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THE LEGALIZATION OF STREET VENDING IN LOS ANGELES:

EXPLORING THE IMPACT ON VENDORS AND THEIR LIVELIHOODS

KAREN ALPUCHE CACERES



Presented to:

Eleanor Brown
Professor, Pomona College

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Submitted in partial fulfillment of the requirements for a Bachelor of Arts degree with a major in Public Policy Analysis-Economics

Abstract

This thesis aims to unpack the impact the legalization of street vending and the subsequent regulation had on sidewalk vendors. Although legalization occurred state-wide through Senate Bill 946 in September of 2017, the rules and regulations for vending were passed at a city-level, and I am focusing on the City of Los Angeles specifically. Through interviews with government officials, non-profit partners and advocates, and vendors from different parts of the City, I analyze information around the policy itself, its history, and the impact it has and is expected to have on vendors and their businesses. While vendors have been central to advocacy and the policy process, the creation of a permitting system in the City of Los Angeles has been less transparent. By interviewing stakeholders, relying on existing economic, political, and sociological literature, and gathering opinions from vendors themselves, I develop various policy recommendations to further empower vendors and integrate them into Los Angeles' formal economy. I recommend a permitting model that is backward-mapped and stems from the needs of and feedback from vendors in order for it to be more aligned with the goals and needs of vendors themselves.

Acknowledgements

I cannot begin to express my gratitude for all of the vendors who were a part of this process — whether through formal interviews, casual conversations, or even phone calls to check in on how I'm doing. I could not have imagined how meaningful this thesis would become to me, and it is all because of the kindness, strength, and resilience that shone through in every interaction I had with the men and women that go out to vend every day. Although your real names are not present in this thesis, I cannot thank each and every one of you enough for your time and friendship.

I'd also like to thank all of the incredibly dedicated staff from the Los Angeles Street Vendor Campaign who welcomed me into the various listening sessions and have worked for years to empower vendors throughout the City. I especially would like to thank Doug Smith and Katie McKeon, lawyers with Public Counsel who are very active within the Campaign. Even before our first scheduled interview, Doug was forwarding me information to relevant City Council and Interdepartmental hearings which were pivotal for my thesis research. Throughout this year he has been a great supporter, answering any and all questions I have and has actively questioned and improved my research process and findings. Katie has also been to every community input session, dedicating her time selflessly to help protect and empower vendors.

I am also much indebted to my thesis readers, Professor Eleanor Brown, Professor David Menefee-Libey, and Professor Gilda Ochoa. I have never taken a class with Professor Brown and can't express my gratitude to her enough for trusting me, believing in my idea, and offering advice and guidance throughout. I would also like to thank DML for his selfless commitment to all of his thesis advisees, spending every Sunday afternoon helping us brainstorm through any roadblocks and check-in on our progress. I also cannot thank Professor Ochoa enough, the space that she helped create among all of her thesis advisees was one of deep self-reflection, a calming space where some of my best writing occurred, and a community that supported each other through difficult moments in this process. To all of my thesis readers, thank you for all of your support and time, this thesis would not be even close to doing my interviewees justice if it weren't for all of your guidance.

I would also like to extend my thanks to Fernando and all of the staff at the Pomona Economic Opportunity Center. As early as the first week in my fall internship, I was brainstorming ideas for my thesis with Daniela over a plate of tacos. Throughout the semester and with the help of the staff, I was able to further define my thesis focus. Furthermore, I want to thank Hilary LaConte, Professor Rick Worthington, and the rest of the PPA Class of 2019 for all of their assistance in continuing to refine and shape my research question and thesis throughout the entire year.

Lastly, I'd like to thank my friends and family that have supported me endlessly throughout the long nights this year. From the friends who picked me up from the train station after a long day in Los Angeles to Kristina for her thorough edits and suggestions, I am immensely grateful. And of course, to my parents, Rina and Carlos, who heard me go on and on about my interviews and research and always offered their support and love. To all of my family, I want to extend my love and gratitude for their infinite support – throughout writing this thesis and beyond.

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Introduction

Vending is not an easy occupation by most metrics – Sandra Martinez, a vendor in Los Angeles' Piñata District, has to wake up at 4:30 AM in order to claim the best inventory when the wholesale retailers open their doors. Afterwards, she prepares her inventory for the day, washing, cutting, and arranging the fruit on her carts. The days can be long as she does not stop vending until she has sold all of her inventory, sometimes as late as 9 or 10 PM; this is due to the often-perishable nature of her goods. Nevertheless, Sandra spoke highly of her occupation, claiming it was hard and honest work.

People often associate street vending with the food culture of Los Angeles – where approximately 50,000 vendors are out in Los Angeles on any given day. However, until November of 2018, street vending was illegal throughout the City of Los Angeles, and most of the County as well. Carlos Bandera, a disabled vendor in his 40's also selling in the Piñata District, sold vegetables until his first encounter with police. He was fined \$1000 for illegal vending and had his inventory confiscated, setting him back another estimated \$300 or \$400. Carlos, when sharing that story, expressed relief that he had only been cited once and that he was not given a criminal charge. Street vending was decriminalized in 2017, meaning that while vending continued to be illegal, vendors were not allowed to be criminally charged for vending. Before the decriminalization of street vending, it was a criminally chargeable offense, so in addition to fines and the confiscation of equipment, vendors could be arrested, and in some cases, even deported. While great strides have been made to legalize and incorporate vendors

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All names and other personally identifiable information of vendors have been changed to protect their identity and stories around enforcement.

² Lorena Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," *Area* 48, no. 3 (September 2016): 343, https://doi.org/10.1111/area.12266.

into Los Angeles' formal economy, I aim to better understand the impact of legalization and the subsequent regulation of vending on vendors.

Vendors have been organizing and fighting for the legalization of their occupations for decades, and so for many, legalization was a great victory. However, there are still many questions that have yet to be answered around what legalization actually looks like, especially in regard to a permitting system. Without all of these answers, it is impossible to determine what legalization's impact on vendors will be. The City has released a list of rules and regulations regarding vending – including specifications on where vendors can and cannot vend, regulations to ensure ADA compliance, and rules around cleanliness and food safety, all listed in Appendix A. My thesis strives to further understand the impact of these rules and regulations on vendors through interviews in order to better understand their comprehension of the policy changes, their feelings around state-sanctioned legitimacy, and their understanding of how it may affect their businesses. To do this, my guiding research questions are:

- 1. How do the new rules and regulations affect vendors in Los Angeles?
- 2. How will this affect, if at all, vendors' profits and economic mobility?
- 3. Does vendors' incorporation into the formal economy affect Los Angeles at-large? How?
- 4. What are the recommendations from vendors regarding a permitting system and other relevant policy changes?

These research questions are especially important to understand the impact legalization and the subsequent regulation will have on vendors. By exploring these impacts and elevating vendors' voices, I draft policy recommendations for various stakeholders in order to push community-driven change. By understanding the nuances of the impact to vendors, their

businesses, and their integration into LA's formal economy, I am able to explore whether the City is meeting its goal in legalizing street vending.

Methods

In order to answer my research questions and further understand the impact the rules and regulations will have, I conducted fifteen interviews with vendors and public officials in Los Angeles, listed out in Appendix E. To better understand the history of the policy, I interviewed six government officials that worked with the policy creation and implementation. Four of these interviews were held in person at City Hall, one via phone call, and the other through e-mail. After researching the various departments involved in the policy process for street vending, I reached out to staff members within those organizations using the contact information listed on their websites. The in-person interviews lasted from an hour to two hours in length, and the phone call was thirty minutes in length. I interviewed two staff members working under the Administrative Citation Enforcement Program (Under the City Attorney's office), a staff member working for the County of Los Angeles Department of Public Health in their Business Operations Branch, a Commissioner for the Board of Public Works, a Policy Associate (Infrastructure Services) in the Mayor's Office, and even briefly interviewed the Director of the Bureau of Street Services. With the exception of the e-mail interview, all of the interviewees were interested in my thesis and very willing to answer questions. Since I interviewed them in the weeks preceding and directly after the City Council's vote to legalize street vending, there were many questions they were unable to answer and wouldn't have further information on until later in the year.

Furthermore, I attended the special joint committee meeting held by the Public Works and Gang Reduction Committee, the Economic Development Committee, and the Arts,

Entertainment, Parks and River Committee on November 27, 2018. During this session at City Hall, the committees met to discuss the draft rules and regulations put forth by the Bureau of Street Services and the Recreation and Parks Department, with representatives from both departments present. Additionally, I attended the City Hall session the following day where the City Council approved the amended rules and regulations and voted 12-0 to legalize street vending city-wide, listed in Appendix F. During both meetings, I was taking thorough handwritten notes. After both meetings, I also stayed and spoke to various vendors about my project and met many people that would later become very influential in my thesis.

I also interviewed four vendors, who sell in various regions of the City and sell different products. By interviewing a variety of different vendors, I hoped to further understand the nuances of how the regulations affect different types of vendors. I found interviewees by walking around vendor-heavy areas (namely Piñata District and MacArthur Park) and approaching vendors for interviews. The Piñata District in Los Angeles is close to the intersection of E. Olympic Blvd and South Central Ave near downtown LA. There are dozens of stores selling piñatas, Mexican candy, and various other party supplies. On the sidewalks, there are vendors lined up selling pupusas, tacos, tamales, aguas frescas, and many other foods, as well as jewelry, counterfeit designer goods, and even pet turtles. The area surrounding MacArthur Park is noticeably different as one goes up the stairs from the Metro station. Immediately surrounding the entrance to the station is a market of approximately a dozen stands with vendors selling clothes, medicine, toys, etc. However, as one walks along the streets around the station, the sidewalk quickly becomes cramped as vendors are set up on both sides of the sidewalk selling

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³ I spoke to at least 50 vendors throughout my research, however this number represents the number of in-depth one-on-one individual interviews I conducted.

various goods. The vendors are all located in the streets surrounding the park, with a few mobile (mostly ice cream) carts roaming through the park itself.

For many of the interviews, I interviewed the same person multiple times to ask follow-up questions as well as to gauge whether their reaction to the rules and regulations had changed over time. Since the rules and regulations went into effect on January 1*, 2019, I predicted that there might have been a period of uncertainty among vendors as they begin to sort out what the rules mean to their business. By incorporating an element of time, I aimed to better understand the implementation and roll-out of these policies, as well as further understand how the regulations change the habits of vendors.

To incorporate time into my research design, I met with vendors intermittently throughout the semester. Beginning the week of January 28°, I began meeting with interviewees until early March. I used a semi-structured interview guide, which is attached in Appendix D, to ask questions regarding their experience vending and the process of adjusting to the new rules and regulations. The in-depth interviews act as a case study to help my audience better understand how the rules and regulations affect vendors in regard to their vending location, profits, feelings, and a variety of other factors. These interviews lasted anywhere from 15 minutes to an hour – although the length of the interview did not necessarily correlate to the amount of questions we were able to cover, because there were more frequent interruptions with some vendors than with others. I approached vendors and asked for interviews if they didn't have customers at the time, if I bought food or beverages from them, or if they initiated a conversation with me. Although I had initial conversations before asking them for an interview, many of the vendors I approached at first seemed suspicious and a little uncertain about being interviewed. It wasn't until I had talked to them more about my own project, and in some circumstances came

back a week later to give them time to think about it, that I was able to build enough rapport to interview. It is important to note that my research design had significant impact on my findings because I was only able to talk to vendors who agreed to be interviewed, with many vendors not wanting to be interviewed. For every interview I completed, there were approximately 2 vendors who declined to be interviewed. Out of the people who said why they would prefer to not be interviewed, most cited not having enough time as being the biggest reason.

The vendors I interviewed and met throughout the course of my research were all very open about their experiences – sharing difficult moments and hardships they had to overcome. There was definitely more trust incorporated into the relationships with vendors that I had interviewed or seen multiple times. Some of the vendors even call me weeks after the interview just to catch me up on their lives and families. The people I interviewed ranged anywhere from 27 to 65 and all sold food in either MacArthur Park or the Piñata District. They were all Latino/a, two were female and two were male. With the exception of Sandra and Diego, who are no longer vending, but had in the past, they were all current and active vendors.

Furthermore, I attended five community meetings hosted by the Los Angeles Street

Vendor Campaign (LASVC) in partnership with the County of Los Angeles. While the focus of
my thesis is on the City of Los Angeles and their policies, many vendors sell in both the City of
Los Angeles as well as the unincorporated areas of the County, which cover approximately 65%
of the County. Therefore, attending these community input sessions was important to my thesis
and to better my understanding about the varying needs and priorities of vendors throughout Los
Angeles. These community meetings were hosted with the intention of creating a report with

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[&]quot;Unincorporated Areas," *County of Los Angeles* (blog), n.d., https://www.lacounty.gov/government/about-lacounty/unincorporated-areas/.

policy recommendations stemming from vendors themselves that the County could then incorporate into their permitting system model. I attended five community meetings that covered the areas of East Los Angeles, El Monte, Altadena, Long Beach, as well as Northern Los Angeles County. The meetings lasted anywhere from two to three hours and started with a presentation by LASVC that covered all of the recent policy changes, everyone then broke out into four separate sessions covering: interactions with brick and mortars, spatial requirements, enforcement, and permits in order to gather further feedback from vendors regarding these four areas of concern. These sessions were all held in community centers, some in the mornings, but most in the afternoons or evenings, after the work day had finished for many vendors.

There were anywhere between 2 to 50 vendors in attendance, averaging at around 15-20 vendors at each session. At every session, there were representatives from the Leadership for Urban Renewal Network (LURN), the East Los Angeles Community Corporation (ELACC), Public Counsel, and the County of Los Angeles. In some instances, community members, such as restaurant owners, attended the meetings to gather more information. I volunteered as a notetaker, using my laptop to record all of the suggestions, comments, and questions from different audience members, and served as a translator for the "Permits" breakout session, which was hosted by Katie and Doug, two lawyers with Public Counsel. These notes were sent to members of the Los Angeles Street Vendor Campaign who will compile all of the notes from the various breakout sessions, as well as the results from a survey they gave out to all vendors in attendance. This information will be used to create and submit a report to the County of Los Angeles synthesizing the overall community input and feedback regarding a permitting system and other relevant topics.

While the sample was by no means representative of all vendors in Los Angeles, the interviews were nevertheless important to illuminate the ways in which these policy changes are shaping the experiences of many vendors. I chose in-depth interviews for my research design because they can, "provide access to the meanings people attribute to their experiences and social worlds," and those meanings will be central to answering my research questions. Furthermore, while interviews were particularly helpful in understanding the nuanced differences in how the policy in question affects vendors throughout Los Angeles, I was also limited in my ability to pursue other approaches. Since vendors are by nature mobile, it is incredibly difficult to reliably gather data, especially quantitative data. Therefore, not only did interviews best highlight the economic and social impact I was hoping to study, I also was unable to find data with a larger sample in Los Angeles.

Feminist research approaches most closely align with my own methodology, as they aim to take a non-hierarchical approach and attempt to be more reflexive and interactive. The interview is seen as "a collaboration between them [the interviewer and interviewee] as they share in the process of negotiating coverage, language and understanding" and researchers are encouraged to reciprocate in knowledge exchanges. Some feminist approaches also value researchers interviewing people who share similar socio-demographic characteristics, something that was especially valuable for my interviews in the spring – with my ability to speak Spanish being incredibly important when interviewing vendors, a largely monolingual Spanish-speaking population. Furthermore, I look Latina and I think that also helped build trust among the vendors I interviewed, all of whom were Latino/a themselves.

⁵ Jane Ritchie, ed., *Qualitative Research Practice: A Guide for Social Science Students and Researchers*, Repr (Los Angeles, Calif.: SAGE, 2011), 140.

Ritchie.

There was definitely a balance to be struck when it came to reciprocity, while it may be helpful to share some information about myself, because there is "no intimacy without reciprocity," I was hesitant to share too much because I believed it might hinder the interviewee's account. For example, while sharing my own heritage and ties to Latin America may be helpful in building rapport with a vendor, follow-up questions may also divert the conversation and take time away from the interviewees' story. I tried to answer any questions they might have before the interview began, such as where I'm studying and what my major is, but sometimes this would lead to tangential conversations, shortening the amount of time I had to ask my interview questions. Before and after each interview, we often took more time to get to know each other, and during these times I would share more about myself as well as ask them more about themselves in a more casual way. I conducted various interviews with each vendor and building trust was one of the most central aspects of having more information. I also strived for reciprocity by volunteering with the Los Angeles Street Vendor Campaign and assisting during the Community Meetings in any way that I can – from helping answer any questions regarding the survey to taking notes and translating during conversations with the lawyers.

