

City of Alexandria, Virginia

MEMORANDUM

DATE: OCTOBER 1, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER *J*

SUBJECT: RESOLUTION FOR ADOPTION AND CREATION OF LATE PAYMENT FEES FOR FOOD ESTABLISHMENT OWNERS AND VENDING MACHINE OPERATORS WHO PAY THEIR ANNUAL PERMIT RENEWAL APPLICATION FEES LATE FOR FY 2010

ISSUE: City Council consideration of a resolution: 1) establishing a \$25 late payment fee for owners of food establishments that pay their annual permit renewal application fee more than 14 days late; and 2) establishing a \$25 late payment fee for operators of vending machines that pay their annual permit renewal application fee more than 14 days late.

RECOMMENDATION: That City Council adopt the proposed resolution to be implemented on January 1, 2010.

DISCUSSION: In 2009, nearly 40% of the food establishments that were charged an annual permit fee paid that fee late. The Environmental Health Division staff expended significant resources sending second and third invoices and, in some cases, calling the establishment in order to elicit payment. We believe that instituting a late payment fee will significantly reduce late payments and the amount of staff time spent on fee collection. Many other jurisdictions in the Washington, DC metropolitan area charge a late payment fee (see Attachment 2).

FISCAL IMPACT: It is estimated that the adoption of these fees will generate approximately \$1,600 in additional revenue for the City. There should be little implementation cost.

ATTACHMENTS:

Attachment 1: Proposed Resolution

Attachment 2: Late Fees Imposed by Other Local Jurisdictions

STAFF:

Lisa Kaplowitz, MD, MSHA, Director, Alexandria Health Dept.

Bob Custard, Environmental Health Division Chief, Alexandria Health Dept.

Mary O'Donnell, Assistant City Attorney

RESOLUTION NO. ____

**Resolution to Adopt Late Payment Fees for Operators
of Vending Machines and Owners of Food Establishments
That Pay Their Annual Permit Renewal Application Fees Late**

WHEREAS, pursuant to Section 2.07 of the City Charter, City Council has the authority to establish fees to be charged for services provided by the City of Alexandria ("City"); and

WHEREAS, the City has not charged food establishment owners or vending machine operators a late payment fee when they are late in paying their annual permit application renewal fee; and

WHEREAS, many other local jurisdictions in the Washington, D.C. Metropolitan area charge a late payment fee; and

WHEREAS, the Environmental Health Division is expending a considerable amount of resources trying to elicit payment for permit application renewal fees; and

WHEREAS, the late payment fee is in addition to the annual state and City fees charged to these establishments; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Alexandria, Virginia:

1. That a late payment fee of \$25.00 shall be assessed to each food establishment owner that pays their annual permit renewal application fee more than 14 days late.
2. That a late payment fee of \$25.00 shall be assessed to each vending machine operator that pays their annual permit renewal application fee more than fourteen days late.
2. That Sections 1 and 2 of this resolution shall be effective January 1, 2010.

ADOPTED:

WILLIAM D. EUILLE
MAYOR

ATTEST:

Jacqueline M. Henderson, CMC, City Clerk

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LATE FEES CHARGED BY NEARBY JURISDICTIONS

<u>Municipality</u>	<u>Fee</u>	<u>Grace Period</u>	<u>Charge Begins</u>	<u>Example:</u>	<u>Information Source</u>
Prince Georges, MD	\$20 per day	5 Days	Day after expiration	Expires Dec 31, begins charging from Jan 1 on Jan 6th.	Application; website
Baltimore City, MD	\$25 per day; caps at permit price.	1 month, 5 day	1 month after expiration	Permit expires July 31, Can renew up to Sept 5 w/o penalty. Sept 6, begins charging fee at Sept 1st;	Phone call
Baltimore County, MD	\$10 per business day	None	After 4:30 pm on the day of permit expiration		Email & Fee Schedule
Fairfax County, VA	\$50 flat fee	1 Month	1 month after expiration		Email
Arlington County, VA	\$25 flat fee; waived for mobiles	None	Day after expiration		Phone call
Anne Arundle County, MD	20% of licence fee (varies by risk)	+1 Month	1 month after expiration		Phone call
☪ Montgomery County, MD	\$100 flat fee	Not available			Fee Schedule, Website
Washington, DC (Health)**	\$100 Re-Inspection Fee after closure; \$400 fee if after normal bus. Hours.				Phone call; fee schedule

**DC issues a health license that is renewed every 6 months; fees are dictated through inspections. If a facility is closed for non-compliance, there is a fee for reinstating the permit.

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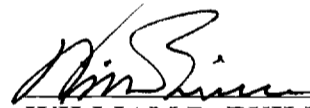
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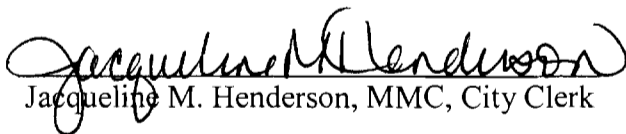
ADOPTED: October 17, 2009



WILLIAM D. EULLE

MAYOR

ATTEST:



Jacqueline M. Henderson, MMC, City Clerk