



REPORT TO LAW & LEGISLATION COMMITTEE City of Sacramento

915 I Street, Sacramento, CA 95814-2671

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STAFF REPORT
April 3, 2007

Honorable Members of the
Law and Legislation Committee

Title: Food Vending Vehicle Ordinance Revisions

Location/Council District: Citywide

Recommendation:

Staff recommends that the Law & Legislation Committee: 1) approve the recommendations of the Mobile Food Vending Task Force Committee; and 2) approve additional enforcement recommendations 3) direct staff to return to Law & Legislation Committee with draft code language or proceed to Planning Commission and City Council with code changes.

Contact: Dafna P. Gauthier, Permit Manager 808-7800

Presenters: Brad Wasson, Revenue Manager
Dafna P. Gauthier Permit Manager

Department: Finance Department

Division: Revenue Division/Permit Section

Organization No: 1124

Description/Analysis

Issue: Mobile Food Vending (MFV) vehicles have been vending for prolonged periods of times on private property in the City of Sacramento. Various city codes are in conflict regarding this type of vending. The Law and Legislation Committee directed staff to do further research on the issue and work with the Mobile Food Vending Task Force Committee to bring recommendations forward to the Law & Legislation Committee. Additionally, the MFV code needs to be updated to provide better regulation and enforcement consistent with other business permit codes (i.e. taxicabs).

Recommendations

Staff recommends that the Law and Legislation committee approve changes recommended by the task force for vending on private property.

- ❑ Allow Mobile Food Vendors to vend on private property in excess of 30 minutes only with a Mobile Food Vending private property permit obtained by the Food Vendor and the property owner.
- ❑ Allow only one (1) vendor on each parcel.
- ❑ The property owner and mobile food vendor will be both responsible for compliance with applicable laws.

If approved, these recommendations would require an amendment to the outdoor vending, food vending vehicles, and zoning city codes.

In addition to the above mentioned recommendations, staff has identified a number of changes that would further enhance the regulation and quality of food vending vehicles services. Staff recommends the additional following modifications to Chapter 5.68 of the Sacramento City Code:

- Increase penalties from infractions to misdemeanor for violations posing significant risk to the public's health, safety, and/or welfare (such as operating without valid permits, etc.).
- Vehicle permit is automatically suspended if insurance or health permit expires or is otherwise invalid.
- Increase the liability insurance to one \$1 million dollars.
- Limit use of amplified sound during specified hours relating to City code 10.60.030.
- Prohibit vending on vacant lots or on properties without existing structures.
- Prohibit vending within a specified distance of another food vending vehicle.
- Prohibit the consumption of alcoholic beverages at vehicular food vending sites.
- Require vehicle must be self-contained for water, electrical, wastewater, etc.
- Require vehicle operator must be responsible for litter and debris clean-up within 50 feet of vending location before leaving location.
- Require vehicle operator to provide a trash receptacle for customer use.

- Strict enforcement of permit regulations that require vendors to clearly post the name, business address and phone number of their business on the exterior of all mobile food vending vehicles.

Several other minor changes will be proposed for clarification and enforcement purposes. Staff is asking for confirmation to these changes and direction to forward to Planning Commission and Council for consideration, or return to Law & Legislation Committee.

The State of California has completely revised its laws that are applicable to food vending vehicles. (S.B. 144, Stats. 2006, ch. 23.) These changes will become operative on July 1, 2007. Staff is comparing the State code new language to ensure the City code is consistent with State law.

Policy Considerations: Food vending vehicles that operate within the City of Sacramento are utilized by the residents and workers of Sacramento. Food vending vehicles impact residents and workers, residential neighborhoods, and commercial industrial areas. Establishing City code provisions which address contemporary needs and concerns, including reasonable regulations and requirements for operation of food vending vehicles and enhanced compliance enforcement, contributes to protecting the public's health, safety and welfare while continuing to provide for a utilized service.

Environmental Considerations: The proposed project is exempt from CEQA because there is no possibility that the activity may have a significant effect on the environment (CEQA Guidelines-15061 (b) (3).)

Committee/Commission Action: The Law & Legislation has reviewed this matter at two separate meetings (February 7 and June 20, 2006) giving staff direction to conduct a review of the current City Code provisions relating to Mobile Food Vending and to provide recommendations to the Committee.

At the last committee meeting on June 20, 2006, there was an overwhelming response from customers who opposed staffs proposed recommendations. Staff was subsequently directed to form a Mobile Food Vending Task Force to be chaired by Council Member Sandy Sheedy. The task force has met with stakeholders in the mobile food vending industry, as well as, community activist and business owners to provide recommendations back to the Law and Legislation committee.

Rationale for Recommendation: Unlicensed vendors cause challenges to health & safety, as well as zoning, code enforcement, and concerns to the public. Consistent regulation is necessary for this nomadic type of business. Staff has found a public demand for prolonged vending on private property. With a special business use permit for specific locations, health, safety, and zoning concerns can be mitigated.

Financial Considerations: The staff recommendations will not have a significant financial impact on the City's operating budget at this time. Staff will bring a resolution to City Council to update the Mobile Food Vending permit fees and establish a location permit fee amount.

