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**TO:** CITY MANAGER **DATE:** 2020 Jul 20

**FROM:** DIRECTOR - PUBLIC SAFETY AND  
COMMUNITY SERVICES

**SUBJECT: OPTIONS FOR ISSUING A BURNABY BUSINESS LICENCE TO  
FOOD TRUCK OPERATORS**

**PURPOSE:** To respond to Council's request that staff undertake a review of the  
business licence options for food trucks.

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#### **RECOMMENDATIONS:**

1. **THAT** food truck operators applying for a Burnaby Business Licence continue to be licensed under the category of "Peddler – Food" and pay the corresponding business licence fee.
2. **THAT** the City Solicitor be authorized to bring forward an amendment to the *Burnaby Business Licence Fees Bylaw* to implement a first year prorated fee for the "Peddler – Food" business licence category, as outlined in section 4.2 of this report.

### **REPORT**

#### **1.0 INTRODUCTION**

At its Open meeting on 2020 July 06, Council received correspondence from Old Country Pierogi regarding the practice of issuing business licences to food trucks operating in Burnaby. Arising from discussion Council requested that staff report on the advisability and feasibility of three potential business licence options for food trucks:

- a) A short term business licence
- b) A pro-rated business licence
- c) An inter-municipal business licence for the food truck industry

This report provides Council with information on the review and recommends a prorated fee for the "Peddler – Food" business licence category, which food trucks fall within.

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## 2.0 POLICY SECTION

The recommended action is aligned with the City of Burnaby's Corporate Strategic Plan by supporting the following goals and sub-goals of the plan:

- A Connected Community
  - Partnership – Work collaboratively with businesses, educational institutions, associations, other communities and governments
- A Dynamic Community
  - Economic opportunity – Foster an environment that attracts new and supports existing jobs, businesses and industries
- A Healthy Community
  - Encourage opportunities for healthy living and well-being

## 3.0 BACKGROUND – CURRENT PROCESS

Presently, all food truck operations are provided Burnaby Business Licences under the category of “Peddler - Food”. This is the same licence category used to licence ice cream vendors and other similar type businesses that engage in the retail sales of food by mobile means. The first year fee for businesses licenced under this category is \$460 and the yearly renewals are \$200 per year. The “Peddler – Food” business licence is not eligible for proration.

B.C. has a range of legislation regulating food service and food retail levels which includes food trucks. Regulations contained in the *Food Safety Act* and the *Public Health Act* require businesses serving food to the public to undergo inspection and provincial licensing.

To ensure compliance with the provincial regulations, after an application for a business categorized as “Peddler - Food” (including food trucks) is received, the Licence Office then sends a referral to the Fraser Health Authority (FHA). A Burnaby Business Licence can only be approved after FHA has returned the referral to the Licence Office providing their approval for the business operation. Only after all required approvals have been received is the business permitted to open to the public.

## 4.0 REVIEW OF LICENCE OPTIONS

### 4.1 Short Term Licence

Burnaby does offer a “Special Event” business licence which is valid for a thirty day period. However, the *Burnaby Business Bylaw 2017* stipulates that Special Event licences

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are only issued in cases where “no further information or documentation is required in respect to the business licence application”. Because food truck operators must receive FHA approval, these businesses have been deemed as ineligible for Special Event licences.

#### **4.2 Pro-rated Business Licence**

The *Business Licence Fee Bylaw 2017* establishes 165 different business licence categories. Of these 165 categories, a single yearly proration is offered to 132 of the licence categories. “Peddler - Food” is not one of the 132 identified categories.

For those licence categories that are eligible for a prorated fee, proration takes effective on July 1<sup>st</sup> of each year. The prorated fee for licences purchased after July 1<sup>st</sup> reduces the first year fee by 25%. It is important to note that the single yearly proration is only applicable to the first year fee and not the subsequent yearly renewals.

As previously mentioned the first year fee for businesses licenced under the “Peddler – Food” category is \$460 for the first year of operation and \$200 per year thereafter for yearly renewals. If businesses licenced as “Peddler – Food” were to be eligible for a prorated fee in the same manner as other licence categories, after July 1<sup>st</sup> the first year fee would be reduced to \$345 instead of \$460. The yearly renewal would remain at \$200 per year. It is recommended that “Peddler – Food” be included in the licence categories eligible for proration.

#### **4.3 Inter-Municipal Business Licence**

Burnaby is a participant in the Metro-West Inter-Municipal Business Licence (IMBL) scheme, along with the cities of New Westminster, Surrey, Delta, Vancouver, and Richmond. The Metro-West IMBL has been established to permit businesses that are involved in the construction, trades contracting, and/or building maintenance industry. Other industry, such as food truck operations, are not currently eligible. Staff from the partnering communities do meet on a regular basis in order to discuss potential adjustments for the program and put forward possible amendments.

After receiving the request from Council, staff conducted an informal poll of the other Metro-West participants and found no objections to open discussions that could potentially lead to the inclusion of food trucks in the licensing scheme. However, due to COVID-19 limitations and other competing priorities expressed by the partnering municipalities, it is unlikely that an agreement could be reached in the near future. In addition to this, because food trucks require health inspection prior to operating, any discussion to develop an IMBL program would need to include the area health agencies to ensure compliance with the provincial legislation. Staff will continue to pursue this as a long term goal.

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## 5.0 RECOMMENDATION

After undertaking a review of the possible business licensing options put forward by Council, staff recommend that food trucks continue to be licenced under the business licence category of "Peddler – Food". This will ensure these operations are compliant with provincial regulations and receive all required approvals and inspections from FHA.

In regards to the first year business licence fee, it is recommended that the licence category of "Peddler – Food" be provided a first year prorated fee similar to other licensing categories. Staff recommend that Council authorize the City Solicitor to bring forward a bylaw to amend the *Business Licence Fee Bylaw 2017* to include a prorated fee after July 1<sup>st</sup> for businesses licenced under the category of "Peddler – Food". The amendment bylaw appears elsewhere on Council's agenda.

Staff will continue to pursue the possibility of establishing an IML with partnering municipalities. Should an agreement be reached, staff will provide a report to Council at that time.

The *Community Charter* requires that before adopting a bylaw in regards to business regulation, Council must give notice of its intention and provide an opportunity for persons who consider they are affected by the bylaw to make representations to Council. In order to ensure all interested parties are provided sufficient notification, notice of the proposed bylaw amendment will be advertised in the local newspaper for two consecutive weeks after first, second and third readings of the proposed amendment bylaw. The notice will provide a deadline of 4:00 pm 2020 August 14 to make written submissions. All responses will be collected and provided to Council prior to final adoption of the amendment bylaw.



for Dave Critchley  
DIRECTOR - PUBLIC SAFETY AND COMMUNITY SERVICES

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