During the interviews, I originally intended to record the conversations so that I would be able to maintain eye contact and dedicate my full attention to listening, and then take notes after the interviews. However, many vendors were nervous and skeptical about being recorded and voiced their preference to only have me take written notes instead, which I complied with. This had some repercussions on my ability to directly quote, so many of the interactions with vendors are instead paraphrased throughout my thesis. Although all of the interviews were conducted in Spanish, most of my notes were written in English with the exception of statements I thought I

⁷ Ritchie, 161.

might want to directly quote – this was simply because I process information faster in English and wanted my notes to be as comprehensive as possible. Furthermore, I changed the name, items sold, and any other unique personal identifiers of vendors throughout my thesis. Changing the names of the vendors was something I promised to all interviewees during the consent process as a way of assuring their safety and protecting their identity to prevent their stories around enforcement, immigration status, or other vulnerable disclosures from being able to be tied back to them. I also only named the vendors that I had longer conversations with – in total I spoke to dozens of vendors, however many of these conversations were before and after the community input sessions. To reduce confusion for the readers, I only named the vendors I had intentional in-depth one-on-one conversations with, although every interaction helped build nuance for my thesis.

I often felt conflicted about my positionality, especially during one-on-one interviews because I was hyperaware of the costs that the vendors I interviewed were undergoing by offering me their time. While I always bought food from them to, in a way, compensate them for their time, I often felt that was not enough. I was cognizant that the time they spent talking to me was time they could be reaching out to customers and trying to make that sale. While I encouraged them to make sales when other customers approached and repeatedly mentioned that I did not mind waiting, this led to many interruptions causing the interviews to go on much longer than otherwise would have occurred; this led my second interview with Sandra to last over an hour and a half.

Sandra, a single mother selling fruit in the Piñata District, was an especially good saleswoman. She was always inviting customers in or making clever punchlines like "Yo invito, tu pagas" (I'll invite you to this meal and you pay). During our interviews, I would try to talk to

her during her lunch break, but she never seemed to take a break. When she was eating, she would still stop occasionally to try to pull customers in. However, my presence definitely altered that dynamic and she would spend more time sitting and talking to me. During our last interview, I told her that I was not in a rush and invited her to take as many breaks as she needed, and when she stopped to interact with customers, she sold items to 16 different people within the span of 15-20 minutes. I was always conscious of the fact that my presence took away from their sales – but this moment especially struck me. In this regard, while I tried to compensate them and be reciprocal in my research, I could not help but feel that it was not enough and that my research might have negatively affected these vendors' businesses for the day, even though it might have been on a small scale. At the end of my interview with Carlos, another vendor in the Piñata District, I thanked him for his time, and he responded with "Cualquier cosa que ayuda a nuestra gente" (Anything that helps our people). That idea has been my driving force for continuing my research and writing this thesis – a hope that my findings are able to advance the needs and voices of many in the vendor community in Los Angeles.

Roadmap

In order to better understand the context of my interviews, I start the first chapter by reviewing the history of vending policy in Los Angeles, beginning with the first modern day efforts to regulate vending by the City in 1989. By understanding the history, especially the organizing movements towards decriminalization and then the legalization of street vending, one can better understand the importance of legalization for many vendors, especially those who have been active with the Los Angeles Street Vendor Campaign since its founding. Furthermore, this chapter is enhanced with the perspective of various government officials who were and continue to be active with the policy, either in a legislative or enforcement capacity. In chapter

two, I review relevant economic literature that explores the relationship between regulation and the informal sector, and the various factors that either push or pull people into vending. Furthermore, I discuss the impact of vending on the local economy and different suggestions from scholars on how to mitigate any costs to society that vending may have. My understanding of these topics is built upon a vast range of economic, sociological, and political literature on the topic as well as in-person interviews with vendors, activists, and government officials. The third chapter is built primarily on interviews and community input sessions, going into more detail around the impact of enforcement on vendors pre-legalization and the perceived effect of legalization on vendors, as told by vendors themselves. I detail the perceived costs and benefits of the policy changes and the changes they have experienced post-legalization. The heart of my thesis lies within chapter four – the shortcomings of the current policy and recommendations for different stakeholders detailing specific actions they can take in order to improve the livelihoods of vendors. This section is extremely important because it is how I envision my research impacting change and I plan to send out these recommendations to relevant policy stakeholders, especially since the City Council considers multiple options as they look to roll out their own permitting model in 2020. By first exploring the permitting models in other cities, I showcase some lessons learned about their permitting models that may translate to Los Angeles' own permitting model. I also created policy memos for all of the relevant stakeholders with various policy recommendations, inspired by my review of relevant literature, the community input sessions, and interviews with vendors and activists in the space.

My audience for this thesis is wide and varied. My initial audience are all academics interested in micro-enterprises, entrepreneurship, community organizing, and policy evaluation. Furthermore, my audience includes all of the stakeholders involved with vending on the policy

level, this includes various offices within the City government. I hope to reach these officials in order to create change through my recommendations set forth in chapter four. By centering the voices of vendors that the policy is affecting, I hope to elevate their lived expertise and to center community voices in policy-making. However, I acknowledge that while vendors are central to my thesis, they are not necessarily the audience of this paper. While I will share my conclusions and recommendations with all of the people I interviewed, the fact that this paper is written exclusively in English limits my ability to share this with vendors I spoke to. Regardless, this paper was written to uplift vendors' voices and my findings will of course be shared with all who participated throughout this process.

Chapter 1: The Policy

History of Street Vending in Los Angeles

Street vendors are people who sell "goods or services...to the public without having a permanently built structure" but have a "temporary static structure or mobile stall." Sidewalk vending has been on Los Angeles' policy agenda since the 1890s when the city attempted to curb tamaleros (an informal, and often mobile, selling of tamales). While many associate Los Angeles with rainbow umbrellas and bacon-wrapped hotdogs or freshly cut fruit, until last year, Los Angeles was one of the last major cities to end the prohibition of street vending. With an estimated 50,000 vendors in the City, it has become an important part of Los Angeles' culture and food scene.

Efforts by City Council to regulate vending began in 1989 when Councilmember Michael Woo formed a Task Force on Street Vending, and with Ordinance 169319, which was passed in 1994 establishing a Sidewalk Vending Program." This allowed up to 8 vending districts, but only one was ever created in MacArthur Park. It ultimately failed due to high permitting and vehicle cart costs (up to \$700/year for vendors, far more than the expected costs of citations that illegal vendors received). A lull in policy occurred after the failure of the program until vendors approached the East Los Angeles Community Corporation (ELACC) with complaints of LAPD

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^{* &}quot;Defining Street Vendors," *National Association of Street Vendors of India* (blog), n.d., http://nasvinet.org/newsite/defining-street-vendors/.

⁹ Julia Wick, "Los Angeles Moves Closer To Decriminalizing Street Vending," LAist, accessed October 15, 2018, http://www.laist.com/2017/01/31/street_vending.php.

¹⁰ Gerry F. Miller, "Report of the Chief Legislative Analyst: City of Los Angeles Street Vending Policy" (Los Angeles Chief Legislative Analyst's Office, May 13, 2014), http://clkrep.lacity.org/onlinedocs/2013/13-1493 rpt cla 5-13-14.pdf.

Jose Huizar and Curren D. Price, Jr., "Motion," City Council Motion (Los Angeles Economic Development Public Works & Gang Reduction Committee, November 6, 2013), http://clkrep.lacity.org/onlinedocs/2013/13-1493 MOT 11-06-13.pdf.

¹² Kettles, "Regulating Vending in the Sidewalk Commons," 15.

confiscating their equipment.¹³ Doug Smith, a lawyer with the Los Angeles Street Vendor Campaign (LASVC), stated that these vendors from Boyle Heights were "the genesis of the campaign," and as organizers began looking into their complaints, they "realized this [confiscation of equipment] was a problem beyond just Boyle Heights."¹⁴

ELACC began organizing around policy changes city-wide, and at the same time the LA Food Policy Council began looking at "street food vending as part of their approach to food justice" and addressing food deserts. They saw sidewalk vending as a solution to address the issue of food deserts in the city, areas where access to healthy and affordable food options are limited. Cross argues that the demand for street vending goods is driven by the inability of large retailers to make a profit in low-income areas. In the 1970's, many grocers fled the inner city to the suburbs in search of better profits, resulting in food deserts. This has dramatically impacted the accessibility of fresh and healthy food in low-income areas, with twice as many supermarkets existing in predominately white neighborhoods as in predominately Latino neighborhoods in Los Angeles. Rates of fruit and vegetable consumption in the area are the lowest in the country because of the high prices and inaccessibility many communities face. Since vendors have greater flexibility and lower overhead, they can make a profit selling fruit in low-income areas

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¹³ Doug Smith (Lawyer, Public Counsel, LASVC), November 29, 2018.

¹⁴ Smith.

¹⁵ Smith.

¹⁶ Rosales, 3.

¹⁷ Alfonso Morales and Gregg Kettles, "Healthy Food Outside: Farmers' Markets, Taco Trucks, and Sidewalk Fruit Vendors," *Journal of Contemporary Health Law and Policy*, 2009, 12.

¹⁸ Dafne Gonzales et al., "L.A. Sidewalk Vending: The Views of Los Angeles Urban Students and Families on Legalizing Sidewalk Vending in LA." (JSA Students Speak L.A., December 12, 2016), 11.

Robert Baird et al., "A Step Toward a Healthier South Los Angeles: Improving Student Food Options Through Healthy Sidewalk Vendor Legalization," *Cityscape: A Journal of Policy Development and Research*, 109-122, 18, no. 1 (2016)., 3.

whereas grocers cannot—this has helped fuel the growth for the estimated 1,000 *fruteros* that sell in Los Angeles County.²⁰

The Leadership for Urban Renewal Network (LURN) also began thinking about "creative ways to increase access to capital to micro-entrepreneurs" and working towards improving conditions for vendors. These movements began converging, and the Los Angeles Street Vendor Campaign (LASVC) was founded in 2011, eventually scaling to including over 60 non-profits in the coalition. While many non-profit advocates are active within the campaign, vendors continue to hold many leadership positions within LASVC and their roles have grown to include organizing into associations, leading organizing efforts, and setting the strategy for the campaign and its direction. LASVC began placing political pressure on the City Council to work towards legalizing street vending, and in 2013 Councilmembers Jose Huizar and Curren Price sponsored a motion requesting that various agencies report back on recommendations to legalize and regulate sidewalk vending in the city.

The Los Angeles Street Vendor Campaign began working on creating their own policy and reversing the policymaking process because "vendors quickly realized the City Council members and their staff aren't sidewalk vendors" and weren't attuned to the needs of their community. Furthermore, because of vendors' status in the informal economy, they had been "forced to create their own systems and rules" and could therefore "build the policy out in the community, then bring it to city hall." LASVC held town hall meetings in neighborhoods across the city, created neighborhood-based working groups, and distilled all of the information to a policy framework – they replicated this process multiple times over to seek additional feedback

²⁰ Rosales, "Survival, Economic Mobility and Community among Los Angeles Fruit Vendors," 3.

²¹ Smith, interview.

²² Smith.

²³ Smith.

until they created a model policy outline. They brought it to the city, but the city was moving very slowly, claiming they needed more information and requesting further information from various agencies.²⁴

Councilmember Huizar encapsulated some of the issues with criminalizing street vending when he stated, "We cannot continue to allow an unregulated system that penalizes hardworking, mostly immigrant, vendors with possible criminal misdemeanor charges, particularly in the current political environment... they are asking for an opportunity to lift themselves up and provide for their families."25 The prohibition of sidewalk vending presented many problems, especially for the vendors who were placed at risk as a result of the possible misdemeanor charges that Huizar refers to. In Los Angeles, an estimated 60% of sidewalk vendors are undocumented, according to a city official.²⁶ Due to this status, many vendors do not carry forms of identification on them, meaning police often had to choose between two extremes: a warning or an arrest.27 An arrest could be devastating for undocumented vendors as they may have faced deportation as a result of their misdemeanor charge. In a community input session, a vendor who sold churros shared that his nephew, who was an employee at his cart, was deported as a result of vending. His wife, who was vending with the nephew at the time, was also almost put into deportation proceedings but was spared because her young daughter was with her at the time. Although it happened years ago, he still refuses to ever go back to that location. The intersection of being both informal and undocumented can open many possibilities for punishment, whether it be deportation, arrest, or confiscation of their inventory. Since vendors work on the street,

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²⁴ Smith.

²⁵ Wick, "Los Angeles Moves Closer To Decriminalizing Street Vending."

²⁶ Kettles, "Regulating Vending in the Sidewalk Commons," 23.

²⁷ Katz, "The Geography of Getting By," 12.

²¹ Rosales, "Survival, Economic Mobility and Community among Los Angeles Fruit Vendors," 7.

they are highly visible and therefore at an even greater risk for retribution. There were 795 arrests of street vendors made in 2012 and 1,235 arrests in 2013 for illegal street vending.²⁰

By the end of 2016, the vendors were feeling discouraged because the city wasn't acting on the issue, and they felt as if they couldn't get forward momentum." With Trump's election, in a "strange, bizarre way, a political opening and moment was created" as the city began looking into different ways of protecting their immigrant population." President Trump's executive order on January 25°, 2017 declared that all undocumented immigrants who have been convicted of a criminal offense, or "have committed acts that constitute a chargeable criminal offense" will be prioritized for deportation. This means that not only undocumented vendors who are or have been arrested are at risk for deportation, but also any undocumented vendor, because vending under Los Angeles Municipal Code was prohibited and therefore a criminal offense at the time of the Executive Order. Councilmember Buscaino spoke of the importance of protecting immigrants when relating to his own family's background as Italian immigrants, further commenting that "We are a city of immigrants, we value the contributions that immigrants have made to this city, like my mom and dad... We're going to do everything we can to ensure we don't criminalize you."

Decriminalization of Sidewalk Vending

As a way to address these policy problems, as well as to send "a sign to the Trump administration that we will not abide by his fear, his vilification, his scapegoating of

Miller, "Report of the Chief Legislative Analyst: City of Los Angeles Street Vending Policy." Smith.

³¹ Smith.

Donald Trump, "Executive Order: Enhancing Public Safety in the Interior of the United States" (2017), https://www.whitehouse.gov/presidential-actions/executive-order-enhancing-public-safety-interior-united-states/.

Dana Bartholomew, "LA Leaders Move to Protect Immigrant Street Vendors amid Deportation Fears – Daily News," accessed October 15, 2018, https://www.dailynews.com/2016/11/23/la-leaders-move-to-protect-immigrant-street-vendors-amid-deportation-fears/.

immigrants," as Councilmember Huizar told reporters, Ordinances 184765 and 184766 were introduced in February 2017.4 The two ordinances effectively decriminalized street vending in Los Angeles. Ordinance 184765 limited the issuance of criminal misdemeanors for street vendors, moving the jurisdiction of citations from municipal courts to the City's Administrative Citation Program (ACE)." Prior to the passing of this ordinance, after the fourth violation within a two-year period, vendors would be charged with a misdemeanor. With Ordinance 184765, all violations are instead referred to the ACE program, where violations can be resolved through the payment of a fine and without a resulting criminal record or threat of jail time.

In conjunction with that ordinance, the LA City Council also passed ordinance 184766, which amended the Los Angeles Municipal Code (LAMC) to "remove the option of using a criminal remedy against a person who fails to pay a citation." The ordinance states, that violations for illegal street vending will be administrative citations and that "the procedures established in this Article shall be an alternative to criminal, civil and any other legal enforcement remedies provided in this Code." It is important to note that the two ordinances decriminalized street vending – not legalized it, so people could still get citations for illegal street vending, but they could no longer receive a criminal charge for the activity.

By removing the option of criminal charges, citations are no longer processed through the court system, instead being processed by Data Ticket Inc, a contractor managed by ACE. The Administrative Citation Enforcement Program, under the City Attorney's office, also processes

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Emily Alpert Reyes, "Spurred by Trump's Immigration Crackdown, L.A. City Council Moves to Decriminalize Street Vending - Los Angeles Times," latimes.com, accessed October 15, 2018, http://www.latimes.com/local/lanow/la-me-ln-street-vending-decriminalize-20170130-story.html.

³⁵ "Ordinance No. 184765."

^{36 &}quot;Ordinance No. 184765."

[&]quot;" "Ordinance No. 184766," Los Angeles Municipal Code (City of Los Angeles, February 10, 2017), http://clkrep.lacity.org/onlinedocs/2013/13-1493_ORD_184766_2-21-17.pdf.

^{38 &}quot;Ordinance No. 184766."

tickets for a variety of other Los Angeles Municipal Code violations, including public drinking, quality of life violations, and a host of other chargeable offenses under LAMC—it is estimated that municipal courts previously handled about 12,000 of these cases yearly, representing a big shift in caseload away from the court system." As of October 2018, the ACE program had received 32,156 citations and they have contracted out the processing and collection of tickets, while their full-time staff handles appeals, initial reviews, and hearings." It is also important to note that while vending was decriminalized and moved to the purview of ACE, previous criminal charges for vending were not expunged. According to an ACE official, the City Attorney's office, "can't do amnesty" – they "can't be the public defender and the prosecutor at the same time."

