

## **Duff on Hospitality Law**

## Portland Hungers for its Food Carts

By Joy Ellis on 9.28.12 | Posted in Food and Beverage

At lunch time, Joy Ellis can be found at Addy's Sandwich Bar, a food cart at the corner of SW 10<sup>th</sup> and Alder. Here, she brings us an update on the thriving food cart industry in Portland.

Portland's bustling food cart industry has come of age. With nearly 700 food carts actively dishing out some of Portland's most creative and tasty cheap eats, the local food cart economy here is flourishing. Portland's food cart industry has also helped build some thriving ancillary businesses, from food cart suppliers to sustainable to-go food containers to bicycle delivery services like Portland Pedal Power.

Food carts are generally a flexible, low-risk business model. They give an aspiring entrepreneur the opportunity to incubate a business idea and gather a following before taking the financial leap to a bricks-and-mortar restaurant, and they provide an affordable investment for business owners who prefer to stay small and avoid the risks and costs inherent in a storefront restaurant.

The City of Portland is generally supportive of food carts, which pepper urban surface parking lots and occupy vacant lots and other underutilized sites. Portland's regulations are relatively friendly (unlike some other cities, like New Orleans – where a food truck can't park in the French Quarter, sell seafood, stay in one place for longer than 30 minutes or be parked near a restaurant). The various permits and licenses required of a Portland food cart vendor depend upon the size of the cart, its mobility, and its location (on private property or a public sidewalk).

Of course, there is a bit of government scrutiny worth noting. The City of Portland clearly disapproves of liquor licenses for food carts or cart pods, as demonstrated last winter when Cartlandia – yes, that really is the name of a Portland food cart pod – became embroiled in controversy after obtaining a liquor license from the requisite state regulatory agency, the Oregon Liquor Control Commission (OLCC). (In a nutshell: Cartlandia got the license, only to have the City Council vote to disallow it. The OLCC then overruled the City Council, and the City sued the OLCC. Government in action!) The City has also cracked down on illegal food cart structures that either block the sidewalk or have attachments that touch the ground (like a deck or awning post), which render the cart no longer "mobile" under the City code's definition.

The restaurant industry (ORLA in particular) has grumbled that the food carts are not regulated as actively by government and their low overhead – including fewer utility and permitting fees – gives food carts a competitive advantage. The Portland food cart community has a



fledgling association of its own, the Oregon Street Food Association (ORSFA), but it does not yet appear to be speaking with an organized voice.

Meanwhile, Portland's food carts will continue to dominate the downtown and neighborhood snack landscape with their carts, bikes, Airstream trailers, trucks, and stands. Voted #1 in "World's Best Street Food" by U.S. News and World Report last winter, the food cart scene just continues to grow.

Tags: Cartlandia, food carts, OLCC, ORLA, ORSFA