



Fact Sheet

Food truck operations in San Francisco

Research Office
Legislative Council Secretariat

FSC13/15-16

1. Introduction

1.1 With low overhead, quick services and the flexibility to adapt to trends, food trucks are among the fastest-growing dining industries in the United States ("US"). In the US, many people use food trucks as a relatively inexpensive way to test the water before opening a brick-and-mortar restaurant. There are also some established restaurant owners using food trucks to test-market new food items before including them into everyday menu. Reflecting the growing popularity of food trucks in the US, an industry research conducted in 2013 showed that two out of five consumers surveyed had purchased items from a food truck.¹ Added to this, food truck revenue is forecast to more than double from US\$1.2 billion (HK\$9.3 billion) in 2015 to US\$2.7 billion (HK\$21.0 billion) in 2017.²

1.2 Being one of the best cities in the US with gourmet cuisine ranging from fine dining to street food,³ San Francisco currently has some 300 food trucks with permits to sell food. Its annual Street Food Festival, launched every August since 2009, attracts many popular food trucks to the event. In 2015, there were 75 food trucks participating in the seventh annual San Francisco Street Food Festival attended by 80 000 people.⁴

1.3 In San Francisco, the market infrastructure has lent particular support to the development of the food truck industry in the city. These include the privately-run food truck parks that allow food trucks to operate on rotation for daily lunch and dinner shifts, and mobile phone applications that provide users with real-time locations of their favourite food trucks. In addition, San Francisco also sees the presence of food-truck organizers in the city.

¹ See National Restaurant Association (2014).

² See First Research (2015).

³ See San Francisco Travel Association (2016).

⁴ See DotheBay (2015) and NBC (2015).

For example, Off the Grid is among the largest which organizes food truck markets throughout the San Francisco Bay Area. It was founded in 2010 with a network of more than 200 food trucks running some 45 weekly food truck markets.⁵ Furthermore, the Office of Small Business⁶ makes available Food Truck Starter Kit on its website to help prospective food truck operators set up their businesses. The information kit is an overview of the basic steps needed to operate a food truck in San Francisco, which include how to choose a location, set up a food truck and obtain the necessary documents/permits.

1.4 On the regulatory front, the San Francisco government has put in place regulations governing the food truck operations in the city. These regulations help to build up the public confidence in and acceptance of the food truck industry. In particular, they aim at striking a balance between encouraging the growth of the food truck industry while ensuring the interests of brick-and-mortar restaurants. The ensuing paragraphs highlight the regulatory framework governing the food truck operation in San Francisco, with special reference to the procedures for applying a food truck permit, licensing requirements for food truck operators, as well as the enforcement of these requirements.

2. Legal framework

2.1 Food truck operations in San Francisco are governed primarily by the *California Retail Food Code*, the *San Francisco Public Works Code*, and the *San Francisco Fire Code*. The *California Retail Food Code* sets out the structural, equipment and operational requirements for all retail food facilities in California. Meanwhile, the *San Francisco Public Works Code* regulates mobile food facilities in San Francisco and the *San Francisco Fire Code* ensures truck operators properly maintain and safely operate gas-fire appliances.

⁵ Fort Mason is one of the largest weekly food truck markets operated by the Off the Grid. See *The Culture Trip* (2015).

⁶ The mission of the Office of Small Business is to foster, promote and retain small businesses (i.e. businesses with fewer than 100 employees) in San Francisco.

3. Procedures for applying a food truck permit in San Francisco

3.1 The San Francisco government introduced its new Mobile Food Facilities Program in 2011 to streamline the rules and regulations for mobile food vending, with the objectives of making it faster and easier for operators of food trucks and other "mobile food facilities"⁷ to secure locations and get licensed. The Program also aims to ensure a fairer competition between food trucks and brick-and-mortar restaurants by regulating where food trucks can operate.

3.2 Under the Mobile Food Facilities Program, a prospective food truck operator planning to vend in public locations (e.g. public sidewalks and streets) must first file an application with the Department of Public Works.^{8, 9} In addition, he or she is required to inform businesses and residents within 75-foot radius of the proposed trading location through mailing and posting about his or her intention to operate a food truck there. Public hearing will be held if there is any protest against the approval or rejection of the application.

3.3 Following the hearing, the Director of the Public Works will decide whether to approve or reject the application. Should the Director approve the application, the applicant concerned will be issued a 90-day tentative approval letter to obtain the necessary documents from the relevant government departments for the issue of final permit¹⁰ by the Department of Public Works. The documents required include:

- (a) business registration certificate from the Office of the Treasurer and Tax Collector;
- (b) permit from the Fire Department for the use of gas-fire appliances; and

⁷ These include pushcarts used in conjunction with a commissary or other permanent food facility upon which food is sold or distributed at retail in static location.

