



Bill 22-1606

Updates to Food Licensing Fees

Department of Excise and Licenses

Business, Arts, Workforce & Aviation Services Committee
December 7, 2022

What are we proposing?

- The Department of Excise and Licenses (EXL) is proposing an ordinance that aims to **streamline application and licensing fees** for wholesale and retail food licenses in Denver.
- Once fees are streamlined in ordinance, EXL would move food licensing applications and renewals **online**.



Why focus on food fees?

- Currently, customers and staff must consult matrixes in **two separate ordinance provisions** to see which of **7 application fee categories** and **31 licensing fee categories** an applicant falls into.
- None of these fee categories align with **Public Health Inspection (PHI)** criteria or risk factors.
- Updates will allow for **better customer service, fairer and lower fees, better data sharing** between EXL and DDPHE, and **lower costs to the city** as we move more licensing services **online**.





Current Wholesale Food Fees

| License Type | Sub-Category | Number of Employees | One-time Application Fee | Annual Licensing Fee |
|--|--|---------------------|--------------------------|----------------------|
| Food processing, wholesale, and warehouse D.R.M.C. sec. 32-75 | A. Packaged, bottled, and canned | 1-9 | \$125 | \$140 |
| | | 10-29 | \$150 | \$220 |
| | | 30+ | \$175 | \$330 |
| | B. All of the above + produce, bulk, processed pre-packaged meat products, and dairy products processing | 1-9 | \$125 | \$195 |
| | | 10-29 | \$150 | \$295 |
| | | 30+ | \$175 | \$445 |
| | C. All of the the above + fresh meat processing | 1-9 | \$125 | \$235 |
| | | 10-29 | \$150 | \$345 |
| | | 30+ | \$175 | \$515 |
| | D. All of the above + milk and dairy products | 1-9 | \$125 | \$260 |
| | | 10-29 | \$150 | \$400 |
| | | 30+ | \$175 | \$600 |



Proposed Wholesale Food Fees

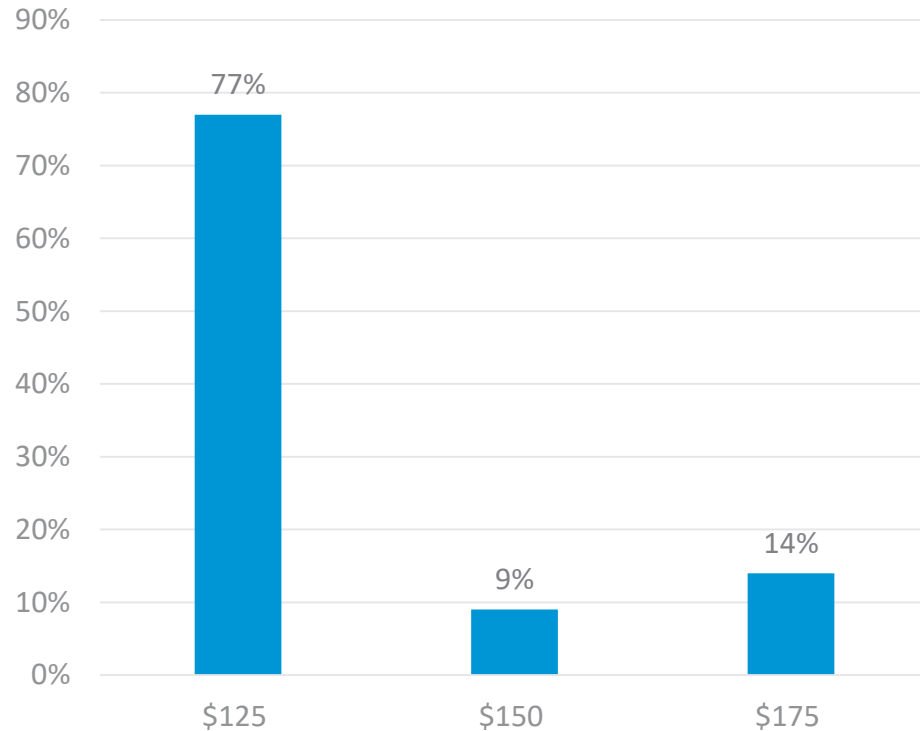
| License Type | One-time Application Fee | Annual Licensing Fee |
|---|--------------------------|----------------------|
| Food processing, wholesale, and warehouse | \$150 | \$150 |
| Commissary | \$150 | \$150 |

We are proposing flat application and licensing fees for wholesalers and commissaries.

