



## STAFF REPORT ACTION REQUIRED

### Street Food Pilot Project Update and Recommendations

<b>Date:</b>	April 5, 2011
<b>To:</b>	Executive Committee
<b>From:</b>	General Manager, Economic Development & Culture Executive Director, Municipal Licensing & Standards Medical Officer of Health
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### **SUMMARY**

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In response to the July 2007 amendment by the Province to Regulation 562 of the Health Protection and Promotion Act allowing street food vendors to vend a wider variety of foods, the City took action to delay the sale of expanded street food items until City Council had the opportunity to consider how such changes should be implemented. As a number of options and approaches were being discussed, Economic Development, Culture and Tourism (EDC&T, now called Economic Development & Culture, ED&C) was assigned the initial responsibility to provide recommendations to Council. Several pilot projects were proposed by EDC&T staff in 2007 and 2008, some involving City ownership of food carts, others requiring private ownership with a financing partner. In January 2008, Council directed staff to issue a Request for Expressions of Interest (REOI) to locate a cart manufacturer and/or leasing agent to design and build standardized food carts. There was one response to the Request for Expressions of Interest (REOI), which staff recommended to Executive Committee on June 3, 2008. At this time the Executive Committee deferred the report and referred the project to Toronto Public Health to develop recommendations for the introduction of healthy, ethnically diverse street foods. The project was subsequently approved in November 2008 for up to fifteen vendors and was implemented in May 2009 with eight vendors.

During the first two seasons of operation, a number of operational, administrative and other issues impacting the program became evident. Fee adjustments, new locations and modifications to the regulations governing this initiative were made in 2010 in an effort to address issues identified during the first season.

When administrative responsibility for the project was transferred to the Economic Development & Culture Division in January 2010, City staff committed to undertaking a third-party program review at the end of the second vending season. This review has concluded that the Toronto A La Cart pilot project has not met its objectives, and no improvement can be expected in the final year of the pilot. This review also concluded that modifications to the existing regulatory framework for hot dog carts and mobile food trucks should be investigated if the City wishes to pursue its objective of introducing healthier, more diverse street food.

## **RECOMMENDATIONS**

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**The General Manager of Economic Development & Culture, the Executive Director of Municipal Licensing & Standards, and the Medical Officer of Health recommend that:**

1. City Council direct that the Toronto A La Cart Street Food Pilot Project be discontinued immediately, prior to season three of the planned pilot project.
2. City Council request that staff, led by the Executive Director of Municipal Licensing & Standards, form a working group to review the current licensing, regulatory and inspection framework for street food vending, with the objective of permitting licensed food vendors to offer a wider range of food items as permitted under the Ontario Health Protection and Promotion Act. The working group will address issues associated with harmonizing the licensing and regulatory framework across the city. The Executive Director of Municipal Licensing & Standards will report the findings of the working group to the Licensing & Standards Committee in the last quarter of 2011. A proposed Terms of Reference for this working group is included in Appendix B.
3. City Council revoke the delegation of authority to the Street Food Pilot Appeal Committee under Municipal Code Chapter 738, Street Food, and dissolve the Street Food Pilot Appeal Committee.
4. City Council grant authority to reimburse A La Cart pilot project vendors for any location fees paid for the 2010 vending season. Total 2010 location fees paid are \$4,380.
5. City Council grant authority to forgive outstanding location fees owed by the A La Cart vendors for the 2010 vending season. Fees payable are \$39,540.
6. City Council give A La Cart pilot project vendors the opportunity to continue operating their businesses in their current A La Cart locations on the terms set out in Recommendations No. 1, 2, 3, 4, 5, 7, and 8, with fees waived for three years, (2011 through 2013), on the condition that A La Cart vendors shall be required to continue

to only offer healthy, diverse menu options as defined in Municipal Code Chapter 738.

