

Itinerant Merchant Fees

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Rationale

For the community and city, creating opportunities for economic development is a key priority because it raises revenue, vibrancy, and creates a level of attractiveness for business and residents, as well as for the city as a whole. In addition, temporary vendors serve as the local economy's incubation chambers—where promising concepts often turn into brick-and-mortar businesses and poor concepts do not result in unattractive and economically debilitating vacancies.

Special events are an especially advantageous way for the City to support economic development without increasing the budget to do so. Maintaining reasonable fees for organizations and their hundreds of volunteers engaged in staffing and managing such events ensures continued street activity for the City's neighborhoods. It also enables the City to compete for visitors among other highly active jurisdictions. Maryland alone has thousands of events and festivals—all competing for customers.

The actual cost of permitting plays a role in hawkers/peddlers' decision-making process about whether or not to start a business. One of the most basic barriers to entry for many potential entrepreneurs is start-up costs, which include permitting fees. Setting fees calls for a delicate balance between covering costs for the City, protecting the investments of existing brick and mortar businesses, and keeping fees low enough to encourage hawker/peddler vendors.

For determining the following proposed fees, numerous cities' fees were studied. Although the number of permits required and the cost for each varied, the majority of small cities' total application and licensing fees fell within \$145-\$350. Keep in mind that this fee is in addition to numerous other fees that such a business is generally required to have, such as Health Department licensure, registering a legal entity with the State, insurance, U&Os for pop-ups, special event applications, etc.

Example of Food Truck Fees Reviewed

Atlanta: \$145 non-refundable permit and application fee; renewals \$125

Denver: Application: \$200.00; License (per year): \$125.00

Raleigh: truck app \$100; pushcart app \$50; permit \$82

Knoxville: an initial \$200 annual fee; \$50 annual renewal fee

Alexandria: food truck application (\$100), License Application (\$250)

New Haven: \$200 annual fee

Proposed Fees

7.40.040 Nonrefundable **Application** Fee for Hawkers/Peddlers License - \$35

Nonrefundable Expedited **Application** Fee for Hawkers/Peddlers License (if submitted less than 5 working days in advance) - \$100

7.40.070 **License** Fee for Hawkers/Peddlers License

Special Events Only - \$15 per day/per 150 vendors (or fraction thereof)

(*At time of application, a copy of the County's Health Department certificate must be supplied to the City for any food vendor that requires one)

Non-Special Events - \$35 per 30 days (or fraction thereof)

Non-Special Events - \$300 per year

7.40.095 **Fine** for Hawkers/Peddlers License Violations

Initial Offense - \$55

Repeat or continuous violations - \$100 per day