

DATE OF MEETING FEBRUARY 25, 2019

AUTHORED BY AMRIT MANHAS, ECONOMIC DEVELOPMENT OFFICER

**SUBJECT HOME-BASED BUSINESS REGULATION REVIEW**

## **OVERVIEW**

### **Purpose of Report**

To present Council with the results of the home-based business regulation review. |

### **Recommendation**

That Council:

1. receive the report titled "Home-Based Business Regulation Review" dated 2019-FEB-25; and
2. direct Staff to return to an upcoming Council meeting with amendments to "Zoning Bylaw 2011 No. 4500", "Sign Bylaw 1987 No. 2850" and "Off-Street Parking Regulations Bylaw 2018 No. 7266" relating to the home-based business regulations.

## **BACKGROUND**

At the 2016-APR-11 Committee of the Whole meeting, Council received delegations pertaining to a proposed home-based bakery business. After receiving the delegations, Council directed Staff to review the City's home-based business regulations and prepare a report for Council.

This report sets out the findings of the review and identifies a number of changes that Council may wish to consider to update the bylaw.

There are approximately 2,300 licensed home-based businesses operating in the city today, providing approximately 3,400 jobs and covering a wide range of sectors of the economy. Home-based businesses make up 38% of all business licences in the city and they have become an important contributor to Nanaimo's economy.

The City of Nanaimo has regulated home-based businesses since 1993. A home-based business can either be a business operated at home, where most of the work is carried out at the home of the operator, or a business operated from home where the home is used as a base but much of the work is done offsite.

The existing home-based business regulations (Attachment A) are set out in Section 6.20 of "Zoning Bylaw 2011 No.4500" (the "Zoning Bylaw"). The regulations are intended to respect and balance the interests of the businesses and the surrounding neighbourhoods in which businesses are located. Ideally, home-based businesses should operate in a manner that does not adversely affect the quality and liveability of the neighbourhood. The most common concerns raised by neighbours relate to traffic, parking, and noise impacts.

Section 6.19 of the Zoning Bylaw specifies daycare regulations and is currently under a separate review.

## Home-Based Business Regulations Review

Staff undertook a comprehensive review of the home-based business regulations that included:

- reviewing best practices from 15 BC municipalities (Attachment B);
- meetings with Staff from Economic Development, Business Licensing, Current Planning, Bylaw Services, Transportation, and Community and Cultural Planning to discuss existing issues and areas where updates are required;
- conducting a home-based business Needs Assessment Survey (2018-JUL);
- meeting with the Neighbourhood Network and the Chamber of Commerce;
- conducting an open house at the Vancouver Island Conference Centre (2018-DEC-04); and
- posting information boards and a survey on the City website (2018-DEC-31, see Attachment C for results).

Feedback from the community consultation process was used to draft the proposed amendments to the current regulations around the following topics:

- permitted uses;
- lot size and size of business;
- lot size and permitted uses;
- number of clients permitted daily and group sessions;
- number of employees;
- parking requirements;
- hours of operation; and
- signage.

## Proposed Zoning Bylaw Amendments

The following is a summary of the proposed changes to the Zoning Bylaw as a result of the review of the home-based business regulations:

### 1. New Classification System

The existing home-based business regulations apply to all residential dwellings in the city regardless of lot size.

As part of the review, it was identified that the regulations could be updated to reflect the unique circumstances of operating a home-based business within a condominium/townhouse or a small lot, versus a regular-sized city lot and a large lot. As such, the following classification is recommended based on best practices from other communities:

Type	Lot size
1	≤ 450m <sup>2</sup>
2	>450m <sup>2</sup> , but ≤2,020m <sup>2</sup> (half acre)
3	>2,020m <sup>2</sup> (half acre)

There are 1,635 residential lots within Nanaimo that are 2,020m<sup>2</sup> (half acre) or larger. Home-based business on these lots would be classified as Type 3 (Attachment D) assuming there is a

street frontage of 30m or more. These properties could potentially accommodate more onsite parking and offer a larger buffer between dwellings that can accommodate certain activities not permitted under Type 1 or Type 2.

## 2. Location and Size

Home-based businesses are permitted to operate from a dwelling unit, secondary suite, carriage house, or accessory building. Currently, a business is permitted varying floor space depending on whether the home-based business is located in the primary dwelling, secondary suite, both units, or the accessory building. The update proposes no change to this.

The review has indicated that the Gross Floor Area of a home-based business could be further streamlined as outlined below:

Type	Gross Floor Area*
1	30% up to 28m <sup>2</sup> (300ft <sup>2</sup> )**
2	50% GFA up to 100m <sup>2</sup> (1,076ft <sup>2</sup> )
3	50% GFA up to 140m <sup>2</sup> (1,500ft <sup>2</sup> )

\*The maximum GFA is applicable regardless of the number of businesses in a location.

\*\* For Type 1 properties, the home-based business must be in the primary dwelling unit.

## 3. Vehicle Trips

The existing regulations allow a home-based business a maximum of five return vehicle trips per day. The proposed update maintains five return vehicle trips per day for Type 1; however, increases vehicle trips for Type 2 to eight and up to ten return vehicle trips for Type 3. The increase for Type 2 and Type 3 was proposed as a way of accommodating most businesses.

Type	Maximum Return Vehicle Trips
1	5
2	8
3	10

## 4. Non-Resident Employees on Premises

Currently, a home-based business is permitted one non-resident employee if the business is located in the primary dwelling unit, but not if it is located in the secondary suite. Under the proposed changes, Type 1 businesses would not be permitted a non-resident employee, Type 2 businesses would be permitted one non-resident employee, and Type 3 businesses would be permitted two non-resident employees.

Type	Maximum Permitted Number of Employees
1	0
2	1
3	2

## 5. Hours of Operations

Currently, the hours of operation for home-based businesses are between 7am - 9pm and no changes have been deemed required through the process.

## 6. Signage

Under the existing regulations, a home-based business is permitted one sign per business (size specifications set out in "Sign Bylaw 1987 No. 2850" (the "Sign Bylaw"). Through the review process, it is recommended that the Sign Bylaw be amended to permit one sign per dwelling unit regardless of the number of home-based businesses. The sign may include names of all businesses operating at the location.

## 7. Permitted/Prohibited Uses

The City of Nanaimo Zoning Bylaw permits a wide variety of activities as a home-based business, with only the following uses prohibited:

- Retail stores
- Auto body shop, vehicle storage, wrecking or dismantling.
- Storage, wrecking, dismantling, structural repair, painting or metal plating of vehicles and equipment, including motor vehicles, recreational vehicles, boats and other water vessels, aircraft, all-terrain vehicles and snowmobiles, heavy equipment and machinery.
- Pet day care, boarding kennel, animal training and commercial dog breeder.
- Commercial sawmill.

The review of the home-based business regulations recommends the following updates:

Type 1	
Prohibited	<i>Personal Services</i> – includes hair, skin, nails, personal wellness, and body modification services such as tattooing, piercing, and micro-blading, etc.
Permitted	<i>Limited Animal Services</i> – includes dog walking, pet sitting, pet grooming, training therapy and will be permitted as a mobile only (offsite).
Type 3	
Permitted	<i>Limited Retail</i> : for products manufactured in the home-based business <i>Limited Auto Repair</i> : must be fully contained within a building and have must not discharge or emit odorous, toxic or noxious matters or vapours, heat, glare, noise, vibration, smoke, dust or effluent across any lot line.

## 8. Parking & Access

The City of Nanaimo recently adopted "Off-Street Parking Regulations Bylaw 2018 No.7266". Under the bylaw, a home-based business is required to provide one parking spot per dwelling.

Based on the feedback received through the process, Staff recommend that the Parking Bylaw be amended to exempt the parking requirement for home based businesses that do not have clients coming to the premises.

In addition, it is recommended that the Parking Bylaw be amended to limit marshalling and staging to on-site parking associated with the residence for a home-based businesses.

In the scenario where customers access a home-based business via a private easement agreement, the business owner will be required to obtain approval from the neighbouring property owner prior to issuance of a business license. This requirement doesn't apply to home-based businesses that do not generate traffic or have employees coming to the property.

