Permits, Licenses and Regulations for Agriculture

Entrepreneurial Farm Business Intensive
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University of California
Agriculture and Natural Resources

Healthy Food Systems • Healthy Environments • Healthy Communities • Healthy Californians
Overview

1. Regulatory Agencies

2. Zoning

3. Permits, Licenses & Regulations for:
   • Produce
   • Processing
   • Eggs & Meat
   • Diary & Milk
   • On-farm Retail Sales

4. Questions & Answers
Permits, Licenses & Regulations depend on...

Where you farm...
city, county, state

Which zone you're in...
ag zone, coastal zone, residential zone

How you want to farm...
organic or conventional

What you produce...
Fresh produce, processed produce, eggs, meat, fluid milk, processed diary products

Where you want to sell...
Direct (farm stand, CSA, farmers market) or indirect (wholesale to restaurants, institutions, grocery stores)
# County Agencies

<table>
<thead>
<tr>
<th>Section</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Agriculture</strong></td>
<td>Ag Commissioner, organic registration; weighing and measuring devices; certified producer certificates (to allow selling at farmers markets); proper labeling (produce)</td>
</tr>
<tr>
<td><strong>Planning &amp; Building</strong></td>
<td>Land use permits, Building, Water Resources; check with city planning if your operation is within city limits.</td>
</tr>
<tr>
<td><strong>Environmental Health</strong></td>
<td>Health codes for food safety, public water supply, septic systems and waste disposal; issues Retail Food Facility and Cottage Food permits; dairies; state small water systems</td>
</tr>
<tr>
<td><strong>Recorder</strong></td>
<td>Fictitious Business Name Statement-required if surname or owner name is not part of the business name</td>
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</tbody>
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### Regional Agencies

| ![Northern Sonoma County Air Pollution Control District](logo.png) | Burn permits, air quality permits. Sonoma County districts include [Northern Sonoma County](#) and [Bay Area](#). Check the maps to determine your district. |
| ![Bay Area Air Quality Management District](logo.png) | Above ground waste management (i.e. pond, irrigation) – approves plans and issues permits (and waivers). Sonoma County districts include: [Bay Area](#) (southern part of the county) and [North Coast](#) (majority of county) |

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- **Healthy Food Systems**
- **Healthy Environments**
- **Healthy Communities**
- **Healthy Californians**
<table>
<thead>
<tr>
<th>State Agencies</th>
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<tbody>
<tr>
<td><strong>State Agencies</strong></td>
</tr>
<tr>
<td><strong>Milk processing permits (i.e. cheese, yogurt, ice cream, etc);</strong></td>
</tr>
<tr>
<td>raw shell egg permits and labels;</td>
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<tr>
<td>state licensed meat facilities;</td>
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<tr>
<td>organic registration;</td>
</tr>
<tr>
<td>CSA registration</td>
</tr>
<tr>
<td><strong>Enforces health and safety code. Permits and inspects wholesale</strong></td>
</tr>
<tr>
<td>food processing facilities – Processed Food Registration and Cannery</td>
</tr>
<tr>
<td>operations; public water systems</td>
</tr>
<tr>
<td><strong>Employee State-Tax Registration – required if you have employees</strong></td>
</tr>
<tr>
<td><strong>Occupational health and safety – employers must have a health</strong></td>
</tr>
<tr>
<td><strong>and safety plan.</strong></td>
</tr>
<tr>
<td><strong>Liquor licenses to make and/or sell alcohol</strong></td>
</tr>
</tbody>
</table>
## Federal Agencies

<table>
<thead>
<tr>
<th>Agency</th>
<th>Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>IRS</strong></td>
<td>Tax ID Number (TIN) for the business; Employer Identification Number (EIN): required if you have employees and the business doesn’t have a TIN.</td>
</tr>
<tr>
<td><strong>USDA</strong></td>
<td>Animal harvest &amp; meat processing and labeling of meat and poultry products</td>
</tr>
<tr>
<td><strong>FDA</strong></td>
<td>Companies that manufacture, process, pack, or store food, beverages, or dietary supplements must register with FDA.</td>
</tr>
</tbody>
</table>
Know Your Zone!

