AN ORDINANCE TO ADD A TEMPORARY EMERGENCY ORDINANCE SECTION 1.327b (THIRD-PARTY DELIVERY SERVICES) TO TITLE I OF CHAPTER 15 (EMERGENCY AND DISASTER MANAGEMENT) OF THE CODE OF THE CITY OF ANN ARBOR

The City of Ann Arbor ordains:

Section 1. That Title I Chapter 15 of the Code of the City of Ann Arbor be amended by adding a temporary emergency ordinance section 1:327b to read as follows:

1:327b. -Third-Party Delivery Services

(1) Definitions

For the purposes of this Section, the following words and phrases shall have the meanings:

(a) *Delivery* means the physical transport of food and/or beverages from an Ann Arbor restaurant to a customer.
(b) *Delivery fee* means any fee that a Third-Party Delivery Service charges a restaurant for delivering food and/or beverages to a customer.
(c) *Order* means any order placed through a platform provided by a third-party delivery service, including a website, mobile application, app, internet-based service, or telephone for the pickup or delivery of food and/or beverages.
(d) *Purchase price* means the menu price of an order, excluding taxes, gratuities, and any other fees that make up the total price to the customer.
(e) *Restaurant* means a food establishment in Ann Arbor that provides indoor dining, delivery, or takeout service of food and/or beverages.
(f) *Third-Party Delivery Service* means any website, mobile application, app-based, internet-based, or telephonic service that arranges for the sale and delivery of food and/or beverages from restaurants to customers.

(2) Regulations of Third-Party Delivery Services

(a) It shall be unlawful for a third-party delivery service to charge a restaurant a commission or delivery fee greater than 15% of the purchase price of an order.
(b) It shall be unlawful for a third-party delivery service to post inaccurate or misleading information about an Ann Arbor restaurant or such restaurant's menu, on that delivery service's website, mobile application, app, or internet-based service.
(c) Notwithstanding the foregoing, a third-party delivery service may charge a restaurant a commission or delivery fee greater than 15% of the purchase price of an order if the restaurant and third-party delivery service have consented to such greater fee in exchange for delivery services that contain additional products or services such as advertising, marketing, or access to customer subscription programs.

(3) Penalty

(a) Any person, corporation, or other entity that violates this chapter shall be responsible for a civil infraction, punishable by a fine up to $500.00 per violation. Each day shall constitute a separate and distinct violation.
(b) Violations of this Section shall be enforced by Community Standards Officers or Planning and Development Services Unit employees.

(4) Sunset Clause - This Section shall expire and have no effect upon the end of all of the following Michigan Department of Health and Human Services (MDHHS)'s orders that:

- Limit indoor seating capacity;
- Limit the maximum number of diners at each table to 6 people;
- Prohibit dining while standing or seated at counters, bars, and bistro tables;
- Establish a minimum six feet of spacing between tables;, and
- Set a curfew on the hours of operations.

(5) Severability Clause - If any subsection in this Section is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining portions.

Section 2. This Ordinance shall take effect ten (10) days after legal publication.