



City of Chicago



O2019-9397

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 12/18/2019

Sponsor(s): Lightfoot (Mayor)
Mitchell (7)

Type: Ordinance

Title: Amendment of Municipal Code Titles 4, 7 and 9 regarding mobile merchants

Committee(s) Assignment: Committee on License and Consumer Protection



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

December 18, 2019

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Business Affairs and Consumer Protection, I transmit herewith, together with Alderman Mitchell, an ordinance amending Title 4-6 of the Municipal Code regarding a mobile retail operator license.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in black ink that reads "Lori E. Lightfoot".

Mayor

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-5-010 Establishment of license fees.

This chapter shall establish fees for various licenses created by this title unless otherwise provided. The following fees shall apply for the specified licenses. The chapter in which each fee requirement is created is also provided. Unless otherwise stated, fees shall be assessed every two years. For every license application which includes fingerprinting of the applicant as part of the application process, a fingerprint fee sufficient to cover the cost of processing fingerprints will be assessed in addition to the below fees. The fingerprint fee will be assessed regardless of whether the license applied for is issued or denied. The amount of the fee will be set forth by regulation promulgated by the Commissioner of Business Affairs and Consumer Protection.

(Omitted text is unaffected by this ordinance)

(40)	Pharmaceutical representative per year	\$750.00
(41)	Mobile Merchants	<u>\$250.00</u>

SECTION 2. Section 4-6-010 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

4-6-010 Regulated business license.

(a) A regulated business license shall be required for the business activities set forth in this chapter. A separate license shall be required for each separate business location.

(b) The terms defined in Section 4-4-005, as well as the general licensing provisions set forth in Chapter 4-4 shall apply to all Chapter 4-6 licenses.

(c) Business activities requiring a regulated business license under this chapter shall include the following: (1) health club; (2) clothing alteration; (3) laundry service; (4) residential real estate developer; (5) tattooing, body piercing or tanning facility; (6) day labor agency; (7) adult family care center; (8) assisted living establishment; (9) long-term care facility; (10) adult family care home; (11) automatic amusement operator; (12) private scavenger; (13) secondhand dealer in children's clothing and children's products only; (14) junk peddler; (15) debt collectors; (16) hospital; (17) hotel; (18) board-up company; (19) dry cleaner; (20) hazardous materials; (21) single-room occupancy buildings; (22) booting of motor vehicles; (23) immigration assistance; (24) expediter company; (25) expediter/natural person; (26) home occupation; (27) home repair; (28) bed-and-breakfast establishment; (29) vacation rentals; (30) pharmaceutical representatives; ~~and~~ (31) massage establishments and massage services; and (32) mobile merchants.

SECTION 3. Chapter 4-6 of the Municipal Code of Chicago is hereby amended by inserting, in correct numerical order, a new Article XXXIII, as follows:

ARTICLE XXXIII. MOBILE MERCHANTS

4-6-330 Mobile Merchants.

- (a) *Definitions.* For purposes of this section:
- (1) "Goods" means tangible personal property other than money.
 - (2) "Mobile merchant" means a person that offers goods for sale at retail or wholesale from within a motor vehicle.
 - (3) "Mobile merchant vehicle" means a motor vehicle used to conduct a mobile merchant business.
- (b) *License.*
- (1) No person shall conduct business as a mobile merchant without first having obtained a mobile merchant license. A separate license shall be required for each mobile merchant vehicle.
 - (2) No transfer of ownership shall be allowed on any license issued under this section.
- (c) In addition to the general license application requirements, an applicant for a mobile merchant license shall:
- (1) submit the following information about the mobile merchant vehicle to be licensed: its make and model, its registered license plate number, and specifications, photos, and plans as to the layout of the spaces that the public may access;
 - (2) supply the name, if a business, and address of the place where such vehicle will be stored when not in use; and
 - (3) supply any other information that the Commissioner may reasonably require.
- (d) *Insurance – Required.* An applicant for a mobile merchant license shall produce proof to the Commissioner of Business Affairs and Consumer Protection that such applicant has obtained commercial general liability insurance, with limits of not less than \$1,000,000.00 per occurrence, for bodily injury, personal injury and property damage and obtained a commercial automobile liability insurance with limits of not less than \$1,000,000.00, combined single limit, per occurrence for bodily injury and property damage arising in any way from the issuance of the license or activities conducted pursuant to the license. The insurance policy required under this section shall: (1) be issued by an insurer authorized to insure in Illinois; (2) name the City of Chicago as additional insured on a primary, noncontributory basis for any liability arising directly or indirectly from the licensee's operations; and (3) include a provision requiring 30 days' advance notice to the Commissioner of Business Affairs and Consumer Protection prior to cancellation or lapse of the policy. If a mobile merchant license is issued to such applicant, such licensee shall maintain the insurance required under this subsection in full force and effect for the duration of the license period.
- (e) *Vehicle requirements.* Every vehicle used by a mobile merchant in the conduct of such business shall comply with the following requirements:
- (1) The legal name of the business, and the "doing business as" name, if different, and, if required by state or federal law, the Department of Transportation permit number and registration number, shall appear plainly, distinctly, and legibly in letters and figures at least two inches in height with a one-half inch wide brush stroke in a conspicuous place on both lateral sides of the vehicle, in compliance with 49 CFR 390.21.

