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Los Angeles City Council
Committee on Transportation

200 North Spring St

Los Angeles CA 90012

Date: 8-11-10
Submitted in Tran Committee
Council File No: 09-2357, 51, 52
Item No.: 3, 4, 5
Deputy: [Signature]

To the Honorable Committee Members:

This letter is written in support of the efforts of the Asociacion de Loncheros and to provide you with information on the mobile food industry based on our research experience and education in this area and our work with the Asociacion de Loncheros.

As part of the Institute for Research on Labor and Employment, the UCLA Downtown Labor Center plays a unique role as a bridge between UCLA and the labor community in Southern California. The Downtown Labor Center works with different unions and community organizations to improve the conditions of workers and to champion for workers' rights especially during this economic downturn affecting California.

The Asociacion de Loncheros, a 501(c)(6) trade association incorporated in the State of California, is working with LA City officials and Council members to address the concerns of the community and business stakeholders regarding the mobile food industry. The Asociacion understands the importance of maintaining a positive relationship and an effective dialogue with various agencies within the City of Los Angeles to remain a viable entity. One of the top priorities of the Asociacion is to educate and train its members to comply with all the laws and regulations of the mobile food industry. We have worked with them to accomplish this goal. The Asociacion in collaboration with the UCLA Labor Center has conducted several trainings to ensure that all members are operating in a safe and legal manner. The Asociacion has also established a system of self-regulation to regulate members that they observe are violating any regulations or laws. Members understand that to remain in business they must comply with all regulations and operate according to good business practices such as not parking within two-hundred feet of brick and mortar restaurants. Members of the Asociacion observe good business practices because they realize that their existence depends on their mode of operation.

Based on our research and survey initiatives over the years, catering food trucks are a great asset to the city as they bring people together and help build communities. They offer a public space where people can interact and enjoy a fresh and healthy meal. Catering food trucks also help support commercial



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areas by bringing consumers to areas that they would otherwise not frequent. During the 2009-10 session at UCLA, the UCLA Labor Center partnered with the UCLA School of Urban Planning to produce the first ever study of the mobile food industry in Los Angeles. This report titled *Loncheras : A Study of the Stationary Food Trucks of Los Angeles* written by Jesus Hermsillo, a graduate student in Urban Planning studies the economic impact that catering food trucks have on the local economy. He found that catering food truck owners contribute to local economies since they purchase their products locally and in return are local consumers who invest their profits locally. This trend is unique to catering food trucks since most of the revenues generated by franchise restaurants do not remain within the communities they serve. Additionally, catering food trucks owners must also pay overhead costs to operate such as: commissary fees, cost of gas, health permits, DMV registration, business licenses, vendor permit, insurance and taxes. Therefore, catering food trucks are a great revenue source for the city especially during this deep recession where revenue should be welcomed and not condemned. The UCLA Downtown Labor Center has dedicated resources to investigate the mobile food industry, which has historically been viewed as a nuisance and detriment to the city. Several interns in our labor studies program have worked on surveys and research projects on the mobile food industry to better understand this industry and they have concluded that the mobile food industry is a legitimate industry that produces revenue to the city. Members of the Asociacion depend on their catering food trucks to provide a livelihood for their families; their catering truck is their only source of employment. Without them they would be unemployed and they would not be able to support their children or contribute to the local economy. Instead they would be forced to resort to social services and would become a burden to the state since they not be permitted to work. For these reasons, the Asociacion is working with the City of Los Angeles to create an ordinance that is just and promotes public safety. The UCLA Labor Center fully supports the Asociacion de Loncheros and considers its work to be beneficial to the community at large. We look forward to continue working with your committee and other city officials on this important issue.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Natalia Garcia".

