

DATE OF MEETING | August 13, 2018 |

AUTHORED BY | TAMERA ROGERS, PLANNER, CURRENT PLANNING AND
SUBDIVISION |

SUBJECT | **MOBILE FOOD VENDING LICENSING** |

OVERVIEW

Purpose of Report

To update Council on the progress of the mobile food vending program and to present Council with amendments to City of Nanaimo “Business Licence Bylaw 1998 No. 5351” to further support the mobile food vending industry in Nanaimo. |

Recommendation

1. | That “Business Licence Amendment Bylaw 2018 No. 5351.13” (To amend the mobile food vending licence process to permit food trucks and trailers to operate in specified on-street and City park locations) pass first reading;
2. | That “Business Licence Amendment Bylaw 2018 No. 5351.13” pass second reading; and
3. | That “Business Licence Amendment Bylaw 2018 No. 5351.13” pass third reading. |

BACKGROUND

On 2016-MAR-01, Council adopted amendments to City of Nanaimo “Business Licence Bylaw 1998 No. 5351”, which established a mobile food vending licence process to allow food trucks and food trailers to operate at specified on-street and City park locations. Staff initiated the amendment in response to the interest shown by mobile food vendors to operate within the city and in support of the policies in the City’s Cultural Plan for a Creative Nanaimo to encourage culinary tourism.

Prior to the bylaw amendment, mobile food vendors could only operate during special events and on private property where a restaurant use is permitted. The Business Licence Bylaw already allowed food carts to operate in several designated locations downtown and along Stewart Avenue.

The bylaw amendment included the addition of ten park locations available year round to food trucks and food trailers, as well as specified on-street locations in the downtown, hospital area, and in Duke Point. Staff also established an online scheduling system for park locations, which allows mobile food vendors the flexibility to schedule themselves by request at different locations throughout the week.

Following the adoption of the amendment bylaw, Council directed Staff to review the program. To date, the program has been open for over two years.

DISCUSSION

Program Uptake

In 2016, eight mobile food vendors obtained business licences to operate on City-owned property. Of these businesses, five operated frequently and all were located in City parks. The most popular City parks were Maffeo Sutton and Westwood Lake.

In 2017, five business licences were purchased to operate on City-owned property and four operated frequently, including one vendor from 2016. The most popular City parks were Maffeo Sutton, Westwood Lake and Departure Bay, and one vendor utilized the on-street location near Dallas Square.

In 2018, seven business licences have been purchased to date and all are currently located in City parks, particularly Maffeo Sutton and Departure Bay.

The following table summarizes the business licence uptake for mobile food vendors operating in City park and on-street locations in 2016, 2017, and 2018 (as of July 2018).

VENDOR TYPE	2016	2017	2018 (to date)
Food Truck	2	3	4
Food Trailer	4	0	2
Food Cart	2	2	1
TOTAL	8	5	7

Program Review

Planning Staff have met with the Parks & Recreation, Bylaw Services, Business Licensing, and Communications & Community Engagement Staff to discuss the mobile food vending program and any suggested changes. Staff identified no significant issues but recommended some improvements to food truck locations within parks (such as Maffeo Sutton), which have been implemented.

Additionally, Staff met with the Greater Nanaimo Chamber of Commerce, who expressed interest in continuing to work with the City to promote the food truck industry in Nanaimo.

Phone interviews were also conducted with 20 local mobile food vendors. A summary of interview responses is included as Attachment A.

Some of the key themes from the interviews included:

- **Locations:** According to vendors, the amount of pedestrian traffic at a location is the most important factor, other than weather, that influences their success. Vendors suggested some improvements to Nanaimo's food truck locations, including adding new locations, removing locations that are impractical (eg. steepness of the grade), and modifying the locations where they can operate within parks to maximize their visibility to customers.

- Extending Hours of Operation: Interest was shown in extending the permitted hours of operation to allow vendors to locate downtown during the nightclub hours (10 p.m. to 3 a.m.).
- Licence Fees: Overall, vendors consider the City's licence fees to be reasonably priced. For comparison, vendors at Parksville Beach pay \$120/day in the high season, while Nanaimo's park fee is \$665/year. The most important message conveyed was that licence fees are less critical to success than having a good location available. Vendors also expressed interest in an inter-community business licence program to allow them to pay one licence fee to work in multiple municipalities. Flexible payment options such as month-to-month, day-to-day, or pro-rated licence fees were also suggested any may make it more likely for a new vendor to try out Nanaimo.
- Program Information: Of the vendors interviewed, 35% had not heard about the City's mobile food vending program and most others had a limited knowledge of the program. There was a perception among many vendors that Nanaimo does not have enough day-to-day pedestrian traffic to support a food truck business. Vendors suggested that information such as statistics on park pedestrian traffic would help them choose optimal locations to operate. They also stated that program information is best provided at the beginning of the year, as their schedules are typically determined by April or May. The vendors also suggested that a published list of special events in the city would increase their success.
- Program Coordination: Further discussion surrounded the need for a coordinated approach to mobile food vending programming. Parksville was cited as a good example, as the Chamber of Commerce coordinates the rotation of ten vendors (several at a time) at the Parksville Beach location. They also expressed interest in participating in a weekly food truck night in Nanaimo. Another suggestion was to coordinate mobile food vending between municipalities. For example, on the days vendors are not operating at Parksville Beach, they could locate at Maffeo Sutton Park.
- Priority Consideration for City Events: To better support the mobile food vendors who have obtained City of Nanaimo business licences, vendors requested that they be given priority consideration for City-initiated special events that involve mobile food vendors.