Emerging Small Business Development (ESBD): There are no ESBD considerations as no goods or services are being purchased at this time. Staff will consult with the city's ESBD Advisory Committee and will report back at a later date.

Respectfully Submitted by: 
Brad Wasson, Revenue Manager

Approved by: 
Russ Fehr, Director of Finance

Recommendation Approved:

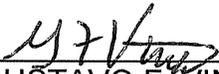

GUSTAVO F. VINA
Assistant City Manager

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Attachment 1

Background Information

Mobile Food Vending (MFV) is regulated by Chapters 5.68 and 5.88 of the Sacramento City Code, which control the operation of mobile food coaches (also referred to as lunch wagons and catering trucks).

The Law & Legislation Committee previously directed staff to clarify Sacramento City Code sections 5.68.110 and 5.88.030(E) (2), in regards to outdoor vending, as the code was unclear as it applied to prolonged vending, and vending on private property. At the last Law and Legislation Committee meeting on June 20, 2006, the staff recommendation was to allow Mobile Food Vending on private property only during the daylight hours and only for 15 minutes. At that meeting, there was an overwhelming response from customers who opposed to the staffs recommendation. The Law and Legislation Committee directed staff to provide further research on this issue and work with the Mobile Food Vending Task Force Committee to make recommendations to the Law & Legislation Committee. The task force was chaired by Council Member Sheedy.

On September 6, 2006 a staff Mobile Food Vending Task Force was formed. The task force consisted of Council Member Sandy Sheedy's office, the Finance Department-Revenue/Permits Unit, City & County Code Enforcement, City Planning/Zoning, City Attorney's Office, and County Environmental Health. The task force's goal was to address the issue of prolonged vending on private property. The task force looked at the following six (6) areas:

- Health & Safety
- Public Safety
- Zoning
- Aesthetics
- Time Limits
- After-hour vending

Once the task force looked at these areas, they also reviewed the Stockton City ordinance, compared it to the needs of the City of Sacramento, and met with the Council members to gain their input in regards to the Mobile Food Vending issues.

In December 2006, letters of interest were mailed to the stakeholders in the mobile food vending industry, as well as, all the interested parties that attended the Law & Legislation meeting June 20, 2006. There was a small response from these interest letters. The staff task force decided to invite all of the people who responded to the interest letters, and sent out a second notice to all stakeholders when a Mobile Food Vending Task Force community meeting was scheduled.

The first meeting was held on January 8, 2007. At that meeting all parties agreed to the recommended changes, and agreed that another meeting was not necessary. The following recommendations were agreed upon by all parties:

- ❑ Mobile Food Vendors (MFV) can vend for no more than 30 minutes on private property or on the public right-of-way.
- ❑ Allow Mobile Food Vending on private property in excess of 30 minutes with a Mobile Food Vending private property permit jointly obtained by the property owner and the food vendor.
- ❑ Allow only one (1) vendor on each parcel.
- ❑ Regardless how long on public or private property city ordinances should address that vendors will abide by all applicable laws, including the conditions that are set forth in the MFV ordinance. Conditions can include, but not limited to, access to restrooms, submission of a drawing of where the MFV will be staged on the property, or other applicable conditions.

If approved, the following table highlights how the code sections below would be modified:

Sacramento City Code	Code	Code language	Code change
SCC 17.64.030 A	Zoning	Parking facilities shall be used for automobile parking only.	MFV will be allowed to vend in designated areas that do not take away from minimum required parking spaces.
SCC 5.99. 030	Outdoor Vending	Vending can not be in excess of 15 minutes on the public right away.	Vending can not be in excess of 30 minutes on the public right away or private property. For vending on private property in excess of 30 minutes a Mobile Food Vending private property permit must be obtained
SCC 5.68.110	Food Vending Vehicles	Vendors can vend with the permission of the property owner.	Vendors on private property must obtain permission from the property owner. Vending on private property in excess of 30 minutes will require a private property permit.

During this meeting, the issue of after-hours vending was brought up including vending in midtown. Mobile Food Vendors requested to be allowed to vend into the evening hours in non-residential areas. Staff contacted the Sacramento Police Department, City Code Enforcement, and the Midtown Association to gather their input in regards to after hours vending, and to make recommendations to the Law & Legislation Committee.

The Midtown association had mixed reviews from their business patrons. The Sacramento Police Department and the Sacramento Code Enforcement both opposed after-hours vending for the following reasons:

- ✓ Concerns regarding interference of the peace and welfare of local residence.
- ✓ Increase loitering and noise in the area.
- ✓ Possible problems of patrons standing in the roadway or jaywalking to get to the Vendors.
- ✓ Vendors parking in the street blocking or impeding traffic.
- ✓ Higher risk of increase noise level and complaints, criminal activity such as robbery, assault on vendors, etc.

At this time, staff is recommending that the hours in which vending is permissible on private property or on the public right-of-way to be consistent with the limitations currently set forth in Section 5.68.110 (B)(1) and (2). Which basically restricts vending to day light hours.