

BACKGROUND: In the spring of 2013 the City Council directed staff to draft a proposal to amend the City's regulations to allow Food Trucks on public streets and public and private property. In order to elicit input from certain stakeholder groups, the former City Manager established a Food Truck Advisory Work Group which met from September 2013 through March 2014. In May 2014 staff brought proposed regulations to City Council that included both on street and off street vending opportunities. After a public hearing on the matter, City Council decided to limit the program to just off street vending and to make it a pilot program with a sunset. In the fall of 2015, staff reported to City Council on the status of the pilot program and recommended extending the program until December 2015 in order to allow a full calendar year permit to be issued for 2015.

The Food Truck Pilot Program adopted by City Council on May 17, 2015 took effect on July 1, 2014. The pilot program authorized Food Trucks to locate in certain off-street locations including private property with adequate parking lots, public property with preauthorization and farmer's markets. The pilot did not include any ability to locate on street. The only opportunity for Food Trucks to locate on street is as part of a Special Event Permit issued by the City. While the program was not widely used, it did give staff an opportunity to evaluate the permitting process. Additionally, staff conducted an informal survey to provide City Council with feedback regarding the demand for Food Trucks in the City.

DISCUSSION:

Results of Pilot Program

In the first partial year of the Food Truck pilot program (July 1 - December 31, 2014) eight Food Trucks took part in the program; in the next full year of the program (January 1 - December 31, 2015) seven Food Trucks took part in the program. The Food Truck pilot program allows trucks with the permit to go to any of the pre-approved locations or any private property locations with permission of the private property owner that comply with the requirements and to move from location to location. In practice, the Food Trucks with the vendor permit have consistently been active at only two locations, the Mark Center Hilton (to serve adjacent office workers) and Port City Brewery (to serve special events). Additionally, a number of Food Trucks wanted to attend particular special events, but did not want to necessarily attend multiple special events within the City and therefore did not get the vendor permit. Staff understands from the Food Truck representatives that the lack of participation is because of the limited number of locations compared to the current fee levels.

Since inception of the program, the City has collected \$4,250 in fees from the Food Truck vendor permits and application fees. The cost of implementing the program including permitting, any impacts to city property, and enforcement in the last year has been absorbed in the regular business of the various departments and has not amounted to enough to establish its own line item. There were five complaints received regarding Food Trucks in 2015. The complaints were investigated and post complaint compliance occurred in all cases. Additionally, staff proactively inspected the Hilton location and the Port City Brewery location. Given the low number of trucks participating and the limited locations where they could locate, the cost to the City has been less than the fees collected. Therefore staff believes a reduction in the fees is justified unless and until the program is expanded. At that time, an appropriate fee schedule could be proposed.

Results of Survey

An online survey conducted by staff was initiated on June 17, 2015 and closed on July 31, 2015. Staff received 2,283 responses to the survey from all different parts of the City with the majority of the responses coming from the Old Town neighborhood. The vast majority of the respondents were in support of having Food Trucks in the City. Attachment 1 shows the responses by Resident, Employer and Worker in each area of the City.

As noted in Chart 1 on Attachment 2, the most popular types of places for Food Trucks to locate in the survey

were either at special events, off street locations or in limited locations on public streets. Additionally, the majority of respondents would prefer scheduled locations rather than spontaneous locations. See chart #2 on Attachment 2.

While the survey is informal and not statistically representative, it provides a snapshot of what the community responded about their opinions on Food Trucks. In general, the majority responses seems to be to allow Food Trucks within the City but in a limited way.

Next Steps:

Although the program was not widely used by the Food Trucks, it did give some Food Trucks an opportunity to come to the City at minimal cost and impact to the City. The two locations where the program was most used, the Hilton Mark Center and Port City Brewery have consistently hosted Food Trucks throughout 2014 and 2015 and have proven to be popular locations. Additionally, staff has been contacted by the Patent and Trademark Office (PTO) management to discuss Food Truck opportunities in or near Carlyle. The PTO is interested in providing additional food options for their employees while still balancing the security concerns regarding opening public streets to vending. Lastly, the results of the community open survey clearly indicate support for Food Truck opportunities in the City. Therefore, staff recommends removing the sunset provision to allow the current Food Truck Program the opportunity to continue. The off-street regulations from the pilot program, the special use permits for outdoor food and crafts markets and the special events permits together appear to accommodate a certain level of off street Food Truck demand.