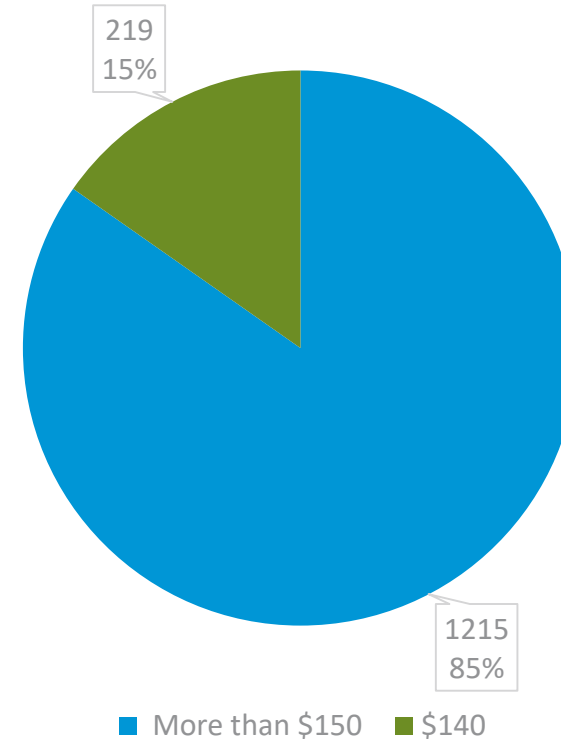


Current Wholesale Fees

Application Fees



Licensing Fees



These charts show the application and licensing fees paid by current wholesale food licensees



Current Retail Food Establishment Fees

| License Type | Sub-Category | Seating Capacity | One-time Application Fee | Annual Licensing Fee |
|---|---|------------------|--------------------------|----------------------|
| Retail Food Establishment D.R.M.C. sec. 32-106.5 | Restaurants, stand-up counters, and pushcarts | 0-25 | \$150 | \$125* |
| | | 26-100 | \$200 | \$200* |
| | | 101-500 | \$250 | \$300* |
| | | 501+ | \$300 | \$400* |
| | Drive-Up | 0 | \$200 | \$200 |
| | <i>Temporary</i> | N/A | \$0 | \$100** |
| | <i>Food Peddlers</i> | N/A | \$25 | \$50 |
| | <i>Ice Cream Vendor</i> | N/A | \$50 | \$25 |

* Plus \$50 per outlet

** Plus \$10 per day for the first 5 days of the event



Current Retail Food Fees, Cont.

| License Type | Sub-Category | Number of Employees | One-time Application Fee | Annual Licensing Fee |
|---|--|---------------------|--------------------------|----------------------|
| Retail Food D.R.M.C. sec. 32-106.5 | A. Produce and other bulk or unpackaged foods | 1-9 | \$200 | \$95 |
| | | 10-29 | \$200 | \$160 |
| | | 30+ | \$200 | \$235 |
| | B. All of the above + milk and dairy products and/or preprocessed, prepackaged meats | 1-9 | \$200 | \$110 |
| | | 10-29 | \$200 | \$200 |
| | | 30+ | \$200 | \$305 |
| | C. All of the above + fresh meat processing | 1-9 | \$200 | \$135 |
| | | 10-29 | \$200 | \$285 |
| | | 30+ | \$200 | \$425 |
| | D. All of the above + delicatessen and/or bakery | 1-9 | \$200 | \$200 |
| | | 10-29 | \$200 | \$295 |
| | | 30+ | \$200 | \$445 |
| | E. Multi-use allows two or more activities covered above | 1-9 | \$200 | \$200 |
| | | 10-29 | \$200 | \$295 |
| | | 30+ | \$200 | \$445 |



Proposed Retail Food Fees

| License Type | One-time Application Fee | Annual Licensing Fee |
|-----------------------------|--------------------------|----------------------|
| Retail Food Establishment | \$150 | \$25 - \$225 |
| <i>Temporary Restaurant</i> | \$0 | \$100* |
| <i>Food Peddlers</i> | \$25 | \$50 |
| <i>Ice Cream Vendor</i> | \$50 | \$25 |

* Plus \$10 per day for the first 5 days of the event

For retail food licensees, we are proposing a flat application fee of \$150, and a licensing fee that ranges from \$25 to \$225 in \$25 increments, based on the processes being used at the licensed establishment.