Doug Smith, a lawyer with LASVC stated that while the decriminalization of vending to address the concern of deportation for vendors was a "huge victory...especially in terms of protecting vulnerable workers," it was an incomplete solution. At the time, there were three different code sections vendors could be cited under – 42.00 (prohibited street vending), 63.44 (prohibited vending in parks), and 80.73.2 (prohibits parking or standing of a vehicle on any street or alley). While vendors were usually cited under LAMC 42.00, which the two ordinances decriminalized, Doug claimed that Trump's executive order prioritizes deporting anyone doing something that is doing something criminally chargeable, so vending would technically continue to be a chargeable crime. However, two staff members working with the ACE program claimed

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³⁹ Rita Hernandez-Venegas and Bill, Interview at LA City Hall, December 6, 2018.

Michael Feuer, "Administrative Citation Enforcement (ACE) Program Status Report," October 16, 2018, http://clkrep.lacity.org/onlinedocs/2014/14-0818-s6_rpt_ATTY_10-16-2018.pdf.

⁴¹ Hernandez-Venegas, Interview at LA City Hall.

⁴² Smith.

that the Recreation and Parks department didn't enforce LAMC Section 63.44 because no one wanted to create public outrage by arresting vendors.

Some members of LASVC were also skeptical of the efficacy of the ordinances in protecting immigrants, because while the "ACE program is better than getting a misdemeanor or an infraction...it doesn't mean it's a good process or an easy process for vendors to navigate" due to the fine amounts and language accessibility issues. ACE staff members touched upon their efforts to make the ACE process easier to navigate and more equitable. They mentioned that all ACE hearings (appeals to citations that pass their initial review process) include paralegals and translators at no cost to the person cited. Furthermore, they do not charge any fees for holding appeal hearings to the person cited, although they are allowed to under the ordinance in which ACE was created. They stated that the "goal is compliance" and that they "try to be very lenient." While ACE was not able to offer amnesty to vendors who had already been charged with misdemeanors for illegal street vending, they encouraged non-profits to assist people to petition for expungement. Furthermore, since 2017, close to 1,500 pending misdemeanor charges against sidewalk vendors have been dropped.

After Ordinances 184765 and 184766 effectively decriminalized street vending, the City quickly began working towards creating a permitting system and legalization. In a November 3, 2017 report, the Chief Legislative Analyst included all of the relevant stakeholders to work through the various logistics of a permitting model from creating an RFP, to looking into educational outreach options, and creating cost-benefit analyses for the various permitting

43 Smith.

⁴⁴ Hernandez-Venegas, Interview at LA City Hall.

⁴⁵ Council District 9, "City Council Adopts Plan to Create Fair Sidewalk Vending Program," *City of Los Angeles Blog* (blog), April 17, 2018.

models and regulations. In this report, they specified the roles of the various stakeholders, including but not limited to: the Department of Public Works, the Economic and Workforce Development Department (EWDD), the ACE Program, and the LA Department of Public Health.

As shown in Figure A, implementing and enforcing policy around street vending takes multiple stakeholders. It is important to note that this figure does not include the agencies in charge of regulating park vending, namely the Board of Recreation and Parks, because their role was not affected by the decriminalization of street vending as the ordinances only decriminalized sidewalk vending and did not change the prohibition of park vending.

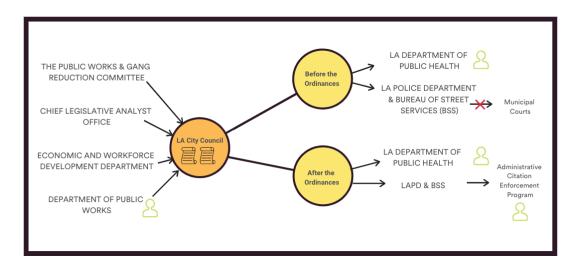


Figure A: Forward map showing all of the stakeholders involved in the policymaking and implementation process, and how they changed post-decriminalization

The Public Works & Gang Reduction Committee within the LA City Council, the Chief Legislative Analyst Office, the Economic and Workforce Development Department, and the Department of Public Works were all integral to setting the topic on the agenda and drafting the ordinances. All of those organizations either wrote reports or gave feedback around the topic,

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^{*} Sharon M. Tso, "Report of the Chief Legislative Analyst: Proposed City of Los Angeles Sidewalk Vending Program" (Los Angeles Chief Legislative Analyst's Office, November 3, 2017), http://clkrep.lacity.org/onlinedocs/2013/13-1493_rpt_CLA_11-03-2017.pdf.

leading to the creation of the two ordinances within City Council. The enforcing departments include: The Los Angeles Department of Public Health, the Los Angeles Police Department, and the Bureau of Street Services. Prior to the two ordinances, all citations from LAPD and BSS were processed through municipal courts, but that changed with the creation of the ACE program and the ordinances.

The LA Department of Public Health enforces health and food safety violations. The Chief Supervisor of the Vehicle Inspection Program stated that, "Vendors seeking to become permitted by DPH-EH are still required to meet all applicable Health and Safety requirements as detailed in the California Retail Food Code," and because the department's main priority has always been ensuring public health, their role has stayed constant and separate from the rest of the policymaking process for decriminalization.⁴⁷ The Street Vending Compliance Program under DPH is made up of ten inspectors who have a very reactive approach to enforcement, only inspecting carts when they receive complaints, and due to a lack of sufficient inspectors, take time to respond to complaints.48 The Bureau of Street Services has more staff, with 35 investigators, however this covers a variety of areas including inspecting sidewalks, road conditions, construction permits, and more.49 Since the Bureau of Street Services leads enforcement for vending post-decriminalization, they have more discretion in issuing citations, including for blocking the public right-of-way or Americans with Disabilities Act (ADA) access. According to an official within the ACE program, LAPD doesn't usually issue citations after the decriminalization of vending unless it's around stadiums or concert venues, because only then it

^a Armik Mkrtchyan (Chief Supervisor of the Vehicle Inspection Program), Interview, November 29, 2018.

⁴⁸ County of Los Angeles Department of Public Health, "Street Vending Compliance Program," n.d., http://www.lapublichealth.org/eh/SSE/StreetVending/strVending.htm.

Tso, "Report of the Chief Legislative Analyst: Proposed City of Los Angeles Sidewalk Vending Program," November 3, 2017.

becomes a "public safety issue" with so many people.⁵⁰ The decriminalization of street vending also meant that no enforcement agency could confiscate vendors' equipment because vending was no longer considered a crime.⁵¹ Only the Department of Public Health was allowed to confiscate carts for health and safety reasons – therefore greatly reducing the frequency of confiscation.⁵²

The Economic Development and Public Works and Gang Reduction Committees both amended draft permitting models, and headway was being made, with a draft ordinance being proposed on July 2nd, 2018. However, as Councilmember Buscaino stated during a City Council meeting on November 28nd, Senator Lara threw a "curveball at us with SB 946." ⁵⁵

The "Lara Bill"

On September 17°, 2018, Senate Bill 946, the Safe Sidewalk Vending Act, was passed, requiring all cities in California to legalize street vending by January 1°, 2019. The LA Street Vendor Campaign worked closely with Senator Lara to draft policies that were more favorable towards vendors and lobby in support of the bill. In fact, Lara's office reached out to the LASVC after hearing about their momentum in Los Angeles asking whether they'd like to work on something at the state-wide level together. The Senate Bill does not require cities or counties to create permitting systems, and while cities cannot prohibit vending, they may regulate it.

Furthermore, SB 946 only allows cities to limit sidewalk vending in the case of health, safety, or welfare concerns. Furthermore, the bill included retroactive relief that automatically dismissed all pending criminal charges related to illegal vending and allows vendors to petition to expunge

³⁰ Rita Hernandez-Venegas (Supervising City Attorney, ACE and CJI Programs) and Bill, Interview at LA City Hall, December 6, 2018.

⁵¹ Hernandez-Venegas.

²² County of Los Angeles Department of Public Health, "Street Vending Compliance Program."

⁵³ "City Council Meeting" (2018).

their records of any prior vending convictions. This was an important step towards addressing the decades of unjust enforcement and opening up opportunities that previously weren't available to vendors because of their past criminal record. The Los Angeles County Superior Court, after working with the LASVC, has even released a simple form vendors can fill out to make the dismissal process as simple as possible.

As for regulation, the City of Los Angeles then had a choice of either creating a permit-based system, a regulatory vending system, or no system, in which case the State law would be the sole governing authority and the City would enforce in accordance to state laws.

Councilmember Mitch O'Farrell described being proud of the City Council for their efforts to legalize sidewalk vending, stating that it "wasn't easy suddenly grappling with the Lara Bill." 54

This bill affected the City Council's attempts at creating a permitting system in LA because it prohibited individual cities from placing limits on overall number of permits and from restricting vendors' ability to vend in certain locations, except when the restriction is based on health, safety, or welfare concerns.³⁵ Previously, the City had considered capping the number of permits and limiting the number of vendors to two per block – neither of which would be in compliance with the new Senate Bill. Furthermore, cities would not be able to prohibit vending in parks and would therefore be required to remove LA Municipal Code Section 63.44 in order to reach compliance with State law. While many councilmembers spoke of SB 946 with disdain, a staff member at LASVC stated it likely "triggered quicker action" for the city to move along in its policymaking process.³⁶ A member of the Mayor's office admitted that the bill "lit a fire on us

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⁴ City Council Meeting.

Sharon Tso, "Report of the Chief Legislative Analyst: Proposed City of Los Angeles Sidewalk Vending Program" (Los Angeles Chief Legislative Analyst's Office, October 15, 2018), http://clkrep.lacity.org/onlinedocs/2013/13-1493 rpt CLA 10-15-2018.pdf.

⁵⁶ Smith, interview.

here at the local level" to create rules and regulations and vote on the legalization of sidewalk vending.⁵⁷

Legalization of Street Vending in LA

After various reports and recommendations from the Economic Development, Public Works and the Gang Reduction and Arts, Entertainment, Parks and River Committees, the Los Angeles City Council legalized street vending and passed rules and regulations city-wide on November 28°, 2018. During the City Council meeting addressing the issue of rules and regulations, Councilmember Mitch O'Farrell acknowledged that many of the regulations weren't based off perfect assumptions, stating that it's "maybe because we're rushing to get something done by the end of the year." Councilmember Englander also took on a more somber approach stating that he believed the process was rushed because of the State's overreach, but was voting aye regardless because he was confident the City could address the issue of adequate enforcement within the coming year. However, sidewalk vending and the accompanying rules and regulations were nevertheless adopted 12-0. They are scheduled to create a permitting system within a year. The history of the policy is summarized in Figure B.



Figure B: This timeline summarizes the policy changes occurring at a city and state-level around sidewalk vending.

⁵⁷ Aura Garcia and Gabriel Gutierrez, Interview at LA City Hall, December 6, 2018.

^{ss} "Special Joint Meeting of the Public Works and Gang Reduction Committee, Economic Development Committee and Arts, Entertainment, Parks and River Committee," § The Public Works and Gang Reduction Committee, Economic Development Committee and Arts, Entertainment, Parks and River Committee (2018).

There was a celebration that the City coordinated on the South Lawn of City Hall after the City Council meeting, and a member of LASVC noted how big of a transformation it was that the City went from handing out multi-hundred-dollar citations to vendors one year prior to now paying for them to be there for the celebration giving out churros, fruit, tamales, and aguas frescas. Everyone marched over and chanted various songs, and Councilmember Curren Price gave a press conference, talking about his history advocating for street vendors and congratulating everyone on the progress they were able to accomplish. He stated that the historic vote just minutes prior was "justice for tens of thousands of immigrants and low income Angelenos who work early mornings, late evenings, and sacrifice weekends as street vendors."59 Halfway through the speech, however, many of the vendors around me started speaking in Spanish asking each other what he was saying and wondering if anyone could translate. I began to translate the rest of the speech, and they immediately began asking me what the rules and regulations were and how it would affect them. They each told me about their specific situation, seeking advice, however, I did not have the capacity or knowledge to answer all of their questions. During an interview the day after the vote, a lawyer with the LA Street Vendor Campaign said that there will be a lot of work to do in the following weeks, and that the Campaign will "pivot from policy advocacy to policy implementation" as they begin developing educational and training materials for vendors so that they can better understand how this policy will affect their specific situation.

On January 1st, 2019, the rules and regulations went into effect throughout the city of Los Angeles. The rules cover five main topics: trash, placement, prohibited vending locations, vending of produce, and permits. The regulations state that all trash and recyclable materials

³⁹ Curren Price, Jr., Councilmember Price's Press Conference (Los Angeles City Hall, 2018).

within a 50 foot radius of the cart must be disposed of properly, that no carts may block the flow of pedestrian traffic or entrances with a variety of other specificities, that all produce must be in compliance with CA Department of Food and Agriculture regulations, and that all vendors must have all necessary business, tax, and health permits. The most controversial regulations have to deal with prohibited vending locations, which include within 500 feet of the Hollywood Walk of Fame, Universal Studios, El Pueblo de Los Angeles Historical Monument, Staples Center, Dodger Stadium, the Hollywood Bowl, the LA Coliseum, Venice Beach, and at any schools or educational facility. The entire list of rules and regulations is listed in Appendix A. While there was a "celebratory tone [after the vote] because it's a huge milestone," Doug acknowledged "it's not perfect" and will still harm some vendors, especially those who previously sold in now novending zones (including Hollywood, Dodger Stadium, and a variety of other locations).

During many of my interviews, vendors voiced confusion around the rules and regulations. In one interview in late February, a vendor discussed her frustration with the two vendors per block regulation – after I explained that that specific rule was in an earlier draft and did not make it into the final version, she shared skepticism and stated that she had heard the opposite. The City had gone through multiple drafts of the rules and regulations, some certainly more restrictive than others. Before SB 946, while the City had made progress towards legalization, the tentative policy included restrictions on the number of vendors per block, an opt-out process for Business Improvement Districts (BIDs) and requiring vendors to seek permission from surrounding business owners. Another vendor in the Piñata District didn't even know that street vending had been legalized when we spoke in early February. There is still

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[&]quot;General Rules and Regulations Sidewalk Vending" (Bureau of Street Services, n.d.), LA City Council File No. 13-1493-S5, http://bss.lacity.org/PDFs/StreetVendingProgram/Rules%20and%20Regulations.pdf.

[&]quot;General Rules and Regulations Sidewalk Vending."

⁶² Smith, interview.

much work to be done to assure that all vendors are aware of these policy changes. LASVC has been making great strides in trying to educate vendors around the new policies. In late March, they hosted a vendor summit, in which over 250 vendors participated in a day-long program of educational sessions, covering topics such as: knowing your rights under SB 946, the sidewalk vending rules in the City of LA, County Health regulations, building financial capacity, and the County community input sessions. However, although they reached many vendors through this day-long program, 250 vendors represent only 0.005% of the total estimated vendors in Los Angeles, and without additional support from the City/County it will be difficult to host regular vendor sessions.

Even for the vendors that are aware of the policy changes, many continue to be skeptical and distrustful of the City and County. For example, in the community input session I attended in Long Beach, only two vendors showed up. Later in our conversation, they talked about why many of their colleagues weren't present, citing fear as the primary reason. Diego Sandera is an organizer on behalf of all of the vendors. He moved to Los Angeles from Seattle where he used to vend, alongside his daughter and wife. He found the policies in Los Angeles to be unjust and has dedicated the last four years to reaching out to vendors throughout Los Angeles and organizing around the legalization of street vending. In our last interview, he stated that he knew it would take a lot of work to restore the broken relationship between the government and vendors, many of whom refuse to attend events hosted by the City or County in fear of retribution or because of their skepticism around the government's intentions. Before any policy can be accurately implemented, time, energy, and resources need to be committed to restore and heal this relationship.

In this regard, how the City of Los Angeles proceeds with enforcement will play a huge role in how vendors are impacted by the legalization of street vending. Adel Hagekhalil, the Director of the Bureau of Street Services, stated that enforcement "can't be a fight, it needs to be a partnership" and that he hoped to work closely with the LA Street Vendor Campaign to have more community self-monitoring. Commissioner Garcia added that the City doesn't want to "resort to enforcement" and would prefer for vendors to be self-compliant. Although, the rules and regulations have been passed, they are just now beginning to iron out all of the logistics that will go into creating a permitting system early in 2020.

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⁶¹ Adel Hagekhalil (Director of Bureau of Street Services), Interview at LA City Hall, December 6, 2018.