7. City Council grant authority to the City Solicitor to draft and introduce any necessary amendments to City by-laws and the Municipal Code so that A La Cart vendors are, except as otherwise indicated in Recommendations No. 1, 2, 3, 4, 5, 6, and 8, subject to the same regulations as all other street food vendors in Toronto under Toronto Municipal Code Chapter 315, including by eliminating the following:
  - a. City Branding – the "Toronto a la Cart" logo panels shall be immediately removed from vendors' carts and returned to the City of Toronto. Moving forward, vendors are welcome to promote their unique menus using custom signage, provided that no third party advertising signage shall be permitted.
  - b. Legal Business Structure – A La Cart owners may incorporate their businesses, if they determine this to be beneficial for themselves or their business, without the consent of the City, provided that any change in effective control or ownership of the corporation shall be prohibited as constituting an assignment or transfer contrary to the provisions of Chapter 315. A La Cart vendors who choose to change the legal structure of their business are required to notify the City of any changes to their business name, ownership, contact details, billing location or insurance policies resulting from the change in legal structure.
  - c. Operating Hours – A La Cart vendors are no longer required to operate their own carts for 50% of operating hours but may delegate operating duties to assistants according to the regulations stipulated in Municipal Code, Chapter 315.
8. City Council direct that A La Cart vendors be automatically offered new location permits allowing the sale of street food other than hot dogs, if and when such new permits become available and all future operating regulations that result from a new healthy street food vending program will apply equally to A La Cart street food vendors and all other street food vendors possessing such permits, provided that the payment of any applicable fees under any such new program will not apply to A La Cart vendors until 2014.

## **FINANCIAL IMPACT**

The 2010 City Council-Approved Operating budget included revenue of \$50,000 for the A La Cart pilot project. Total location fees collected in 2010 was \$4,380. Repayment of the \$4,380 collected will require a revenue offset in 2011 since there is no A La Cart revenue anticipated in 2011.

The 2010 outstanding fees (invoiced) are \$39,540 and forgiving these fees will result in uncollectable fees in the amount of \$39,540. A provision for uncollectable debt in the amount of \$39,540 was set up in 2010.

The 2011 City Council Approved Operating budget included \$50,000 revenue and \$50,000 cost, net 0. The 2011 operating costs of the A La Cart pilot will be reduced by \$50,000 to offset the revenue reduction.

## **DECISION HISTORY**

Subsequent to the 2007 changes by the Province to Regulation 562 of the Health Protection and Promotions Act, City Council approved a motion to amend the City's street vending bylaws and Chapter 545, Licensing. This action was taken to delay the sale of expanded street food items until City Council had the opportunity to consider how such changes should be implemented in the City of Toronto. City Council's objective in taking this action was to protect the health and safety of the public and ensure that any expanded street food vending program contributes to the economic, social and environmental wellbeing of the City.

As a number of options and approaches were being discussed, Economic Development, Culture and Tourism (EDC&T, now called Economic Development & Culture ED&C) was assigned the initial responsibility to provide recommendations to Council. Several pilot projects were proposed by EDC&T staff, some involving City ownership of food carts, others requiring private ownership with a financing partner. On January 8, 2008, Economic Development was directed to issue a Request for Expressions of Interest to for the design, manufacture and/or financing of standardized food carts. Economic Development formed a staff workgroup including Toronto Public Health, Municipal Licensing and Standards, and Legal Services to develop the cart specifications. The Request for Expression of Interest (REOI) was issued by the City on February 8, 2008, but only one vendor (a consortium of a manufacturer, leasing agent and project management) responded. Staff accepted the design and developed guidelines for a pilot project. At its June 3, 2008 meeting, Executive Committee considered the Toronto Street Food Pilot Implementation report,

(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-13199.pdf>), which recommended that City Council undertake a street food vending pilot project comprised of thirteen pilot locations, where vendors would purchase or lease identical carts from the Request for Expression of Interest (REOI) respondent. This report supported the cart design and durability and laid out the framework for vendor selection, locations, fees, and program evaluation. The Executive Committee deferred consideration of this report, and referred the street food project to the Toronto Board of Health.

