

REPORT OF THE CHIEF LEGISLATIVE ANALYST

Date: October 19, 2010

To: Honorable Members of the City Council

From: Gerry F. Miller, Chief Legislative Analyst

*8/30
for*

Council File No.: 09-2357

Assignment No.: 10-10-0949

MOBILE FOOD TRUCK REGULATION

SUMMARY

Mobile food trucks have been a long-standing Southern California tradition. The industry traditionally focused on catering trucks with limited food options serving remote businesses, such as construction sites, that did not have easy access to restaurants. In the last two years, gourmet mobile food vendors have emerged that travel region-wide and offer exotic food choices. While the food truck business is largely run by small operators, large brick-and-mortar restaurant chains are now participating in this growing business. The industry continues to expand and fans of the growing food truck phenomenon track their movements via Twitter and other websites to keep abreast of their changing locations.

The more recent mobile food vendors frequent high density areas, often in places that also have well-established brick-and-mortar restaurants. Conflicts have arisen over parking, security, trash collection and other services, as well as the food truck odors permeating surrounding businesses. In response to these community concerns, the following motions were heard at the August 11, 2010 meeting of the Transportation Committee:

- *C.F. 09-2357 (Zine-Smith):*
Requests the City Attorney to report on a court decision rendered against the City's catering truck ordinance and to identify potential alternative solutions to regulate food trucks, including the feasibility of legal challenges.
- *C.F. 09-2357-S1 (LaBonge-Koretz):*
Requests the Los Angeles Department of Transportation, the Department of Building and Safety, the Department of Public Works, the Los Angeles Fire Department, the Los Angeles Police Department, with the assistance of the County of Los Angeles Department of Public Health to review and report to the Council on the creation of specially designated parking zones for catering trucks.
- *C.F. 09-2357-S2 (LaBonge-Koretz):*
Instructs LADOT, in cooperation with officials from the Los Angeles Police Department, the Los Angeles Fire Department, the Planning Department, the Department of Public Works, the Office of Finance, the Planning Department, the County Department of Public Health, the affected Council Districts and the City Attorney in consultation with all interested parties to study and make recommendations to: restrict catering trucks from parking at parking meters in commercially zoned areas; to study ordinances and methods in other municipalities

that deal with catering truck issues, in particular the efforts of Portland, Oregon; consider an effective method to enact enforcement including fines for repeat offenders of parking violations; and work with the catering truck industry to find alternatives that meet its goals and objectives without defeating the purpose of parking meters.

At its August 11, 2010 meeting, the Committee instructed this Office, the Los Angeles Department of Transportation, City Attorney, Los Angeles Police Department, Office of Finance, Planning Department, Department of Building and Safety and stakeholders to meet and discuss options for moving forward in addressing the issues raised in the above motions.

Additionally, C.F. 10-2274 (Alarcon-Garcetti) instructs the Chief Legislative Analyst, with assistance of Office of Finance and the City Administrative Officer, and in collaboration with the California Restaurant Association, Neighborhood Councils, and business community, to report back to the Jobs & Business Development Committee with a proposal to make the restaurant industry more competitive with the food trucks, and to grow the number of restaurants and increase sales of new and existing restaurants. This motion was approved by the Council on October 5, 2010 and a report is currently being prepared under separate cover.

Mobile Food Truck Parking Issues

Parking conflicts has been one of the most prevalent issues as a consequence of the growing mobile food market. As an example, significant problems exist along the Miracle Mile on Wilshire Boulevard where catering trucks park for hours in commercial areas, exceeding both the posted parking meter time and the physical limits of the on-street parking spaces. Other areas of the City have also experienced a large volume of food trucks appearing at outdoor events, monopolizing parking spaces intended for patrons of surrounding businesses.

The California Vehicle Code does not allow a local jurisdiction to impose parking restrictions on one class of vehicles, such as catering trucks, unless expressly authorized. The City attempted to regulate the parking of mobile food trucks; however, the Los Angeles Superior Court overturned the City's 2006 ordinance that imposed parking restrictions on food catering trucks that operate in residential and commercial locations. Under the ordinance, trucks were prohibited from parking at the same location in a residential neighborhood for more than 30 minutes or in a commercial area for more than 60 minutes. A prior attempt by the City to regulate food trucks was also struck down by the court. The County of Los Angeles passed an ordinance that regulated the location of mobile food trucks by requiring them to move every 30 or 60 minutes. This regulation was also overturned by the courts. Despite these rulings, there continues to remain a need to pursue effective regulations for mobile food trucks.

