

PROPOSED PASADENA MUNICIPAL CODE AMENDMENTS TO ESTABLISH A PILOT MICROENTERPRISE HOME KITCHEN OPERATION (MEHKO) PROGRAM

**City Council Item No. 11
September 15, 2026**





Background

Public Health Department

- **MicroEnterprise Home Kitchen Operations (MEHKO)** information presented to Economic Development & Technology (EDTech) Committee in September 2025
 - > Committee requested staff explore establishing a pilot program and return to the Committee
- EDTech approved staff recommendation to establish a two-year pilot MEHKO program in March 2026



Background

Public Health Department

- In 2019, state of California amended CA Health & Safety Code 114367
 - > Allows Microenterprise Home Kitchen Operation (MEHKO), a new type of retail food facility
 - > Cities and counties with their own local health jurisdiction have the **option** to authorize MEHKOs
 - > Authorization by ordinance or resolution is required
 - > If authorized, the MEHKO program would apply to all areas of the City



MEHKO Summary

Public Health Department

- MEHKO: small-scale restaurant operated in a home
 - > Operated only by a resident in their own home
 - > Food must be made and served on the same day
 - > Food has to be sold or donated directly to a customer for onsite consumption, pickup, or delivery
 - > Cannot operate as a caterer or temporary food vendor
 - > Cannot operate as a cottage food facility unless they register or obtain a separate Health Permit



MEHKO Summary

Public Health Department

- What can be sold?
 - > Individual food items and full meals (everything from appetizers to dessert) are allowed
 - > Alcohol can be served, with a Department of Alcoholic Beverage Control (ABC) license
 - > No production, service, or sale of raw milk products
 - > No raw bottled juice, oysters, or specialized food preparation processes



MEHKO Summary

Public Health Department

- State exemptions and restrictions
 - > Exempt from plan review and most food facility requirements
 - > Any residential dwelling can operate a MEHKO (including rental/privately owned SFR, apartment, condo, etc.)
 - > Cities can not require rezoning, levy of any fees, or impose any other restrictions on MEHKO operations
 - > No change in occupancy for purposes of State Housing Law, State Uniform Building Standards Code, or local building and fire codes



MEHKO Summary

Public Health Department

- Only one MEHKO per residence
 - > 30 max meals per day/90 max meals per week
 - > \$110,442* max annual gross sales cap
 - > Sales cap adjusts annually by CPI
- MEHKO with a commissary may store up to two food carts onsite
- No exterior advertising signage allowed
- Must comply with local noise ordinance



Potential Economic Development Benefits

Public Health Department

- Lower-barrier pathway for micro-entrepreneurs
- Opportunity for individuals seeking to transition their operations to permitted status
- Possible increase to household income
- Stimulate local economy and job creation
- Support food security and access
- Act as an incubator for larger food businesses
- Diversify local food scene



Permit Requirements

Public Health Department

- State law requires MEHKO operators to satisfy the following requirements:
 - > Obtain a Food Safety Certificate
 - > Submit a Health Permit application
 - > Submit standard operating procedures (SOPs) detailing food types, preparation methods, cleaning schedules, and operating hours
 - > Successfully pass an inspection



MEHKOs in California

Public Health Department

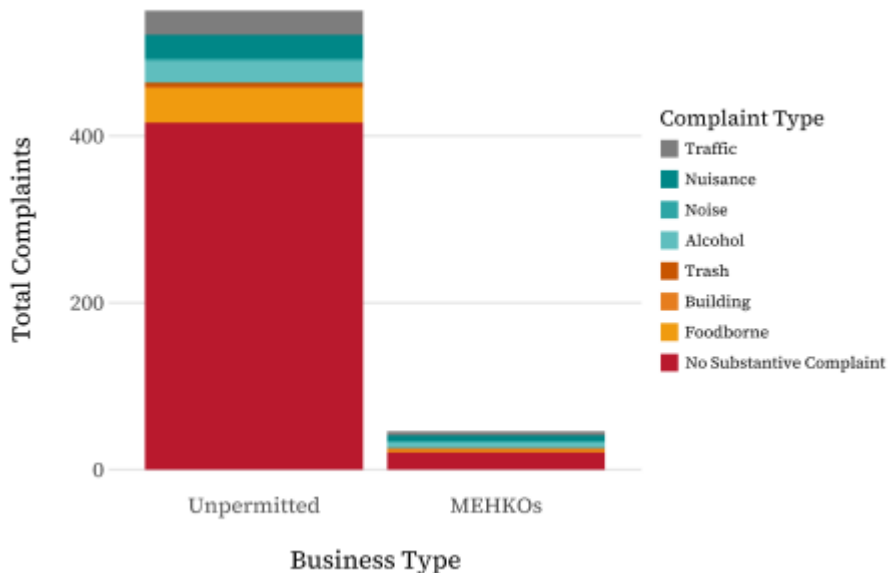
- **19 local health jurisdictions** have authorized MEHKOs including:
 - > Los Angeles (2024), Long Beach (2026), Riverside (2019), Santa Barbara (2021), and San Diego (2022)
 - > 17 counties and the cities of Long Beach and Berkeley
 - > 5 of 18 launched as pilot programs
- **1,200+ MEHKO permits** issued across the state



