PUBLIC REQUEST TO ADDRESS
THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, CALIFORNIA

Correspondence Received

			The following individuals submitted comments on agenda item:	
Agenda #	**Relate To**	**Position**	**Name**	**Comments**
8.		**Favor**	Lilly Rocha	We are in favor of removing the caps. I am writing to express our deep appreciation for the positive developments in the proposed amendment, "Capping Fees For Third-Party Delivery Service Platforms". Your advocacy and the County's recognition of the challenges faced by the restaurant industry during the COVID-19 pandemic are vital steps toward supporting local businesses. I also wish to convey the gravity of the situation for Latino restaurants and their livelihoods. Small independent restaurants, particularly those owned by members of the Latino community, have been significantly impacted by the pandemic. The proposed amendments hold the potential to alleviate some of the burdens they face, but time is of the essence. Understanding the need for careful consideration, we urge you to expedite the drafting and implementation process. The economic landscape for restaurants has evolved rapidly, and the recent report from the Department of Economic Opportunity acknowledges these changes. Therefore, we propose a more general and expedited timeline for the County staff to finalize and return the ordinance, keeping in mind the urgent needs of our local businesses. A prompt resolution is crucial to ensuring the survival and vitality of Latino-owned restaurants. The proposed changes, if implemented swiftly, will provide them with the flexibility needed to enhance their competitiveness in the marketplace, ultimately preserving jobs and contributing to the economic recovery of our community. We appreciate your continued efforts and dedication to this important cause. If there is any way we can assist in facilitating communication or contributing further to the dialogue, please do not hesitate to let us know. Thank you again for your tireless advocacy, and we look forward to a positive outcome for our local Latino-owned restaurants.
		Oppose	Citizen V citizen	

As of: 12/19/2023 12:28:31 PM

			The following individuals submitted comments on agenda item:	
Agenda #	**Relate To**	**Position**	**Name**	**Comments**
8.		**Other**	Joe Reinstein	“Lowering” delivery fee caps to a basic and limited level of service has produced negative consequences for restaurants and consumers. Restaurants that opt not to pay exorbitant hidden marketing fees face a stark reduction in their order volumes and the radius of visibility within the food delivery platforms’ pay-to-play marketplaces, resulting in a significant loss of revenue crucial for their survival. This model is misleading for consumers and is simply not sustainable for small businesses who may be forced to push these increased costs onto consumers. Ultimately, what looks like a reduced fee cap will actually reduce orders and profitability for restaurants, and increase prices for consumers.
		Item Total	**3**	
Grand Total			**3**	

As of: 12/19/2023 12:28:31 PM

LA County Ordinance Open Letter

As proud members of the Los Angeles restaurant community, we call on the LA County Board of Supervisors to revise the motion Item 8 titled, Capping Fees For Third-Party Delivery Service Platforms In Unincorporated Communities to improve fee transparency and require third party delivery platforms to itemize all fees charged to restaurants.

Since the pandemic, third party delivery platforms have continued to gain substantial leverage over the restaurant industry, now making up an average 30-40% of a restaurant's orders. Using this leverage, these platforms have adopted practices that include charging hidden fees and using fee changes to force restaurants to use services like advertising and delivery. The proposed fee cap regulations strengthen these practices and threaten to further imperil the small, independent restaurants in Unincorporated Los Angeles County that already operate on razor thin margins.

"Lowering" delivery fee caps to a basic and limited level of service has produced negative consequences for restaurants and consumers. Restaurants that opt not to pay exorbitant hidden marketing fees face a stark reduction in their order volumes and the radius of visibility within the food delivery platforms' pay-to-play marketplaces, resulting in a significant loss of revenue crucial for their survival. By manipulating their algorithms to penalize restaurants that do not pay additional "optional" fees, the food delivery platforms extort restaurants to pay fees well in excess of the fee caps, and all of these fees are hidden from customers. This model is misleading for consumers and is simply not sustainable for small businesses who may be forced to push these increased costs onto consumers. Ultimately, what looks like a reduced fee cap will actually increase restaurant prices for consumers.

We call on the Board of Supervisors to amend the proposed motion to include fee transparency and require third party delivery platforms to disclose to consumers exactly how much they charge restaurants and consumers with itemized rates for all their services.

If fees remain hidden above the 15%, consumers will not know why prices are as high as they are. It is essential we empower consumers with transparency into exactly what restaurants are being charged by third party delivery platforms and ensure that any revisions made truly accomplish the goal of uplifting local restaurants, not imperiling them.

Signed,
Joe Reinstein
Executive Director
Digital Restaurant Association

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December 19, 2023

Supervisor L. Hilda Solis
Los Angeles County Board Of Supervisors, First District
500 W Temple Street
Los Angeles, CA 90012

RE: Request for Expedited Action on Fee Cap Amendment

Dear Supervisor Solis,

I trust this message finds you in good health and we hope your holiday season is off to a great start. Thank you for your unwavering dedication to the well-being of our community. As CEO of the Latino Restaurant Association, I am writing to express our deep appreciation for the positive developments in the proposed amendment, "Capping Fees For Third-Party Delivery Service Platforms". Your advocacy and the County's recognition of the challenges faced by the restaurant industry during the COVID-19 pandemic are vital steps toward supporting local businesses.

I also wish to convey the gravity of the situation for Latino restaurants and their livelihoods. Small independent restaurants, particularly those owned by members of the Latino community, have been significantly impacted by the pandemic. The proposed amendments hold the potential to alleviate some of the burdens they face, but time is of the essence.

Understanding the need for careful consideration, we urge you to expedite the drafting and implementation process. The economic landscape for restaurants has evolved rapidly, and the recent report from the Department of Economic Opportunity acknowledges these changes. Therefore, we propose a more general and expedited timeline for the County staff to finalize and return the ordinance, keeping in mind the urgent needs of our local businesses.

A prompt resolution is crucial to ensuring the survival and vitality of Latino-owned restaurants. The proposed changes, if implemented swiftly, will provide them with the flexibility needed to enhance their competitiveness in the marketplace, ultimately preserving jobs and contributing to the economic recovery of our community.

We appreciate your continued efforts and dedication to this important cause. If there is any way we can assist in facilitating communication or contributing further to the dialogue, please do not hesitate to let us know.

Thank you again for your tireless advocacy, and we look forward to a positive outcome for our local Latino-owned restaurants.

Sincerely,

Lilly Rocha CEO,
Latino Restaurant Association