

**CITY COUNCIL SPECIAL MEETING  
300 WEST CROWELL STREET  
MONROE, NORTH CAROLINA 28112  
JULY 9, 2024– 3:00 P.M.  
AGENDA  
[www.monroenc.org](http://www.monroenc.org)**

**PUBLIC HEARING**

Please adhere to the following guidelines: Proceed to the podium, and state your name and address clearly; Be concise; avoid repetition; limit comments to three (3) minutes or less; and, Designate a spokesperson for large groups.

1. Code of Ordinances Amendment to Food Trucks Ordinance
  - A. Public Hearing
  - B. Action



**STAFF REPORT**

**TO:** City Council  
**VIA:** Mark Watson, City Manager  
**DATE:** July 9, 2024  
**FROM:** Terry Sholar, Senior Staff Attorney  
**PREPARED BY:** Terry Sholar, Senior Staff Attorney  
**SUBJECT:** Title XV, Chapter 160 - Downtown Food Truck Ordinance Amendments

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**SUMMARY STATEMENT**

Council is requested to hold a public hearing and consider amendments to Title XV, Chapter 160, Section 160.03 – Downtown Food Truck Ordinance including possible amendments to include an Annual Permit for Food Trucks on private property, clarifying the application process, clarifying the distance restriction from existing restaurants and other amendments deemed needed.

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**REVIEW**

At its May Regular City Council meeting, City Council adopted a Food Truck Ordinance. (Attached O-2024-19) City Staff and Council Members received concerns and comments from citizens and business owners asking for clarifications and amendments to the Ordinance. The matter was on the Regular June City Council Meeting Agenda to consider possible amendments to the ordinance. Council elected to table consideration of the matter and scheduled a Special City Council meeting for July 9 at 3:00 p.m. to hold a public hearing and consider possible amendments thereafter. After holding the duly noticed public hearing, Council will consider action to include needed amendments to the current ordinance.

At its Regular June Meeting, the General Services Committee discussed possible amendments to the ordinance. In addition, City Staff recommended certain clarifying amendments as well. The attached draft amendment contains the various proposed amendments including the following:

- Provide for an annual Permit for Food Trucks located on Private Property at a cost of \$100;

-Clarify the application process to include the Food Truck or Host Business may apply for the Permit, both the Food Truck Owner and Host Business must sign the application, and both the Food Truck Owner and Host Business shall remain responsible for the operations;

-Amend Subsection E to read Standards for All Food Trucks on the Public Right-of-Way rather than Standards for All Food Trucks on City Property;

-Hours of operation shall be 6 pm to midnight Monday through Friday, and on Saturday and Sunday from 7 am to 11 am and from 5 pm to midnight;

-Clarify that the 150-foot restriction from restaurants and outdoor dining areas applies at all times even if the Host Business exemption applies.

A copy of the proposed amendments is attached for Council consideration (See attached O-2024-32). However, the attachments are recommendations from the Committee and Staff and Council may adopt any amendments it deems needed.

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### **RECOMMENDATION**

Council is asked to hold a public hearing and consider any amendments to Chapter 160, Section 160.03 – Downtown Food Truck Ordinance needed.

Attachment(s):

-Current adopted Chapter 160, Section 160.03 – Downtown Food Truck Ordinance

-Proposed Ordinance Amendment O-2024-32

**ORDINANCE TO AMEND CITY OF MONROE CODE OF ORDINANCES  
TITLE XV: LAND USES  
CHAPTER 160: DOWNTOWN DISTRICT  
O-2024-19**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONROE THAT TITLE XV OF THE MONROE ORDINANCES CREATE AND ADD CHAPTER 160:**

**TEXT AMENDMENT**

**Section 1.** Create new Title XV, Chapter 160 – Downtown District to read as follows:

**CHAPTER 160: DOWNTOWN DISTRICT**

**160.01 DOWNTOWN DISTRICT ESTABLISHED.**

The Downtown District is hereby established within the City of Monroe and is encompassed within the following boundary:

Beginning at the CXS Railroad Right of Way and Charlotte Ave to Lancaster Ave. Lancaster Ave. to Morrow Ave., Morrow Ave. to Church St., Church St. to Windsor St., Windsor St. to Franklin St., Franklin St. to Jefferson St., Jefferson St. to Church St., Church St. to the CXS Railroad Right of Way, the CXS Railroad Right of Way to Charlotte Ave., the place of beginning.

