

Mayor and Members of the City Council **STAFF REPORT**For the Meeting of May 13, 2024

Title/Subject

Status of current mobile food vendor regulations.

Summary and Background

The city council received testimony during the unscheduled communication portion of the April 22 meeting asking for assistance in locating additional food trucks in the city. City staff has met with Maria Villajrana to discuss her concerns with food truck regulations and combined those concerns with other concerns expressed to city staff by interested vendors. Ms. Villajrana is most concerned with the requirements for electrical service, and that units must be self-contained and cannot connect to water on the property. Additionally, she has found it difficult to find a space that complies with the city's 400-foot spacing requirement for mobile food vendors. Currently, the city requires a mobile food unit to be separated from another restaurant or food unit by a distance of at least 400 feet. This distance is measured from the property line, rather than from the unit or building itself.

As background, the city has a comprehensive set of rules for food truck location and operation. Staff has prepared a handout which is given to interested vendors which details the city rules. An average week will see many interested vendors visiting the city to discover the local rules. It is not unusual to field as many as three inquiries per day.

The city offers three different levels of licensing. A vendor may apply for an annual license, a 90-day license, or a lunch truck license. This narrative focuses on the annual license as it is the most restrictive. The 90-day and lunch truck license are slightly less restrictive requirements but to date no vendors have been interested in these other options.

The rules regarding location and operation are fairly simple, but comprehensive. The city has a total of six food vending licenses available each calendar year and only one license will be issued for each person. Mobile units must be on a paved surface and must provide at least three paved parking spaces for customers, the parking cannot be part of the minimum required parking for another business. The unit must be located at least 400 feet from another restaurant or food unit, measured from the property line. The truck itself must be at least 20 feet from any street or property line. Hours of operation are limited to 6 am to 10 pm. The truck must leave the premises each night. No seating or awnings for patrons may be used. Units must be self-contained with water and wastewater contained in the unit. A 35-gallon

trash can for customers shall be provided. Propane, water, or other tanks cannot be placed on the ground. Electrical service shall be provided by a cord of no more than 10 feet. No flashing lights are permitted. Other requirements can be found in the city handout attached to this report.

The city requires a license for any food unit which has a Class II, III, or IV food handling license from the county health department. In essence, the license is required for any vendor who prepares or assembles food on the premises. Selling fruit in a parking lot is not a mobile food vending operation under the city definitions but preparing that fruit should require a license and be inspected by the county. The city has interpreted gas stations and grocery stores with deli service to not be restaurants and not subject to the exclusion requirement. Bakeries, gas station delis, and similar operations are regulated by the state Department of Agriculture and not the county health department, thus being interpreted as not restaurants. However, that interpretation could be changed with council direction.

Staff has prepared maps to accompany this report helping to illustrate the overall real estate situation vendors face. On each map the eligible commercial areas where vendors may locate are shaded in blue.¹ Restaurants and food trucks are hashed on the existing restaurant map. The second map illustrates the existing 400-foot buffer restriction. Based on the 400-foot restriction, it is not possible to locate a food truck on Highway 395 between SE 4th Street and Theater Lane. This is the highest vehicular traffic corridor in the city and therefore the most attractive to businesses. There are considerable commercial areas available for siting a food truck, but they will have less visibility and drive-by trips than highway frontage. For illustrative purposes staff has also attached a map reducing the exclusion buffer to 100 feet. Considerable highway frontage becomes available with any reduction to the buffer distance.

Regardless of any potential change to buffer distance from restaurants, food trucks are still required to provide three paved parking spaces for patrons and one space for the truck itself. When collocating with an existing brick and mortar business, this requires the existing business to have excess parking above the minimum parking standard available. The city does not have an inventory of what businesses have excess parking, but requires a site plan at the time of food truck license application to assist if a site is eligible. Not all businesses have excess parking and staff does not recommend eliminating a parking standard for food trucks entirely. Part of the initial impetus for requiring a license and site plan review for trucks stemmed from citizen complaints that existing trucks did not have adequate parking and patrons would park on adjacent business' lots reducing their available parking or even park in the street to patronize a truck, creating congestion and safety issues.

Any discussion surrounding food trucks needs to also consider the city's food pod. The food pod, located across Orchard Ave from the Post Office, is located on public land on a repurposed parking lot. The city invested in water, sewer, and electrical improvements to the site, as well as fencing to create a central location for trucks to locate. Part of the impetus for the investment was the difficulty in finding eligible truck sites. The city considered that a central location would be a benefit to downtown development, park use, and other public benefits. The pod is very popular and has a waiting list for slots to open up. It is managed by the parks department and has an on-site contract manager. Trucks are not required to leave each night due to the exemption in the code for public land. Trucks located on public land are

¹ Blue areas represent eligible zoning, not necessarily eligible lots. There are houses in commercial areas which would not be eligible even though the appropriate zoning exists.

not required to obtain a mobile vending license and meet some of the requirements for site location.

Staff sees a potential opportunity for private investment in a food truck-oriented business. There are multiple cities in Oregon which now have established private food pods with multiple trucks, off-street parking, and a central structure for seating and beverage vending. Some of these sites even operate as a tap house vending soft drinks and alcohol while renting space to vendors. It is not clear that this model fits in the city's existing code, but is something staff would encourage as an entrepreneurial opportunity. Code amendments to accommodate this type of investment are minimal if an interested party were to approach the city.

No action is requested of the city council at this meeting. Staff requests any direction for potential code amendments or opportunities the council is considering or if the existing ordinance is adequate.

Tie-In to Council Goals

1.3 Evaluate retail business mix and pursue areas of need

Fiscal Information

N/A

Alternatives and Recommendation

<u>Alternatives</u>

N/A

Recommended Action/Motion

This item is intended for information and discussion only. The council may choose to direct staff to pursue additional actions for a future meeting.

Submitted By:

Clinton Spencer, Planning Director.