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May 8, 2014

Council Member Curren D. Price  
District 9  
City of Los Angeles City Hall  
200 N. Spring Street, Room 420  
Los Angeles, CA 90012

**SUBJECT: Concerns Regarding Proposed Legalization of Sidewalk Vending**

Dear Council Member Price,

On behalf of the LA Fashion District BID Board of Directors and its 1200 property owners we urge you to consider a number of problems that would be created if legalized sidewalk vending is approved by the City of Los Angeles.

As you know, the retail areas of the LA Fashion District already exemplify the walkable neighborhoods you are striving to create all over your Council District. Pedestrian counts show that streets around Santee Alley have pedestrian traffic that rivals those on Third St. Promenade & Hollywood Boulevard.

The LA Fashion District is already overwhelmed by mobile food vendors occupying metered parking spaces in the district. On Saturday March 22, 2014, 91 mobile food vendors were counted in the district. (see attached map). These vendors are concentrated in retail areas with the highest volumes of pedestrians and storefronts. For example on the 2 block stretch of Maple Avenue between Olympic Blvd & 11<sup>th</sup> St. we counted 17 mobile food vendors. Our first restaurant at Maple and Olympic recently closed because of the large number of mobile vendors here. The City has no regulatory control over the number and location of mobile food vendors. These vendors already locate below residential units after bars close at 2am creating significant noise & obnoxious odors for the thousands of residents living in CD 14.

Our experience with mobile food vendors has shown a growing level of public safety concerns for pedestrians as they try to navigate by store entrances, window shoppers and mobile food customers standing in line waiting to order food. Legalizing sidewalk vending would substantially add to these public safety concerns by taking sidewalk space from pedestrians.

The County of Los Angeles Health Department is already overwhelmed in its effort to enforce health standards on mobile food vendors. On April 8, 2014 the Los Angeles Times outlined the public health hazards of mobile food vending already present in Los Angeles because of the County inability to enforce public health standards on these types of food vendors.(see attached article) Legalizing sidewalk vending would only exacerbate these public health hazards in Los Angeles.

The Bureau of Street Services is also totally overwhelmed enforcing illegal vending regulations in Los Angeles. Mobile food vendors already place ice chests, chairs, tables & even umbrellas on the sidewalk with impunity as there is negligible enforcement by the City.



In 1998, McArthur Park was used as a pilot project for sidewalk vending. It was a failure because of a lack of enforcement of illegal vending elsewhere. There was no reason for vendors to obey the rules & locate within the vending district. The City does not & will not have the capability to enforce sidewalk vending rules.

There are other concerns about legalizing sidewalk vending in Los Angeles as outlined in the bullet points below:

1. **Sidewalk Repairs:** Sidewalk vending would allow the private commercial use of the sidewalk at a time when the City of Los Angeles is considering making the adjacent property owner responsible for sidewalk repair & replacement. Allowing sidewalk vending could prevent the City from assigning responsibility of sidewalks to property owners.
2. **Liability:** The City already pays millions of dollars in claims for slip & falls on sidewalks. Allowing private commercial use in the form of sidewalk vending blurs the responsibility for sidewalk slip & falls...how can property owners take responsibility for this when they do not control the use of the sidewalk. Property owners cannot be held responsible for the sidewalks when the City permits the private use of these sidewalks for vending without their consent.
3. **ADA Compliance:** Sidewalks are often narrow & sidewalk vending can put the City at risk for ADA lawsuits & force pedestrians onto the street creating safety hazards. The City does not have the capability to enforce sidewalk vendors to comply with ADA .
4. **Trash Removal:** Sidewalk vending generates trash and unlike BIDS where property owners and merchants pay for trash removal on the public sidewalk there is no mechanism to ensure the payment of trash removal by sidewalk vendors. The Fashion District has operated a volunteer program for trash removal generated by mobile vendors for a number of years but with no enforcement, only 4 mobile vendors out of more than a hundred pay for this service. Almost all the rest of the mobile vendors use BID receptacles at no charge or dump their trash in the street.
5. **Permit Compliance:** Normally when the City allows private use of the public sidewalks, permits are required. In the case of sidewalk dining these permits are revocable & are expensive as well as being strictly enforced. Even special events using the public sidewalk require permits. This gives the community and neighbors a chance to comment & express their concerns about the use of the sidewalk. How will the public have input on sidewalk vending in their neighborhood?
6. **Sales Tax and BID Assessments:** Commercial districts are integral to creating great walkable neighborhoods and the addition of ground floor small businesses have been the key ingredient in the revitalization of every neighborhood in Los Angeles from downtown to Eagle Rock. Sidewalk vendors do not pay BID assessments and do not contribute to these neighborhoods. Bricks & mortar small businesses go through an expensive permitting process and spend a large amount of money providing restrooms and common areas for their customers. Sidewalk vendors have no such requirements & therefore have a competitive advantage over these neighborhood small businesses. In fact their common

area is the public sidewalk which is paid for by property owners and merchants through their rents not by sidewalk vendors. There is also no mechanism to ensure that sales taxes paid will benefit the City of Los Angeles. This is especially true when many commissaries are located outside the City of LA.