**160.02 PURPOSE.**

Downtown is a vital business, social, cultural, and historic component of the City of Monroe. The downtown business district is identified as the hub and center of the City's identity. A viable and thriving downtown is essential for the continued prosperity of the City. The City hereby establishes the Downtown District to provide for orderly growth and development in the downtown area.

**160.03 FOOD TRUCKS.** Food Trucks are permitted in the Downtown District as follows:

- A. Definitions.** The following definitions shall apply in this Section:
1. Food Truck – A motorized vehicle or mobile food unit designed and equipped to serve food and beverages with a valid motor vehicle registration issued by the State of North Carolina or other state.
  2. Food Truck Owner – Owner of a licensed Food Truck as identified on the vehicle DMV Registration issued to a Food Truck and is

responsible for the operation of a Food Truck at all times even if not the Food Truck Operator.

3. Food Truck Operator – Person in charge of and operating a Food Truck while located in Downtown whether or not the Food Truck Owner.
4. Food Truck Permit – Permit issued by the City of Monroe upon application to the Monroe Permit Center to operate a Food Truck in the Downtown District at a particular time and location.
5. Host Business – Any business with a physical location in the Downtown District that is permitted, has a certificate of occupancy, and is actively operating Downtown.

**B. Application.** A Food Truck Owner, or agent on behalf of a Food Truck Owner, must complete and submit to the City of Monroe Permit Center an application to locate and operate a Food Truck in the Downtown District. The application must be accompanied by a copy of the current valid Food Truck Registration issued by DMV or other appropriate agency and a copy of the current valid permit issued by the Union County Environmental Health. A completed application must be received no less than five (5) days prior to first day the Food Truck intends to operate. The Food Truck Permit is issued to the Food Truck Owner who shall remain responsible for the operation and activities of the Food Truck at all times.

**C. Private Property.** Food trucks on private property are permitted on lots in the Downtown District and are subject to the following:

1. Must obtain a Food Truck Permit from the City of Monroe, be located on private property, and obtain written permission from the property owner.
2. To locate on a property in the Downtown District, the property must have a Primary Use. A Primary Use is property on which is located a building in active use or an improved stand-alone parking lot. An unimproved grass or dirt lot is not permissible.

**D. Public Right-of-Way.** Food Trucks in the public right-of-way can locate on any street within the Downtown District upon compliance with the following:

1. No Food Truck Operator may utilize the right-of-way to serve customers without obtaining a Food Truck Permit from the City of Monroe.

2. A Host Business with a physical location in the Downtown District is required to sponsor and join in signing the application for a Food Truck to receive a Food Truck Permit. The Host Business shall be located in the Downtown District and be actively operating.

**E. Standards for All Food Trucks on City Property.**

1. No single Food Truck Owner shall occupy or operate more than one Food Truck at any given time in the Downtown District.
2. There shall be no more than four (4) Food Trucks operating in the Downtown District at any given time including both the City-owned parking lots and within the public right-of-way.
3. Food Trucks may only dispense and sell food and beverages between the hours 6:00 pm and 2:00 am from Monday through Friday. During the Monday through Friday period, Food Trucks may only set up and prepare to dispense and sell food and beverages beginning at 5:30 pm. On Saturday and Sunday, Food Trucks may only dispense and sell food and beverages between the hours 7:00 am and 2:00 am the following Monday morning.
4. A Food Truck may only be permitted in the Downtown District to operate a maximum of three days in any weekly period and may not be permitted for consecutive weekly periods.
5. Food Trucks may not be located within one hundred and fifty (150) feet from the main entrance of any restaurant or outdoor dining area except that Food Trucks may locate with one hundred and fifty (150) feet of the Host Business that sponsored the Food Truck.
6. All Food Trucks must be located so there is at least five (5) feet of unobstructed space for pedestrians on sidewalks, pedestrian paths and other locations intended primarily for pedestrian travel. If any applicable law, including American with Disability Act regulations, shall require a greater distance, the greater distance shall apply.
7. Food Trucks must be located at least five (5) feet from any utility box, utility vault, handicapped ramp, or emergency call box and not allowed within fifteen (15) feet of any fire hydrant.
8. The minimum distance requirements are measured in a straight line from the closest point of the proposed Food Truck location to the closest point of the buffered object, or in the case of a restaurant, measured from the closest point of the restaurant's main entrance.

