

City of Maple Ridge

TO: Her Worship Mayor Nicole Read
and Members of Council
FROM: Chief Administrative Officer
MEETING DATE: March 6, 2017
FILE NO:
ATTN: Workshop
SUBJECT: Home Based Business Review Update and Proposed Consultation Program

EXECUTIVE SUMMARY:

In 2014, Council directed the Planning Department to review home occupation regulations as an outcome of the Commercial Industrial Strategy with the following resolution:

That the regulations for home occupation businesses be reviewed.

Following that resolution, the Planning, Economic Development and Licences, Permits and Bylaws Departments have been working in collaboration and a Home Based Business Task Force was established. The intent of the home based business review is to look at ways to update, modernize and improve regulations to better facilitate existing home based businesses and provide greater opportunities for expanding home based business in the City while balancing the needs of the communities in which these businesses exist. The review also seeks to examine City initiatives and services that might foster growth of home based businesses and transition these businesses from the home to storefronts in the community.

This report updates Council on the work that has been completed to date regarding home based businesses, outlines proposed regulatory changes and seeks endorsement on a consultation program.

RECOMMENDATION:

That the “Proposed Consultation Program” section of the report titled “Home Based Business Review Update and Proposed Consultation Program”, dated March 6, 2017 be endorsed.

BACKGROUND:

Home Based Business in Maple Ridge:

In Maple Ridge, a home based business is an operation where a resident carries on a commercial enterprise in the home. There are currently 1,472 licensed home based businesses (City of Maple Ridge Business License Data, 2015). This accounts for 35% of all business licenses in the City and up to 2,900 people who either own or are employed by a home based business, making home based businesses a successful and important part of the City’s economy. While home based business has the potential to grow from small to larger operations, thereby creating jobs and investment in the community, the number of home based businesses in Maple Ridge has remained consistent over the past 10 years with some minor fluctuation and a general upward trend.

The most common type of businesses operating out of the home in Maple Ridge are:

- contractors (e.g. landscaping, trades);
- home and industry services (e.g. cleaning, appliance repair);
- business services (e.g. advertising, administrative);
- community care (primarily home day cares), and;
- education & instruction.

Anticipated future growth areas for local home based businesses include:

- Food and Beverage Services (e.g. catering, bakery);
- Engineering, Science & Technology and Professional Services (e.g. accountant, architect);
- Photography and film (e.g. photo supplies, finishing, production), and;
- Real Estate.

Existing Policy and Regulatory Framework:

Official Community Plan:

Home based business is recognized within the City's Official Community Plan (OCP) policy framework and is supported by the OCP's Section 6.52 Home Based Business, and Policy 6-57, as outlined below:

Policy 6-57 Maple Ridge will support home based businesses as important contributors to the economy, and will facilitate the growth of this sector by reviewing the Zoning Bylaw to incorporate regulations that support and promote home based businesses, and by adopting performance based criteria that minimizes the impacts of home based businesses on its surroundings.

Zoning Bylaw:

Home Occupation is defined as a *business accessory to the use of a dwelling unit or to the residential use of a lot occupied by a dwelling*. This use is permitted as an accessory use in all residential zones. Section 402 of the Zoning Bylaw's General Regulations provides the framework that governs home based business in Maple Ridge. See Appendix A for the existing Section 402 in its entirety.

Commercial Industrial Strategy:

Between 2011 and 2014, the City was engaged in the development of a Commercial Industrial Strategy. In total, nineteen resolutions related to the Strategy were passed by Council between November, 2011 and August, 2014. A review of the regulations for home based businesses was a part of this Strategy, as outlined in the following January 2014 Council Resolution:

That the regulations for home occupation businesses be reviewed.

Additionally, immediate action items were outlined in the Commercial Industrial Strategy Implementation Plan: *Expand permitted uses for home based businesses. To promote Maple Ridge as home based business friendly, building on past success.*

Work to Date:

In 2015, following Council's resolution that the regulations for home based businesses be reviewed, staff undertook the following as a means of identifying the potential areas where regulatory revisions might occur.

- **Background Review:**
 - reviewed past Council Reports related to Commercial Industrial Strategy work and items specific to home based business;
 - reviewed Commercial Industrial Strategy (2014) including implementation plan, and targets.
- **Policy Research:**
 - reviewed current regulations, identified key issues, gaps and opportunities;
 - reviewed policy re: home based business in several comparable lower mainland municipalities identifying best regulatory practices.
- **Internal Meetings with Economic Development and Licenses, Permits & Bylaws Departments:**
 - met with two key departments that work closely with home based businesses to identify current issues and public requests, complaints, etc.;
 - obtained departmental feedback and suggestions.
- **GIS/Mapping and Home Based Business Profile for Maple Ridge:**
 - identified current number and location of home based businesses in Maple Ridge;
 - summarized review of business types, size, number of employees, etc.
- **Draft discussion paper:**
 - compiled research into a discussion paper to facilitate dialogue with the pending task force, representing existing home based business interests and perspectives, towards reviewing home based business procedures and opportunities.

