



## CITY OF COMMERCE AGENDA REPORT

**TO:** Honorable City Council

**Item No.** \_\_\_\_\_

**FROM:** City Manager

**SUBJECT:** **PUBLIC HEARING:** (1) A Resolution of the City Council of the City of Commerce, California, Establishing New Fees Related to Sidewalk Vendor Permits, pursuant to Chapter 5.16 "Sidewalk Vending," of Title 5 "Business Regulations and Licensing," of the Commerce Municipal Code; and (2) Introduction and First Reading of an Ordinance Adding and Amending Provisions of Chapter 5.16 "Sidewalk Vending" to provide additional definite guidelines.

**MEETING DATE:** October 6, 2020

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### **RECOMMENDATION:**

1. Conduct a Public Hearing;
2. Consider Staff Presentation and Public Testimony, if any;
3. Approve a Resolution establishing new fees related to Sidewalk Vendor Permits, pursuant to Chapter 5.16 "Sidewalk Vending," of Title 5 "Business Regulations and Licensing," of the Commerce Municipal Code; and
4. Introduce for First Reading, by waiving full reading and reading title only, an Ordinance Adding to and Amending Provisions of Chapter 5.16 "Sidewalk Vending."

### **BACKGROUND:**

On December 18, 2018, the City Council adopted its "Sidewalk Vendor Ordinance". The Sidewalk Vendor Ordinance was enacted in response to Senate Bill ("SB") 946, signed by Governor Brown on September 17, 2018, and effective January 1, 2019, which establishes statewide regulations for vending from non-motorized conveyances and one's person on sidewalks and in parks. The City adopted the Sidewalk Vendor Ordinance to establish a regulatory and permitting program that is consistent with SB 946, but also seeks to control its sidewalks and public rights of way to the fullest extent.

The Sidewalk Vendor Ordinance enacts a permitting scheme and, Section 5.16.070 "Permits – Application Fees" of the City Municipal Code, authorizes the City Council to impose fees by the adoption of a Resolution to enable the City's recovery of costs

incurred in enforcing and administering the program, including those costs incurred in processing application for permits, applications for renewals of permits, and appeals for denial or revocation of a permit.

Amendments to Chapter 5.16 "Sidewalk Vending" is also necessary to provide the City and the public with additional guidelines concerning required findings to issue a permit or renewal thereof, the term of a permit, and grounds to deny an application or revoke a City-issued permit.

## **ANALYSIS:**

### ***(1) Fee Resolution and Analysis***

Staff from the City's Executive Team, Department of Finance, and Code Enforcement, as well as the City Attorney's Office, undertook an analysis and evaluation of the municipal services and activities required to administer and enforce the Sidewalk Vendor Ordinance, and the fee structure necessary to proportionately allocate the costs of executing these required services and activities, which are reflected in Exhibit "A" attached to the Resolution. The proposed fees set forth in Exhibit "A" are imposed for a specific municipal benefit or services provided directly to the payer that is not provided to those not charged, and does not exceed the reasonable costs to the City for providing said municipal benefit or service.

Exhibit "A" to the Resolution is a schedule proposing a permit application fee, a renewal permit application fee, and an appeal fee. The proposed fees account for filing and processing costs associated with permit applications and renewals, as well as the duties and responsibilities imposed on City staff pursuant to the Sidewalk Vendor Ordinance. The fee amounts have been established to enable the City's recovery of costs incurred in enforcing and administering the program. The computation as set forth in Exhibit "A" takes into account the estimated time to complete specified program tasks, multiplied by the hourly burdened rate of City staff, which includes benefits.

Accordingly, the proposed attached Resolution, which incorporates Exhibit "A," provides that the permit application fee, renewal permit application fee, and the appeal fee be in an amount that fully covers the City's cost in administering and enforcing the regulatory and permitting scheme, in accordance with the Sidewalk Vendor Ordinance. In accordance with the fee schedule in Exhibit "A":

- (a) **Permit Application:** The costs of reviewing and acting on a permit application is estimated to be **\$405.02.**
- (b) **Permit Renewal:** A permit is valid for one (1) year from the date of issuance, and must be renewed thereafter in order to remain valid. The required process to renew a permit is to be in the same manner as in the case of the original permit application, subject to some exceptions. Therefore, a renewal permit application fee is in the amount of **\$356.02.**
- (c) **Appeal:** Additionally, the costs of reviewing, processing and acting on a request for an appeal is estimated to be **\$283.00.**

### ***(2) Ordinance Amendments***

In an effort to provide additional guidelines to staff administering the City's regulatory program, and to provide said notice to the public as well, amendments to Chapter 5.16 "Sidewalk Vending," are necessary including, but not limited to:

- (a) Adding Section 5.16.085, to establish additional required findings to issue or renew a permit, the term of a permit to be twelve (12) months; the process to renew a permit, and grounds to deny an application for a permit, or the renewal thereof; and
- (b) Amending Section 5.16.110 to provide additional grounds to revoke a permit.

The attached Ordinance reflects the proposed added or amended provisions as underlined or ~~stricken through~~.

#### **ALTERNATIVES:**

- 1. Approve staff's recommendation;
- 2. Make amendments to staff's recommendation;
- 3. Decline staff's recommendation;
- 4. Provide alternative and/or further direction.

#### **FISCAL IMPACT:**

The Sidewalk Vendor Ordinance provides authority for the passage of the proposed Fee Resolution, to impose fees related to the administration of sidewalk vendor permits in order for the City to recover its costs of processing said permit applications, and enforcing said regulatory program.

Prepared by: Norma Copado, Assistant City Attorney

Vanessa Ibarra, Deputy City Attorney

Recommended by: Vilko Domic, Assistant City Manager

Approved as to Form: Noel Tapia, City Attorney

Respectfully submitted: Edgar P. Cisneros, City Manager

#### **ATTACHMENTS:**

- 1. Resolution, with Exhibit A, "Fee Analysis"
- 2. Application Form [Draft]
- 3. Ordinance