9. Food Truck Owners are responsible for the proper disposal of waste and trash associated with the operation. Food Truck Operators shall remove all waste and trash from their location at the end of each day or as needed to maintain proper health and safety for the public. City receptacles may not be utilized for this purpose. The Food Truck Operator shall keep all areas within ten (10) feet of the truck clean of grease, trash, paper, cups or cans associated with Food Truck operation. No liquid waste or grease is to be disposed into the tree pits, storm drains or onto the sidewalks, streets or other public place. Under no circumstances shall grease be released into or disposed of in the City's sanitary sewer or storm water drainage system.
10. There shall be no amplified sound, music, or similar device.
11. No Food Truck shall be parked in a location that prohibits or restricts access to a private property. A minimum of five (5) feet of spacing is required from any driveway, measured from the driveway apron. Street sight distances shall not be blocked.
12. Advertising consisting of business name, logo, and items available for sale may be displayed on the Food Truck. No other form of advertising is permitted including stand-alone signs, banners, pennants, flags, balloons, and/or any other advertising.
13. All Food Trucks must have a duly issued and valid permit issued by Union County Environmental Health at all times. If Union County Environmental Health revokes the permit for the Food Truck, the City's Food Truck Permit shall immediately and automatically be revoked as well, and the Host Business and the Food Truck Operator are subject to civil penalties and other enforcement measures provided herein.
14. The Food Truck Operator shall not utilize tables, chairs, free-standing signage, or audio amplification in conjunction with the Food Truck. All equipment shall be contained within or on the Food Truck.
15. By signing the application, the Food Truck Owner and Host Business agree to hold the City, its officers, agents, and employees harmless and indemnify them for any loss, liability, damage, costs, and expenses arising from its operations.
16. Food Trucks shall not impede, endanger, or interfere with pedestrian or vehicular traffic.

17. The Food Truck Owner must possess a valid general liability insurance policy through an insurance carrier authorized or eligible to do business in the State of North Carolina for any damage to the public right-of-way and for any damages for which the City might incur the liability because of property damage or personal injury arising out of the use of the public right-of-way. The minimum liability limit to the policy shall be one million dollars (\$1,000,000.00). The City of Monroe shall be listed as an additional insured on the Certificate of Insurance issued for the Food Truck Owner and attached to the application submitted for a City permit.
  
18. The City reserves the right to require any permit holder to cease part or all of its operation, or remove the Food Truck from the permitted parking space in order to allow for construction, maintenance or repair of any street, curb, gutter, sidewalk, storm drain inlet and any other similar municipal utility without notice due to health, safety, and/or other emergency.
  
19. The Food Truck Owner/Operator must comply with all other local, state, and federal applicable laws and regulations.
  
20. The City may temporarily suspend the Food Truck Permit when the street is closed for a special event.
  
21. If at any time evidence of the improper disposal of liquid waste or grease or other waste is discovered, the Food Truck Permit will be rendered null and void and the Food Truck operation will be suspended and required to cease operation immediately and be subject to other civil penalties including but not limited to health and safety and/or environmental clean-up.