In 2016, the Economic Development Committee was transitioned into three task forces to reflect key directions for the Economic Development Department: Tourism, Technology, and Home Based Business. The Home Based Business Task Force (HBB Task Force) began meeting in the summer of 2016. Since that time, the Task Force has identified three components to address for home based business: regulations, communication, and process. Given the regulatory stream, Planning attended the six Task Force meetings held throughout 2016 and early 2017, circulated the earlier prepared home based business discussion paper and reviewed current and possible new zoning regulations with the HBB Task Force for feedback.

DISCUSSION:

The remainder of this report presents the outcomes from the background research and ensuing discussions with the HBB Task Force, towards identifying possible areas where the City's Zoning Bylaw might be revised to better facilitate home based businesses.

It is also noted that additional reports to Council regarding the work of the HBB Task Force in regards to the communication and process components will be forthcoming through the Economic Development Department.

Potential Changes to Zoning Bylaw Identified to Date:

The following are potential changes to the Zoning Bylaw related to the home based business regulations in the Zoning Bylaw that have been identified to date:

Location and Size of Home Based Businesses:

Home based businesses are currently required to be contained within a dwelling unit, with only a few zones that permit the use in an accessory building. This provision is proposed to be changed to permit home based businesses in either the dwelling unit or an accessory building, in all of the zones where the use is permitted. A dwelling unit may include the principal home, a secondary suite, or a detached garden suite. An accessory building may include a workshop or shed.

The HBB Task Force also identified a challenge with the existing amount of area within a dwelling unit permitted for home based businesses, which is 20% of the gross floor area up to 50 m² (538 ft²). For home based businesses in smaller dwelling units, such as apartment units, a 20% maximum can be limiting. Under the proposed revisions, the maximum area will be increased to 30% for multi-family dwelling units and single family homes on lots less than 1,200 m² in area up to 50 m² (538 ft²). In recognition that larger single family lots have more space to allocated for home businesses without disrupting the residential character of a neighbourhood, single family lots over 1,200 m² are proposed to be permitted up to 45% of the gross floor area up to 100 m² (1,076 ft²). Under existing regulations (and intended to be retained), each dwelling unit on a lot is entitled to the same space allocation for a home based business use. As well, it is noted that operations such as family daycares (8 or less children in care), which are licensed under the Community Care and Assisted Living Act, would be exempt from such size limitations.

Expanded Uses:

The range of permitted home based business uses is proposed to be expanded to allow office and non-medical professional services uses that involve up to ten visits from clients per day. Under the current regulations, office uses that generated regular visits from clients were a prohibited home business use, and the regulations did not address professional services. Tutoring and lesson uses are proposed to have an additional four patrons per day, from six to ten. Other new or previously limited uses such as hair dressing; dog grooming; and online, telephone, mail order and other general sales where customers enter the premises to purchase or take possession of goods, are proposed to be permitted under the draft regulations on single family lots greater than 1,200 m² in area.

As identified in the Interdepartmental Implications section of this report, staff across the various departments has different opinions about the proposed expanded range of client trips generated by a home based business, citing concerns about neighbourhood impacts. However, staff do feel consideration of all options is warranted at this time, especially in light of the opportunity to include wider community input and comments.

Additional Employees and Signage:

Further home based business zoning changes include increasing the number of non-resident employees from one to two, provided that an off-street parking space is provided for each employee. Lastly, the number of signs is proposed to increase to three for single family lots 1,200 m² or larger in area, and two for single family lots less than 1,200 m². Home based business signage for multi-family dwelling units will not be permitted in the revised regulations.

New Definitions:

Three new definitions are proposed to clarify home based business regulations: employee, regular visits, and accessory building. These definitions will alleviate confusion and create clarity for the home occupation regulations.

PROPOSED CONSULTATION PROGRAM:

The proposed regulatory changes outlined above draws to a close the initial phases of the home based business regulatory review process. The next phase is intended to discuss the findings with the community to determine if the changes are sound; to identify additional issues; and to fine-tune proposed bylaw amendments.



Prior to preparing formal bylaw amendments for the proposed home based business regulations, wider-community feedback is desired. The consultation process brought forward for Council endorsement includes hosting a public open house that will be advertised in the newspaper and via social media. In addition a questionnaire will be utilized to obtain feedback on the proposed Zoning Bylaw changes. Other forms of distribution for the questionnaire will include the City website and social media platforms, as well as hard copies at the public open house.