## **OPTIONS**

### **A. That Council:**

1. receive the report titled "Home-Based Business Regulations Review" dated 2019-FEB-25; and
2. direct Staff to return to an upcoming Council meeting with amendments to "Zoning Bylaw 2011 No. 4500", "Sign Bylaw 1987 No. 2850" and "Off-Street Parking Regulations Bylaw 2018 No. 7266" relating to the home-based business regulations.
  - **Budget Implication:** There are no direct budget implications through these proposed changes. The update to the regulations may provide more certainty to businesses and induce business formation in the community, which would have a positive impact on the local economy.
  - **Legal Implication:** The City solicitor will review the proposed changes prior to the amendments being brought forward to Council.
  - **Policy Implication:** Goal Four of the Official Community Plan is to "Promote a Thriving Economy".
  - **Engagement Implication:** As part of the process, all home-based businesses in Nanaimo were invited to participate in an online survey to provide feedback. An open house was held on 2018-DEC-04 to present the proposed changes and the display boards and on-line survey were available for the public to comment.
  - **Strategic Priorities Implication:** Economic Health is one the City's four community values and the plan recognizes the need for diverse jobs and an innovative atmosphere to support creativity and entrepreneurialism.
  - **Political Implication:** Updating the Home-Based Business Regulations would show Council's commitment to promoting economic development in the community.

### **B. That Staff be directed to not proceed with the proposed Home-Based Business regulations changes at this time.**

- **Budget Implication:** There are no direct budget implications if the proposed changes to the Home-Based Business regulations were not implemented.
- **Policy Implication:** Goal Four of the Official Community Plan is to "Promote a Thriving Economy".
- **Engagement Implication:** As part of the process, all home-based businesses in Nanaimo were invited to participate in an online survey to provide feedback. An open house was held on 2018-DEC-04 to present the proposed changes, and the display boards and on-line survey were available for the public to comment.
- **Strategic Priorities Implication:** Economic Health is one the City's four community values and the plan recognizes the need for diverse jobs and an innovative atmosphere to support creativity and entrepreneurialism.

### **SUMMARY POINTS**

- Home-based businesses comprise 38% of all business licences within the city of Nanaimo and generate around 3,400 jobs.
- At the 2016-APR-11 Committee of the Whole meeting, Council directed Staff to review the home-based business bylaw and prepare a report for Council.
- Staff undertook a comprehensive review of the existing regulations, undertook best practice research, and conducted a survey with business owners to identify areas for improvement. The proposed changes were presented at an open house on 2018-DEC-04 and were made available on-line.
- The regulations are intended to respect and balance the interests of the businesses and the surrounding neighbourhoods in which businesses are located.
- If Council provides direction to incorporate the changes, a separate Staff report will be brought forward for Council's consideration with the necessary bylaw amendments.

### **ATTACHMENTS**

ATTACHMENT A: Existing Home-Based Business Regulations

ATTACHMENT B: Best Practices from 15 BC Municipalities

ATTACHMENT C: Open House Boards and Survey Results

ATTACHMENT D: Residential Lots Half Acre or Larger

#### **Submitted by:**

Bill Corsan  
Deputy Director, Community Development

#### **Concurrence by:**

Dale Lindsay  
Director, Community Development

## 6.20 HOME BASED BUSINESS

- 6.20.1. More than one home based business shall be permitted per dwelling.
  - 6.20.1.2 Any person residing within the dwelling unit or secondary suite may be engaged in the home based business, and the business license holder of a home based business shall be a resident of the dwelling unit or secondary suite in which the home based business is originating.
  - 6.20.1.3 A maximum of one non-resident home based business employee is permitted to work in the dwelling unit.
  - 6.20.1.4 Notwithstanding Subsection 6.20.1.2., where there is a home based business within a secondary suite, no non-resident home based business employee shall be permitted to work on the parcel for that home based business.
- 6.20.2 The home based business shall be wholly contained in either the dwelling or an accessory building, or a combination thereof, subject to the following:
  - 6.20.2.1. In a dwelling unit, the home based business shall not occupy more than 100m<sup>2</sup> of the dwelling unit, or 50% of the dwelling unit, whichever is less.
  - 6.20.2.2. Where the home based business is located in an accessory building, the home based business shall not occupy more than 42m<sup>2</sup>.
  - 6.20.2.3 Where a home based business is located within a secondary suite, the home based business shall be wholly contained within the secondary suite and shall not occupy more than 42m<sup>2</sup> or 50% of the secondary suite, whichever is less.
  - 6.20.2.4 Notwithstanding Subsections 6.20.1., where a dwelling contains a secondary suite and both the dwelling unit and the secondary suite each contain a home based business, or portion thereof:
    - a) the home based business for the secondary suite shall not occupy more than 42m<sup>2</sup>, or 50% of the secondary suite, whichever is less; and
    - b) the home based business for the principal dwelling unit shall not occupy more than 60m<sup>2</sup>, or 50% of the dwelling unit, whichever is less.
  - 6.20.2.5 Notwithstanding Subsection 6.20.2.1., where a home based business is contained within both the dwelling and the accessory building, the sum total of the Gross Floor Area shall not exceed 100m<sup>2</sup>, or 50% of the dwelling unit, whichever is less.
  - 6.20.2.6 Where a home based business involves vehicle or equipment repair or service, all vehicles, machinery and equipment under repair must be wholly contained within the dwelling unit, secondary suite or accessory building, and shall not, at any time, be stored outside of a building.
  - 6.20.2.7 All storage related to the home based business must be wholly contained within permanent buildings.



- 6.20.3. The following uses are specifically prohibited as a home based business:
- 6.20.3.1 Retail stores.
  - 6.20.3.2 Auto body shop, vehicle storage, wrecking or dismantling.
  - 6.20.3.3 Storage, wrecking, dismantling, structural repair, painting or metal plating of vehicles and equipment, including motor vehicles, recreational vehicles, boats and other water vessels, aircraft, all-terrain vehicles and snowmobiles, heavy equipment and machinery.
  - 6.20.3.4 Pet day care, boarding kennel, animal training and commercial dog breeder.
  - 6.20.3.5 Commercial sawmill.
- 6.20.4 The home based business shall not discharge or emit odorous, toxic, or noxious matters or vapours, heat, glare, noise, vibration, smoke, dust, effluent or other emission hazard, electrical interference or radiation across any lot line.
- 6.20.5. Home based businesses shall not generate significantly more traffic than the dwelling would.
- 6.20.5.1. Notwithstanding the foregoing, no more than 10 vehicle trips to or away from the dwelling unit or accessory building generated by the home based business or businesses shall be permitted per day between the hours of 7am and 9pm. No vehicle trips generated by the home based business or businesses shall be permitted between 9pm and 7am.
- 6.20.6. Home based businesses must have a valid City of Nanaimo business license.
- 6.20.6.1. The City reserves the right to confirm compliance with the above regulations on an annual basis. Renewal of business licenses will be granted on this basis and shall not be automatic.
- 6.20.7. A home based business shall be permitted in any dwelling unit regardless of zoning classification provided it meets all other applicable requirements of this section.
- 6.20.8. In addition to the foregoing, the following regulations apply to home based businesses within recreational vehicles.
- 6.20.8.1. Notwithstanding Subsection 6.20.8., a home based business shall not be permitted to operate from a recreational vehicle; unless a home based business is located within the R11 Zone, in which case not more than one home based business shall be permitted per recreational vehicle.
  - 6.20.8.2. Notwithstanding Subsection 6.20.9.1., the home based business must be wholly contained within the recreational vehicle or an accessory enclosed deck or patio.
  - 6.20.8.3. Only those persons who reside within the recreational vehicle may be engaged within the home based business.
  - 6.20.8.4. Notwithstanding Subsection 6.20.6., no commercial vehicles ancillary to the home based business shall be stored or parked on the lot.