**F. Enforcement.** The Monroe City Manager is authorized to appoint and designate one or more Enforcement Agent(s) to enforce the provisions of this ordinance. Any Food Truck operating in the Downtown District observed violating any provision of this ordinance and upon written notice by a duly appointed City of Monroe Enforcement Agent is subject to the following civil penalty in the following amounts:

First Citation	\$100.00
Second Citation	
For Same or Similar Violation	\$500.00

In addition to the above civil penalty, violations are subject to the following:

1. Upon issuance of a first offense for violation of this ordinance, the Food Truck Owner shall be ineligible to receive a City issued Food

Truck Permit for a period of one (1) year from the date of the violation;

2. Upon issuance of a first offense for violation of this ordinance, the Host Business that sponsored the Food Truck cited for the violation shall be ineligible to host or sponsor a Food Truck or a period of one (1) year from the date of the violation.
3. Upon issuance of a second offense for violation of this ordinance within a five-year (5) period, the Food Truck Owner shall be ineligible to receive a City issued Food Truck Permit;
4. Upon issuance of a second offense for violation of this ordinance within a five (5) year period, the Host Business that sponsored the Food Truck Operator cited for the violation shall be ineligible to host or sponsor a Food Truck;
5. The Permit for any Food Truck operating in the Downtown District shall immediately and summarily be suspended and ordered to immediately cease and desist operating in Downtown upon Notice of Violation of any of the following:
  - a. Failure to be duly permitted as required by this ordinance.
  - b. Failure to obtain, or suspension of, any permit required by Union County Environment Health.
  - c. A Food Truck found to impede, endanger, or interfere with pedestrian or vehicular traffic.
  - d. When the operation of a Food Truck poses an eminent threat to public health, safety, or welfare.
  - e. Improper disposal of grease and trash pursuant to § 160.03 E 21 above.

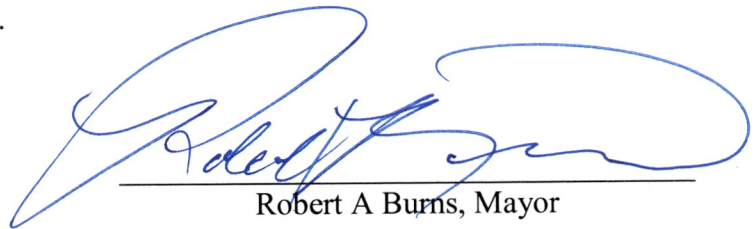
Notices of violation of this ordinance shall be in writing and may be served by personal delivery to the Owner and/or Operator, as agent of the Owner, of a Food Truck by an Enforcement Agent duly appointed to enforce this ordinance, or served by US Mail addressed to the address of the Food Truck Owner as shown on the City of Monroe Permit or to the address of the Food Truck Owner as shown on the DMV registration. Service is complete upon personal delivery or depositing the notice by first class United States Postal Services mail.

Appeal. A Notice of Violation of this ordinance may be appealed for a hearing by the Food Truck Owner or Host Business upon written notice to the City of Monroe with ten (10) days of receipt of the Notice of Violation. Upon receipt of a notice of appeal, the City Manager and/or their designed Hearing Officer shall schedule a hearing to be held within thirty (30) days of receipt of the notice of appeal. The Food Truck Owner and the Host Business shall each receive written notice of the date and time of the hearing. The City Manager and/or their designated Hearing Officer shall conduct the hearing during which the Food Truck Owner and Host Business shall be given an opportunity to offer evidence or testimony regarding the violation. After conclusion of the hearing, the City Manager and/or their designed Hearing Officer shall make a written determination and provide copies to the Food Truck Owner and Host Business. The written decision of the City Manager and/or their designed Hearing Officer is final and no additional administrative appeals are available. Appeal of any of the summary Violations issued pursuant to paragraph 5 above does not stay or delay the immediate suspension of a permit or immediate cessation of operation of a Food Truck.

**H. Special Events.** Food Trucks participating in permitted temporary special events sponsored by the City or private sponsor in the Downtown District are permitted pursuant to the City’s Temporary Use Permit and are exempt from the requirements of this ordinance except Sections 160.03 E 10, 14, and 21.

**Section 2.** This Ordinance shall be effective upon adoption.

Adopted this 14<sup>th</sup> day of May, 2024.

