



To: General Purposes Committee **Date:** April 16, 2021
From: Cecilia Achiam **File:** 08-4150-01/2021-Vol 01
General Manager, Community Safety
Re: **Need and Options for Regulation of Food Trucks in Steveston**

Staff Recommendation

That Council:

1. Receive for information the preliminary results of the public consultation regarding the need and options for the regulation of food trucks in Steveston;
2. Direct staff to give notice to two mobile food vendors, licenced to operate at 3551 Moncton Street and 3971 Bayview Street, Salty's Lobster Shack and Shameless Buns Inc., of the proposed cancellations of their business licences, including a notice of an opportunity to be heard at that meeting of Council when the proposed cancellations will be considered;
3. Authorize staff to withhold enforcement for up to six months against the five mobile food vendors that are operating on private property, and that have not been the subject of verifiable complaints, provided these licence holders take steps to relocate or obtain Temporary Commercial Use Permits for those locations;
4. Amend the process for issuing Temporary Commercial Use Permits to Mobile Food Vendors as described in the report "Need and Options for Regulation of Food Trucks in Steveston" from the General Manager, Community Safety, dated April 16, 2021, by giving first, second, and third readings to:
 - a) Development Permit, Development Variance Permit and Temporary Commercial and Industrial Use Permit Procedure Bylaw No. 7273, Amendment Bylaw No. 10264; and
 - b) Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 10262;
5. Add requirements for Mobile Food Vendors in Steveston as described in the report "Need and Options for Regulation of Food Trucks in Steveston", dated April 16, 2021, by giving first, second, and third readings to Business Regulation Bylaw No. 7360, Amendment Bylaw No. 10263; and

April 16, 2021

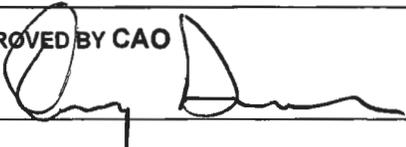
- 2 -

6. Direct staff to identify suitable public locations for food trucks, including select parks locations in Steveston, to include in the City's ongoing Mobile Vendor Program.



Cecilia Achiam
General Manager, Community Safety
(604-276-4122)

Att: 2

REPORT CONCURRENCE	
ROUTED TO:	CONCURRENCE
Policy Planning	<input checked="" type="checkbox"/>
Transportation	<input checked="" type="checkbox"/>
Law	<input checked="" type="checkbox"/>
Parks	<input checked="" type="checkbox"/>
SENIOR STAFF REPORT REVIEW	INITIALS: AC
APPROVED BY CAO 	

Staff Report

Origin

This report responds to the following referral motion adopted by Council at the General Purposes Committee meeting held on April 6, 2021:

That staff:

- a) provide an analysis on the need and options for regulation of food trucks in Steveston;*
- b) be directed to consult with the public and local merchants on this issue; and,*
- c) report back.*

Analysis

Overview of Mobile Food Vending Industry – Benefits and Challenges

The mobile food vending industry has grown significantly over the last decade and has evolved beyond the more traditional types of mobile food suppliers like ice cream trucks and hot dog carts. This has included the emergence of food trucks that use large vehicles equipped with cooking and sanitation equipment to prepare food to order and with the flexibility to move between locations.

There are benefits and challenges associated with food trucks. They provide a low-cost and flexible way for entrepreneurs to test a new concept, establish their business and increase their exposure at multiple locations. In some cases successful food trucks ultimately expand into brick-and-mortar restaurant locations and, conversely, existing restaurants may choose to use them as a marketing tactic to reach more customers. Food trucks can help animate and activate public spaces, attract new visitors into an area, provide flexible food service components to events and festivals, offer a more diverse range of options for consumers and serve as amenities in locations where food service options are limited.

There are also challenges associated with food trucks. They can take up a significant amount of space, impede pedestrian movement and require more safety and health oversight. They also have a more challenging relationship with brick and mortar restaurants and other businesses. Conflicts include utilization of limited parking, as well as the level of competition that food trucks create or are perceived to create.

Effective regulation is required in order to support existing restaurants and new food based entrepreneurs, while also ensuring health and safety, managing transportation related impacts and mitigating concerns of nearby businesses.

