



Memorandum

TO: Mayor Manier and City Council
FROM: Ray Forsythe, City Administrator RPF
DATE: September 5, 2019
SUBJECT: Motorized Vendors

At the Committee of the Whole Meeting on June 10, 2019, Jon and I presented the idea of allowing food trucks on ROW and public property to the City Council. The Council recommended a policy be drafted for further discussion.

Attached is a Motorized Vendor policy that staff has been drafted for review by the City Council. The Motorized Vendor policy actually would cover not only food vendors but other retail vendors who can operate out of a motorized vehicle. These vehicles currently operate in Washington on private property by invitation of property owners and other retail establishments. This includes coffee, food, clothing and other retail goods. These vendors are required to collect sales tax at the same 8.5% rate as would brick-and-mortar businesses selling similar goods.

Motorized vendors have become very popular in cities all over the country. There is a certain endearing quality to them that is appealing to a variety of demographics and could help bring additional customers to the city, whether it is during a typical weekday/weekend or as part of a special event. They can also serve as a springboard to an eventual opening of a brick-and-mortar location in Washington.

The policy requires a license and fee from any Motorized Vendor that operates in Washington. I suggest the initial fee of \$25 for the application and an annual fee of \$200 per Motorized Vendor. IDOT has indicated the locations on Business 24 where Motorized Vendors could operate. The map is attached to this memo and the draft policy. Additional locations would need to be determined by staff once policy direction is received by the City Council. This could include other public property and ROW outside of downtown.

RULES AND REGULATIONS FOR MOTORIZED VENDORS

CITY OF WASHINGTON

A Motorized Vendor (MV) is an individual, partnership, or corporation that engages in the business of selling retail goods, food and/or non-alcoholic beverages from a vehicle.

License and Fee

- A. Any Motorized Vendor shall submit an Application for a Motorized Vendor License
- B. A \$25.00 Application Fee is required to be submitted for any Motorized Vendor who operates within the City of Washington either on public ROW or Property or on Private Property.
- C. A \$200.00 Annual Fee per Motorized Vendor shall be paid to the City of Washington no later than January 30th each year or if a new license is being requested, the Annual Fee shall be paid at the time an application is requested. Existing businesses in the City of Washington shall be exempt from paying this fee if a business desires to also be a Motorized Vendor.

Vehicle Requirements

- A. A Motorized Vendor shall operate from a self-contained, motorized vehicle that possesses proof of valid driver's license and vehicle registration. The vehicle shall be kept in good mechanical and structural condition.
- B. Food and Retail trailers that require a vehicle to tow them to vending locations are also permitted, but the trailer must itself be a self-contained unit. The vehicle that tows the trailer may not play any role in the preparation and sale of food items.
- C. A Motorized Vendor's vehicle shall be enclosed on the top and all sides, with the business name legibly painted on both sides of the vehicle.
- D. A Motorized Vendor's vehicle is not a multi-use vehicle. It should not be used for any other purpose other than a Motorized Vendor.
- E. If the Motorized Vendor wishes to draw from a public power source, it must obtain written consent from the City and pay an appropriate fee, which shall be set by the City in its sole discretion. The City shall designate particular locations where it is acceptable for Motorized Vendors to draw from a public power source. A Motorized Vendor shall not draw electricity from non-approved public power sources, such as street lights. A Motorized Vendor may rely on self-contained electricity. If a Motorized Vendor wishes to draw from an external power source on private property, the Motorized Vendor must gain consent from the property owner.

Proximity and Location on Public ROW or Property

- A. A Motorized Vendor must conduct all points of sale on the curb side of the street in City of Washington approved public ROW or Properties. The City shall make a list and map of approved ROW and public properties available on the City's website and at City Hall and the Police Department.
- B. A Motorized Vendor shall not obstruct access to any sidewalk, street, alley or parking lot. While operating in a location that affects sidewalk traffic, a Motorized Vendor must provide a minimum of five (5) feet of unobstructed sidewalk to allow for pedestrian traffic, including, but not limited to wheelchairs.
- C. No Motorized Vendor shall operate in a location that is within one (1) block face of an existing stationary restaurant or retail establishment if a retail vendor during their posted hours of operation, unless permission is granted from said restaurant or retail establishment.
- D. A Motorized Vendor may operate and conduct business next to another Motorized Vendor, as long as these actions do not infringe on the Motorized Vendor that was in the area first.
- E. When operating on public property, tables, tents and chairs designated for customer dining are prohibited, with the exception of tents and tables that are specifically designated for food storage and preservation. On private property, tables, tents and chairs designated for customer dining are permitted with consent of the property owner.
- F. Free-standing signage, tables, tents and chairs of any kind are strictly prohibited, without any exceptions, if the Motorized Vendor is conducting sales from an on-street parking location.
- G. All signage and aesthetics promoting the Motorized Vendor must be attached to the vehicle.
- H. A Motorized Vendor may operate on private property only with written consent from the property owner.