⁶⁴ Garcia and Gutierrez, Interview at LA City Hall.

Chapter 2: Legitimacy in the Informal Economy

Street vending previously lay within the informal economy, which is commonly defined as "economic activities that are outside of formal institutional boundaries (i.e. illegal) yet fall within informal institutional boundaries (i.e. legitimate)."65 Rather than defining all informal work as illegal, it may be helpful to instead see it as work that is not formally sanctioned, because jobs such as babysitting or mowing lawns may sometimes fall within the informal economy although they are not illegal. The distinction between not formally-sanctioned yet legitimate is important, especially as vendors have argued for legitimacy using "populist-infused free-market notions of fair play, entrepreneurialism, and simple supply and demand by arguing that they were smallscale businesspeople meeting the demand for inexpensive food and goods in a city that was becoming increasingly costly for the average citizen."46 Informality is most associated with developing countries; however, it is not exclusively tied to concepts of modernity or development levels. In fact, while industrialization and development increased in the 1970s and 1980s, the size of the informal sector stayed constant or even grew, showcasing that informality does not decrease as development levels increase. Rather, Devlin argues it is a function of economic inequality and lack of opportunities for upward mobility in the formal sector, explaining its continued presence and growth in the United States. ⁶⁸ There are three general theoretical perspectives on informality: a structuralist, legalist, and microenterprise approach.

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⁴⁴ Regan Koch, "Licensing, Popular Practices and Public Spaces: An Inquiry via the Geographies of Street Food Vending: Licensing, Popular Practices and Public Spaces," *International Journal of Urban and Regional Research* 39, no. 6 (November 2015): 1231–50.

⁶⁶ Ryan Thomas Devlin, "Global Best Practice or Regulating Fiction? Street Vending, Zero Tolerance and Conflicts Over Public Space in New York, 1980-2000: GLOBAL BEST PRACTICE OR REGULATING FICTION?," *International Journal of Urban and Regional Research* 42, no. 3 (May 2018): 519, https://doi.org/10.1111/1468-2427.12628.

⁶ Ryan Devlin, "Informal Urbanism: Legal Ambiguity, Uncertainty, and the Management of Street Vending in New York City." (University of California, Berkeley, 2010), 15-16.

⁶⁸ Devlin, 24.

The structuralist focuses on the "relations of production" and how that drives informality, whereas the legalist argues that "people are forced into informality due to state regulation." The microenterprise perspective instead "presumes and examines entrepreneurial initiative" as the driving reason for an informal economy. The push and pull factors that drive people into vending will further explore how these perspectives take hold.

Street vending's existence within the informal economy shapes how vendors, governments, and society at-large see the occupation. Often, due to street vending's association with "underdeveloped" countries, many citizens and government officials argue there is no place for it in a modern or developed landscape. This is compounded by the fact that unlike many other countries, such as Colombia, Mexico, and India, the United States has never affirmatively granted people the right to work on the street, creating controversy over the nature of public spaces in the United States.²¹

Regulation and the Informal Sector

While informality often has a negative connotation, there are costs and benefits to both formality and informality. Formal firms benefit from state-sanctioned legitimacy and the protections on their investments that allow them to focus on building up their economies of scale, but they also pay the costs of formality (regulation, taxes, higher labor costs, fees, etc.). In contrast, informal firms face many costs, including harassment from business owners and authorities and a lack of legal protection, but benefit in their lower overhead and reduced

¹⁰ Alfonso Morales, Steven Balkin, and Joseph Persky, "The Value of Benefits of a Public Street Market: The Case of Maxwell Street," *Economic Development Quarterly* 9, no. 4 (November 1995): 307.

⁷⁰ Morales, Balkin, and Persky, 3.

⁷¹ Rosales, 2.

⁷² John Cross, "Street Vendors, and Postmodernity: Conflict and Compromise in the Global Economy," *International Journal of Sociology and Social Policy* 20, no. 1/2 (February 2000): 16.

regulatory costs.⁷³ Furthermore, informal employees generally benefit from untaxed wages or profits (although many of the vendors I spoke to paid their taxes), more flexible hours, the benefits of self-employment in the case of vendors, and the possibility of rapid income growth.⁷⁴ Entrepreneurs may pursue informality because of these benefits, but in the long run, this "choice places the entrepreneurs at a disadvantage."⁷⁵

Entrepreneurs may pursue informality as a strategy because of its short-term, subsistence benefits, but in the long term, this choice places the entrepreneurs at a disadvantage." This is because of the various negative economic consequences that result from working within the informal sector. One such example was brought up early on in a conversation I had with a vendor from the Piñata District, named Sandra. Sandra is now an employee of a taco vendor, but previously had her own fruit stand in South Central Los Angeles. She pointed out that one of the things she was most excited about with the legalization of street vending was being able to access loans, which was previously unavailable due to the illegality of her work and therefore made it very difficult for her to expand her operations.

For informal occupations such as street vending, limiting cost and risk are particularly critical. Registration and other related costs make up a large portion of the initial investments any entrepreneur must consider, so if hefty licensing costs and a complex registration system exists, many new entrepreneurs might decide not to enter the industry or enter without meeting the regulatory standards.²⁶ Indeed, Tokman argues that "simplifying bureaucratic procedures is

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⁷³ Cross, 16.

⁷⁴ Lorena Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," *Royal Geographical Society* 48, no. 3 (2016): 339–45, https://doi.org/10.1111/area.12266.

⁷⁵ Ana Cristina O. Siqueira, Justin W. Webb, and Garry D. Bruton, "Informal Entrepreneurship and Industry Conditions," *Entrepreneurship Theory and Practice* 40, no. 1 (January 2016): 177–200, https://doi.org/10.1111/etap.12115.

⁷⁶ Ana Cristina O. Siqueira, Justin W. Webb, and Garry D. Bruton, "Informal Entrepreneurship and Industry Conditions," *Entrepreneurship Theory and Practice* 40, no. 1 (January 2016): 17, https://doi.org/10.1111/etap.12115.

another way of bringing down access barriers" and minimizing the cost of formalization.⁷⁷ This has important implications for Los Angeles' permitting system, and is at top of mind for many policymakers, including Councilmember Blumenfield who stated that the "purpose [of creating a permitting system] is... to lift people up," and he recognized that making these permits accessible would be essential to a successful adoption.⁷⁸

Increasing regulation erects barriers to entry, and although it may be a part of formalizing street vending, it will also lead some entrepreneurs to instead operate informally or outside of compliance with vending code." Many studies have shown that burdensome regulations increase the benefits of operating within the informal sector, thereby increasing the opportunity costs of staying in the formal sector." This is precisely because "the peddler whose schedule and location and product line are dictated by the government will always be at a disadvantage, especially if the free market is raging around the corner." In order for regulation to be effective, Tokman argues that policymakers must simplify bureaucratic procedures. Licensing will likely be a part of Los Angeles' proposed regulatory framework, but it is important to note that it is a socio-legal tool used to manage the "geographies of public life" and can lead vending to be marked by either inclusivity or inequality. Koch argues that licenses, when thoughtfully implemented, can be used by vendors as a form of legitimacy, can facilitate coordination between government

⁷⁷ Victor E. Tokman, "Integrating the Informal Sector in the Modernization Process," *SAIS Review* 21, no. 1 (2001): 57, https://doi.org/10.1353/sais.2001.0027.

⁷⁸ City Council Meeting.

⁷⁹ Siqueira, Webb, and Bruton, 3.

^w Aziz N. Berdiev, Cullen Pasquesi-Hill, and James W. Saunoris, "Exploring the Dynamics of the Shadow Economy across US States," *Applied Economics* 47, no. 56 (December 2, 2015): 6138, https://doi.org/10.1080/00036846.2015.1064081.

⁸¹ Katz, "The Geography of Getting By," 11.

⁸² Victor E. Tokman, "Integrating the Informal Sector in the Modernization Process," *SAIS Review* 21, no. 1 (2001): 12.

⁸⁸ Koch, "Licensing, Popular Practices and Public Spaces," 2.

agencies to minimize risk, and can enable healthy habits while curtailing problematic activities.⁵⁴ However, if licenses are too expensive or complicated, they may not be adopted by street vendors because this would eat into already tight margins.

Push and Pull Factors for Street Vending

Street vending is often categorized as a low-income occupation, with profits varying drastically between \$50 and \$200 a day, depending on the season and location. A comprehensive study of vendors throughout the United States found the average profit to be almost \$26,000 per year, but that most venders pay themselves only about \$15,000 annually. Sandra is an incredibly good saleswoman, always luring in customers with clever phrases and charisma, and she shared that she made about \$24,000 a year. She walked me through her average day as a vendor, saying that the wholesale fruit retailers would open at 4:30 AM, so she would always wake up early in order to get the best fruit, and she would start selling at 9 AM once she has chosen her route. The day didn't end until she sold all of her fruit – sometimes as late as 9 or 10 PM. It is a difficult occupation and in order to better understand why vendors vend, it is helpful to first explore existing economic literature around the informal economy.

Gunter argues that there are two lenses one may use to further understand the reasons workers enter the informal economy. The exclusion lens sees informal sector workers as being pushed into their occupations because "they are prevented from participating in the regular sector by a segmented labor market, strict or costly regulations, immigration status, or other cost

⁸⁴ Koch, 6.

⁸⁵ Rocio Rosales, "Survival, Economic Mobility and Community among Los Angeles Fruit Vendors," *Journal of Ethnic and Migration Studies* 39, no. 5 (May 2013): 10.

⁸⁶ Carpenter, "Street Vending in the United States," 256.

differences associated with informality." However, the exit lens, which draws on Hirschman (1970), views informal workers as deliberately choosing to avoid regulation or formality. See Chen (2012) and Perry and Maloney (2007) see the exclusionary lens as being more appropriate to "off-the-book" work whereas the exit lens may be more appropriate for self-employment in the informal.¹⁰ While both lenses help further understand why some workers may enter the informal economy, I propose a third lens that instead focuses on the benefits of entrepreneurship and selfemployment. During my interviews, many vendors saw themselves as entrepreneurs and cited the desire to be their own boss as a primary factor in why they vend. Light and Rosenstein (1995) divide "survivalist" entrepreneurs into disadvantaged entrepreneurs and value entrepreneurs. Disadvantaged entrepreneurs become self-employed because they can get higher wages in self-employment because of a labor market disadvantage or they have no other employment alternatives.⁹⁰ Value entrepreneurs choose self-employment over other alternatives because they value the characteristics of their occupation whether it be flexibility, autonomy, or independence. For example, Martin found that many of the vendors she interviewed repeatedly mentioned appreciating the freedom that comes with being an entrepreneur and making their own choices around how to best operate their business.92

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⁸⁷ Samara R. Gunter, "Dynamics of Urban Informal Labor Supply in the United States*: Dynamics of Urban Informal Labor Supply in the United States," *Social Science Quarterly* 98, no. 1 (March 2017): 19, https://doi.org/10.1111/ssqu.12284.

ss Gunter, 19.

⁸⁹ Gunter, 19.

⁹⁰ Abel Valenzuela, "Day Labourers as Entrepreneurs?," *Journal of Ethnic and Migration Studies* 27, no. 2 (April 2001): 339, https://doi.org/10.1080/13691830020041642.

⁹¹ Valenzuela, 339.

⁹² Nina Martin, "Food Fight! Immigrant Street Vendors, Gourmet Food Trucks and the Differential Valuation of Creative Producers in Chicago: Differential Valuation of Immigrant and 'Gourmet' Vendors in Chicago," *International Journal of Urban and Regional Research* 38, no. 5 (September 2014): 1879, https://doi.org/10.1111/1468-2427.12169.

Many vendors do have control over business decisions – with 96% of vendors owning their vending business and 90% additionally owning (as opposed to renting) the structure from which they vend.93 Furthermore, many vendors value the ability to take more risks due to the nature of microenterprises, and as one vendor put it, "opening a store that fails may leave one in substantial debt and unable to start over again," whereas if one fails on the street, one "can get more money together in a few months and try again."94 Additional benefits of microscale retail include the ability to test out different products, locations, and markets, the potential to expand, and the value of having lower barriers to entry.95 As entrepreneurs, and because they are close to their customers and have a relatively small inventory, vendors are able to adjust their stock of goods based on seasonality and shifts in demand by customers. While there are many permitting models being considered, some vendors shared hesitations around a permit that would require them to specify a fixed location where they would vend because that would take away their freedom to change locations based on customer demand and could eventually cage them into a location that is no longer profitable for them. While most of the vendors I met stayed in one spot, some moved based on the day of the week (e.g. near a business on the weekdays but parks on the weekends), and some were always roaming. Although exploring the reasons workers enter the informal economy at-large is helpful towards understanding why street vendors vend, I was able to get more nuance through the existing literature around why people decide to vend specifically.

Much of the existing literature frames street vending as a survival strategy, arguing that people are pushed into this occupation due to a lack of better employment alternatives. This was

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⁹³ Dick M. Carpenter, "Street Vending in the United States: A Unique Dataset from a Survey of Street Vendors in America's Largest Cities," *Cityscape* 20, no. 3 (2018): 255.

Regina Austin, "An Honest Living': Street Vendors, Municipal Regulation and the Black Public Sphere," n.d., 11.

⁹⁵ Koch, "Licensing, Popular Practices and Public Spaces."

^{*} Austin, "An Honest Living': Street Vendors, Municipal Regulation and the Black Public Sphere," 7.

the case of a vendor who I interviewed in the Piñata District who sold crates of avocados. Carlos was previously a cook in a restaurant, but after being paralyzed from the waist down, was forced to vend from his wheelchair because it was his "only option." While being pushed into vending can be common, many vendors choose that occupation very intentionally. In fact, 73% of vendors in the United States entered the vending business from other forms of employment.⁹⁷ Muñoz also argues that street vendors have a degree of agency when making their choice of employment, especially regarding whether they are part-time, seasonal, or full-time vendors.98 However, compared to the profits of \$50 to \$200 a day that Rosales estimated vendors make daily, Rosales estimated that vendors who work for other vendors are paid between \$40 and \$60 daily. Sandra stated that she indeed made more money when she had her own business than now as an employee for someone else's stand, however, she had made the transition because of the stability and reduced hours that came with being an employee as opposed to an entrepreneur. As a vendor, she said, "she had money but didn't have time" and that there was so much "dead time" when she had to move locations anytime there weren't enough people in the location where she was vending. She was constantly her adjusting her route and times to try to maximize her sales.

Many vendors also choose this industry over other similar alternatives (e.g. gardening, domestic work, etc.) because of the flexible hours, and for the case of many women, the ability to care for their children while they work. ¹⁰⁰ Bates (1987) argues that women are often value entrepreneurs due to benefits of self-employment such as the "ability to juggle home and work

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⁹⁷ Carpenter, "Street Vending in the United States," 253.

⁸⁴ Lorena Muñoz, "Latino/a Immigrant Street Vendors in Los Angeles: Photo-Documenting Sidewalks from 'Back-Home," *Sociological Research Online* 17, no. 2 (May 2012): 2.

Rosales, "Survival, Economic Mobility and Community among Los Angeles Fruit Vendors," 10.

Lorena Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," *Royal Geographical Society* 48, no. 3 (2016): 5.

more flexibly than through wage employment." During one of my interviews with Maria Rodriguez, her daughter, whose birthday it was the following day, was sitting in a stroller right next to her stand. In fact, during our interview, a customer had bought fruit from her stand, but needed a to go bag. She had to run over to another stand to grab these bags and asked me to watch her daughter quickly – to me, this showcased the constant juggling many mothers must face, between making money (i.e. completing the transaction) and balancing family responsibilities, which for Maria included watching her daughter.

Another vendor, Sandra, admitted that being able to bring her child to work was an important advantage of vending for her. As a single mother, she would otherwise be unable to pay for childcare or have anyone else take care of the child, and as he grew older, he would even help her bag the fruit in her stand. She said that vending had therefore also instilled the importance of hard work and of making money to her son. A study found that self-employment earnings differ between genders, as female earnings decrease with family size, hours of housework, and marriage, while male earnings actually increase with those same variables. Furthermore, women and men who are self-employed tend to spend more hours in housework and market work, respectively, compared to those employed within organizations. This is a telling finding that helps explain some of the push and pull factors for vendors, and how they may vary by gender. Many other economic reasons also drive the decision to go into vending, such as: flexible hours, no supervisor, and the possibility of scaling up their businesses (especially for food vendors).

Valenzuela, "Day Labourers as Entrepreneurs?" 349.

Greg Hundley, "Male/Female Earnings Differences in Self-Employment: The Effects of Marriage, Children, and the Household Division of Labor," *ILR Review* 54, no. 1 (October 1, 2000): 96, https://doi.org/10.1177/001979390005400106.

¹⁰³ Hundley, 111.

¹⁰⁴ Munoz, 6.

