

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS - LAND USE
WEDNESDAY, SEPTEMBER 15, 2021**

MINUTE ORDER NO. 2

**SUBJECT: AUTHORIZING MICROENTERPRISE HOME KITCHEN OPERATIONS IN
SAN DIEGO COUNTY (DISTRICTS: ALL)**

OVERVIEW

Microenterprise Home Kitchen Operations (MEHKOs) were created via Assembly Bill (AB) 626 which was passed unanimously by the State Assembly and Senate and signed into law by Governor Brown on September 18, 2018. AB 377 (AB 626 clean-up bill) was signed into law by Governor Newsom on October 7, 2019.

This legislation permits counties to authorize individuals to use their home kitchens to prepare, sell and serve up to 30 meals per day, or 60 meals per week, and collect a maximum annual revenue of \$50,000. Family members can be employed to help operate MEHKOs, along with a maximum of one paid non-family employee. Menus are restricted to items that can be prepared and sold the same day. Risky food preparation techniques are prohibited, therefore MEHKOs may not produce, serve, or use raw milk, or serve raw oysters or any other food requiring a Hazard Analysis Critical Control Point Plan (a written plan specifying procedures for maintaining food control throughout the entire food preparation, distribution, and storage process). Meals can be served in the home, picked up by the customer, or delivered by the MEHKO operator.

California Department of Public Health authorized online intermediaries, such as Foodnome, provide the mechanism to place an order with a MEHKO. They also provide a way to promote MEHKOs while collecting required taxes on behalf of the MEKHO operators. MEHKOs require a valid health permit through the Department of Environmental Health and Quality, an initial inspection and annual inspections thereafter.

MEHKO owners are required to obtain a Food Manager certificate and employees are required to obtain a Food Handler card.

Since the state established MEKHOs, over 140 MEHKOs have been authorized by the following seven jurisdictions: Alameda County, the City of Berkeley, Imperial County, Lake County, Riverside County, Santa Barbara County, and Solano County. Additionally, two counties, San Bernardino and San Mateo have authorized a MEKHO pilot program.

Since the first MEHKO was authorized in May of 2019, there have been no known cases of MEHKO-related food born illness.

The following are benefits to authorizing MEHKOs:

- Creates significant economic opportunities for small-scale, home-cooking operations, which are primarily operated by women, immigrants, and people of color
- Encourages existing “informal” home food operations to become safer and legal

- Enables family members to continue providing in-home care for developmentally disabled family members and older family members while still earning much needed income
- Creates another path to supplementing family income for those hardest hit by the COVID-19 pandemic and lockdowns
- Enables aspiring restaurateurs to try out and vet a menu while learning the basics of what it takes to run a small-scale retail food operation
- Provides additional food service options in remote locations
- MEHKOs pay state taxes and acquire business licenses
- San Diego County's Department of Health and Environmental Quality (DEHQ) has already developed a programmatic framework to implement and administer a MEHKO ordinance.

RECOMMENDATION(S)

SUPERVISOR JOEL ANDERSON AND VICE-CHAIR NORA VARGAS

1. Direct the Chief Administrative Officer to return to the Board within 120 days with an ordinance authorizing MEHKO operations in San Diego County, consistent with state law.
2. Direct the Chief Administrative Officer to conduct community/local municipalities outreach and provide opportunities for public input during the drafting of the MEHKO ordinance.
3. Direct the Chief Administrative Officer to implement a public education program for small volume home-based retail food operations and food safety, following the adoption of a MEHKO ordinance. This education should include suggestions and general guidance on being a good neighbor while running a small volume retail food operation, including considerations of land use, traffic, parking, noise and the importance of appropriate disposal for grease and other food-related waste.

EQUITY IMPACT STATEMENT

Experience with existing MEHKOs shows over 90 percent of them are operated by persons of color and 60 percent are operated by women. Consequently, authorizing MEHKOs in San Diego County provides an opportunity to implement public policy that will benefit communities of color, women, their families, and the community. It will also benefit those of limited income who have the entrepreneurial spirit and the desire to enrich their community through their cooking.

FISCAL IMPACT

There is no fiscal impact associated with the requested action. All costs will be covered by the MEHKO operator permit fees. There will be no change in net General Fund cost.

BUSINESS IMPACT STATEMENT

MEHKOs will create another avenue for San Diego county residents to create significant new income for their families. An in-depth Foodnome survey found that over 90 percent of MEHKOs in other counties are being operated by persons of color. Therefore, formally permitting MEHKOs to operate in San Diego County will have a positive impact on San Diego's communities of color, and women entrepreneurs. Further, legally permitted MEHKOs can serve as incubators for aspiring restaurateurs to try out and vet a menu while learning the basics of what it takes to run a small-scale retail food operation.

ACTION:

ON MOTION of Supervisor Vargas, seconded by Supervisor Lawson-Remer, the Board of Supervisors took action as recommended.

AYES: Vargas, Lawson-Remer, Desmond

ABSENT: Anderson, Fletcher

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