Natalia Garcia

UCLA Labor Center

Report and Proposal to the City of Los Angeles

Asociación de Loncheros de L.A Familia Unida de California
("Loncheros Association")

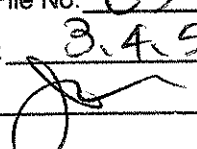
Introduction and Background

This case concerns an extremely onerous, and irrational, municipal regulation of a fully legal – and already heavily regulated – economic activity, an activity which provides a decent living to those who perform it; which fulfills a needed and valued demand in the marketplace; and which represents both the continuation of precious cultural and family traditions, and the fostering of uniquely Los Angeles neighborhood communities that bring together immigrant and non-immigrant, young and old, and people from all walks of life: office workers, executives, construction workers, self-employed laborers, families, artists and Hollywood types. Catering Food trucks in Los Angeles, traditionally known as "loncheras" proudly sell affordable and tasty meals to these patrons. Their meals are prepared with great care using family recipes that have been passed down for generations.

In the past, catering food truck owners and operators have been subjected to an impossible municipal regulation that forced them to move their trucks (and thus, their businesses) at least half a mile away every 30 to 60 minutes (depending on whether they were operating in a residential or a commercial zone). This regulation served no public safety policy save the goal of simply driving these honest businessmen and women underground. Due to the nature of the catering food truck industry, these vendors are not able to comply with such strict and unreasonable regulations.

Organizing efforts by the Asociación de Loncheros has given not only our members, but the community at large a resource for dialogue and effective community change. By utilizing law enforcement and other government agencies, we provide education and services for catering truck owners about the permits and regulations that cover them in addition to addressing community conflicts with neighborhood groups, local businesses and law enforcement through a human relations approach of face-to-face dialogue with the goal of reaching mutually beneficial agreements. Our goal is not to revert back to overzealous enforcement by LAPD and Department of Transportation officers, but to maintain the working relationships that have been established through our lobbying efforts. Today, catering food truck owners and operators find themselves in a better social position, not only as it pertains to providing for their families, but also in protecting their right to engage in their livelihood; largely due to the present ties that exist between our members and the communities they operate in.

In 2009, the *Asociación de Loncheros de L.A Familia Unida de California* ("Loncheros Association") became an official 501(c)(6).

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Proposal and Recommendations

The Loncheros Association would like to engage in a process with City officials and City Councilmembers to establish a policy that is both fair and beneficial to the community and to the vendors of the mobile food industry. The Loncheros Association is willing to work with the city to address the major issues associated with commercial activities of catering trucks in ways that address the concerns of community and business stakeholders, catering food truck owners and operators, and the city enforcement agencies.

As an association, we ask that City Council allow catering food truck owners/operators the opportunity to work with the City of Los Angeles in a manner that is neither detrimental nor stifling to our livelihood. Instead, in a manner that serves to enhance both Los Angeles and the Catering Food Truck industry.

The following are recommendations we believe can achieve the aforementioned objective:

- City council creates a catering food truck vending commission to oversee the development of this burgeoning industry.
- Utilization of the Human Relations Commission to avoid creating any regulations that would give respective neighborhoods the power to discriminate against catering food trucks, those that operate them and their clientele.
- Additionally we recommend that city council agree to approve a measure that will permit catering food truck owners and operators the opportunity to pay an annual fee (separate from the city business license fee) to the city as a way of leasing their public space, so to speak.
- This fee would give catering food trucks the opportunity to continue operating as they have for many years, yet it would also generate more revenue for Los Angeles.
- Case in point: There are 814 licensed trucks that currently operate in Los Angeles. If all of these catering food trucks pay an annual fee of \$1000.00, the city stands to generate \$814,000.00 annually just from this fee alone.
- This fee should also include a medallion, which would excuse catering food trucks from having to abide by street signs imposing time limits as well as paying for metered parking; nevertheless, catering food trucks would still be required to abide by codes enforcing parking restrictions such as emergency zones, loading zones, etc.

Coupled with this payment system, our association also recommends that trade rules are attached to each permit stipulating the following:

- Catering food trucks are restricted from parking within 200 ft of one another during the working day.
- All catering food truck owners and operators have all other required permits
- Fining catering food trucks that do not comply with permit requirements

This would allow food trucks to park in commercial zones, as many currently do, without limiting parking spaces for the public at large. The incurred fees would then be used to help with enforcement.

