- (7) Coffee Delight (snack, hot drink and bulkhead vending)
- (8) Mr. Vending Inc. (snack, hot drink and bulkhead vending)