November 26, 2018

Los Angeles City Council 200 N. Spring Street Los Angeles, CA 90012

## Re: Los Angeles Sidewalk Vending Permit System - CF 13-1493; 13-1493-S5

Dear Honorable Members:

The Los Angeles Street Vendor Campaign (LASVC) writes in response to the November 15, 2018 Report from City Attorney and Draft Ordinances ("Draft Ordinances"), and the November 21, 2018 Report from Public Works and Draft Rules and Regulations for Sidewalk Vending ("Draft Regulations"). After several years of considering this issue and engaging with stakeholders, the City of Los Angeles is poised to adopt a comprehensive program to legalize and regulate sidewalk vending throughout the city. Los Angeles now has a unique opportunity to set the standard for fair and inclusive sidewalk vending regulations. We hope the Council and City departments will give careful consideration of these recommendations in order to support local micro-entrepreneurs and help integrate immigrant families into our formal economy.

## **Background on the LA Street Vendor Campaign**

The LASVC is a citywide campaign consisting of various nonprofit organizations, community-based groups, labor unions, and thousands of street vendors who have been working for years to create a thoughtful permit system for sidewalk vendors. For many years, the LASVC has been working in communities all across Los Angeles to engage stakeholders to develop pragmatic, community-centered policy solutions to address the injustices facing low-income entrepreneurs in LA. As a result of this organizing work, thousands of street vendors and supporters are engaged every month through workgroups in various neighborhoods of Los Angeles.

We are grateful for the City Council's recognition of street vendors in 2017, when the City Council voted to decriminalize vending and move a permit process forward. Decriminalization provided much needed protection to street vendors in our city who were being threatened with deportation by President Trump's immigration policies. The City's firm stance against these hateful policies and its vote to develop a legal pathway for street vendors was an important signal to thousands of street vendors that their representatives in the City Council were working for them.

## Recommended changes to ensure a successful Los Angeles Sidewalk Vendor Permit Program

The LASVC reiterates our strong support for a formal permit system for sidewalk vendors. A permit system will help thousands of street vendors contribute to our economy, while providing a framework to manage our public right of way in a manner that protects accessibility to brick-and-

mortar businesses, pedestrians and other uses. To ensure an effective and inclusive program, several changes to the Draft Ordinance and Draft Regulations are necessary. The following recommendations were crafted in partnership with street vendors from across Los Angeles.

• Adopt Draft Ordinance 1 to enable a permit system, and implement the permit program by July 1, 2019. While SB 946 does not require that cities develop a permit system, it plainly allows it. Gov. Code Section 51038(c)(4). We believe that Los Angeles should continue its development of a permit system in a timely fashion. Los Angeles is home to a diversity of street vendors that add a tremendous value to our neighborhoods and our economy. A formal permit system will generate much needed revenue that can be re-invested in education programs for sidewalk vendors and a responsible enforcement program that further incentivizes vendors who want to comply with the law. A permit system is necessary to enable the creation of healthy food incentives—a core policy goal of the City from the beginning. A permit system will also help support partnerships between brick and mortar businesses and sidewalk vendors, and help lend legitimacy and economic mobility to lowincome micro-entrepreneurs. Establishing the system by mid-2019 will give enough time to prepare and implement educational tools to onboard vendors to the new program.

The LASVC is committed to creating a workable and equitable permit program. We recommend that the City Council convene a working group with all stakeholders, including vendor leaders and the relevant City agencies, to craft a recommended permit program to be implemented by July 1, 2019.

- Establish a permit system that gives vendors the option to request a location-specific permit. We reiterate our recommendation, described in detail in our October 10, 2018 letter, that the City establish a permit system that recognizes the different modes of street vending by establishing different types of permits for sidewalk vendors. This should include a general Flexible Location Vending Permit option for vendors who do not require a pre-determined fixed location and a Fixed Location Vending Permit option for vendors would be required to obtain a permit from the City, but with a choice between the types of permits offered. Granting Fixed Location Permits upon request would fall squarely within the City's authority under SB 946.<sup>1</sup>
- Amend the Draft Regulations to enable a system for healthy food incentives. With the establishment of a permit system, there should also be guidelines for incentivizing the sale of healthy foods. The latest Draft Regulations do not outline any such incentives, leaving out a key aspect of an effective program that was indicated by City Council direction in <u>April 2018</u> and reiterated in the <u>July 2018</u> draft ordinance. Creating healthy food incentives within a permit system—such as offering waived or reduced permit fees or permits for preferential

<sup>&</sup>lt;sup>1</sup> For a full legal analysis of a location-based permitting program under SB 946, See the October 12, 2018 letter from Public Counsel to the City Attorney.

locations to vendors that sell healthy food—will allow for greater access to healthy food retail throughout the City. Healthy food incentives encourage the sale and consumption of fresh produce in underserved neighborhoods, and provide a more affordable means for vending for these micro-entrepreneurs.