Current Mobile Food Vending Regulations in Richmond

In Richmond there are three categories of location options for mobile food vendors, including food trucks. They can operate 1) at City or privately organized events and festivals; 2) on private property; and 3) on City-owned property through the Mobile Food Vending Program as described in a later section.

All mobile food vendors are issued business licences by the City to operate in Richmond based on their compliance with a number of criteria. They must pass safety inspections from Vancouver Coastal Health and from Richmond Fire-Rescue. Health authority review and approvals include aspects such as garbage, food safety plans and the requirement to have an approved base of operation such as a commercial kitchen or food service establishment where food can be prepared and stored.

There is also criteria in the Business Regulation Bylaw No. 7538 (Business Bylaw) that specifies where mobile food carts and food trucks are permitted to operate. When located on private property, they:

- Must have written consent of the property owner;
- Must comply with Zoning and Development Bylaw;
- Cannot be adjacent to school grounds, except with written authorization; and
- Cannot be directly outside or in the flow of traffic to any premises which offer the same or similar items for sale.

There are currently 22 mobile food vendors licenced to operate in Richmond, seven of which are operating at specific locations on private property including business parks where existing food service amenities for employees are limited. The remaining licenced mobile food vendors are either licenced to operate at special events or on approved City owned sites in the City Centre in accordance with the City's Mobile Food Vendor Program.

Concerns Raised Regarding Food Trucks in Steveston Village

Recently the City has received multiple complaints from Steveston based merchants and members of the public regarding two mobile food vendors currently operating a food truck and a food trailer on private property in Steveston Village. The primary concerns raised are that these mobile food vendors 1) create unfair competition for established restaurants that operate with much higher fixed costs; 2) take up scarce parking spaces needed by other businesses and their customers; and 3) attract crowds while physical distancing measures are in place.

As a result of these concerns, Council directed staff to consult with the public on the need and options for additional regulation related to food trucks in Steveston. Consultation is being undertaken through a Let's Talk Richmond survey that began on April 13. This has been communicated to the general public and business community through a news release, social media posts, the Business in Richmond e-news produced by the Economic Development Office, and direct outreach to Steveston merchants.

At the time of writing, 565 survey responses had been received by the City from members of the public, businesses, and Steveston based merchants. Preliminary results of this public consultation are included in Attachment 1.

Status of Licences Previously issued to Mobile Food Vendors on Private Property

As a result of concerns and complaints received and in response to the Council referral, staff have undertaken a broader and more detailed review of the processes and relevant bylaws in

place that are applicable to the regulation of mobile food vendors in Steveston and elsewhere in the City. This has involved input from the Planning & Development Department and the Law Department. As a result of this more comprehensive review, it has been determined that seven businesses were issued business licences for properties whose existing zoning does not permit mobile food vendors including food trucks or food trailers. Two of these mobile food vendors (Salty's Lobster Shack and Shameless Buns Inc.) have been licenced for properties located in Steveston (3551 Moncton Street and 3971 Bayview Street) and have been the subject matter of the complaints. In addition to contravening the use provisions of the applicable zones, it has also been determined that the locations of the two mobile vendors licenced in Steveston also contravene the parking provisions of each zone.

Immediate steps are now being undertaken to rectify this. In accordance with s. 60 of the *Community Charter* (see Attachment 2), this report recommends that Council direct staff to give notice to the two mobile food vendors operating at the Steveston locations of the proposed cancellation of their business licences as well as notice of an opportunity be heard at that meeting of Council when the proposed cancellations will be considered.

In advance of the Council meeting, when the cancellation of these business licences will be considered by Council, staff will provide copies of the specific provisions of the bylaws and particulars that will be presented by staff to Council as the basis for the proposed cancellations.

The remaining five affected mobile food vendors are also being contacted and, provided no verifiable complaints are received, they will, subject to Council approval, be given a temporary grace period of up to six months. During this time staff will assist them in relocating to bylaw compliant locations or assist them in applying for a Temporary Commercial Use Permit (TCUP) for those locations under the proposed process. Staff will also assist the two immediately impacted businesses that are operating in Steveston in their relocation efforts.