## ATTACHMENT B

### Municipal Comparison of Home-Based Business Regulations

Municipality	Permitted Client Daily Visits	Permitted Employee(s)	Client + Employee Parking Requirements
Prince George	<p>Level 1: Three clients (24 hr. period).</p> <p>Level 2: One client during 60 consecutive minutes (except one instruction class once a week for up to 5 students).</p> <p>Level 3: Two clients during 60 consecutive minutes.</p>	<p>Level 1: Resident only.</p> <p>Level 2: Resident &amp; one non- resident employee.</p> <p>Level 3: Resident &amp; two non- resident employees.</p>	<p>Silent on parking.</p> <p>Level 1: one home-based business vehicle parked on premises.</p> <p>Level 2: two home-based business vehicle parked on premises.</p> <p>Level 3: three home-based business vehicle parked on premises. One may be a heavy vehicle.</p>
Maple Ridge	<p>On site, only by apt. scheduled in advance.</p> <p>Type 1: Up to six clients per day (limited to tutoring and lesson uses only).</p> <p>Type 2: Up to 10 clients per day per lot</p> <p>Type 3: Up to 16 clients per day per lot</p>	<p>Type 1: one non-resident employee provided parking is accommodated on-site.</p> <p>Type 2: two non-resident employees provided parking is accommodated on-site</p> <p>Type 3: three non-resident employees provided parking is accommodated on-site.</p>	<p>One space per non-resident employee.</p>
Abbotsford	<p>Level 1: No Visits.</p> <p>Level 2: Shall not generate significant vehicular traffic impacts.</p> <p>Level 3: Same as Level 2.</p>	<p>Level 1: Resident only.</p> <p>Level 2: Resident &amp; one non-resident employee.</p> <p>Level 3: Resident &amp; two non-resident employees.</p>	<p>Level 1: Zero</p> <p>Level 2: One additional parking space for a non-resident employee.</p> <p>Level 3: Two additional parking spaces for non-resident employees.</p>
Burnaby	Silent	No non-resident employees unless a home occupation child care facility.	Silent
Coquitlam	Silent	No more than one non-resident employee.	Silent
Delta	Silent	Resident/Family members no more than two persons/resident.	Silent

Langley Township	One commercial vehicle visit per day & shall not create demand for client parking.	Big Rural: max three non-residents.  Small Rural: max two non-residents.  Urban: max one non-resident.  CD: no non-resident.	One space per non-resident employee.
Langley City	Silent	One resident. One non-resident.	Silent
Mission	10 patrons/students at one time.	Big Rural: max five employees; four non-resident.  Rural: max four employees; three non-resident.  Urban: max three employees; two non-resident.	One for each non-resident employee.  Two off-street parking spaces for uses involving patrons/students.
Richmond	Max three clients on the premises at any one time.	Only by resident.	Silent
Pitt Meadows	Max of two clients on premise at any one time.	Not more than two employees and one must reside in DU.	Silent
Port Coquitlam	Tutoring: three at once; 10 per day.  Animal: four pets per day.  Other: five business visitors (including deliveries) per day.	A/RS/RD Zones: max three employees; one non-resident.  If tutoring or animal, one employee.  RTh/RRh/RA/CD/C Zones: no more than two, both must be residents.	A/RS/RD: two off-street parking spaces.  Silent for all other zones.
Port Moody	Silent	Two employees.	Silent
Surrey	Silent	Immediate family members only.	Silent
Vancouver	Not permitted.	Not permitted (unless both live at same address).	Silent

## ATTACHMENT C

# WELCOME

to the City of Nanaimo  
Home-Based Business Update Open House



**Thank you for attending this Open House**  
**At today's event you can:**

- **Explore the boards:** There are 15 boards and we encourage you to review them all to learn more about the proposed Home-Based Business Update.
- **Learn** about the results of the “needs assessment” home-based business survey conducted in July 2018.
- **Ask questions:** City Staff are here tonight to answer any questions you may have.
- **Fill out a Proposed Home-Based Business Regulations Survey!** Paper surveys are available today and the survey is also available online at [www.nanaimo.ca/goto/home-basedbusiness](http://www.nanaimo.ca/goto/home-basedbusiness) until December 31, 2018

## WHAT IS A HOME-BASED BUSINESS?

A home-based business can be either:

- A business operated **AT** home – where most of the work of the business is carried out at the home of the operator(s); or
- A business operated **FROM** home – where the home is used as a base, but much of the work is done outside the home.

## WHY ARE WE HERE?

Your City Council wants to hear from you about the proposed changes to the home-based business regulations.

## WHY UPDATE THE HOME-BASED BUSINESS ZONING REGULATIONS?

- The home-based business regulations are contained within Zoning Bylaw 4500. An update to the home-based business regulations requires a bylaw amendment and public hearing process.
- The home-based business regulations were first introduced in 1993.
- The intent of the review is to update, improve and modernize the regulations to support and facilitate home-based businesses while balancing the needs of the neighbourhoods in which these businesses operate.

## WHAT DO THE UPDATES CONSIDER?

- Permitted uses;
- How lot size relates to home-based business size;
- How lot size relates to the type of activities permitted;
- The number of employees allowed in a home-based business;
- The number of daily visits, and maximum number of clients at one time that can be accommodated by a home-based business.

(Please see Boards 6 – 13 for more information)

### DON'T FORGET TO FILL OUT A SURVEY

Surveys are available today in print or online and available to complete until December 31, 2018.

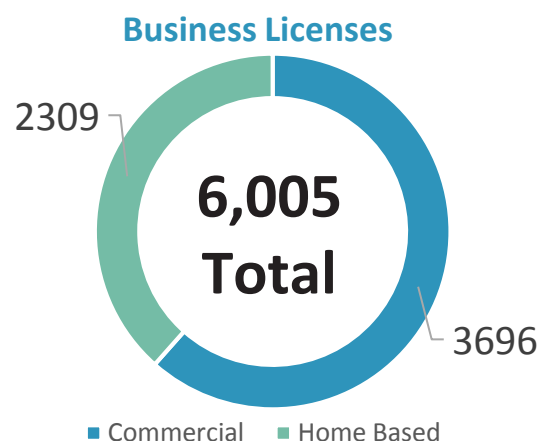
Details available online

[www.nanaimo.ca/goto/home-basedbusiness](http://www.nanaimo.ca/goto/home-basedbusiness)



## HOME-BASED BUSINESSES ARE AN IMPORTANT CONTRIBUTOR TO NANAIMO'S ECONOMY

- As at August 2018, there were 2,309 licensed home-based businesses in Nanaimo.
- They account for roughly 38% of all business licenses issued by the City.
- The vast majority of the home-based businesses are sole proprietorships (70.4%), followed by limited companies (22.9%) and partnerships (6.5%).
- Home-based businesses represent approximately 3,400 people who either own or who are employed by a licensed home-based business.



### Nanaimo Home-Based Businesses by Industry Sector

Sector	Number of Businesses	% of HBB
Construction	612	26.50
Professional, Scientific & Technical Services	391	16.93
Admin. Support, Waste Management & Remedial Services	293	12.69
Health Care & Social Assistance / Child Day-Care Services	240	10.39
Arts, Entertainment & Recreation	113	4.89
Retail Trade / Non-Store Retailers	107	4.63
Manufacturing	54	2.34
Transportation & Warehousing	46	1.99
Educational Services	39	1.69
Real Estate, Rental & Leasing	29	1.26
Information & Cultural Industries	20	0.87
Accommodation & Food Services	16	0.69
Finance & Insurance	11	0.48
Wholesale Trade	10	0.43
Agriculture, Forestry, Fishing & Hunting	6	0.26
<b>Total</b>	<b>2,309</b>	<b>100.00</b>

## HOW HOME-BASED BUSINESSES AFFECT A NEIGHBOURHOOD

- A goal of the home-based business regulations is to balance the residential character of neighbourhoods with economic opportunities for residents wishing to operate a small-scale business.
- Common issues associated with home-based businesses in Nanaimo include traffic, parking and noise.
- This update takes into consideration the trend towards higher density developments over time, and the opportunity to permit new uses in larger lots.

In July 2018, City of Nanaimo's Economic Development department conducted a Home-Based Business Survey. The objectives of the Home-Based Business Survey were to:

- Obtain general information about the home-based businesses operating in Nanaimo.
- Identify the use of information technology and communication tools by home-based businesses
- Gather information about growth and development goals of home-based businesses
- Feedback on the community as a place to do business.
- Identify the support needs and challenges facing home-based businesses
- Identify information that businesses would like to receive.

The Survey questionnaire was directly e-mailed to a majority of the home-based businesses. A total of 442 questionnaires were returned. There was a 19% return rate, representing nearly 1 in 5 businesses completing the survey. Key findings of the Home-Based Business Survey are below:

## Profile of Businesses

- Almost one fifth of home-based business owners surveyed are classified as 'Professional Scientific and Technical', followed closely by Construction related business at 17.7%.
- The largest portion of home-based business owners (32.2 %) have been operating their current business for 1-4 years. 42% of the home-based businesses are less than 4 years old. Nearly 16% of business owners have been in operation for 20 years or more.
- Vast majority (68%) of the home-based businesses are sole proprietorships, followed by one in four being registered as a corporation.
- 85% of home-based business owners have completed some form of post-secondary education and or training. The highest level of educational attainment achieved by any of the principle owners of the home-based businesses surveyed is a University Degree or higher (44%).
- Seven out of ten (70%) business owners surveyed reported their home-based business is their primary source of income.
- On average one third (32.9%) of home-based business owner's work between 35 and 50 hours each week. Nearly half (49.1%) of the home-based businesses work less than 35 hours per week.
- Vast majority of the home-based businesses (64.2%) serve the local market, followed by 16.1% serving the regional market.
- Over one in four (26.3%) home-based business owners state their top reason for starting a home-based business was to realize a lifelong dream or to turn a hobby into a business. 17% of the business owners saw an opportunity or a gap in the market place as an inspiration for starting a home-based business. 16.7% state their top reason for starting a home based business was the ability to earn more money verses other forms of employment.
- 26% of the home-based businesses outsource work.

