



**COUNCIL PRESIDENT PRO TEM STEPHEN WHITBURN
THIRD COUNCIL DISTRICT
Fact Sheet**

**Emergency Ordinance to Defer Fees And Renew Permits
Related to Police-regulated Occupations And Businesses**

OVERVIEW

This emergency ordinance defers payments for permits related to police-regulated occupations and businesses for three months, automatically extend permits expiring between March 31, 2021 and February 28, 2022, reduces fees and assessments related to police-regulated occupations and businesses by 25%. temporarily suspends penalty assessments and determines that such action is necessary for the preservation of public peace, property, health or safety pursuant to San Diego Charter Section 295 due to the financial impact that COVID-19 has imposed on businesses in the City of San Diego (City).

Background

COVID-19 has caused, and continues to cause, serious negative impacts on the local economy and serious financial impact to residents and businesses, including substantial loss of income due to the loss of compensable work hours or wages, layoffs, and business closures. Businesses have been especially financially impacted by complying with orders that promote sanitation and social distancing to prevent the spread of COVID-19. The City recognizes that businesses that comply with these orders may not be able to fulfill their financial obligations due to a loss of income as a result of COVID-19. It is in the public interest to promote economic stability and fairness as well as to promote a stable business market for business owners and employees to return once the emergency is abated.

In the interest of providing relief to businesses for the financial impact, the previous Mayor issued Executive Order 2020-2 on March 30, 2020, which directed the Office of the City Treasurer to defer all fees associated with Business Tax

Certificates (BTC), and any business related fees, permits, and assessments, for up to 120 days.

Certain types of business activities are regulated by the San Diego Police Department (SDPD) and require police permits to operate. A regulatory fee is assessed to recover the costs associated with enforcement. These fees vary by industry and range from \$25 to \$9,320 per year.

This proposed fee deferral, extension and reduction would apply to permits that expire between March 31, 2021 and February 28, 2022. Many businesses are expected to reopen over the next few months as our region moves into the orange tier, this deferral and reduction will help these businesses reopen and collecting revenue before having to pay their permit fees.

Financial Consideration

The estimated impact is that police regulated occupations and businesses with current permits will save approximately \$490,338 and have an additional three months to pay their fees. As of March 4, 2021, there were approximately 1,690 active permits, down from 3,113 in 2019 due to the COVID-19 business limitations and closures.

For More Information

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