

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: September 17, 2019

TO: Honorable City Council

FROM: For  Adel H. Hagekhalil, P.E.
Executive Director and General Manager
Bureau of Street Services

SUBJECT: COUNCIL FILE NO. 13-1493, 13-1493-S5, 19-0600-S155 AUTHORITY FOR THE BUREAU OF STREET SERVICES (StreetsLA) TO ESTABLISH A SIDEWALK VENDING PERMIT PROCESS

The Bureau of Street Services (StreetsLA) respectfully requests that City Council consider and approve for StreetsLA to establish a sidewalk and park vending permit process.

RECOMMENDATION:

That the City Council:

1. Approve and authorize StreetsLA, Investigation and Enforcement Division to implement a sidewalk vending permit process for the issuance of a mobile vending permit to persons who wish to sell food or merchandise from a pushcart, stand, display, or from one person upon a sidewalk or park to make certain street vendors are abiding by the laws intended to relieve the concern of public health and safety hazards.
2. Authorize three (3) positions to support the vendor permitting function.

TRANSMITTAL:

1. Adopted Bureau of Street Services Vending Rules and Regulations
2. Adopted City of Los Angeles Department of Recreation and Parks Vending Rules and Regulations

RECITAL:

City Council passed and approved amendments to Los Angeles Municipal Code (L.A.M.C.) 42.13, the Sidewalk Vending Program, which allows the Board of Public Works to determine restrictions or prohibitions for sidewalk vending based directly on objective health, safety, and welfare concerns.

At this time, street vendors are currently in operation in the absence of a vendor permitting process. Verifying whether street vendors are operating in compliance with the law is limited by actual sidewalk vending rules. Establishing a permitting process will ensure

street vendors are in proper compliance in regard to public health and safety by requiring vendors to obtain permits necessary for operation ensuring the food provided for human consumption is safe and free of contamination.

Under L.A.M.C. 42.13, the Department of Public Works, StreetsLA is responsible for developing the rules and regulations for the sidewalk vending program. They are authorized to issue permits for vending food or merchandise and the use of carts on sidewalks and parks. They shall determine restrictions or prohibitions on sidewalk vending based directly on objective health, safety and welfare concerns. Any vendor found violating the rules and regulation shall be issued an administrative citation and subject to a fine as specified in L.A.M.C. 42.13(D).

PERMITTING PROCESS:

1. The Economic and Workforce Development Department (EWDD) will use its existing Business Source Centers to assist sidewalk vendors to obtain the appropriate permits in compliance with City, County, and State laws, including but not limited to:
 - a. Supporting efforts carried out by the selected Outreach and Education Consultant, to educate sidewalk vendors on the various permit requirements.
 - b. Preparing materials, such as program fact sheet, client intake forms, applications, etc., in English, Spanish and other languages, as needed. Marketing and outreach materials will be completed as part of the outreach and education component managed by BSS.
 - c. Conducting vendor pre-screening and assessment.
 - d. Providing technical assistance to complete the vending permitting process, including but not limited to:
 - Business registration through the City's Office of Finance
 - Obtaining applicable County of Los Angeles Department of Public Health permit, including coordination of food cart plan check services, and cart inspections
 - Obtaining California Seller's Permit from the State Tax and Fee Administration, as needed

EWDD will coordinate the establishment of a formal partnership with the Los Angeles County Public Health Department, through a Memorandum of Understanding, to facilitate food vending permits. This will include an assignment of Public Health staff to co-locate at the Business Source Centers, and provision of adequate work areas and other resources to facilitate food cart plan checks and cart inspections at the centers. Furthermore, EWDD, through its Business Source Centers, will provide services and training in key business areas to support vendors including:

- a. Access to capital, including referrals to the City's Microloan Program, to purchase adequate equipment, such as stationary or mobile food carts
- b. Small business development and management
- c. Marketing
- d. Banking / Financial literacy
- e. Procurement of proper liability insurance
- f. Taxes
- g. Cash management
- h. Electronic payment acceptance
- i. Other business services, including business planning, access/referral to legal services, and expungement services

In efforts to streamline the cart permitting process, EWDD will continue to work with County Public Health staff to identify and assess options of partnering with manufacturers that will produce carts that are pre-approved by the County.

Furthermore, EWDD is assessing the feasibility of providing incentives for the sale of healthy food. Recommendations will be presented under a separate report.

2. The City of Los Angeles Department of Recreation and Parks (RAP) manages approximately 17,000 acres of parks space consisting of 450 parks, 170 recreational facilities, golf courses, trails, beaches, museums, and numerous public assets. RAP continues to work to ensure that park properties and open space are safe, well programmed and accessible.

The City Council has instructed RAP to work with the Chief Legislative Analyst (CLA) and the City Administrative Officer (CAO) to report on citywide efforts to address regulation of sidewalk and park vending and develop a permit process for vending in City.