MEHKOs in California

Public Health Department

- Statewide review of permitting agency complaint data
 - > 606 unpermitted vendor complaints
 - > 32 MEHKO complaints



Source: The Home Kitchen Pathway, A Data-Driven Review of California's MEHKO Program; Cook Alliance. [Research Report — The COOK Alliance](#) Accessed February 25, 2026.



MEHKOs in California

Public Health Department

- Additional complaint data
 - > 97% of MEHKO permitted operations in state have not had a complaint unrelated to food concerns
 - > Two foodborne illness complaints from 2019 to 2024

Source: The Home Kitchen Pathway, A Data-Driven Review of California's MEHKO Program; Cook Alliance. [Research Report — The COOK Alliance](#) Accessed February 25, 2026.



MEHKOs in California

Public Health Department

- Additional data
 - > 79% of operators are from communities of color
 - > 70% of operators are women
 - > 73% of operators shared that MEHKOs offer financial stability, work-life balance, and stronger community ties

Source: The Home Kitchen Pathway, A Data-Driven Review of California's MEHKO Program; Cook Alliance. [Research Report — The COOK Alliance](#) Accessed February 25, 2026.



MEHKOs in Los Angeles County

Public Health Department

- 220 MEHKO Permits issued in LA County
- MEHKO permits in neighboring cities
 - > Los Angeles: 66
 - > Burbank: 4
 - > Arcadia: 2
 - > La Canada Flintridge: 1
 - > Montrose: 1
 - > South Pasadena: 1



Role of Pasadena Public Health

Public Health Department

- If approved, Public Health Department would:
 - > Develop guidance materials for potential operators
 - > Review Health Permit applications
 - > Perform initial and annual public health inspections
 - > Conduct public health complaint investigations
 - > Provide food safety education and technical assistance
 - > Support transition of unpermitted operations to regulatory oversight



Role of Pasadena Public Health

Public Health Department

- Pathway for MEHKO Permitting
 - > Operators submit Food Safety Certificate, Health Permit application, Proposed Menu, and Standard Operating Procedures
 - > Operators pay Health Permit application Fee
 - > PPHD conducts initial inspection
 - > PPHD issues Health Permit upon successful inspection
 - > After successfully completing an annual inspection, PPHD issues Health Permit renewal



Role of Pasadena Public Health

Public Health Department

- Staff Allocation
 - > Assign dedicated personnel for application review, inspections, data collection, and enforcement activities
- Training
 - > Ensure staff are trained in MEHKO regulations and inspection procedures
- Database Management
 - > Adapt permitting system to track applications, permits issued, inspection results, and compliance status



Other Enforcement

Public Health Department

- Other City departments would respond to relevant complaints
 - > Noise concerns and other municipal regulations
 - > Litter and Fats/Oils/Grease disposal
 - > Sidewalk vending enforcement
 - > Traffic and parking enforcement
 - > Business license



Cost of Additional City Services

Public Health Department

- Public Health
 - > Fees would be designed to recover permitting costs but unrecoverable costs are expected for unpermitted operations enforcement and data collection
 - > Year 1 costs: \$150K/Year 2 costs: \$75K
- Other city departments
 - > Related costs are unknown at this time
 - > Any potential increases in service costs will be reflected in the annual budget process



MEHKO Pilot Program

Public Health Department

- Prepare ordinance to establish a two-year pilot program authorizing MEHKO in the City of Pasadena
 - > Align with state law
 - Max 30 meals per day and 90 meals per week
 - Max annual gross sales cap of \$ 110,442, which will be adjusted annually by CPI
 - > Collect data necessary for City Council to assess if continuation of the program after two years is desired
- Prepare Public Health Department budget amendment to support cost of launching pilot program



Recommendations

Public Health Department

- Find that the proposed project is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3) (common sense exemption) and categorically exempt pursuant to Section 15301 (Class 1, Existing Facilities), and there are no features that distinguish the project from others in the exempt classes, and therefore, there are no unusual circumstances, and no other exception to the exemption applies; and



Recommendations

Public Health Department

- Direct the City Attorney to prepare an ordinance within 60 days amending Title 8 of the Pasadena Municipal Code to establish a pilot Microenterprise Home Kitchen Operation (MEHKO) Program for two years.