



COUNCIL PRESIDENT PRO TEM  
STEPHEN WHITBURN  
THIRD COUNCIL DISTRICT

MEMORANDUM

DATE: January 19, 2021

TO: Honorable Mayor Todd Gloria

FROM: Council President Pro Tem Stephen Whitburn *Stephen Whitburn*  
Councilmember Marni von Wilpert *Marni von Wilpert*  
Councilmember Raul Campillo *RAC*

SUBJECT: Executive Order Enacting a Temporary Fee Cap On Third Party Delivery Services Operating in the City of San Diego

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In a time when many of San Diego's small businesses are struggling due to closures or limited operations as a result of COVID-19 public health orders, we are asking you to consider enacting an executive order placing a Temporary Fee Cap On Third Party Delivery Services operating in the City of San Diego.

COVID-19 has caused serious negative impacts on the local economy and serious financial impacts to local residents and businesses. Many of the hardest hit businesses have been restaurants due to the prohibition of on-site dining and the excessive fees being placed on them by Third Party Delivery Services. Access to food is essential, and restaurants help support such access. We must take the necessary steps to support our restaurants providing this essential service via delivery and pick-up options, and to address food insecurity among those who are unable to leave their homes to obtain food.

Many San Diegans are eager to support local restaurants by using third-party food delivery platforms to place orders with local restaurants. However, these third-party apps began taking advantage of the on-site dining prohibition by charging restaurants delivery fees of over 30% of the total order, creating an economic hardship.

We ask you to enact an executive order to ensure this essential service remains economically feasible for all parties involved, while providing relief and access to food for those who need it most. Third-party food delivery platforms should continue providing full compensation to food delivery drivers, without any compensation reduction resulting from the City restrictions to delivery fees.

The emergency ordinance should prohibit third-party food delivery platforms from charging a delivery fee totaling more than 15% of the purchase of an online order.

Due to the immediacy of economic hardships being faced by local restaurants, the executive order should be enacted immediately and should remain in effect until the termination of the Proclamation of the Local Emergency.

We appreciate your prioritization of these efforts to support San Diego's restaurants and their essential workers during these unprecedented times.