



City of Colusa California

STAFF REPORT

DATE: November 4, 2025

TO: City Council – Public Hearing to Amend the Colusa Municipal Code to create a Home Occupation Regulations - Ordinance

FROM: Jake Morley, Planning Consultant

AGENDA ITEM: City Council to hold a public hearing and introduce and conduct the first reading by title only, Ordinance entitled “An Ordinance of the City Council of the City of Colusa adding Appendix A – Article 50 – Home Occupancy Permit and finding the Ordinance Exempt from the California Environmental Quality Act”

Recommendation: The Planning Commission and Staff recommends that the City Council hold a public hearing on the proposed Ordinance amendment (**Attachment 1**) and introduce the Ordinance by reading its title only:

Ordinance of the City Council of the City of Colusa Adding Appendix A - Article 50 – Home Occupation Permit to the Colusa Municipal Code

BACKGROUND AND ANALYSIS:

Currently the Colusa Municipal Code (CMC) permits a Home Occupation Permit (HOP) in any residential zoning district, subject to the issuance of a minor use permit. A minor use permit is a discretionary action that is heard by the Planning Director (City Manager). Such a permit requires a public notice hearing, notice mailed to all properties within 300 feet of the HOP, the submittal of a project description, application, fee, and the creation of a staff report and supporting documents.

Being a discretionary process, the request is also subject to the California Environmental Quality Act (CEQA), which also means approvals could be subject to CEQA lawsuits, a costly and time-consuming process that would be the responsibility of the city to defend.

Staff recommend that the CMC be amended to remove the minor use permit process and include administrative standards that ensure residential zoned district continue to retain their residential integrity.

The proposed amendments to the CMC would remove the public hearing requirement and the subsequent CEQA review. The intent of addition of the HOP code would strive to maintain neighborhood integrity by limiting the number of vehicles, parking, excessive trips

etc. while also encouraging an economic foundation. It should be noted that existing HOPs that were issued under the previous provisions will remain valid, while the new requirements for an permit are a onetime issuance and runs with the business at the specified location noted during permit issuance.

The amendment to the CMC will also include the addition of Cottage Food operation, which pursuant to Assembly Bill (AB) 1616, adopted in 2012, created a new category of food enterprises which permit food businesses that can use a home kitchen for processing food for sale to the public. Under the current CMC, cottage food operations are currently not addressed

Planning Commission

On October 1 2025, Planning Commission recommended approval (5 yes, 0 no) to the City Council to adopt the proposed ordinance, with modifications, which are underlined as additions or ~~striketrough~~ as language to be removed (see draft Ordinance) and to found the Colusa Municipal Code amendments exempt from the California Environmental Quality Act (CEQA).

The commission asked for additional clarity for the public to ensure that businesses, such as large family day care, are aware that there are other applicable provisions to secure a permit. Language was removed that the commission felt was redundant or in that other CMC sections already covered.

GENERAL PLAN:

The following General Plan Goals, Policies and Actions are appliable to the project:

Goal LU-8: To provide a variety of high-quality residential developments and neighborhoods for all income groups.

Goal LU-10: To promote an expanding and increasingly diversified local economy that will meet the employment needs of local residents and strengthen the local tax base.

Policy LU-10.1: The City shall make every effort to attract new jobs-producing businesses that will maximize economic benefits to current and new residents and businesses.

Goal CCD-1: To ensure the preservation and enhancement of Colusa's unique community character and vitality within its neighborhoods and business districts.

Policy CCD-4.2: The City shall encourage a combination of uses in the Downtown to include retail, office, and entertainment uses (e.g., movie and performing arts theaters) that serve the daily and occasional needs of residents.

FINDINGS

The required findings for adopting the Ordinance and CEQA Exemption are found within the Ordinance (**Attachment 1**).

PUBLIC CONTACT AND ENVIRONMENTAL REVIEW

A 20-day public hearing notice was published in the Pioneer Review on October 10, 2025 and a notice was also placed at the planning counter. The Ordinance amendment has been determined exempt pursuant to the California Environmental Quality Act Section 15060(c)(2) and 15061(b)(3), which states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. As a Municipal Code text amendment, it can be seen with certainty that the proposed action may result in a significant effect on the environment, and the proposed revisions to the Municipal Code are exempt from further review under CEQA

BUDGET IMPACT

None Expected

ATTACHMENT

1. Ordinance of the City Council – Appendix A - Article 50 – Home Occupation Permit