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Office of the City Manager

INFORMATION CALENDAR
July 22, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Scott Gilman, Director, Health, Housing, and Community Services

Subject: Restaurant Inspection Audit Status Report

INTRODUCTION
On July 10, 2024, the City Auditor submitted an audit report[1] on the status of Restaurant Inspections to the City Council, including recommendations to improve the overall delivery of services for the food safety inspection program. This is the second status report updating the City Council on the implementation of those recommendations.

CURRENT SITUATION AND ITS EFFECTS
The audit included nine recommendations. As of the writing of this report:

- One recommendation has been fully implemented.
- Six recommendations are partly implemented.
- One recommendation has not yet been started.
- One recommendation has been changed from started to not yet started based on the Auditor's assessment of the removal of the Open Data Portal.

Recommendations currently tracked as "partly implemented" require further development and implementation of revised policies and procedures, integration of new staff hires, and the implementation of technological solutions, such as the planned upgrade to the Accela database.

The Environmental Health Division (EHD) experienced significant backlogs in meeting inspection frequencies during the COVID-19 Pandemic. EHD has been working hard to fill vacancies and is now approaching pre-pandemic staffing levels, with four food inspectors and a supervisor who started in February 2025. This will enable EHD to perform required inspections in a timely manner.

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[1] Berkeley Restaurant Inspections: Chronically Understaffed Program Did Not Meet Targets
https://berkeleyca.gov/sites/default/files/documents/Berkeley_Restaurant_Inspections_-_Chronically_Understaffed_Program_Did_Not_Meet_Targets.pdf

For a detailed table of audit report recommendations, corrective action plans, and implementation progress, please see Attachment 1. The next status report to Council is anticipated in Fall 2026.

BACKGROUND
Local Health Jurisdictions are responsible for determining the frequency of inspections based on the needs of the community and available resources. In 2015, EHD transitioned to a risk-based food inspection process, following the guidelines established by the Federal Food and Drug Administration's (FDA) Voluntary National Retail Food Regulatory Program Standards. This program categorizes permitted food facilities (restaurants, grocery markets, schools, bars, etc.) based on the complexity of food handling and populations served, assigning them to one of four "Risk Categories" (RC-1 to RC-4). Each RC designation dictates the minimum number of annual inspections a facility receives. During the early stages of the COVID-19 Pandemic EHD staff were reassigned to assist with the pandemic. In addition, EHD faced staffing shortages due to promotions to other departments, prolonged staff illnesses, and hiring freezes in FY2021 and FY2022. Once the hiring freeze was lifted, EHD experienced additional budgetary challenges and a limited pool of qualified applicants for vacant supervisor and inspector positions, a statewide issue for jurisdictions providing environmental health services. Unfortunately, during this time the City's food inspection policies were not adjusted resulting in audit findings of delinquent inspections.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS
There are no identifiable environmental effects associated with the subject of this report.

POSSIBLE FUTURE ACTION
On September 24, 2024, the Council made a budget referral to the November 2024 budget process of $100,000 for the City Manager to engage an independent consultant to conduct an analysis of the current structure of the Environmental Health Food Inspection Program and provide recommendations for alternative models, staffing levels, and increased use of technology to improve customer service. To date, this referral has not been included in final budget proposals.

In addition, EHD is currently undergoing a division-wide fee study, as fees have not been analyzed in over ten years. This study will also evaluate current staffing needs to determine adequacy for the food safety inspection program and other departmental responsibilities, including vector control, noise complaints, stormwater inspections, swimming pools and spas, retail tobacco, and body art. Fee recommendations will be brought to Council Fall 2025.

FISCAL IMPACTS OF POSSIBLE FUTURE ACTION
HHCS is in the final stages of completing a comprehensive fee study for the Environmental Health Division. Once the study is complete, a recommendation will be brought to Council for consideration.

<u>CONTACT PERSON</u>
Scott Gilman, Director, Health, Housing, and Community Services (510) 981-5400

