

RESOLUTION NO.

WHEREAS, Austin's small businesses, independent businesses, and legacy businesses are a crucial part of the City's economic, social, and cultural fabric; and

WHEREAS, Austin has served as a culinary incubator, launchpad, and home for award-winning independent food vendors, including James Beard Award winners, Food and Wine Global Tastemaker Award winners, and Michelin Award winners, including Joe's Bakery and Coffee Shop, Nixta Taqueria, and KG BBQ; and

WHEREAS, Austin's culinary culture is a crucial part of the City's appeal as a cultural, business, and tourism destination, with Food and Wine magazine writing in 2024 that Austinites and visitors alike "can find a world-class meal at a barbecue truck as easily as at a hallowed fine-dining institution"; and

WHEREAS, the City holds itself to a high standard for community engagement and participation; and

WHEREAS, the State of Texas approved SB 1008 in May 2025, setting a permitting fee limitation for municipalities that mandates permitting fees charged to food service establishments cannot exceed the amount that the State charges;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

The City Manager is directed to maintain the City's fee schedule to calculate the permit fee for food service establishments as the lesser of the amount calculated under the gross volume calculation method or the risk calculation method below for the applicable permit as provided for in the Fiscal Year 2025-2026 adopted fees, and establish that a food establishment permit applicant will pay the permit fee of the lesser of the risk-based fee model or the annual gross volume food sales model as

26 calculated by the City. This resolution does not limit future changes starting in Fiscal
27 Year 2026-2027.

28 **BE IT FURTHER RESOLVED:**

29 The City Manager is further directed to conduct a stakeholder engagement
30 program with small, independent, and legacy businesses to understand and
31 consider the impact of fee increases, including any effects on economic
32 sustainability and viability of local business, and take a collaborative approach to
33 developing a revised fee schedule.

34 **BE IT FURTHER RESOLVED:**

35 The City Manager is further directed to bring the proposed revised fee
36 schedules and outcome of the stakeholder involvement program to Council for its
37 consideration at the September 25, 2025 meeting.

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39 **ADOPTED:** _____, 2025 **ATTEST:** _____

40
41 Erika Brady
42 City Clerk