



## Legislation Details (With Text)

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**Title:** Action pertaining to Mobile Vendor Permits  
1. \*\*\*BILL NO. B-22 - (Intro. 4/19/2018) (For adoption) - Amending Article 11 of Chapter 9 of The Fresno Municipal Code, Relating to Mobile Vendors (Subject to Mayor's veto)  
**Sponsors:** Mayor's Office, Luis Chavez, Esmeralda Z. Soria  
**Indexes:**  
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**Attachments:** 1. Ordinance Amending the Mobile Vendor Permit Requirements, 2. Resolution Amending the Master Fee Schedule

| Date      | Ver. | Action By    | Action  | Result |
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| 5/10/2018 | 1    | City Council | adopted |        |

## REPORT TO THE CITY COUNCIL

**May 10, 2018**

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## SUBJECT

Action pertaining to Mobile Vendor Permits  
1. \*\*\*BILL NO. B-22 - (Intro. 4/19/2018) (For adoption) - Amending Article 11 of Chapter 9 of The Fresno Municipal Code, Relating to Mobile Vendors (Subject to Mayor's veto)

## RECOMMENDATIONS

1. Staff recommends Council consider for introduction the proposed Ordinance amending

Article 11 of Chapter 9 of the Fresno Municipal Code (FMC), which would simplify permitting requirements for mobile vendors.

2. Staff recommends Council adopt the proposed Resolution, which amends the Master Fee Schedule to delete the Merchandise Peddler Cash Bond Fee.

## **EXECUTIVE SUMMARY**

The current permitting requirements for mobile vendors were established in 2003. At that time, ice cream trucks were the most prominent mobile vendors operating in the City, along with a limited number of food trucks which visited construction sites and other workplaces. In recent years food trucks have gained tremendous popularity nationwide, including Fresno. The types of vendors and the settings in which they sell their goods have grown in number and are much more varied than in the past. To accommodate this growth and diversification, changes to permitting requirements are necessary.

## **BACKGROUND**

The current permitting requirements for mobile vendors, which are administered by the Finance Department, were established in 2003. At that time, ice cream trucks were the most prominent mobile vendors operating in the City, along with a limited number of food trucks which visited construction sites and other workplaces.

In recent years food trucks have gained tremendous popularity nationwide. The types of vendors have grown in number and are much more varied than in the past. Cities such as Los Angeles and Portland are well known for the wide variety of new vendors offering gourmet and fusion cuisine, but these trends are also taking hold in Fresno in a very significant way. Mobile vending provides entrepreneurial opportunities with relatively low start up and overhead costs, and the wide variety of foods from multiple ethnic traditions, price points, and innovative techniques have attracted a large following in the public. Some vendors also offer non-food products, such as clothing and small furnishings.

Instead of being limited to neighborhood streets, as with traditional ice cream trucks, or worksites, as traditional food trucks were, mobile vendors can now be found in a wide array of settings. Businesses such as Gazebo Gardens and Tioga Sequoia Brewing feature multiple mobile vendors on their sites on Friday and Saturday evenings. This allows these businesses to have food available for patrons without the expense of building a commercial kitchen, and it provides a busy location for the mobile vendors to offer their products. Special events such as FresYes, Art Hop, and Taco Truck Throwdown have also proven to be popular places for food trucks to do business.

To accommodate this growth and diversification, changes to permitting requirements are necessary. The goal of the proposed amendment is to make the permitting process quicker, easier, and less expensive, while still protecting the City and the public. If adopted, this would be accomplished by removing requirements which may overlap with those of other agencies or which are unnecessarily more burdensome for mobile vendors than their brick-and-mortar counterparts. Finance staff conducted extensive research into the practices of peer cities in the Central Valley, the State of California, and other states to understand the range of solutions available and best practices.

As proposed, the Mobile Vendor Permit requirements would change in the following ways:

**Types of Vendors Requiring a Permit:** All mobile vendors are currently required to obtain a Mobile Vendor Permit from the City of Fresno. If the proposed amendment is adopted, only those vendors operating in vehicles requiring registration with the California Department of Motor Vehicles (DMV) would be required to acquire a Mobile Vendor Permit from the City. Push carts and other vendors which do not require DMV registration would be exempt from City of Fresno permitting.

**Fingerprinting:** Presently all mobile vendors, including all employees, are required to be fingerprinted and subjected to a Department of Justice background check. This requirement would be removed for all mobile vendors except ice cream trucks.

**\$500 Bond:** A one-time security bond of \$500 is presently collected by the Finance Department prior to the issuance of a Mobile Vendor Permit. Under the proposed Mobile Vendor Ordinance amendment this requirement would be removed for all mobile vendors. While the Municipal Code has specified the imposition of a bond in order to receive a mobile vendor permit, it is silent on the amount of that bond. The City has addressed that silence by establishing a \$500 amount for the bond in the Master Fee Schedule. For consistency, it is necessary to also adopt a Master Fee Schedule amendment to eliminate that bond amount at the same time that the language requiring a bond is removed from the Municipal Code.

**Insurance:** Automobile, Liability and Workers Compensation Insurance coverage is presently required of all mobile vendors prior to issuance of a permit from the City. The proposed amendment would remove this requirement and replace it with an indemnification and hold-harmless requirement for all mobile vendors.

It should be noted that the proposed changes are confined to permitting requirements, which are located in Chapter 9 of the Municipal Code (Regulations Regarding Businesses and Personal Conduct). Regulations for locations at which mobile vendors are allowed to operate, spacing requirements from brick-and-mortar restaurants, and the length of time mobile vendors may operate in a given location and are located in Chapter 15 of the Municipal Code (Citywide Development Code) and these requirements would not be affected by the proposed amendment. Those requirements were updated extensively in 2015.

## **ENVIRONMENTAL FINDINGS**

By definition provided in the California Environmental Quality Act Guidelines Section 15378 this ordinance does not qualify as a “project” and is therefore exempt from the California Environmental Quality Act requirements.

## **LOCAL PREFERENCE**

Local preference does not apply because this ordinance does not include a bid or award a construction or services contract.

## **FISCAL IMPACT**

No fiscal impact will occur as a result of amending the Mobile Vendor Ordinance. All costs for

permitting will be borne by the owners, operators and users of the mobile vendors.

Attachments:   A. Ordinance Amending the Mobile Vendor Permit Requirements  
                  B. Resolution Amending the Master Fee Schedule