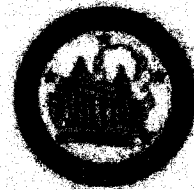


SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM  
3.30  
(ID # 8193)

MEETING DATE:

Tuesday, December 4, 2018


FROM : ENVIRONMENTAL HEALTH:

SUBJECT: ENVIRONMENTAL HEALTH: Report on potential impacts of SB 946, Sidewalk Vendors and AB 626, Microenterprise Home Kitchen Operations. All Districts. [\$0].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the requested report on impacts of SB 946 (Sidewalk Vendors), and AB 626 (Microenterprise Home Kitchen Operations) in the County; and
2. If so desired, direct County Counsel to work with the appropriate Departments to prepare and process a new Ordinance for issuing permits or business licenses to sidewalk merchandise vendors; and
3. Direct TLMA in consultation with County Counsel to review existing ordinances related to food and roadside vending including Ordinance Nos. 348, 580, 499 and 853 and prepare and process, if necessary, ordinance amendments to make the existing ordinances consistent with each other and SB 946; and
4. If so desired, direct Environmental Health to prepare and process a new Ordinance for issuing permits and regulating Microenterprise Home Kitchen Operations consistent with AB 626.

ACTION: Policy

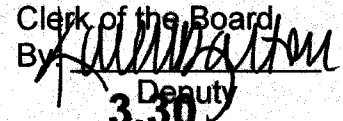
  
Steve Van Stockum, Director Environmental Health 11/8/2018

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MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Perez and Ashley  
Nays: Washington  
Absent: None  
Date: December 4, 2018  
xc: Environmental Health, TLMA, Co.Co.  
Page 1 of 3 ID# 8193

Kecia Harper-Ihem  
Clerk of the Board  
By   
Deputy  
3.30

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: Permit fees</b>			<b>Budget Adjustment:</b>	<b>No</b>
			<b>For Fiscal Year:</b>	<b>18/19</b>

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On October 2, 2018, the Board of Supervisors approved Agenda Item 3.1 directing the Environmental Health Department to research and report back within 60 days on the impacts of AB 626 and SB 946 within Riverside County. The intent of both bills is to provide increased opportunities for microbusiness operations.

SB 946, Sidewalk Vendors – This legislation was signed into law on 9/17/18 and will take effect 1/1/19. The provisions of the California Retail Food Code remain applicable to sidewalk food vendors requiring Environmental Health permit and operation from an approved commissary. Enhanced outreach will promote legal opportunities for permitted food cart vendors. Other Department impacts may include Code Enforcement, Parks, EDA, and Sheriff. Ordinance 853 (Roadside Vending) may need to be revised in order to be consistent with SB 946 in regards to sidewalk vendors and a new Ordinance may need to be considered for permitting or licensing sidewalk merchandise vendors.

AB 626, Microenterprise Home Kitchen – The Governor approved on 9/18/18. The Board of Supervisors has full discretion to authorize, by ordinance, the permitting of Microenterprise Home Kitchen Operations. Permits issued by the Department of Environmental Health would be valid in every city within the County. This new legislation is a potential avenue to create a framework for permitting the preparation and direct sale of meals from home kitchens to consumers. A new Ordinance has potential impact on Environmental Health, Public Health, Code Enforcement, and EDA.

**Previous Agenda Reference**

Item 3.1 of 10/2/18 (MT# 8132)

**Impact on Residents and Businesses**

While SB 946 will increase legal business opportunities for sidewalk vendors, and will increase shopping opportunities for sidewalk consumers, it is uncertain if the number of unpermitted food vendors will change or if public safety risks will occur due to the potential for increased vendor activity.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
STATE OF CALIFORNIA**

While AB 626 will increase legal business opportunities for home kitchen operations, and will increase local dining options for consumers, it is uncertain if the limited health and safety provisions will prevent foodborne illness or the potential for public nuisance within neighborhoods.