The food truck industry has met on an ad hoc basis with various communities to address various issues. While their effort is noteworthy, a comprehensive approach to regulate mobile food vending is necessary to both support this expanding economic activity and balance the needs of existing businesses and residents.

The appeal of food trucks is their ability to temporarily set up at locations requested by their

customers. Creating special parking zones for food trucks does not appear to be a viable option because there is limited appropriate open space in the City for such activity and the industry is thriving precisely because of their ability to easily move from location to location. As directed by the Transportation Committee, City staff have met internally multiple times and with representatives of the mobile food truck industry. Since the City is prohibited from regulating parking of the vehicles, enhanced enforcement of existing parking rules and regulations is warranted. Staff is pursuing various options to regulate mobile food truck activity; a promising avenue of inquiry is the development of an ordinance that establishes a mobile food truck permit process. The ordinance would provide a framework for regulatory control within the context of public safety and also provide for a mechanism to ensure that limited City funds and resources are available to support this process. After several internal discussions, it appears that the Bureau of Street Services (BOSS) Investigation and Enforcement Division is the most appropriate City entity to oversee new regulations regarding mobile food trucks. Currently, BOSS provides investigative and enforcement services for various street permits, street closures, illegal signs, illegal dumping, compliance notices and encroachments.

On October 13, 2010, the Los Angeles County Board of Supervisors approved a new ordinance that would require mobile food trucks to post letter grades issued by public health officials evaluating their food-handling practices. Under the proposal, vendors would have to file travel routes and times with the County so the Health Department could conduct unannounced twice-yearly inspections. They would get a letter grade from A to C depending on their compliance with health rules, and unacceptable vendors could be shut down. The ordinance would go into effect 30 days after the final vote in unincorporated areas of the County. Local jurisdictions must ratify the new grading plan by ordinance for implementation and enforcement within a specific jurisdiction.

Conclusion

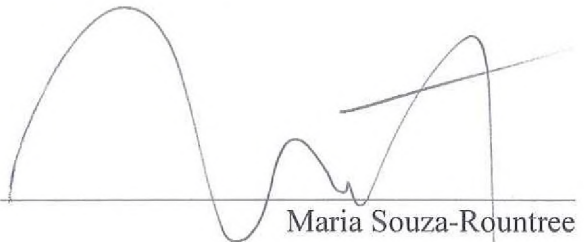
The variety of concerns involving the proliferation of mobile food trucks, including issues related to job creation and competition with established restaurants, will require further discussion and analysis involving all stakeholders. Clarity on the existing rules and regulations to operate mobile food trucks in the City of Los Angeles is also needed. One mechanism that would provide certainty and oversight on this growing industry would be the development of a mobile food truck permit process. In order to provide an opportunity for all stakeholders in the preparation of a new permit process and address the other issues that have been raised, the Council may also want to consider establishing a Mobile Food Truck Task Force.

RECOMMENDATIONS

That the City Council:

1. Request that the City Attorney, in coordination with the Bureau of Street Services, Investigation and Enforcement Division, Chief Legislative Analyst (CLA) and the Office of Finance, develop an ordinance establishing a mobile food truck permit process that would include a one-page document that will serve as a guide for conducting such businesses in the City of Los Angeles to be distributed to truck owners and operators upon receipt of a

- business license.
2. Instruct the LAPD and LADOT, working with the City Attorney, to conduct a training program for police officers and parking enforcement personnel on the existing laws pertaining to catering truck activity.
 3. Instruct LADOT to report on the current policy related to limiting the issuance of parking citations to one per vehicle per day.
 4. Request that the City Attorney prepare and present the necessary implementing ordinance for the new Los Angeles County mobile food truck grading plan.
 5. Direct the CLA to establish a Mobile Food Truck Task Force comprised of the Los Loncheros, SoCal Mobile Food Vendors Association, Los Angeles County Department of Public health, LAPD, LAFD, LADOT, Department of City Planning, Bureau of Street Services, Office of Finance, City Attorney, Mayor's Office, interested Neighborhood Councils and Business Improvement Districts, and others, as appropriate, to meet regularly and consider long-term and emerging catering truck policy issues, address industry needs and concerns and identify possible locations for off-street catering truck locations.



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Analyst