



REPORT TO LAW AND LEGISLATION COMMITTEE City of Sacramento

915 I Street, Sacramento, CA 95814-2671

STAFF REPORT
February 7, 2006

Honorable Members of the
Law and Legislation Committee

Subject: Mobile Food Vending Vehicles Ordinance Revisions

Location/Council District: Citywide

Recommendation:

This report identifies several changes recommended by City staff and requests direction from the Law & Legislation Committee regarding revising current City ordinance that regulate mobile food vendors.

Contact: Brad Wasson, Revenue Manager, 808-5844
Russell Fehr, Finance Director, 808-5832

Presenter: Brad Wasson, Revenue Manager

Department: Finance Department

Division: Revenue

Organization No: 1120

Summary: The Law and Legislation Committee previously directed staff to conduct a review of the current City Code provisions related to food vending vehicle permits and operations, and to bring back to the Committee any identified improvements or changes to the City Code that will improve and enhance the regulation of the operation of food vending vehicles.

Staff has identified a number of changes that would enhance the regulation and quality of food vending vehicle services in this report.

Committee/Commission Action: None.

Background Information: Mobile Food Vending is regulated by the Food Vending Vehicle Ordinance (Sacramento City Code Chapter 5.68) and the Outdoor Vending Ordinance (Sacramento City Code Chapter 5.88), which control the operation of mobile food coaches (also referred to as lunch wagons and catering trucks).

The Revenue Division, as well as other City departments, receives complaints concerning the operation of food vending vehicles within the City. Specific concerns reported to, or observed by, City staff include, but are not limited to:

- operation of non-permitted mobile food vehicles;
- non-permitted operators;
- mobile food vehicles operating during prohibited hours;
- vending at construction sites;
- vending at unoccupied sites;
- mobile food vehicles operating beyond allowed time limits;
- mobile food operators negatively impacting local “brick and mortar” businesses and food establishments;
- sale of items inconsistent with health permits; and
- violence and misconduct regarding vending routes.

Furthermore, some owners and operators of food vending vehicles have expressed their desire for expanding allowable hours of operation, expanding time limits while vending on public right-of-ways, and vending for prolonged periods of time on private property.

Staff solicited input from various stakeholders and interested parties in order to assess the issues and concerns of the industry and community. The stakeholders included the motorized food vending vehicle industry, the business community and neighborhood groups and associations, particularly in areas where complaints have been more concentrated.

Staff representing Code, Finance, Neighborhood Services, and Planning departments explored concerns dealing with the issues, complaints, problems and challenges related to mobile food vending and agreed on the proposed changes.

Staff Recommended Changes

- To address the desire of owners and operators of mobile food vendors, staff recommends increasing mobile food vehicles vending on public right-of-way and private property from the current 15 minutes to 30 minutes;
- To monitor misconduct and prevent violence among vendors, increasing code enforcement at commissary areas where mobile food vendors assemble at the beginning and end of day.

- 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.
- Establish a requirement that every person working in a food-vending vehicle obtains a permit, not just drivers.
- Increase penalty for violation – misdemeanor for those violations posing significant risk to the public's health, safety and/or welfare (such as operating without valid permits, etc.)

Additionally, staff was asked to research whether the City could lawfully prohibit food vending vehicles from vending near the entrances of fixed-location food businesses for the purpose of reducing what some perceive as unfair competition. The brief answer is that the City cannot lawfully enact such a prohibition. If challenged, a court would very likely find that regulating food vending vehicles for such a purpose is unconstitutional.

Mobile food vending in the Central Business District is limited by the Outdoor Vending Ordinance - Sacramento City Code Chapter 5.88. Vending in the Central Business District is limited to vending from public streets and alleys, and private property at sites with construction activity, and vending is only allowed from 7:00 a.m. to 2:00 p.m. Staff's recommendations do not affect this.

In addition, staff has also met with members of the County's Code Enforcement and Environmental Health divisions about increasing cooperation among our agencies to better coordinate monitoring of mobile food vendors within the Sacramento area.

Staff is requesting direction from the Law and Legislation Committee regarding the recommendations described above. Staff also welcomes any additional recommendations from the Committee regarding the changes to the ordinances regulating mobile food vending.

Depending on the Committee's direction, staff will meet with the community and affected parties along with working with the City Attorney's office to incorporate the proposed revisions to the current City ordinance for the Committee's consideration in approximately 90 days.

Financial Considerations: The staff recommendations will not have a financial impact on the City's operating budget at this time. Staff will report back to Law and Legislation Committee regarding additional financial considerations when the proposed ordinance is brought back to the Committee for consideration.

Environmental Considerations: The proposed recommendation does not involve an activity which would be covered by the California Environmental Quality Act (CEQA). The activity is not considered a "project" (CEQA Guidelines § 15378), and there is no

possibility that the activity may have a significant effect on the environment (CEQA Guidelines § 15061(b)(3)).

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 and 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.

Emerging Small Business Development (ESBD): There are no ESBD considerations as no goods or services are being purchased at this time.

Respectfully Submitted by: Walker Black
for Brad Wasson
Brad Wasson, Revenue Manager

Approved by: Russell Fehr
Russell Fehr, Director of Finance

Recommendation Approved:

Gus Vina
Gus Vina
Assistant City Manager

Table of Contents:
Pg 1-4 Report