Policy Arguments in Support of the Catering Food Truck Industry

1. **Is bad public policy from the perspective of nurturing healthy, homegrown food sources in “food deserts.”** Public health, nutrition, and food policy experts recognize the existence of numerous “food deserts” in and around Los Angeles. Scholarly and policy pieces discussing food deserts are legion. Indeed, the term, which refers to areas in which nutritious, high-quality food options are scarce, has entered the popular discourse, as attested by a recent piece in the *Los Angeles Times*:

Anyone who drives around South Los Angeles can attest to the abundance of fast food, liquor and other corner stores. Food researchers describe the neighborhoods as a ‘food desert’ because of the scarcity of supermarkets and high-quality fresh food.

Los Angeles Times, “Nurturing South L.A., One Market at a Time” (March 16, 2009). While catering trucks are not the primary, or only, solution to food deserts, a basic principle of “nurturing” nutritional food sources in “food deserts” is to work with existing, locally owned businesses and social institutions in communities, rather than merely attempting to insert large, name-brand supermarkets into them. Thus, many food policy experts advocate improving, rather than replacing, existing corner and liquor stores that serve as primary grocery markets in many communities.

Notably, catering trucks are among the freshest, healthiest ready-made food options in many Los Angeles “food deserts,” many serving soups that are made fresh daily with fresh vegetables; sides of fresh vegetables including avocado, radishes, and greens; and food that is made fresh from family recipes, rather than mass produced and then reconstituted in a fast food restaurant. In neighborhoods where the primary ready-made alternatives are often Taco Bell and Burger King, there can be little argument that catering trucks easily provide the freshest and healthiest fare. Instead of attempting to drive them out of business, the City might instead choose to include catering trucks in some of the pilot programs to “nurture” existing institutions in neighborhoods and encourage them to choose healthier options – a policy that would serve the public health, particularly in low income neighborhoods, far better than simply attempting to drive these food sources out of business.

2. **Discourages productive (and harmless) economic activity in a time of recession.** The regulation at issue discourages productive economic activity—one which has little or no negative externalities—at a time of recession. The Loncheros’ businesses provide affordable products that meets high consumer demand; support families (who are in turn consumers); and are actually attractions that draw consumers to a neighborhood, in turn stimulating other businesses. It is difficult to discern how discouraging such an economic activity, *especially* at a time when public policy should attempt to encourage it, serves any rational policy goal.

3. **Enhancement of civic space by creating more pedestrian-friendly communities.** Simply put, taco trucks foster communities and true neighborhoods. The great urban planning theorist Jane Jacobs said: “Sidewalk contacts are the small change from which the wealth of public life may grow.”

Los Angeles’ taco trucks are a paradigmatic illustration of her wisdom. On a typical weeknight in Echo Park, one might walk to Tacos Arizas on Logan Street for an especially tasty veggie burrito, then to the corner store to pick up some groceries, and finally stop at the shoe-repair truck that is parked on Sunset Boulevard. Along the way, one is sure to run into friends and neighbors—including some non-natives who have come to take home a famed Tacos Arizas burrito for dinner—as well as chat with neighbors whom one does not yet know. Picturing this block without street vendors, it transforms from a neighborhood into a barren, impersonal urban space, one which the chain box stores and entertainment venues, cannot—on their own—keep alive.

This is not merely a matter of aesthetics or principles. As Jacobs and others have painstakingly shown, allowing a vibrant civic space to flourish truly involves the art of the small. Small choices have big ripple effects in terms of whether, how, and when people gather, conduct business, and interact with one another. The “sidewalk contacts” that taco trucks encourage include interactions and cultural exchanges between neighbors (often of different very backgrounds, in diverse neighborhoods), and in turn foster streets that are safer, friendlier, more vibrant, and less hospitable to destructive activities. Allowing the taco trucks to live is both symbol and substance of a public policy that actually puts people and neighborhoods first, before abstract concepts of order or efficiency, and certainly before special interests that have exerted undue influence upon City policy in this area.

