

# Memorandum



CITY OF DALLAS

DATE August 7, 2017

TO Honorable Members of the Quality of Life, Arts & Culture Committee: Sandy Greyson (Chair), Mark Clayton (Vice Chair), Rickey D. Callahan, Jennifer S. Gates, Scott Griggs, B. Adam McGough, Omar Narvaez

SUBJECT **Proposed Chapter 17 Amendments**

Attached are the briefing materials for the Proposed Chapter 17 Amendments that will be presented on Monday, August 14, 2017. Please contact me if you have any questions or need additional information.

A handwritten signature in blue ink that reads "Joey Zapata".

Joey Zapata  
Assistant City Manager

## Attachment

c: Honorable Mayor and Members of the City Council  
T.C. Broadnax, City Manager  
Larry Casto, City Attorney  
Craig D. Kinton, City Auditor  
Rosa A. Rios, City Secretary  
Daniel F. Solis, Administrative Judge  
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager  
Jo M. (Jody) Puckett, Assistant City Manager (Interim)  
Jon Fortune, Assistant City Manager  
M. Elizabeth Reich, Chief Financial Officer  
Nadia Chandler Hardy, Chief of Community Services  
Raquel Favela, Chief of Economic Development & Neighborhood Services  
Theresa O'Donnell, Chief of Resilience  
Directors and Assistant Directors

# Proposed Chapter 17 Amendments

Quality of Life, Arts & Culture Committee  
August 14, 2017

Kris Sweckard, Director  
Code Compliance Services  
City of Dallas



# Presentation Overview

- Background/History
- Proposed Chapter 17 Amendments:
  - Proposed FY17-18 Fee Study for Consumer Health
  - Blanketing Temporary Food Service Permits
  - Annual Permit for Food Trailers
- Staff Recommendation & Proposed Action
- Next Steps



# Background/History

- Chapter 17 provides food safety regulations for food establishments in the city of Dallas that is in addition to the State of Texas Food Establishment Rules
- In FY 12-13 Code Compliance Consumer Health fees were studied and Council adopted new fee rates on October 23, 2013, amending Chapter 17, “Food Establishments” of the Dallas City Code
- MGT Consulting was hired by the Office of Financial Services to conduct a fee study for the FY 17-18 Code Compliance Consumer Health fees
  - Analysis of the time increments and costs associated with staff time to provide Consumer Health services was conducted to capture full cost recovery
  - The fee study recommendations were apart of the City Manager’s recommended FY 17-18 and FY 18-19 Proposed Budget that was briefed on August 8, 2017

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# Background/History (continued)

- In conjunction with the fee study:
  - City staff is recommending a provision to Chapter 17 to include the practice of “blanketing” temporary food service fees, or
  - enforce the current ordinance as stated, which would eliminate the practice of “blanketing”
- In addition, City Council has expressed interest in modifying Chapter 17 to allow for annual permitting of food truck trailers






# Proposed FY 17-18 Fee Study for Consumer Health

## Food Service Personnel Fees (Ch 17.2.2)

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Food Service Manager Registration Fee	\$100	\$20	3,144	\$30	50% 

# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

## Permit Application Fees (Ch 17.10.2)

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Application Fee	\$300	\$131	980	\$121	-8% 
Pre inspection (Fixed Facility)	\$-	\$200	10	\$106	-47% 
Food Preparation truck/hot truck	\$315	\$86	81	\$286	233% 

# Proposed FY 17-18 Fee Study for Consumer Health (Continued)




## Service Fees (Ch 17.10.2)

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Name Change	\$65	\$48	39	\$127	165% 
Fixed Facility Re-inspection	\$380	\$110	100	\$71	-35% 



# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

## Annual Inspection Fees (Ch 17.10.2)

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Food Establishment 1- 2,000 sq. ft.	\$390	\$284	3,438	\$280	-1% 
Food Establishment 2,001 or more sq. ft.	\$425	\$313	3,065	\$318	2% 
Pre-closure (new fee)	\$-	\$-	500	\$87	New Fee
Reinstatement Fee After Lapsed Permit (mobile and fixed)	\$110	\$236	987	\$111	-53% 

