

# Expiration of Urgency Ordinance 1603-2020 temporarily capping commissions charged by third- party delivery and pick-up service platforms.

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# Timeline

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- August 26, 2020 - City Council approved Urgency Ordinance 1603-2020 establishing a temporary cap on commissions charged by third-party food delivery services affecting local restaurants during the COVID-19 pandemic
- February 28, 2023 – local state of emergency for COVID-19 ended
- August 27, 2023 – 180 days after local state of emergency ends and when urgency ordinance 1603-2020 expires



# Survey Findings

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- 75% of businesses reported that they are still relying on third-party apps for a significant portion of their business.
- 100% of businesses reported they use DoorDash, Uber Eats, and GrubHub, with 25% of those respondents also using Toast.
- 75% of businesses reported that they also have their own online ordering system because it is cheaper than the third-party application platforms.
- Businesses reported they are currently paying 20-45% to accept orders from third-party apps for delivery and that they are not receiving any add-on support for their service.
- 100% of businesses reported that they do want the City Council to consider adopting a permanent restriction on commission caps.
- Businesses are split down the middle on their opinions on the tiered commission cap system, largely with concerns about the fees that customers are already paying and if businesses opt for the lower end of the commission cap tier, it can impose more fees onto the customer, and can in turn lose customers for the businesses if the fees are too high.



# DoorDash Tiered Plan



## DoorDash Flexible Partnership Plans

There's no one-size-fits-all solution for helping restaurants thrive — that's why DoorDash offers a Partnership Plan enabling restaurants to choose the specific services they need at the price point they can afford.

Local merchants can choose a plan with a delivery commission rate starting as low as 15% and can add-on the products that best suit their businesses at various tiers of service.

Inspired by feedback from local partners, the plans expand the accessibility and affordability of delivery services while restaurants meet the challenges of a post-pandemic world.



Included with every plan

### Storefront by DoorDash

Let customers order delivery and pickup on your website. Storefront is commission-free and uses your branding and logo.



Your cost

### No commissions

Pay just 2.9% + 30 cents per order for credit card processing. No commissions, monthly fees or set-up fees.

### Basic

DoorDash at the lowest cost

Let customers order from you on DoorDash and add marketing programs when you need them.

Your cost

15%

Delivery Commission

6%

Pickup Commission

Credit card processing included

#### Key Benefits

- ✓ Reliable and fast delivery with DoorDash
- ✓ Access to high-value customers with DashPass
- ✓ A bigger delivery area to reach more customers
- ✓ Accept at least 20 orders per month or pay zero commissions\*

### Plus

More sales with DashPass

Increase sales and reach our most loyal and frequent customers with DashPass.

Your cost

25%

Delivery Commission

6%

Pickup Commission

Credit card processing included

#### Key Benefits

- ✓ Reliable and fast delivery with DoorDash
- ✓ Access to high-value customers with DashPass
- ✓ A bigger delivery area to reach more customers
- ✓ Accept at least 20 orders per month or pay zero commissions\*

### Premium

The most orders and new customers

Maximize sales with the biggest delivery area, DashPass, and more. Backed by our Growth Guarantee.

Your cost

30%

Delivery Commission

6%

Pickup Commission

Credit card processing included

#### Key Benefits

- ✓ Reliable and fast delivery with DoorDash
- ✓ Access to high-value customers with DashPass
- ✓ A bigger delivery area to reach more customers
- ✓ Accept at least 20 orders per month or pay zero commissions\*

\*Complete at least 20 orders per month or DoorDash will refund your commission costs for that month. Partners are eligible for this rebate if they are on the Premier plan or certain custom rates and if (1) they cancel fewer than 5 orders that month and (2) maintain "open hours" on DoorDash for 90% of the Store Hours that they have set in the Merchant Portal.



# Restaurant Pricing Options

**Basic**  
Launch your restaurant

PAY ONLY  
**15%**

Higher Diner Delivery Fees  
Free POS Integration

30 DAY FREE TRIAL

**Plus**  
Promote your restaurant

PAY ONLY  
**20%**  
35% more orders than Basic pkg.

Standard Diner Delivery Fees  
Free POS Integration  
Permanent Access to GH+ Diners  
Assisted Diner Marketing  
(Specific promo for your restaurant)

60 DAY FREE TRIAL

**Premium**  
Power your restaurant

PAY ONLY  
**25%**  
45% more orders than Basic pkg.

Lowest Diner Delivery Fees  
Free POS Integration  
Permanent Access to GH+ Diners  
Assisted Diner Marketing  
(Specific promo for your restaurant)  
Ability to run promotions  
Free Pickup for diners (EOY)  
Respond to Ratings and Reviews

60 DAY FREE TRIAL

- All Packages include**
- Free direct ordering link
  - Free photoshoot
  - Free Tablet
  - Access to Exclusive Branded Virtual Restaurants
  - Self-Delivery available for 10% savings
  - 3.05% +\$0.30 per Order Processing Fee Applies



# UberEats Tiered Plan

Uber Eats  
for Restaurants

Help

### Choose the plan that's right for your business

You can switch your plan or end your contract anytime with no penalty.

Lite

#### Keep costs low

Sell to customers who already know you

**15%** for delivery orders  
6% for pickup orders

Choose Lite

Only appear in Uber Eats app when customers search for you directly

\$\$\$ Delivery Fee for your customers

Uber pass benefits don't apply when members order from you

Run ads and promotions at your own cost

Plus

#### Grow your sales

Get discovered by new customers

**25%** for delivery orders  
6% for pickup orders

Choose Plus

Shown in Uber Eats app home screen

\$\$ Delivery Fee for your customers

Uber pass members get benefits when they order from you

Run ads and promotions at your own cost

Premium

#### Maximize your sales

Stand out to new customers

0% if you don't get 25 orders a month

**30%** for delivery orders  
6% for pickup orders

Choose Premium

Shown higher in the Uber Eats app home screen

\$ Delivery Fee for your customers

Uber pass members get benefits when they order from you

We'll match your custom ad spend up to \$100 every month

+ Compare plan details

#### Benefits across all plans

Reliable order processing

Zero credit card fees

Performance data and insights

24/7 support

Where applicable, Uber Eats may adjust plan benefits and service levels due to maximum allowable fee(s) in Merchant's location.

## Option 1 – Create Permanent Tiered Commission Cap System

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- Option that San Francisco and the app platforms came to an agreement on after being sued for placing a permanent commission cap.
- Third-party app platforms already have a tiered system in place



## Option 2 – Allow Ordinance to End with No Further Action

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- Staff can revisit this item in six (6) months by following up with merchants to see how their businesses are doing with no commission cap and City Council can determine if they are comfortable with the decision they made or if they would like to reconsider the permanent cap.
- Consistent with all the other suburban municipalities in the County and Bay Area.