**Our business owners provide LA with:**

- **Jobs** for staffing stores, showrooms and restaurants
- **Sales and Property Tax Revenue**
- **BID Assessment Dollars** that provide services the City cannot deliver such as regular sidewalk cleaning, tree trimming, trash and illegal dumping collection, graffiti removal and safety patrols

Brick and mortar businesses, the lifeblood of vibrant and walkable streets are already competing with online commerce and mobile vendors with no stake in neighborhoods. Adding sidewalk vending will jeopardize their ability to thrive in Los Angeles.

We appreciate your consideration of these points in deciding on the feasibility of legalizing sidewalk vending in Los Angeles.

Sincerely,



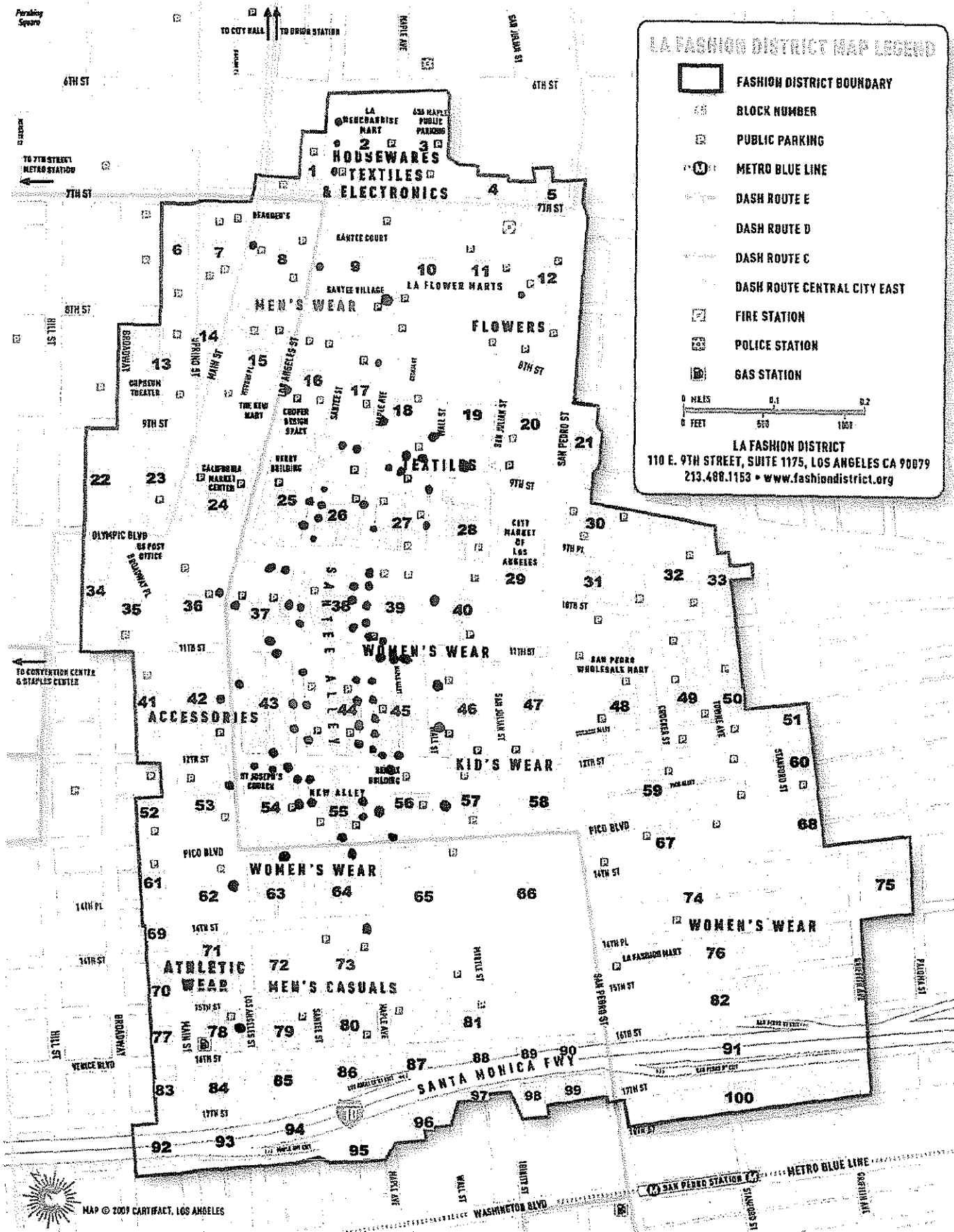
Kent Smith, Executive Director  
LA Fashion District BID

