



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: DECEMBER 2, 2015

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Introduction and First Reading. Consideration. Passage on First Reading of an Ordinance to Revise Title IX (Licensing and Regulations), Chapter 15 (Food Truck Vendors) of the City Code Regarding Regulations for Food Trucks.

ISSUE: The Food Truck Pilot Program established by City Council on May 17, 2014 is scheduled to expire on December 31, 2015.

RECOMMENDATION: That City Council:

1. Adopt the Ordinance to remove the sunset provision from the Food Truck regulations and exempt food trucks authorized under different permits from the food truck vendor regulations; and
2. Consider directing Staff to:
 - a. prepare an ordinance to establish the authorization for limited on street vending to be considered by City Council in or subsequent to February, 2016;
 - b. conduct outreach to the community consistent with the City's Civic Engagement policies in January, 2016; and
 - c. Remove the \$250 fee for the Food Truck vendor permit unless and until the regulations are expanded to allow Food Trucks to locate on public streets;

BACKGROUND: On November 24, 2015, after receiving an update on the Food Truck Pilot Program (See November 24, 2015 docket memo attached as **Attachment 1**), City Council directed staff to prepare an ordinance updating the off street pilot program regulations and to present options to the City Council for on street regulations for discussion at the December 8, 2015 Legislative meeting and December 12, 2015 public hearing.

DISCUSSION:

Ordinance Changes:

Food Truck Vendor Permit vs. Other Permits in the City

As discussed during the update on the Food Truck pilot program last Fall, there has been some confusion regarding overlapping city permits. To clarify this, staff would suggest an amendment to the Food Truck regulations that exempts Food Trucks from having to get a Food Truck vendor permit in the following circumstances:

1. If the Food Truck is authorized under Special Use Permit for an outdoor food or craft market;
2. If the Food Truck is authorized under a Special Event permit from the City;
3. If the truck is selling pre-packaged goods, such as an ice cream truck, and the truck is conducting its business in compliance with Sections 5-2-19 and 13-1-26 of the city code that allow brief stops on the street in order to sell goods with regulation of the noise; and
4. If the truck is at a private residence catering a private event.

Food Trucks that are exempt from the Food Truck Vendor permit are still required to get all applicable health, fire and business license permits. The purpose of this clarification is to reserve the Food Truck Vendor permit for Food Trucks that are not permitted under other sections of the City Code or Zoning Ordinance and to prevent Food Trucks from having to obtain multiple permits that serve the same purpose.

Extension of Expiration Date

The proposed ordinance would delete the sunset provision in order to allow the off street authorization and regulations for Food Trucks to continue indefinitely until such time as the City Council may want to amend the code again. Although the authorization for off street locations has not been widely used, it has provided an opportunity for Food Trucks to locate at certain high demand locations such as the Mark Center Hilton or Port City Brewery. Since the impact to the City and community is limited, Staff recommends allowing the regulations to become permanent.

Potential On-Street Options:

There are two potential approaches to allowing Food Trucks to vend to the public from public streets. The first approach is to allow Food Trucks to vend on all public streets, except those that have a public health, safety and welfare reason why Food Trucks cannot be accommodated on those streets. This is the approach that was taken by Arlington County and was presented to City Council in May of 2014. The second approach is to prohibit Food Trucks on all public streets, except to allow them in certain locations where the public health, safety and welfare are benefited from Food Truck activity, but does not impact the functioning of the street. This is the approach taken by Prince George's County, Montgomery County in Maryland and Norfolk in Virginia.

The **first approach**, which was considered by the City Council in May 2014 but not adopted, would open all City Streets to the potential for Food Truck vending except those streets that have been designated as high traffic or congestion areas. In the May 2014 proposal, the regulations would have allowed Food Truck vending on any public street except those streets signed for Residential Permit Parking and those streets within a Restricted Vending Zone designated by the City Manager. The proposed Restricted Vending Zones proposed in

May 2014 were the King Street Corridor, the Mount Vernon Avenue Corridor, Carlyle and the Washington Street Corridor. The Food Truck Advisory Group considered these options. For additional information see the May 17, 2014 Docket Memo which includes the DRAFT Food Truck Advisory Group Report dated April 14, 2014 attached as **Attachment 2** and the December 8, 2015 presentation to City Council. Within the Restricted Vending Zones, the City Manager could propose certain limited locations for vending. The benefit of this approach is that the market can then dictate where the vending should be, outside of restricted areas. The drawback of this approach is allowing vending on streets that the City is not certain can handle the impact of vending.

The **second approach** would continue the City's current restriction on Food Truck vending on all public streets but would designate certain locations where the Food Truck Vending serves a public health, safety and welfare purpose such as additional food options, revitalization, or serving a dense population of daytime workers, but does not materially impact public health, safety and welfare concerns such as congestion, traffic and pedestrian safety. Locations for vending could for example be chosen within "employment centers" which could be areas that contain a certain number of employees within a ¼ mile. Within those areas, the specific vending locations could be chosen based on the width of the street, parking availability, pedestrian congestion potential, etc. The benefit of this approach is the streets are opened to vending on a more limited, controlled manner. The drawback is that it does not allow the Food Truck business model of allowing the market to dictate where the vending should be located rather than having the locality dictate it. However, daytime worker employment density likely matches food truck vendor needs.

In either approach, regulations can be adopted that limit the number of trucks in a particular location at a particular time, limit the hours of operations, limit location of trucks near other outdoor activities such as outdoor dining, etc.

If City Council determines it would like to authorize on street vending Council can consider which approach it would like to take and where potential vending locations may be. Staff would then recommend outreach to the community which could include Alex Engage online forum and enews information with opportunity to provide comment.

Fees

The current Food Truck Vendor fee as set by administrative regulation established by the City Manager is \$250 a year. Additionally, there is an annual \$100 application fee. This fee was calculated when the proposed regulations allowed more locations to vend. Given the limited locations and the minimal impact the trucks have had on the City, staff recommends removing the \$250 annual permit fee unless and until the regulations are expanded to allow more locations. Staff recommends keeping the \$100 application fee to mitigate the cost to staff of processing the permits and enforcing the regulations.

The following annual permit fees are still required for Food Trucks, where applicable:

- Health Department City and State Fee: \$90
- Health Department one time Plan Review Fee: \$200
- Propane Tank Fire Safety permit fee: \$143
- Business License: \$250

With the City Council's concurrence, the administrative regulations will be amended to make the Food Truck

Vendor permit \$0 for 2016.

CONCLUSION: The current Food Truck Pilot Program is very limited however it has served a purpose to introduce Food Truck vending into certain high demand areas. Staff recommends that City Council adopt the clarification and expiration changes to the current off street program and provide staff with guidance as to potential expansion of the regulations to public streets.

FISCAL IMPACT: The City collected \$1,000 in 2014 and \$1,750 in 2015 for Food Truck Vendor Fees. If the fee is removed for 2016 this revenue would no longer be collected. If the regulations are expanded to on street locations, additional Food Trucks will likely apply for the permit which will increase the fee intake.

ATTACHMENTS:

Attachment 1: November 24, 2015 Docket Memo for Food Truck Pilot Program update

Attachment 2: May 17, 2014 Docket Memo regarding Food Truck Ordinance

Attachment 3: Proposed Ordinance

Attachment 4: Presentation

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