On October 17, 2008, the Board of Health approved a report entitled "Toronto Street Food Pilot". (<http://www.toronto.ca/legdocs/mmis/2008/hl/bgrd/backgroundfile-16298.pdf>). This report outlined the background and implementation plan for the Toronto A La Cart street food pilot project and two other initiatives aimed at providing wider access to culturally diverse and healthy street food. With the exception of the cart financing, an expansion of

the cart locations and location fees, the implementation guidelines adhered to the pilot project design previously recommended. The report further recommended that the Medical Officer of Health provide recommendations on an annual basis, beginning in the fall of 2009, with respect to the Toronto A La Cart pilot project. The report was subsequently approved with minor modification by the Executive Committee on November 10, 2008, (<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-16653.pdf>) and ultimately approved by City Council on December 2, 2008.

On November 16, 2009 the Board of Health approved a report entitled “Street Food Pilot Project Update” (<http://www.toronto.ca/legdocs/mmis/2009/hl/bgrd/backgroundfile-25253.pdf>). This report recommended a number of changes to the A La Cart pilot program fee structure and regulatory framework to address issues that became evident during the first season of the pilot program. This report also recommended that administrative responsibility for the pilot program be transferred from the Board of Health to Economic Development & Culture.

## **ISSUE BACKGROUND**

Subsequent to the 2007 changes by the Province to Regulation 562 of the Health Protection and Promotion Act, City Council approved three pilot projects to determine if healthy and culturally diverse food options could be introduced to Toronto’s street food vending program in a manner that ensured the health and safety of the public and contributed to the economic, social and environmental well-being of the City.

One pilot project was aimed at existing hot dog cart vendors, and designed to allow these vendors to offer for sale a wider range of food products that could be safely vended from their existing hot dog carts. However, after two attempts to find interested vendors, there were no project applicants. Based on informal interviews conducted with hot dog cart vendors and the lack of response to the two solicitations, staff concluded that the additional license fee required to participate, and the limited variety of allowable foods made the project unattractive to these vendors. At the recommendation of the Medical Officer of Health, this pilot project was terminated in November, 2009.

A second pilot project was aimed at not-for-profit organizations and was designed to test the feasibility of using street food vending as a strategy for youth job training and for increasing the availability of healthy, affordable food in priority neighbourhoods. Although support was expressed by target organizations, all agreed that without financial assistance it was not possible for not-for-profit organizations to participate. This pilot project was also discontinued in November, 2009.

The largest and most ambitious pilot project was Toronto A La Cart. Approved for up to fifteen new vendors, the project was implemented in 2009 with eight vendors, and was to run for three full seasons of vending. The third and final season, as originally structured, would be April through October 2011.

## **TORONTO A LA CART PILOT PROJECT**

The Toronto A La Cart pilot project enabled new street food vendors to sell culturally diverse, healthier foods from new carts at new vending locations. For branding purposes, the selected project participants were required to purchase new, standardized food carts manufactured by a manufacturer selected by a Request for Expression of Interest process. The cost of the cart to the owner was approximately \$30,000.

An interdivisional staff group evaluated parks and civic square locations based on the criteria of pedestrian volume, proximity to existing vendors, access to the street system, and availability of hard surfaces for cart placement. As a result, the following thirteen civic squares, parks and on-street locations were recommended for the A La Cart Street Food pilot project: Metro, Mel Lastman, Albert Campbell and Nathan Phillips Squares; Queens and HTO parks; and, Yonge & St. Clair, Yonge & Eglinton, Lawrence & McCowan, and Keeleedale.

Shortly after City Council approved the pilot project, public information sessions were held to introduce the details of the Toronto A La Cart project. Following the information sessions, nineteen applications were received, of which twelve were short-listed through an evaluation conducted by City staff. Following a more detailed assessment of prospective vendors' business plans, sales projections, and sampling of proposed menu items by a panel of independent food experts, all twelve vendors were approved for participation in the pilot project.

Selected vendors were invited to choose locations from the list of approved locations based on application scores, i.e. the vendor with the highest score chose first. Four of the approved vendors decided not to proceed because they were unable to vend from their preferred location.

