

department of economic opportunity

COUNTY OF LOS ANGELES

BOARD OF BOARD OF SUPERVISORS

Hilda L. Solis

Holly J. Mitchell

Lindsey P. Horvath

Janice Hahn

Kathryn Barger

EXECUTIVE LEADERSHIP

Kelly LoBianco
Director

Jessica Kim
Chief Deputy

Bill Evans
Administrative Deputy

Daniel Kelleher
*Assistant Director, Economic
Development*

Kristina Meza
*Assistant Director, Workforce
Development*

GET IN TOUCH

510 S. Vermont Avenue
Los Angeles, CA 90020
opportunity.lacounty.gov
deo@opportunity.lacounty.gov
844-777-2059

America's Job Centers:
(888) 226-6300
Office of Small Business:
(800) 432-4900



December 12, 2023

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL TO AMEND COUNTY CODE, TITLE 8 – CONSUMER PROTECTION, BUSINESS AND WAGE REGULATIONS TO ADD CHAPTER 8.42- SIDEWALK VENDING (ALL SUPERVISORIAL DISTRICTS) (3 VOTES)

SUBJECT

The LA County Department of Economic Opportunity (DEO) is seeking Board approval to adopt an ordinance amending Los Angeles County Code (County Code) Title 8 – Consumer Protection, Business, and Wage Regulations to add Chapter 8.42 – Sidewalk Vending to regulate in the County unincorporated areas, as directed by the Board of Supervisors (Board) on September 15, 2020.

IT IS RECOMMENDED THAT THE BOARD AFTER THE PUBLIC HEARING,

1. Introduce, waive reading, and place on the agenda for adoption the enclosed Sidewalk Vending Ordinance (ordinance) amending County Code Title 8 – Consumer Protection, Business and Wage Regulation by adding Chapter 8.24 – Sidewalk Vending to allow for the regulation of such activity in the County unincorporated areas with an annual registration fee amount of \$604 for a Sidewalk Vendor Registration Certificate.
2. Authorize the DEO to reinvest the fines and penalties collected through this Chapter into the Sidewalk Vending Program.

3. Find the proposed actions are not a project under the California Environmental Quality Act (CEQA) pursuant to the State CEQA Guidelines, Section 15378.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On November 7, 2018, your Board approved a motion directing the LA County Department of Consumer and Business Affairs (DCBA) in collaboration with County Counsel and other relevant departments to:

- Engage community and business stakeholders to gather feedback on the sidewalk vending industry and identify the needs of sidewalk vendors, brick-and-mortar businesses and community residents;
- Identify best practices through engagement with cities, counties, and other government agencies;
- Assess past County efforts related to sidewalk vending; and
- Assess current County policies and codes that impact sidewalk vending and recommend comprehensive and integrated policies and programs under the framework of health, public safety and welfare.

The Board's action was in response to the introduction of California Safe Sidewalk Vending Act (SB 946), which became effective on January 1, 2019.

On September 15, 2020, your Board approved a motion directing DCBA with County Counsel, the Directors of Public Health, Public Works, and other relevant departments to prepare ordinances to implement the regulatory framework for a Sidewalk Vending Program to regulate in the County unincorporated areas.

On July 1, 2022, DEO was established by the Board, and DCBA's duties for the Sidewalk Vending Program and other Board directives were reassigned to DEO. Pursuant to the Board's direction, DEO is now also implementing the Sidewalk Vending Collaborative for Health, Safety, and Economic Mobility Program, funded by the American Rescue Plan Act, to create an education and outreach campaign, introduce the County's Sidewalk Vending Ordinance for adoption and administration, and implement a pilot contract to manufacture 200 California Retail Food Code-compliant food carts to be granted to eligible sidewalk vendors.

Title 8 of the County Code governs consumer protection, business, and wage regulations. The ordinance that will be introduced for adoption will add Chapter 8.42 to the County Code. Chapter 8.42 was drafted in collaboration with the following LA County departments: Economic Opportunity, Treasurer and Tax Collector, Regional Planning, Public Health, Public Works, Sheriff, Parks & Recreation, and Beaches & Harbor. The adoption of this ordinance will be a significant milestone for the County of Los Angeles in recognizing sidewalk vending as a valid business operation creating access

to economic stability, while establishing protocols to ensure public health, safety, and welfare.

