

From: Reba Osborne <Rosborne@naperville.net>
Sent: Tuesday, February 15, 2022 3:28 PM
To: Laff, Allison
Cc: Kaylin Risvold
Subject: NACC position on mobile vendors

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Allison,

I hope all is well. Below is our position statement on mobile vendors on private property that was approved by our full board of directors this morning. After we spoke a couple weeks ago, I had numerous conversations with several Member stakeholders (specified in our statement) Our conversations with you and Rachel Mayer were invaluable as well.

NACC Position: Call for a permitting fee be required for mobile vending businesses who do not meet certain criteria and plan to operate in Naperville for any four days in a calendar year.

A key legislative priority of which the NACC advocates is for a competitive and fair tax climate for our business community. At the January 4th, 2022, Naperville City council meeting, members of the Council members requested input from our NACC as to the impact of food trucks on mobile food vending on private property. Since that time, the NACC constructed a questionnaire and sent to our business community members in the food service industry. In addition, we had extensive conversations with four key stakeholders in this conversation:

- 1. Members who operate food trucks in additional to their brick-and-mortar establishments***
- 2. Members who are a food truck operator, solely***
- 3. Members who reported on the survey that they have been negatively impacted by food truck operations in their market***
- 4. Members who currently have a brick-and-mortar establishment but exploring expanding to offer a food truck to extend their brand into the community.***

We have spoken with city staff to gain a clearer understanding of how our local businesses are taxed. In encapsulating these data sources, we have identified an inequity among our food truck/mobile food vendors whose business is not registered with the State of Illinois as having a Naperville address. The Naperville food & beverage tax is only collected from businesses offering “on-premise consumption.” Therefore, since most food trucks do no offer inside or outside seating, no food & beverage taxes are collected from these vendors. The local

portion of the retail sales tax also collected by our foodservice vendors is remitted back to the municipality where the business address they are registered as a legal operating business in Illinois. Therefore, if a truck food or other mobile vendor does not offer “on-premise consumption” and are not a registered business in Naperville, that business contributes nothing to our tax base yet in most cases creates competition with our existing food-service vendors. We call for City Council to create a special permitting requirement for those food truck/mobile vendors who are not a Naperville business, or who do not pay Naperville Food and Beverage tax and who plan to be in our city for more than four days in any calendar year. This creates a more fair and competitive taxation among our business community members.

Please reach out if you have questions or need additional information for us.

Thank you for all you do!!!

Reba



Reba Osborne

Director of Government Affairs

630.544.3387 | rosborne@naperville.net

www.naperville.net