Conclusion

In light of recent topics pertaining to the catering food truck industry that have been discussed in various meetings between our association and city officials, it is our hope that we become an integral part of the process required i.e., dialogue between stakeholders, to create equitable solutions to a problem that is much more complex than parking enforcement issues.

Sonia's lonchera business costs*

Sonia's lonchera is among the lower-grossing food trucks in this study, registering a little more than \$50,000 in gross sales annually. She also shops around for the lowest prices in supplies and services for her business. By using Sonia's payments in commissary rents, fuel and supplies, we are able to attain a (very) conservative estimate of loncheras' contributions to the Los Angeles economy. With her regulatory fees and taxes (based on a hypothetical \$50,000 in gross taxable sales), we also get an idea of how much public revenue Sonia's lonchera generates. Below, we see how much all the food trucks in the City and all those in the County would contribute to the economy and to public treasuries even if they each only sold \$50,000 in food products each year and, like Sonia, sought out the lowest-cost supplies and services. Of course, the economic impact of the local food-truck sector is likely to be much larger.

| | |
|--|-----------|
| Number of licensed food trucks in the County (fiscal | 1810 |
| Estimated number of with addresses in the City** | 814 |
| Hypothetical annual gross sales at Sonia's lonchera | \$ 50,000 |

Taxes and regulatory fees (estimated)

| Type | Annually | Citywide | Countywide |
|--|-----------------|---------------------|----------------------|
| County Health Permit | \$ 695 | \$ 565,730 | \$ 1,257,950 |
| DMV Vehicle Registration | \$ 432 | \$ 351,648 | \$ 781,920 |
| Sales taxes (@9.75%) | \$ 4,875 | \$ 3,968,250 | \$ 8,823,750 |
| Business taxes (@\$1.27 per \$1000 in gross sales) | \$ 57 | \$ 46,649 | \$ 103,729 |
| TOTAL | \$ 6,059 | \$ 4,932,277 | \$ 10,967,349 |

Other business costs, excluding labor, vehicle and equipment costs, etc. (estimated)

| Type | Annually | Citywide | Countywide |
|--|------------------|----------------------|----------------------|
| Commissary fees (@\$27 per day) | \$ 9,828 | \$ 7,999,992 | \$ 17,788,680 |
| Vehicle insurance | \$ 576 | \$ 468,864 | \$ 1,042,560 |
| Meat (@\$300 per week) | \$ 15,600 | \$ 12,698,400 | \$ 28,236,000 |
| Other supplies (vegetables, beverages, paper products, etc.) | \$ 5,720 | \$ 4,656,080 | \$ 10,353,200 |
| Gasoline (@\$75 per week) | \$ 3,900 | \$ 3,174,600 | \$ 7,059,000 |
| Propane (@\$60 per week) | \$ 3,120 | \$ 2,539,680 | \$ 5,647,200 |
| TOTAL | \$ 38,744 | \$ 31,537,616 | \$ 70,126,640 |

*Not the lonchera operator's real name.

**An estimate based on the proportion of food-truck owners' addresses in the City of Los Angeles, as registered with the Los Angeles County Public Health Department in 2009. While these figures include an unknown number of industrial lunch trucks and other vehicles not defined as loncheras or stationary food trucks (and no official data are available on their actual number), various measures are used to estimate that a large majority of licensed food vehicles are loncheras.

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 Deputy: [Signature]

Border Grill®

August 11, 2010

To: The Transportation Committee
Councilmember Bill Rosendahl, Chair
Councilmember Tom LaBonge, Vice Chair
Councilmember Richard Alarcon
Councilmember Paul Koretz
Councilmember Bernard C. Parks

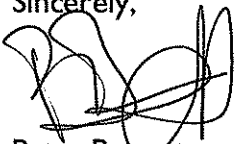
Dearest Chairman and Members,

We represent the Border Grill Truck. We have a brick and mortar restaurant, as well as a gourmet taco truck. We do not belong to any truck associations.