# Proposed FY 17-18 Fee Study for Consumer Health (Continued) Temporary Food Service Fees (Ch 17.10.2)

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Permit Fee	\$190	\$156	2,094	\$121	-22% ↓
Daily Fee for each facility (per day per booth)	\$5	\$7	9,213	\$13	86% ↑
City Park and Recreation Concessionaires	\$100	\$124	28	\$187	51% ↑
Neighborhood Farmers Market	\$100	\$123	127	\$228	85% ↑
School Stadium	\$200	\$132	39	\$223	69% ↑
Hourly Fee- Inspector on Site Event (new fee)	\$-	\$-	5,584	\$57	New Fee
Non Time & Temperature Controlled Product Sampling	\$-	\$-	128	\$74	New Fee






# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

## Mobile Food Unit Inspection Fees (Ch 17.10.2)

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Catering Vehicle	\$130	\$120	48	\$125	4% ↑
Food Preparation Vehicle (inspection fee)	\$150	\$218	81	\$185	-15% ↓
Plan Review (hot trucks only)	\$250	\$66	25	\$205	211% ↑
General Services Pushcart (Hot dogs, snow cones, etc.)	\$150	\$236	66	\$240	2% ↑
Limited Service (produce or grocery trucks and ice cream carts)	\$130	\$137	69	\$238	74% ↑

# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

## Variance Fees(Ch 17.10.2)\*

Fee Name	Prior 10-23-13	Current	Current Volume	FY 17-18 Proposed	% change
Dog Variance	\$ -	\$127	30	\$264	108% 
Mobile Food Prep Vehicle	\$ -	\$95	6	\$264	178% 
Other variances	\$ -	\$100	18	\$264	164% 

*\*Variance was a new fee in 2013*

# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

- New Fees:
  - 1) Hourly inspector rate:
    - Primarily charged for vendors that require extensive training and monitoring of food regulations by inspectors

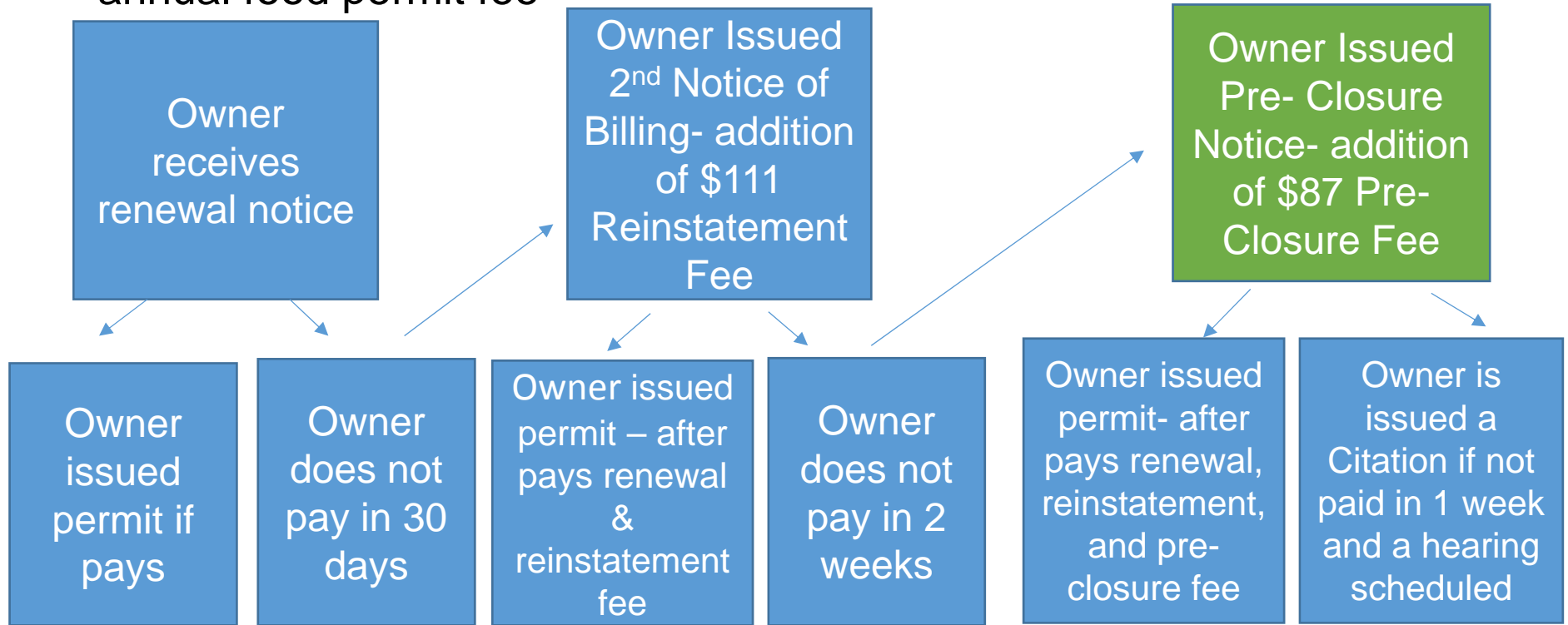
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# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