**Attachment**  
**Impact Report**

  
\_\_\_\_\_  
Gregory T. Priamos, Director County Counsel      11/7/2018

**REPORT OF POTENTIAL IMPACTS OF SB 946 (SIDEWALK VENDORS) AND AB 626 (MICROENTERPRISE HOME KITCHEN OPERATIONS) WITHIN RIVERSIDE COUNTY;  
PREPARED BY THE DEPARTMENT OF ENVIRONMENTAL HEALTH (DEH) AS  
DIRECTED BY THE BOARD OF SUPERVISORS**

**Summary:** The intention of these two new California legislative changes is to create more legal opportunities for specific micro-business sectors. The challenge for local jurisdictions will be to accommodate these new opportunities in a safe manner for our communities.

**SB 946**

California Government Code changes take effect on January 1, 2019.

Applicable to the unincorporated areas and all incorporated cities.

Stationary and roaming vendors allowed food sales from a permitted cart and merchandise sales from a person, cart, or display along a pedestrian pathway.

Local ordinances and municipal codes may regulate the time, place, and manner of sidewalk vending only if directly related to objective health, safety, or welfare concerns.

Enforcement limited to administrative fines based upon an ability-to-pay determination.

No prohibition of sidewalk vendors in County and City parks.

New law does not allow for vendors on road medians nor undeveloped lots.

**Environmental Health:** Food safety requirements and allowances will not change for sidewalk vendors. In other words, all food vendors must continue to obtain a current DEH permit and operate in compliance with the California Retail Food Code. The primary impact on the DEH will be enhanced outreach efforts for obtaining permits due to increased opportunities for sidewalk food vendors. The Department has annually permitted 93 pushcarts and 105 limited food preparation carts. The availability of suitable required commissaries may continue to be a limiting factor of issuing permits. It is difficult to determine how many more vendors will seek permits rather than continue operating in violation, which may result in increased or decreased enforcement costs.

**Code Enforcement:** Inability to cite sidewalk vendors in accordance with Riverside County Ordinance No. 853 unless revised.

**Parks:** Potential impact to staff and visitors if vendors interfere with the enjoyment of natural resources or recreational opportunities.

**EDA:** Potential increase in demand for business assistance services.

Sheriff: Potential increase in calls related to perceived public safety risks associated with potential blockages of pedestrian pathways.

Incorporated Cities: (soliciting feedback from CVAG & WRCOG)

## **AB 626**

Although the California Health & Safety Code changes take effect on January 1, 2019, the Board of Supervisors would have to adopt a new ordinance in order to allow permitting of "microenterprise home kitchen operations". Permits issued by the County (DEH) would be valid in every city within the county.

Limited to serving 30 meals/day or 60 meals/week (<\$50,000 annual sales).

No more than one employee in addition to family and household members.

Food must be prepared, cooked, and served same day (no cooling/reheating).

Food may be consumed onsite, by take-out or delivery.

Minimal health and safety standards.

Written operational procedures required.

DEH permits, annually scheduled inspections and scheduled complaint investigations required.

Exempt from restaurant grading system.

Operator must have accredited food safety certification and workers require food handler cards.

Environmental Health: It is difficult to determine how many applicants will seek permits rather than continue operating in violation, which may result in increased or decreased enforcement costs. Since implementation of the "cottage food" legislation in 2013, DEH has issued approximately 200 annual permits/registrations. An associated permit fee (\$500-\$600) would be required to compensate for all related costs. DEH to conduct outreach once Board policy decision is made.

Public Health: A potential increase in reported food-borne illness is expected to require an additional public health nurse FTE (1.0) or equivalent staffing for investigation.

Code Enforcement: Potential increase in calls related to excessive business-related activity (i.e. parking, outdoor advertising displays, noise, and other nuisances).

EDA: Potential increase in demand for business assistance services.

