



# City of San Antonio

## Agenda Memorandum

**File Number:** 16-1026

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**Agenda Item Number:** 18.

**Agenda Date:** 12/17/2015

**In Control:** City Council A Session

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**DEPARTMENT:** Management and Budget

**DEPARTMENT HEAD:** Chad Tustison, Interim Director

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT:**

Proposed Changes to City Code Chapter 13, Article II, Section 13-27 Pertaining to the Food Establishment Permit Fee (1-5 Employees) to reflect fee adjustments approved within the FY 2016 Budget Amendments.

**SUMMARY:**

The San Antonio Metropolitan Health District (SAMHD) is recommending changes to Chapter 13, Article II, Section 13-27, to increase the Food Establishment Permit Fee (1-5 Employees) from \$220 to \$360 to reflect fee adjustments approved within the FY 2016 Budget Amendments. This change was referenced in Ordinance 2015-10-15-0875 but the fee change was inadvertently left out of the final Ordinance.

**BACKGROUND INFORMATION:**

An Innovation and Reform study conducted in 2015 of the Food & Environmental Division showed that only 58% of the Risk 3 category (High Risk) restaurants were completed in FY 2014. Under current staffing levels, approximately 5,000 restaurant inspections (from all risk categories) would be missed in FY2016.

The FY 2016 Budget Amendments approved the addition of five inspectors to be funded from increase in the inspection fee for establishments of less than 5 employees.

In addition, the State of Texas will implement new inspection standards for food establishments in the 1<sup>st</sup> Quarter of FY16. It can be anticipated that the workload to complete a single inspection will increase by 10% to 15%. The additional inspectors will enable the program to address the additional workload and meet the FY 2016 goal of completing 100% of all food establishments.

**ISSUE:**

This ordinance amends Chapter 13, Article II, Section 13-27, to increase the Food Establishment Permit Fee (1-5 Employees) from \$220 to \$360 to recover the cost of providing inspections to 100% of food establishments.

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**ALTERNATIVES:**

The City Council can choose not to approve the fee increase from \$220 to \$360. By not approving the fee increase, the Health Department will be unable to complete 100% of food establishment inspections.

**FISCAL IMPACT:**

Amending the food code to increase the Food Establishment Permit Fee (1-5 Employees) from \$220 to \$360 would yield approximately \$400,000.00 in FY2016. The additional revenue will cover all costs of the additional positions that were approved in Ordinance 2015-10-15-0875.

**RECOMMENDATION:**

Staff recommends approval of the recommended changes to Chapter 13, Article II, Section 13-27, to increase the Food Establishment Permit Fee (1-5 Employees) from \$220 to \$360. This change was referenced in Ordinance 2015-10-15-0875 but the fee change was inadvertently left out of the final Ordinance.