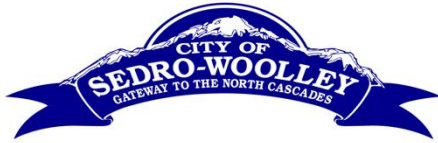


CITY OF SEDRO-WOOLLEY

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.¹ 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
\$1,000.00	\$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.

¹ 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	\$40.00	\$90.00	\$40.00	\$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	\$50.00	N/A	N/A	\$50.00
Sedro-Woolley	\$1,000.00	\$35.00	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	NOT PERMITTED No Food Trucks	NOT PERMITTED No Food Trucks		PERMITS Food Trucks during business hours	< \$2K Rev Trade Shows
Burlington	NOT PERMITTED , except for frozen/prepackaged/individually wrapped food items, as long as vendors are at one location no more than 10 minutes	NOT PERMITTED W/N 100 FT & without other establishment consent ; 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	No Info Available				< \$2K Rev
Sedro-Woolley	PERMITTED if: (i) Legally parked (one space) (ii) Not Obstructing Street (iii) Operating less than 60 minutes at a time , per city block	Permitted to set up & serve local business employees; Not Specified relative to distance from another business establishment		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.