- 010(a) and/or (b).
- (2) The interior of the vehicle shall be kept in a clean condition.
 - (3) The vehicle shall be a commercial vehicle as defined by Section 9-4-
 - (4) The vehicle shall:
 - (A) be a motor vehicle of the second division;
 - (B) not be a trailer;
 - (C) have only a single deck; and
 - (D) not be more than thirty feet in length.
 - (5) The vehicle shall not be used for any purpose other than a mobile merchant business.
 - (6) Each mobile merchant vehicle shall be completely enclosed with top and sides.
 - (7) Any person who operates such vehicle must have a valid driver's license issued by the State of Illinois or another state, district, or territory of the United States.
 - (8) Each mobile merchant vehicle shall be inspected and maintained by a licensed professional, including mechanics and, if applicable, by professionals who install and maintain safety electrical equipment, as often as necessary but not less than every 90 days, and copies of the last four maintenance reports must be kept in the vehicle at all times while the vehicle is in use.
 - (9) There shall be no propane or other natural gas in a mobile merchant vehicle, other than any necessary to power the vehicle itself.

(f) Operation

- (1) Vehicle Stops.
 - (A) Mobile merchant vehicles shall move from place to place upon the public ways and shall not be operated at a fixed location except as otherwise provided in this section. It shall be unlawful for any mobile retail licensee to move the vehicle while patrons are in the vehicle.
 - (B) Mobile merchant vehicle stops shall be made only to be open for business. Operators shall:
 - (i) comply with all parking and movement restrictions, including street cleaning, rush hour parking, and snow route parking;
 - (ii) park parallel to the curb in a legal parking spot; and
 - (iii) limit the number of patrons in the vehicle to ensure safe exit from and entry to the vehicle.
 - (C) No operator shall operate on any block for longer than the parking meter or signage allows or for longer than four hours, whichever is shorter. Nor shall any operator park, stand, or stop the vehicle:
 - (i) within 20 feet of a crosswalk;
 - (ii) within 30 feet of an intersection; or
 - (iii) adjacent to a bicycle lane.
 - (D) A stop to service customers shall be considered parking for the purposes of regulation under Title 9 of the Code.
- (2) Private Property. Operation of a mobile merchant vehicle is not allowed on private property without first obtaining written permission of the owner or lessee of the property. With the permission of the owner or lessee, the four-hour service limit shall not apply. Notwithstanding this provision, no operation of a mobile merchant vehicle is allowed on a privately-owned (A) vacant lot, or (B) lot that includes a vacant building, or combination thereof. For purposes of this subsection, the term "vacant" has the meaning ascribed to the term in Section 13-12-125(e) of this Code.

(3) Mobile merchants shall not interfere with or impede the free flow of traffic on the public way.

(4) Signage or any type of accessory equipment, storage, or display of goods of any kind are prohibited on or over the public way.

(5) No mobile merchant vehicle shall be equipped with any

(A) electronic sound-amplifying device, or

(B) oscillating, rotating, or flashing lights.

(6) It shall be unlawful for any mobile merchant to use a portable generator or to connect electrical or utility services over the public way.

(A) Operators shall only use "in-line" electrical generators that are powered by a hard-lined, manufacturer-installed fuel line taken directly from the vehicle's main fuel tank. All other types of generators, including, but not limited to, portable stand-alone and separate-fill generators, may not be used.

(B) A vehicle must be equipped with (i) a working carbon monoxide detector that meets standards set forth in NFPA 1192-6.4.6; (ii) a multi-purpose fire extinguisher; and (iii) a fire detector.