Enclosures: Map of Mobile Vendor locations  
*LA County food-truck safety program leaves a bad taste in the mouth.*  
LA Times article: April 7, 2014

Cc: Council Member Paul Krekorian, District 2  
Council Member Jose Huizar, District 14  
Council Member Gilbert A. Cedillo, District 1  
Council Member Nury Martinez, District 6  
Holly L. Wolcott, Interim City Clerk

Mobile Food Vendors Total: 91

Sat. March 22, 2014



● = Mobile Food Vendor

latimes.com/business/la-fi-lazarus-20140408,0,2474071.column

**latimes.com**

## **L.A. County food-truck safety program leaves a bad taste in the mouth**

**Field inspectors have never visited about 40% of the food trucks and carts in L.A. County. Another problem is that the public can't readily look up information about a mobile eatery's safety record.**

David Lazarus

5:49 PM PDT, April 7, 2014

If you've eaten from a food truck or cart in Los Angeles County, chew on this:

advertisement

About 40% of the roughly 3,200 food trucks and carts cooking up meals in the area have never been inspected in the field by health officials since letter grades were introduced three years ago.

And most of the remaining 60% have been checked out only once a year, even though official guidelines call for at least two annual field inspections.

How do I know that? Because Angelo Bellomo, director of environmental health for the county Department of Public Health, told me so. He oversees inspections of all eateries, including mobile ones.

"This is an area that needs improvement," Bellomo acknowledged.

That's putting it mildly.

Bellomo and I discussed the sorry state of food-truck safety in L.A. after I presented him with what happened to Shimi Cohen.

Cohen, 52, and her husband recently bought hot dogs from a cart at a West L.A. farmers market. "We both ended up with stomach problems," she told me. "It wasn't pleasant."

The couple recovered by the next day, but Cohen was curious. How safe was this cart's food? What was its track record for health inspections?

She contacted the Department of Public Health and made her way through the bureaucratic kudzu to the agency's Vehicle Inspection Program.

Cohen provided the name of the hot dog cart, but that wasn't good enough. No record search could be done without the cart's license plate number.

OK, that's just insane. Who would have a food cart's license plate number, especially a day later?

Cohen's clever husband, it turned out. He was able to find a photo of the license plate online.

So Cohen got back in touch with the Vehicle Inspection Program and learned that there's no record of it ever having been inspected in the field since 2011.

Let's underline that. We're talking about a cart from which hot dogs that have been sitting in warm water for hours are being sold to the public, and it hasn't been given a look-see by field inspectors once in three years.

"I asked why this was," Cohen recalled, "and I was told that they just didn't have enough inspectors."

I contacted the Vehicle Inspection Program and confirmed everything she'd been told. I'm not naming the operator of the hot dog cart because, even though I have no reason to doubt her, I can't verify that Cohen and her husband were sickened by their mobile meal.

What's more important is understanding how health inspectors failed to make at least six field inspections of that hot dog cart over three years, as per county guidelines, and how this is much more common than most people probably realize.

And then there's the enormous difficulty consumers can have trying to access safety info about the 3,200 food trucks and carts classified by the county as "moderate to high risk" because they prepare and serve meals, as opposed to just selling packaged goods.

You can try going to the website of the Department of Public Health and clicking the link for restaurant inspections. This will take you to [a page](#) where you can enter the name of the business and then, from a drop-down menu for types of facilities, select "catering truck."

However, not all food trucks will come up in such searches. If they've been leased from other companies, as is often the case, they can't be found under their nom de street. If you don't have the name of the actual owner, you won't find it.

And if you're looking for a food cart, you can forget that altogether. The site offers no way to search for so-called limited food preparation vehicles.

Your only other recourse is to send a fax or email to the agency's Public Health Investigation Custodian of Records, which offers no guarantees that it can turn up any info.

Bellomo said county officials always knew there'd be some flies in the ointment, if not the chow, after letter grades for food trucks were introduced in 2011.

