



# MEMO

NEIGHBORHOOD ENHANCEMENT

**TO:** CHASE STAPP, DIRECTOR OF PUBLIC SERVICE  
**FROM:** Greg Carr, Director of Neighborhood Enhancement  
**DATE:** March 23, 2020  
**RE:** Food Establishment Renewal Fee

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## SUMMARY

COVID-19, or the Coronavirus, has had broad, significant effects on every aspect of daily life across the globe. Food establishments in San Marcos are feeling those impacts. If the food establishment didn't have the ability to provide drive-up or drive-thru services, or delivery services, they were forced to close their doors. They will continue to be impacted as restrictions are slowly lifted by mandated reduced capacity to adhere to social distancing guidelines.

Permits renew on an annual basis and the entire permit fee is required along with the application.

Staff has been contacted by local businesses that have been impacted by the COVID-19 crisis and are struggling to keep their doors open. Several businesses have been asking if they could defer or make payments when renewing their permit.

## RECOMMENDED STRATEGY

### Allow payments to be accepted for permits

This strategy includes the allowance to receive payment for the permit in quarterly payments. Quarterly payments would allow the city to continue receiving permit fees while allowing food establishments to recover. Quarterly payments would provide a financial benefit to food establishments while minimizing the impact on staff.

## FINANCIAL IMPACT

### Environmental Health Fee and Quartely payment

Type Based on number of employees	Fee	Quarterly payment	Businesses renewing
1 to 5	\$304.50	\$76.13	31
6 – 19	\$507.50	\$126.87	22
20 and above	\$761.25	\$190.31	16

Food establishments scheduled to renew by 9/30/202	69
Estimated with severe financial impact	29 or 42%
Renewal fees at 100%	\$35,553
Potential fees for businesses with concern	\$13,389
Initial savings for businesses with concern	\$8,883