- New Fees:

2) Pre-Closure Fee- Failure to make payment for an annual food permit fee



# Proposed FY 17-18 Fee Study for Consumer Health (Continued)

- New Fees:
  - 3) Non time and temperature control product sampling:
    - For shelf stable foods:
      - Canned or bottled beverages
      - Individually wrapped commercial prepared foods
        - i.e. granola bars, chips, energy bars, etc.
    - Does not include products that must be cooked, mixed or served with utensils
    - Currently product sampling vendors must apply for a temporary food service permit

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# Blanketing Temporary Food Service Permits

- Blanketing is the practice of offering an exception or variance to temporary food service events in Dallas
- Current temporary food service permit is \$156 per booth, plus \$7 a day; (FY 17-18 Proposed Fee is \$121 per booth, plus \$13 a day)
- Reasons for blanketing include incentives for economic development initiatives:
  - Hotel occupancy
  - Utilization of Kay Bailey Hutchison Convention Center
  - Increased sales tax synergies

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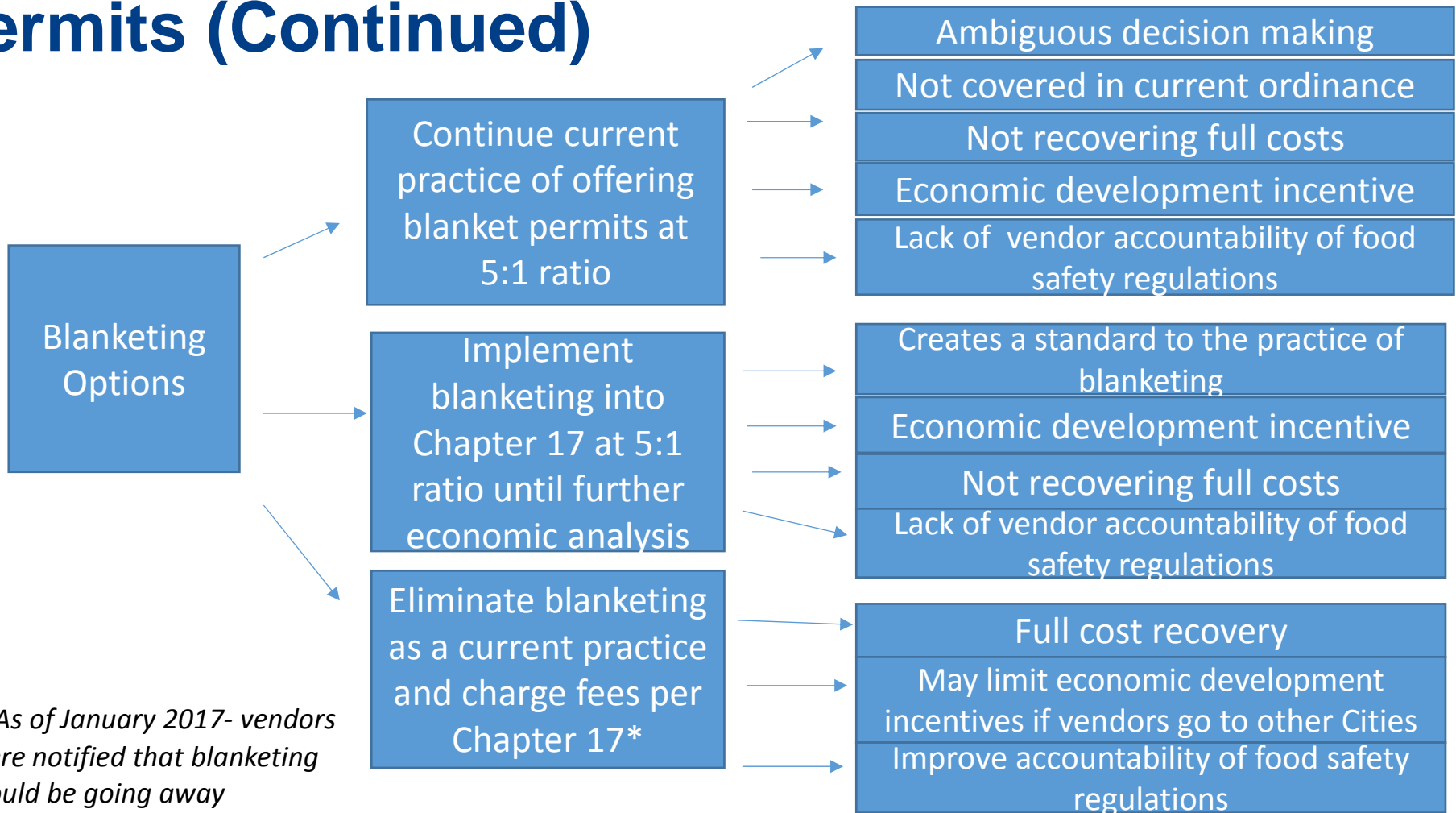
# Blanketing Temporary Food Service Permits (Continued)