  
Robert A Burns, Mayor

Attest:

  
Bridgette H. Robinson, City Clerk



**ORDINANCE TO AMEND CITY OF MONROE CODE OF ORDINANCES  
TITLE XV: LAND USAGE  
CHAPTER 160: DOWNTOWN DISTRICT  
O-2024-32**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONROE THAT TITLE XV, CHAPTER 160 OF THE MONROE CODE OF ORDINANCES BE AMENDED AS FOLLOWS:**

**TEXT AMENDMENT**

**Section 1.** Amend **SECTION 160.03A DEFINITIONS** by amending **SUBSECTION 4** to read as follows:

4. Food Truck Permit – Permit issued by the City of Monroe upon application to the Monroe Permit Center to operate a Food Truck in the Downtown District at a particular time and location. There shall be the following classes of Food Truck Permits:
  - a. Private Property Food Truck Permit – Annual permit issued to operate a Food Truck on Private Property in the Downtown District. The Private Property Permit shall be issued for a one-year (twelve-month) period and shall expire one year from the date of issuance. The Permit shall identify the private property for which the permit is issued. The cost of the Private Property Permit shall be One Hundred Dollars (\$100.00) or as otherwise modified by the Monroe Fee Schedule.
  - b. Public Right-of-Way Food Truck Permit – All other Food Truck Permits issued to operate a Food Truck within the Public Right-of-Way in the Downtown District. Such Public Right-of-Way Food Truck Permit shall be for a specific location and specific time as provided in this ordinance.

**Section 2.** Amend **SECTION 160.03B APPLICATION** to read as follows:

- B. Application.** A Food Truck Owner, agent on behalf of a Food Truck Owner, or Host Business must complete and submit to the City of Monroe Permit Center an application to locate and operate a Food Truck in the Downtown District signed by both the Food Truck Owner and the Host Business. The application must be accompanied by a copy of the current valid Food Truck Registration issued by DMV or other appropriate agency and a copy of the current valid permit issued by Union County Environmental Health. A completed application must be received no less

than five (5) days prior to first day the Food Truck intends to operate. The Food Truck Permit is issued to the Food Truck Owner and the Host Business both of which shall remain responsible for the operation and activities of the Food Truck at all times.

**Section 3.** Amend **SECTION 160.03C PRIVATE PROPERTY** by amending **SUBSECTION 1** to read as follows:

1. Must obtain an annual Private Property Food Truck Permit from the City of Monroe pursuant to Section 160.03B above, be located on private property, and obtain written permission from the property owner.

**Section 4.** Amend **SECTION 160.03E** for the heading to read as follows:

- E. Standards for All Food Trucks on the Public Right-of-Way.

**Section 5.** Amend **SECTION 160.03E3** by deleting it in its entirety and replacing and substituting with the following:

3. Food Trucks may only dispense and sell food and beverages between the hours 6:00 pm and 12:00 midnight from Monday through Friday. During the Monday through Friday period, Food Trucks may only set up and prepare to dispense and sell food and beverages beginning at 5:30 pm. On Saturday and Sunday, Food Trucks may only dispense and sell food and beverages between the hours 7:00 am and 11:00 am and between 5:00 pm and 12:00 midnight.

**Section 6.** Amend **SECTION 160.03E5** by deleting it in its entirety and replacing and substituting with the following:

5. Food Trucks may not be located within one hundred and fifty (150) feet from the main entrance of any restaurant or outdoor dining area at any time, with the exception of the Host Business sponsoring the Food Truck. The exception for Host Businesses shall not apply if the Host Business is located within one hundred and fifty (150) feet of any other restaurant, and the distance restriction shall remain in effect.

**Section 7.** This Ordinance shall be effective upon adoption.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2024.