The pilot was successful in obtaining a diverse group of eight vendors with foods from a broad cultural spectrum, including:

- Indian biryani and karahi salsa
- Greek souvlaki
- Afghani chapli kebabs and samosas
- Thai chicken and pad thai
- Middle eastern kebabs and falafel
- East African injera
- Korean blugogi and tokbukki
- Caribbean jerk chicken

The pilot program commenced operation on May 18, 2009, with all eight vendors operational by late summer.

### **Year One Experience – 2009**

During the first season of the pilot project, several of the vendors expressed concerns regarding the locations they had chosen. Public Health Staff worked with the vendors and with the appropriate City departments to identify nine alternate locations. It was determined that successful locations are in areas that possess a combination of some of the following qualities:

- Significant pedestrian traffic;
- Little or no competition from other nearby street vendors or fast food outlets;
- Customers have access to nearby outdoor seating;
- Are close to events which attract large numbers of people, especially around meal times;
- Are either so busy during the lunch hour that sufficient sales can be made to financially sustain the vendor, or have sufficient ongoing pedestrian traffic; and
- Ample space on the publicly owned sidewalk (to allow for compliance with the City's Vibrant Streets guidelines).

Vendors also expressed concerns with the design of their food carts, including:

- The weight of the cart (which was influenced by the equipment required for safe food preparation and storage) impeded the cart's maneuverability.
- To allow full mobility of the carts, propane refrigerators were specified, rather than more economical and reliable electric refrigerators. The propane refrigeration unit required modification to function effectively.
- The carts also require improved protection from wind, sun, and inclement weather.

Staff sought input from A La Cart vendors in preparation for their November 2009 Committee report. The vendors requested the following project changes:

- Relax the project regulations with respect to the owner being required to operate the cart 70% of the operating hours;
- Eliminate the restriction that only three assistants may work on a given cart;
- Replace the requirement for the vendors to submit a lump sum location fee payment to the City with payment in installments;
- Improve the licensing process and lower the licensing costs for cart assistants;
- Allow the cart to remain unattended at its designated location overnight;
- Provide parking for the transporting vehicle and trailer;
- Modify the cart design to make it towable without a separate trailer;
- Allow vendors to change menus quickly;
- Allow the use of onsite gasoline powered generators;
- Improve the cart design (specifically the refrigeration and the canopy);
- Obtain an enclosure to protect from sun, wind, dust and inclement weather;
- Extend the pilot project beyond the current three year window so that the vendors have greater opportunity to re-coup their investment;
- Waive the 2010 location fees (and possibly the 2011 fees) in light of the financial hardship encountered in the startup year.

In his report of November 10, 2009 the Medical Officer of Health recommended a number of changes to the pilot program framework to address vendors' issues. Specifically, the report recommended (and City Council subsequently approved):

1. Fee reductions for a number of locations;
2. Nine new locations, with the original eight vendors given the right of first refusal on the new locations as and when approved;
3. Annual location fee to be paid in four installments over the course of the vending season (April through October);
4. Amending the regulations to reduce the time the owner was required to personally operate the cart from 70% to 50%;
5. Eliminating the restriction that that each owner may only employ up to three licensed assistants to work at the cart.

The cart manufacturer made a number of changes to the existing carts to address, to the extent possible, the mobility and reliability issues raised by the vendors. In addition, City staff worked with vendors to approve the design of a food cart enclosure that met safety and fire standards. City staff committed to streamlining the process for approving menu changes. City staff recommended against providing parking for A La Cart vendors and against allowing vendors to leave carts in their locations overnight for reasons of cart safety and business insurance.

The accepted pilot project changes were in place for the 2010 vending season. Despite these changes, only six of the original eight vendors returned for the second year of the pilot program. All of the original vendors strongly indicated that more fundamental changes would be required for the program to produce the financial results they had anticipated on entering the pilot.

