



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting 02/17/2026
Second Reading Ordinance for the City Council Meeting 02/24/2026

DATE: February 17, 2026

TO: Peter Zanoni, City Manager

FROM: Dr. Anita K. Kurian, Director of Public Health
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Food Service Permit and Inspection Fee Schedule Adjustments

CAPTION:

Ordinance amending Sections 19-1, 19-33, 19-49, and 38-9 of the Corpus Christi Code to adopt the revised fee schedule for food establishments in compliance with Senate Bill 1008.

SUMMARY:

The Corpus Christi - Nueces County Public Health District is proposing an adjustment to the current food service permit and inspection fee schedule for the Environmental and Consumer Health Services program. This adjustment is necessary to comply with Senate Bill 1008, which goes into effect on September 1, 2025. If approved by the City Council, the updated fee schedule will become effective on March 2, 2026.

BACKGROUND AND FINDINGS:

Senate Bill (SB) 1008, enacted during the 89th legislative session, took effect on September 1, 2025, and requires the Health District to update its food service permit and inspection fees to comply with the new state-mandated fee limit requirements.

SB 1008 establishes limitations on the authority of local governmental entities, including municipalities, counties, and public health districts, to impose fees related to the regulation of food service establishments, such as retail food stores, mobile food units, roadside food vendors, and temporary food service establishments. Additionally, the bill requires that any changes to fees, permits, or inspection protocols be communicated to these establishments at least 60 days before the changes take effect.

The following categories of fees will be subject to adjustment pending the approval of the City Council and would be effective March 2, 2026:

- Inspection Fees
- Food Establishment Permit
- Mobile Vending Food Permit

- Temporary Food Permit
- School-Based Permits

On December 16, 2025, the City Council received a briefing regarding the necessary updates to the fee schedule for food service establishments to comply with SB 1008. On December 19, 2025, local food service establishments in Nueces County were notified by mail about the intention to adjust the existing fee schedule. This notification began a 60-day notice period, which will conclude on February 17, 2026.

Additionally, the Health District consulted key stakeholders, such as the Texas Restaurant Association–Coastal Bend Chapter, the Downtown Business Association, and Independent School District Superintendents, to gather feedback on the proposed fee schedule.

After collaborating with stakeholders, an updated fee schedule has been developed. The updated proposed fee schedule is as follows.

Proposed Fee Schedule		
Inspection & Reinspection Fees		
<u>Item</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Initial inspection ¹ (New)		\$100
Reinspection ²	\$50	\$200

¹ Only for new establishments before opening

² Follow-up visit to confirm violations are cured, and the establishment is in compliance

Food Service Establishment Permit Fee and Amendment Fees		
<u>Basis (Number of Employees)</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Number of employees 1-10	\$225	\$245
Number of employees 11-25	\$370	\$403
Number of employees 26-50	\$540	\$589
Number of employees 51 or more		\$773
Number of Employees 51-100	\$710	Eliminated
Number of employees 101 or more	\$880	Eliminated
Pre-Packaged Non-Hazardous Food	\$125	Eliminated
Permit Late Fee	\$25	Eliminated
Operating without a Permit	\$50	Eliminated
Amendment Fee ³ (New)		\$125

³ Establishment ownership or name change

Mobile Food Unit Permit and Amendment Fees		
<u>Item</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Permit Fee	\$140	\$250 (Permit & Vending Combined Fee)
Vending permit	\$120	
Amendment Fee ³ (New)		\$125

³ Establishment ownership or name change

Temporary Food Establishment Permit Fees		
<u>Permit Type</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
One Day Event (w/w/5 day notice)	\$35	Eliminated
Each Additional Day	\$15	Eliminated
Late Fee (PMT made with/ < 5 days' notice)	\$70	Eliminated
Single event, up to 14 consecutive days (New)		\$52
Multiple events, 2-year permit (New)		\$200
School-Based Food Establishment Fees		
<u>Item</u>	<u>Current Fee</u>	<u>Proposed Fee</u>
Public school inspection (2 times per year) (New)		\$150 Per Inspection
School-based food establishment permit ⁴ (New)		\$258

These fee adjustments will enable the Health District to sustain its provision of essential public health services, which are critical for ensuring food safety and safeguarding community well-being.

FISCAL IMPACT:

In FY 2025, revenue from food establishment licensing and inspections totaled \$730,644. The proposed fee structure for licensing and inspections is expected to increase this revenue by \$43,362, bringing the total to \$774,006. This financial projection is based on current service levels; however, actual revenue may vary depending on future service demands. The additional revenue will help ensure full cost recovery for services, promoting long-term sustainability and operational efficiency.

FUNDING DETAIL:

Fund: 1020

Organization/Activity: 12641

Mission Element: 44

Project # (CIP Only): N/A

Account: 309590

RECOMMENDATION:

Staff recommends the approval of adjustments to the fee schedule for the Environmental Health and Consumer Health Services program. These adjustments are essential to ensure that services remain sustainable and reflect current operational costs.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

New Fee Structure

Presentation

Letter of Support by the Texas Restaurant Association, Coastal Bend Chapter