- Issues with blanketing include:
  - Practice of blanketing is not included in Chapter 17
  - The City is not recovering its full cost to ensure compliance of food regulations for these events
  - Blanketing can create a lack of accountability for vendors to be trained and uphold City regulations; permits are typically held by the event coordinators and not by each vendor

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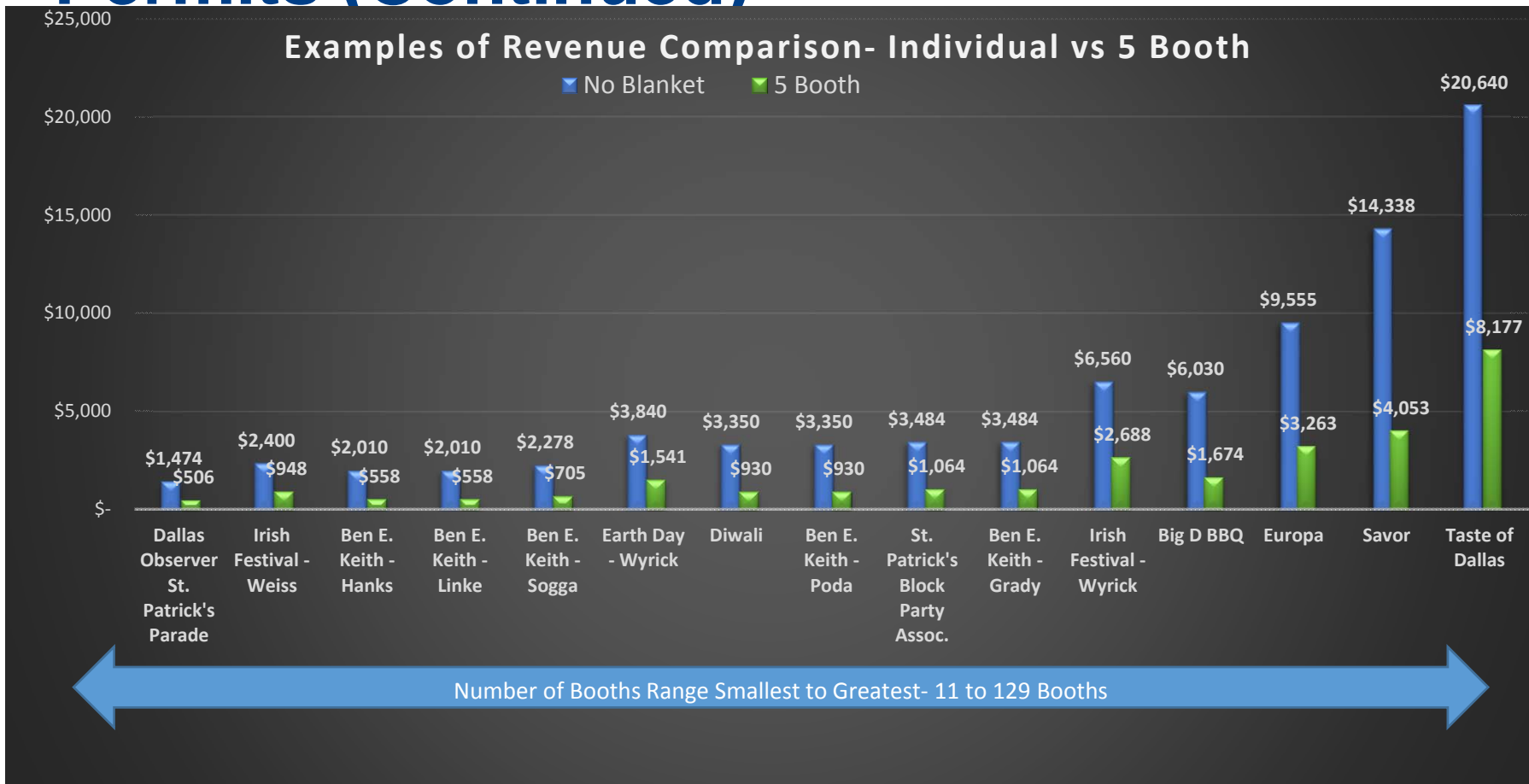