Since street vendors have low overhead (due to lower labor costs, lower capital investment required, and no rent), they are able to provide goods for much cheaper costs than large retail stores. With increasing income inequality in the United States, there has been an increasing population of low-income customers who are seeking cheaper goods, often from the informal sector.¹⁰⁵ As immigrant entrepreneurship theory would suggest, vendors often cater to a "captive market of co-ethnics" before catering to a larger audience, therefore street vending tends to occur in neighborhoods with high populations of Latino/as.106 Although moving to more affluent areas may have notably reduced risk with fewer raids before legalization, the vendor's profitability would have suffered due to fewer pedestrians and a less captive consumer base.¹⁰⁷ Once vendors find a location, they often try to stay in that same place in order to build up a loyal clientele. Since Los Angeles is a "city dominated by cars," vendors often congregate near businesses that attract pedestrians, including banks, grocery stores, and gas stations.¹⁰⁸ For example, one of the vendors that sells in Long Beach exclusively vends in a corner near three other banks, and has a good relationship with the staff and managers at the neighboring businesses.

Most vendors avoid selling next to businesses with the same products, citing unnecessary competition and the desire for good relations with their neighbors, and instead opt for locations where their goods are complementary to nearby businesses.¹⁰⁹ Furthermore, street vending may create increased foot traffic in the area, as they transform otherwise underutilized spaces into convivial and cultural environments.¹¹⁰ Carlos, who has been vending in the Piñata District as far

Rosales, "Survival, Economic Mobility and Community among Los Angeles Fruit Vendors," 6.

Rosales, 14.

¹⁰⁷ Rosales, 15.

Jenny Ngo, "Mobile Food Vending and the Public Realm: A Seattle Study" (University of Washington, 2012).

Gregg Kettles, "Regulating Vending in the Sidewalk Commons," Temple Law Review 77, no. 1 (Spring 2004), 28.

¹¹⁰ Kettles, 32.

back as 1996, noted this trend stating that when he started vending. When he began, there were only 4-5 businesses in the entire area, and as more vendors starting selling on Olympic and Central, more people started coming to the area, and business followed suit. He further noted that the majority of the people visiting and buying goods from the district are Latino/a. Valenzuela Jr. expands on this relationship between a largely Latino/a vendor and customer population by stating the advantages of ethnic entrepreneurs including "co-ethnic loyalty...traditions and economic strategies (e.g. familial or communal loans)."

While vendors do benefit from increasing demand (largely due to an increasing Latino/a population and a more widespread acceptance of the occupation), they still faced many risks due to regulation, harassment, and intermittent enforcement before the legalization of street vending. They had to constantly weigh the trade-offs between choosing a location that is profitable while reducing risk. Their profitability is maximized in areas with high pedestrian traffic, however these are also often the places that attract the most vendors. With limited enforcement budgets, cities often conduct raids in these areas.¹¹² Location is not an inconsequential choice—it is often the most important factor to a vendor's success.¹¹³

Impact on Local Economy and Mitigating Costs to Society

The City has recognized the opportunity and benefits of formalizing vendors and integrating them into Los Angeles' economy. Councilmember Price stated at a City Hall press conference, that "We are excited about the opportunity to get folks out of the shadows, collect additional revenue, providing services for the disadvantaged and poor and help incubate small

¹¹¹ Valenzuela, "Day Labourers as Entrepreneurs?" 337-338.

¹¹² Rosales, 14.

Nittaya Wongtada, "Street Vending Phenomena: A Literature Review and Research Agenda," *Thunderbird International Business Review* 56, no. 1 (February 2014): 14.

businesses who make such a contribution to our city."¹¹⁴ With an estimated 50,000 vendors, there was an incentive for the City to formalize vendors in order to collect tax revenue and regulate the sector. A 2014 Economic Roundtable study found that for every \$2 earned by a Los Angeles sidewalk vendor, an additional \$1.72 in economic activity is generated – resulting in \$434 million in economic output annually.¹¹⁵

However, with legalization also came many concerns from stakeholders in the community. The CEO of the Hollywood Chamber of Commerce passed out photos of a vendor, who was blocking access to a fire hydrant and using a hot grill with hot oil close to pedestrians, during a City Council meeting discussing the rules and regulations. Much of the feedback got incorporated into the rules and regulations, however many of the concerns will not be addressed until a permitting system is announced in detail. Theory predicts that because sidewalk vendors do not have a legal right to exclude other vendors from sidewalks, vendors will be "disinclined to make investments that would make the sidewalk more productive" leading to trash and/or other safety hazards.¹¹⁶ The rules and regulations specifically address keeping the 50 feet perimeter of one's cart free of trash and states various rules to prevent overcrowding or blocking necessary infrastructure, and it is important to note that many vendors do in fact self-regulate, always making sure to clean the area around where they vend in order to maintain good relations with the surrounding brick-and-mortars and gain the trust of their customers. However, some of the negative societal costs around trash may also be addressed through giving location-specific permits for vendors, especially in more popular areas.

Bartholomew, "LA Leaders Move to Protect Immigrant Street Vendors amid Deportation Fears – Daily News."

¹¹⁵ Council District 9, "City Council Adopts Plan to Create Fair Sidewalk Vending Program."

¹¹⁶ Kettles, "Regulating Vending in the Sidewalk Commons," 30.

Furthermore, the rise of Business Improvement Districts (BIDs) have led to an adversarial relationship between many property owners and vendors. BIDs are geographical areas where all businesses pay an extra tax in order to fund additional services and projects, and they often make direct investments into neighborhoods through additional sanitation services, surveillance, street cleanings, furniture, or other services. In a letter submitted to the City Council from the Los Angeles Fashion District BID, they listed many of their concerns with sidewalk vending including: a lack of liability for damage, vendors not contributing towards trash removal costs or BID fees, as well as ADA compliance. By incorporating these additional costs into the licensing structure the City of Los Angeles proposes, the City can mitigate some of the costs that property owners and BIDs face as a result of increased vending. However, with tight profit margins it is essential that "licensing structures widely considered arduous and oppressive" be avoided. Therefore, any fees that are levied to mitigate the costs to BIDs must be accompanied by a subsidy or accompanying tax break to prevent the permitting system from being overly burdensome.

Business owners represented the biggest opposition force to the legalization of sidewalk vending, with many business owners arguing that vendors are unfairly competing with their storefront. In fact, business owners made up the majority of the people who complained to the police about vending activities. However, studies show that sidewalk vendors avoid selling next to businesses that sell similar products, rather they tend to vend in areas where their goods are complementary to those of neighboring businesses. Furthermore, in many cases vending can

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¹¹⁷ Thomas Devlin, "Global Best Practice or Regulating Fiction?" 11.

[&]quot;" "SUBJECT: Concerns Regarding Proposed Legalization of Sidewalk Vending," May 8, 2014.

¹¹⁹ Koch, "Licensing, Popular Practices and Public Spaces," 9.

Lorena Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," *Area* 48, no. 3 (September 2016): 339–45, https://doi.org/10.1111/area.12266. 4.

¹²¹ Kettles, "Regulating Vending in the Sidewalk Commons," 28.

help increase pedestrian traffic to the area. This is definitely the case in the Piñata District, where dozens of vendors selling goods varying from food, fruit, animals, and jewelry have set up stands in front of stores selling Piñatas and traditional Latino candy. Vendors recognize that they do not offer many of the amenities that can be found in fixed-location businesses including shelter from the weather, limited selection of goods, and often lack tables or seating to eat. Since vendors have incentives to maximize their profit, to stay in the same location to build up a clientele, and to maintain good relationships with neighboring businesses, it is no surprise that vendors often try to avoid competition by not selling similar goods to the businesses around them. However, business owners' concerns about trash buildup near their properties may be valid. In the Piñata District, all vendors have trash cans near their stall or cart, however, additional public trash cans in areas with a high density of vendors may work to lessen this impact.

In general, Tokman argues that in order to integrate the informal sector into the formal sector, a multi-faceted approach must be used. This approach includes: providing "support and access to resources to foster the development of micro-enterprises," welfare that empowers the worker, a regulatory framework that is not overly burdensome, all paired with access to microcredit and educational outreach.¹²³ While the rules and regulations aren't overly burdensome, especially compared to earlier drafts which would have limited the number of vendors per block or that would have allowed neighboring property owners to veto the legalization of vendors for their district, it is important that the permitting system likewise be flexible and center the needs of vendors. Furthermore, while the City made the new changes available on their website in both English and Spanish, the educational outreach component is

122 Kettles.

Tokman, "Integrating the Informal Sector in the Modernization Process," 6-7.

still lacking. One of the vendors I interviewed was not even aware that vending had been legalized. In order to maximize the legalizations' impact on society, all of the steps that Tokman advocates for must be completed. In the next chapter, I go into more detail around the perceived impact of legalization on vendors. By first sharing the impact of enforcement on vendors prelegalization, I am able to contextualize the importance of the policy changes for many of the vendors. By then pulling from interviews and community input sessions, in the following chapter I describe the impacts of legalization on vendors' sense of safety, their feelings around their occupation, and their future aspirations and worries.

Chapter 3: Post-Legalization and its Impact on Vendors

Legalizing street vending was put on the City Council's agenda because of the desire to protect immigrants in light of Trump's election. There were fears that vendors would be at a greater risk for deportation, and vendors had already organized to try to decriminalize their occupation. For decades, vendors were receiving tickets, getting their equipment confiscated, and having to go to court as a result of their place in the informal economy. Previous efforts towards legalization didn't work because, as Rudy Espinoza stated, "it really requires a lot of political will to drive something like this forward" and the legalization of street vending, in particular, "requires cross-departmental partnerships within city and state government." Due to the slow progress in policy changes, in order to better understand the impact legalization had on vendors, it is first important to note the history of how enforcement impacted vendors and their businesses for decades.

The Impact of Enforcement on Street Vendors

Vendors considered the likelihood of citation as an important factor when determining a location for their cart. Raids could be extremely detrimental to the livelihood of street vendors when vending was prohibited —they could be cited, their equipment could be confiscated, or before decriminalization, they may have even been arrested. Lower quality carts (without drainage) may cost anywhere from \$800 to \$1,000, whereas higher quality carts range from \$1,500 to \$2,000; the confiscation of equipment can be especially detrimental for a vendor because of the need to repurchase expensive inventory and the loss of sales until inventory is restocked.¹²⁵ Carlos, a disabled vendor selling avocados in the Piñata District, said he was only

[&]quot;Crusading for the Rights of Street Vendors: Q&A with Rudy Espinoza," *LISC Stories* (blog), April 2, 2019, http://www.lisc.org/our-stories/story/crusading-rights-street-vendors.

Rosales, "Survival, Economic Mobility and Community among Los Angeles Fruit Vendors," 10.

ever cited once. This happened when he used to sell vegetables, and although he expressed relief and a sense of luck that he had only ever been cited once, he also stated that the citation set him far back. The fine alone was \$1000, and the police had also thrown out all of his produce and impounded his cart, which he estimated costing him \$400 and \$300, respectively. It is therefore no surprise that the cost of citations and other regulations limits the upward mobility of vendors – \$1700 is a large cost for a vendor whose income can already be so volatile.

Vendors often create and rely on their networks to survive the financial instability of the industry, and "the bounded nature of kinship and *paisano* [hometown associates] networks means that if one vendor suffers financial hardship it will weigh heavily on all the vendors in the network." Rosales also states that it was frequent for "networks [to] facilitate entry into the business, provide loans to buy pushcarts...and provide money to bail vendors out of jail, pay citation fines or fund re-entry after deportation." For example, if a vendor has their cart confiscated, they often rely on their networks to financially contribute towards getting a new cart; this results in limited economic mobility as vendors become financially dependent on each other and more vulnerable to confiscations or citations. During my second interview with Sandra, she disagreed with this idea, stating that most vendors had at least a little bit of savings in case of a citation or confiscation of inventory. She said that it would be great if vendors supported each other in this way, but that was not often the case.

In MacArthur Park, vendors are organized into a union and meet every month or 15 days based on policy developments. Vendors often collaborate and self-regulate to disseminate information and organize around policy changes they would like to see. In Wilmington, while they often share information around policy changes and events, one of the vendors

¹²⁶ Rosales, 13.

¹²⁷ Rosales, 11.

acknowledged that they needed to have better communication among the vendors in the area. He sold churros in Wilmington and had found out about the Community Input session from another vendor, and while he shared that they often respected each other's location and the values of seniority, there can be conflicts when certain vendors don't respect the area's norms. For example, he vends near a restaurant and while he keeps his area clean, another vendor does not, and this has led to many issues between the two and the business owner, who blames both vendors. Sandra seconded this sentiment by sharing that collaboration is not always the case for vendors. She stated that in the Piñata District, there is a lot of envy among vendors, and people are often distrustful of each other. That being said, vendors tend to build alliances, especially to avoid police. Sandra was never fined because she said by the time police would make it down to where her cart usually is, word had already travelled that they were coming, and she would have enough time to put everything away.

Crackdowns of vending increasingly occurred in areas targeted for redevelopment or gentrification. With such changes in neighborhood demographics, the numbers of complaints about street vendors also tend to increase.¹²⁸ In many of these cases, Kettles claims there is a culture clash, where vending is seen as "the rise of another culture that threatens the status of existing American culture."¹²⁹ For example, in September 2015, Los Angeles banned all vending in public parks. While this was theoretically supposed to affect group exercise programs, all citations given were to vendors.¹²⁰ In this case, exercise group activities are actually seen as desirable, especially in neighborhoods facing gentrification, whereas "other forms of informal economies in public parks are perceived

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¹²⁸ Kettles, "Regulating Vending in the Sidewalk Commons," 42.

¹²⁹ Kettles, 26.

Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," 4.

as barriers to redevelopment."

As another example, while property owners and Business Improvement Districts often argue that sidewalk vendors are detrimental to their property values, food trucks are usually embraced, likely because the middle-class or affluent customers and owners are associated with gentrification.

This, as well as the continuation of street vending as an informal occupation, showcases how "state-legitimizing systems unevenly valorize bodies, places and spaces."

However, Kettles argues that because vending is often a survival strategy, enforcement rarely detered vending. Instead, the vendor simply moved to a new location. In this way vending spaces are "created, maintained, reproduced, in-between vending raids by the police." This sentiment was expressed by Sandra who stated that she would always change streets when the police came, and that when raids occurred in the Piñata district everyone would pretend to be customers and try to rescue whatever inventory they could. Even though these raids would always set them back, the Taquería where she now worked would be open for business as early as the next day. Previously, when she had her own cart, she would simply move to a new location, rotating between South Central, Huntington Park, and a handful of other locations. The previous prohibition of vending did not stop tens of thousands of vendors to go out and work every day, Katz articulates this perfectly in his article, "The Geography of Getting By." He states:

"For many Latino immigrants, in particular, the ban on street vending represents the criminalization of their most entrepreneurial instincts, a restriction that thwarts self-sufficiency... In the face of government hostility, thousands of unlicensed,

¹³¹ Munoz, 4.

Ehrenfeucht, "Designing Fair and Effective Street Vending Policy: It's Time for a New Approach," 4.

Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," 2.

¹³⁴ Munoz, 3.

often undocumented *vendedores ambulantes* [vendors] fan out, morning and night, day after day, perhaps L.A.'s longest-running act of civil disobedience."

The continued presence of street vending in Los Angeles for hundreds of years showcased the will of vendors to continue making their livelihoods in spite of lacking legitimacy, but most welcomed legalization with open arms. However, it is important to acknowledge that not all vendors are welcomed with the new policy changes. With the creation of no-vending zones, vendors who previously sold in Hollywood, Dodger Stadium, or the multiple other areas that are now off-limits to vending are not legitimized with the legalization of vending. Furthermore, the legalization of vending does not include all items, and continues to prohibit the selling of animals, counterfeit goods, or any illegal items (i.e. pirated contraband).

However, with the legalization of (most) street vending, many vendors expressed relief at not having to worry about enforcement as well as hope that they will be able to expand their businesses. Multiple vendors at the community meetings shared their experiences with law enforcement, receiving year-long probations, fines, or confiscation of their equipment. Due to the punitive nature of enforcement pre-legalization, vendors often self-regulated in order to minimize their chances of interacting with police (e.g. cleaning their area to reduce the probability of a resident or business owner calling the cops on them).

Self-Regulation and Safety

To a large extent, vendors are self-regulating. Prior to any sanctioning from the government, vendors had already built informal norms on where and how to vend. A vendor who

¹³⁵ Jesse Katz, "The Geography of Getting By," *American Prospect*, August 2012, 2.

sells fruit in the city of Long Beach shared an example of how he self-regulates. He stated that he would never place himself by a store selling bionicos (prepared fruit salad), not only because it would hurt his profits but because he just doesn't think it's right and wants to maintain a good relationship with the neighboring businesses. He went on to share that everyone tends to respect each other's locations. He has been vending for eight years, and only one time did someone try to sell next to him, but they quickly left after realizing it was his spot. The vendors, although rarely explicitly, created norms that people don't take each other's spots and generally respect ideals of seniority and fairness. In this regard, many vendors are not hoping for rigid rules and regulations, because many of them have norms that already work for them. Legitimacy is nevertheless important to all of the vendors I interviewed.

