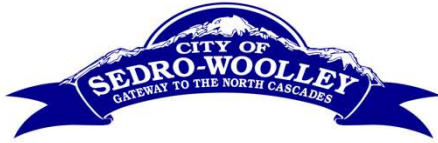


**CITY OF SEDRO-WOOLLEY**

Sedro-Woolley Municipal Building  
325 Metcalf Street  
Sedro-Woolley, WA 98284



Richard Coleman  
City Administrator Intern  
Phone (619) 228-3856  
rcoleman@sedro-woolley.gov

MEMO TO: City Administrator  
FROM: Richard Coleman  
RE: Mobile Vendor Policy  
DATE: April 28, 2022

**Executive Summary:** Inflation is at a 40-year high and rising costs are putting pressure on budgets; however, inflation has also led to an increase in sales tax revenues (with a consumer shift to goods). Additionally, analysts predict economic expansion over the next 12-24 months.<sup>1</sup> Aligning Sedro-Woolley’s mobile vendor policy with its’ strategic vision of a thriving community offering an ideal balance of where one chooses to live and work, may incentivize small business / entrepreneurship, and help stimulate sales tax revenue.

**Issue:** Sedro-Woolley charges four times the amount of business fees for mobile vendors compared to other categories of business fees.

**Background – Analysis:** Sedro-Woolley Annual Business License Fee Table

Mobile Vender	External Venders	Regulated Business (Alcohol / MJ)	Pawnbrokers	Taxi	General Fee	Non-Profit	Exemption
<b>\$1,000.00</b>	\$250.00	\$250.00	\$135.00	\$135.00	\$35.00	\$0.00	<\$2,000.00

**Issue:** Sedro-Woolley charges a greater amount of mobile vender business fees compared to neighboring cities (suggesting more competitive rates may affect economic development).

**Anacortes.** A joint licensing program through the State Dept of Revenue, Business Licensing Service treats mobile vendors like any other business. A “non-resident business fee endorsement” of \$40.00 is required for mobile vendors in addition to a town endorsement of \$40.00 plus a general licensing fee of \$90.00 to open any business (a total fee of \$170.00).

**Burlington.** Requires mobile vendors pay a business license fee (of \$25.00, \$75.00 or \$100.00) based upon a range of gross revenue (note chart below).

**Mount Vernon.** Does not specify policy for mobile vendors. There is no separate mobile vendor licenses fee - only a (general) new business license fee of \$50.00.

<sup>1</sup> Chief Economist at Moody Analytics, Mark Zandi, predicts US economy will evolve into a self-sustaining economic expansion over the next 12-24 months assuming COVID-19 will not cause increased economic disruption, Russia’s economic fallout will be contained, and the Fed will raise rates to calm inflation to within 2.5% by 2023 (Source: Governing- The Future of States and Localities; 4/25/22 (Alan Greenblott).

**Background – Analysis: Mobile Vender Annual Business Fee Cost Table**

Category	Non-Resident (Mobile Vender)	Gen New Business Fee	Town Endorsement Fee	Other Purpose (than listed categories)	Annual Renewal Fee
Anacortes	<b>\$40.00</b>	<b>\$90.00</b>	<b>\$40.00</b>	\$19.00	\$10.00
Burlington	TBD by Council per Rev Amount \$50.00 < \$20K Rev \$75.00 > \$20K, < \$75K Rev \$100.00 > \$100K Rev	TBD by Council per Rev Amount	TBD by Council	N/A	
Mt Vernon	N/A	<b>\$50.00</b>	N/A	N/A	\$50.00
Sedro-Woolley	<b>\$1,000.00</b>	<b>\$35.00</b>	N/A	N/A	

**Issue:** Sedro-Woolley provides detailed guidance regarding mobile vender operations compared to other cities; however, does not specify operating distance from other open establishments. It restricts mobile vender operations less than Anacortes and Burlington. Mt Vernon does not specify mobile vender guidelines.

**Background – Analysis: Comparison of Mobile Vender Restrictions / Exemption Table**

Restriction	Corp Limit Public St Right of Way	Operations Near Other Business	General	Pvt Property	Exempts
Anacortes	<b>NOT PERMITTED</b> No Food Trucks	<b>NOT PERMITTED</b> No Food Trucks		<b>PERMITS</b> Food Trucks during business hours	< \$2K Rev Trade Shows
Burlington	<b>NOT PERMITTED</b> , except for frozen/prepackaged/individually wrapped food items, as long as vendors are at one location no more than 10 minutes	<b>NOT PERMITTED W/N 100 FT &amp; without other establishment consent</b> ; Permitted to set up & serve local business employees	Permitted 7:00am – 9:30pm;  Alcohol Prohibited		< \$2K Rev, Farmer FFVegs, St Fairs, Carnivals, Trade Shows
Mt Vernon	<b>No Info Available</b>				< \$2K Rev
Sedro-Woolley	PERMITTED if: (i) Legally parked (one space) (ii) Not Obstructing Street (iii) Operating less than <b>60 minutes at a time</b> , per city block	Permitted to set up & serve local business employees; <b>Not Specified relative to distance from another business establishment</b>		PERMITTED When allowed by owner	< \$2K Rev, Farmer FFVegs, St Community Fairs, Carnivals, Trade Shows, special events, Minors, <10 Min per block

**Recommendation:** Creating mobile vender cost parity may stimulate Sedro-Woolley economic development. Additionally, emphasizing streamlined administration of applications through a joint licensing program with State Department of Revenue (DOR) Business Licensing Service may incentivize mobile vender owners to meet local / state requirements with one efficient online transaction.

