



## Agenda Item Summary

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**File #:** ORD 19-116, **Version:** 1

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### **Submitted By**

Mike Charley, Public Health Director

### **Reviewed By**

LKS

### **Agenda Item Title**

**Second Reading and Adoption of an Ordinance Amending Chapter 18 ("Business Licensing"), Article 2 ("Fee Schedule"), Section 8-2-1 ("License Fee Schedule") of the Oak Park Village Code Regarding Temporary Food Establishment and Mobile Food License Fees as Reviewed at the October 28, 2019 Finance Committee Meeting**

### **Overview**

The Health Department is recommending the Village Board amend three Temporary Food Establishment license fees and the annual Mobile Food Establishment license fee within of Chapter 18 ("Business Licensing"), Article 2 ("Fee Schedule"). A First Reading was held at the Village Board Regular Meeting on November 4, 2019.

### **Recommendation**

Approve the Ordinance.

### **Fiscal Impact**

The fee schedule amendments would create additional revenue to help cover Village costs associated with managing the processes. The additional revenue for each fee includes: Temporary Food License fee: \$1250; Temporary Food late fee: \$1200; Farmers' Market Temporary Food fee \$950; Mobile Food Establishment fee: \$600.

### **Background**

Staff is recommending four fee amendments to Chapter 18 ("Business Licensing"), Article 2 ("Fee Schedule" of the Oak Park Village Code. The fee amendments are to the Mobile Food Establishment License fee and three Temporary Food Establishment License fees. Attached is a document titled "Mobile Food & Temporary Food Fee Recommendations: First Reading" that provides information in addition to this agenda commentary.

At the November 6, 2018 Village Board meeting under ORD 18-438, an initial draft ordinance was presented to the Village Board. In response, the Village Board provided staff with a list of items to complete and respond to prior to resubmitting the ordinance for a second reading:

1) Meet with the Business Association Council (BAC) and request their feedback. Mike Charley presented the fee amendments to the Business Association Council at their January 23, 2019 regularly scheduled meeting.

The attendees communicated that the proposed \$100 per event Temporary Food Establishment fee was excessive and would likely discourage food vendors from participating in their events. They recommended a more tiered approach, so that the first fee was \$100 and then tiered to correspond with actual field inspection costs. The attendees were not opposed to the Temporary Food late fees and/or the Mobile Food fees. As a result of the Business Association Council's feedback staff have amended their original Temporary Food Establishment fee recommendation from \$100/event to \$100 for the first event and \$50 for each subsequent event applied for annually; this is a tiered approach.

2) Ensure that fees reflect Village costs per vendor per event. The Health Department completed a cost analysis. The Health Department is recommending fees that reflect, as much as possible, the costs for each program area.

#### **Cost Analysis/Additional Information:**

**Temporary Food Establishment Fee:** The cost estimate shows that the Village cost per vendor per event is \$107/event. There are cost benefits to the Village if a vendor participates in more than one event per calendar year. The proposed fee structure is \$100 for the first event and \$50 per additional event. The new fee structure will increase revenue by approximately \$1,250/year, while also being more business friendly than the original recommended fee structure.

**Temporary Food Establishment Late Fee:** The \$50 late fee is being proposed to encourage food vendors to submit their applications and payment so that the Health Department has sufficient time to review vendor applications and process payment.

**Farmers' Market Temporary Food Establishment Fee:** The Health Department conducts a minimum of two food inspections at the Farmers' Market annually. The cost to the Village for the two visits is approximately \$150/market season. The proposed fee is a \$150 annual fee. The new fee structure will increase revenues by approximately \$950/year.

**Mobile Food Establishment Fee:** The Health Department is required to inspect mobile food vendors based on their IDPH fee classification. Low risk and medium risk mobile food establishments are inspected twice annually and high risk mobile food establishments are inspected three times annually. The cost estimates are \$163 (low risk), \$204 (medium risk) and \$326 (high risk). The recommended ordinance fees for mobile food then are \$150 (low risk), \$200 (medium risk) and \$325 (high risk). The new fee structure will increase revenues by \$600/year.

At the November 4, 2019 Village Board meeting under ORD 19-99 Mike Charley, Public Health Director presented information on the recommended ordinance amendment. At this meeting the Village Board made no recommendations to amend the ordinance prior to returning the ordinance for a second reading. Staff is recommending the Village Board approve the ordinance and that the ordinance goes into effect January 1, 2020.

#### **Alternatives**

The Board could seek additional information prior to a second reading and adoption of the Ordinance.

#### **Previous Board Action**

Chapter 18 (“Business Licensing”), Article 2 (“Fee Schedule”) was amended in 2015. At that time the “Temporary Food Establishment” fee was increased from \$96 to \$100.

At the November 6, 2018 Village Board meeting under ORD 18-438, an initial draft ordinance was presented to the Village Board for a “First Reading”. At that meeting the Village Board provided staff with a list of items to complete and respond to prior to resubmitting the ordinance for a second reading.

At the November 4, 2019 Village Board meeting under ORD 19-99 Mike Charley, Public Health Director presented information on the recommended ordinance amendment. At this meeting the Village Board made no recommendations to amend the ordinance prior to returning the ordinance for a second reading of the ordinance.

#### **Citizen Advisory Commission Action**

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#### **Anticipated Future Actions/Commitments**

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#### **Intergovernmental Cooperation Opportunities**

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