



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 23-228

Agenda Date: 3/26/2025

Agenda #: 23.

DATE: March 26, 2025

TO: Honorable Mayor and City Councilmembers

FROM: Development Services Department

TITLE: **INTRODUCTION OF AN ORDINANCE REGULATING SIDEWALK VENDING**

RECOMMENDATION

Staff recommends that the City Council introduce an ordinance amending Sections 15.63 and 15.68, and adding Section 15.69 of the Oceanside City Code to modify existing Sidewalk Vending regulations.

BACKGROUND AND ANALYSIS

On September 17, 2018, California Governor Edmund Gerald Brown signed California Senate Bill 946 ("SB 946"), also known as the "Safe Sidewalk Vending Act," into law. SB 946 legalizes sidewalk vending and establishes limits to local regulations. The bill was introduced to provide, in part, important entrepreneurship and economic development opportunities to low-income and immigrant communities. The law became effective January 1, 2019. The legislation allows a local agency to adopt regulations in accordance with SB 946; however, cities cannot prohibit sidewalk vending. Prior to the adoption of SB 946, the City only allowed sidewalk vending and other commercial activities on public sidewalks and pedestrian pathways subject to a City Council-issued a permit.

Following the adoption of SB 946, City staff met and discussed how to regulate such activity while meeting the intent of State law (i.e., supporting economic development opportunities for low-income and immigrant communities) by establishing procedures to process sidewalk vending business license applications. Staff's early discussions were aimed at balancing the needs of vendors while ensuring compliance with the American Disabilities Act by ensuring vendors do not unduly interfere with sidewalk access, preventing an undue concentration of commercial activities in certain locations and preserving the public's use and enjoyment of natural resources and recreational opportunities, while at the same time promoting economic development opportunities by allowing vending to occur in several locations throughout the City.

On September 11, 2019, the City Council adopted staff's recommended sidewalk vending regulations consistent with SB 946. These regulations include, in part, the need for vendors to obtain a seller's permit and health permit (when applicable). The City's current regulations provide reasonable time, place, and manner restrictions permitted under SB 946.

While some vendors have been successfully licensed, since adopting the regulations, staff have also received hundreds of complaints regarding vending activity necessitating periodic enforcement throughout the City. In the majority of contacts, vendors were found to lack the necessary seller's permit or, in the case of food preparation and sale, a San Diego County Environmental Health Permit. Many of these violations involve vendors who have been contacted repeatedly, yet refuse to comply. Nearly all vendors contacted are neither Oceanside residents nor Oceanside-based businesses.

In a typical enforcement situation, bilingual enforcement staff provides education, information, and applications so non-compliant vendors can apply for the necessary permits. When Code Enforcement staff contacts an unlicensed vendor, they provide him or her a packet containing a business license checklist, contact information for County Health, a City business license application, and a sidewalk vending agreement summarizing existing regulations. In some instances, Code Enforcement staff have cited violating vendors at multiple locations throughout the City on the same day. Several repeat offenders have been cited on the Oceanside Pier with flame-producing devices, such as gas barbecues, posing a significant risk to the wooden structure. Despite these enforcement efforts by staff, some vendors returned to the exact location with flame-producing devices the very next day. Under existing regulations, the Pier is a prohibited vending location, as is the use of a flame-producing device on the Pier. Still, these violations persist. In addition, vendors willfully and repeatedly violating the City's regulations pose a health and safety risk to the public an unreasonable burden on enforcement efforts. For example, numerous food-related health and safety violations have been observed by staff and County Health inspectors during prior inspections.

In the past, Code Enforcement staff have coordinated with MainStreet Oceanside and Mira Costa Community College's Small Business Development Center. These two business-oriented organizations provided a forum so City staff could present relevant information to potential vendors. Demonstrating this effort's effectiveness, some attendees of that event subsequently obtained the necessary licenses to lawfully operate their sidewalk vending business. Despite this ongoing outreach and attempts to guide non-compliant vendors through the City's process, only a small number of vendors have complied with the requirements. At this time there are 10 licensed sidewalk vendors in the City, five of which are permitted to sell food. Staff intends to coordinate another round of outreach with MainStreet and/or Mira Costa College following adoption of the recommended ordinance revisions.

To ensure public health, safety, and welfare, staff recommends that the City Council adopt the proposed impound provisions in Section 15.69. Currently, staff may only impound vending equipment when it is left abandoned for more than 30 minutes. When contacted and advised to cease vending, many violators simply pack up their equipment and move to another nearby location to continue vending illegally. The proposed ordinance amendment will permit staff to impound carts belonging to vendors who, regardless of staff's repeated efforts to educate, inform, and gain voluntary compliance, refuse to follow the City's reasonable licensing and safety requirements.

Under the proposed ordinance amendment, carts may be impounded for violating the regulations in Section 15.66, such as selling food to the public without a valid health permit, refusing to obtain a seller's permit, or failing to provide identification necessary to issue an administrative citation. In most situations, before determining whether or not to impound a cart, staff will consider any relevant

history involving the vendor or vending equipment. Impounded carts will be available for retrieval by the owner upon payment of an impound fee, set by resolution (currently set at \$61) to reimburse the necessary City staff time associated with impound efforts. As an enforcement tool, impounds will generally be reserved for circumstances in which other enforcement measures have proven ineffective. Staff will continue to educate and, as necessary, administratively cite violators without impounding equipment whenever possible.

FISCAL IMPACT

With additional enforcement, additional sidewalk vending permits may be issued thereby increasing the business tax revenue in the General Fund. The vending impound fee revenue, deposited into 425900101.4196.0003, will cover the cost of impounding a vending device and be a net zero fiscal impact to the General Fund.

COMMISSION OR COMMITTEE REPORT

The amended ordinance was presented to the Community Relations Commission on March 4, 2025 as an informational item. Following staff's presentation, the Commission discussed the matter and expressed no significant concerns regarding the proposed Ordinance.

CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

Prepared by: Kirk Mundt, Code Enforcement Division Manager
Reviewed by: Darlene Nicandro, Development Services Director
Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Ordinance
3. Redlined Ordinance