We want to see a reasonable and viable solution to the issues with food trucks in Los Angeles and we think that solution will come with continued communication, research, and goodwill between the truck community, Department of Transportation, LAPD, Health Department, and City Council.

With the assistance of the City Attorney's office, we hope the Council can address any public safety issues with food trucks without adversely affecting the longstanding tradition of lonchero trucks in Los Angeles and while embracing the new gourmet food truck culture as a positive addition to what makes Los Angeles a culinary destination.

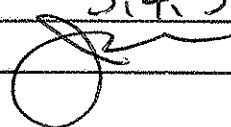
Sincerely,



Peter Barrett
Project Manager, Border Grill Truck



Leah Ross
PR & Marketing Manager, Border Grill

Date: 8-11-10
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Esteemed Council Members,

Thank you so much for taking the time for taking the time to read this. I am writing you in regards to LA's Food Trucks. It is my understanding that they have come under fire recently for myriad reasons. I would like to make an appeal on the trucks behalf.

My firm, a PR firm that specializes in launching sustainable urban infill, has worked closely with the food trucks over the last 18 months or so. We have found this partnership to be mutually beneficial for raising awareness for our communities as well as bringing neighborhoods and the community together.

We have done multiple charitable events where the Food Trucks including a fundraiser for Haiti Relief where over 21 trucks showed up and donated a large portion of their proceeds to the Red Cross. Because of the Trucks involvement – over 5000 people showed up to get together, show support and help raise money for their world neighbors in need.

I am currently working on an event that will raise money for the Gulf Coast with Heal the Bay. Food truck involvement is paramount to the event's success and the food trucks have all graciously offered to donate to the cause.

I have never had a single problem with any truck being disrespectful, hazardous or reckless. And, we schedule their appearance at least 3 times a week at multiple locations throughout the city. They are always professional and respectful. Always.

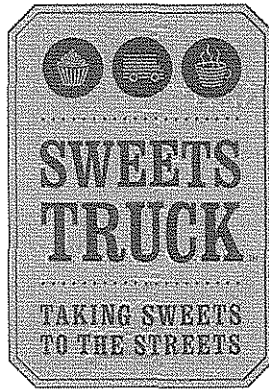
On another note, I would hope that the City of Los Angeles would embrace being a trail blazer in this new enterprise. It is a thriving industry in not so easy times. I understand that the gourmet food trucks are in their infancy, and that there are kinks and regulations to work out, but I also understand that this is a city that prides itself on being a trendsetter not w whistle blower.

The trucks also foster the entrepreneur spirit. It offers young, aspiring chefs a launching pad and a way to build revenue in order to hopefully build their own futures in a business that boasts way more failures than successes.

Thank you for your time. Respectfully,

jamie latta
director of social media

redrocketLA
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c. 310.403.6724 | p. 310.841.0994 | f. 310.841.0996
jlatta@redrocketla.com | redrocketla.com



1

The Sweets Truck is licensed to do business in:

Date: 8-11-2010

Beverly Hills,
Glendale,
The City of Los Angeles,
Los Angeles County,
Pasadena,
Santa Monica

Submitted in Tran Committee

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Beverly Hills, Glendale, Pasadena, Santa Monica: **Separate Business tax/ license**
Beverly Hills, Santa Monica: **background check and additional employee permits**
Pasadena: **separate health department inspection & business license**

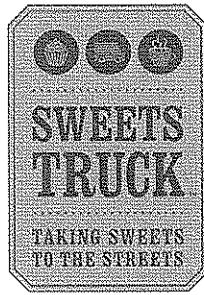
The Sweets Truck – Community Business/ Wholesale Partners:

Auntie Em's Bakery – Eagle Rock,
BabyCakesNYC – DTLA Los Angeles,
Cookie Casa Bakery – West Los Angeles,
Delilah Bakery – Echo Park,
Jones Coffee Roasters – Pasadena,
Southern Girl Desserts – Los Angeles,
The Farm of Beverly Hills – DTLA @ LA LIVE,
... and more

The Sweets Truck – Community

With one eye on our local community and the other on our global community, the Sweets Truck offers a sugar rush you can feel good about. From our eco paper and plastics choices to our commitment to donate a percentage of sales to organizations doing good things – we want to do our part and give back when we can. We believe in doing the right thing and know that our community will feel good about supporting a business that supports its community in return.