New Regulations and Temporary Commercial Use Permit for Mobile Food Vendors

As a result of the review of current processes and regulations related to food trucks and considering public feedback received, staff have identified two improvements to address concerns raised about the location of mobile food vendors, which includes food trucks and food trailers. The first improvement is a recommendation to introduce a new process for Temporary Commercial Use Permits (TCUP) that is specific to mobile food vendors. This process would apply to those vendors located on private property only. The second improvement relates to locational criteria for mobile food vendors on private property in Steveston. Staff propose an amendment to Business Regulation Bylaw No. 7360 (the "Business Bylaw") to introduce a requirement that mobile food vendors on private property in Steveston are required to be at least 100m from existing restaurants.

The proposed amended TCUP process is similar to the city wide TCUP process but is simplified in the following ways:

- Applications will not go through the formal Public Hearing process (public notice only);
- Applicants will not have to erect a sign on site;

- The fee will be reduced from \$2,408 to \$100 for applications and from \$1,208 to \$100 for renewals; and
- Decision on issuance, renewal and rejection will be delegated to the General Manager of Community Safety and not require a Council resolution, nor reports to Council.

Similar to other TCUP's, all applications will be reviewed by staff for alignment with City policies including requirements for garbage pick-up, pedestrian safety and other site management needs. Applications will also be reviewed based on land use requirements and will require notification of the public and time for receiving public feedback prior to issuance. As required by the *Local Government Act*, property owners will be entitled to have the General Manager of Community Safety's decisions regarding TCUPs reconsidered by Council.

Together with the proposed TCUP process, the proposed amendment to the Business Bylaw will ensure that mobile food vendors (which are temporary and mobile) do not impact the operation of other licenced restaurants (which are permanent and not mobile) in Steveston. This proposed process will not prohibit mobile food vendors from being licenced for special events on City property such as parks. The amendment provides a map of Steveston Village and states that mobile vendors within the area shown on the map must be at least 100m from licenced restaurants.

City's Mobile Food Vendor Program

The City's Mobile Food Vendor Program was approved by Council as an ongoing City initiative at the June 9, 2014 meeting following a pilot phase. Mobile food vendors can operate on City owned or controlled property subject to program requirements, a licence agreement and an annual fee.

In addition to the requirement to adhere to the rules and regulations outlined in an earlier section, a number of additional conditions are in place through this program. These prevent vendors from offering goods that directly compete with adjacent businesses, ensure that they do not cause congestion or block pedestrian traffic, and address other public health and safety issues. Preference is given to vendors where the food being offered is healthy and/or grown locally and served in environmentally friendly packaging.

There are currently two mobile vendors that have licence agreements with the City, and a third in progress. Locations are currently limited to the City Centre along the No. 3 Road corridor. Additional suitable locations are identified by staff based on need and feedback.

Consistent with public feedback, staff are in the process of assessing a number of parks locations, including in Steveston, for inclusion in this program. Suitability will be assessed based on specific criteria including access to public washrooms, adequate parking, and adherence with overall objectives of each site. With Council direction, these locations can be included in the City's Mobile Food Vendor Program and be made available to food trucks.

Financial Impact

None.

Conclusion

As a result of concerns raised by the community, Council directed staff to analyze the need and options for the regulation of food trucks in Steveston, to consult with the public and local merchants, and to report back. Based on this analysis and public feedback, recommendations have been developed to improve regulations for mobile food vendors on private property, and to identify additional public locations to include in the City's ongoing Mobile Food Vendor Program.



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- Att. 1: Language from Community Charter
- Att. 2: Preliminary Results of Public Consultation

**Preliminary Results of Public Consultation
Regarding the Need and Options for the Regulation of Food Trucks in Steveston**

The City is undertaking public consultation with the public and local merchants on the need and options for additional regulation related to food trucks in Steveston.

This includes a Let's Talk Richmond survey that began on April 13 and is open until April 25, 2021. A summary will be provided at the conclusion of this public consultation period.

At the time of writing, 565 survey responses had been received by the City from members of the public, businesses, and Steveston based merchants.

Of the respondents, 546 were Richmond residents including 246 residents that live in Steveston. 43 were business owners or operators in Richmond including 15 in Steveston. Direct outreach to Steveston merchants is ongoing to encourage them to complete the survey by the April 25 deadline.