Every parcel is assigned a zone
• e.g. agricultural, industrial, residential zone

All zones allow and restrict particular activities
• e.g. you cannot raise livestock in a high density residential zone and you cannot build high rise condos on ag zoned land

Find your zone at your county planning department
• Marin: marincounty.org/depts/cd/divisions/planning/zoning-and-general-plan-lookup
• Mendocino: co.mendocino.ca.us/cgi-bin/zone.pl
• Napa: countyofnapa.org/planning/
• Solono: co.solano.ca.us/depts/rm/planning/zoning_maps.asp
• Sonoma: sonoma-county.org/prmd/activemap/index.htm
• Yolo: etrakit.yolocounty.org/etrakit/
Marco has an unexpected bumper crop. He is wondering what to do with all that excess produce, and decides he wants to sell it. 

What permits, licenses, or regulations apply?
Selling Fresh Fruits & Vegetables

• To ensure produce sold to the public is safe to eat, the California Retail Food Code requires retail food facilities to obtain food from "approved sources."

• Approved source rules apply to farm produce grown in any zone.

• There are a number of ways for producers to become an approved source.

• New law, AB 1990 Food Production, may make it easier.
How to become an Approved Source

1. County Approved Source Program
2. Certified Producer’s Certificate
3. Operator Identification Number
4. Registered/Certified Organic
5. Community Supported Agriculture (CSA)
County Approved Source Programs

Allow you to sell or donate your produce to any party (e.g. grocery stores, restaurants, schools, foodbanks, cottage food operations)

• Online registration
  • Mendocino: co.mendocino.ca.us/agriculture/approvedSource.htm
  • Napa: countyofnapa.org/DEM/GardenApplication/
  • Sonoma: sonoma-county.org/agcomm/produce_gardener/

• Annual registration – FREE
• Agree to Best Management Practices
• List all the produce you plan to grow
• Present the certificate to parties that require it
After good success as an Approved Produce Gardener with Sonoma County, Marco decides he likes growing and selling produce! His business is good! And he even has enough produce to sell at a farmstand on his property. What permits, licenses, or regulations apply?
Selling Produce at the Farm

Farm Stand Sales on Ag Zoned land:

<table>
<thead>
<tr>
<th>Type</th>
<th>Health Permit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farmstand (produce only)</td>
<td>None</td>
</tr>
<tr>
<td>Farmstand with &lt;=50’ of non-potentially</td>
<td>Retail Food Facility</td>
</tr>
<tr>
<td>hazardous foods and/or sampling</td>
<td>Sonoma: level 1 from DHS</td>
</tr>
<tr>
<td></td>
<td>~$100/year</td>
</tr>
</tbody>
</table>

Non-potentially hazardous foods = shelf stable products such as:
- Bottled water and sodas
- Packaged snack food
- Cottage Food products
Now Marco wants to scale up and take his business on the road to sell at Certified Farmers Markets. What permits, licenses, or regulations apply?
Certified Producer Certificate (CPC)

Required to sell at Certified Farmers Markets: issued by the county agricultural department

- Report all the produce you grow – additions are allowed throughout the year
- Subject to annual inspection
- Annual renewal fee

- Mendocino: co.mendocino.ca.us/agriculture/cfm.htm
- Napa: countyofnapa.org/AgCommissioner/DirectMarketing/
- Solano: co.solano.ca.us/depts/agriculture/agriculture/fruit_vegetable_n_egg_quality_control/certified_farmers_markets_n_certified_producers.asp
- Sonoma: sonoma-county.org/agcomm/cert_farmers_mkts.htm
- Yolo: obtain application at the Ag Commissioners office
Selling by the Pound

Scales used for commercial use:

- Must be type approved for commercial use.
- Registered with your county Weights and Measures office (Department of Ag)
- Tested and certified annually
- Annual renewal fee
- Additional info: 
  [ucanr.edu/sites/CESonomaAgOmbuds/Selling_by_the_Pound/](ucanr.edu/sites/CESonomaAgOmbuds/Selling_by_the_Pound/)
Marco finds that pests are quite a nuisance! For the first time, he decides he wants to spay pesticides. What permits, licenses, or regulations apply?
Operator Identification Number

Required for anyone using pesticides on farm crops; register with county Agricultural Commissioner’s Office.

