

To: HONORABLE MAYOR AND CITY COUNCIL.

FROM: Dave Maroney, City Administrator.

SUBJECT: *Food Truck (“Mobile Food Unit”) Discussion.*

DATE: June 13, 2019.

BACKGROUND.

The City Council has expressed preliminary interest in allowing a *Food Truck* (“Mobile Food Unit”) to operate in Cannon Falls. To further the discussion, Staff has prepared the accompanying verbiage.

REQUESTED COUNCIL ACTION.

Preliminary terms, standards and conditions have been prepared for initial consideration by the City Council. Following discussion and with your consent and guidance, Staff will prepare an Ordinance to amend Section 114 of the City Code for first reading on July 2, 2019.

MOBILE FOOD UNITS

1. **“Mobile Food Unit” means a food and beverage service establishment that is a vehicle mounted unit such as:**
 - a. A self-contained unit, in which food is stored, cooked, and prepared for direct sale to customer.
 - b. Operated in conjunction with a permanent business license under Chapter 157 or Chapter 128A of the Minnesota State Statutes at the site of the permanent business by the same individual or company, and readily movable, without disassembling, for transport to another location; and a self-contained unit, in which food is stored, cooked, and prepared for direct sale to consumer.
2. **City License Required.** Except as otherwise provided for by this section, no person shall conduct business as a **mobile food unit** without first obtaining a license from the City. This license is non-transferable.
 - a. **Charitable, Civic, Non-Profit, and educational or political organizations with offices in the Cannon Falls area and which primarily serves the greater Cannon Falls area** with its services **need not be licensed**, but are required to register with the City
 - b. **Mobile food units operating on private property need not be licensed, but are required to register with the City.**
 - c. **City will issue not more than three (3) licenses each season. The license fee is \$250.00 per season.**
3. **Mobile Food Units Requirements.**
 - a. **State License.** Mobile food units shall hold a valid license from the State of Minnesota Department of Health or Department of Agriculture. Any conditions of the State Health Department shall be incorporated into the license issued under this Section, in addition to any other conditions by the City of Cannon Falls.
4. **Insurance.** No permit shall be granted, nor be effective until the applicant files with the City a Certificate of Liability Insurance by an insurance company authorized to do business in the State of Minnesota, evidencing the following forms of insurance:

- a. Commercial general liability insurance, with a limit of not less than one million five hundred thousand dollars (\$1,500,000.00) each occurrence. If such insurance contains an annual aggregate limit, the annual aggregate limit shall be not less than two million dollars (\$2,000,000.00).
 - b. Automobile liability insurance with a limit of not less than two million dollars (\$2,000,000.00) combined single limit. The insurance shall cover liability arising out of any auto, including owned, hired and non-owned vehicles;
 - c. Food products liability insurance, with a limit of not less than one million dollars (\$1,000,000.00) each occurrence;
 - d. Public liability insurance, with a limit of not less than one million dollars (\$1,000,000.00) for each occurrence;
 - e. Property damage insurance, with a limit of not less than one million dollars (\$1,000,000.00) each occurrence;
 - f. Workers compensation insurance (statutory limits) or evidence of exemption from state law; and
 - g. The City shall be endorsed as an additional insured on the Certificate of Insurance and any umbrella/excess insurance if the applicant intends to operate its mobile food unit on public property.
5. **Hold Harmless.** A mobile food unit operating on City property, including public right-of-way, must submit a signed statement that the license shall hold harmless the City and its officers and employees, and shall indemnify the City and its officers and employees for any claims for damage to property or injury to persons which may be occasioned by any activity carried on under the terms on the license.
6. **Duration of sales.** A license shall be valid Memorial Day through Labor Day, “season”, however, the mobile food unit can’t operate in, or in front of, the same location for more than 21 days each season within the City of Cannon Falls.
7. **Overnight storage.** No overnight storage of a mobile food unit shall be permitted unless approved by City Council.
8. **Signs.** No signage shall violate the provisions of this Code relating to size and number of business signs. One “A” frame sign, not exceeding 12 square feet per side is permitted during operation, not to impede on vehicular or pedestrian traffic.
9. **Noise.** No shouting, blowing a horn, ringing a bell, or use of any sound devices upon any of the streets, alleys, parks, or other public places of the City or upon any private premises in the City.

10. **Parking.** Mobile food units must be located on a paved surface. A mobile food unit may not operate in a traffic lane, on a sidewalk, or in any location which causes an obstruction of traffic, such as queuing of patrons or advancement of vehicles. A mobile food unit **may operate on eligible public streets and occupy no more than two parking spaces.** No parking or sales shall take place within 60 feet of an intersection of two or more streets, nor within 30 feet of a driveway that enters a public street.
11. **Hours of operation** shall be allowed from **8:00 a.m. to 9:00 p.m..**
12. **Waste disposal.** Mobile food units shall provide waste disposal and clean up all litter and garbage generated by the mobile food unit removing their receptacles when they relocate. They shall provide separate trash and recycling receptacles for their customers.
13. **Self-containment.** Mobile food units can't connect to public utilities. Any generators must be self-contained. There shall be no electrical cords or exterior hazards to the public.
14. **Locations.** Mobile food units shall be allowed in public right-of-way only in zoning districts where retail sales are allowed as permitted or special uses under the City's zoning code. Except that mobile food units may be located on privately owned property in the Commercial, Industrial, and Downtown zoning areas of the city with registration with the City.
15. Mobile food units may not provide external seating.
16. **City Parks.** Mobile food units **(are or are not)** allowed in city parks.
17. **Mobile food trucks are prohibited from vending within 500 feet of a Community Event** unless they are specifically authorized by the event organizer to participate in the event.
18. **Mobile food units may not be located within 200 feet of any same or similar food establishment** as measured from the Mobile Food Unit to the food service building.

LICENSE SUSPENSION AND REVOCATION: Any license under this section may be suspended or revoked at the discretion of the City Council for violation of any of the following:

1. Fraud, misrepresentation or incorrect statements on the application form;
2. Fraud, misrepresentation or false statements made during the course of the licensed activity;

3. Conviction of any offense for which granting of a license could have been denied under Ordinance _____.
4. Violation of any provision of Ordinance_____.

Adopted by the City Council of the City of Cannon Falls this ____ day of _____