(C) For vehicles that use an onboard electrical power inverter, the mobile merchant must submit a signed affidavit attesting that: (i) the inverter is certified by Underwriters Laboratory (UL); (ii) the applicant is aware of the maximum capacity of the inverter and will utilize and maintain it according to manufacturer's specifications; and (iii) a licensed mechanic installed and mounted the inverter according to manufacturer's specifications.

(7) The mobile merchant license shall be posted in a conspicuous place in the vehicle to which the public has access by sight. The mobile merchant shall also post an emblem issued by the Department of Business Affairs and Consumer Protection in the front windshield of the vehicle according to the instructions of the Department.

(8) No sales from a mobile merchant vehicle shall be made between the hours of 10:00 p.m. and 6:00 a.m.

(9) Mobile merchant vehicles shall be operated only by the mobile merchant or by an authorized employee of such licensee.

(10) A mobile merchant may only sell goods, and not provide services, from the motor merchant vehicle.

(g) (1) The Department of Business Affairs and Consumer Protection may issue emblems for mobile merchant vehicles to indicate the mobile merchant vehicle license.

(2) The Commissioner of Business Affairs and Consumer Protection, in consultation with the Department of Transportation, Department of Police, and the Office of Emergency Management and Communications, in the interest of preserving public safety or avoiding traffic congestion, may, by rule, set a limit on the number of total mobile merchant licenses that may be issued at any given time.

(h) The City Council has determined that certain street segments would experience detrimental congestion resulting from the presence of mobile merchant operations; accordingly, such operations are prohibited in this Subsection (h).

SECTION 4. Section 4-244-010 of the Municipal Code of Chicago is hereby amended by adding the language underscored as follows.

4-244-010 Definitions.

For purposes of this chapter, the following definitions shall apply.

(Omitted text is unaffected by this ordinance)

“Peddler” or “street peddler” means any individual who, going from place to place, whether on private property or on the public way, sells, offers for sale, sells and delivers, barter or exchanges any goods, wares, merchandise, wood, fruits, vegetables or produce from a vehicle or otherwise. The term “peddler” does not include (1) a “grower” or “producer” as defined in Section 4-12-010 of this Code, or (2) any class of peddler specifically defined and licensed or required to be licensed under other chapters of this Code, including, but not limited to, (i) any junk peddler within the meaning of Section 4-6-150; (ii) any merchant within the meaning of Chapter 4-212 of this Code, or (iii) any mobile food dispenser within the meaning of Chapter 4-8 of this Code, or (iv) any mobile merchant within the meaning of Section 4-6-330 of this Code.

(Omitted text is unaffected by this ordinance)

SECTION 5. Section 9-64-170 of the Municipal Code of Chicago is hereby amended by adding the language underscored as follows:

9-64-170 Parking restrictions – Special types of vehicles – Exceptions.

(Omitted text is unaffected by this ordinance)

(b) (1) *Business streets – Restrictions.* Except as otherwise provided in this subsection (b) or in subsection (f)(2) of this section, it shall be unlawful for any person to park at any time, including overnight, any truck, truck tractor, semi-trailer, trailer, self-contained motor home, commercial vehicle, limousine (whether for hire or not for hire) or bus on any business street in the City.

(Omitted text is unaffected by this ordinance)

(6) *Business streets – Exception for non-commercial pickup trucks weighing less than 8,000 pounds – When authorized.* The prohibition in paragraph (1) of this subsection (b) shall not apply to the owner of a pickup truck that: (i) is lawfully parked at the curb in accordance with the general parking requirements of this Code, and (ii) has a gross weight of less than 8,000 pounds, and (iii) is not a commercial vehicle.

(7) *Business streets – Exception for mobile vendors.* The prohibition in paragraph (1) of this subsection (b) shall not apply to the owner of either a mobile food vehicle, or a mobile merchant vehicle, that is lawfully parked at the curb while conducting retail operations.

(8) *Business streets – Penalty for violation.* In addition to any other penalty provided by law, any person who violates this subsection (b) shall be subject to the fine set forth in Section 9-100-020.

SECTION 6. Section 7-38-115 of the Municipal Code of Chicago is hereby amended by adding the language underscored, and by deleting the language struck through, as follows:

7-38-115 Operational requirements.

(Omitted text is unaffected by this ordinance)

(b) Mobile food vehicle stops shall be made only to service customers and shall not exceed (i) a total of ~~two~~ four hours, or (ii) the maximum permitted period for parking, whichever is lesser, in any one block.

(Omitted text is unaffected by this ordinance)

SECTION 7. Following passage and approval, this ordinance shall be in full force and effect on February 1, 2020.