⁸ The Department of Public Works is responsible for designing, building, operating, maintaining, greening and improving the infrastructure, public right of way and facilities in San Francisco.

⁹ The application must describe, among other things, the proposed location of operation, proposed hours and days of operation, and the food products to be sold.

¹⁰ In San Francisco, a separate permit is required for operating at each specified public location. A food truck operator can apply for a maximum of seven permits from the Department of Public Works.

(c) health permit from the Department of Public Health.¹¹

Issue of health permit

3.4 The Department of Public Health issues a health permit to a prospective food truck operator if he or she fulfills the requirements including (a) operating in conjunction with an approved commissary;¹² (b) meeting the specified construction and equipment requirements;¹³ (c) ensuring that employees can access to approved restroom facility located within 200 feet travel distance from the trading location.¹⁴

3.5 To obtain the health permit, the prospective food truck operator is also required to submit to the Department of Public Health a detailed plan specifying, among other things, (a) the proposed menu; (b) food preparation and other operational procedures; (c) servicing commissary; and (d) layout and equipment specifications of his or her food truck. The Department will conduct an evaluation of the structure and operation of the food truck after it is set up. It will issue the public health permit if all requirements and modifications (if any) are satisfied.¹⁵

4. Licensing requirements for food truck operators

4.1 Food truck operators are required to comply with the licensing requirements as set out in the *San Francisco Public Works Code* enforced by the Department of Public Works. These requirements cover areas such as the trading locations and hours of food truck operators. Food trucks are not

¹¹ Food truck operators may operate in private locations (e.g. private parking lots). They must first apply from the Planning Department for Temporary Use Authorization that permits a specific land use for a limited period of time on a particular lot. Once the Planning Department approves the application, the next step is for them to obtain the necessary permits and inspections from the relevant government departments (such as the San Francisco Fire Department and the Department of Public Health) before vending in private locations.

¹² An approved commissary refers to an approved permanent food facility to store and prepare the food, clean the utensils, provide potable water, sanitarily dispose garbage and liquid waste, and clean and park the food truck when not in use.

¹³ These may include the installation of hand-wash sink, ware-washing sink, refrigerator, ventilation system, potable water tank and liquid waste tank.

¹⁴ The restroom facility requirement applies to any food truck parked in a location for more than one hour.

¹⁵ Enclosed food trucks that have electrical or gas appliances, plumbing and other structural items are required to be inspected and certified by the State Department of Housing and Community Development before the public health permit is issued.

allowed to operate in residential districts¹⁶ and within a 75-foot radius of any restaurant's primary entrance. In addition, they have to keep a specified distance from certain city facilities, such as bus zones, fire hydrants and payphones. Food trucks are also obliged to follow the Good Neighbour Policies to ensure the maintenance of the quiet, safety and cleanliness of the trading location and its adjacent area. For example, food truck operators are required to walk a 100-foot radius from their truck location within 30 minutes after close of business, and pick up and dispose of any trash left by customers. As to trading hours, food truck operators are allowed to operate between 6 am and 3 am the following day. However, they are restricted from operating at the same location for more than three days per week.

4.2 Food truck operators are also required to comply with the licensing requirements as set out in the *California Retail Food Code* enforced by the Department of Public Health. These include food safety and hygiene requirements covering areas such as: (a) sources of food; (b) food storage and preparation; (c) cleaning and maintenance of the truck and equipment; (d) skills and knowledge of the employees;¹⁷ (e) health and hygienic practices of the employees;¹⁸ and (f) plumbing and waste disposal systems.

5. Enforcement of licensing requirements

5.1 Regular inspections will be conducted by the relevant authorities to ensure the compliance of food truck operators with the licensing requirements. The Department of Public Health inspects the food trucks on-site either once or twice a year, depending on the types of the food trucks. The health permit may be suspended or revoked if the operator concerned does not comply with the relevant health and safety regulations. The Department of Public Works also inspects the food trucks operating in public locations. The Department may suspend or revoke the operator's permit if he or she violates the relevant regulations or operates in a manner with negative impacts on public health, safety and/or convenience.

¹⁶ Food truck operators are, however, allowed to operate in residential-commercial combined districts.

¹⁷ Each retail food facility is required to have at least one person with the Manager's Food Safety Certification. The certified person is responsible for teaching other employees proper food handling.

¹⁸ According to the *California Retail Food Code*, all persons working in retail food establishments in California are required to have Food Handler Card. The Food Handler Card is issued after a person has completed a training course and examination on safe and proper food handling. A person with the Manager's Food Safety Certification does not need to obtain the Card to work in the food industry.

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26 February 2016
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