



## Legislation Text

---

**File #:** 19-0003, **Version:** 1

---

**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Quinn M. Barrow, City Attorney  
Steve S. Charelian, Finance Director

**SUBJECT:**

Second Reading of Ordinance No. 18-0025 Amending the Manhattan Beach Municipal Code to Regulate Sidewalk Vendors; Fee Resolution (Finance Director Charelian).

- a) **ADOPT ORDINANCE NO. 18-0025**
- b) **ADOPT RESOLUTION NO. 19-0009**

---

**RECOMMENDATION:**

Staff recommends that the City Council adopt: (1) Ordinance No. 18-0025, amending the Manhattan Beach Municipal Code (MBMC) to regulate sidewalk vendors; and (2) Resolution 19-0009 establishing application and related fees.

**FISCAL IMPLICATIONS:**

The adoption of this ordinance has no fiscal impact. There will be costs in staff resources for the processing of applications for vending permits, however these will be offset with application and processing fees.

**BACKGROUND:** Senate Bill ("SB") 946, a new bill which impacts the way local jurisdictions, including the City, regulates sidewalk vendors. SB 946, informally known as the "Safe Sidewalk Vending Act," will go into effect on January 1, 2019. If the City does not adopt the proposed ordinance, state law will govern sidewalk vending.

Under existing law, cities and counties enjoy broad authority to regulate businesses within their jurisdictions. SB 946 adds a new chapter to the California Government Code to substantially narrow that discretion with respect to sidewalk vendors by setting parameters for local regulations and prohibiting the imposition of criminal penalties. As described in the Legislature's findings, the bill's purpose is to promote entrepreneurship, to support immigrant and low-income communities, and to remove barriers those entrepreneurs face to accessing the formal economy.

On December 18, 2018, after receiving public input that was incorporated into the Ordinance before first reading, the City Council introduced Ordinance No. 18-0025. If adopted, Ordinance No. 18-0025 would amend the Manhattan Beach Municipal Code (MBMC) to regulate sidewalk vendors consistent with State law. A fee resolution to establish application and related fees has been prepared for

Council consideration.

**DISCUSSION:**

The Proposed Ordinance.

Pursuant to the authority conferred by SB 946, the Council adopted Ordinance No. 18-0025-U and introduced Ordinance No. 18-0025 on December 18, 2018. Ordinance No. 18-0025-U became effective immediately, so that the City has in place local regulations in effect before January 1, 2019. Ordinance No. 18-0025, which contains all of the substantive provisions contained in Ordinance No. 18-0025-U, will become effective 30 days after second reading. Upon its effective date, Ordinance No. 18-0025 will supersede Ordinance No. 18-0025-U.

Fee Resolution

Staff completed an analysis of the process for providing services related to the administration of a street sidewalk vending program within the parameters of SB 946 and City Ordinance 18-0025. Part of the analysis was to ensure that the City reasonably estimates staff required for providing this type of permit and the time estimates that are required to adequately evaluate and process the applications and permits.

A non-refundable application fee of \$79 will be charged for each application. This fee will recover the cost of staff time to evaluate the required documentation necessary to become a sidewalk vendor within the City. If the application is approved, the vendor will pay an annual permit fee of \$172 which recovers the cost for an in-person review of the City requirements with the vendor and the initial code enforcement inspection. The business/vendor will be required to procure a City business license which costs \$116.92 for the first \$41,591 of gross receipts plus \$2.12 per thousand in excess of \$41,591. Each vendor will also pay \$4 for a business license decal that must be affixed to their cart or vending apparatus. The permit and business license period will coincide with the City's current business license period which begins March 1<sup>st</sup> and expires the last day of February annually. The permit fee is not subject to proration and will be required for each cart vending within the City. The business license tax is adjusted annually based on the Consumer Price Index (CPI) rate, and the City will periodically conduct a user fee study which may impact future fee resolutions.

**ENVIRONMENTAL REVIEW:**

The proposed text amendments are exempt from environmental review under the California Environmental Quality Act, (California Public Resources Code §§ 21000, et seq., ("CEQA")) and the CEQA Guidelines (14 California Code of Regulations §§ 15000, et seq.) because the ordinances implement the provisions of Government Code Sections 51038 and 51039 and are therefore exempt from CEQA pursuant to Public Resources Code Section 21080.17 and California Code of Regulations Section 15282(h).

**Attachments:**

1. Ordinance No. 18-0025
2. Resolution No. 19-0009