One problem that's become clear, he said, is that the public can't readily look up information about a truck or cart's safety record.

Another is that health inspectors often don't know where specific food trucks and carts can be found, making surprise inspections impossible. Such unannounced inspections are routine for restaurants.

Nearly all food trucks and carts do receive a separate certification inspection annually, Bellomo said. But this is conducted at their storage sites and not while they're operating.

"The certification inspection gives us part of the picture," Bellomo said. "It tells us that the equipment is functioning properly. What's not in the picture for many of these vehicles is what's happening out in the field where they're preparing food and serving it to people."

The uninspected hot dog cart that reportedly sickened the Cohens, he said, isn't an isolated case.

"It's a good example of what we face," Bellomo said.

Add about 1,800 "low-risk" trucks serving packaged goods, such as ice cream, and health officials have roughly 5,000 vehicles to keep track of. That's a tall order for the county's 15 field inspectors and their two supervisors.

Bellomo said staffing isn't the main concern, though he could probably use a few more inspectors. The biggest problem at the moment, he said, is knowing where food trucks and carts can be found at any given time.

"We might have a list of 10 that are scheduled for inspection but only be able to find three," Bellomo said. "In many cases, we just don't know where they are."

Food trucks and carts that receive complaints from the public are generally a higher priority for inspections, he said. Others are scheduled on a rotating basis.

While I can understand the challenge of tracking down mobile operations, it may not be as difficult as officials think. For example, I found that the owner of the hot dog cart patronized by the Cohens was regularly tweeting where it could be found.

I bet that many other food trucks and carts are similarly active on social media.

Equipping such vehicles with GPS systems would seem an obvious solution. Bellomo said officials are considering this, "but we're still looking at the cost factor."

He also said he hopes the Department of Public Health's website will become more user-friendly by next year, allowing consumers to easily search for — and find — safety information about all vehicles.

In the meantime, keep this in mind: If you dine alfresco in L.A. County, you're taking your chances.

Think of it as the culinary version of Russian roulette.

*David Lazarus' column runs Tuesdays and Fridays. He also can be seen daily on KTLA-TV Channel 5 and followed on Twitter @Davidlaz. Send your tips or feedback to [david.lazarus@latimes.com](mailto:david.lazarus@latimes.com).*

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May 8, 2014

The Honorable Curren Price  
Councilmember and Chair, Economic Development Committee  
City of Los Angeles  
City Hall  
200 N. Spring Street  
Los Angeles, CA 90012

Re: Street Vending (CF #13-1493)

Dear Chairman Price:

The Central City Association is very troubled by the motion you and Councilmember Huizar introduced that aims to legalize street vending throughout the city. The report undertaken by the Chief Legislative Analyst has not been made public, but the meetings that were conducted by that office lead us to believe that the CLA's report will favor a citywide approach to legalizing sidewalk vending.

Simply put, a one-size-fits-all, top-down approach to this matter will not work. Neither the City nor the County has sufficient resources to inspect or regulate merchandize vendors, let alone food vendors, on our sidewalks. Downtown is already inundated with "food trucks" on a regular basis. They cause access and sanitary issues on the sidewalks as well as disturbing residents throughout the course of the night and take business from brick-and-mortar establishments. These "legal," yet essentially unregulated vendors give an example of what we can expect if we legalize street vending. We predict that there will be a Wild West situation among these vendors and the city will have few resources and little inclination to fix these situations.

Brick and mortar businesses, especially restaurants, must go through a grueling set of inspections, pay substantial fees and receive numerous permits before they can open for businesses. These businesses are then subject to more inspections and must pay sales tax, payroll tax and, often, the city's exorbitant gross receipts tax. And they have monthly rent and insurance costs to add in and many are in areas where they also pay BID assessments that in turn pay for services such as trash collection and hauling and sidewalk cleaning. A street vendor has none of these costs or burdens, can set up in front of a competing business and undercut their prices. This may be creating economic opportunity for one person, but it is stifling it for another (and depleting a major investment).

Downtown has numerous retail stores and restaurants, which serve the wide residential and visitor demographics we have Downtown and produce hundreds of thousands of jobs. Street vending in Downtown brings little benefit but it does bring numerous problems.