Overall, mobile food vendors who had previously operated at Nanaimo special events stated they had a good experience. Most vendors also showed interest in Nanaimo's mobile food vending program and would consider returning if certain locations were available, or if hours of operation were extended. Vendors emphasized that they need designated locations with enough pedestrian traffic to be successful in Nanaimo.

Proposed Bylaw Amendments

The following is a summary of the proposed changes to the Business Licence Bylaw:

i. Licensing Fees

While the majority of mobile food vendors, when interviewed, considered the City's licensing fees to be reasonably priced, it was also noted that the cost may dissuade new vendors from trying out Nanaimo's program. Additionally, many vendors operate

regionally, and may choose to operate in several municipalities rather than one single location. As a method of encouraging mobile food vendors to operate in Nanaimo, Staff recommend simplifying and reducing the business licence fees as follows:

Current fees:

Mobile Food Vending Unit Type	Private Property (\$)	City Park Locations (\$)	On-Street Locations (\$)	All Public Locations (\$)
Food Cart	165.00	165.00	N/A	N/A
Food Trailer	265.00	665.00	N/A	N/A
Food Truck	265.00	665.00	665.00	790.00

Proposed fees:

Mobile Food Vending Unit Type	Private Property (\$)	All Public Locations (\$)
Food Cart	165.00	165.00
Food Trailer	165.00	365.00
Food Truck	165.00	365.00

The proposed fee reduction is not anticipated to negatively impact licensing operations.

ii. Increase Flexibility of Food Cart Locations

Food carts are currently allocated a fixed location on an annual basis, or they can operate in City of Nanaimo parks as authorized by the Director of Parks and Recreation. To increase location flexibility, Staff propose to amend the Business Licensing Bylaw to designate food cart locations on a daily basis. These locations will be added to the City's online mobile food vending booking system, allowing vendors to operate at different fixed and park locations each week.

iii. Extended Hours of Operation – Nighttime Hours

Given the interest from mobile food vendors in operating during the nighttime hours (10 p.m. to 3 a.m.) to serve night club patrons, Staff worked with the RCMP to identify a temporary location downtown to pilot a three-month project from January to April 2018. Diana Krall was identified as an ideal location as it is close to night clubs, a public washroom, and a taxi stand. One mobile food vendor operated during the pilot project.

Extending the hours of operation to allow mobile food vendors to operate during the nighttime hours will increase available services to nighttime patrons, animate a portion of downtown, and provide additional 'eyes on the street'.

As the pilot project was considered successful, Staff recommend amending the Business Licence Bylaw to include Diana Krall Plaza as an available location for up to three mobile food vendors from 7 a.m. to 3 a.m.

iv. *Modifying Locations*

The following park locations are proposed to be added:

- Queen Elizabeth Promenade as a Special Zone for food carts;
- Diana Krall Plaza (3 vendors) as a permitted mobile food vending location; and
- Larry McNabb Sport Zone (1 vendor) as a permitted mobile food vending location.

Additionally, the two on-street food truck locations on Albert Street are proposed to be removed as they have been deemed impractical locations due the steepness of the grade.

SUMMARY POINTS

- On 2016-MAR-01, Council adopted an amendment to City of Nanaimo “Business Licence Bylaw 1998 No. 5351” that established a mobile food vending licence process to allow food trucks and trailers to operate in specified on-street and City park locations.
- Planning Staff reviewed the program with City Staff and the Greater Nanaimo Chamber of Commerce. Twenty phone interviews were also conducted with mobile food vendors. The results of the interviews indicate further bylaw amendments and initiatives are needed to support a viable mobile food vending industry in Nanaimo.
- Proposed amendments to the Business Licence Bylaw include: simplified licensing fees, increased flexibility of food cart locations, extended hours of operation, and modified locations.

ATTACHMENTS

ATTACHMENT A: Food Truck Interview Response Summary
“Business Licence Amendment Bylaw 2018 No. 5351.13”

Submitted by:

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Concurrence by:

D. Lindsay
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