### **Year Two Experience – 2010**

The A La Cart vendors who selected new locations in their second season of operation were pleased with the new locations offered. City staff continued the work to streamline the approval process for new menu items and new enclosure designs.

More vendor complaints about the food cart resulted in a review by a professional ergonomist who found that cart mobility issues could be addressed with a mechanical winch, an electrical tug or administrative changes to loading and unloading procedures employed by the vendors and/or their assistants. A summary of the ergonomist's recommendations was shared with all vendors and those who requested it received copies of the full ergonomist's report.

In addition, City staff with Economic Development & Culture division offered business advisory support to A La Cart vendors. Vendors were also provided with a comprehensive listing of major city events and venues which offered additional sales opportunities for A La Cart vendors who wanted to participate in events during non-peak times in their operations. Food writers at major media outlets were pitched the A La Cart

story and the Toronto-based celebrity chef Roger Mooking was featured along with the Toronto A La Cart program in a national, Entertainment Tonight food segment.

Despite reduced location fees, the new payment schedule, business and marketing support, all vendors continued to complain of financial hardship and all had outstanding location fees at December 31<sup>st</sup>, 2010.

## **INDEPENDENT REVIEW FINDINGS**

In November 2010 the consulting firm of Cameron Hawkins & Associates Inc. was retained to conduct an independent review of the Toronto A La Cart street food pilot project. The scope of this review included:

- A review of all relevant background reports and other documentation
- Interviews with senior staff and elected officials
- Pilot project vendor surveys, interviews and site inspections
- Interviews with the City's cart supplier, subject matter experts and other stakeholders
- A review of mobile food vending programs in other jurisdictions
- An assessment of the advantages, disadvantages and necessary conditions to amend, expand or end the pilot project

The key findings of this independent review are summarized below.

1. While most municipalities in North America still operate under a fairly restrictive regulatory framework for street food vending, the nature, scope and level of interest in street food has changed significantly over the past decade in response to consumer demand. Many large cities are experimenting with programs to introduce more variety and flexibility to street food vending. Most of these pilot programs have experienced difficulties. Established vendors and restaurant operators have opposed the expansion of street food vending, although consumers as well as some business and retail groups have been in favour. Old regulatory, licensing and inspection models have proven cumbersome or ineffective for a more dynamic and diverse array of street food.
2. The most innovation and growth in the street food business is coming from larger and more versatile food trucks and trailers that can operate with fewer restrictions on menu selection. They do, however, require a more significant footprint and add to an already lengthy list of uses competing for the curb lanes of municipal streets.
3. While there were problems with some of the initial locations, the Consultant believes that the A La Cart locations now in use are comparable to locations for existing hot dog cart vendors. The A La Cart locations are capable of generating average daily sales in line with the industry benchmark of \$300 - \$400 per day. They are not, however, able to generate the much higher revenues forecast by the A La Cart vendors.

4. The process for selection of Toronto A La Cart vendors was more complex and subjective than those used in other jurisdictions. The process placed more emphasis on arriving at a culturally diverse mix of healthy food choices, and less emphasis on vendor experience. While current holders of hot dog cart licenses were not specifically excluded from the A La Cart program, they were required to forfeit their hot dog cart license if selected for the A La Cart pilot program which meant that experienced street food vendors did not apply to participate in the pilot project.
5. The majority of the vendors selected for the pilot project did not have directly relevant experience in street food vending and/or business management. The Consultant believes the lack of directly relevant experience is reflected in the unrealistic financial projections made by some of the vendors, and contributed to the poor results achieved by participants in the pilot project.
6. The specifications for the standard cart that all vendors were required to purchase are similar to those found in other jurisdictions. While the cart is not ideally suited to some of the locations selected for the A La Cart pilot program, vendors were provided detailed performance specifications when they applied to participate in the pilot project. The cost of the cart is in line with comparably-equipped models available from other Canadian manufacturers.
7. A La Cart street food vendors were subject to more regulation than other street food vendors operating in Toronto. Changes requested by A La Cart vendors were made at the end of season one but these were not sufficient to change vendors' reported business results in season two. Pilot project requirements impacted the percentage of operating hours worked by the cart owners and cart signage which contributed to the difficulties experienced by vendors. Additional program changes requested by A La Cart vendors during the program review, (e.g. leaving the carts unattended overnight, or providing parking for the vendor's vehicles and trailers) are simply not feasible.
8. The second of the approved Street Food Pilot Projects was designed to deliver a range of social and community benefits including improved access to healthier food choices in priority neighbourhoods, development of the A La Cart brand for use in tourism promotion, and job creation through micro-business incubation. With capital funding for cart purchases as originally requested, program funding and/or business mentoring, achieving these goals might have been possible. But it is unrealistic to expect independent, entrepreneurial business owners to deliver social outcomes without public financial assistance.
9. Diverse and innovative street food has become the norm in many large urban centres, but there are consequences associated with expanding this retail model in the public realm. Vendors must be allowed sufficient space for the equipment required to safely prepare and serve a wider variety of food products as well as flexibility to market their unique offerings with signage and other marketing efforts that are not uniform. Street food is an entrepreneurial business that cannot be institutionalized. If the City