**Enforcement:** The City and County simply do not have sufficient staff to enforce any regulations that could be created. Violations of vendor regulations are low-level, quality of life crimes that LAPD often do not have the resources to deal with in a timely manner. Additionally, other City and County staff is only available during "business hours" and cannot or will not work evenings, nights or weekends, when they are needed. And the *Los Angeles Times* reported in April that "(a)bout 40% of the roughly 3,200 food



trucks and carts cooking up meals in the area have never been inspected in the field by health officials since letter grades were introduced three years ago. And most of the remaining 60% have been checked out only once a year, even though official guidelines call for at least two annual field inspections." (<http://www.latimes.com/business/la-fi-lazarus-20140408-column.html#page=1>) How will adding thousands of new food cart vendors guarantee even this meager level of food safety inspections?

**Accessibility:** Sidewalks are often narrow. As Downtown becomes more and more pedestrian-oriented, with more people using the sidewalks, space will be at a premium. Vendors setting out their wares and creating lines will create issues for pedestrians, especially those with disabilities. And other pedestrians may be forced into the street to avoid these jams, creating safety and traffic issues. Plus, sidewalk vending could put the City at risk for ADA lawsuits. The City does not have the capability to enforce sidewalk vendors to comply with ADA.

**Trash Removal:** Sidewalk vending generates trash and, unlike BIDs where property owners pay for trash removal on the public sidewalk, there is no mechanism to ensure payment for trash removal by sidewalk vendors. For example, the Fashion District BID has operated a volunteer program for trash removal generated by mobile vendors for a number of years. But with no enforcement, only four mobile vendors out of more than a hundred pay for this service. The rest of the mobile vendors use BID receptacles at no charge or dump their trash on the street. Most BIDs are paying millions of dollars per year to keep the sidewalks clean through daily sweeping and pressure washing. These vendors will not contribute to maintain neighborhoods through a BID assessment and will benefit from a service paid for by the brick and mortar establishments whose business they are taking.

**Permit Compliance:** Normally when the City allows private use of the public sidewalks, permits are required. In the case of sidewalk dining, these permits are revocable and expensive. Even special events using the public sidewalk require permits. This gives the community and neighbors a chance to comment and express their concerns about the use of the sidewalk. How will the public have input on sidewalk vending in their neighborhood?

**Sales Tax and Property Taxes:** Commercial districts are integral to creating great neighborhoods and the addition of ground floor small businesses have been the key ingredient in the revitalization of every neighborhood in Los Angeles from Downtown to Granada Hills and Lincoln Heights. Sidewalk vendors do not pay BID assessments and do not contribute to these neighborhoods. Brick and mortar small businesses go through an expensive permitting process and spend a large amount of money providing restrooms and common areas for their customers. Sidewalk vendors have no such requirements and, like food trucks, therefore have a competitive advantage over these neighborhood small businesses. There is also no mechanism to ensure that sales taxes will be paid. This is especially true when many commissaries are located outside the City of LA.

**Diminished Quality of Life in Neighborhoods:** Residents and businesses have no say as to where food trucks locate or their hours of operation. Legitimizing sidewalk vending will continue to erode the viability of neighborhood businesses and will ultimately lead to the deterioration of the quality of life of its residents.

**Liability:** The City already pays millions of dollars in claims for slip and falls on sidewalks. Allowing private commercial use in the form of sidewalk vending blurs the responsibility for sidewalk slip and falls. If a pedestrian has an accident on a sidewalk due to a vendor, the vendor may depart, leaving the property owner and the city facing litigation. Similarly, if a food vendor makes someone ill because of

their preparation methods, the stricken party will likely sue the property owner for "allowing" the vendor to do business in front of his or her location.

Based on these and other factors, we believe that legalizing street vending – even if it could be highly regulated, which we do not believe it will be – is wrong. However, other neighborhoods, Business Improvement Districts, Chambers of Commerce or Homeowners Associations may believe differently. Therefore, we believe that this matter should be dealt on a neighborhood and business district level. Street vending should be treated like other issues of great concern to neighborhoods and business districts, and should be dealt with through a process similar to the issuance of a conditional use permit. Business owners, property owners and residents should have the ability to not only weigh in, but decide whether they believe that a legalized street vending program is appropriate for their community. This program would be wrong for Downtown. Other areas might feel differently and we do not believe that we have the right to weigh in on this issue for Boyle Heights, San Pedro, Mar Vista, Chatsworth or South LA any more than we believe that outside groups with their own agendas trying to drive policies that will negatively impact Downtown. Should you move forward, the city needs to undertake this program as it recently did with its mural ordinance and allow communities to opt out when they believe it is wrong for them.

Sincerely,



Carol E. Schatz  
President & CEO

cc: Councilmember Paul Krekorian  
Councilmember Nury Martinez  
Councilmember Gil Cedillo  
Councilmember Jose Huizar