Staff recommends the following changes in order to address how the Food Truck vendor permit regulations relate to other provisions of the City Code and Zoning Ordinance: to lower the fees under the current regulations and to consider convening a stakeholder group to consider expanding the regulations to allow Food Trucks to locate on public streets.

Food Truck Vendor Permit vs. Other Permits in the City:

As discussed during the update on the Food Truck pilot program last fall, there has been some confusion regarding overlapping city permits. To clarify this, staff would suggest an amendment to the Food Truck regulations that exempts Food Trucks from having to get a Food Truck vendor permit in the following circumstances:

1. If the Food Truck is authorized under Special Use Permit for an outdoor food or craft market;
2. If the Food Truck is authorized under a Special Event permit from the City;
3. If the truck is selling pre-packaged goods, such as an ice cream truck, and the truck is conducting its business in compliance with Sections 5-2-29 and 13-1-26 of the city code that allow brief stops on the street in order to sell goods with regulation of the noise; and
4. If the truck is at a private residence catering a private event.

Food Trucks that are exempt from the Food Truck Vendor permit are still required to get all applicable health, fire and business license permits. The purpose of this clarification is to reserve the Food Truck Vendor permit for Food Trucks that are not permitted under other sections of the City Code or Zoning Ordinance and to prevent Food Trucks from having to obtain multiple permits that serve the same purpose.

Fees:

The current Food Truck Vendor fee as set by administrative regulation established by the City Manager is \$250 a year. Additionally, there is an annual \$100 application fee. This fee was calculated when the proposed regulations allowed more locations to vend. Given the limited locations and the minimal impact the trucks have had on the City, staff recommends removing the \$250 annual permit fee unless and until the regulations

are potentially expanded to allow more locations. Staff recommends keeping the \$100 application fee to mitigate the cost to staff of processing the permits and enforcing the regulations.

The following annual permit fees are still required for Food Trucks, where applicable:

- Health Department City and State Fee: \$90
- Health Department one time Plan Review Fee: \$200
- Propane Tank Fire Safety permit fee: \$143
- Business License: \$250

With the City Council's concurrence, it is proposed that the administrative regulations will be amended to make the Food Truck Vendor permit a no-cost permit for 2016.

Stakeholders' group/Consideration of Expanded Regulations:

As discussed, currently Food Trucks are allowed pursuant to a Special Use Permit, a Special Event permit, or the Food Truck Vendor permit. While this presents some opportunities for Food Trucks to conduct their business in Alexandria, other than with some Special Event permits, the Food Trucks are limited to off street locations. The Food Truck industry has indicated that this limitation prevents them from using their standard business model which is to roam from location to location in order to determine where the market is at any one given time. As City Council is aware, a number of other local jurisdictions have recently opened their regulations to allow Food Trucks to locate on public streets.

If City Council would like to consider expanding the regulations, staff recommends initiating a stakeholder group to discuss the potential impacts and necessary regulations for Food Trucks to vend from public streets. As with the previous group put together in 2014 to discuss Food Trucks, the stakeholder group should consist of residents, Food Truck operators, employers, and local businesses including restaurants. This group could be convened early next year and tasked with making a recommendation by the summer so that proposed regulations could be brought to City Council for consideration next fall.

CONCLUSION:

The current Food Truck regulations have introduced Food Trucks into the City on a very limited basis. Staff believes this is due in large part to the fee being too high compared to the limit on locations where Food Trucks may vend. Staff recommends removing the fee in order to encourage more Food Trucks under the current regulations, and for City Council to consider authorizing a stakeholder group to consider expanding the existing Food Truck regulations.

FISCAL IMPACT: The City collected \$1,000 in 2014 and \$1,750 in 2015 for Food Truck Vendor Fees. If the fee is removed for 2016 this revenue would no longer be collected.