Incorporated Cities: (soliciting feedback from CVAG & WRCOG)



COMMUNITY DEVELOPMENT DEPARTMENT  
*"Promoting and Sustaining Quality Development"*

400 S. Vicentia Avenue, Corona, California 92882  
P (951) 736-2434  
[www.CoronaCA.gov](http://www.CoronaCA.gov)

November 30, 2018

Keith Jones, Deputy Director  
Riverside County Department of Environmental Health  
Sent via email to [kjones@rivco.org](mailto:kjones@rivco.org)

**RE: AB 626 Microenterprise Home Kitchen Operations**

Dear Mr. Jones:

The City of Corona appreciates the opportunity to provide feedback to the Department of Environmental Health on the establishment of microenterprise home kitchen operations borne by the passage of AB 626. According to the assembly bill, if Riverside County Department of Environmental Health decides to become the permitting agency for microenterprise home kitchen operations, local agencies would lose local control in regulating this type of operation because it would bypass an agency's Zoning Ordinance. Based on the operating regulations of the bill a microenterprise home kitchen is permitted on any residential property in any residential dwelling that is zoned for residential and shall be operated by a resident in the home. Once a microenterprise home kitchen operation is permitted by the permitting agency, the food prepared and cooked at the premise would need to be served to the customer on the same day.

The City of Corona has an adopted Home Occupation Ordinance and the purpose of the ordinance is to regulate the size and activity of the home occupation so that it does not change the character of the residential neighborhood or impact the quality of life of residents. The city's Home Occupation Ordinance also limits visits to home occupations to no more than five customers per day, and home occupations that involve educational services, such as music, academic, or religious instruction, are limited to no more than three students at one time, provided that there are no more than six vehicles or nine customers visiting the premises per day.

The microenterprise home kitchens would be allowed to prepare no more than 30 individual meals per day, or the approximate equivalent of meal components when sold separately, and no more than 60 individuals meals, or the approximate equivalent of meal components when sold separately, per week. The bill also allows the operator of the microenterprise home kitchen to have on-site dining by the customer. Therefore, if the

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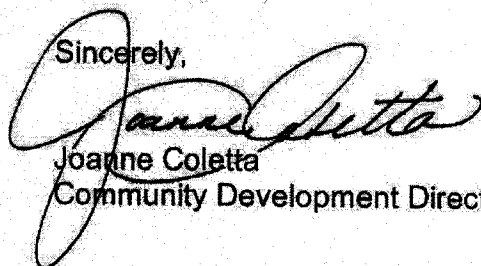
operator chooses to have on-site dining at the residence, the number of customers allowed at a given time based on the amount of meals allowed to be prepared would exceed the customer visits allowed by the city's ordinance. The city is extremely concerned about this because it would generate additional vehicle trips into a residential neighborhood and increase the number of cars parked on the street at a given time.

Additional concerns from the city include the disposal of food waste, the disposal of cooking grease, the introduction of rodents into the neighborhood due to lack of proper food disposal, and an increase in the number of complaints from residents to city code enforcement regarding the operation of microenterprise home kitchens.

The City of Corona will be swearing-in a majority of newly elected councilmembers on December 6, 2018. Because of the transition in the City Council, city staff has not had the opportunity to have a public study session with the newly elected City Council to hear their opinion about the operation of microenterprise home kitchens. It is also likely that other cities in Riverside County are experiencing this same situation since the November election. The City of Corona is therefore requesting that the County Board of Supervisors at their scheduled meeting on December 4, 2018, reserve their decision on microenterprise home kitchens in order to allow local agencies within Riverside County the opportunity to inform and educate their Councils on this newly adopted legislation.

If you need to contact me, my email is [joanne.coletta@coronaca.gov](mailto:joanne.coletta@coronaca.gov) and my phone number is (951) 736-2434.

Sincerely,



Joanne Coletta  
Community Development Director

CC: City Manager  
Assistant City Manager  
City Attorney  
Corona City Council  
Andrea Howard, WRCOG



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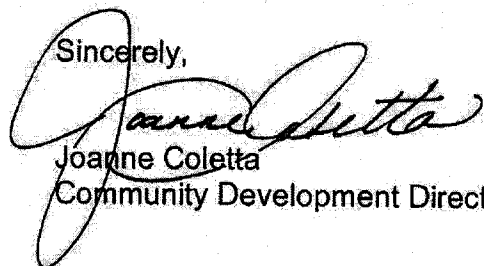
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Sincerely,



Joanne Coletta  
Community Development Director

CC: City Manager  
Assistant City Manager  
City Attorney  
Corona City Council  
Andrea Howard, WRCOG