# Blanketing Temporary Food Service Permits (Continued)



*\* As of January 2017- vendors were notified that blanketing would be going away*

# Blanketing Temporary Food Service Permits (Continued)



# Blanketing Temporary Food Service Permits (Continued)

Name of Event	# of booths	No Blanket*	Staff Recommendation: 5 Booth*	Proposed Fee Change from No Blanket
Dallas Observer St. Patrick's Parade	11	\$1,474	\$506	\$(968)
Irish Festival - Weiss	15	\$2,400	\$948	\$(1,452)
Earth Day - Wyrick	24	\$3,840	\$1,541	\$(2,299)
Diwali	25	\$3,350	\$930	\$(2,420)
St. Patrick's Block Party Assoc.	26	\$3,484	\$1,064	\$(2,420)
Irish Festival - Wyrick	41	\$6,560	\$2,688	\$(3,872)

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*\*Permit rates based on FY 17-18 Proposed Fee Structure*

*Quality of Life, Arts & Culture*



# Blanketing Temporary Food Service Permits (Continued)

Name of Event	# of booths	No Blanket*	Staff Recommendation: 5 Booth*	Proposed Fee Change from No Blanket
Big D BBQ	45	\$6,030	\$1,674	\$(4,356)
Europa	65	\$9,555	\$3,263	\$(6,292)
Ben E Keith	98	\$13,132	\$3,257	\$(9,875)
Savor	107	\$14,338	\$4,053	\$(10,285)
Taste of Dallas	129	\$20,640	\$8,177	\$(12,463)
	<b>Total</b>	<b>\$84,803</b>	<b>\$28,101</b>	<b>\$(56,702)</b>

\*Permit rates based on FY 17-18 Proposed Fee Structure

Quality of Life, Arts & Culture



City of Dallas

# Blanketing Temporary Food Service Permits (Continued)

## Temporary Fee Schedules in Other Cities in Texas:

- Dallas
  - 14 consecutive day maximum
    - \$121 per booth + \$13 per day
      - FY 17- 18 Proposed Fee Structure
      - For One Booth: 1 Day: \$134, 2 Day: \$147, 3 Day: \$160
- Houston
  - 1 to 9 days
    - \$67.08 per day per booth + \$11.18 administrative fee per booth
      - For One Booth: 1 Day: \$78.26, 2 Day: \$145.34, 3 Day: \$212.42
  - 10 to 21 days
    - \$682.12 per booth
  - Received 7 days prior to event:
    - Additional \$55.91 per booth