The Sweets Truck is proud to announce our first community partner, Los Angeles-based School on Wheels. We are also proud to support and/or volunteer with: Childhelp USA / Entertainment Auxiliary, Kids in Sports, LA Animal Services (Lacy Street)



January

Pasadena Rose Parade, New Years Eve & Day
Brentwood Country Mart, Sunday Morning Partnership
George Clooney 'Hope for Haiti' telethon

February

Molly Taylor, expert discussion on Social Media @ USC
Trunk Sale @ Handmade Galleries, Sherman Oaks
on campus at CAL TECH
Brentwood Country Mart, Sunday Morning Partnership

March

Long Beach BMW Motorcycle
South Pasadena @ SPACE for WWF benefit
The Office
Cristophe Salon in Beverly Hills, benefit
Kamala Harris as Attorney General benefit @ Sony

April

Food Trucks Roll on NELA (North East LA Art Association)**
City of West Hollywood
Fox Plaza, Earth Day
Sinfully Sweet Sunday, a dessert & beer pairing @ VERDUGO bar**
USC board of regents
Loyola Law School
Grilled Cheese Invitational

May

KTLA w. Kurt The Cyberguy
Lime Orchard Productions
REVLON WALK for WOMEN
Food Trucks Roll on NELA (North East LA Art Association)**
Mother's Day Tea @ Rachel Ashwell Shabby Chic Couture w/ Beverly Hills Manners**
NBC Universal
Paramount
Pacific Asia Museum - Fusion Friday

June

VH1
Brentwood Village Summer Festival
Pali Blues (Pacific Palisades)
LA WineFest
Talent1 Film Festival
Food Trucks Roll on NELA (North East LA Art Association)**
Cheesy & Sweet Summer Nights w/ Grilled Cheese Truck @ Jones Coffee Roasters*

July

Caruso Development at The Commons at Calabasas: Street EatZ*
Food Trucks Roll on NELA (North East LA Art Association)**
Beverly Hills Porsche
Cheesy and Sweet Summer Nights @ Jones Coffee in Pasadena**
Long Beach Street Food Fest (to benefit "Adopt a Teacher")
Westside Food Fest @ Venice High School (to benefit Achievable)
Studio DNA - Beverly Blvd, Los Angeles & NYLON Magazine
"Come P.L.A.Y. in the Jungle III"
Cupcake Camp OC
Midnight Oil

August

UCLA
OC Water District

* event organized in partnership w/ The Sweets Truck

** event organized by The Sweets Truck

To Whom It May Concern:

We are writing in support of Frysmith. We have worked with them over the past few months as they have supplied their delicious food in front of our downtown art gallery, Arty (634 S. Main Street).

Frysmith is a local, ethical company interested in building community. Their presence near our gallery always increases our foot traffic, and our patrons enjoy being able to grab a gourmet snack on their way in or out. The owners and staff at Frysmith are always communicative and cooperative, looking for ways to maximize everyone's profit and minimize negative impact such as reduced parking and trash.

While we understand that no one desires an L.A. overrun with food trucks on every corner, we strongly believe that businesses like Frysmith need our support. They set a high standard for their business niche and cause other businesses of their kind to up their game in contributions to the community -- for example, by using the eco-friendly serving materials so many consumers are now demanding and working closely with neighboring businesses to ensure symbiotic relationships. They bring flavor, culture, and profit to our business and the community. Please join us in giving them your support.

Kind Regards,

Amy Price and Catherine Coan
Co-Owners
Arty Gallery
634 S. Main Street
Los Angeles, CA 90014
(310) 743-3031
ccoan@earthlink.net