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BUSINESS

Toronto restaurant owners fear they won't make money at reduced capacity, hope for 'flexibility' with guideline enforcement

By **Josh Rubin** Business Reporter

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As Ralph Morana looks out at his family's newest bar, he's worried for its future.

"I'm not sure how I'll be able to make money," said Morana, who along with sons Tomas and Julian runs Bar Volo, a beer and tapas-focused restaurant on St. Nicholas Street. The family also runs College Street's Birreria Volo.

Morana, like many Toronto restaurateurs, is concerned that the city's guidelines for dealing with [COVID-19](#) hazards released last week will make it difficult to stay in business, even when they're allowed to open for dine-in and patio customers.

"I might be able to get to 40 per cent capacity, just because of the layout of the place. I know the limit is 50 per cent, but we've got big, family-style tables," said Morana of Bar Volo. "Our whole concept was people standing and ordering from the bar. That's not going to happen."

The city released its guidelines the same day the provincial government announced that bars and restaurants in much of the rest of Ontario will be permitted to open their patios this Friday, as part of Stage 2 of Ontario's reopening. (Dining inside restaurants is part of Stage 3.)

But the Golden Horseshoe, including the Greater Toronto Area, didn't meet the criteria to enter Stage 2. Restaurants here are still takeout and delivery only. Social distancing is still in effect. Staff must wear personal protective equipment (PPE), and restaurants will need to keep customer contact details.

Ryan Mallough, Ontario regional director for the Canadian Federation of Independent Business, says CFIB restaurant members are in a tough situation and they hope enforcement of the new guidelines won't be too harsh.

"Our members are hoping that there will be some flexibility. And that governments realize that what might work for a white tablecloth spot with 100 seats might not work for a hole in the wall joint," said Mallough.

For Alan Liu, whose family has run Salad King, a popular downtown Thai restaurant, for more than 30 years, the fact that the GTA is lagging behind the rest of the province is less concerning than knowing his place will only be able to open at half capacity.

"It is what it is. We're a denser area, so I understand the delay. And frankly, I'd need more time anyway. I'm getting PPE, I'm installing Plexiglas," said Liu of the Yonge and Dundas mainstay, long a favourite of Ryerson students and others in the area.

The dilemma he and other restaurant owners face is a simple one to understand, but not easy to solve, Liu said.

"I need to be at 70 per cent capacity to make money, but I can't keep staff or customers safe properly if we're above 50 per cent," said Liu, adding that Salad King is bringing in between 15 and 20 per cent of the revenue it did at this time last year via takeout and delivery.

And Liu worries some customers might push back against providing their contact information.

"In some places which are doing this, people are more used to handing over their information. Canadians can be kind of reluctant, because they're more worried about their privacy," said Liu.

Todd Morgan, who runs Gerrard Street's East's Maple Leaf Tavern, is eager to welcome customers onto his 50-seat patio and eventually inside the restaurant. But covering the bills won't be easy under the new guidelines.

"It's a snorkel, but we'll still be underwater," said Morgan, who also owns Port Restaurant in Pickering.

Morgan owns the Gerrard Street building that houses the Maple Leaf Tavern. However, he took out a loan on his home to finance the purchase and extensive renovations the building needed so he needs the restaurant to be as full as possible as often as possible to make it financially viable.

"We need to be high occupancy for five to seven days a week. We're not a street-front quick-service restaurant," said Morgan.

Still, he understands why some restrictions are necessary, and doesn't mind a slight delay in the reopening of patios and dining room.

"Obviously health is paramount, he said. "A bit more time to prepare isn't a bad thing."

He expects most restaurant owners who've hung on until now will at least give opening under the new guidelines a shot when they're allowed to open. But how long they'll last is another question altogether.

"A lot of places are really going to struggle. My biggest fear is that we'll eventually open again and that governments will assume everything's fine," he said.

"It won't be back to normal in this industry for a long time."

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