## Technology & Communications

- Seven in ten home-based businesses have access to either wireless (55.2%), DSL/ADSL (9.4%) or fibre optic (4.8%) internet connections. Less than two percent (1.6%) of home-based businesses have no internet connection.
- Nearly two thirds (64%) of home-based businesses have a company website.
- The three prevailing uses of business internet for the home-based business owners surveyed are: e-mail (96.8%) Internet banking (84.3%) research (77.2%).
- 42.5% of home-based businesses engage in online trade and sales. A further 5.5% are interested in exploring opportunities to do online trade and sales. One in every ten home-based business is conducting between 76-100% of their sales through the internet.



## Growth & Development

- Approximately half (49.2%) of the home-based businesses surveyed have sales above \$50,000 per annum. One in every four businesses have sales above \$100,000 per annum and 13.4% of the business make sales above \$200,000 per annum.
- Eight out of every ten home-based businesses surveyed expect sales to grow over the next year. 5.5% of the businesses expect sales to grow by fifty percent or more from current levels. Majority of businesses (35.4%) expect sales to grow between 1% and 9%.
- Sales have been increasing for nearly 55% of the businesses over time. 38.6% report no change in sales trend.
- The vast majority of home-based businesses (45.3%) report status quo as plans for the next five years. 37.6% of the businesses want to increase the size of their businesses over the next five years. 8% of the businesses surveyed plan on reducing the size of their business, while approximately 9% will either sell or close their business. From the home based businesses that are looking to expand operations, 6.7% intend to move into commercial premises.
- When asked which of a list of business operation related activities were completed in the past 12 months, advertising (44.5%) was the top activity engaged in. The next highest activity was direct marketing campaign at 16.2%.
- Six out of ten businesses would prefer to stay small so that they can continue to operate their business from home. A significant portion of the home-based businesses (42.9%) would like to explore opportunities to expand their businesses. 3.1% of these businesses are involved in exporting and a further 4.6% indicate their business has exporting potential.
- The three main issues impacting home-based business owners and the operation of their businesses are:
  - Increasing costs (57.3%);
  - Time management (41.7%); and
  - Competition and sales are tied at third place (28.4%).
- When asked which seminars and workshops home-based businesses would be interested in attending, the top five selected were:
  1. Business Planning;
  2. Time Management;
  3. Financing/Capital;
  4. Information and Technology; and
  5. Peer Mentoring and Networking.

## Community

- The vast majority (73%) of the home-based businesses view Nanaimo as a positive location for their business.
- Nearly half of the home-based businesses (46.6%) state the business climate is better today compared to five years ago. 37.8% believe the business climate has not changed while 15.5% believe it is worse today compared to five years ago.
- Nearly six out of ten businesses expect the business climate to improve over the next five years, while three out of ten expect conditions to remain the same.



## HOW TO ENSURE MY HOME-BASED BUSINESS WILL NOT DISTURB MY NEIGHBOURS?

The home-based business should be entirely contained within a dwelling unit or an accessory building, or a combination thereof.

All storage related to the home-based business must be wholly contained within permanent buildings.

Where a home-based business involves vehicle or equipment repair or service, all vehicles, machinery and equipment under repair must be wholly contained within the dwelling unit, secondary suite or accessory building, and shall not, at any time, be stored outside of a building.

Home-based business should not involve activities that emit odors, noxious or toxic matter or vapours, heat, glare, noise vibration, smoke, dust, effluent or other emission hazard, electrical interference or radiation across any lot line.

Home-based businesses should not generate significantly more traffic than a normal dwelling would.

Home-based businesses are permitted one sign but otherwise there should be no external indication that the building is being used for a non-residential purpose.

Home-based businesses must comply with other City Bylaws, including but not limited to, the Noise Control Bylaw and the Animal Control & Licensing Bylaw.



## WHERE CAN I OPERATE MY HOME-BASED BUSINESS?

- A home-based business is allowed in **both** the main dwelling unit that makes up the home as well as in a secondary suite or detached carriage house **and** in an accessory building.
- Certain types of home-based businesses are allowed to operate in a multi-family unit (e.g. apartment, condo, or townhouse).
- A home-based business is not permitted to operate from a recreational vehicle unless it is located within the R11 zone.

## HOW MUCH SPACE CAN MY HOME-BASED BUSINESS USE?

- On a multi-family lot or a small lot less than or equal to 450m<sup>2</sup> in size up to 30% of the gross floor area to a maximum of 28m<sup>2</sup> (300 ft<sup>2</sup>)  
*also called Type 1 Home-Based Businesses*
- On medium size single family lots greater than 450m<sup>2</sup> and less than or equal to 2,020m<sup>2</sup> (half acre) in area up to 50% of the gross floor area, to a maximum of 100m<sup>2</sup> (1,076 ft<sup>2</sup>)  
*also called Type 2 Home-Based Businesses*
- On large properties, 2,020m<sup>2</sup> (half acre) or larger, up to 50% of the gross floor area, to a maximum of 140m<sup>2</sup> (1,500 ft<sup>2</sup>)  
*also called Type 3 Home-Based Businesses*
- The maximum gross floor area restriction is applicable regardless of the number of businesses in a location.
- Family Daycares (16 or less children in care) which are licensed under the *Community Care and Assisted Living Act* are exempt from these size limitations.

### WHAT DO THESE TERMS MEAN?

**Dwelling Unit:** one or more rooms used for the residential accommodation of a family.

**Secondary Suite:** a dwelling unit contained within the same building as the family residential unit.

**Carriage House:** a detached self-contained dwelling unit in the rear yard (also known as a laneway house or garden suite).

**Accessory Building:** a building or structure incidental to the principal single family dwelling unit such as a detached garage, shed, boat house, pool house, etc.

**Gross Floor Area:** the total area of all the floors of all dwelling units on a lot.



## HOW MANY VEHICLE TRIPS CAN I HAVE PER DAY?

- The proposed update would allow daily visits by clients, by appointment only:
  - Up to 5 return vehicle trips per day for Type 1 Home-Based Businesses
  - Up to 8 return vehicle trips per day for Type 2 Home-Based Businesses
  - Up to 10 return vehicle trips per day for Type 3 Home-Based Businesses
- Appointments are recognized as opportunities to provide services, commission work, or to take possession of previously purchased materials.



## HOW MANY CLIENTS CAN I HAVE AT ONE TIME?

- The proposed update would allow a home-based business:
  - 1 client at any one time for Type 1 Home-Based Businesses\*
  - Up to 2 clients at any one time for Type 2 Home-Based Businesses\*
  - Up to 5 clients at any one time for Type 3 Home-Based Businesses\*

\* Subject to the daily vehicle trip limit.

## HOW MANY EMPLOYEES CAN I HAVE?

The proposed update would allow a home-based business:

- No non-resident employee for Type 1 Home-Based Businesses
- 1 non-resident employee for Type 2 Home-Based Businesses\*
- 2 non-resident employees for Type 3 Home-Based Businesses\*

\* Subject to parking requirements

## WHAT ARE MY PARKING REQUIREMENTS?

- All non-resident employee parking must be provided on-site.

### TYPE 1, 2 & 3 HOME-BASED BUSINESSES

You may notice the reference to 'Type 1', 'Type 2' and 'Type 3':

- Type 1 includes home-based businesses on small multi-family and single family lots less than or equal to 450m<sup>2</sup> in area.
- Type 2 includes home-based businesses on single family lots greater than 450m<sup>2</sup> and less than or equal to 2,020m<sup>2</sup> in area.
- Type 3 includes home-based businesses on lots greater than 2,020m<sup>2</sup> in area.



## PERMITTED USES

The City of Nanaimo strictly prohibits certain types of uses as home-based business, see the list on Board 13. The most common types of Home-Based Business activities include:

### Health Services

- Includes chiropractors, registered massage therapists (RMTs), physicians, and traditional Chinese medicine practitioners, amongst others.



