

# 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.

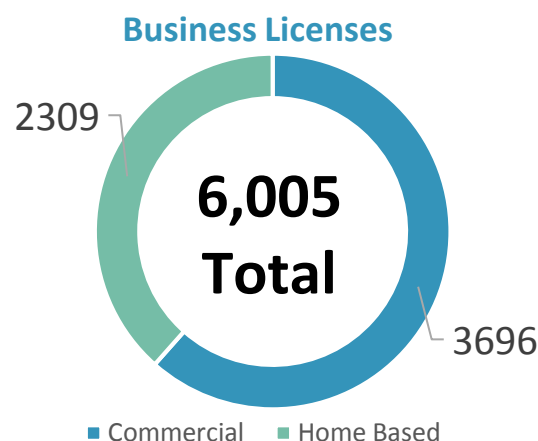
Details available online

[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!**





## 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 <sup>2</sup> )	50% GFA, up to $100m^2$ (1,076 ft <sup>2</sup> )	50% GFA, up to $140m^2$ (1,500 ft <sup>2</sup> )
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) )
<b>Health Services</b>	Permitted	Permitted	Permitted	Permitted
<b>Personal Services</b>	Permitted	Not Permitted	Permitted	Permitted
<b>Construction &amp; Building Maintenance Services (no marshalling)</b>	Permitted	Permitted	Permitted	Permitted
<b>Professional Services</b>	Permitted	Permitted	Permitted	Permitted
<b>Small Scale Manufacturing / Home Craft</b>	Permitted	Permitted	Permitted	Permitted
<b>Education &amp; Training</b>	Permitted	Permitted (see Group Sessions)	Permitted (see Group Sessions)	Permitted (see Group Sessions)
<b>Sales</b>	Permitted (On-line and Off-Site)	Permitted (On-line and Off-Site)	Permitted (On-line and Off-Site)	Permitted (On-line and Off-Site)
<b>Limited Animal Services (dog walking, pet sitting, pet grooming only)</b>	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)
<b>Drop-in Retail (Artisanal and Antique Sales)</b>	Not Permitted	Not Permitted	Not Permitted	Permitted
<b>Auto &amp; Small Marine Engine Repair</b>	Permitted	Not Permitted	Not Permitted	Permitted
<b>Family Daycare</b>	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)