Fees for Temporary Restaurants, Food Peddlers, and Ice Cream Vendors would remain the same.



Risk-Based Fees

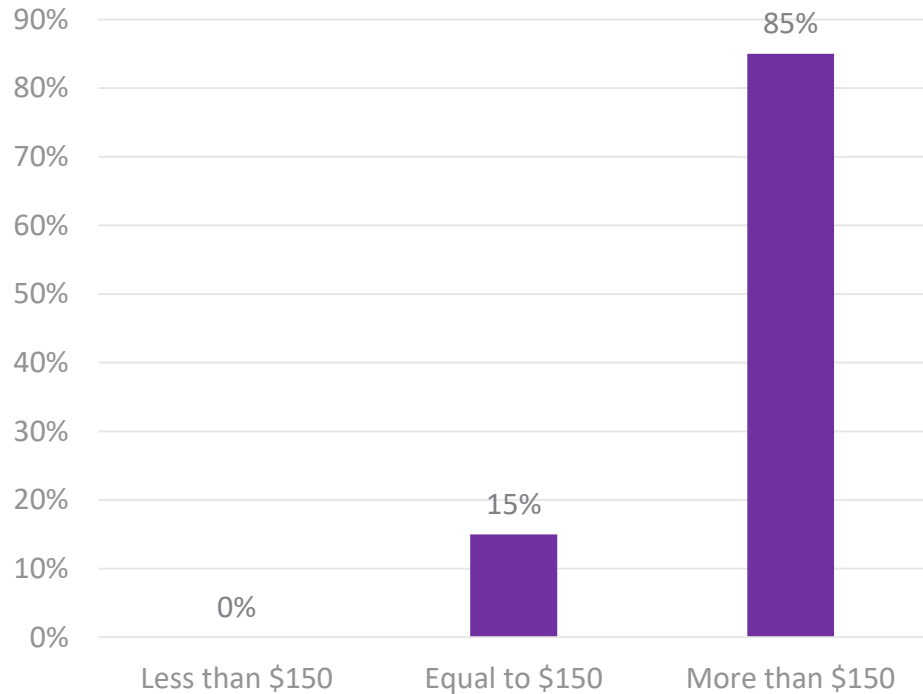
| Risk Category (PHI) | Food Processing Activity | Stacking Fee |
|---|---|--------------|
| Low-Low Inspected every 2 years | Selling prepackaged cold foods | \$25 |
| Low Inspected every 18 months | Scooping ice (including bagged ice for retail sale) | \$25 |
| | Heating commercially processed foods or cold holding foods | \$25 |
| Medium Inspected every year | Cooking raw animal products | \$25 |
| High Inspected every 6 months | Cooling cooked foods | \$25 |
| | Reheating previously cooked foods | \$25 |
| | Serving raw or undercooked animal products (beef, eggs, fish) | \$25 |
| | Specialized process (fermentation, curing, sous vide, etc.) | \$25 |
| | Infusing food products with hemp | \$25 |