Highlights of the preliminary results received to date are as follows:

- The vast majority of respondents, 82%, indicated that food trucks operating in Steveston should be subject to regulation.
- 55% of respondents indicated that they believed food trucks should only be allowed to operate a specified distance away from existing brick and mortar restaurants in Steveston. 32% indicated that they did not believe this, and 13% did not have an opinion.
- 83% of respondents would visit a food truck if it was located outside of the Steveston Village core area, including 23% that said they would visit a food truck wherever it was located.
- Respondents preferred that food trucks be allowed to operate at the following locations in Steveston: 1) At special events, farmers markets and festivals - 35%; 2) In City parks - 24%; 3) On City streets - 17%; and, 5) In the Steveston Village business district but away from existing brick and mortar restaurants – 19%.

Respondents were also invited to provide additional comments or feedback through the survey or by e-mail. Highlights of comments received to date under three main themes are as follows.

Benefits

- Food trucks provide additional options and variety for consumers, and provide healthy competition for businesses.
- They provide an on-the-go and sometimes less expensive option than a sit down dining experience, thus appealing to a different market.
- They can act as a draw and attract new people into Steveston who may spend money at other nearby businesses - many food trucks have a loyal following.
- Food trucks can provide an exciting element at special events and festivals, and add vibrancy to communities.

Challenges

- Food trucks do not have the same high fixed costs as a brick and mortar restaurant. They also have the flexibility to choose which days to operate, whereas restaurants operate year round.
- COVID-19 is putting additional pressure on existing restaurants, and viability for many is threatened. Additional competition will hurt Steveston restaurants.
- Food trucks in Steveston Village create congestion and constrain parking and pedestrian movement.
- Food trucks result in additional garbage which is not always disposed of correctly.

Suggestions

- Regulations for food trucks should address health and safety aspects while mitigating congestion, conflict with nearby restaurants, and other challenges.
- Food trucks could be located outside of the Steveston Village core in City parks and in other public and privately owned locations throughout Richmond.
- Food trucks are intended to be mobile and regulations should prevent them from becoming a permanent fixture in any one location.

Language from Section 60 of the Community Charter

Section 60 of the Community Charter reads as follows:

Business licence authority

- 60** (1) An application for a business licence may be refused in any specific case, but
- (a) the application must not be unreasonably refused, and
 - (b) on request, the person or body making the decision must give written reasons for the refusal.
- (2) In addition to the authority under section 15 (1) (e) [*licences, permits and approvals — suspension and cancellation*], a business licence may be suspended or cancelled for reasonable cause.
- (3) Before suspending or cancelling a business licence, the council must give the licence holder notice of the proposed action and an opportunity to be heard.
- (4) Despite section 155 (2) (b) [*restriction on delegation of hearings*], a council may, by bylaw under section 154 [*delegation of council authority*], authorize a municipal officer or employee to suspend or cancel a business licence.
- (5) If a municipal officer or employee exercises authority to grant, refuse, suspend or cancel a business licence, the applicant or licence holder who is subject to the decision is entitled to have the council reconsider the matter.



**CONSOLIDATED FEES BYLAW NO. 8636,
AMENDMENT BYLAW NO. 10262**

The Council of the City of Richmond enacts as follows:

1. The **Consolidated Fees Bylaw No. 8636**, as amended, is further amended at "SCHEDULE – DEVELOPMENT APPLICATION FEES" by adding Schedule A to this Bylaw to the end of "Temporary Use Permits No. 8951".
2. This Bylaw is cited as "**Consolidated Fees Bylaw No. 8636, Amendment Bylaw No. 10262**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED



MAYOR

CORPORATE OFFICER

SCHEDULE – DEVELOPMENT APPLICATION FEES

Temporary Use Permits No. 8951

Section	Description	Base Fee	Incremental Fee
Section 1.6.1	Temporary Use Permit for Mobile Food Vendor	\$100	Not Applicable
	Temporary Use Permit Renewal for Mobile Food Vendor	\$100	Not Applicable