Noise and Behavior Constraints

- A. The vendor shall not annoy, harass, or call out to patrons in any way that calls attention to the sale of any goods that are being sold from the Motorized Vendor.
- B. Any form of intimidation or disorderly behavior towards patrons, residents, pedestrians, and/or other vendors will not be tolerated.
- C. A Motorized Vendor shall not play any sort of music or make any announcements that are amplified.

Food Inspections and Licensing

- A. Motorized Vendors are strictly prohibited from selling any type of alcoholic beverages.
- B. Beverages may not be served in any glass cup or container.
- C. The Illinois Food Service and Sanitation Code sets forth rules and regulations for a Motorized Vendor. A Motorized Vendor shall comply with all health department regulations regarding food handling, food preparation, and food service.
- D. Every Motorized Vendor shall have a valid inspection certification from the Tazewell County Health Inspector.
- E. Every Motorized Vendor shall have a current food license from Tazewell County.

Sanitation and Disposal

- A. A Motorized Vendor shall abide by all rules and regulations regarding food safety and disposal set forth by the Tazewell County Health Department.
- B. A Motorized Vendor, at the end of each business day operation, shall remove all items, containers, and debris from the area of operation. The vendor shall collect all litter and garbage incidental to the operation of the vehicle.
- C. Vendors shall not place said refuse in any public trash container or any drain along the streets or sidewalks.
- D. A Motorized Vendor shall have a non-absorbent and washable receptacle for refuse that is adjacent to the Motorized Vendor.

Service Limits and Hours of Operation

- A. A Motorized Vendor shall not operate between the hours of 12:00 am and 7:00 am.
- B. A Motorized Vendor shall not operate a generator in a residential area between the hours of 10:00 pm and 7:00 am.
- C. A Motorized Vendor must operate in one (1) location for a minimum of thirty (30) minutes, and a maximum of six (6) consecutive hours, unless there are parking regulations that state otherwise.
- D. A Motorized Vendor must wait two (2) hours before returning to the same location.

E. A Motorized Vendor shall not violate any parking regulations and limitations set forth by the City of Washington unless granted permission by the City of Washington.

Special Events

A. A Motorized Vendor may operate at a registered special event with written consent from those holding the special event.

B. A Motorized Vendor may operate inside of the one (1) block limitation from existing restaurants or retail store when operating at a special event, but shall not obstruct any open stationary restaurant or retail store during that time

Hold Harmless/Indemnify and Insurance on Public ROW or Property

A. All Motorized Vendors operating on Public ROW or Property shall defend, indemnify and hold harmless the City from and against any all claims, demands, actions, or proceedings, all costs, including attorneys' fees, damages, expenses, or other liability of any nature whatsoever due to personal injury or property damage (including damage to the public property other than wear and tear), any of which arises directly or indirectly from or in connection with, in whole or in part, the operations of the Motorized Vendor.

B. The Motorized Vendor shall, at the Motorized Vendor's expense, carry and keep in full force and effect an insurance policy with a carrier and in a form satisfactory to the City, which policy or policies shall:

i. Have Commercial General Liability coverage with the following limits:

1. Each occurrence - \$1,000,000
2. Damage to rented premises - \$100,000
3. Medical Expenses (any one person) - \$5,000
4. Personal & Advertising injury - \$1,000,000
5. General Aggregate - \$1,000,000
6. Products – Comp-Op Aggregate - \$1,000,000

ii. Have Automobile Liability coverage with the following limits:

Combined Single Limit (each accident) - \$1,000,000

iii. Have Workers' Compensation & Employers' Liability coverage with limits that meet state statute requirements.

iv. State the following within: The City of Washington as an Additional Insured on the Commercial General Liability, Auto Liability and Excess Liability when required by written contract or agreement regarding activities by or on behalf of the Named Insured. This insurance is primary insurance and any other insurance maintained by the Additional Insured shall be excess only and non-contributing with this insurance. A waiver of subrogation applies to the Commercial General Liability, Auto Liability, Excess Liability and Workers' Compensation/ Employers Liability in favor of the Additional Insured. A copy of the thirty (30) days notification of cancellation endorsement needs to be included with the Certificate of Insurance naming the City of Washington.

Applicable laws

A. All Motorized Vendors shall comply with all laws, rules and regulations, including, but not limited to, the ordinances of the City of Washington, Tazewell County and the laws and regulations of the State of Illinois.

CITY OF WASHINGTON
APPLICATION FOR MOTORIZED VEHICLE LICENSE

<FORM TO BE COMPLETED ONCE POLICY IS APPROVED>

CITY OF WASHINGTON
APPROVED ROW AND PUBLIC PROPERTY LOCATIONS
<MAP TO BE COMPLETED ONCE POLICY IS APPROVED