### Personal Services

- Includes services involving hair, skin, nails and personal wellness. Body modification services such as tattooing, piercing and micro blading. Requires an initial inspection by Vancouver Island Health Association at the home-based business address.

### Professional Services

- Includes accountants, architects, engineers, financial consultants, lawyers, notary publics, planners, and real estate agents, amongst others.



### Construction & Building Maintenance Services

- Includes trade contractors for services to interior and exterior of buildings, building contractors, waste removal services, janitorial services and more.



## Animal Services

- Permits dog walking, pet sitting and pet grooming.
- Mobile-based operations permitted for Type 1 and on-site operations only permitted for Type 2 and 3
- Commercial kennels, breeding, dog boarding and dog daycares are not permitted as a home-based business use.

## Small Scale Manufacturing & Home Craft

- Covers the small scale production of goods, including art, photography, jewelry, food, bath & beauty products, clothing, and toys.



## Education & Training

- Includes academic tutoring and music lessons. Expanded interpretation would include non-academic uses, such as yoga.
- Group session restrictions apply to this category



## Sales

- Permit off-site, online and mobile-based sales but does not include general retail sales.



## TYPE 3 HOME-BASED BUSINESS

There are opportunities on properties greater than 2,020m<sup>2</sup> (half acre) in area to accommodate additional uses that are not permitted under Type 1 or Type 2 home-based businesses. These would be called *Type 3 Home-Based Businesses*.

**Please see the next board for a map of all properties within the City of Nanaimo greater than or equal to 2,020m<sup>2</sup>.**

Possible Type 3 uses include:

- Drop-in Retail - Artisanal and Antique Sales
- Auto Repair
- Interested in others? Let us know by filling out a survey!

**Share your thoughts on the proposed Type 3 Home-Based Business by filling out a survey!**





# SUMMARY OF PROPOSED CHANGES

12

## WHAT DO YOU THINK?

Please note the proposed regulations are applicable to new businesses only, existing businesses are permitted to continue to operate.

### General Regulations

Parameter	Current Regulations	Regulation Options		
		Type 1 ( $\leq 450m^2$ )	Type 2 ( $> 450m^2$ and $\leq 2,020m^2$ (half acre))	Type 3 ( $> 2,020m^2$ (half acre))
Location	Per Dwelling Unit, Secondary Suite, Carriage House and Accessory Building	Multi-Family Unit or Small Lot Single Family Dwelling	Single Family Dwelling, Secondary Suite, Carriage House or Accessory Building	Single Family Dwelling, Secondary Suite, Carriage House or Accessory Building
Size (based on Gross Floor Area (GFA))	Varies depending on # of businesses and in which unit	30% GFA, up to $28m^2$ ( $300 ft^2$ )	50% GFA, up to $100m^2$ ( $1,076 ft^2$ )	50% GFA, up to $140m^2$ ( $1,500 ft^2$ )
Customer Vehicle Trips	Maximum 5 return vehicle trips	Maximum 5 return vehicle trips	Maximum 8 return vehicle trips	Maximum 10 return vehicle trips
Group Sessions	Current regulations silent on this	Restricted to Tutoring and Lessons only; capped at 1 client at a time	Capped at 2 clients at one-time	Capped at 5 clients at one-time
Employees	1 non-resident employee if business is in primary dwelling unit – otherwise none.	0 non-resident employees	1 non-resident employee subject to on-site parking	2 non-resident employees subject to on-site parking
Hours of Operation	7am – 9pm	7am – 9pm	7am – 9pm	7am – 9pm
Signage	1 per location	1 per location	1 per location	1 per location
Parking	1 on-site	<ul style="list-style-type: none"> <li>1 unless business is online or offsite.</li> </ul>	<ul style="list-style-type: none"> <li>1 unless business is online or offsite.</li> <li>Additional parking per non-resident employee required.</li> </ul>	<ul style="list-style-type: none"> <li>1 if receive client 1 unless business is online or offsite.</li> <li>Additional parking per non-resident employee required.</li> </ul>



# SUMMARY OF PROPOSED CHANGES

## 13

Type 2: In discussion with Neighbourhood Associations it was suggested that auto & small marine engine repair be allowed as a Type 2 use. What do you think?

### Prohibited Uses

- Retail Stores
- Wrecking or Dismantling, Structural Repair, Painting or Metal Plating of Vehicle and Equipment
- Pet Day Care, Boarding Kennel, Animal Training and Commercial Dog Breeding
- Commercial Sawmill
- Auto Body Shop
- Vehicle Storage

The above business types are not permitted as a home-based business within the City of Nanaimo.

### Permitted Uses

Below is a list of permitted uses as a home-based business. Please note this list is not intended to be an exhaustive list of all business permitted but is intended to capture major categories of businesses.

**Note: Daily visits by clients permitted by appointment only.**

	Current Regulations	Type 1 ( ≤ 450m <sup>2</sup> )	Type 2 ( > 450m <sup>2</sup> and ≤ 2,020m <sup>2</sup> (half acre) )	Type 3 ( > 2,020m <sup>2</sup> (half acre) )
Health Services	Permitted	Permitted	Permitted	Permitted
Personal Services	Permitted	Not Permitted	Permitted	Permitted
Construction & Building Maintenance Services (no marshalling)	Permitted	Permitted	Permitted	Permitted
Professional Services	Permitted	Permitted	Permitted	Permitted
Small Scale Manufacturing / Home Craft	Permitted	Permitted	Permitted	Permitted
Education & Training	Permitted	Permitted (see Group Sessions)	Permitted (see Group Sessions)	Permitted (see Group Sessions)
Sales	Permitted (On-line and Off-Site)	Permitted (On-line and Off-Site)	Permitted (On-line and Off-Site)	Permitted (On-line and Off-Site)
Limited Animal Services (dog walking, pet sitting, pet grooming only)	Permitted – Limited	Permitted (Mobile Only)	Permitted (Mobile or On-Site) (On-Site: 1 pet at one time, 5 daily max)	Permitted (Mobile or On-Site) (On-Site: 2 pets at one time, 10 daily max)
Drop-in Retail (Artisanal and Antique Sales)	Not Permitted	Not Permitted	Not Permitted	Permitted
Auto & Small Marine Engine Repair	Permitted	Not Permitted	Not Permitted	Permitted
Family Daycare	Permitted	Permitted – Restricted *Subject to VIHA	Permitted – Restricted *Subject to VIHA	Permitted *Subject to VIHA

# THANK YOU

for taking the time to look over the proposed updates to the home-based business regulations.

## WE WANT TO HEAR FROM YOU!

Please take the opportunity to provide your thoughts and comments through our survey available today or online at:

[www.nanaimo.ca/goto/home-basedbusiness](http://www.nanaimo.ca/goto/home-basedbusiness)

Survey closes December 31, 2018

P: (250) 755-4465

W: [www.nanaimo.ca](http://www.nanaimo.ca)



# City of Nanaimo Home-Based Business Survey FINAL REPORT

December 2018



## SURVEY FINDINGS

The following section outlines the findings from the *Proposed Home-Based Business Regulations Survey*. The profile of survey respondents is examined first and is followed by an analysis.

**Question 1 asked respondents to indicate whether they currently operated a home-based business, were considering starting a home-based business, operated a business from a commercial premise or were an interested Nanaimo resident.**

The feedback from Question 1 was that 6 respondents currently operated a home-based business, 3 respondents were considering starting a home-based business and 5 respondents were interested Nanaimo residents.

**Question 2 asked respondents who are currently operating a home-based business the length of time they have been in operation, if they employ an employee, and if they envision growing their business in any capacity.**

The feedback from Question 2 was that 2 respondents were in operation for under 2 years, 1 respondent has been in operation for 3-5 years and 4 respondents had been in operation for 5 or more years. 3 respondents employ an employee and 5 respondents envision growing their business within their home.

