

REVISED MOTION BY SUPERVISORS HILDA L. SOLIS

September 10, 2024

AND HOLLY J. MITCHELL

Authorize the Department of Economic Opportunity to Accept Funds from the City of Los Angeles and Execute a Memorandum of Understanding to Procure Sidewalk Vending Carts on Behalf of the City

With the passage of Senate Bill 946 in 2018, which decriminalized sidewalk vending in California and established guidelines for local regulations to legalize and support the sidewalk vending economy, the County of Los Angeles began to take steps towards establishing a path for Sidewalk Vendors to formally operate their businesses in the Unincorporated Areas of the County. In September 2020, the Board of Supervisors directed the Department of Consumer and Business Affairs (DCBA) to develop a Sidewalk Vending Ordinance to register vendors. This directive was transferred to the Department of Economic Opportunity (DEO) upon its creation in July of 2022. That same year, in September 2022, Governor Newsom signed SB 972 to help vendors acquire a Public Health Permit by making modifications to the California Retail Food Code (CRFC) relevant to the preparation and sale of food by sidewalk vendors and

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other compact mobile food operators, including revisions to specific equipment requirements to facilitate the procurement of carts by vendors. The new law became effective on January 1, 2023.

The County's Sidewalk Vending Ordinance (SVO), which reflected the regulations set forth by both SB946 and SB972, was adopted on February 6, 2024, and became effective on August 4, 2024. The SVO applies to unincorporated areas of L.A. County. On February 6, the Board also adopted the Compact Mobile Food Operations (CMFO) Program, which became effective March 6, 2024 (countywide excluding Pasadena, Long Beach, and Vernon) to allow food operators to ~~get the help they need to attain~~ receive assistance in obtaining a Health Permit from the County.

~~Despite all~~ In spite of these efforts, however, significant financial barriers exist for low-income micro-entrepreneurs seeking to vend prepped and/or prepared food in accordance with regulatory requirements, including expensive fees to prepare food at commissaries and the high cost of purchasing health-compliant vending carts. The Board approved an allocation of \$2.5 million of America Rescue Plan Act (ARPA) Funding to support the procurement of carts.

Similarly, the City of Los Angeles ~~City~~, which launched its Sidewalk Vending Program, is also looking to help sidewalk vendors formalize their businesseses. As such, the City Council has approved various initiatives to support local sidewalk vendors, including funding for outreach and education, technical assistance, and capital to acquire the vending carts needed to obtain proper food vending permits. This effort includes actions to work collaboratively with the County of Los Angeles Department of Economic Opportunity (DEO) to launch the purchase and distribution of vending carts to

eligible vendors using a regional approach to leverage resources and carry out the program more effectively.

In recognition of the economic benefits sidewalk vending provides to immigrant and low-income communities and the overall health of our local economy, and because the boundaries lines between the City of Los Angeles and the unincorporated areas of Los Angeles County ~~Unincorporated areas~~ are often blurred for most vendors, it is a benefit to ~~beneficial for~~ the County to support collaboratively partner with the City in its procurement and distribution of sidewalk vending carts.

WE, THEREFORE, MOVE that the Board of Supervisors:

- 1) Authorize the Department of Economic Opportunity to accept ARPA funding from the City of Los Angeles in the total amount of \$1,662,625 and execute a Memorandum of Understanding (MOU) with the City's Economic and Workforce Development Department (EWDD) for the manufacturing, ~~permitting, compliance monitoring,~~ and distribution of vending carts that are in compliance with Public Health requirements for sidewalk vendors whereby the County will use 10% to 15% of total funds to cover its programmatic and administrative costs; and
- 2) Authorize the Director of the Department of Economic Opportunity, or her designee, to execute, on behalf of the County, any contracts, and take any actions necessary to amend, ~~create,~~ or extend any programs funded by the American Rescue Plan Act or this funding in order to achieve the goals of the Sidewalk Vending Program's Cart Distribution.

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