wants to see more diverse food offerings, it must be prepared to accept the eccentric character of street food vending.

10. Toronto does not have to start from scratch to develop a licensing or public health framework for expanded street food vending. Toronto Public Health and Municipal Licensing & Standards have the expertise to administer street vending. Most of the rules, regulations and guidelines that are now in place could be adapted to accommodate a wider range of street food choices. However, additional resources may be required to modify the current regulatory framework and to administer a more flexible and dynamic program.

In summary, the A La Cart street food pilot project has provided the City with considerable information about the conditions under which a wider range of food products could be offered through licensed street food vendors. The A La Cart Street Food pilot project provided valuable lessons about the limitations of existing regulations and the need for cross-divisional cooperation to assist street food vendors. The pilot project also underlined the need to structure street food vending opportunities for operators who can deliver healthy, diverse street food as a viable business. This experience indicated a need change course in order to achieve the pilot project's initial goal – healthier, more diverse street food in Toronto. The independent review therefore recommended that the A La Cart pilot project be discontinued.

However, it was also concluded that discontinuation of the pilot project should not force A La Cart street food vendors out of business. Although it is the view of the City Solicitor that the City does not have legal liability to the vendors in these circumstances, the consultant has recommended that business owners who participated in the A La Cart pilot project should be recognized for their contributions and given sufficient time to stabilize their businesses.

Specifically, the report recommended that A La Cart location fees paid in 2010 be reimbursed and outstanding fees forgiven. The report further recommends that A La Cart vendors who choose to continue vending should be allowed to continue doing so at their current locations for up to three years and location permit fees waived for those three years on the condition that they continue to offer healthy food options as defined in Municipal Code Chapter 738 while adhering to the same regulations as other street food vendors subject to Municipal Code Chapter 315 (except as varied in the recommendations to this report). A La Cart vendors who continued vending should be offered a new vendor permit allowing the sale of street food other than hot dogs, if and when such new permits become available.

It should be noted that a Street Food Pilot Appeal Committee was established by City Council under Chapter 738 when the street food pilots were established and delegated authority by Council to conduct hearings and make decisions on recommendations to revoke or terminate endorsements or licenses under Chapter 738. The Committee is to be made up of three members, being the Chair of the Board of Health, the Chair of the Licensing and Standards Committee and the Councillor for the ward in which the subject

vending location was situated. The Committee has not to date been required to meet and, in light of the recommendations contained in this report, is no longer required. It is therefore recommended that the previous delegation be revoked and the Committee dissolved, with Municipal Code Chapter 738 to be amended accordingly.

## **PLANNING FOR HEALTHIER STREET FOOD**

Street vending can add vitality to our city streets, contribute to security and serve as an amenity for residents, pedestrians, and visitors. Innovative street food has become the norm in many large urban centres, and Toronto's cultural diversity and well-developed culinary scene provide an attractive setting for the development of a vibrant new form of street food vending. However, there are consequences associated with expanding the style and scope of food sold in the public realm.