Legitimacy, to many of the vendors I spoke to, means more protection and safety.

For Sandra, it's "sentirse seguro que la policia no esta en tu contra" (to feel safe that the police aren't against you) and that they are a resource that she can depend on when she is feeling unsafe. Sandra was hit by a car last year while vending and did not report it because she had been illegally vending at the time. She was back at work in 15 days because she had run low on her savings and had no choice but to go back to work. She lamented not being able to report the accident and therefore access better health care, but a lawyer advised her not to call the police because she was vending illegally at the time. During the input sessions, many other vendors stated that for them, having a permit means not having to fear extortion. Additionally, many asked how the County could further protect them against delinquency and crime. One of the vendors I spoke to, who was in her mid-60's and sells snacks at a park in South Central LA, shared that she had been robbed many times while working. She was very emotional telling me these stories,

sharing how frustrated she felt when she was already struggling to make ends meet and also having to worry about protecting herself and her goods. Kettles stated that the security of inventory is a handicap of vending as "there is no secure place on the sidewalk to store inventory" – limiting the variety of products sold as well as increasing the risk of theft.¹³⁶ Multiple vendors I spoke to stated that they would be willing to pay for a permit but would like more security. In addition to delinquency, many vendors were victims of other crimes, namely extortion.

In her study of vendors in Los Angeles, Muñoz found that Ximena, a local street vendor, had to pay extortion to gang members to avoid conflicts with local residents, business owners, and police.¹³⁷ Gang members also would stop vendors from selling on the same block as the vendors who paid their extortion fees. Although the sector, to a large extent, was self-regulating, there were still many vulnerabilities they faced as a result of the illegitimacy of vending.

At the community meetings, many vendors shared they were most excited about the peace of mind that comes with the legalization of street vending – that they no longer have to worry about deportation, criminal charges, or the confiscation of their equipment. One vendor shared that he was most excited for a permitting system, stating he saw no drawbacks because it meant he could "do [his] work fearlessly." Another vendor, who sold clothes in the Piñata District, shared that the police had been especially harsh when she first started vending, and that she was just happy that they would no longer bother or fine her.

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¹³⁶ Kettles, "Regulating Vending in the Sidewalk Commons," 31.

¹³⁷ Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," September 2016, 1.

Although the legalization of sidewalk vending is recent, vendors have been self-regulating for a long time, and it is essential that any rules and regulations that are created are not too rigid or stifle their ability to make a profit. Muñoz argues that, "vendors regulate their vending areas by making sure they do not have too many vendors selling at the same time on the block." I witnessed this during my own visits to MacArthur Park, Maria told me how everyone has their own spots and she could name all of the vendors on all sides of her. The vendors also self-organized by the items they sold, and Maria pointed out one of the side streets where they only sold shoes. The vendors had even grouped together and organized a union, where they distributed relevant information and actively pushed for policy they would like to see.

While many vendors self-regulated successfully, they were excited by the legitimacy that legalization brought to their occupation. During community input sessions, many vendors voiced thinking that state-sanctioned legitimacy, and especially permits, would be helpful for their customers to showcase that they went through the right processes to become sanctioned by the state (to health and safety standards, common business practices, etc.). Furthermore, many voiced the impact this had on how they saw their own occupation and their own dignity around vending.

Dignity and State-Sanctioned Legitimacy

Sandra felt a lot of pride around her occupation, stating that it's one where you have to save, invest, and work really hard. She stated that Latinos, for her, are one of the most hard-working groups of people, evident by 4:30 AM wake ups and long days that

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¹³⁸ Munoz, "Agency, Choice and Restrictions in Producing Latina/o Street-Vending Landscapes in Los Angeles," 2016, 4.

vendors had to undergo, without ever relying on the government for support. Another vendor I spoke to also shared that she has to wake up at 2 AM in order to claim her daily spot. However, many vendors shared their love for parts of their work, especially the freedom to choose their own schedules and make their own business decisions. Many others seconded this pride around vending during the Community Meetings, and one of the organizers proclaimed, "These are businesses just like brick and mortars."

Previously, many vendors felt shame around their occupation because they recognized its illegality. During a community input session, one vendor shared her opinion regarding the benefits of legalization, stating that "ya no vamos a ser criminales... y vamos estar vendiendo tranquilos" (we will no longer be criminals... and we can vend in peace). To me this suggested that she had internalized the label of criminal because she had been vending illegally and felt relief to have her occupation legalized. Legitimacy was also essential to many vendors because, as Sandra shared, it didn't feel right to her to vend because there were no permits. She felt very conflicted about her job because she recognized it was illegal but still saw it as a better alternative than depending on welfare or getting into illicit business. She continued saying it will become easier to have pride in her work once she is able to get a permit.

However, unlike established businesses, vendors still do not have access to government programs that provide other "legitimate" small businesses access to capital, advisors, and technical assistance. One vendor interrupted the initial presentation at one of the community meetings to ask about if they will be able to access loans now that vending is legalized, she went on to say, "Without money, we cannot arrive to our dreams" acknowledging the importance capital and other state-sponsored programs have

to scaling up their businesses. Throughout my research, I heard many stories from vendors about how they hoped to grow their businesses post-legalization, but many vendors also shared skepticism towards the City in accurately implementing the policy changes they promised vendors.

Aspirations and Skepticism

Carlos stated that with the legalization, he expects more business with new vendors and existing vendors trying to expand their businesses as well as the type of foods they serve. He personally wants to expand his business by becoming more of a distributor and selling his product to other local businesses. Sandra wants to invest more of her money and achieve financial security. She used to be depressed with the stress of trying to make ends meet, saying her life was a cycle of "ganaba pagaba y gastaba" (I made money, I paid off my bills, and I spent what I needed) and then never had anything left. She wants to expand her business until she can save enough to have the peace of mind that comes with financial stability.

The legalization of street vending was important to every vendor I interviewed. During the public input meetings, vendors spoke about the benefits of legalizations and permits, in particular. These included: legitimacy, being able to access loans, being able to report your occupation, being able to serve as a role model to your children, safety, not having to risk deportation or tickets, and being able to make a greater income as many vendors expected an increase in customers as a result of legalization. In addition, many vendors spoke about how permits further legitimize their business and can help reduce the pushback they receive from brick and mortars, as well as residents. One vendor even went so far as to say there are "really no drawbacks" to legalization because it offers the

security of knowing that you're operating within the law and no longer have to fear retribution or harassment from police.

While all of the vendors I spoke to agree that the legalization of their occupation was net-positive, there is more skepticism around the permitting system that the City will unveil in 2020. Maria, while enthusiastically embracing legalization and stating that "we [vendors] want to respect the laws," also shared skepticism at the idea that the City will allow them to vend without severe restrictions and just hoped that the City maintain their word and give them the freedom to pursue a living. At a Community Input session, a vendor shared how his friend was cited for vending after a complaint post-legalization, and that while the City may have passed this policy, they were skeptical that the police would even be aware of the policy changes and continue citing them unfairly. In addition to skepticism around the ability of the City to implement this policy, many vendors were also skeptical of the fairness of a permitting system that the City puts out.

Koch argues that while "a license can also serve as a form of public validation," the burden and pressure to comply is often "placed on vendors who have to navigate the lengthy, fragmented and sometimes contradictory lists of vending rules and conditions." Indeed, cultural capital and familiarity with bureaucracy is often key in order to navigate these processes and even in self-advocacy. To be knowledgeable about the changes occurring will already prove difficult and to be able to navigate the processes in place to get a license will only add to that difficulty.

After the legalization of street vending, LASVC made a concerted effort to reach out to vendors for the community meetings. This was done to include a variety of

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¹³⁹ Koch, "Licensing, Popular Practices and Public Spaces," 6, 10.

effort is done mostly through leaders in the vendor community who tried to educate other vendors about policy changes and these kinds of events. With an estimated 50,000 vendors in Los Angeles, it is unfortunately close to impossible to reach everyone. During my interviews, many of the vendors I spoke to were unaware of the rules and regulations or even that vending had been legalized. At one of the community input sessions, only two vendors showed up, although there were clearly hundreds of vendors in the area. During our conversation, one vendor shared the fear many other vendors had in attending these events, especially because they were hosted by the County of Los Angeles. They've had negative experiences with the government before and are now scared to show up to meetings or accept outreach efforts. The permitting system, if fueled by the needs and voices of vendors, could be a big step in reconciling the turbulent relationship between the City of Los Angeles and the people they are aiming to help.

During the course of my research, I was able to answer some of my initial research questions but lacked the time and resources to go in-depth into all of them. Although my initial scope was to better understand the impact of the new rules and regulations on vendors in Los Angeles, I quickly expanded my focus to be on the impact of legalization on vendors more generally. During my first couple of interviews, I focused heavily on the rules and regulations specifically, but soon realized that many vendors were unaware of that specific policy but could instead touch upon the impact of legalization as contextualized by their past experiences with enforcement. Through hearing the stories of dozens of vendors, I found the main impacts of legalization to have been on vendors' feelings of safety, dignity, and their aspirations for their businesses.

Although I was initially hoping to focus on vendors' profits and finances, I found that the impact categories I focused on all impacted their livelihoods in a more meaningful way. For example, feeling safe to vend has great ramifications for vendors' economic mobility as they don't have to fear starting over every time they get cited and have their equipment confiscated. Furthermore, the legalization of street vending further incorporates vendors into LA's economy at-large by formalizing their occupation, bringing in additional revenue for the City, and opening up previously unavailable opportunities for vendors, especially in regard to financing. As for my final research question, I detail my recommendations to various stakeholders in the following chapter.

Chapter 4: Shortcomings and Policy Recommendations

While the legalization of street vending was a major step in this decades-long movement, there is still room in the policy to further empower vendors. There are no permitting systems put into place in the City of Los Angeles at the time of this thesis, with the planned permitting model set to be unveiled in 2020. The permitting system will have a significant impact on the ease or difficulty vendors face in order to receive legitimacy and protection. Many of the policy recommendations I offer in regard to a permitting model are inspired by the various community input sessions that took place in March and April of 2019. Furthermore, I pull from scholarly articles and my conversations with vendors to recommend solutions that relate to urban design, micro-financing, and other relevant fields. Before launching into the policy recommendations, I want to look at permitting models in other cities for a better understanding of the various options policymakers have when creating a permitting system.

Permitting Models in Other Cities

New York City provides many lessons through the successes and shortcomings of their street vending permitting system. Street vendors are divided into a few categories: general merchandise vending, food vending, First Amendment vending (pamphlets, art, newspapers, etc.), military veteran vendors, and "Green Cart" vendors (healthy food). While they have a great "Green Cart" program that empowers vendors to sell healthy food and are leading the way in making healthy food accessible to communities in food deserts, their cart permit caps lead to many inefficiencies in their existing system. It isn't difficult to get a license to vend in New York; however, the existence of a capped number of vehicle permits (3,000 total permits) has led

to an emerging black market for these permits. 140 Since both food and general merchandise vendors are capped, while military vendors are uncapped, many "rent-a-vet schemes" emerge to bypass permit caps.¹⁴¹ This is when veterans are hired to get the license and stay at the table, and in turn they get a cut of the profits, while the non-veteran owner runs the business. Furthermore, general merchandise and food permits are resold for 30 to 40 times more than the base fee set by the city. 142 This effectively creates massive barriers to entry, as the waiting list for a general merchandise license is over 20 years long, and to purchase a license on the black market takes tremendous capital investment, thereby also reducing profitability for vendors in an occupation with already tight margins. 143 Well-intentioned policies like this, because of the shortage of overall licenses available, result in black markets and exploitation of the policies. Furthermore, a confusing three-tier permit system regulates the kind of food that can be prepared in a vehicle, with the highest permit tier requiring a truck that could cost anywhere from \$45,000 to \$100,000, limiting the quality and diversity of food that can be prepared. 44 In general, while New York is usually seen as vendor-friendly, the complexity of vending code (depending on the vending category and permit tier), expensive citations, and a myriad of restrictions results in black markets, exploitation of vendors, and ambiguity at every level.

Portland, on the other hand, showcases a vendor-friendly environment that results in collective benefits to the greater community. Portland now has over 24 food cart pods, or a cluster of competing carts, usually in parking lots. Landowners can charge vendors between 30%

¹⁴⁰ Koch, 7.

Devlin, "Informal Urbanism: Legal Ambiguity, Uncertainty, and the Management of Street Vending in New York City," 21.

Jenny Ngo, "Mobile Food Vending and the Public Realm: A Seattle Study" (University of Washington, 2012), 18.

Devlin, "Informal Urbanism: Legal Ambiguity, Uncertainty, and the Management of Street Vending in New York City," 18.

¹⁴⁴ Koch, "Licensing, Popular Practices and Public Spaces," 9.

and 50% more per space, and vendors usually receive infrastructure support in exchange (e.g. electricity, water, sewage hook-ups). 45 Street food vending has become a part of Portland's culture and allure, provides places for community-building, and offers high quality food at competitive prices. The supportive legislation also enables many vendors to scale up their businesses, an especially important factor for vendors, over half of whom were born outside of the United States.¹⁴⁶ When asked how they did it, Mayor Sam Adams answered that the city "worked really hard to stay out of the way." 147 Indeed, Newman and Burnett argued that it was their laissez-fair attitude towards minor violations that contributed to the city's food scene success. 148 Portland enforces health and safety rules, requires licenses, hand-washing systems, and some other basic requirements, but the restrictions placed on vendors are low compared to other cities in the United States. However, while food carts can thrive on private property (such as parking lots), they are severely limited in their ability to vend on sidewalks or parks, which limits Portland's methods' applicability to other cities. 149 In Los Angeles, there was an attempt to regulate vending in 1994 with the creation of special vending districts, but only one was created in MacArthur Park. I discuss these efforts in my first chapter and why they ultimately failed (overregulation and high barriers to entry), but this trial showed many policymakers and the LA Street Vendor Campaign why the "pockets" of vending Portland has embraced failed in the City of LA. However, one can still learn from Portland's policies and some of their successes. By not placing caps on licenses, prioritizing health and accessibility, and reducing the complexity and ambiguity within vending code, they are able to successfully integrate street vending into the

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¹⁴⁵ Koch, 11.

¹⁴⁶ Koch, 12.

¹⁴⁷ Koch, 12.

Lenore Lauri Newman and Katherine Burnett, "Street Food and Vibrant Urban Spaces: Lessons from Portland, Oregon," *Local Environment* 18, no. 2 (February 2013): 6.

¹⁴⁹ Koch, "Licensing, Popular Practices and Public Spaces," 12.

city's culture. By analyzing the successes and failures of the various permitting models as well as pulling from my conversations with vendors, I drafted multiple policy memos to different stakeholders including the policy changes that I argue would be beneficial for vendors and LA's economy at-large.

TO: LA County Department of Public Health

DATE: April 26, 2019

RE: Street Vending Policy Recommendations

Recommendations

- Combine the permitting application process for a health permit (for food vendors) and a general permit from the City (if introduced in 2020)
- Introduce incentives (i.e. fee waivers or fee reduction) for vendors who sell healthy food
- Create more non-profit commissaries throughout Los Angeles to reduce barriers to entry for vendors to be in compliance

Background

Prior to the legalization of street vending in Los Angeles, all vendors preparing or selling food were still required to obtain a permit from the LA County Department of Public Health. Under the department, the Street Vending Compliance program is comprised of ten inspectors checking that food is held at safe temperatures, is being made with sanitary equipment, and is obtained from approved sources, as well as checking that vendors themselves are taking the appropriate measures to prevent contamination (e.g. washing their hands).

During one of the community input sessions, a vendor shared that they likely wouldn't get a general vending permit unless there were significant changes to the County health permitting process. He stated that it is currently too expensive and complicated to be in compliance with the County health permitting process because of its overly burdensome requirements, and that if they didn't change, he didn't see the merit in obtaining a general permit either because he would be out of compliance anyways. In order for a successful adoption of permits, there cannot be overly complicated or expensive requirements such as the current disjointed and costly requirements of the Public Health department.