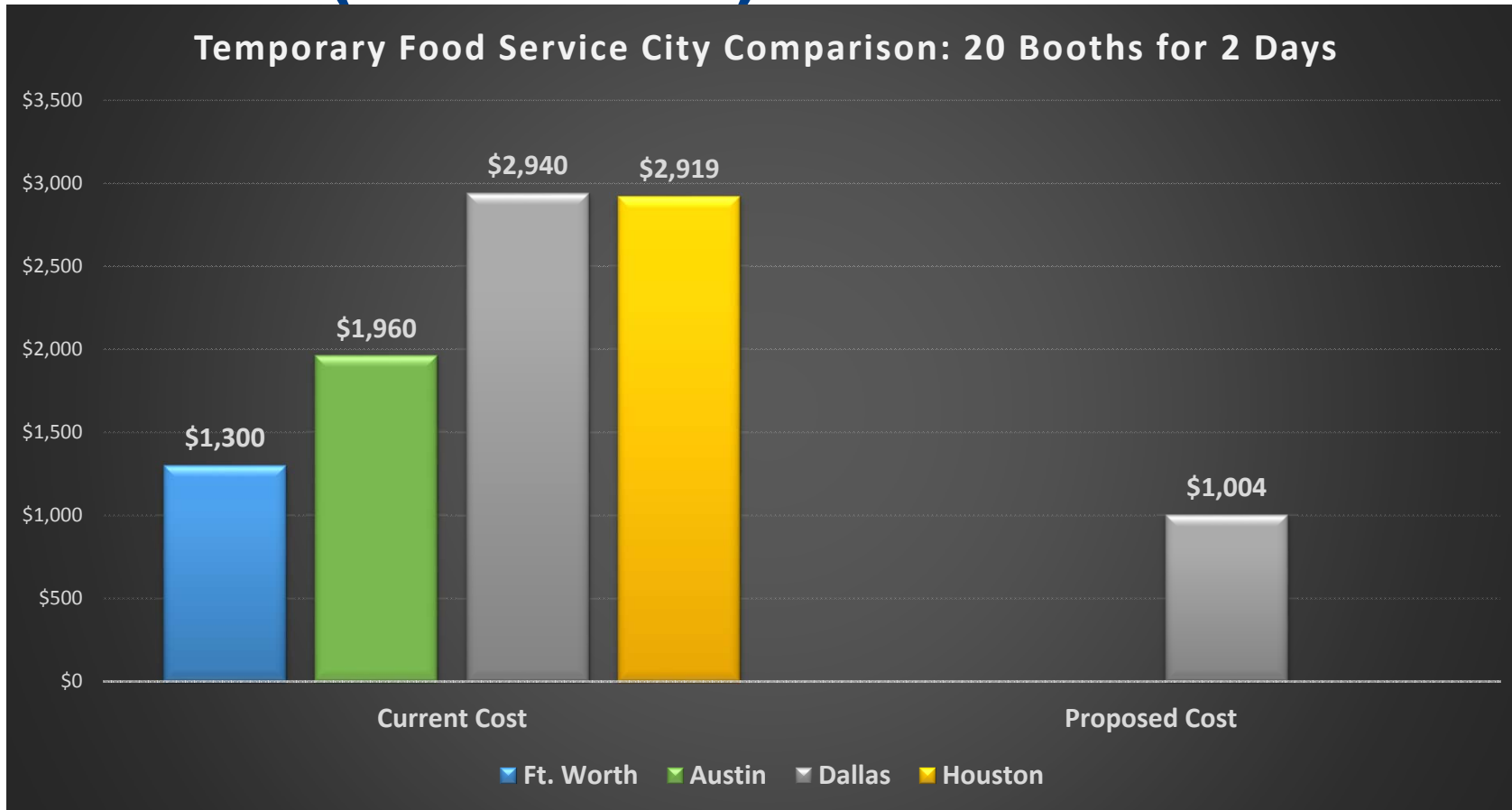
# Blanketing Temporary Food Service Permits (Continued)

## Temporary Fee Schedules in Other Cities in Texas:

- Austin
  - 1 to 5 days
    - \$98 per booth
      - For One Booth: 1 Day: \$98, 2 Day: \$98, 3 Day: \$98
  - 6 to 14 days
    - \$145 per booth
  - Received 10 days prior to event:
    - Additional \$98 per booth
- Ft. Worth
  - 14 consecutive day maximum
    - \$50 per booth + \$15 per booth for each additional day
      - For One Booth: 1 Day: \$50, 2 Day: \$65, 3 Day: \$80
  - Received 3 days prior to event:
    - Additional \$20 per booth