Attest:

\_\_\_\_\_  
Robert A. Burns, Mayor

\_\_\_\_\_  
Bridgette H. Robinson, City Clerk

## Analysis of the Impact of Food Trucks on Local Communities

### **Economic Impact:**

1. **Job Creation and Economic Growth:** Food trucks contribute significantly to local economies by creating jobs and stimulating consumer spending. They support other local businesses, including suppliers and nearby retail stores, and can help revitalize older neighborhoods by attracting foot traffic ([Food Truck Club](#)) ([Truck Landia](#)) ([JouleCase](#)) ([Census.gov](#)).
2. **Support for Local Suppliers:** Many food trucks prioritize sourcing ingredients locally, which strengthens ties with local farmers and producers. This not only supports local agriculture but also ensures fresher ingredients for consumers ([Food Truck Club](#)) ([Truck Landia](#)).

### **Cultural and Social Impact:**

1. **Community Engagement:** Food trucks often become central hubs at local events, festivals, and markets, fostering social interaction and community engagement. They contribute to the cultural vibrancy of a community by offering diverse and innovative food options ([Truck Landia](#)) ([Shelby Food Service](#)) ([Tufts Now](#)).
2. **Culinary Diversity:** Food trucks offer a variety of unique and innovative cuisines that reflect the diverse backgrounds of their owners. This culinary diversity enriches the local food scene and provides residents with access to new and exciting dining options ([SA Food Shed](#)) ([Truck Landia](#)).
3. **Public Spaces and Neighborhood Revitalization:** The presence of food trucks can invigorate public spaces and neighborhoods by attracting people and increasing the area's overall appeal. This can lead to increased property values and promote further economic development ([Shelby Food Service](#)) ([Truck Landia](#)) ([SA Food Shed](#)).

### **Challenges and Considerations:**

1. **Regulatory Environment:** Food truck operators face various regulatory challenges, including zoning laws, health and safety standards, and *competition with traditional restaurants*. These regulations can impact their ability to operate and succeed ([Tufts Now](#)) ([Truck Landia](#)).

### **Additional Insights:**

- **Social Justice and Cultural Identity:** Food trucks can play a role in enhancing social justice by providing economic opportunities for marginalized communities (similar to Winchester Revitalization Area). In cities with supportive regulatory environments, food trucks contribute to cultural identity and diversity ([Tufts Now](#)).

- **Adaptability During Crises:** During the COVID-19 pandemic, food trucks demonstrated remarkable adaptability by shifting operations to residential areas and adjusting to new health protocols, thereby continuing to serve communities while adhering to safety guidelines ([Census.gov](#)) ([Truck Landia](#)).

In conclusion, food trucks have a multifaceted impact on local communities by driving economic growth, fostering community engagement, enhancing culinary diversity, and supporting local businesses. Their adaptability and lower operational costs make them valuable assets to both urban and rural areas, although they must navigate regulatory and environmental challenges to maximize their positive impact ([Food Truck Club](#)) ([Truck Landia](#)) ([JouleCase](#)) ([Census.gov](#)) ([Shelby Food Service](#)) ([Tufts Now](#)) ([SA Food Shed](#)).

## **Expanded Economic Impact of Food Trucks on Local Communities**

### **Revenue Generation:**

- The food truck industry generates an estimated \$857 million annually in the United States, with a growth rate of 9.3% per year ([Fast Casual](#)).
- Successful food trucks can earn between \$250,000 to \$500,000 annually, with top performers reaching around \$1 million in revenue ([Fast Casual](#)).
- “Representing a \$1.4B market in the U.S. in 2022, the growth rate of the food truck industry is only expected to rise in the coming years.” ([Toast - Trends](#))

### **Job Creation:**

- Food trucks often provide employment opportunities to local residents, further contributing to local economies ([Census.gov](#)).
- “According to the National Food Truck Association, the food truck industry has created more than 25,000 jobs nationwide since its inception. Additionally, food truck parks generate indirect employment by increasing demand for various support services. These include food suppliers, equipment manufacturers, and maintenance service providers, among others. Food truck parks also create opportunities for event organizers, security personnel, and sanitation workers.” ([LinkedIn Pulse Article](#))

### **Startup and Operating Costs:**

- Initial startup costs for a food truck range from \$45,000 to \$150,000, significantly lower than the costs of starting a traditional restaurant ([Fast Casual](#)).
- Monthly operational costs include maintenance (\$1,000), fuel (\$500), commissary fees (\$1,000), and staff salaries ([Fast Casual](#)).
- “For a parking lease of six months or longer, owners can expect to spend \$2,000-3,000 a month on a truck.” ([Toast - Cost](#))

