## San Francisco Department of Public Health

Grant Colfax, MD Director of Health



City and County of San Francisco London N. Breed Mayor

## FOR IMMEDIATE RELEASE:

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## \*\*\* PRESS RELEASE \*\*\* SAN FRANCISCO TO OFFER ASSISTANCE TO RESTAURANTS AND OTHER FOOD SERVICE INDUSTRY BUSINESSES IMPACTED BY THE COVID-19 PANDEMIC

Eligible businesses can enter into flexible payment plans to pay public health license fees while remaining open

San Francisco, CA – Supervisor Rafael Mandelman, Supervisor Connie Chan, the Office of the Treasurer & Tax Collector (TTX) and the San Francisco Department of Public Health (SFDPH) today announced the creation of a payment plan option to assist small businesses, mostly restaurants and food related industry businesses, impacted by the COVID-19 pandemic. Certain businesses that fell behind on payments for SFDPH license fees can now continue to operate with valid licenses as long as they enter into a payment plan by April 30, 2023.

"We know that COVID-19 placed extraordinary challenges on small business owners," said Treasurer José Cisneros. "Providing businesses with an opportunity to enter into payment plans will provide needed flexibility for small businesses during this recovery period without sacrificing revenue."

As COVID-19 restrictions eased, SFDPH's Environmental Health Branch conducted an analysis finding that a significant number of businesses, such as restaurants and other food service industry businesses, fell behind on bills and had unpaid permit and license fees. TTX used this data to verify that more than 1,000 businesses with outstanding fees owed a collective \$2.6 million to SFDPH and \$7 million in other taxes to the City.

"These flexible payment plans will help over 1,100 businesses – primarily restaurants – who fell behind on their bills during the pandemic catch up on delinquent fees while remaining open for business," said District 8 Supervisor Rafael Mandelman. "I appreciate Treasurer Cisneros and DPH Director Colfax for working with us on to help our small business community on the path to economic recovery."

Under existing law, businesses were required to pay all outstanding fees in full in order to maintain their regulatory permits to operate. Recognizing that the requirement to pay in full was a significant barrier to small businesses, TTX and SFDPH worked with Supervisor Mandelman to amend the Business and Tax Regulations Code to allow businesses to enter into payment plans, giving them the time and flexibility to catch up on payments as they continue to recover from the financial impacts of the COVID-19 pandemic. The legislation was unanimously approved by the Board of Supervisors.

"This new law will provide tremendous help to small businesses, especially immigrant and people of color owned businesses who have to overcome so other challenges beyond the impacts of COVID," said



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Connie Chan, District 1 Supervisor. "Offering these businesses the opportunity to pay outstanding fees in installments will help reduce barriers for them to operate so they can thrive in San Francisco."

TTX collects license fees for various City departments on the Unified License Bill including SFDPH. Previously, the Business and Tax Regulations Code did not allow TTX to accept partial payments of SFDPH fees. If a business did not pay its fees within 30 days after they became due, the permit automatically expired by operation of the law. Under this legislation, businesses have until April 30, 2023 to enter into installment payment plans for fees that were delinquent prior to March 31, 2023. Businesses that enter into payment plans will have their SFDPH licenses tentatively reinstated and are allowed to continue to operate as long as they remain current on their respective payments and comply with additional conditions under the plan. The installment payment plans are a critical tool to ensure public health codes are met, while ensuring businesses can continue to operate while in compliance with the law.

"We want to support businesses that were severely impacted by the COVID-19 pandemic," said Dr. Susan Philip, Population Health Division Director. "I'm proud of the SFDPH Environmental Health Branch for recognizing this opportunity and partnering with the Office of the Treasurer & Tax Collector to find a unique solution that will assist businesses they oversee."

This payment plan option will help keep San Francisco's commercial corridors active and vibrant by supporting neighborhood-serving small businesses, especially restaurants and other food service businesses, and protect jobs in the community.

For more information and to verify eligibility for the installment payment plans, visit sftreasurer.org/SFDPHPaymentPlan.

For more information regarding SFDPH's Environmental Health branch and permitting process, visit https://www.sfdph.org/dph/eh/.

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