We provided the survey respondents with the following information:

*A number of new directions are being proposed for home-based businesses in Nanaimo, including:*

- *The types of activities permitted as a home-based business.*
- *How unit/lot size related to home-based business size.*
- *The number of non-resident employees allowed in a home-based business.*
- *The number of daily visits that can be accommodated by a home-based business.*

*You may notice the reference to a 'Type' of home-based business:*

*Type 1: includes home-based businesses within multi-family developments or on small residential lots less than or equal to 450m<sup>2</sup>.*

*Type 2: includes home-based businesses on residential lots greater than 450m<sup>2</sup> and less than or equal to 2,020m<sup>2</sup> (half acre).*

*Type 3: includes home-based businesses on residential lots over 2,020m<sup>2</sup> (half acre).*

### Size & Location

*Home-based businesses are permitted to operate from the primary dwelling unit, secondary suite, carriage house or accessory building. The update proposes no change to this. In multi-family and small lot single family dwellings less than 450m<sup>2</sup>, the home-based business must be in the primary dwelling unit.*

*Currently, a business is permitted varying floor space depending on whether the home-based business is located in the primary dwelling, secondary suite, both units, or the accessory building. The proposed regulations permit 30% Gross Floor Area (GFA), up to 28m<sup>2</sup> (300 sq. ft.), for Type 1. The proposed updates would allow a home-based business 50% GFA, up to 100m<sup>2</sup> (1,076 sq. ft.), for Type 2 and 50% GFA, up to 140m<sup>2</sup> (1,500 sq. ft.) for Type 3.*

**Question 3: Do you support permitting 30% GFA, up to 28m<sup>2</sup> (300 sq. ft.), for Type 1 Home-Based Businesses?**

10 Respondents agreed with permitting 30% GFA and 4 Respondents didn't agree with the proposed regulation.

**Question 4: Do you support permitting 50% GFA, up to 100m<sup>2</sup> (1,076 sq. ft.), for Type 2 Home-Based Businesses?**

8 Respondents agreed with permitting 50% GFA and 6 respondents didn't agree with the proposed regulation.

**Question 5: Do you support permitting 50% GFA, up to 140m<sup>2</sup> (1,500 sq. ft.), for Type 3 Home-Based Businesses?**

9 Respondents agreed with permitting 50% GFA and 4 respondents didn't agree with the proposed regulation.

**Daily Visits**

*Currently, the zoning regulations allow a home-based business a maximum of five return vehicle trips per day. The proposed update would maintain five return vehicle trips per day for Type 1, and introduce up to eight return vehicle trips for Type 2 and up to ten return vehicle trips for Type 3.*

*For home-based businesses requiring group visits, it is proposed Type 1 be restricted to tutoring and lessons only and capped at one client at a time, subject to the daily maximum vehicle trips detailed above. It is proposed Type 2 be capped at two clients at one time and Type 3 be capped at five clients at one time, subject to the daily maximum return vehicle trips detailed above.*

**Question 6: Do you support increasing the permitted number of return vehicle trips to eight for Type 2 Home-Based Businesses?**

Respondents were split with 7 in support of the increase and 7 not supporting the increase of return vehicle trips for Type 2 Home-Based Businesses.

**Question 7: Do you support increasing the permitted number of return vehicle trips to ten for Type 3 Home-Based Businesses?**

9 Respondents agreed with increasing the permitted number of return vehicle trips for Type 3 home-based businesses and 5 respondents did not agree.

**Question 8: Do you support restricting Type 1 Home-Based Businesses to tutoring and lessons only and one client at a time?**

8 Respondents agreed with the restriction on Type 1 home-based businesses and 6 respondents were not in agreement.

**Question 9: Do you support permitting up to two clients at one time for Type 2 Home-Based Businesses?**

6 Respondents agreed with permitting up to two clients at one time for Type 2 home-based businesses and 8 respondents were not in agreement.



**Question 10: Do you support permitting up to five clients at one time for Type 3 Home-Based Businesses?**

8 Respondents agreed with the permitting up to five clients at one time for Type 3 home-based businesses and 6 respondents were not in agreement.

**Employees**

*Currently, a home-based business is permitted one non-resident employee if the business is located in the primary dwelling unit, but not if it is located in the secondary suite. Under the proposed home-based business regulations Type 1 businesses would not be allowed a non-resident employee, Type 2 businesses would be allowed one non-resident employee and Type 3 businesses would be allowed two non-resident employees. Non-resident employee parking must be provided onsite.*

**Parking**

*The City of Nanaimo recently passed a new parking bylaw. Under this bylaw a home-based business that has no clients coming to the premise is exempt from the requirement to provide a parking spot. An onsite parking spot must be provided for each non-resident employee.*

**Question 11: Do you support the proposed restriction to not allow any non-resident employees for Type 1 Home-Based Businesses?**

Respondents were split with 7 in support and 7 not in support of the not allowing any non-resident employees for Type 1 home-based businesses.

**Question 12: Do you support permitting up to one non-resident employee, subject to parking requirements, for Type 2 Home-Based Businesses?**

9 Respondents agreed with the permitting up to one non-resident employee, subject to parking requirements, for Type 2 home-based businesses and 5 respondents were not in agreement.

**Question 13: Do you support permitting up to two non-resident employees, subject to parking requirements, for Type 3 Home-Based Businesses?**

9 Respondents agreed with the permitting up to one non-resident employee, subject to parking requirements, for Type 3 home-based businesses and 5 respondents were not in agreement.

**Hours of Operation**

*Currently the hours of operation for home-based businesses are between 7am – 9pm.*

**Question 14: Do you support keeping the hours of operation between 7am – 9pm?**

Respondents were split with 7 in support and 7 not in support of the keeping the hours of operation the same.

**Respondents who did not support keeping the hours of operation between 7am – 9pm were asked what hours they would suggest. The answers are below.**

- 9am to 8pm
- 8am to 6pm

- 9am – 5pm
- 6am – 9pm
- 8am – 7pm
- Depends on business (baker)
- 8am – 8pm

## Signage

*Currently a home-based business is permitted one sign (size specifications in Sign Bylaw). The proposed regulations permit one sign per location regardless of the number of home-based businesses. The sign may include names of all businesses operating at the location.*

### **Question 15: Do you support permitting one sign per location?**

13 Respondents were in support of permitting one sign per location, only 1 respondent was not in agreement.

## Permitted Uses

*The City of Nanaimo Zoning Bylaw permits a wide variety of activities as a home-based business. A number of activities are restricted or outright prohibited due to their impact on neighbourhoods through noise, traffic, odours, vibration, smoke, dust, effluent, etc.*

*The home-based business update proposes that “personal services” not be permitted in Type 1. (Personal services involve hair, skin, nails and personal wellness and body modification services such as tattooing, piercing and micro-blading, etc.)*

*Limited animal services (dog walking, pet sitting, pet grooming, training therapy, but not, commercial kennels, breeding, dog boarding and dog daycares) are permitted as a home-based business*

### **Question 16: Do you support that “personal services” should not be permitted as a Type 1 Home-Based Business?**

9 Respondents agreed that “personal services” should not be permitted as a Type 1 home-based businesses and 4 respondents did not support.

### **Question 17: Do you agree that ‘animal services’ should be permitted as ‘mobile only’ for Type 1 Home-Based Businesses?**

All respondents agreed that animal services should be permitted as ‘mobile only’ for Type 1 home-based businesses.

### **Question 18: Do you support that ‘animal services’ should be permitted as ‘mobile only’ and ‘on-site’ for Type 2 and Type 3 Home-Based Businesses?**

9 Respondents support that ‘animal services’ should be permitted as ‘mobile only’ and ‘on-site’ for Type 2 and Type 3 home-based businesses. 5 Respondents did not support this.

## Additional Uses

*There are opportunities for Type 3 home-based businesses to accommodate certain activities. Both drop-in retail for artisanal products and auto repair are being proposed in the home-based business regulations as a Type 3 use.*



**Question 19: Do you support drop-in retail for artisanal products as a Type 3 Home-Based Business use?**

11 Respondents support drop-in retail for artisanal products as a Type 3 home-based business. 2 Respondents did not support this.

**Question 20: Do you support auto repair as a Type 3 Home-Based Business?**

8 Respondents support auto repair as a Type 3 home-based business. 6 Respondents did not support this.

**Respondents were then asked if there were any other uses that you feel should be permitted as a Type 3 Home-Based Business? The answers are below:**

- No
- Inside vehicle or equipment

**The final question for Respondents asked if they have any other thoughts comments or suggestions about the proposed updates to the home-based business regulations. The answers are attached.**

## Q22 Do you have any other thoughts, comments or suggestions about the proposed updates to the home-based business zoning regulations?