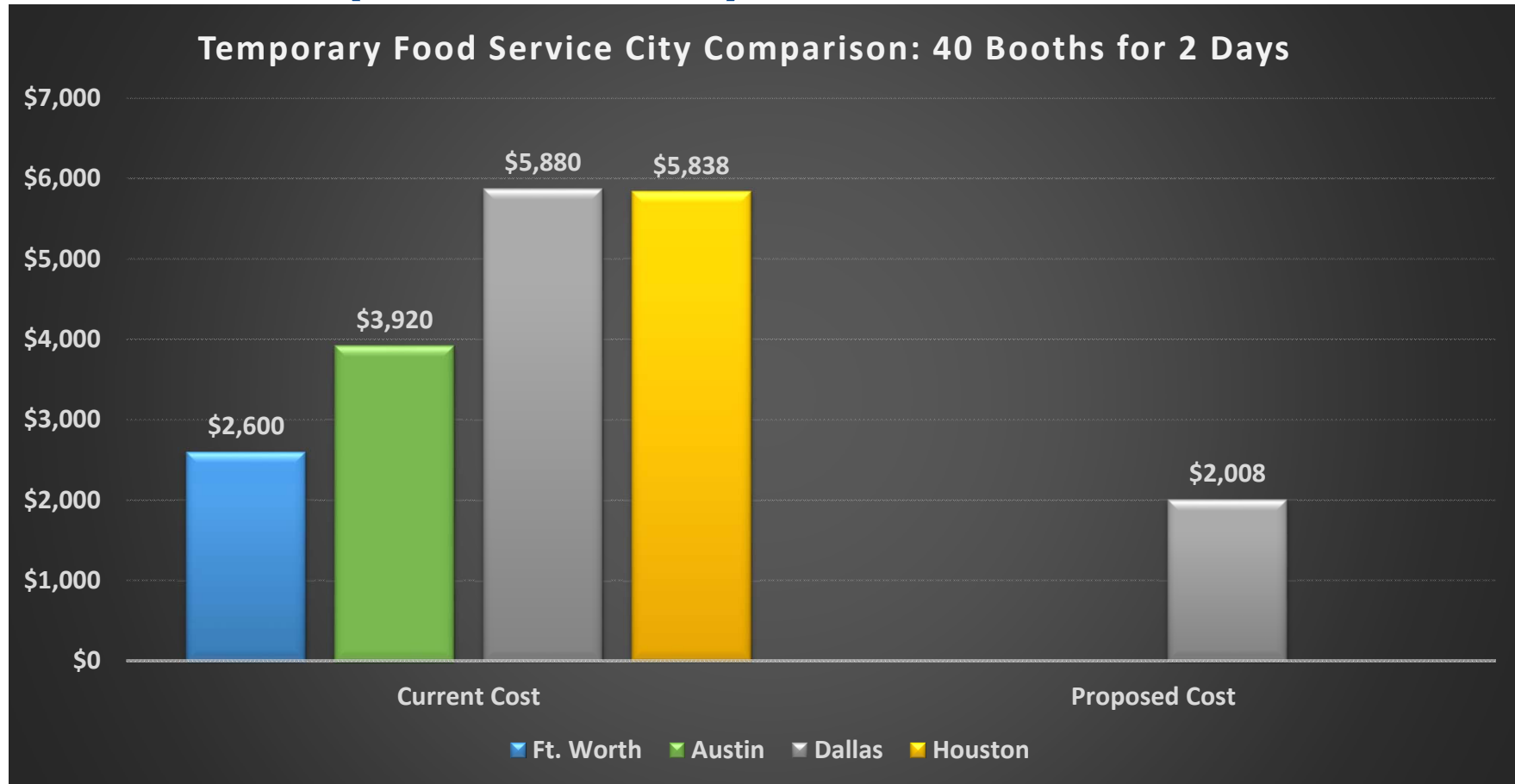


# Blanketing Temporary Food Service Permits (Continued)

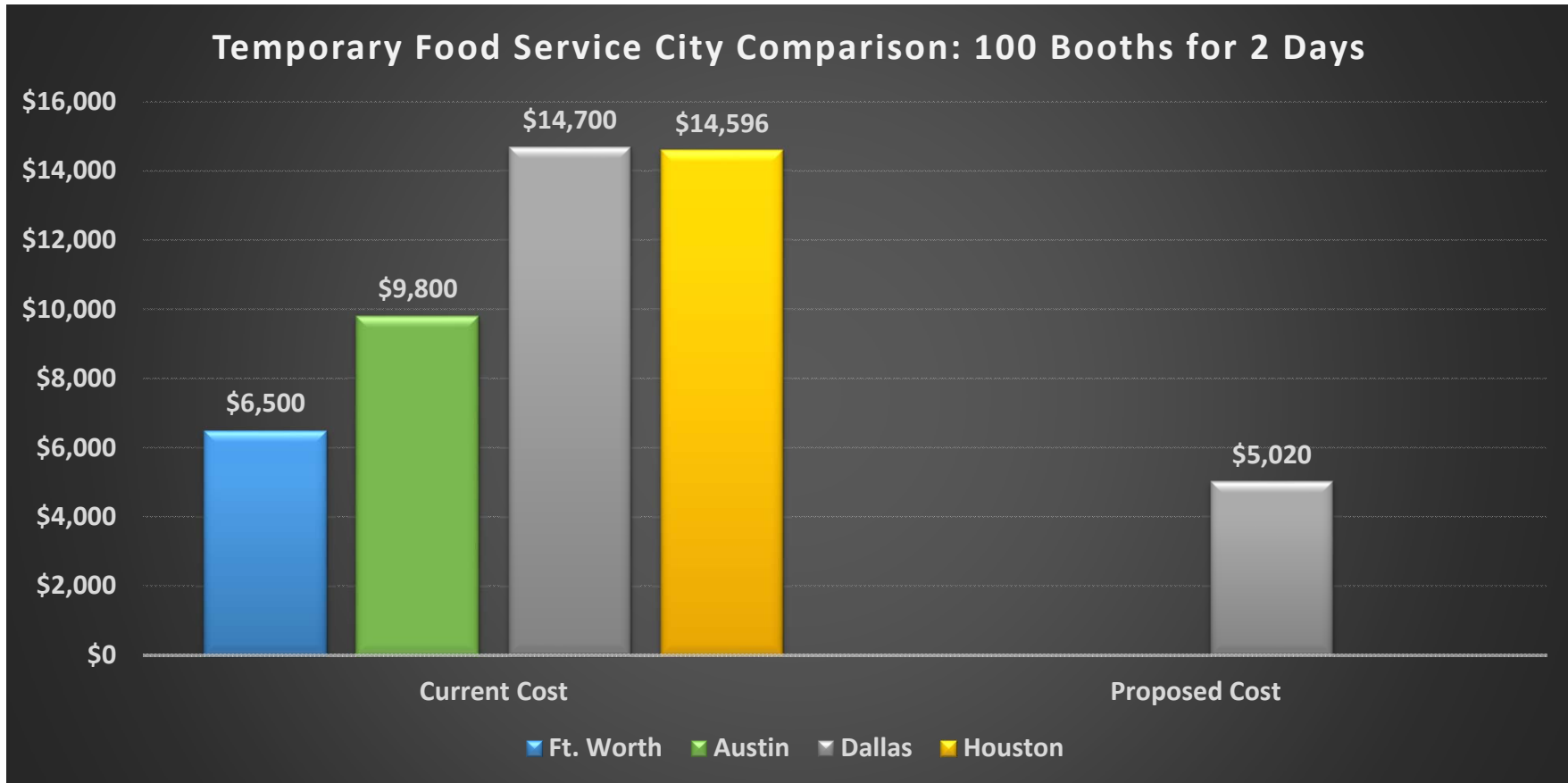




# Blanketing Temporary Food Service Permits (Continued)



# Blanketing Temporary Food Service Permits (Continued)



# Annual Permit Fee for Food Trailers

## Mobile Food Truck



vs.

## Food Trailer



# Annual Permit Fee for Food Trailers (Continued)

## Mobile Food Truck

- The City has a process to permit mobile food trucks annually
  - Must meet Plan Review Process and Quality Standards
  - Must have permission from private property owner and cannot be on public property, public right away, or in residential areas

## Food Trailer

- The City does not currently have a process to permit a food trailer
  - A trailer must be propelled by another vehicle
- Food trailers must apply for a temporary permit

# Annual Permit Fee for Food Trailers (Continued)

- Council has expressed an interest in looking into a way to annually permit food trailers
- Considerations:
  - Trailers must meet same review process and quality standards as the mobile food truck
  - Participation would be for temporary events only
    - No more than 14 consecutive days per calendar quarter
  - Do not want to create an environment in the city where trailers that are not up to City Code or permitted begin causing blight on the streets

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# Staff Recommendation & Proposed Action

- Seeking Council approval on the staff recommendations to amend Chapter 17 to:
  - Adopt Consumer Health Fee Study Changes
  - Adopt a policy to blanket temporary food service permits that support economic development
    - Conduct an economic development analysis of temporary food events
    - Research solutions with temporary food permit industry to bring back to the Quality of Life Committee in 2018
  - Adopt permitting food trailers annually under the same provisions of mobile food trucks

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# Next Steps

- Council will vote to adopt new fee ordinance rates on September 20, 2017
- Adopt recommendations from Council on Chapter 17 amendments for blanket permitting and annual food trailer permitting- Date to be determined



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