



Request for City Council Committee Action from the Department of Regulatory Services

Date: April 4, 2011

To: Council Member Elizabeth Glidden, Chair - Regulatory, Energy & Environment Committee

Subject: Amending Chapter 188 and 186 of the Minneapolis Code of Ordinances relating to mobile operations.

Recommendation: That the Regulatory, Energy and Environment Committee approve amendments to Chapters 188 and 186 allowing Mobile Food Vehicle Vendors to park on the street and operate at additional sites outside the Downtown Improvement District and approve an increase for the annual license fee in the Licenses Fee Schedule.

Department Information

Prepared by: Linda Roberts, Manager of Licenses and Consumer Services, 673-3908

Approved by:

Rocco Forté, Director of Emergency Preparedness & Regulatory Services

Dana Banwer, Director of Licensing & Environmental Services

Grant Wilson, Manager of Business Licenses

Presenters in Committee: Linda Roberts and Erik Nilsson, Assistant City Attorney, 673-2192

Financial Impact

Other financial impact: Currently there are ten Mobile Food Vehicle Vendor licenses in Minneapolis. The proposed license fee increase, effective 2012 for current license holders, will generate an additional \$3,160 annually. Five new licenses are predicted each year resulting in an estimated \$4,030 in license fees. This fee was calculated on a cost recovery formula and represents an inconsequential financial impact.

Community Impact

- Neighborhood Notification: Public hearing notices were posted on the Business Licenses' website and sent to all Neighborhood Organizations, Business Associations, and current license holders. Information Meetings were held on March 24, 2011 at the Midtown Global

Market, 920 East Lake Street and March 30, 2011 at the Downtown Central Library, 300 Nicollet Mall.

- **City Goals:** These amendments support the city goal of Jobs & Economic Vitality: Businesses — big and small — start here, stay here, thrive here and Strong commercial corridors, thriving business corners.

Supporting Information

In April 2010 the Minneapolis City Council amended an ordinance to allow mobile food vehicles to operate in downtown Minneapolis on public sidewalks, parking lots and private property. Ten licenses were approved in this first year. This amendment was considered a pilot and there was considerable support to expand the program if successful. In February 2011 several meetings with city staff, community members and mobile vending license holders evaluated potential opportunities and developed recommendations to improve mobile food vehicle vending in Minneapolis. The primary changes include allowing mobile vehicles to operate on the street and at additional locations.

Street Operations

Limiting vehicles to public sidewalks created several impediments for potential applicants. It was difficult to find sidewalk space large enough for both the vehicle and pedestrian traffic. Vendors with approved sidewalk locations had difficulty with daily access which resulted in driving on the sidewalk or “popping” the curb to get to their specified locations. These practices compromised the public infrastructure and public safety. Applicants who found sites on private property or in parking lots did not encounter these obstacles and received their licenses sooner than applications for sidewalk sites.

The proposed amendments address these issues by allowing mobile vehicle vendors to park on the street. While sidewalk, parking lot and private property sites are assigned to an individual license holder, approved street locations will be available daily on a first come first served basis to any licensed mobile food vehicle vendor. Vendors may not restrict, save or block open spots. Food sales are limited only to customers on sidewalks. Mobile food vendors would be required to follow all parking regulations including, for example, time restrictions and payment of fees at parking meters.

Additional Locations

The popularity of mobile food vendors in the Downtown Improvement District supports the desire to expand this program. The proposed amendments authorize the Director of Business Licenses and Consumer Services to maintain a list of eligible locations in the city. In consultation with Public Works who addressed concerns such as obstructions and impact on traffic flow, the following areas are proposed for 2011: Park Board Property, the Midtown Global Market, Midtown Greenway, Central Avenue NE, West Broadway and North Minneapolis, Uptown, and Cedar Riverside. Maps of each of these areas will be placed on the Licenses’ website and disseminated to current and potential license holders, Business Associations, and Neighborhood Organizations.

Regulation of the street locations will be more difficult than assigned sidewalk, parking lot, and private property locations. In addition to complaint investigations, Business Licenses will commit to inspecting vehicles a minimum of two times each year. Finally, the proposed amendments do not require vendors at street locations to maintain a minimum distance from existing businesses. Sidewalk locations cannot be within 100 feet on the same block face of a restaurant with sidewalk access.

Best Practices

14 of the 15 cities surveyed allow mobile vending on streets and at designated areas throughout their cities.

License Fees

Staff is proposing a \$806 license fee for new applicants to be effective in 2011. The current

mobile food vehicle license fee is \$490 annually. The cost of regulation based on the Regulatory Services' cost recovery formula is as follows:

Environmental Health Inspections	3 hours	\$213
Public Works and Licenses Location Review/Approval	3 hours	\$213
Initial Vehicle Inspection	1 hour	\$71
Operating Site Inspections (minimum of 2 per vehicle)	4 hours	\$283
Annual License Renewal Application Processing	.5 hours	<u>\$26</u>
		\$806

Recommendation

That the Regulatory, Energy and Environment Committee approve amendments to Chapters 188 and 186 allowing Mobile Food Vendors to park on the street and operate at additional sites outside the Downtown Improvement District and increase the annual license fee for Mobile Food Vehicle Vendors to \$806 in the Licenses Fee Schedule.