ATTACHMENTS:

Attachment 1: Map of Food Truck Survey Answers

Attachment 2: Graphic Display Food Truck Survey Answers

STAFF:

Emily Baker, Deputy City Manager

Joanna Anderson, Assistant City Attorney

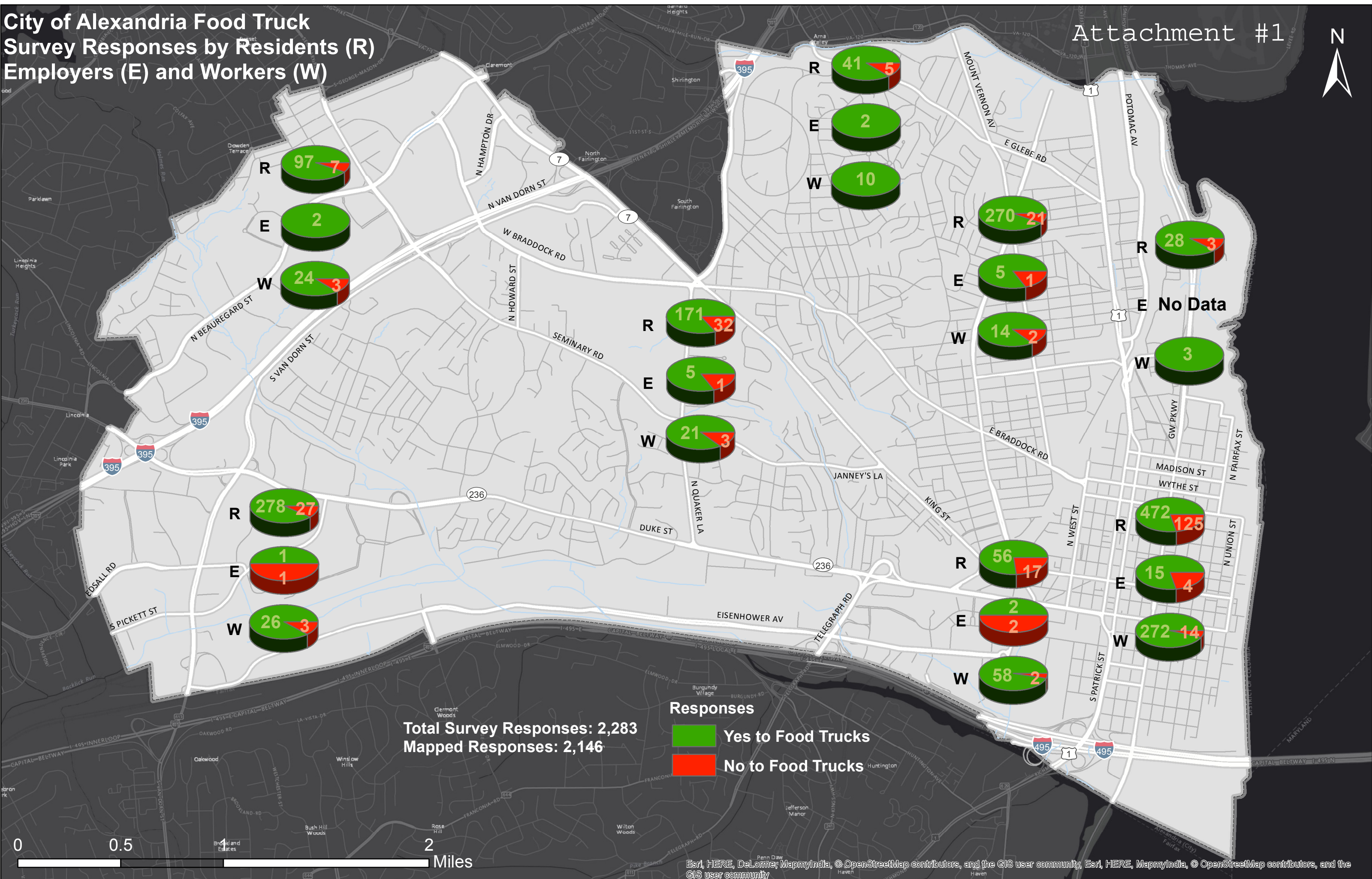
Alex Dambach, Division Chief, Planning and Zoning

James Hunt, Division Chief, Code Administration

Jack Browand, Division Chief, Recreation, Parks, and Cultural Activities



City of Alexandria Food Truck Survey Responses by Residents (R) Employers (E) and Workers (W)



