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VENDORS FOR NORTH BEACH

The purpose of this report is to offer best practices and recommendations to the Mayor and Town Council about how they can most effectively take advantage of the benefits of food trucks and other vendors, while balancing the impact on brick and mortar businesses. It includes an analysis of food truck policies and regulations, specifically as they relate to four policy areas:

- Economic activity
- Public space
- Public health
- Public safety

An ordinance should be established to allow these activities. All potential vendors should be thoroughly vetted by the Town (Ordinance Enforcement Officer?) before they are granted licenses to operate. This pertains to vendors on both private and public land.

Brick and Mortar Business' Concerns

For food trucks, one of the key objectives is to earn revenue. For brick and mortar restaurants, their goal is the same, and the level of competition food trucks create or are perceived to create can be of concern. For the community and town, creating opportunities for economic development is a key priority because it raises tax revenue, vibrancy, and creates a level of attractiveness for business and residents as well as for the town as a whole.

Vendor Permits/Cost of Permitting

North Beach should require permits for the vendors. Generally, town staff want to keep costs high enough to raise revenue, but low enough to make it possible for mobile vendors to operate with a profit. For the community, their interests are much the same as town staff - to find the balance between raising costs enough to maximize fees while not increasing them to the extent that they become a deterrent for mobile vendors.

The EDC recommends a fee of \$1000 for a Memorial Day to Labor Day permit (not including health permit costs).

Public Space vs. Private Space

Mobile vending often takes place on both public and private property, but public property presents a unique set of challenges. Flexible access can lead to over-utilization, which in turn can produce unwanted congestion, pollution, and conflicts between different brick and mortar businesses trying to use the space at the same time. With the potential of rapid expansion of the food truck scene, there is increased demand for limited space, which increases the likelihood of unwanted externalities and encroaches upon the ability of other businesses to maximize the advantages that public space can offer.

The EDC recommends that the vendors be limited to private property owned by the businesses that are bringing them into town. If the town deems it desirable to utilize public property for the vendors, the EDC suggests that the town parking lot behind Chesapeake Bounty be selected for vendor use. This is where the Chesapeake Bounty Kitchen food truck is currently located.

Time Constraints

One set of regulations that impacts the use of public space for mobile vendors is how much time food trucks are allowed to park and vend in one location. Shorter time limits translate to less time for vendors to sell in one spot, which favors competing stakeholders like restaurants, since less time means less competition. Time limitations have both advantages and disadvantages for members of the public - less time means fewer choices for consumers but it also means less congestion and more parking options, which is a major consideration for North Beach.

The EDC recommend time limits of four hours or longer during the day. Vendors need approximately one hour to set-up and pack-up once they are done with selling. As a result, anything less than four hours leaves vendors with only one to two hours of actual vending time. If the town selects to allow vendors during the evening hours, the EDC recommends that the time limit should be 7:00 AM to 9:00 PM.

Proximity Restrictions

This refers to regulations that designate a certain amount of distance that must be maintained between food trucks and other establishments, people, or infrastructure. This section is primarily concerned with the distance restrictions between food trucks and restaurants that are in competition.

The EDC suggests a 50-foot rule.

Sanitation/Public Health

This refers to food trucks' proper cleaning of preparation utensils and disposal of garbage, wastewater (gray water) and remnants of grease traps.

The EDC suggests that the town, when looking to adopt sanitation regulations for mobile vendors, should adhere to the standard requirements in cities with an already established food truck industry. These regulations can be found on almost any city government website. The EDC recognizes that the

Town of North Beach should take this aspect of the food vendors very seriously in order to avoid liability for health problems resulting from food contamination.

State and County laws often require mobile vendors to adhere to the same food safety regulations that are applied to brick and mortar restaurants. This is an effective way to promote proper food handling and accountability. Many vendors report that they actually appreciate the standards because they serve to combat the “roach coach” stereotype. Owners can confidently tell patrons that his truck is held to the same health standards as restaurants.

Questions to address: See Charles County link.

- Are Grease traps required? Where is gray water to be disposed of?
- Should they be required to pass a certified food management course?
- What health inspections are needed versus a standard brick and mortar restaurant?
- Are they required to wear disposable gloves and hair nets?
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Pedestrian Safety

Some towns’ ordinances have distance-from-pedestrian/sidewalk requirements.

The EDC did not come up with a recommendation for this distance, but some smaller towns recommend a 4-foot rule.

Town Hall Forum with Brick and Mortar Businesses

The EDC recommends a very inclusive approach to their ordinance restructuring. We suggest brainstorming initial ideas internally then presenting the draft suggestions to the public for feedback. Also, we recommend conducting private meetings with individual brick and mortar businesses to allow them to speak freely without fear of backlash. This tactic should be particularly useful for restaurants. The town will have an opportunity to assure them that they will be protected from unfair advantage of the food trucks.

North Beach should look for ways to encourage relationships between the various stakeholders. At the heart of proximity rules are concerns that restaurants (and other established businesses) have about unfair competition. They pay expensive monthly rents and property taxes, but they are also engaged with the community. Because they are stationary, most restaurants see themselves as part of the community fabric. They create employment opportunities and care about neighborhood safety and aesthetics. Some view mobile vendors as profit-driven, fly-by-night operators with few or no ties to the community. Conversely, mobile vendors often feel that restaurateurs are fearful of innovation in food culture.

Conferences, forums, or meetings could be called with stakeholders from both sides invited to the table in a spirit of cooperation

The EDC also recommends that the town identify private vacant lots and create "Partnerships for Mobile Vendors" to gather and sell in the same location. The lot owners could be approached by the town with the opportunity for those owners to rent that space to vendors

Contacts and References:

La Plata Planning Department (Seth Koons-Planning Department) : La Plata does not have anything written up but said current town policy is truck vendors must operate only on private property as well as comply with county sanitation and health regulations/permitting and town zoning (the trucks can operate at their "Farmer's Market").

Indian Head town follows same approach.

PG and Montgomery Counties are working on legislation/regulations but status for Calvert and Saint Mary's is unknown.

Charles County Planning Dept. (Teresa Pickeral: 301-638-2409) Charles County provided proposed zoning restriction/regulations for food truck operation (below). These regulations were discussed at 6/20 planning commission meeting and are going to County Commissioners soon. See link:

[http://www.boarddocs.com/md/ccpc/Board.nsf/files/AASPC861485C/\\$file/Mobile%20Food%20Facility%2C%20ZTA%20and%20Work%20Session%20Report%2C%20June%2020%2C%202016.pdf](http://www.boarddocs.com/md/ccpc/Board.nsf/files/AASPC861485C/$file/Mobile%20Food%20Facility%2C%20ZTA%20and%20Work%20Session%20Report%2C%20June%2020%2C%202016.pdf)

Leonardtown, MD (Maria Fleming- Public Relations and Events): Leonardtown does not have a policy on mobile food but has developed operational guidelines through the Events Office. Mobile food trucks must have a County Business License, registered with and permitted by County Health Department and be self-sufficient (power, water, etc.). Mobile food vendors pay a "vendors" fee of \$45/space/each town-sponsored event s and sign a vendor's agreement (attached). They are permitted to park in designated public parking areas (usually Central Square) or private property and there is no time constraints imposed. The Town is reviewing operational possibilities of maintaining certain designated areas and limit the number and duration of permits.