If a licensee utilizes all processes, the maximum fee possible is **\$225**

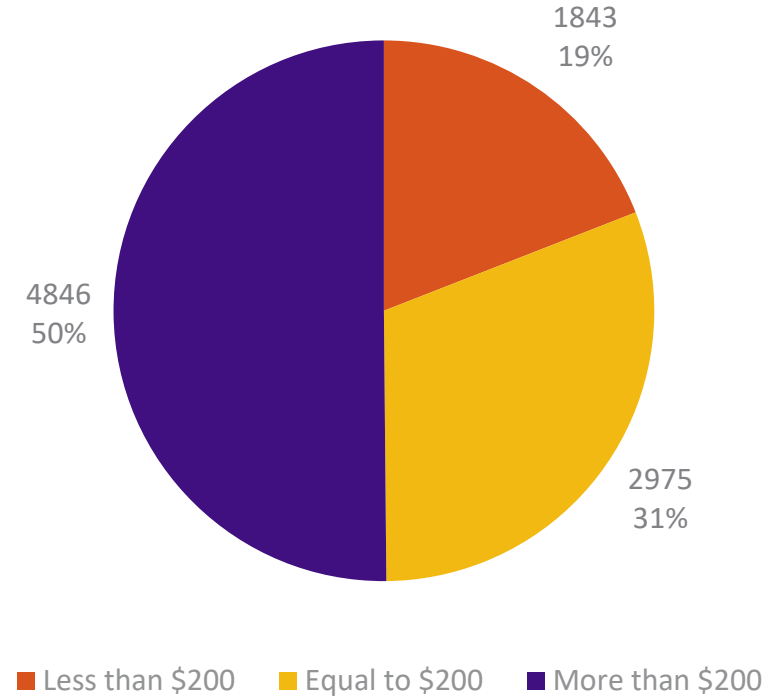


Current Retail Fees

Application Fees



Licensing Fees



These charts show the application and licensing fees paid by current retail food licensees

Comparing Food Fees Locally



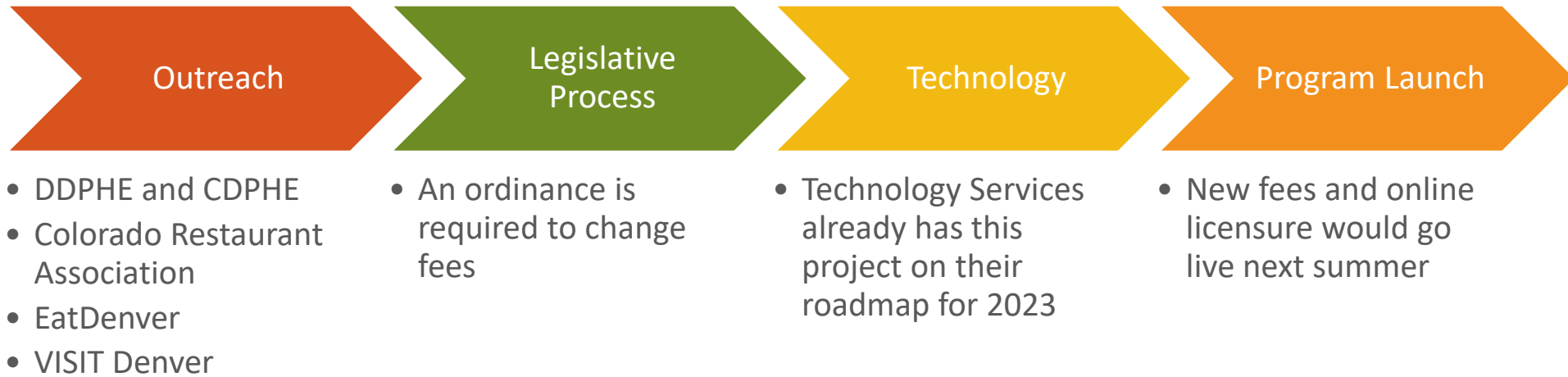
| Wholesale | Application Fee | License Fee |
|---------------------------------|-----------------|---------------|
| State | \$100 | \$60 - \$300* |
| Denver (<i>proposed</i>) | \$150 | \$150 |

*based on gross annual sales



| Retail | Application Fee | License Fee |
|---------------------------------|-----------------|---------------------|
| State | \$100 | \$195 - \$850 |
| El Paso County | \$100 | \$195 - \$715 |
| Boulder County | \$330 - \$680 | \$195 - \$850 |
| Denver (<i>proposed</i>) | \$150 | \$25 - \$225 |

Outreach and Next Steps



Bill 22-1606 Summary

•This bill would **streamline application and licensing fees** for wholesale and retail food licenses

- This bill collapses food feeds into one section of the D.R.M.C. rather than two.
- This bill creates a single, flat application fee of \$150 for all wholesale and retail food licenses, rather than seven different application fee categories.
- This bill reduces the number of annual wholesale licensing fee categories from twelve to one.
- This bill reduces the number of annual retail licensing fee categories from nineteen to one.

The new fee structure and online application center will result in **lower fees and easier access**

- All new and renewal applications for wholesale and retail food licenses would be processed online, though in-person assistance is always available.
- 85% of wholesale food businesses would be guaranteed to see a reduction in their annual licensing fee.
- 81% of retail food businesses would be guaranteed to see either no change or a reduction in their annual licensing fee.

Questions?

Erica Rogers, EXL Policy Director
Erica.Rogers@denvergov.org

Alex Vidal, EXL Policy Analyst
Alex.Vidal@denvergov.org