Street Vending Compliance Program

Navigating the multiple permit processes will become increasingly difficult for vendors, namely food vendors – especially for those who vend in various cities. Once a permitting system is created through the Los Angeles City Council, it would become extremely useful for vendors if the currently distinct permitting systems were to be simplified or combined. Since most vendors sell food, by combining and streamlining the health permit process from the County and the general permitting process from the City or County of LA, vendors will more likely be in compliance with all necessary business and food safety requirements. Furthermore, as shown in the success of New York's permit models, introducing incentives for healthy food, perhaps through lower fees or fee waivers for the county health permits is a powerful way to encourage vendors to sell healthier food to the citizens of Los Angeles and address food deserts. Lastly, to further reduce the many barriers to entry vendors face, the Department of Public Health must ensure there are enough commissaries around the city of Los Angeles so that vendors are not required to go great distances to prepare their food before the beginning of each work day.

Commissaries are established kitchen where vendors can go to prepare and store their food and equipment. An alternative to requiring commissaries would be having more non-profit or County-run shared kitchens where vendors can store and prepare their food and equipment, this

would be advantageous to ensure that the food being sold meets all food and safety requirements without undue burden for the vendors. The existing for-profit structure has resulted in high fees with poor quality of service for many vendors throughout the City of Los Angeles. With few commissaries monopolizing large geographical areas, vendors are left with few or no choices.

TO: Adel Hagekhalil, Bureau of Street Services

DATE: April 26, 2019

RE: Street Vending Policy Recommendations

Recommendations

- Create a flexible permitting model, with a location optional approach that also allows for vendors who vend only on weekends or weekdays
- Incorporate BID fees into the permit fees for vendors who vend in those areas, accompanied with a subsidy or tax break to prevent an overly costly application
- Allow for a grace period after the passage of a permitting system where resources are directed towards technical assistance and outreach for vendors
- Partner with non-profit organizations to increase education and outreach, targeted towards vendors, LAPD, business owners, and LA residents to alert them of all changes

Background

The Bureau of Street Services is integral to the implementation and enforcement of street vending. The Department is under the Department of Public Works and is in charge of maintaining the street sidewalks, medians, and trees. The Bureau of Street Services has been a major stakeholder in creating and enforcing street vending policy and is at the forefront of implementing policy changes. Adel acknowledged that for vending policy to work, it "can't be a fight, it needs to be a partnership" and they have begun working with the LA Street Vendor Campaign and vendors themselves to conduct outreach around the new policies.

Street Vending Permitting Model

Creating a permitting model presents challenges because there are so many kinds of vendors with different preferences. There needs to be adequate flexibility, meaning that a location optional model might be preferable. A location optional model would give vendors who always vend in the same fixed location the security and stability of a reserved spot but would also enable roaming vendors to change their routes and switch locations frequently. Furthermore, many vendors shared that they only vend on certain days (i.e. only the weekdays or only the weekends) so by asking for that information during the application process, the City could accommodate more vendors in one spot based on availability.

Also, in order to address some of the concerns from opposing groups, namely the Business Improvement Districts it may be important to incorporate BID fees into the licensing structure the City of Los Angeles proposes to mitigate some of the costs that property owners and BIDs face as a result of increased vending. However, with tight profit margins it is essential that "licensing structures widely considered arduous and oppressive" be avoided. ¹⁵⁰ Therefore, any fees that are levied to mitigate the costs to BIDs must be accompanied by a subsidy or accompanying tax break to prevent the permitting system from being overly burdensome.

Furthermore, the Bureau of Street Services' role in outreach and education will be essential to a successful adoption of all rules and regulations. However, they should continue their approach of partnering with non-profit organizations in order to fulfill these goals. By having a grace period where enforcement is not prioritized, the City can assure they give vendors adequate time to adjust to all of the policy changes and better understand the impact of the

¹⁵⁰ Koch, "Licensing, Popular Practices and Public Spaces," 9.

policies on their individual businesses, as well as offer technical assistance to help vendors navigate the permitting process. BSS is requesting further funding for more inspectors in order to address their increased responsibilities, but education must be prioritized in the training of additional inspectors. The education and outreach component should not be solely targeted towards vendors, but also LAPD, business owners, and Los Angeles residents in order to ensure a fair implementation of the legalization of street vending. Residents that are unaware of the policy changes may still try to call the police for illegal vending and police officers that are unaware of the rules and regulations may enforce the policy without uniformity and unjustly, resulting in the policy not being implemented accurately.

TO: Los Angeles Small Business Development Center (SBDC)

DATE: April 26, 2019

RE: Street Vendor Integration

Recommendations

- Incorporate vendors into the existing services at the SBDC
- Create vending-specific programming, in partnership with other non-profits, such as the LA Food Policy Council

Background

The LA SBDC network provides entrepreneurs with free or low-cost services and opportunities that enables these businesses to grow and succeed. They offer various classes on topics such as creating effective marketing strategies, growing your business digitally, financial literacy courses, as well as connecting businesses to different programs, grant opportunities, financing options, and advisors. Since there is no permitting system as of yet, vendors are not tapped into the processes of the City of Los Angeles and therefore ineligible for the various services that the SBDC and other similar programs offer.

Integrating Vendors into the Small Business Development Center

While legalization and creating a permitting model are both big steps towards advancing the livelihoods of vendors, as one vendor put it "sin dinero no podemos llegar a nuestros sueños" (Without money, we cannot arrive at our dreams). For many vendors, access to capital and microfinancing is of the utmost importance to expand their businesses. Furthermore, there is great opportunity to link the SBDC with LA's vendors, as well as to create specific services that address the needs of these local entrepreneurs. For example, instead of having monopolistic commissaries, creating cooperative kitchens where vendors can cook and store their food and equipment and where the City could monitor production would be an incredibly beneficial program. The SBDC could also help advance these food entrepreneurs by partnering with non-profits such as the LA Food Policy Council to create incubator/accelerator programs for vendors that creates programming and opportunities specific to the Los Angeles restaurant industry.

151 "Workshops," America's SBDC California Los Angeles Network, n.d., https://smallbizla.org/events/.

TO: Eric Garcetti, Mayor of Los Angeles

DATE: April 26, 2019

RE: Street Vending Policy Recommendations

Recommendations

- Redirect the focus of enforcement towards responding to crime and delinquency that many vendors face
- Improve processes that allow for a cross County and City collaboration for permits
- Leverage innovative urban design solutions to further integrate vendors into the physical space and layout of Los Angeles

Background

Los Angeles was the last major city to legalize street vending in the United States. While the legalization of street vending is a major step towards incorporating vendors into the formal economy of Los Angeles, there are still many changes the City can adopt in order to make the process simpler, more multi-faceted, and beneficial for vendors. Furthermore, the City of Los Angeles would benefit greatly from adopting a process similar to the County of Los Angeles' community input sessions. These sessions occurred in different parts of unincorporated Los Angeles in partnership with the Los Angeles Street Vendor Campaign, aiming to gather input from vendors and other stakeholders on enforcement, permits, and other relevant topics. By asking for feedback directly from vendors themselves in different parts of the City, the policy can be driven by the community voices directly impacted by any policy changes.

Integrating Vendors into the LA Economy

In order for a fuller integration of vendors into LA's formal economy, the City should redirect the focus of enforcement, improve processes that allow for a cross county and city collaboration in regard to permits, respond to many of the challenges with vending through innovative urban design solutions, and address some of the larger socio-economic issues at-hand. First, by redirecting the focus of enforcement away from ticketing vendors, they can assist the County in instead educating vendors to try to promote healthy and sanitary food standards as well as responding to the crime and delinquency that many vendors often face. Secondly, by improving collaboration efforts between Los Angeles and neighboring cities and counties, the City of LA could spearhead the effort to create one uniform system for applying to permits as many vendors are often mobile and frequently move across city lines. By streamlining the permitting process and reducing barriers that might prevent vendors from seeking formalization, an increased compliance among vendors might result.

As for urban design, "Street stalls get in the way of traffic precisely because city planners have left them with no other viable place to go." In an urban design studio in Los Angeles, students offered solutions on how to better accommodate street vending in the city. Students "sought to provide a supportive physical infrastructure for street vending and at the same time soften the binaries of formal-informal and public-private by creating more inclusive public spaces." They did this by connecting a traffic triangle to the neighboring sidewalk to transform

¹⁵² Cross, "Street Vendors, and Postmodernity," 15.

Anastasia Loukaitou-Sideris and Vinit Mukhija, "Responding to Informality through Urban Design Studio Pedagogy," *Journal of Urban Design* 21, no. 5 (September 2, 2016): 590, https://doi.org/10.1080/13574809.2015.1071650.

it into a small park where vendors can set up and interact with residents in the neighborhoods, this in turn caused many adjacent establishments to expand their operations. Furthermore, Los Angeles has already begun experimenting with different set-ups as the area around the MacArthur Park Metro station was transformed into a market with at least a dozen stalls where vendors are selling clothes, toys, and a variety of other goods. By pursuing similar projects across Los Angeles, the City could not only legalize, but also empower, vendors by creating physical spaces where they can make their living.

Regardless of how much progress the City makes towards these recommendations, it will be an incomplete solution without "acknowledging that lower-wage informal employment is a structural component of California's labour markets is nothing less than an 'indictment of the present system of distributing income and work in society." This requires both a top down and bottom up approach by both ensuring a minimum standard of living (i.e. a living minimum wage) and greater public assistance that helps people help themselves. The City of Los Angeles is making great strides in the top down approach by increasing the minimum wage to \$15 by 2022¹⁵⁵, however, there is always room for a more wholistic approach. All changes to economic policy will have either direct or indirect effects on vendors, as they are often some of the most vulnerable people in the economy, and by keeping them in mind when entertaining changes to policy or processes, it can improve their livelihoods drastically.

Friedrich Schneider, ed., *The Economics of the Hidden Economy*, vol. 2, The International Library of Critical Writings in Economics (Cheltenham, Glos, UK; Northampton, MA: Edward Elgar, 2008), 377.

The \$15 minimum wage is set to take effect January 1, 2022 for employers with 26 employees or more.

Conclusion

At the City Council hearing to vote on the legalization of street vending, Faustino, a vendor working in Los Angeles stated that "Street vendors don't want to live in the shadows, we want to work in a dignified way." For many, legalization brought a much-needed legitimacy to their businesses and allowed them to have more pride in the work they do. More importantly, it provided many vendors the peace of mind that the City and police are no longer against them and the hope for a more prosperous future. While the legalization of street vending has many benefits, the policy does not fully address the needs of vendors in the community, and many are looking to a permitting system, aimed to be rolled out in 2020, with both hope and skepticism.

Throughout my research, I had the privilege of meeting dozens of vendors from all over the City of Los Angeles. Every vendor I met celebrated the legalization of their occupation, and although many mentioned some drawbacks (such as increased costs), they all talked about the relief they felt not having to worry about getting their equipment confiscated or having to pay large fines. They shared their stories about enforcement – hiding from the police, not being able to report incidents when they were victims of a crime and having to stress about financial security after a citation. One vendor shared her story about a ticket she got for illegal vending 18 years ago, a ticket that she still loses sleep over and is the reason she has never tried to get a license. In addition to legalization, SB 946 allows for vendors to expunge any previous or pending criminal citations for illegal vending, a route that she, as well as hundreds of other vendors, are pursuing in order to have that peace of mind. With the legalization of street vending comes security and recognition that vendors have been fighting to receive for decades.

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Emily Reyes, "L.A. Hustles to Pass New Rules on Street Vending Ahead of New State Law," *Los Angeles Times*, October 17, 2018, https://www.latimes.com/local/lanow/la-me-ln-vending-law-20181017-story.html.

However, the policy does not address the broken relationship between the City and vendors, resulting from decades of punitive enforcement. Some vendors are distrustful of any permitting system put out by the City, and many voiced skepticisms that the City would follow through on the policy changes they promised. Even after legalization, a vendor shared that his friend was cited for vending illegally, because although vending was legalized, if police, residents, and business owners aren't aware of the policy changes and vendors aren't aware of their rights, the policy changes are insignificant to the livelihoods of vendors. In order to begin repairing these relationships as well as reducing the barriers to formalization and increasing opportunities for vendors, I put forth multiple policy recommendations in Chapter 4. These include simplifying the process of applying for a permit by combining Health and the general permitting processes and encouraging cross County and City collaboration, increasing opportunities for vendors through microfinancing and educational trainings, reducing barriers to formalization by creating more non-profit commissaries, leveraging innovative design solutions to better incorporate vendors into the physical layout of Los Angeles, and increasing education and outreach efforts to vendors, as well as residents, business owners, and LAPD.

If I had more time, I would want to continue interviewing vendors until after the adoption of a permitting model in order to better understand the impact of legalization over time as well as to evaluate the accuracy and timeliness of the implementation of a permitting system. This would also allow me to further clarify the advantages and drawbacks of a permitting system on different types of vendors and would lead to a more in-depth study of the effects of legalization on vendors and their businesses. Furthermore, I would dive deeper into the finances of vendors' businesses before and after the implementation of a permitting system in order to quantify the change the legislation had.

By first looking at the history of the policy in Los Angeles, I contextualized the setting in which I first began my interviews. By then exploring the economic implications of vending on society through existing literature, I set the interviews within larger theoretical frameworks. By finally diving into the impacts of legalization and the subsequent regulations on vendors, I combine interviews and academic research to propose policy recommendations to various stakeholders. The ultimate purpose of this thesis is to center and elevate vendors' voices to drive change that enhances their livelihoods. In this political climate, it is especially urgent that policymakers listen to vulnerable populations in order to ensure their safety and create policies that enable them to succeed. My underlying claim is that backward-mapped policies are more successful, accurate, and timely. By documenting the thoughts and opinions of vendors and sharing that with my audience, I hope to enable more community-driven vending policy in the City of Los Angeles and beyond.

Appendix A: BSS Rules and Regulations¹⁵⁷

The Bureau of Street Services (BSS) in support of the City of Los Angeles' (City) sidewalk vending ordinance for Council File No. 13-1493-S5, prepared the following general rules and regulations for all sidewalk vendors in the public right-of-way. All sidewalk vending from January 1, 2019 onward would be governed by these rules.

- 1. Trash: All food vending carts or kiosks shall be equipped with refuse containers large enough to contain all refuse generated by the operation of such cart or kiosk, and the operator of the food vending cart or kiosk shall pick up all refuse generated by such operation within a 50-foot radius of the cart or kiosk before such cart is moved. All recyclable materials shall be separated from other refuse and disposed of in a manner consistent with the current City of Los Angeles (City) recycling policy.
- 2. Placement: No person shall install, use, or maintain any vending cart or kiosk which projects onto, into, or over any sidewalk or parkway when such installation, use or maintenance endangers the safety of persons or property, or when such site or location is used for public utility purposes, public transportation purposes or other governmental use, or when such cart or kiosk unreasonably interferes with or impedes the flow of pedestrian or vehicular traffic, the ingress into or the egress from any residence or place of business, or the use of poles, posts, driveways, traffic signs or signals, hydrants, mailboxes, or other objects permitted at or near said locations. No vending cart or kiosk shall be so placed that the clear space for the passage of pedestrians upon the sidewalk is reduced to a width of less than five feet. No mobile or street vendor shall obstruct or cause to be obstructed the passage of any sidewalk, street, avenue, alley or any other public place, by causing people to congregate at or near the place where goods, wares, food, or merchandise of any kind is being sold or offered for sale.
 - a. Distances from the following above ground facilities (AGF) shall be no less than three feet:
 - 1) Street lights
 - 2) Edges of tree wells
 - 3) Parking meters
 - 4) Above ground utility structure
 - b. Distances from fire hydrants shall be no less than five feet.
 - c. Distances from any existing subsurface utility box, valve, or vault shall be no less than two feet.
 - d. Distance from face of curb and from edge of existing driveways shall be no less than 18 inches (see Diagram 1).
 - e. Distances between vendors shall be three feet clear (see Diagram 2).
 - f. No vending spaces will be permitted at bus stop locations, or at locations where there are existing above ground amenities such as street furniture (benches, bike racks), newsstands, and red curbs (see Diagram 3).
 - g. No vending spaces will be permitted in roadway, medians, pedestrian islands, and bikeways.
 - h. No stationary vending location shall be placed directly in front of any building. All stationary vending locations shall be placed 18 inches from the curb face.

^{157 &}quot;General Rules and Regulations Sidewalk Vending."

- i. Distance from permitted activities including but not limited to construction related street or lane closures, special events, swap meets, filming, and farmer's markets shall be no less than 500 feet any boundary line of the permitted activity.
- j. Distance from an entrance way to any building, store, theatre, movie house, house of worship or place of public assembly shall be a minimum of 20ft.
- k. Distance from any restricted vending location as defined in Los Angeles Municipal Code Section 42.13(c) shall be no less than 500 feet any property line of the restricted location.