• Register
• Training
• Annual fees
Marco finds that his farmers market customers prefer buying Organic strawberries. Marco decides to transition to Organic.

What permits, licenses, or regulations apply?
Organic Transition and Record Keeping

• Transition period: 36 months
  Must use and document organic practices

• Record keeping required of ALL organic farms
  Keep a farm diary with all activities done including:
    • Dates of ALL activities – planting, weeding, thinning, purchasing, etc
    • Include when, where, why, who, what
    • Invoices and receipts
Organic Registration and Certification

Online application at California Department of Food & Agriculture
https://organic.cdfa.ca.gov/OrganicReg/

- **Registered Organic:**
  - Up to $5000 in annual sales of organic produce
  - Self reporting; subject to annual inspection
  - All organic farms are registered

- **Certified Organic:**
  - Sales over $5000 annually
  - Third party certified
    i.e. California Certified Organic Farmers (CCOF), Marin Organic Certified Ag (MOCA)
Nancy has an apple orchard and decides to hold back some of the apples to start making and selling dried apples. What permits, licenses, or regulations apply?
Cottage Food Operation

Allows you to make certain non-potentially hazards (shelf-stable) food products in your home kitchen.

- Review list of approved cottage foods
- Class A (direct) or Class B (direct and indirect)
- Obtain CFO permit from County Environmental Health
- Must use home kitchen
- Complete Food Handler training
- Maximum annual gross sales $50,000
Dried apple business is doing well, but Nancy would really like to make apple sauce. Apple sauce is not on the list of allowable cottage foods. What can Nancy do?

What permits, licenses, or regulations apply?
Licensed Commercial Kitchen

Allows you the option to make more food products; plus no maximum income limit and no restrictions on where the product can be sold.

- Licensed by California Department of Public Health
- Community centers, churches, granges
- Restaurant kitchens are also acceptable (they are regulated by the county environmental health department)
- Food Handlers Card required for anyone working with food
Nancy’s value-add line is doing great and she decides to use a co-packer. What permits, licenses, or regulations apply?
Co-Packer

The co-packer makes, bottles and labels the product for you.

- Licensed by California Department of Public Health
- May be a licensed cannery – allowing for low acid foods (i.e. low acid juices, mustards and canned fruits)
- Learn more at the next session with Merrilee Olson
Emily and David have many laying hens and wants to sell eggs, produced on the farm, at their farm stand. **What permits, licenses, or regulations apply?**
Egg Handler Registration

Allows you to sell eggs within the state of California.

- Register with California Department of Food & Agriculture
- Registration Fee:
  - $56 through December 31, 2014
  - $75 starting January 1, 2015
- Annual renewal: $50
- Grading, labeling and handling requirements
  [ucanr.edu/sites/CESonomaAgOmbuds/Selling_Fresh_Eggs/](ucanr.edu/sites/CESonomaAgOmbuds/Selling_Fresh_Eggs/)
Customers are asking Emily and David for pasture raised chickens for their dinner table. What permits, licenses, or regulations apply?
## Poultry Processing

<table>
<thead>
<tr>
<th></th>
<th>Plant</th>
<th>On-farm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspection level</td>
<td>USDA Inspected Plant</td>
<td>Exempt from Inspection Requirements of the Poultry Products Inspection Act</td>
</tr>
<tr>
<td>Obstacles</td>
<td>Closest processors are in Sacramento and Stockton</td>
<td>Must obtain a Use Permit from PRMD</td>
</tr>
<tr>
<td>Cost</td>
<td>~200 per trip to make it cost effective (from Sonoma County)</td>
<td>Sonoma: Cost is prohibitive ~$15,000</td>
</tr>
<tr>
<td>Marketing</td>
<td>Can sell the meat anywhere</td>
<td>Can only sell the meat direct to customers – no markets, institutions or restaurants</td>
</tr>
<tr>
<td>Limits</td>
<td>No limit to number of birds processed per year</td>
<td>Maximum limit of 20,000 chickens processed per year</td>
</tr>
</tbody>
</table>
Now their customers are also asking for pasture raised beef for their dinner table. What permits, licenses, or regulations apply?
Meat Processing

