

BUDGET AND FINANCE COMMITTEE REPORT relative to the establishment of permit fees for the Sidewalk and Park Vending Program.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. REQUEST the City Attorney to prepare and present the necessary ordinances to effectuate the following annual fee for the Sidewalk and Park Vending Program operating permit:

Sidewalk and Park Vending Operating Permit: \$291 until July 1, 2020, and \$541 thereafter, or until such time as a new fee study is performed based on experience with the program or the Council adjusts the revenue assumed from the fee in the budget.

2. INSTRUCT the Bureau of Street Services (BSS) to allow food vendors to reserve permits at the reduced rate pending the issuance of County Health permits. Future permit applications and renewals should be contingent upon obtaining County permits, where appropriate.
3. REQUEST the City Attorney to amend Los Angeles Municipal Code (LAMC) Section 42.13 as follows:
  - a. Change the title to: Sidewalk and Park Vending Program
  - b. Clarify that an Operating Permit will be required for each vendor.
  - c. Include the Sidewalk and Park Vending Operating Permit fee, as approved by Council.
4. REQUEST the City Attorney to prepare and present an ordinance to amend Chapter 68 Section 5.460 of the Los Angeles Administrative Code as follows:

Sec. 5.460 Creation and Administration of Fund

- a. There is hereby created and established in the Treasury of the City of Los Angeles a special trust fund known as the Sidewalk and Park Vending Trust Fund, hereinafter referred to as Fund, to implement the provisions of LAMC Section 42.13.
- b. There shall be deposited in said Fund annual permit fees and any revenue from fines associated with sidewalk and park vending violations.
- c. All interest and earnings attributable to the monies in the Fund shall be credited to the Fund and shall be devoted to the purposes of the Fund.

- d. The purpose of the Fund is to purchase or pay for salaries, expenses, equipment, materials, and services, in support of the Department of Public Works, Bureau of Street Services, the Department of Recreation and Parks (RAP), and the Economic and Workforce Development Department (EWDD). The moneys received pursuant to (b) and (c) will be used only in the administration of the Sidewalk and Park Vending Program pursuant to LAMC Section 42.13.
  - e. Pursuant to Charter Section 344(a), at the close of each fiscal year, monies not expended from the Fund shall remain in the Fund and shall not revert to the Reserve Fund.
  - f. The Fund shall be administered by the Board of Public Works (BPW), or its designee. Expenditures from the Fund shall be authorized by the BPW, or its designee.
5. REQUEST the City Attorney to add an urgency clause to the pending ordinance requests.
  6. RESOLVE that the employment authority in the BSS for one Senior Administrative Clerk (Class Code 1368) and for one Administrative Clerk (Class Code 1358) is APPROVED and CONFIRMED for the period January 1, 2020 through June 30, 2020, subject to review and approval by the Personnel Department as to Civil Service classification, and allocation by the Civil Service Commission.
  7. AUTHORIZE the interim General Manager, EWDD, or designee, to:
    - a. Negotiate and execute amendments to current contracts with four BusinessSource Center service providers to expand the scope of work to include the provision of services as one-stop resources for the Sidewalk and Park Vending permits and provide \$386,531 in cumulative additional funding for the period from January 1, 2020 through March 1, 2020, subject to City Attorney review and approval as to form and legality and in compliance with City contracting requirements. The service providers and their individual allocations are included on page five of the CAO report dated September 16, 2019, attached to the Council file.
    - b. Subject to availability and the approval of transfer of additional funds in the amount of \$386,531, negotiate and execute amendments to current contracts with four BusinessSource Center service providers with revised scope of work for continued provision of services as one-stop resources for the Sidewalk and Park Vending permits for the period from April 1, 2020 through June 30, 2020, subject to City Attorney review and approval as to form and legality and in compliance with City contracting requirements.
    - c. Make technical corrections as necessary to transactions included in said City Administrative Officer (CAO) report to implement Mayor and Council intentions, subject to the approval of the CAO.

8. AUTHORIZE the Controller to process a Reserve Fund loan in the amount of \$386,531 for the EWDD to support the City's Sidewalk and Park Vending Program, which will be reimbursed through permit revenue; and, transfer a like amount from the Reserve Fund to the Unappropriated Balance and appropriate therefrom to the EWDD Fund No. 100/22, Account No. 003040, Contractual Services.
9. INSTRUCT the BSS to reimburse the Reserve Fund Loan upon receipt of quarterly invoices from the EWDD.
10. INSTRUCT the CAO to conduct a review and reconciliation of actual costs of the Sidewalk and Park Vending Operating Permit fee in six months following the implementation of the Sidewalk and Park Vending Program to ensure the fee is in compliance with Proposition 26.
11. INSTRUCT the BSS, with the assistance of the RAP and EWDD, to report to Council in six months relative to implementation of the Sidewalk and Park Vending Program, including the total number of permits issued, staffing needs, enforcement challenges, and the overall success of the Program, and to consider Program changes including whether the program should include a location-based permit.
12. APPROVE and AUTHORIZE the BSS, 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.
13. AUTHORIZE the City Attorney, in consultation with the CAO and Chief Legislative Analyst, to make any technical corrections to effectuate the intent of the Council.

Fiscal Impact Statement: The CAO reports that the recommendations in said CAO report are in compliance with the City's Financial Policies as the proposed fees are estimated to fully recover the \$8.65 million in costs required to provide the associated services, which includes the repayment of a Reserve Fund loan in the amount of \$386,531. Therefore there will be no impact to the General Fund.

Community Impact Statement: None submitted.

**(Economic Development Committee and Public Works and Gang Reduction Committee approved as amended; Health, Education, Neighborhoods, Parks, Arts, and River Committee waived consideration of the above matter)**

### SUMMARY

At its regular meeting held on October 28, 2019, the Budget and Finance Committee considered CAO and Street Services reports relative to the establishment of permit fees for the Sidewalk and Park Vending Program. Representatives from BSS and CAO

responded to questions relative to the permit fees and enforcement for the Sidewalk and Park Vending Program.

After providing an opportunity for public comment, the Committee amended the recommendations and concurred with the actions of the Economic Development and Public Works and Gang Reduction Committees except those that were amended by this Committee's actions, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
PRICE:	YES
KORETZ:	ABSENT
BLUEMNFIELD:	YES
BONIN:	ABSENT

MM 10/28/19 Council file No. 13-1493; 13-1493-S5; 19-0600-S155

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**