

# DECISION/DIRECTION NOTE

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**Title:** Bannerman Road – Mobile Vending Leased Space

**Date Prepared:** June 23, 2020

**Report To:** Regular Meeting of Council

**Councillor and Role:** Councillor Sandy Hickman, Transportation & Regulatory Services

**Ward:** Ward 2

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## **Decision/Direction Required:**

To create a leased parking stall on Bannerman Road for the purposes of operating a motorized mobile vending unit.

## **Discussion – Background and Current Status:**

Mobile vending has grown considerably in recent years in the City of St. John's and is commonly used to expand economic opportunity and enrich communities by improving access to goods and services that may not otherwise be available.

Council asked staff to investigate creating a leased mobile vending stall on a road adjacent to Bannerman Park. This space will provide an opportunity for the mobile vending industry to operate outside the downtown core and take advantage of a more diverse clientele while providing additional amenities for park users. This space is to be limited to vendors of food and/or refreshments.

### Location:

The roads around Bannerman Park are within either Open Space or Residential zones and the Mobile Vending Bylaw prohibits mobile vending in these zones without Council's permission. Of the surrounding roads, Bannerman Road is the most suitable. Bannerman Road has no fee parking available that is utilized mostly by workers of downtown businesses and patrons of Bannerman Park during daytime hours. Bannerman Road is an integral part of events such as the Tele 10 and, as such, the successful applicant may have to remove the vending unit for this and potentially other events.

The intent is to have the mobile vendor located next to the central core of Bannerman Park so the successful vendor can maximize the full potential of the park visitors. The actual location has

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not yet been determined as we await comment from Newfoundland Power on a suitable location for the power drop.

#### Power Supply:

The Mobile Vending By-law prohibits generating units from being used as a power source. Experience indicates that to provide an electrical power source for a mobile vending space costs approximately \$10,000 - \$15,000, depending on the distance to the electrical feed. The electrical service is run underground to a meter box so that the mobile unit can safely connect and disconnect from the power source. The servicing cost includes trenching, removal and replacement of the concrete sidewalk, the meter box and appropriate connection hardware (see example photo below). Historically, the cost for the power supply is the responsibility of the vendor.



#### Leased Space Rate:

The normal lease rate in the downtown, in a revenue generating metered area, is \$3000 plus HST per year. The lease rate in Churchill Square in a non-revenue generating area is \$1500 plus HST per year. As Bannerman Road provides non-revenue generating parking it is recommended that the space be leased at a minimum rate of \$1500 plus HST. The leased space will have to be renewed annually and comply with a lease agreement. The successful vendor would have the first right of refusal for the space for the following year.

#### Awarding of space:

Historically, new mobile vending spaces were awarded by tender with the space going to the highest bidder. Eventually, these rates were changed to flat rates of \$3000 and \$1500, as stated above. In recent years, demand has not been high and individual vendors have sought spaces which Council has granted at the going rate. Given there may be demand from multiple vendors for this space, Council could use a competitive tender, but this would result in this vendor paying

a different rate than other existing vendors. Another approach is for Council to set the price and to have a random draw to select the successful vendor.

**Key Considerations/Implications:****1. Budget/Financial Implications:**

The cost of the electrical power supply is estimated at \$10,000 - \$15,000. If the same process is used as with previous mobile vending spaces, this cost is the responsibility of the vendor.

There will also need to be a post and sign installed so that the space is clearly defined as a mobile vendor space. This is a minor cost which is the responsibility of the City.

Revenue from the leased space will be a minimum of \$1,500 annually for each year the space is leased.

The successful vendor will also have to obtain a Mobile Vending License at a cost of \$500 per year.

**2. Partners or Other Stakeholders: Not applicable****3. Alignment with Strategic Directions/Adopted Plans: Not applicable****4. Legal or Policy Implications:**

The successful vendor must comply with the leased space agreement and the Mobile Vending By-Law. Violations of each may result in the lease agreement being terminated.

**5. Privacy Implications: Not applicable****6. Engagement and Communications Considerations:**

Preparation of the public notification and advertisement.

**7. Human Resource Implications: Not applicable****8. Procurement Implications:**

Selection process as identified above.

9. Information Technology Implications: Not applicable

10. Other Implications: Not applicable

**Recommendation:**

That Council

- create a leased mobile vending space for food and/or refreshments on Bannerman Road as described above;
- The lease rate be \$1500 plus HST per year and is subject to change in future years as determined by Council; and
- The leased space be awarded by random draw.

**Prepared by:**

Randy Carew, CET., Manager, Regulatory Services

Signature: \_\_\_\_\_

**Approved by:**

Jason Sinyard, P. Eng., MBA, Deputy City Manager  
Planning, Engineering & Regulatory Services

Signature: \_\_\_\_\_

**Report Approval Details**

Document Title:	Bannerman Road - Mobile Vending Leased Space.docx
Attachments:	
Final Approval Date:	Jul 3, 2020

This report and all of its attachments were approved and signed as outlined below:

**Randy Carew - Jul 2, 2020 - 10:30 PM**

**Jason Sinyard - Jul 3, 2020 - 12:17 AM**