### **Sustainable Practices and Public Health**

- “The smaller scale of food trucks allows for greater efficiency in energy use and waste management... food truck parks contribute to the long-term health and vitality of local communities” ([LinkedIn Pulse Article](#))
- “Food trucks can fill a crucial gap in the local food ecosystem...This can have a positive impact on public health and promote sustainable food systems.” ([Revitalizing Communities](#))

### **Support for Local Suppliers:**

- Food trucks typically source ingredients locally, supporting nearby farmers and producers, which boosts the local agricultural economy ([Food Truck Club](#)) ([Truck Landia](#)).

### **Economic Flexibility and Resilience:**

- Food trucks have demonstrated economic resilience, particularly during the COVID-19 pandemic, by adapting to new operating environments and continuing to serve communities while adhering to health guidelines ([Census.gov](#)) ([Truck Landia](#)).
- “Mobile food service brings a high degree of flexibility to how you can operate and connect with your community – both in person and through online marketing.” ([Toast](#))
- “...the market size for the U.S. food truck industry growing an average of 13.3 percent annually between 2018 and 2023.” ([Accion](#))

### **Additional Economic Contributions:**

- Food trucks contribute to the economic vibrancy of neighborhoods by attracting foot traffic, which benefits surrounding businesses such as retail shops entertainment venues, and boosting local property values ([Truck Landia](#)) ([SA Food Shed](#)).

Overall, food trucks play a crucial role in enhancing local economies by generating significant revenue, creating jobs, supporting local suppliers, encouraging sustainable practices that positively impact public health and revitalizing community spaces. Their more manageable startup costs and operational flexibility make them accessible and resilient contributors to economic development ([Food Truck Club](#)) ([Truck Landia](#)) ([Census.gov](#)) ([Shelby Food Service](#)) ([Tufts Now](#)) ([SA Food Shed](#)).

## **Excerpts From Articles with Case Studies:**

### **“Why Restaurants and Cities Have Nothing to Fear from Mobile Food Businesses”**

<https://ij.org/report/food-truck-truth/executive-summary/>

Budding culinary entrepreneurs love food trucks because they are a less expensive way for chefs with big dreams but little cash to open their own businesses. Consumers love them because they provide a wide variety of delicious foods conveniently. But opponents (usually restaurants and their associations) allege that the very things many people love about food trucks—their lower startup and operating costs and their mobile nature—give them an unfair advantage and risk putting brick-and-mortar restaurants out of business. Accordingly, opponents have lobbied municipalities, often successfully, for a variety of restrictions on food trucks.

This study puts food truck opponents’ concerns to the test. Specifically, it uses 12 years of county-level census data on food trucks and restaurants to explore whether growth in the number of food trucks results in fewer restaurants.

Results show:

- By the numbers, food trucks do not appear to represent a major threat to the restaurant industry. Not only do restaurants vastly outnumber food trucks—across the study period, the average county had 145 restaurants and just one food truck—but both sectors grew over the 12 years studied. Even as food trucks took off following the Great Recession, the restaurant industry continued to grow.
- Stronger evidence comes from our statistical analysis, which controls for factors like economic conditions and confirms food truck growth does not create restaurant decline. Specifically, the number of food trucks in one year has no effect on the number of restaurants in the next year.
- Instead, food trucks may complement the restaurant industry. We found a positive relationship between the number of food trucks and the number of restaurants in the same year, suggesting both sectors can thrive at the same time.

In short, our analysis shows that critics’ concerns about food trucks hurting the restaurant industry are unfounded. Although some restaurants may close due to competition from food trucks—just as they may close due to competition from other restaurants—our results suggest food trucks do not pose a unique threat to the restaurant industry. Rather, on the whole, food trucks appear to complement restaurants as both industries grow side by side.