In addition to the wider community outreach, staff also suggest connecting with existing home based business owners to increase awareness of the proposed changes and seek input from interested owners. The City collects email address through the home occupation licensing process, although this information is not mandatory. City records indicate that there are approximately 537 current home based business owners that have volunteered their email addresses. These businesses, along with the HBB Task Force, will be directly invited to attend the public open house and provided a link to the online questionnaire.

Following the engagement with the community, Council will gain a summary of the consultation feedback as the process enters its final stages, and determine whether staff should be directed to bring forward Zoning Bylaw amendments.

It is also reiterated that the above illustrated process outlines the work stream for the regulatory review process only. The communication and process components of the overall review of home based businesses in the City will be forthcoming through the Economic Development Department.

INTERDEPARTMENTAL IMPLICATIONS:

Licenses, Permits & Bylaws Department:

The Licenses, Permits & Bylaws Department has been working in collaboration with both the Planning and Economic Development Departments. Reservations were raised by staff from that department about possibly increasing the number of visiting clients to each home based business from 6 to 10; as such occurrences might generate parking impacts within the various neighbourhoods in which home based businesses are located. Existing parking conflicts stemming from the current number of 6 clients permitted per day were noted. As well, based on additional input, unenclosed storage, including the parking of commercial vehicles beyond the current Zoning Bylaw provisions, will continue to not be permitted in conjunction with home business uses due to the number of enforcement complaints presently received.

Economic Development Department:

As the organisers of the HBB Task Force, the Economic Development Department has been actively involved with the review of home based businesses from the regulatory, process and communications perspectives. Further updates from these other two perspectives will be the subject of future reports to Council, outlining the continuing work from the HBB Task Force.

CONCLUSION:

The intent of the home based business review is to look at ways to update, modernize and improve regulations to better facilitate existing home based businesses and provide greater opportunities for expanding home based business in the City while balancing the needs of the residential communities in which these operations exist. The purpose of this report has been to update Council on the work that has been completed to date regarding home occupations, outline proposed regulatory changes for information and seek endorsement on a consultation program. With the presented regulatory changes, such measures represent the first step in an overall home based business review process that is aimed at promoting the City as “home based business friendly”.

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EXCERPT FROM EXISTING ZONING BYLAW NO. 3510 - 1985 (Consolidated December 2016)

PART 4: GENERAL REGULATIONS

SECTION 402: REGULATIONS FOR PERMITTED USES OF LAND, BUILDINGS & STRUCTURES

(4) Home Occupation Use:

Where permitted, a Home Occupation use:

- (a) shall be clearly an accessory use to the use of a dwelling unit or to the residential use of a lot occupied by a dwelling;
- (b) shall be entirely enclosed within:
 - (i.) the dwelling unit; or
 - (ii.) a building in RS-2, RS-3 or A zones only;
- (c) shall not occupy more than:
 - (i.) 20% of the gross floor area of the dwelling unit up to 50 m² in total; or
 - (ii.) 20% of the gross floor area of the building or buildings up to 50 m² in total in all buildings in RS-2, RS-3 or A zones only;
- (d) shall be conducted by residents of the dwelling unit, except that only one person who is not a resident may be employed on the lot;
- (e) shall not involve the unenclosed storage or display of raw materials, components, or stock-in-trade;
- (f) shall not involve internal or external structural alteration to the principal building, and there shall be no exterior indication that the building is used for a purpose other than a residential use except for one sign in accordance with Maple Ridge Sign Bylaw No. 4653-1992;
- (g) shall not involve more than one vehicle used in connection with the home occupation and no such vehicle shall be in excess of 3630 kg gross vehicle weight;
- (h) shall not involve:
 - (i.) occupations that discharge or emit odorous, noxious or toxic matter or vapours, heat, glare, noise or radiation, or recurrently generated ground vibrations;
 - (ii.) occupations that result in traffic congestion, on-street parking, electrical interference, fire hazard or health hazards;
 - (iii.) the use of mechanical or electrical equipment except as is ordinarily employed in purely domestic and household use or recreational hobbies or office uses;
 - (iv.) the salvage, repair, maintenance or sales of motor vehicles or motor vehicle engines or parts;

APPENDIX A

- (v.) beauty parlour, barber shop, massage parlour and animal grooming service in other than the RS-2, RS-3, A-1, A-2 and A-3 zones;
 - (vi.) tutoring or lessons for more than two classes per day to a maximum of six students per day;
 - (vii.) orchestra and band training;
 - (viii.) office uses that generate regular visits by clients;
 - (ix.) public assembly use;
 - (x.) telephone or mail order sales of goods where customers enter the premises to inspect, purchase or take possession of goods;
 - (xi.) a family daycare use in the RM2, RM3, RM5, C and CS zones; and
 - (xii.) sale of goods or products.
- (i) shall comply with the off-street parking requirements of "Maple Ridge Off Street Parking and Loading Bylaw No. 4350-1990" as amended.