Total Survey Responses: 2,283
Mapped Responses: 2,146

Responses

- Yes to Food Trucks
- No to Food Trucks

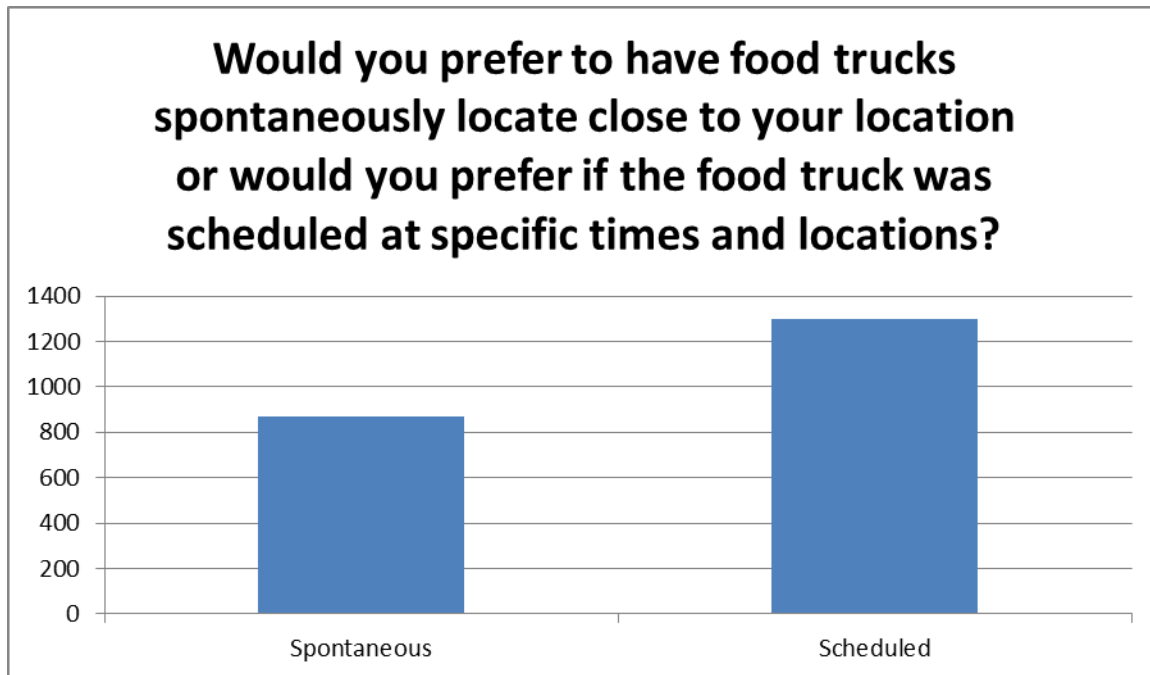


**City Council Docket Memo November 18, 2015
Food Truck Survey Graphed Answers**

Chart #1



Chart #2



9
11-24-15

Jackie Henderson

From: Kevin Beekman <kbeekman@gmail.com>
Sent: Tuesday, November 24, 2015 2:06 PM
To: City Council
Subject: Food Truck program suffers from a lot of regulatory confusion

Dear Mayor and City Council,

Over the last few years, I've been engaged along with several other community members in trying to clarify rules about on-street and off-street vending, particularly as they apply to farmers markets, but also in general.

At the Four Mile Run Farmers & Artisans Market, we pursued permission to host food trucks as part of our two-fold mission: to help revitalize and promote a sense of place in Four Mile Run Park and to empower small and start-up businesses and their customers. As an all-volunteer run market, any funds we derive from market operations are fed into the park. In addition we do our part to help maintain the park and actively solicit contributions for the benefit of the park.

Food truck, and more generally, prepared food vending, is something that we found to be desired by the citizens who visit the park and we proudly have undertaken efforts to fulfill those wishes, which are clearly borne out by the City's own citizen surveys.

But we've found that the very small businesses that we are trying to help are being hampered by confusing and onerous regulations. Consequentially, we have had very little success in getting many vendors to come to market. The cost and burden are just too hard to overcome.

Meanwhile, knowing the rules ourselves, we constantly see unregulated vendors going about their business on City's streets and on private and public property in clear violation of City regulations. We've seen everything from food trucks blaring amplified music for hours on end to guys opening coconuts at the curb with machetes. We've seen sports boosters firing up grills in city parks as a fundraiser and we've seen bake sales by little kids on street corners. Any and all of these are precisely what we've either been told we can't host at our farmers market or are things that we've been cited for, either in error or for purely bureaucratic reasons.