Attachments:
1: Audit Findings, Recommendations and Status Updates

Audit Title: Berkeley Restaurant Inspections: Chronically Understaffed Program Did Not Meet Targets					
Issue Date: July 10, 2024					
Finding	**Recommendation**		**Department**	**Last period: status**	**Current status update**
The Division was significantly behind on inspections in 2023, increasing health risk.	1.1	Develop a plan to improve coverage of routine inspections throughout the City, which may require the Division to prioritize health and safety duties over other responsibilities. As part of this process: (a) Evaluate inspection targets to determine if current inspection frequencies are achievable, or establish different temporary targets to adapt to periods of understaffing. (b) Establish a baseline of inspection coverage for all permitted food facilities in the City and prioritize inspection of facilities with high risk and very high risk designations that were not inspected in 2023.	HHCS	Started.	**Implemented.** The Division developed new policies that include revised inspection targets for periods of short staffing and a baseline of at least one inspection per year. According to the Division, all high and very high risk facilities that were not inspected in 2023 have now been inspected.
The Division was significantly behind on inspections in 2023, increasing health risk.	1.2	Develop a plan to ensure timely response to complaints involving alleged foodborne illness, which may require the Division to prioritize health and safety duties over other responsibilities.	HHCS	Started.	**Partly implemented.** The Division has updated its internal policies to include guidance for responding to complaints of alleged foodborne illness in districts assigned to vacant positions. To mark the recommendation implemented, we would like to see a more detailed plan that explains how the Division will ensure complaints are inspected in a timely fashion.
The Division did not track spending and left critical positions vacant.	2.1	Work with the Budget Office to track how the food inspection program revenues are used.	HHCS	Partly implemented.	**Partly implemented.** The Division set up revenue and expenditure codes for the food inspection program. They will begin to be in use on July 1, 2025. We will assess the implementation of this recommendation during the next follow up cycle, or when a report is available.
The Division did not track spending and left critical positions vacant.	2.2	Take the following steps to fill positions and assess program staffing: (a) Open recruitment for the supervisor position. (b) If the recruitments for the supervisor and food inspector positions do not yield qualified candidates, work with the Human Resources Department (HR) to develop targeted recruitments for the inspector and supervisor roles. This may include conducting an analysis of compensation or other factors that affect recruitment. (c) Develop a trainee program to build a pipeline into the Division's inspector positions. (d) Work with HR as needed to identify staffing resources needed to meet inspection targets.	HHCS	Partly implemented.	**Partly implemented.** The Division hired an inspector in October 2024 and a supervisor in February 2025. The Division plans to pursue a training program in the future once staffing levels are stable. To implement this recommendation, we would like an update on the staffing resources needed to meet inspection targets and plans to develop a training program.
The Division did not track spending and left critical positions vacant.	2.3	Make the following updates to the inspection data: (a) Add a risk designation to all food facilities in the Envision database. (b) Correct the date of last inspection in the Envision software that inspectors use during inspections, or develop a workaround to ensure inspectors have an accurate list of facilities prioritized by last inspection date. (c) Develop a process to regularly verify that the Envision database includes all food facilities that should be permitted and inspected.	HHCS	Partly implemented.	**Partly implemented.** The Division has added a risk designation for all food facilities in the Envision database. The Division issued an RFP for a third-party vendor to facilitate and manage the transition of data from the old database to a new database, which according to the Division will improve data accuracy. To implement this recommendation, we would like to see evidence that the new database can produce an accurate list of facilities prioritized by the last inspection date. We would also like to see a written procedure that details how the Division will ensure that the database is complete with all food facilities that should be permitted and inspected.
The Division did not track spending and left critical positions vacant.	2.4	Work with the Department of Information Technology (IT) to develop list of database functionalities and/or data points needed to help meet the Division's targets and produce reports. If the current database cannot provide this functionality, document the limitations of the current database and include these requirements in the future request for proposals for a new database.	HHCS	Started.	**Partly implemented.** The Division issued an RFP for a third-party vendor to facilitate and manage the transition of data from the old database to a new database. To implement this recommendation, we will assess whether the new database contains data points needed to help meet the Division's targets and produce reports.

The Division did not track spending and left critical positions vacant.	2.5	Identify performance metrics and report them to the public at least annually.	HHCS	Started.	**Partly implemented.** The Division is undergoing Results Based Accountability training and is in the process of developing and identifying performance metrics for the Food Safety and Inspection program. These performance metrics have not yet been finalized or reported publicly.
Public information about food safety was limited.	3.1	Work with Department of Information Technology (IT) to update the online system for sharing information on food inspections. As part of this process: (a) Develop internal guidance informed by state code that details what information the Division will share with the public online and defines responsibility for managing the data. (b) Make inspection history available online for all permitted food facilities in Berkeley. This could include sharing a copy of the most recent inspection report.	HHCS	Started.	**Not started.** The Division removed the information about food inspections that was previously provided on the City's Open Data Portal. The Division will be upgrading its database system and plans to incorporate online features for easy public access to food facility inspection results, including state requirements for voluntary online posting of inspection results.
Public information about food safety was limited.	3.2	Develop a plan to implement placarding in Berkeley once staffing levels are stable. As part of this process: (a) Assess resources needed to implement placarding. (b) Consider adding elements such as community engagement for designing and implementing evidence-based, equitable placarding.	HHCS	Not Started.	**Not started.**