Answered: 12 Skipped: 2

#	RESPONSES	DATE
1	I think there could be an increase for square footage of businesses that are on 1 acre or more...	12/26/2018 9:22 PM
2	The City of Nanaimo is currently reviewing it's Home Based Business (H.B.B.) regulations to "support HBB's while balancing the needs of neighbourhoods". The new proposals are based on a recent survey, returned by 19% of HBB operators. Six objectives to support HBB's were identified in the July survey, there were no objectives to support neighbourhoods. If anything the proposals for Type 2 and Type 3 will increase stress on some neighbourhoods. The original HBB guidelines were introduced in 1993. Since then our society and governments on all levels have moved to more consultation, transparency and inclusion when making decisions that impact others. In the process of reviewing the HBB's the EDD at City Hall have done this from the business perspective but not from a neighbourhood perspective. To make the new HBB proposals more balanced, with transparency, inclusion and consultation in mind, at the very least a written notification needs to be sent to the neighbours living on the same block as the business. This would allow concerns to be shared before the licence is granted. Given that 38% of the business licences issued in Nanaimo are for HBB's, I want to suggest more oversight. Are HBB's tracked? Does the City know how many HBB's there are on a given block? Often there are more than one business. If another business was licenced, how would that affect traffic, parking, noise? Before issuing a licence is the proposed site visited? Any concerns / disputes a neighbourhood may have with a new HBB needs to be heard by an independent oversight committee. Currently there is no mechanism for neighbourhood to appeal. Which is wrong. I recognise cost is a factor with the changes I propose. I suggest these costs be a part of the business license.	12/17/2018 3:45 PM
3	neighbours should have some input as to what happens next door to them as part of the approval process	12/14/2018 3:28 PM
4	Be very clear what the response is to activities not allowed in a residential home-based business i.e. using a single-family home as a multi-client gym, having clients before and after allowed hours, parking violations etc. Concrete actions should be expected for violations. Neighbours shouldn't have to track the traffic to/from these businesses and complaints should be followed up with an actual investigation.	12/5/2018 5:09 PM
5	Consideration needs to be given to shared driveways and impact of traffic across access granted by easement.	12/5/2018 12:54 PM
6	Yes, I think the number of employees allowed in each of the types of home-based businesses is unnecessarily restrictive. If parking on-site is available, I would support 1 employee for type 1, 2 or 3 employees for type 2, and up to 4 employees for type 3. I am the only resident in my home, so if my home-based business has 2, or even 3 employees, that is still less people than a typical family of 4 or 5. I also think the number of visits per business type is overly restrictive, especially if it includes sales, deliveries and customer visits. I don't think the limits as set out encourage home-based business, productivity and innovation in Nanaimo.	12/5/2018 10:35 AM
7	Q.3 - should be 1,500 sq. ft. Q.4 - should be 1,500 sq. ft. (What does the lot size have to do with sq. ft.?) Q.6 - should be more, can't make a living off 8 clients Q.7 - should be more, can't make a living off 10 clients (or 5 each if you have one employee) Q.9 - needs to be more Q.11 - should allow one, no vacation, or if you do, business stops?! Q.12 - need more! brick and mortar businesses are becoming less necessary with online market - need more than one employee! Q.15 - yes, but allow a freestanding sign! everyone has one even though they are not allowed. Allow it and tax it! Moving in the right direction, but overall very disappointing. Nanaimo needs to allow more clients and more employees for home businesses. With these bylaws people can't make a living and they will just break the laws anyway. Increase the limits, tax or charge for it if necessary. Music Teacher (8 appointments, 1/2 hour each) - welfare Nails/Hair (5 appointments with 2 stylists, 1 hour each) - welfare Daycare (up to 16 kids, only allowed 10 trips?) - How does that work?	12/5/2018 10:09 AM
8	Q.8 - two as long as enough parking space	12/5/2018 10:02 AM

9	Q18 - Type 2 mobile only and onsite for Type 3	12/5/2018 9:59 AM
10	Q.6 - should be more allowed Q.7 - should be more allowed Q.9 - more clients at a time should be allowed Q.12 - more should be allowed Q.13 - more should be allowed We should be allowed more then 1 sign per home and I think we should have more then 10 return vehicle visits per day.	12/5/2018 9:56 AM
11	Hours of operation should depend greatly on the business	12/5/2018 9:51 AM
12	Type 3 split for inclusion of 1 acre or more allowing additional provisions / employees.	12/4/2018 8:15 PM

## Re: Updating Regulations Governing Small Home-Based Businesses

The City of Nanaimo is currently working on an update of its regulations governing small home-based businesses. This was last done in 1996. Since that time, much has changed in terms of the number of home-based businesses, technologies, and the City's interest in balancing the needs of home-based businesses with neighbourhood character.

Interested residents are encouraged to contact the City of Nanaimo, either in person or on-line, to inform themselves of the complete ongoing review and provide further input. Contact Ms. Amrit Manhas, Economic Development Officer, City of Nanaimo at [amrit.manhas@nanaimo.ca](mailto:amrit.manhas@nanaimo.ca), or 250-755-4465.

SPNA has provided input to date through the following forums:

- Nov 9, 2018 - Chairs of all Neighbourhood Associations were invited to review the City's proposals to date.
- Dec 4, 2018 – General public invite to the Vancouver Island Convention Centre Open House to review the City's **ongoing revised** proposals to date.

SPNA's input to date included:

- 1) **City should consider the distinct differences in many new types of on-line businesses, which do not have staff, consultant partners, or clients arriving on-site, or physical deliveries in/out of the residence.** They do not impact their neighbourhood and as such should not be required to adhere to parking requirements beyond that of a regular residence. *(City of Nanaimo appears to have incorporated this Nov. 9, 2018 suggestion into its Dec 4, 2018 presentation.)*
- 2) **City should provide curbed sidewalks, at a minimum along major arterials, where proposed parking requirements on-site may still rely on overflow on-street parking.** Relying on overflow on-street parking dangerously impacts pedestrians where there are no curbed sidewalks. The most dangerous example provided was Hammond Bay Rd. (HB Rd.), a major arterial, of which only 180m of its 3,400m of shoulder has a curbed sidewalk. The remaining 3,220m has only, at best, a white paint line *(which **only demarks the vehicle lane** – it does not demark a designated pedestrian zone – and as such, can be used legally as parking)*. In this example, any reliance on on-street parking will completely impede the disabled, and likely force pedestrians into dangerous and high-speed vehicle lanes.
- 3) **City should review the proposed 8 vehicle trips per day allowed for 'Type 2' businesses.** Others in the Nov 9, 2018 meeting offered multiple examples (photographer/ hairdresser with no staff), where this number would be impractical and

insufficient. Fifteen vehicles trips per day was proposed by others. *(City of Nanaimo has not incorporated this suggestion as of the Dec 4, 2018 presentation.)*

- 4) **City should require a means of turn-around on-site, similar to what appears to be required for commercial zoned businesses, along arterial roads (HB Rd.).** Allowing business traffic to back onto HB Rd. is dangerous, and exacerbates the already compromised flow of traffic along HB Rd.
- 5) **City should better enforce existing rules governing signage.** This includes the allocation of one sign only, of a particular size and placement, as outlined in the existing bylaws governing signs. No allowance should be made for additional sandwich boards, directional signage to the business from blocks away, special promotional signage or decoration, or the long-term parking of commercial vehicles advertising the business.
- 6) **City should not incorporate the proposal by others that all businesses must have a sign.** SPNA agrees it is beneficial for neighbours to know the nature of adjacent businesses, and supports the requirement if there are staff, consultant partners, or clients arriving on-site, or physical deliveries in/out of the residence. Those businesses which do not, do not place an impact on neighbour and should not be required to have a sign as it may compromise security sensitive work, and mistakenly appear to solicit customers.

Thank you to all residents who have provided input or participated in the Open House.

Attention: City of Nanaimo

Re: Home Based Business

I attended your HBB open house (December 4<sup>th</sup>) and appreciate the time and work put into the revisions to date. I would like to add that many of the small business owners would like the RTV to be increased in a formulaic way.

Residential neighbor-hoods have changed dramatically over the years. Many people do not work Monday to Friday 9-5 jobs only; weekend work is common as well as shift work. Convenience stores are now of the common place bordering residential areas. Opening our city to more employment opportunities (that would not be possible due to high commercial rental and minimum 3-5 yr lease time) is an invitation for a stronger commerce community.

One of the factors that we should base balanced changes on is “allotted vehicles per lot size”. When R3 zoning was captured into RS1 zoning, more restrictions were introduced.

