

Agenda Report Reviewed by:
City Manager: 

CITY OF SEBASTOPOL
CITY COUNCIL
STAFF REPORT

Meeting Date: March 17, 2020
To: Honorable City Councilmembers
From: Mayor Slayter
Subject: Approval of Mayor Signature on Letter of Support to Encourage Sonoma County to Opt In to AB 626, the Homemade Food Operations Act. AB 626 allows cooks to apply for a Microenterprise Home Kitchen Operation Permit (MEHKO permit) to sell food made in their home kitchen
Recommendation : That the City Council Authorize the Mayor to sign the attached letter.
Funding: Currently Budgeted: _____ Yes _____ No ___XXX___ N/A
Net General Fund Cost:
Budgeted FY 19-20:
Budget Remaining:

Account Code/Costs authorized in City Approved Budget N/A  (verified by Administrative Services Department)

INTRODUCTION: This item is to request the City Council Discuss and Consider the request for Approval for the Mayor to sign Letter of Support to Encourage Sonoma County to Opt In to AB 626, the Homemade Food Operations Act. AB 626 allows cooks to apply for a Microenterprise Home Kitchen Operation Permit (MEHKO permit) to sell food made in their home kitchen.

BACKGROUND:
Prior to 2012, the California Retail Food Code (CRFC), required all food sold to consumers to be made at an inspected commercial kitchen. With the passage of the California Homemade Food Act known as “cottage food operations” (CFO) in 2013, certain low risk (i.e. shelf-stable, non-perishable) food products such as bread, fruit jams, and dried fruit could be made in private home kitchens and be sold to consumers under limited conditions.

On September 18, 2018, then Governor Brown signed Assembly Bill 626 (AB 626), making an amendment to the California Retail Food Code: Microenterprise Home Kitchen Operations which established “microenterprise home kitchen operation” (MEHKO) as a new category of retail food facility. MEHKOs are restaurants in a private residence operated by the resident and are allowed to produce a very broad variety of complex food products that the CFO permit does not allow.

In order to legally sell food to the public, health regulations require the food be stored, prepared and sold from an approved retail food facility. The approved retail food facility must be located in an area zoned for commercial use and have obtained plan review and permit approval ensuring that health and safety codes are met.

In an effort to ease the requirements for small food operations, AB 626 became effective in January 2019. The bill allows home cooks to prepare and sell food directly to the consumer from their homes. AB 626 is an “opt-in” or “opt-out” bill with the opting decision made by the enforcement agency. Staff requests the City Council review the bill, and direct staff to forward an “opt-in” or “opt-out” recommendation to the County Board of Supervisors.

DISCUSSION:

Tonight's item is to request that the County of Sonoma Board of Supervisors opt into AB 626, the Homemade Food Operations Act which allows cooks to apply for a Microenterprise Home Kitchen Operation Permit (MEHKO permit) to sell food made in their home kitchen.

This is an opportunity for people to become small business owners, share their culture with their neighbors, and make money from the comfort of their own homes. Additionally, MEHKO offers an entrance into the food industry, which traditionally has a high barrier to entry.

I believe this would help build healthy, resilient communities and create economic opportunities for the people that need them most. Cooks from underserved communities— primarily women, immigrants, and people of color— can now use their skills to generate extra income or incubate a new food enterprise. Without the fear of fines, thousands of existing home cooks will be able to openly access business education and training on safe food handling practices.

I believe this would also help protect consumers and improve public health standards. Home food operations must be inspected by local health inspectors and operators must follow a set of health, training, and sanitation standards just like any other food facility.

This would enable people to earn “side money” which helps those in need by supplementing income. People are doing this now illegally – this provides an inexpensive and legal way to go through a process and be on par. It also is a great stepping stone for those that cannot afford a food truck or brick and mortar location and also brings the community together as this would help to increase business to local farmers and local businesses for products.

Opting In to this would be beneficial to work to keep our community and local businesses thriving.

Planning Department Comments/Responsible Department:

Currently the City Planning Department reviews ‘cottage food industries’, which allows production of ‘non-perishable’ foods (such as jams, cookies, honey, etc.) as long as they meet the City’s Home based business regs (‘normal’ residential traffic, limits on # employees, storage, use of outdoor areas, etc.) because they are in residential building and/or zones. City staff would want to ensure that any locations within the City of Sebastopol are still subject to the City’s Home Occupation Regulations. Per City staff this would not seem to be an additional increase in work load given the limited number of meals and employees allowed under the state law.

Fiscal Analysis

There is no direct fiscal impact associated with the recommended action tonight as the item has been budgeted for in the FY 19-20 City Budget.

Public Notice:

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to scheduled meeting date.

RECOMMENDATION:

This item is to request the City Council the City Council Authorize the Mayor to sign the attached letter.

Attachment:

Proposed Letter

City Council

Mayor Patrick Slayter
Vice Mayor Una Glass
Michael Carnacchi
Sarah Glade Gurney
Neysa Hinton

**City Manager**

Larry McLaughlin
lmclaughlin@cityofsebastopol.org
Assistant City Manager/City Clerk, MMC
Mary Gourley
mgourley@cityofsebastopol.org

City of Sebastopol

March 18, 2020

Supervisor Lynda Hopkins
5th District
Sonoma County Board of Supervisors
575 Administration Drive, Room 100-A
Santa Rosa, CA 95403

RE: Support for Assembly Bill 626 (aka AB626)

Dear Supervisor Hopkins:

This letter is to express the City of Sebastopol's support for AB 626 and to request that the Sonoma County Board of Supervisors Opt-In as soon as possible. The City of Sebastopol is supportive of Microenterprise Home Kitchen Operations in Sonoma County. We encourage Sonoma County to opt into AB 626, the Homemade Food Operations Act. AB 626 allows cooks to apply for a Microenterprise Home Kitchen Operation Permit (MEHKO permit) to sell food made in their home kitchen.

The City believes MEHKOs offer an opportunity for people to become small business owners, share their culture with their neighbors, and make money from the comfort of their own homes. Additionally, MEHKOs offer an entrance into the food industry, which traditionally has a high barrier to entry. This would allow people in the community be able to generate income in the food industry without the hindrance of excessive costs to start up.

This will help build healthy, resilient communities and create economic opportunities for the people that need them most. Cooks from underserved communities— primarily women, immigrants, and people of color—can now use their skills to generate extra income or incubate a new food enterprise. Without the fear of fines, thousands of existing home cooks will be able to openly access business education and training on safe food handling practices.

This will help protect consumers and improve public health standards. Home food operations must be inspected by local health inspectors and operators must follow a set of health, training, and sanitation standards just like any other food facility. It provides requirements for food safety and will help to eliminate illegal personal home cooking.

It also is a great stepping stone for those that cannot afford a food truck or brick and mortar location and brings the community together as this would help to increase business to local farmers and local businesses for products.

We encourage Sonoma County to opt into this opportunity as soon as possible.

For these reasons, we support the implementation of AB 626, Microenterprise Home Kitchen Operations, in our County. Thank you for your leadership in helping bring this opportunity to cooks and their communities!

Sincerely,

Patrick Slayter
Mayor
City of Sebastopol