Should the City wish to pursue its objective of providing greater diversity in the food items sold through street vendors, a review of the current regulatory framework should be undertaken by Municipal Licensing & Standards, Toronto Public Health, Transportation and other relevant departments to determine if the regulatory, licensing and inspection framework can be modified to allow for greater menu diversity in a safe and sustainable manner.

Current street food vendors were not interested in the initial, restrictive pilot project proposed in 2008 but they have expressed interest in exploring opportunities to add new menu items permitted under the amended Health Protection and Promotion Act. This should be encouraged.

The Toronto A La Cart program identified locations on public plazas and streets where additional street food vending could be accommodated without adversely affecting the public realm. These locations should remain exclusively available for street food vendors interested in offering food items that meet the original goals of the A La Cart program – i.e. food items that are healthy and reflect Toronto's culinary and cultural diversity.

Preliminary investigation by Municipal Licensing Services and Transportation staff found that as many as thirty-three of the locations occupied by the current, 130 licensed street food vendors selling hot dogs, sausages and beverages might be expandable to 48 square feet, a space sufficient to accommodate the equipment needed to prepare and serve healthier, more diverse food. Should further investigation support it, it is possible that a condition could be applied to limit footprint expansion to street food vendors who are willing to offer healthier, more diverse menu options.

Existing vendors, who wish to invest in their businesses, could have an immediate impact on the diversity of Toronto's street food offerings, if they are allowed to add new menu items permitted under the amended Health Protection and Promotion Act. Menu expansion as permitted under the Act could provide a more competitive and customer-focused business climate, while offering residents and visitors the opportunity to make healthier food choices when purchasing street food. Menu expansion could also enhance the economic viability of existing vendors.

Although discussions with existing hot dog cart vendors indicate that the majority would not initially consider modifications to their current menu, even a 10% participation level would result in significantly more points of sale than what has been offered under the A La Cart pilot program. Beyond existing vendors, street vending offers excellent business development opportunities for established restaurant owners and even celebrity chefs as witnessed in other jurisdictions.

Menu expansion by new vendors or current hot dog cart operators will require changes to the licensing, regulatory and inspection framework to ensure food safety. As indicated earlier, increase to the permitted vendor footprint may also be required, and this could have an impact on the public realm. The opportunities are significant if the correct administrative framework is in place.

## **CONCLUSION**

The A La Cart Street Food Pilot Project did not meet its objectives and should be discontinued immediately, in advance of the third season of the planned pilot project. However, discontinuation of the pilot project should not force the A La Cart pilot project participants out of business. These vendors should be recognized for their contributions to the pilot project and be allowed to continue vending healthy, diverse menu options from their current A La Cart locations.

A staff working group should be formed to review the current licensing, regulatory and inspection framework for street food vending, with the objective of permitting licensed Toronto food vendors to offer a wider range of food items as permitted under the Ontario Health Protection and Promotion Act. The working group must include both internal and external stakeholders and address issues associated with harmonizing the licensing and regulatory framework across the city, and ensure that any new food vending opportunities proposed are viable for business operators.

A proposed Terms of Reference for this working group is included in Appendix B.

## **CONTACT**

Katherine Roos  
Manager Small Business, Economic Development & Culture  
P: (416) 395-7474  
E-mail: [kroos@toronto.ca](mailto:kroos@toronto.ca)

Bruce Robertson  
Director, Municipal Licensing Services  
P: (416) 392-3070  
E-mail: [brobert1@toronto.ca](mailto:brobert1@toronto.ca)

## **SIGNATURES**

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Michael Williams  
General Manager, Economic Development & Culture

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Dr. David McKeown  
Medical Officer of Health

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Jim Hart  
Executive Director, Municipal Licensing & Standards

## **ATTACHMENTS**

Appendix A – A La Cart Street Food Pilot Project Program Review  
Appendix B – Proposed Terms of Reference – Street Food Working Group