

VILLAGE OF DOWNERS GROVE
Report for the Village Council Meeting
12/6/2016

SUBJECT:	SUBMITTED BY:
Mobile Food Vendor Ordinance Discussion	David Fieldman Village Manager

SYNOPSIS

A discussion of the mobile food vendor ordinance is requested.

STRATEGIC PLAN ALIGNMENT

Food Truck Ordinance is a High Priority Action Item for 2015-2017.

FISCAL IMPACT

N/A

RECOMMENDATION

Action at the discretion of the council.

BACKGROUND

On [July 5, 2016](#), the Village Council adopted an ordinance to allow permitted Mobile Food Vendors to operate in certain areas of the Village between the hours of 7:00 a.m. and 10:00 p.m., seven days a week. Since the adoption of the Mobile Food Vendor ordinance:

- 1 food truck license has been issued (The Roaming Hog)
- 5 vendors expressed interest in obtaining a license but did not submit an application

Village staff has engaged with these mobile food vendors and other stakeholders within the community to evaluate the permit process, and identify potential issues that may deter a vendor from submitting an application. The five vendors who did not pursue a permit cited a variety of reasons as to why they declined to submit an application and requested changes to the regulations (see table below).

Issue/Concern	Requested Change
Total annual permit cost & lack of pro-rated cost for partial year	Reduce the annual fee and pro-rate the fee for partial year operation
Cost and administrative burden of background checks for all employees	Require background checks for only employees with ownership interests
Limitations on the areas of operations	Expand the permitted areas of operation to include office parks such as the Esplanade (Lacey south of Butterfield) and Highland Landmark and Highland Oaks (31st & Highland)

Total Annual Permit Cost & Lack of Pro-Rated Cost for Partial Year

The Village currently charges an annual permit fee of \$250. In addition, the applicant is responsible for paying background check fees. The permit fee is issued on a calendar year basis and is not reduced or prorated for applicants seeking a permit for a partial year. Several vendors did not actively pursue a Mobile Food Vendor permit because there was no prorated fee for 2016. The Mobile Food Vendor ordinance was approved on July 5th, 2016, and the prospective vendors did not want to pay a full \$250 for 5 months of service.

Staff researched other surrounding communities' permit fees for mobile food vendors. The fees below reflect the base permit fee, other charges may be incurred. All permit fees are yearly unless noted otherwise:

Chicago - \$1,000 (2-year permit)	Northbrook - \$210	Elmhurst - \$100
Evanston – \$500 (\$250 for year 1 if issued after July 1)	Westmont - \$200	Lombard - \$50
Downers Grove - \$250	Schaumburg - \$190	Lisle - \$50

Cost and Administrative Burden of Background Checks for All Employees

The current ordinance requires background checks for all employees of mobile food vendors. The background check requires fingerprints for each individual. Finger printing costs about \$60 per person. This cost must be paid by the applicant and is in addition to the application fee. Most mobile food vendors have 3 to 8 employees in a year. In addition, the industry has a high rate of employee turnover. Mandatory fingerprinting for all employees could significantly increase the total cost of a Mobile Food Vendor permit due to the cost of fingerprinting each employee as well as potential ongoing costs if a vendor has high turnover. The estimated cost for employee background checks ranges from \$180 to \$480.

Estimated Cost for Mobile Food Vendor Permit

Type of Fee	Cost
Permit Fee	\$250
Fingerprint Fees*	\$180 - \$480
Total	\$430-730

*Mobile Food Vendors typically have a staff ranging from 3-8 rotating employees.

Limitations on the Areas of Operations

Licensed mobile food vendors are permitted to operate in Ellsworth Business Park and Park District Parks (with prior Park District Approval). Additionally, vendors are not allowed to operate within 500 feet of the property line of schools, brick and mortar restaurants, or special events. Mobile food vendors have expressed interest in operating in professional office areas such as Esplanade, Highland Landmark and Highland Oaks.