Permitting Process for Park Vending:

Establishing a permitting process will ensure sidewalk and park vendors are in proper compliance with public health and safety standards. The permitting process will ensure that the food prepared and sold by sidewalk and park vendors is safe for human consumption, healthy, and free of contamination.

Under this citywide vending permit process, Bureau of Street Services (StreetsLA) will be authorized to issue a mobile vending permit to persons who wish to sell food or merchandise from a pushcart, stand, or display on a sidewalk or on park property.

It is the intent of RAP to work with StreetsLA and enter into a Memorandum of Understanding (MOU) that would allow Streets LA to issue a citywide vending permit on behalf of RAP. Vendors who choose to vend in a park may do so with proper vending

permit issued by StreetsLA and all necessary agencies. Permitted vendors who vend in parks will be required to adhere to RAP Board of Commissioners approved Park Vending Rules and Regulations.

Resources:

RAP did not receive resources for this vending permit program as part of the 2019-20 Adopted Budget. RAP will use existing as-needed position authority to hire the two part-time exempt Administrative Clerks for this program.

The Administrative Clerk duties will include, but not limited to, the following:

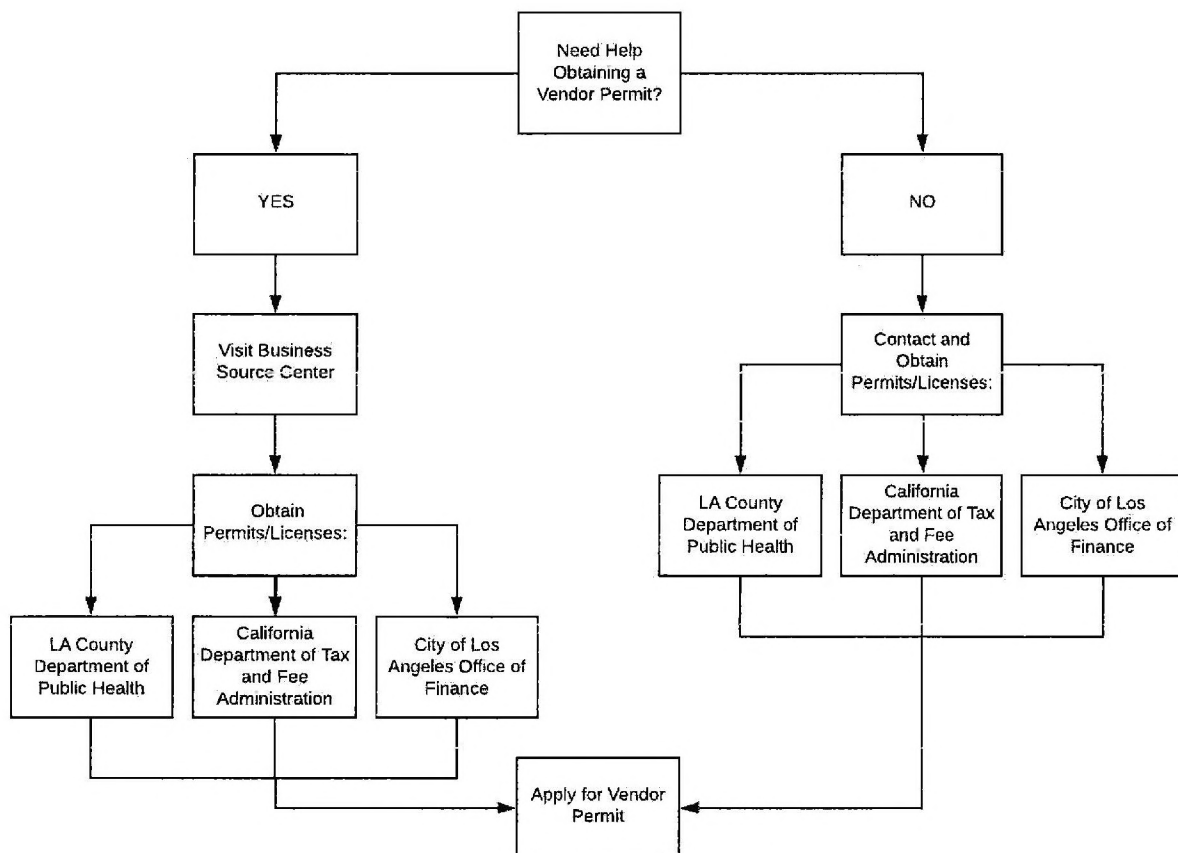
- Serve as a liaison between the StreetsLA permitting office and RAP administration
- Serve as the primary contact for park related mobile vending as it pertains to questions on park rules and regulations for vending in a park property
- Tracking applications through shared data and information from StreetsLA, as well as tracking parks that have may be experiencing capacity issues.
- Provide information regarding schedules of any park permitted filming, festival, concert, movie night, special event, carnival, parade, running event or other Department approved, temporarily permitted activity which would prohibit vending (per the parks rules and regulations)
- Other duties as needed.