- Amend the Draft Regulations to provide an inclusive process for creating Special Vending Districts. The Council has long contemplated a procedure to establish specialized vending regulations in certain areas to account for unique neighborhood dynamics. The LASVC has supported this approach, and has been working with vendor communities for over a year to organize and establish workable safety regulations in certain neighborhoods with unique circumstances, such as Hollywood Boulevard, the Piñata District, MacArthur Park, and 47<sup>th</sup> & Main. In each of these communities, vendor leaders have taken the initiative to solicit and respond to stakeholder priorities with thoughtful and pragmatic regulatory ideas. The Draft Regulations do not detail out a system for creating and determining Special Vending Districts. We urge the City to provide institutional support for this important process by amending the Draft Regulations to establish clear guidelines for the creation and implementation of a special vending district that would modify the citywide default standard and ensure vendor participation and leadership in the rulemaking process.
- Amend Draft Ordinance 1 to prevent the proliferation of No-Vending Zones across the City. In order to protect the vendors within the new system, regulations encourage equitable vending in as many areas throughout the city as possible. No-vending areas should be extremely limited and occur only where there are actual and demonstrable safety risks associated with vending. We remain opposed to the proposed exclusion of vendors from the Hollywood Walk of Fame, Universal Studios and the El Pueblo de Los Angeles Historical Monument, Staples Center/ LA Live, Dodger Stadium, the Hollywood Bowl, the LA Coliseum/ Banc of California Stadium on event days, and any other venue as determined by the Board of Public Works, and urge the City to instead establish a special vending district (see above) that balances stakeholder safety concerns with economic opportunity. We firmly believe there is an opportunity to craft a thoughtful system that is responsive to legitimate concerns over sidewalk congestion while also creating opportunities for vendors also an important part of these unique business communities to locate in certain areas surrounding these high-traffic destinations and continue contributing to the vibrancy and uniqueness of each area.
- Amend Draft Ordinance 1 to provide a reasonable buffer zone for No-Vending Zones. In the case that no-vending zones are established within the City, the 500 foot no-vending buffer around these zones is an unreasonable amount of excluded space. In high-density areas such as the Walk of Fame, a 500 foot ban outside of the area further limits the ability to vend by nearly one full block in each direction. By lowering this buffer zone, micro-entrepreneurs will be able to take advantage of the foot-traffic that occurs in these high-traffic areas.

Further, as noted in the above point, the vendors provide one aspect of these unique communities and contribute to a thriving business culture.

- Amend the Draft Regulations to decrease the no-vending zones around Farmers' Markets and Swap Meets. The Draft Regulations require a no vending zone of "no less than 500 feet [from] (sic) the boundary line of the permitted" farmers' markets and swap meets. While SB 946 plainly allows for local authorities to restrict vending while a permitted farmers' market or swap meet is taking place, see Government Code section 51038(d)(1), it also plainly states that local authorities may only restrict vending from the "*immediate vicinity*" of the permitted activity. As stated above, a 500 foot ban from the boundaries of these permitted events could limit the ability to vend by a full block, or even more, in each direction of the events. A buffer of such magnitude serves no legitimate purpose and should be reduced to ensure that vendors are not arbitrarily excluded from popular commercial areas in the city.
- Amend the Draft Regulations to decrease the 20 foot no vending zone near the entrance of any building or store entrance. The Draft Regulations require a no vending zone of 20 feet from the "entrance way to any building...." This restriction could have the practical effect of eliminating vending from entire blocks, and would ban vending on blocks regardless of whether the buildings are occupied, or open for business. The Draft Regulations already state that "no person shall install, use, or maintain any vending cart or kiosk ... when such cart or kiosk unreasonably interferes with or impedes the flow of pedestrian traffic, the ingress into or the egress from any residence or place of business...." The 20 foot ban does not provide additional safety or health concerns it merely acts as a tool to exclude vendors from large swathes of the City. As written, the regulation is arbitrary, serves no legitimate safety or health purpose, and should be deleted entirely from the Draft Regulations.
- Do not rely on Bulky Item Enforcement Zones to promote compliance. Property confiscation is an unnecessary, disproportionate, and unjust enforcement tactic. The proposed Bulky Item Enforcement Zones, or "Special Zones," as described in the November 21, 2018 Public Works Report, would allow for BSS to confiscate the property of vendors doing businesses in No-Vending Zones. Confiscation of the personal and professional property of these micro-entrepreneurs unfairly burdens a very low income population. Because vending is the main source of income for many of these micro-entrepreneurs, seizing and confiscating vending equipment is a detriment to their livelihood and that of their families. We are eager to work with the City on improving the ACE program, supporting on-the-ground vendor organizing, expanding technical assistance and education, and other methods to promote maximum compliance with City regulations without resorting to taking people's belongings.
- **Do not expand property confiscation authority.** The Bureau of Street Services is not trained appropriately to determine if goods are violating health codes. Allowing for BSS to confiscate goods at their discretion of the law will provide room for error, ultimately placing

the burden on the entrepreneur who vends as part of their livelihood. The California Retail Food Code, a state law implemented and enforced by the County Department of Public Health, imposes a number of restrictions on the equipment that may be approved for mobile food facilities. All food vendors in the City will need to meet these standards to secure a County Health Permit. Because the County enforces these rules across 86 municipalities in the County of Los Angeles, allowing for BSS to enforce any of these rules could also undermine and confuse the authority of the County.

We understand the City is working diligently to comply with SB 946 and adopt rules and regulations by January, 2019, while also creating a just permit system for vendors with a potential start date of January 1, 2020. By speeding up the timeline for the permit system, there will be a quicker process of onboarding vendors and ensuring they are compliant with the law, while also formalizing the economy in a safe and fair way. By taking into consideration the above recommendations, the City will prove to be at the forefront of equitable permit systems for any newly formalized economy in the years to come.

These recommendations were vetted by street vendor leaders who have advocated for a legal permit system in Los Angeles and who will be the most impacted by the City Council's decisions on sidewalk vending. Senate Bill 946 fully allows for the adoption of these ideas in Los Angeles.

We appreciate the Council's careful consideration of these recommendations.

Sincerely,

Los Angeles Street Vendor Campaign

cc: Felipe Valladolid Chavez Marisa Alcaraz