Stating the obvious, property taxes are higher proportionately to size increase based on comparative uses and potentials etc. (Ex. ½ acre pays less than 1 acre, 1 ½ acres pays more than 1 acre, 2 acres pay more than 1 acre). Consider this as a RVT (Return Vehicle Trip) allotment; in the existing HBB regulations, home residents RVT are unlimited and would remain as such.

- A high density lot (450m<sup>2</sup>), has an average of 2 vehicles with minimum 2 vehicle return trips (VRT) per day at any hour and HBB will allow an additional 5 RVT per day;
- In proportion, if a half acre parcel (2,020 m<sup>2</sup>) was subdivided, that street may produce a minimum of 8 RVT per day (not between specific hours); Compared with type the one proposal, that would be + 20 RVT = 28 RVT.
- 1 acre (4046m<sup>2</sup>) = 16 RVT per day; this would be the equivalent (in comparison of type one) of 40 RVT.
- 2 acres = 32 RVT per day.
- 3 acres = 48 RVT per day.

Employee maximums would be based on lot size as well. Consideration should be given that transportation other than private vehicles may be used (ex. Bus, bike, car pool) Type one = one non resident employee. Type two = 2 non resident employees. Type three, broken down by ½ acre increments = 4 employees, 1 acre = 6 employees, 2 acres = 8 employees, 3 acres = 10 employees; and so on up to 12 employees with “all” parking on property. I would like to see type 1, 2, and 3 HBB’s being able to use another HBB for parking if they do not meet their maximum allotment.

**Note:**

If these properties ½ acre + were subdivided, the RVT would easily surpass these proposals for HBB and reduce green space immensely. Keeping larger properties in many residents view are essential for the diversity in wild life. Home base business’s are the most quiet polite neighbors generally, no loud outside music (etc) as they show examples of neighborhood respect for customers unlike Airbnb’s, generally speaking of course.

Listed below are proposal for review and consideration for changes:

#### Type 1

- 5 RVT per day
- 1 non resident employee

#### Type 2

- Size (based on gross floor area) up to 50% of the GFA.
- Up to 12 VRT per day
- 2 non resident employees
- Parking must be located on the property.
- Storage of vehicle etc. (inside)

#### Type 3

- Based on ½ acre increments would be RVT.
- HBB Size up to 50% of the GFA or Size based above the minimum amount of living / non business area must be 100 m sq. and all other area may be dedicated to business.
- ½ acre 13 RVT per the first half acre and 3 per each half acre increment. Ex. ½ acre = 13 RVT; 1 acre = 16 RVT; 1 ½ acre = 19 RVT and so on up to 5 acres. A limit of 27 RVT would be the cap.
- ½ acre = 2 non resident employees; 1 acre = 4 non resident employees; 2 acres = 8 employees; and so on up to 5 acres with a maximum of 12 employees.
- All parking must be located on the property.
- Up to 20 non-resident employees.
- Note, “Mini storage” inside any structure may be unlimited and non restrictive provided normal safety precautions / laws are followed.

The following to be enhanced to accommodate the above recommendations:

6.20.2.1. In a dwelling unit, the home based business shall not occupy more than 100m<sup>2</sup> of the dwelling unit, or 50% of the dwelling unit, whichever is less. 6.20.2.2. Where the home based business is located in an accessory building, the home based business shall not occupy more than 42m<sup>2</sup>. 6.20.2.3 Where a home based business is located within a secondary suite, the home based business shall be wholly contained within the secondary suite and shall not occupy more than 42m<sup>2</sup> or 50% of the secondary suite, whichever is less. 6.20.2.4 Notwithstanding Subsections 6.20.1., where a dwelling contains a secondary suite and both the dwelling unit and the secondary suite each contain a home based business, or portion thereof: a) the home based business for the secondary suite shall not occupy more than 42m<sup>2</sup>, or 50% of the secondary suite, whichever is less; and b) the home based business for the principal dwelling unit shall not occupy more than 60m<sup>2</sup>, or 50% of the dwelling unit, whichever is less.



## Home Based Businesses and Easements in Nanaimo

### History

There are many lots in Nanaimo (i.e.: Rock City, Robin Hood area) with driveways that cross neighbouring lot(s). Access for the driveway has been granted via easement drafted during the subdivision process. These easements pre-date any Home Based Business Bylaw and are silent on the matter of traffic from home based businesses. An arbitration case in Nanaimo has ruled that, unless specifically prohibited, an easement agreement does not restrict traffic from home based businesses in any way. As a result, residential property owners are subject to business traffic crossing their property without their knowledge or approval.

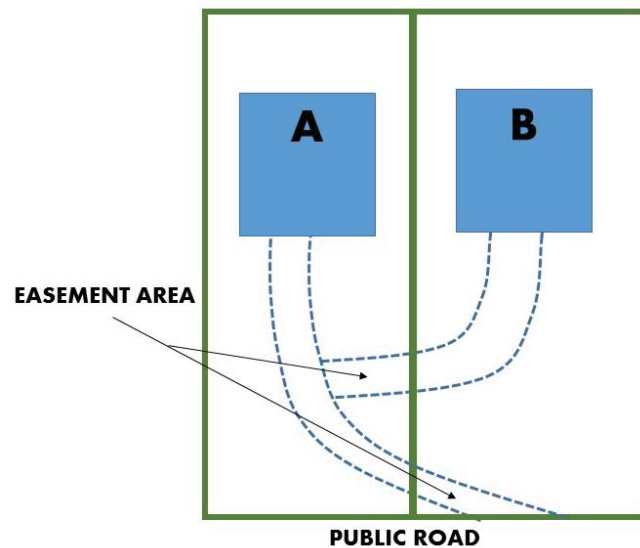
### Concerns

- Depending on the easement agreement, the property owner is responsible for some or all of the driveway maintenance.
- Standard of care for business access is far higher than that for residential access. The addition of business traffic on residential property changes the property owner's risk profile and adds additional maintenance costs.
- This means that the property owner could be sued by a client of a neighbouring business in the event of injury. Rarely do visitors to a residential property attempt to sue the homeowner following an accident on that property. Clients of a business, on the other hand, are more likely to sue and more likely to receive judgement in their favour following an accident.
- The current bylaw does not require the home based business proprietor to consult, obtain approval or notify the property owner that vehicular or pedestrian traffic from a neighbouring home based business will cross their property. Property owners could be unknowingly and unfairly putting themselves at risk.
- A property owner should not incur additional costs or take on additional risk because there is a business being operated out of the residence next door. The City of Nanaimo has a responsibility to protect these property owners.

### Proposal

- In any scenario where traffic accessing a home based business is expected to cross property not owned by the proprietor, the proprietor should be required to obtain approval from the property owner prior to issue of a business licence.
- The above criteria does not apply to a home based business with zero traffic and no employees other than the proprietor (i.e.: mobile, remote or mail-order business).
- If there is an easement agreement in place that specifically names home based business as an acceptable type traffic, then the approval requirement is waived.
- The approval process need not be involved, complicated or expensive.

## Example



- “B” decides to open a home based business selling essential oils and brightly patterned leggings. “B” meets all of the criteria with respect to zoning, square footage, maximum vehicle trips per day, and parking availability so a business license is granted.
- However, anyone wishing to patronize the business must cross property owned by “A”. Under the current Home Based Business Bylaw, “A” was not required to give consent for this activity. In fact, “A” did not even receive notification that a business license was issued.
- The driveway is steep with several blind spots. It is also frequently subject to black ice in winter. “A” is very concerned about being sued by a client of the home based business.
- Since “A” property is insured for residential use only, “A” decides to notify their insurer of this additional type of traffic. “A” also decides to increase their liability limit on their homeowner’s insurance policy and begins paying a higher monthly premium.
- In the winter, “A” becomes more diligent in clearing snow and ice from their driveway. “A” is up early each morning to salt the driveway. Slips, falls, and vehicular accidents pose a significant risk in the winter given the topography of the neighbourhood. “A” has contemplated installing more lighting on the driveway but the household budget is tight.
- “A” soon realizes that they are ostensibly subsidizing “B”’s business by way of additional insurance premiums and maintenance costs. While “A” wants a diverse and vibrant community, “A” does not want to shoulder additional costs and responsibilities because “B” elects to run a business from a residential property.

## STRAIT OF GEORGIA

NORTHUMBERLAND

DUKE  
POINTPROTECTION  
ISLAND

NEWCASTLE  
ISLAND  
PARK

DEPARTURE BAY

NANAIMO HARBOUR



Published: October 12, 2018

CITY OF NANAIMO

116.000 Kilometers

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218

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