Livestock must be harvested and cut & wrapped at a USDA facility

- Process on the farm for sale to customers is not legal
- When processed USDA, no restrictions on sale of meat
- On-farm storage requires USDA Meat & Poultry Handler Registration:
  - Free
  - Complete online application
  - Subject to inspection

- ucanr.edu/sites/CESonomaAgOmbuds/Selling_Meat/

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Dairy Operation

The Sheldons just purchased some farmland and can now pursue their lifelong dream of having a dairy. What permits, licenses, or regulations apply?
Starting a Dairy

• Contact the County Dairy Inspector or Ag Ombudsman to learn the requirements to become a graded dairy
  • Sonoma: Kathleen Haase 565-6536
  • Solono & Yolo: Michelle Stephens 530-863-9073

• Decide on a Grade:
  • B – cheese and ice cream only
  • A – fluid, yogurt, butter and so on
The Sheldons learn that their ancestors made cheese! They visit the homeland to learn how to make cheese so that they can start making and selling this delicious cheese. The Sheldons decide a small building on the farm will be perfect.

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What permits, licenses, or regulations apply?
Ag Processing - Zoning & Use Permits

 Depends on your County – check with your Ag Ombudsman or the planning department

 Sonoma: Small-scale agriculture processing is allowed on all ag zoned lands with a Zoning Permit

- Small-scale:
  - 2 to <5 acres up to 3,000 sq ft; 5+ acres up to 5,000 sq ft
  - Larger requires Use Permit

- One time fee of around $600

- Water supply must be adequate

- Waste plan must be approved by Water Board if using above ground waste disposal (ponds)
Ag Processing - Building Permits

Building permits required:
• Plumbing and electrical work
• Roofing
• Structural changes to existing buildings
• Construction of new buildings
• Operations that will include non-family members
• Sprinklers will be required on most buildings >680 sq ft

Sonoma: Small-scale, *family run* operations do not need to bring a building to ‘code’ when using an existing building on a farm where the residence is located.
Ag Processing - License to Make Cheese

Milk must come from a Grade A or Grade B dairy

- The milk processing facility must be inspected and approved by California Department of Agriculture, Milk & Dairy Food Safety
- Milk Products Plant License
- Plans must be approved by CDFA Dairy Inspector prior to construction
- Annual renewal: $100 + $1 per $10k lbs over $100k
- Contact: CDFA Milk & Dairy Food Safety Branch, Alameda County, 510-622-4810
cdfa.ca.gov/dairy/index.html
The Sheldon’s customers want to visit the operation and purchase cheese on the farm. They decide to open a cheese tasting room. What permits, licenses, or regulations apply?
On Farm Retail Sales - Land Use Permits

Check with your county planning department or ag ombudsman to determine the land use permitting requirements.

Sonoma: Small Scale on-farm retail sales are allowed with a zoning permit:

• Small-scale = 500 sq feet maximum (larger requires Use Permit)
• One time fee of around $600
• 90% of floor space for products made/grown on-site or property controlled by owner
• Hours of operation: 10am to 6pm
• Sale of processed meat or dairy products is allowed

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On Farm Retail Sales - Health Permits

Check with your county environmental health and building departments or ag ombudsman to determine the permitting requirements.

- Retail Food Facility permit required
- Environmental health will need to approve plans
- Building permits will be required
- Accessibility standards will be required for parking, entrance, countertops and restroom facilities

- Sonoma: ucanr.edu/sites/CESonomaAgOmbuds/On-Farm_Retail_Sales/
Questions?

Marin County:
Lisa Bush
Agricultural Ombudsman
UCCE Marin County
lisab@sonic.net
ucanr.edu/growninmarin

Sonoma County:
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Klgiov@ucanr.edu
ucanr.edu/agombuds

Solono & Yolo County
Michelle Stephens
Farmbudsman
michelleelinstephens@gmail.com

...Or contact the appropriate agency directly. They are there to help!
Thank you!

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