



City of Austin

Recommendation for Action

File #: 25-2231, **Agenda Item #:** 51.

11/20/2025

Posting Language

Approve an ordinance amending Exhibit A of the Fiscal Year 2025-2026 City of Austin Fees, Fines, and other Charges Ordinance (Ordinance No. 20250813-004) to amend the fees for food establishment permits.

Funding: The item is projected to increase unrealized revenue by \$1,972,600 for Fiscal Year 2025-2026.

Lead Department

Austin Public Health.

Fiscal Note

The item is projected to increase unrealized revenue by \$1,972,600 for Fiscal Year 2025-2026. A revised fee schedule is attached.

Prior Council Action:

September 25, 2025 - City Council approved Resolution No. 20250925-084 allowing the City to waive or reimburse certain fees related to late fees of food establishment permits approved on consent.

August 28, 2025 - City Council Resolution No. 20250828-103 directing the City Manager to explore maintaining a risk-based permit fee calculation for food service establishment permits in compliance with State law approved on consent.

For More Information:

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Additional Backup Information:

Austin Public Health (APH) conducted two stakeholder focus groups with the goal of identifying concerns related to permit fees for food service establishments. Staff presented a 3-tier fee schedule system and a 9-tier fee schedule system. Stakeholders overwhelmingly supported the 9-tier fee schedule system in order to maintain the current incentive program and acknowledged that some type of fee increase is necessary to maintain adequate program services. Participants strongly opposed an income-driven (i.e. gross annual food sales) fee schedule, and favored retaining a local, risk-based system.

APH with Financial Services Department developed two risk-based fee schedule options for retail food service establishments for stakeholder consideration. This process required assessing cost-of-service fee models to determine appropriate fees to support APH Environment Health Services permitting operations. Under a new State Law, these food establishment fee modifications will require the City to register the new food permit fee schedule with the Texas Department of State Health Services and wait a minimum of 60s-days before the new fees are charged to permittees.

APH is recommending the approval of the following fees using a similar fee structure as utilized in Fiscal Year 2024-2025:

- **Approve** a new fee for High risk, large establishments: cost \$927.00.
- **Approve** a new fee for High risk, medium establishments: cost \$900.00.
- **Approve** a new fee for High risk, small establishments: cost \$751.00.
- **Approve** a new fee for Medium risk, large establishments: cost \$845.00.
- **Approve** a new fee for Medium risk, medium establishments: cost \$713.00.
- **Approve** a new fee for Medium risk, small establishments: cost \$581.00.
- **Approve** a new fee for Low risk, large establishments: cost \$515.00.
- **Approve** a new fee for Low risk, medium establishments: cost \$449.00.
- **Approve** a new fee for Low risk, small establishments: cost \$404.00.