

## Public Works Food Service Vehicle Pilot Program

### BACKGROUND

The following motion was approved by City Council on March 7, 2012, in receiving Planning Committee Report 12-003:

*“(a) Staff was directed to prepare a revised Food Truck By-law no later than June 19, 2012;  
(b) Staff was directed to prepare parameters and criteria for a “Pilot Program” that would permit Food Trucks in Regional and/or Community Parks.”*

Public Works staff formed a Food Service Vehicle Steering Committee and Food Service Vehicle Working Group which consisted of City staff from various Departments and Divisions. Both groups met on a regular basis and discussed issues such as park locations, types of vehicles permitted, hours of operation, types of food, and coordination with special events.

The Food Service Vehicles in City of Hamilton Parks – Permitting Program (PW14026) was approved by Council on March 26, 2014. Phase 1 of the pilot program included a daily permitting system to allow licensed food service vehicles to operate in select City parks at a daily rate of \$50. The following parks were deemed eligible as they were zoned to permit restaurant use, do not have an established volunteer group selling concession items, have a high volume of visitors, and are regularly monitored by City staff:

- Bayfront Park
- Pier 4 Park
- Confederation Beach Park
- Heritage Green Community Sports Park
- Turner Park
- Sam Lawrence Park
- Gage Park

The 2014 pilot program Phase 1 was monitored and analyzed with feedback from staff, residents, and food service vehicle operators. The pilot program Phase 1 was deemed overall a success; however staff desired further information on the effectiveness of the pilot. Phases 2 and 3 of the pilot were continued in 2015 and 2016 with the following changes:

- Addition of Valley Park to the list of eligible parks
- Lengthening the operating season from the beginning of May to the end of September (approximately an extra month in the fall)
- Addition of a “rain date” provision to allow food service vehicles to rebook in the event of adverse weather.

### ANALYSIS

Data from the 2014, 2015 and 2016 pilots was collected and analyzed to gauge the value of the program.

Total revenue collected was \$5,150 in 2014, \$2,650 in 2015, and \$6,500 in 2016. It is important to note that this was not a revenue generating pilot; all revenue was offset by staff administrative costs and parks maintenance costs. The initial intent of the pilot was to try out opportunities for the (then) just developing Food Service Vehicle industry given the parameters that existed in the Licensing By-Law at that time. The total number of permits booked was 137 in 2014, 57 in 2015 and 141 in 2016. Bayfront Park, Pier 4 Park and Confederation Beach Park proved to be the most popular parks for food service vehicles to operate in.

A “Survey Monkey” survey was issued March 2017 to 90 food service vehicles that operate within the City of Hamilton. 21 responses were received. 60% of the respondents had purchased a parks permit during the pilot. For those who did not purchase a permit, 50% felt the \$50 permit fee was too expensive, 37% were not aware of this project, and 25% are not interested in operating in parks. During the 3 year pilot, 59% of respondents purchased only 1 - 5 permits, 6% purchased 6 – 10, 12% purchased 10 – 20 and 6% purchased 40 or more permits. The main aspects that would make the pilot more appealing to food service vehicles (listed in order of importance) are:

- being able to operate during special events
- less expensive permit fees
- being able to operate during sports tournaments
- more permitted park locations
- an annual permit license fee per park.

The food service vehicle operators were also able to provide comments on the pilot program which included, but are not limited to:

- “Would like week/month long permits to reduce paperwork”
- “During the week (Monday to Thursday) it is sometimes difficult to cover the permit cost.”
- “We already pay sizeable fees just to have a city license.”
- “Happy to hear Hamilton's continuing to grow the Food Truck culture”
- “Many food truck operators would like more options to provide their services to the public.”
- “A seasonal charge or the option to include unlimited access to parks, whether specific locations or general access to all parks included in the program would be very appealing to my truck.”
- “A regular presence (i.e. daily, or once per week, or month) allows us to build and grow a clientele. A program that was either less expensive per visit, or a one-time seasonal fee would allow the truck to routinely operate and build word-of-mouth knowledge of our presence.”

## **RATIONALE FOR DISCONTINUING PROGRAM**

The 3 year pilot project was a useful tool to gather information on the success of the daily parks permit system.

From the data collected as well as the feedback from operators, Public Works staff feel that operation of food service vehicles in parks would be better suited being administered as part of the licensing of said operators currently provided by the Planning and Economic Development Department. This would reduce the administrative burden for both staff and operators. It would also provide a “one-stop” experience for food service vehicle business owners (they are able to purchase their annual Food Service Vehicle license and park endorsement in one location at the same time if they choose).

The cost would be much more financially advantageous for the food service vehicle operators (one yearly fee of \$200 instead of a daily fee of \$50).

Given the survey responses it is likely that by moving towards a yearly fee, more food service vehicles would take part in operating in parks.