I know Nick Partee has outlined some specifics such as the unnecessary differences between special event permits and food truck vending licenses, but the broader problem is simply a good deal of confusion on the part of the regulators themselves.

In the instance, where a food truck approached us to operate at the market under a special event permit, we were led to believe that was permissible and so had the truck operator. Yet, we were later served with a "Cease and Desist" letter before any further communication had been made to us. What's more, when city regulators later relented and agreed with our (and their) earlier interpretation, the "Cease and Desist" was never removed (we have received no formal communication regarding the matter).

We know that trucks and vendors approved in neighboring jurisdictions continue to operate in the city. Many probably don't know the exact boundaries. But those outside-of-the-city approvals don't suffice when we are approached by vendors and refer them to the City for approval. A small business that has already jumped through hoops to operate in Fairfax, Arlington and DC is not going to add Alexandria to the mix, regardless of what good it will do for our community and regardless of how its presence will help us boost our neighborhood and help us revitalize the park.

As citizens, we want to help promote an entrepreneurial experience that is positive and healthy for our community. Unfortunately, our experience has been that the only way for some entrepreneurs to operate in Alexandria is outside of the regulatory process and it's clear that the current regulatory system is prone to the kind of failures where bad things happen. We need your help to revise the food truck registration process. We're committed to working with the City to do our part as well.

-Kevin Beekman
703-822-5741 (Voice & SMS)

Jackie Henderson

From: Nicholas Partee <nickdeuva@gmail.com>
Sent: Tuesday, November 24, 2015 12:38 PM
To: City Council
Cc: Four Mile Run Market Inc
Subject: Food Truck Pilot Program Improvement Needed

Dear Mayor and Members of Council,

I am one of the managers of 4MRMarket. After talking to a few food truck vendors, getting a cease and desist order from the City, and talking to the health dept. a couple of times this spring/summer, it seems like serious streamlining and consolidation is necessary for food trucks to be a success story in Alexandria.

Every food truck vendor I've talked to has said the system is set up to fail. A food truck vendor has three different options for selling at our market, but that seems unnecessary. There are Mobile Food Establishments (sometimes called Mobile Food Vendors) that are not eligible to be reviewed at the permitting center unlike normal food establishments, the Off Street pilot program, and temporary event permits.

A few ideas, and I'm sure my fellow 4MRMarket managers and food truck owners will have others:

- The first two types should be merged and streamlined, made less expensive
- The Fire Inspection should be made an annual requirement, even for temporary event permits if certain conditions are met (perhaps the food truck's setup is submitted and re-inspection is only required if the setup is changing--random inspections can still be conducted, but at no cost to the food truck).
- I couldn't find one, so there should be an easily accessible guide for food trucks: what to do for each type of permit with each City agency, what each type of permit allows, etc. If some of the streamlining happens, this would be a simpler document.
- Temporary event permits should not need to be filed if the vendor is already approved through the mobile vendor program. Rocklands said they were being asked to file one for the Jazz Festival, despite being on the Off Street Food Truck Pilot Program list. This might have been a one-off error by a member of staff. I don't know if it was resolved without further action needed.
- Could fire inspections be made less expensive if the vendor went to the inspector? Since they're mobile, that seems like a money saver for the trucks and a time saver for the inspector. (Maybe this already happens?)
- The list of Mobile Food Vendors/Establishments should be more easily accessible and contain more contact info for the food vendors. Here is the site: www.alexva.us/as3. It's tough to find some of these people, maybe because the name on the website is an incorporated name vs. the name under which they're doing business? Why not consolidate the list for different types of mobile food trucks/vendors?
- Allow the trucks to go more places. A common complaint of vendors (and some friends that wish we had more food truck options) is the lack of trucks where they would want to go, which equates to where you would want them. Why not allow them in more commercial areas in limited numbers? This would make more trucks sign up and off-street events would benefit from the increase in selection.

These are just ideas from dealing with the process and frustrated vendors this spring/summer. We stopped aggressively trying to get food trucks at the market this year due to all the hurdles--and the fact that there are few trucks available that would be a good fit for the market.

Food trucks don't make enough at our small market to justify all the fees. They need to have more of a reason to register in the City, which would in turn eliminate the barriers to setting up at our market from time to time.

Thank you,
Nick Partee