Chapter 8.42 of the County Code will govern the administration of the Sidewalk Vendor Program and authorize DEO to enforce the provisions of the Chapter in the County unincorporated areas. The proposed ordinance will create the framework to regulate sidewalk vending activities in the unincorporated areas of the County. The proposed ordinance also adds a registration fee of \$604 for the reasonable regulatory costs for issuing the Sidewalk Vending Registration Certificate. The fee amount of \$604 will be subsidized by DEO and the fee amount reduced to \$0 in the first year of the program and an anticipated cost of \$100 in subsequent years, as further described below in the Fiscal Impact section.

Public Education and Outreach

DEO partnered with the Departments of Public Health and Public Works to conduct 15 public outreach listening sessions at County Libraries to engage constituents and stakeholder groups that include sidewalk vendors, brick and mortar businesses, residents, community-based organizations, and government agencies between November 15th to November 30th, 2023. At each of the listening sessions, ordinance details were shared to solicit and gather feedback for consideration into the final ordinance draft and prior to final ordinance adoption.

The listening sessions were conducted in English and Spanish with a total of 11 hosted in-person at locations throughout the County with a minimum of two (2) sessions in each Supervisorial district. The four (4) virtual listening sessions were also conducted in English and Spanish during morning and evening hours to accommodate as many participant schedules as possible.

The public notice with marketing materials for these listening sessions was distributed through Board Offices, community-based organizations, and the County Subscriptions listserv. Notice was also circulated through the DEO newsletter, the Office of Small Business client listings and via social media from November 15th to November 30th.

DEO will continue to hold community meetings on the ordinance, as needed. DEO and contracted partners are also delivering daily community outreach for support and compliance against existing rules and regulations and in anticipation of the Sidewalk Vending Registration Certificate enrollment period, pending passage of the ordinance.

Implementation of Strategic Plan Goals

The recommended action supports the County Strategic Plan Goal II: Foster Vibrant and Resilient Communities; Strategy II.1: Drive Economic and Workforce Development in the County, by creating pathways for microentrepreneurs to engage in authorized, regulated economic activities.

FISCAL IMPACT/FINANCING

The Auditor-Controller reviewed and approved the proposed Sidewalk Vending Registration Certificate annual fee of \$604. The fee is expected to offset the regulatory program costs. The fee is based on full cost recovery and includes the administration and enforcement of the program. The fee covers the cost of five staff positions needed to administer the program, including one administrative position to review and process applications and four positions focused on outreach to vendors. The fee also includes cost recovery for procurement of a customer relations management system, enforcement, indirect costs, and services and supplies.

In year one, DEO is proposing to not charge vendors to register for the program to leverage American Rescue Plan investments and encourage registration. DEO anticipates charging a \$100 annual fee after year one of the program. This is to ensure participation in the Sidewalk Vending Program is affordable for sidewalk vendors. DEO has identified adequate funding for this program through FY 27-28 and DEO will continue to work with the CEO to identify future funding needs.

FACTS AND LEGAL PROVISIONS

Counsel has reviewed and approved the ordinance as to form, and it is recommended that your Board approve the proposed ordinance to amend – Title 8 – Consumer Protection, Business, and Wage Regulations by adding Chapter 8.42 – Sidewalk Vending for the regulation of Sidewalk Vendors in the County unincorporated areas. The ordinance has the complete list of requirements and amends the County Code to add the following specific requirements:

- Limit Sidewalk Vendors to Sidewalks and Pedestrian Paths only.
- Establish standard operation requirements with regards to distancing, hours of operations, and allowable equipment.
- Issuance of fines and penalties for violations.
- Registration with DEO to obtain certificate to authorize sidewalk vending on public sidewalks and pedestrian paths within the unincorporated areas of the County.

ENVIRONMENTAL DOCUMENTATION

The proposed actions are not a project pursuant to the CEQA because they are activities that are excluded from the definition of a project by Section 15378 (b) of the State CEQA Guidelines. The proposed actions will create a government regulatory mechanism that does not involve any commitment to a specific project, which may result in a potentially significant physical impact on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommendation to amend Title 8 by adding Chapter 8.42 – Sidewalk Vending will allow the County to regulate mobile and stationary Sidewalk Vendors operating in the County unincorporated areas for the benefit of the public’s health, safety, and welfare.

CONCLUSION

If you should have any questions please contact Jessica Ku Kim, Chief Deputy of the Department of Economic Opportunity at jkim@opportunity.lacounty.gov or (213) 422-4786.

Respectfully submitted,

Kelly LoBianco, Director
Department of Economic Opportunity

KL:JK:FM:JM:ag

Enclosures

- c: Chief Executive Office
Executive Office, Board of Supervisors
County Counsel
Public Health
Beaches and Harbor
Parks and Recreation
Public Health
Public Works
Regional Planning
Sheriff
Treasurer and Tax Collector