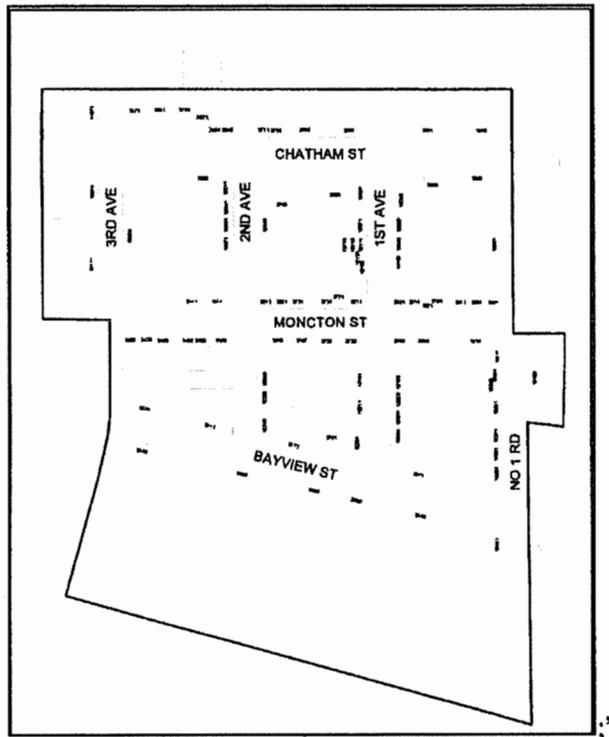


Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10263

The Council of the City of Richmond enacts as follows:

1. Business Regulation Bylaw No. 7538, as amended, is further amended at Section 16.2 [Mobile Vendor on Private Property] by inserting the following as a new subsection 16.2.1(b) and renumbering the remaining subsections accordingly:

“(b) the **mobile vendor**, if selling prepared food and/or beverages, is located no less than 100 m from any **restaurant**, if the private property is located within the area outlined in bold on the map below:



2. Business Regulation Bylaw No. 7538, as amended, is further amended at Section 27.1 by adding the following definition in alphabetical order:

“**Restaurant** means a “restaurant” as defined in the City’s zoning bylaw and a “drive-through restaurant” as defined in the City’s zoning bylaw, being a licensed

permanent place of **business** where prepared foods and beverages are offered for sale and consumption by the public on or off the premises.”

- 3. This Bylaw is cited as “**Business Regulation Bylaw No. 7538, Amendment Bylaw No. 10263**”.

FIRST READING

SECOND READING

THIRD READING

LEGAL REQUIREMENTS SATISFIED

ADOPTED



MAYOR

CORPORATE OFFICER



**Development Permit, Development Variance Permit and Temporary
Commercial and Industrial Use Permit Procedure Bylaw No. 7273,
Amendment Bylaw No. 10264**

The Council of the City of Richmond enacts as follows:

1. Development Permit, Development Variance Permit and Temporary Commercial and Industrial Use Permit Procedure Bylaw No. 7273, as amended, is further amended:

a) at Section 1.1 [Duties of an Applicant] by adding the following as a new subsection 1.1.7:

“1.1.7 Notwithstanding subsection 1.1.5 above, an **applicant** for a **temporary use permit** for a **mobile food vendor** is not required to provide the undertakings set out in subsection 1.1.5.”;

b) at Section 1.2 [Sign Posting Requirements] by adding the following as a new subsection 1.2.3:

“1.2.3 Notwithstanding subsection 1.2.1 above, an **applicant** for a **temporary use permit** for a **mobile food vendor** is not required to provide signage as set out in subsections 1.2.1 and 1.2.2.”;

c) at Section 2.4 [Processing Temporary Use Permit Applications] by adding the following as a new subsection 2.4.3:

“2.4.3 Notwithstanding subsections 2.1.1, 2.4.1 and 2.4.2 above:

(a) the **General Manager, Community Safety** is responsible for processing and reviewing applications for **temporary use permits** for **mobile food vendors**;

(b) where a request for a renewal of a **temporary use permit** for a **mobile food vendor** has been made, the **General Manager, Community Safety** must process and review such application generally in the same manner as an application for a new permit under subsection 2.4.3(a).”;

d) at Part Five: Consideration of Applications by Council by adding the following as a new Section 5.3:

“5.3 Delegation of Temporary Use Permits for Mobile Food Vendors

5.3.1 Notwithstanding Section 5.2 above, **Council** delegates to the **General Manager, Community Safety** the authority to:

- (a) approve, issue, and renew **temporary use permits for mobile food vendors**;
 - (b) reject applications for **temporary use permits for mobile food vendors**;
 - (c) vary, and supplement **temporary use permits for mobile food vendors**, and impose conditions and requirements on said permits; and
 - (d) cancel **temporary use permits for mobile food vendors** if a permit holder fails to comply with a term or condition of the permit.
- 5.3.2 The **General Manager, Community Safety** must send a notice of their decision in writing to the **applicant**, which notice shall be deemed to have been received by the **applicant** 10 days after the notice is mailed by the **City**.
- 5.3.3 An **applicant** for a **temporary use permit** for a **mobile food vendor** is entitled to have **Council** reconsider the decision of the **General Manager, Community Safety** in accordance with the following process:
- (a) the **applicant** must apply for the reconsideration by delivering to the **City Clerk**, and providing a copy to the **General Manager, Community Safety**, within 30 days after the decision of the **General Manager, Community Safety** is deemed to be received by the **applicant**, a reconsideration application in writing setting out the following:
 - (i) the date of the decision of the **General Manager, Community Safety** and the nature of the decision;
 - (ii) reasons why the **applicant** wishes the decision to be reconsidered by **Council**;
 - (iii) a request from the **applicant** that the decision be made by **Council**, with brief reasons in support of the request; and
 - (iv) a copy of any materials the **applicant** considers to be relevant to the reconsideration by **Council**.
 - (b) the **General Manager, Community Safety** must present to **Council**, a report on the application and decision to be reconsidered, consisting of a recommendation, and any other information the **General Manager, Community Safety** considers to be relevant;
 - (c) reconsiderations must occur at a regular meeting of **Council** held at least two weeks after the date on which the reconsideration application

is delivered to the **City Clerk** and notice shall be provided in accordance with Section 3.2 of this Bylaw;

- (d) the **applicant** may delegate to **Council** in accordance with Council Procedure Bylaw No. 7560 at the regular meeting of **Council** at which the **General Manager, Community Safety**'s report is on the agenda;
- (e) upon receipt of the recommendation from the **General Manager, Community Safety** and the delegation from the **applicant**, and **Council**'s reconsideration of the **General Manager, Community Safety**'s decision, **Council** must:
 - (i) confirm the decision of the **General Manager, Community Safety**; or
 - (ii) vary, or set aside the decision of the **General Manager, Community Safety** and substitute the decision of **Council**, and either:
 - (A) issue the **temporary use permit** for a **mobile food vendor**, or approve the renewal of the **temporary use permit**; or
 - (B) reject the application for a **temporary use permit** for a **mobile food vendor**, or the renewal of a **temporary use permit**.”
- e) at Section 8.1 [Responsibilities of the City Clerk] by adding the following as a new subsection 8.1.2:

“8.1.2 Where the **General Manager, Community Safety** issues a **temporary use permit** for a **mobile food vendor** the **City Clerk** must ensure that such permit is properly executed and must mail or otherwise deliver such permit to the **applicant**, and cause the appropriate “Notice of Permit” to be filed in the Provincial Land Title Office.”;
- f) at Section 10.1 [Establishment of Security – All Permits] by deleting subsection 10.1.2(c) and replacing it with the following:
 - “(b) prior to consideration by **Council** at a **public hearing** on the issuance of a **temporary use permit**; and
 - (c) prior to issuance by the **General Manger, Community Safety** of a **temporary use permit** for a **mobile food vendor**.”;
- g) at Section 10.3 [Failure to Provide Security – Temporary Use Permits] by deleting subsection 10.3.1 and replacing it with the following:

“10.3.1 Where, prior to the notification required under the provisions of section 3.2, an applicant for a temporary use permit fails to provide the full amount of the security specified in subsection 10.1.1,

(a) the **Director, Development** must report to **Council** that the **temporary use permit** is deficient and that such application should be deleted from the agenda of that **Council** meeting; or

(b) the **General Manager, Community Safety** must refrain from issuing the **temporary use permit**,

as applicable.”; and

h) at Section 12.1 by adding the following as a new definition in alphabetical order:

“**General Manager, Community Safety** means the General Manager, Community Safety of the City and his or her respective designates and authorized agents.

Mobile Food Vendor

means a business that sells, offers or attempts to sell, takes orders for, or solicits orders for prepared food and/or beverages, from a vehicle, cart, trailer, or stand and not from a permanent building or structure.”;

2. This Bylaw is cited as “**Development Permit, Development Variance Permit and Temporary Commercial and Industrial Use Permit Procedure Bylaw No. 7273, Amendment Bylaw No. 10264**”.

FIRST READING

SECOND READING

THIRD READING

ADOPTED



MAYOR

CORPORATE OFFICER

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