These results strongly suggest that food trucks have been unfairly maligned by restaurants and their associations and that municipalities that have enacted anticompetitive restrictions on food trucks have been deceived. To right this injustice, cities should repeal restrictions designed to protect restaurants from competition and ensure any remaining restrictions on food trucks are narrowly targeted to protecting the public’s health and safety, not restaurants’ bottom lines. And states should consider preventing cities from enacting protectionist restrictions. By increasing food truck freedom, cities and states can allow entrepreneurs to pursue the American Dream while also promoting business growth and allowing their communities to flourish.

## **Does the growth of food trucks threaten the sustainability of restaurants? Evidence from a nationwide analysis of U.S. businesses**

<https://www.tandfonline.com/doi/abs/10.1080/15378020.2023.2275514>

This article examines whether growth in the food truck sector in the United States harms restaurants, as restaurateurs and their allies often claim. Using 12 years of nationwide data in a dynamic panel data analysis, we explore whether more food trucks in a county in one year equates to fewer restaurants in the same county in the following year. Results indicate the number of food trucks in one year is not significantly related to fewer restaurants in the next year. However, the number of food trucks in one year is positively – and significantly – related to the number of restaurants in the same year. For every additional food truck in a county, we would expect to see about three additional restaurants. We provide some possible reasons for these findings and conclude restrictions on food trucks are likely unnecessary and perhaps even economically unproductive. Policymakers may find such results informative when considering the adoption of new regulations governing food vendors. Researchers may find the results helpful when creating new studies on how food vendors affect neighborhoods or the extent to which the vending and brick-and-mortar sectors are complementary or competitive.

### Synopsis:

The paper by Carpenter and Sweetland explores whether the increasing number of food trucks in the United States adversely affects the traditional restaurant industry. Utilizing 12 years of comprehensive nationwide data, the authors employ a dynamic panel data analysis to investigate whether an increase in food trucks in a given year leads to a reduction in the number of restaurants in the following year. Contrary to common claims by restaurateurs and their allies, the study finds no significant evidence that food trucks cause restaurant closures. In fact, the number of food trucks is positively correlated with the number of restaurants in the same year, suggesting that food trucks may actually promote restaurant growth.

The introduction of the paper provides a context for the study, highlighting the cultural rise and economic expansion of food trucks across the United States. It discusses how food trucks have become mainstream, appearing in popular media, and experiencing significant growth in both numbers and revenue. Despite their popularity, food trucks often face opposition from restaurant owners who argue that food trucks benefit from unfair competition due to their lower overhead costs and operational flexibility. These restaurateurs frequently lobby for restrictive regulations to limit the presence and operations of food trucks.

The literature review delves into the history and evolution of food trucks, noting their origins in street vending and their resurgence during the Great Recession. It also examines the arguments presented by food truck opponents and provides a review of existing studies on the impact of food trucks on urban neighborhoods and the restaurant industry. The review suggests that food trucks might contribute positively to urban development and restaurant growth by attracting new customers and revitalizing areas, although some studies point to potential negative effects on property values and competition for fast food establishments.

In the methods section, the authors detail their data sources, sample selection, and analytical approach. They use U.S. Census Bureau data on food trucks and restaurants, controlling for factors like population size and unemployment rates. The analysis focuses on both rural and non-rural counties, using a one-year lag model to assess the impact of food trucks on restaurants. The results indicate that the presence of food trucks does not lead to a decrease in the number of restaurants. Instead, a positive and significant relationship exists between the number of food trucks and the number of restaurants within the same year.

In conclusion, the paper argues that food trucks do not pose a threat to the sustainability of restaurants. Instead, the growth of food trucks appears to be associated with an increase in the number of restaurants. The authors suggest that restrictive regulations on food trucks are unnecessary and potentially counterproductive. These findings are valuable for policymakers considering new regulations on food vendors and for researchers interested in the complementary or competitive dynamics between food trucks and brick-and-mortar restaurants. The study contributes to a better understanding of how mobile food vendors influence the broader food service industry and local economic development.

## **Food Truck Fiscal Impact Sources:**

<https://blog.implan.com/coronavirus-foodtrucks>

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