

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION (A) APPROVING THE ALLOCATION OF AN AMOUNT NOT TO EXCEED \$92,000 IN FEDERAL AMERICAN RESCUE PLAN ACT FUNDS TO THE EXTENT ELIGIBLE AND AVAILABLE, OR OTHER FUNDS AS DETERMINED BY THE COUNTY EXECUTIVE, TO THE ENVIRONMENTAL HEALTH SERVICES DIVISION (“EHS”) OF SAN MATEO COUNTY HEALTH TO COVER THE FEES, AND OTHER ELIGIBLE COSTS, OF MICROENTERPRISE HOME KITCHEN OPERATIONS (“MEHKO”), FOR ONE YEAR AND TWO MONTHS UNDER THE COUNTY’S PERMITTING PROGRAM; AND (B) AUTHORIZING EHS TO ADMINISTER A PROGRAM TO ALLOCATE SUCH FUNDS TO COVER FEES, AND OTHER ELIGIBLE COSTS, ASSOCIATED WITH THE COUNTY’S MEHKO PERMITTING PROGRAM.

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, California Assembly Bill 626, as amended (“AB 626”), established Microenterprise Home Kitchen Operations (“MEHKO”) as a new category of food facility under the California Retail Food Code, Health and Safety Code section 113700, et seq. (“CRFC”); and

WHEREAS, AB 626 authorizes the use of home kitchens for small-scale, direct food sales by home cooks to consumers, providing appropriate flexibility in food types and appropriate health and sanitation standards; and

WHEREAS, in order for MEHKO to operate in the County, the Board must adopt an ordinance or resolution to affirmatively “Opt-In” and authorize the permitting of

MEHKOs, subject to the various requirements set forth in the CRFC, and if the Board opts in, this authorization would apply County-wide; and

WHEREAS, on January 29, 2019, the Board adopted a resolution, expressing support for the implementation of AB 626 in San Mateo County and appointing Supervisors David Canepa and Don Horsley to a subcommittee to work with staff to develop and bring to the Board an appropriate form of ordinance to implement AB 626 in San Mateo County; and

WHEREAS, on July 20, 2021, the Board authorized the Environmental Health Services Division of San Mateo County Health (“EHS”), as a local enforcement agency, to administer the AB 626 MEHKO permitting program on a two-year “pilot” basis; and

WHEREAS, the establishment of the MEHKO pilot program responded to the negative economic impact of the pandemic by supporting the expansion of food service industry opportunities that were delayed due to the pandemic; and was also an equity initiative, as MEHKO’s are economic launchpads for women, minorities, residents of low-income neighborhoods and other people who have historically faced challenges entering the food business and who have been disproportionately impacted by the pandemic;

WHEREAS, the two-year MEHKO pilot program also (a) provided the County and the cities the opportunity to assess the benefits of permitting MEHKOs throughout the County before adopting a longer term or permanent ordinance, and (b) provided

data to help determine long-term staffing needs and estimated costs for a longer term or permanent MEHKO permitting program; and

WHEREAS, in connection with the MEHKO pilot program, the Board allocated \$238,000 in American Rescue Plan Act (“ARPA”) funds to benefit the negatively impacted food service industry by ensuring that administrative costs incurred by EHS in issuing MEHKO permits will not be passed onto the permit holder in the form of application fees or annual permit fees during the pilot program; and

WHEREAS, the two-year permit program is expiring on September 30, 2023, and the Board has passed an ordinance authorizing EHS to administer a permanent MEHKO permitting program;

WHEREAS, of the \$238,000 allocated to the MEHKO pilot program, \$92,000 remains unused; and

WHEREAS, the Board seeks to allocate up to \$92,000 to continue providing relief for eligible MEHKO businesses consistent with its pilot program relief and in accordance with ARPA;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that an amount not to exceed \$92,000 in federal American Rescue Plan Act funds shall be allocated to the extent eligible and available, or other funds as determined by the County Executive, to the Environmental Health Services Division (“EHS”) of San Mateo County Health to cover the fees, and other eligible costs, of Microenterprise Home

Kitchen Operations (“MEHKO”), for one year and two months under the county’s permitting program; and

BE IT FURTHER RESOLVED that EHS is authorized to administer a program to allocate such funds to cover fees, and other eligible costs, associated with the County’s MEHKO permitting program.