3. Prohibited vending locations:

- a. Vending is prohibited within 500 feet of:
 - (1) The Hollywood Walk of Fame, Universal Studios and the El Pueblo de Los Angeles Historical Monument, Staples Center/LA Live (as described in Chapter 25 of Division 22 of the Los Angeles Municipal Code);
 - (2) Dodger Stadium, the Hollywood Bowl, and the LA Coliseum/Banc of California Stadium on events days; and
 - (3) Any other venue as determined by the Board of Public Works.
- b. Vending at Venice Beach is limited to First Amendment protected expressive activities.
- c. Schools or any postsecondary educational facility attended by secondary pupils or private kindergarten, elementary, or secondary school facilities. A map for each location will depict the boundaries. Appropriate signs with the no vending area will be posted at these locations.
- 4. Vending of produce: All produce regulated by the California Department of Food and Agriculture (CDFA) shall be handled, transported, displayed or disposed of in accordance with all CDFA regulations as they now exist or as amended from time-to-time, but not limited to, the following:
 - a. All produce or commodities under quarantine by the CDFA will be protected or safeguarded in an approved manner by being bagged or screened to prevent infestation; any open display is prohibited.
 - b. All produce, commodities, or their husks, cores, rinds, or pits shall be sealed in plastic bags before disposing.
 - c. Every food vendor shall have a receipt, invoice, bill of lading or other acceptable proof of origin of all produce or commodities under quarantine.
 - d. All produce or commodities under quarantine that are sold, offered for sale, or transported within the quarantine area, must be of commercial origin.
 - e. Any violation of this section may result in the seizure of produce or commodities.
- 5. Permits: All sidewalk vendors must possess all applicable business, tax and health permits required by the State, County, and or City.

Appendix B: Ordinance 184765¹⁵⁸

An ordinance amending Section 42.00(b) of the Los Angeles Municipal Code to limit enforcement of a violation for street vending to issuance of a citation under the Administrative Citation Enforcement Program.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. A new Subdivision (5) is added to Subsection (b) of Section 42.00 of the Los Angeles Municipal Code to read as follows: (5) Penalty. Any violation of this Subsection (b) shall only be punishable as a citation issued under the City's Administrative Citation Enforcement Program.

Sec. 2. URGENCY CLAUSE. The City Council finds and declares that this ordinance is required for the immediate protection of the public peace, health and safety for the following reason: The City of Los Angeles needs its scarce, limited law enforcement resources to address serious incidents of crime. Illegal street vending should not be a crime which requires the police to shift their resources away from combating serious crimes in the City. In order to protect the public peace and safety, it is necessary that the amendments to the Los Angeles Municipal Code, as reflected in this ordinance, become effective as soon as possible. For all these reasons, the ordinance shall become effective upon publication pursuant to Los Angeles City Charter Section 253

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^{158 &}quot;Ordinance No. 184765."

Appendix C: Ordinance 184766¹⁵⁹

An ordinance amending Sections 11.00(m), 11.2.01, 11.2.04 and 11.2.11 of the Los Angeles Municipal Code to remove the option of using a criminal remedy against a person who fails to pay a citation.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. The fourth unnumbered paragraph of Subsection (m) of Section 11.00 of the Los Angeles Municipal Code is amended to read as follows:

Violations of this Code may be addressed through the use of an Administrative Citation as set forth in Article 1.2 of Chapter 1 of this Code. The administrative fines prescribed by Chapter 1, Article 1.2 may be sought as an alternative to other legally available civil and criminal remedies.

Sec. 2. Subsection (d) of Section 11.2.01 of the Los Angeles Municipal Code is amended to read as follows:

(d) The procedures established in this Article shall be an alternative to criminal, civil and any other legal enforcement remedies provided in this Code. Issuance of an Administrative Citation shall not be deemed a waiver of any other enforcement remedies provided in this Code. The selection of issuing an Administrative Citation or another enforcement remedy provided in this Code lies within the sole discretion of the Issuing Department and, as applicable, by the City Attorney, and shall be consistent with the purpose and intent of this Article.

Sec. 3. Subdivision 1 of Subsection (a) of Section 11.2.04 of the Los Angeles Municipal Code is amended to read as follows:

1. For those Code sections that include the penalty of an infraction, an Administrative Violation issued instead of an infraction shall provide for an Administrative Fine that does not exceed the maximum fine set forth in this Code for that infraction. If the amount of the fine for the infraction is not specified in this Code, the amount of the Administrative Fine shall not exceed the maximum fine provided for in Subdivisions (b) and (c) of Section 36900 of the California Government Code.

Sec. 4. Section 11.2.11 of the Los Angeles Municipal Code is amended in its entirety to read as follows:

(a) Any Responsible Person who is issued an Administrative Citation pursuant to this article, excluding Administrative Violations defined in Subsection (b) of Section 11.2.03, and does not pay within 15 calendar days, shall be assessed a late payment collection fee of \$50.00 which shall be charged in addition to any other 1 assessed fines and fees. The City may use any civil legal remedy available to collect any unpaid Administrative Fine, including, but not limited to, civil action, injunctive relief, specific performance and the recordation of a lien or a notice of the Administrative Violation against real property pursuant to the procedures set forth in this Code and in accordance with applicable law.

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^{159 &}quot;Ordinance No. 184766."

- (b) Any Responsible Person who is issued an Administrative Citation pursuant to this article for an Administrative Violation defined in Subsection (b) of Section 11.2.03 and does not pay within 15 calendar days from the conclusion of the time afforded to remedy the Administrative Violation, shall be assessed a late payment collection fee of \$50.00 which shall be charged in addition to any other assessed fines and fees. The City may use any civil legal remedy available to collect any unpaid Administrative Fine, including, but not limited to, civil action, injunctive relief, specific performance and the recordation of a lien or a notice of the Administrative Violation against real property pursuant to the procedures set forth in this Code and in accordance with applicable law.
- (c) Notwithstanding Subsections (a) and (b) of this section, if the Responsible Person chooses to contest the Administrative Citation pursuant to Section 11.2.08 of this article, and fails to pay the assessed Administrative Fine, Enforcement Costs, and Administrative Costs within 20 calendar days of the Administrative Order becoming final, the Responsible Person shall be assessed a late payment collection fee of \$50.00, which shall be charged in addition to any other assessed fines and fees. The City may use any civil legal remedy available to collect any unpaid Administrative Fine or to gain compliance with the Administrative Order. These remedies include, but are not limited to, civil action, injunctive relief, specific performance and the recordation of a lien or a notice of the Administrative Violation against real property pursuant to the procedures set forth in this Code and in accordance with applicable law.
- (d) In the event a civil action is commenced to collect the Administrative Fine, Enforcement Costs, or Administrative Costs, the City shall be entitled to recover reasonable attorney's fees and all costs associated with the civil action. Costs include, but are not limited to, staff time incurred in the collection of the Administrative Fine, Enforcement Costs and Administrative Costs, and those costs set forth in Code of Civil Procedure Section 1033.5.

Appendix D: Interview Questions for Public Officials

With Elise Yin and Emailed Questions to Armik Mkrtchyan

- 1. What are your responsibilities within the Department of Public Health?
- 2. How high of a priority are street vendors when enforcing food and safety standards? How active of a role does the DPH have in this?
- 3. How has this role changed from when street vending was illegal, to decriminalization in LA in 2017, and then after legalization through SB 946? Before legalization, how did the agency deal with the two conflicting messages of vending being illegal yet still having to regulate it through health and safety standards?
- 4. How much funding, personnel, and attention is put towards enforcement? Does DPH have the capacity to address the 50,000 estimated vendors in LA? How can an agency enforce standards when vendors are by nature, mobile?
- 5. To what extent does DPH have to collaborate with other organizations in order to implement the Street Vending Compliance Program? Which organizations? Are there any barriers to collaboration?
- 6. What is the Department's role (if any) in creating a permitting model in LA?
- 7. In regard to license fees, what differentiates a "low risk" vs. a "high risk" mobile food facility cart? How many citations do you give to each category yearly? Do you have data or reports on this?

With Doug Smith

- 1. What is your role within the LA Street Vendor Campaign?
- 2. Can you tell me a bit more about how the Campaign was organized? How has the role of the campaign changed since it was created?
- 3. What has the implementation of these policies looked like (specifically decriminalization, then legalization)? Do police and other relevant stakeholders know about the changes? Are they implemented in a timely and accurate way?
- 4. Do you think the new rules and regulations accurately addresses vendors concerns? Do you have any worries about the regulations as they currently stand?
- 5. Do you believe that BSS + ACE are the right organizations to be in charge of enforcement?
- 6. What's next for the LA Street Vendor Campaign?

With Rita and Bill

- 1. What is your role within ACE?
- 2. 298 citations for vending were processed through ACE between July 1,2017, and June 30, 2018 according to the last report submitted to the City Council Files. Do you have any information of how many of these citations were appealed? How many are from LAPD vs. BSS? What the average citation cost was? Do you expect it to increase or stay constant after legalization?
- 3. How has adding sidewalk vending as an ACE citation activity affected staffs' caseloads?
- 4. How much funding, personnel, and attention do you have towards processing citations? In your opinion, is it enough?
- 5. Does ACE have any education our outreach materials to help vendors go through the process? Is it institutionalized/required or staff-led?

- 6. How will ACE's role change, if at all, with the legalization of vending?
- 7. To what extent does ACE have to collaborate with other organizations in order to process these violations? Which organizations? Are there any barriers to collaboration?
- 8. Do you think the new rules and regulations accurately addresses vendors concerns? Do you have any worries about the regulations as they currently stand?

With Aura and Gabriel

- 1. Can you tell me more about your role as a commissioner on the Board?
- 2. How high of a priority are street vendors for the Department? How active of a role does the DPW have in enforcement?
- 3. How much funding, personnel, and attention is put towards enforcement? Does DPW have the capacity to address the 50,000 estimated vendors in LA? How can an agency enforce standards when vendors are by nature, mobile?
- 4. How many citations do you give to vendors? Do you have any data on this? Do you expect this number to increase or stay constant with the legalization of vending?
- 5. After the decriminalization of vending, what processes did the Bureau of Street Services undergo in order to disseminate relevant information to investigators? Was it timely?
- 6. To what extent does DPW have to collaborate with other organizations in order to implement the Street Vending Compliance Program? Which organizations? Are there any barriers to collaboration?
- 7. What has the implementation of these policies looked like (specifically decriminalization)? Do police and Bureau of Street Services know about the changes? Did any BSS investigators charge vendors under LAMC 63.44 after decriminalization?
- 8. Do you think the new rules and regulations accurately addresses vendors concerns? Do you have any worries about the regulations as they currently stand?

Appendix E: Interview Questions for Vendors

1st Interview

- 1. How long have you lived in Los Angeles?
- 2. Could you tell me about how you got into street vending?
- 3. Where do you sell? Do you change locations often or tend to stay in the same location?
- 4. How many hours a week do you work as a vendor? Do you have any other forms of employment?
- 5. What have been your biggest obstacles as a vendor?
- 6. How have you previously dealt with citations or fines? Have you ever been punished for vending? What happened?
- 7. How, if at all, were you involved in the lobbying for the legalization of vending? What was your role?
- 8. Does legalization/formal legitimacy matter to you? Do you want the government to be involved? Why or why not?
- 9. What is your understanding of the rules and regulations? Have you been reached out to by anyone around these changes? How do you think this might affect your business?
- 10. Why do you continue to vend?
- 1. ¿Cuantos años has vivido en Los Angeles?
- 2. ¿Como empezaste a vender y por qué?
- 3. ¿Adonde vendes? Cambias de locaciones frecuentemente?
- 4. ¿Cuantas horas a la semana vendes? Tienes otras formas de empleo?
- 5. ¿Que acido el obstáculo mas grande para ti como vendedor?
- 6. ¿Has recibido multas por vendiendo? ¿Que paso?
- 7. ¿Estas involucrado en la campana para legalización de vendedores ambulantes in Los Angeles?
- 8. ¿Te importa la legalización? Quieres que el gobierno sea involucrado? ¿Por que?
- 9. ¿Que es tu entendimiento de las reglas y regulaciones nuevas? ¿Como crees que podrían impactar tu negocio?
- 10. ¿Porque continuas a vender?

2nd Interview

- 1. What is your opinion of the rules and regulations? To what extent are you in compliance?
- 2. Have you seen any changes in how the new regulations have been impacting your business since we last spoke? (e.g. locations of vending, increased enforcement, etc.)
- 3. Do you think there are costs to formalizing vending and new regulation? In your opinion, do the benefits outweigh the costs?
- 4. How do you think the number of vendors be affected now that vending is legalized? Do you imagine this having any impact on your business?
- 5. Are there any policy changes around street vending you want to see happen? If so, what are they?
- 6. What kind of items do you sell? How much money, on average, do you make it in a day? Does that differ a lot based on seasonality?
- 7. What are your costs? How have they changed over time?

- 1. ¿Que es tu opinión sobre las reglas y regulaciones? ¿Estas en conformidad con todas las reglas? ¿Cuales no?
- 2. ¿Has mirado cambios en como las nuevas regulaciones han impactado tu negocio desde que últimamente hablamos?
- 3. ¿Crees que hay un precio por legalizar vendiendo en el acero? ¿En tu opinión, crees que los beneficios son mas grandes que el costo?
- 4. ¿Como crees que el numero de vendedores va a cambiar ahora que es legal? Imaginas que esto tendría un impacto a tu negocio?
- 5. ¿Que tipo de cosas vendes? ¿Cuanto dinero haces en un día? ¿Como cambia este numero con la temporada?
- 6. ¿Que son tus costos? ¿Como han cambiado con el tiempo?
- 7. ¿Hay cambios que quieres mirar en las leyes para ayudar tu negocio? ¿Que son?

Follow Ups (As Needed):

- 1. Can you tell me more about your experiences with police and enforcement?
- 2. What is your typical day like as a vendor?
- 3. Can you tell me more about your experiences vending alongside your children?
- 4. When did you start vending? How did you start (including financially)?

Appendix F: Interviews with Named Participants

Note: All names of vendors were created to protect the safety and identity of the participants interviewed and any resemblance to a person is mere coincidence.

Name	Place	Date
Carlos Bandera, Vendor	Piñata District	01/24/2019, 02/02/2019, 02/21/2019
Aura Garcia, Commissioner, Board of Public Works	Los Angeles City Hall	12/06/2018
Paul Gomez, City of Los Angeles Department of Public Works	Phone Call/E-mail	12/03/2018
Gabriel Gutierrez, Mayor's Office, Infrastructure Services	Los Angeles City Hall	12/06/2018
Sandra Martinez, Vendor	Piñata District	01/24/2019, 02/02/2019, 02/21/2019
Maria Rodriguez, Vendor	MacArthur Park	02/21/2019
Diego Sandera, Vendor Organizer	Community Input Session	04/08/2019
Doug Smith, Los Angeles Street Vendor Campaign	Various Community Input Sessions	11/29/2018, 04/08/2019
Rita Venegas, Administrative Citation Enforcement Program	Los Angeles City Hall	12/06/2018
Elise Yin, County of Los Angeles Department of Public Health	Phone Call	11/16/2018

Community Input Sessions

Community Input Session 1	East Los Angeles	03/07/2019
Community Input Session 2	El Monte	03/12/2019
Community Input Session 3	West Los Angeles	03/27/2019
Community Input Session 4	Southwest Los Angeles	04/04/2019
Community Input Session 5	North Los Angeles	04/08/2019

City Council Hearings

Special Joint Meeting of the Public Works and Gang Reduction	LA City Hall	11/27/2018
Committee, Economic Development Committee and Arts,		
Entertainment, Parks and River Committee		
City Council Meeting, Agenda Item No. (2)	LA City Hall	11/28/2018
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Appendix G: IRB Approval

ASSOCIATE DEAN OF THE COLLEGE



Karen Alpuche Caceres Student Pomona College

Dear Karen, January 24, 2019

The Pomona College Institutional Review Board (IRB) has reviewed your application for the exemption of the proposed research titled: The Impact of Regulation on Microenterprises: The Case of Sidewalk Vending in Los Angeles.

It was determined that your procedures for collecting and securing data and obtaining informed consent are appropriate and sufficient. Further, your investigation, as outlined, poses minimal risk of harm or discomfort to subjects. Given these findings, the IRB approves your study. This letter is your official notification of approval from the Pomona College Institutional Review Board to proceed with your study. You have been assigned file #01242019KC-TB. You are free to proceed with your study but please keep us informed if there are any changes in procedures, or unforeseen consequences as a result of your procedures, to any participant in this study.

Application Type: IRB Exemption
Participants: Adults (6-8 Vendors)
Method(s): Questionnaire
Review Type: Exempt
CITI/NIH Training: Yes
Payments: \$0

Conflicts of Interest: None Actions: Approved*

Notes:

* Research involving the use of educational tests, survey procedures, interview procedures or observation of public behavior, unless: (i) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and (ii) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.

Sincerely,

Institutional Review Board

Associate Dean of the College FWA ID No. 00004400

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