In addition, the Park Ranger Division will be tasked with enforcement of vending within park property as directed in LAMC. 63.44. RAP estimates that approximately two full-time equivalent (FTE) Park Rangers would be needed to enforce park vending rules and regulations throughout City. At this time, RAP has assumed that approximately 10 percent of a Ranger's daily duties would be attributed to park vending enforcement. It is unknown, however, how much of this would change at the beginning of the permitting program. RAP will use existing staff to provide enforcement services, but requests that this program be re-evaluated within six months of implementation to determine if the two Park Ranger FTEs are sufficient to adequately enforce this program in parks.

3. In order to apply for a vendor permit, the vendor is responsible to obtain and provide StreetsLA, Investigation and Enforcement Division with a completed vendor application, Los Angeles County Health Permit (food vendors only), California seller's permit, Business Tax Registration Certificate (BTRC), and any additional information as requested by the City.

4. Once the applicant obtains all necessary permits and documentation from the other agencies, they can then apply in person for a City of Los Angeles Vending Permit from StreetsLA.
5. The applicant will be required to complete a Street Vendor Application. Once the application has been approved and fees paid, the vendor will be issued a Vendor Identification card and permit. The permit will be valid for one (1) year from the date of issuance at which time the vendor will have to apply for a renewal by providing StreetsLA with their Los Angeles County Health Permit (food vendors only), California seller's permit, BTRC, and any additional information as requested by the City.

The following diagram shows the process of obtaining a vendor permit from the City of Los Angeles:



STREETSLA ENFORCEMENT RESOURCES:

Currently, there are numerous vendors operating in the City of Los Angeles, and approximately 16,000 of those vendors are expected to obtain sidewalk and park vending permits once the program is executed.

To enforce the proposed sidewalk vending program, StreetsLA was provided staffing to fulfill the needs of the operation. These positions included: one (1) Chief Street Services Investigator I to manage the Citywide Sidewalk Vending Regulation Program; three (3) Senior Street Services Investigators (Lieutenant) to serve as shift commanders; 17 Street Services Investigators to enforce the rules and regulations; one (1) Management Analyst to oversee the operations of the program; and two (2) Senior Administrative Clerks to assist in the implementation of the program, permitting, data capturing, and providing customer service.

In order to provide maximum enforcement citywide, a deployment plan has been proposed for the program. In addition to being deployed citywide, this workforce will work a 4/10 shift so that there is enforcement coverage seven (7) days a week, including nights and weekends.

Two (2) Investigators will be assigned to each quadrant of the city (West Valley, East Valley, North Central and Bay Harbor). In addition, there will be one (1) Lieutenant and (1) Investigator covering problem areas throughout the City and assisting Investigators that are assigned to specific areas. This will result in one (1) Lieutenant and nine (9) field Investigators deployed citywide, seven (7) days a week.

Investigators will also be responding to events occurring at the seven (7) prohibited vending locations. Investigators will work with StreetsLA Special Events section and other agencies to determine the priority of enforcement resources. Determination of deployment to events would be based on size, day of the week, security, public safety concerns, and any special requests for enforcement based on historical data.

PERMITTING RESOURCES:

StreetsLA will require additional staff for the permit issuance function of the program. These positions include: one (1) Senior Administrative Clerk to oversee the permit issuance; and two (2) Administrative Clerks to issue vending permits in multiple locations throughout the City.

It is anticipated that over 16,000 permits will be issued for the sidewalk vending program. New staff is needed as current staff is unable to absorb additional work to meet the needs of the vending permit program. For existing permit programs, the current clerical staff processes an average of 4,500 permits and service requests per month, receives an average of 65 walk-ins per week, and respond to over 130 calls per day. Therefore, the additional staff listed above is necessary in order to deploy a mobile permitting group.

StreetsLA will work with area council offices in determining a rotating schedule to establish a temporary permitting office. This would ensure that the permit issuance for the sidewalk vending program provides the best possible customer service by meeting the anticipated high demand and making it more accessible for applicants throughout the City to obtain a street vending permit without having to commute Downtown.

In addition, new software is being purchased for issuing permits and badges to make it difficult to counterfeit permits. This new software will allow there to be a mobile program citywide for issuing permits to make permit requests more accessible to members of the public throughout the City. The goal of this software and additional staff is to make the sidewalk vending program more customer friendly to its constituents by processing permits in an accessible and efficient manner.

If you have any questions or concerns, please contact StreetsLA Chief Street Services Investigator II Gary Harris, at (213) 847-6000.