



The Honorable Chair Jessica Vega Pederson
Honorable Commissioners Brim-Edwards, Jayapal, Meieran, and Stegmann
Multnomah County Commission
501 SE Hawthorne Blvd
Portland, OR 97214

Chair Vega Pederson and Commissioners,

We write as a united coalition representing thousands of employers of all sizes to express our deep concern with the large fee increases proposed for your consideration on October 19th by the County Health Inspections Program. While we support the program, which ensures that local businesses comply with federal, state, and local health and safety regulations, we are deeply concerned that proposed fee increases of this size—with virtually no community outreach to speak of—will result in more small businesses closing due to the never-ending rise in the costs of doing business in Multnomah County.

In particular, we are concerned with the impact on businesses that are disproportionately owned and operated by immigrants and people of color, including small restaurants and food trucks, grocery stores, and thousands of other store front family-owned businesses.

The staff memo presented to the Board gives a wholly inadequate explanation of the fiscal impact and necessity of these large proposed increases, admits a complete lack of community and stakeholder engagement, and provides no details of the program budget to justify these costs. Here are the sections from the staff memo in question:



3. Explain the fiscal impact (current year and ongoing):

Adoption will allow the inspections program to increase fees by 6% (\$336,439) to help recover the costs of administering the program. This revenue is assumed in the FY 2024 adopted budget. The proposed fee increase was also approved by OHA and the Multnomah County Food Service Advisory Committee. During the pandemic the program did not increase fees, while its expenses increased. The additional costs are currently covered by the General Fund. This fee increase is the first of four planned annual fee increases planned for FY 2024, FY 2025, FY 2026, and FY 2027. The increases are projected to be 6% for FY 2024, 8% for FY 2025, 8% for FY 2026, and 8% for FY 2027. These fee increases are expected to make the program self-sustaining by June of 2026.

4. Explain any legal and/or policy issues involved.

The proposed fees will allow for recovery of costs associated with the provision of inspections, monitoring and licensing of specific categories of food, pool, and tourist/traveler facilities, beginning in January 2024. Fees are authorized under ORS 624.510.

5. Explain any community and/or other government participation that has or will take place.

On July 31, 2023 the Oregon Health Authority reviewed and approved our fee schedule.

These are fees being levied on the most vulnerable businesses in our community as we are still coming out of the COVID-19 pandemic. As Portland's public institutions have faltered, resulting in a steep decline in Portland's livability and national reputation, restaurants continue to close and our hospitality industry continues to lag far behind recovery rates of major cities. Yet the county appears focused on raising fees to continue to conduct business as usual with very little explanation.

There appears to be a lack of understanding of how a total proposed fee increase of approximately 30% will greatly impact Portland's most vulnerable businesses. This is likely due to the fact that there was virtually no stakeholder outreach to speak of. The memo makes it clear that the county only sought approval from the Oregon Health Authority and a very small advisory committee made up of five individuals. None of our organizations, which represent the payers of these fees, were aware of the proposed fee increases until the week they became public.

Last month, the Portland Metro Chamber released our first annual [State of Small Business report](#), and it found that Portland's economy is one of the most dependent on small businesses—those with one to 50 employees. 94% all Multnomah County businesses are small, and 28% of all employees work at small businesses, the highest share among our peer cities. The report also found that despite this dependence on small businesses, Portland and Multnomah County is one of the most expensive and difficult places to start and operate a small business in the nation. Numerous and expensive fees are one of the main challenges.



We strongly encourage you to review the State of Small Business report's [permitting "game board"](#) to understand how complex and expensive it is just to start a small business in Multnomah County, where less than 50% of small businesses survive more than five years.

As County Commissioners charged with the responsibility of being stewards of our public tax and fee dollars, we ask that you demand better from county departments and services seeking to dramatically increase fees. We understand the need for these important programs, but last minute fee increases of this size, with little to no detail or stakeholder engagement—and with no equity lens—deserve far more scrutiny than a rubber stamp approval from the Board.

We request that the fee increases be rejected, and the County Health Inspection and Safety program be directed to engage in genuine and transparent stakeholder engagement and budget transparency.

Thank you for your full and fair consideration of this request. Should you have any questions, please contact Jon Isaacs with the Portland Metro Chamber at jon@portlandmetrochamber.com.