From: ZBA Exec Dir - Kristine Hammond [mailto:director@zaferia.org]
Sent: Tuesday, January 19, 2021 9:18 AM
To: CityClerk <CityClerk@longbeach.gov>; City Manager <CityManager@longbeach.gov>
Cc: Council District 4 <District4@longbeach.gov>; Jack Cunningham
<Jack.Cunningham@longbeach.gov>; Eric Romero <Eric.Romero@longbeach.gov>; Madison Mooney
<madison@lbplayhouse.org>
Subject: Letter of Support - 3rd Party Delivery Fees

-EXTERNAL-

City Clerk and City Manager of Long Beach,

Please find attached the Zaferia Business Association's letter of support for capping third party delivery fees on food providers. Please enter into the public record on our behalf.

Thank you!

Kristine Hammond – Director

director@zaferia.org 562-305-7102 2727 E. Anaheim St., #4735, Long Beach, CA 90804



Zaferia Business Association

a nonprofit organization promoting Zaferia businesses since 1991



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January 19, 2021

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Kristine Hammond

Honorable Mayor Garcia and Members of the Long Beach City Council Civic Center Plaza 411 W. Ocean Blvd. Long Beach, CA 90802

RE: ORD-34 Third-Party Food Delivery Service Fees

Dear Mayor and Members of the Long Beach City Council,

The Zaferia Business Association (ZBA) is a non-profit member organization representing and advocating for over 600 businesses and commercial property owners in Long Beach. On behalf of the ZBA Board of Directors, I submit this letter to be entered into the public record for the City Council meeting scheduled for January 19, 2021, supporting the limitation of third-party food delivery fees to 15% of the total purchase price of each order.

Currently, the ZBA food establishments that still remain open during this COVID-19 shutdown environment are exclusively take-out and delivery orders. This has increased dependence on thirdparty delivery services to fulfill orders for customers. Typically, these third-party companies charge a fee equivalent to roughly 30% of the total purchase order. A delivery fee of this magnitude adds a very real burden to these businesses already operating on razor-thin margins. Food establishments are losing money on each order, further deepening an already dire financial situation for most.

The ZBA supports the ordinance to cap third-party fees for delivery. By instituting a 15% cap on third-party delivery fees, food service operators can maintain and expand their customer base without the associated negative financial impact. Additionally, while the ZBA supports a review period 90-days on the continued necessity of the cap, we urge City Council to consider long-term solutions for third-party fees beyond the COVID-19 pandemic.

Thank you for your consideration.

Sincerely,

Kristine Hammond

Kristine Hammond Administrative Director

cc: Tom Modica, City Manager, City of Long Beach

Zaferia Business Association | 2727 E. Anaheim St., #4735, Long Beach, CA 90804 | 562.305.7102 | director@zaferia.org | www.zaferia.org