

DATE OF MEETING January 13, 2020

AUTHORED BY CALEB HORN, PLANNER, CURRENT PLANNING

SUBJECT HOME-BASED BUSINESS REGULATIONS

OVERVIEW

Purpose of Report

To amend “City of Nanaimo Zoning Bylaw 2011 No. 4500” and “City of Nanaimo Sign Bylaw 1987 No. 2850” to update the regulations pertaining to home-based businesses.

Recommendation

That:

1. “Zoning Amendment Bylaw 2020 No. 4500.149” (To amend the home-based business regulations) pass first reading;
2. “Zoning Amendment Bylaw 2020 No. 4500.149” pass second reading;
3. “Sign Amendment Bylaw 2020 No. 2850.22” (To amend sign regulations pertaining to home-based businesses) pass first reading;
4. “Sign Amendment Bylaw 2020 No. 2850.22” pass second reading; and
5. “Sign Amendment Bylaw 2020 No. 2850.22” pass third reading.

BACKGROUND

At the 2019-FEB-25 regular Council meeting, Council was presented with a Staff report (Attachment A) outlining proposed changes to the home-based business regulations contained within the City of Nanaimo bylaws. Council received the report and directed Staff to return to a future Council meeting with amendments to ‘City of Nanaimo Zoning Bylaw 2011 No. 4500’ (the “Zoning Bylaw”), ‘Sign Bylaw 1987 No. 2850’ (the “Sign Bylaw”), and ‘Off-Street Parking Regulations Bylaw 2018 No. 7266’ (the “Parking Bylaw”) relating to the home-based business regulations.

Following further review and refinement, Staff have prepared amendments to the Zoning Bylaw and the Sign Bylaw.

DISCUSSION

Zoning Bylaw

The previous report presented to Council in February 2019 outlined the proposed Zoning Bylaw amendments to include a new home-based business classification system that will categorize home-based businesses according to the dwelling unit type and lot size. Greater restrictions were proposed for businesses within multi-family units and small single family lots (Type 1), restrictions similar to the existing home-based business regulations for standard single family lots (Type 2), and fewer restrictions for businesses within larger single family lots (Type 3).

A summary of the changes to the proposed home-based regulations from the previous report to Council and the current proposal:

Regulation	2019-FEB-25 report	2020-JAN-13 report	Rationale for change
Maximum Type 1 / Minimum Type 2 business lot size	450m ²	370m ²	To align with the more restricted nature of Type 1 businesses and the anticipated impacts of Type 2 businesses on typical residential lots.
Maximum area of Type 1 businesses	30% of gross floor area up to 28m ²	50% of gross floor area up to 42m ²	To align with the current maximum area of home-based businesses in secondary suites.
Maximum area of Type 3 businesses	50% of gross floor area up to 140m ²	50% of gross floor area up to 200m ²	To better reflect the opportunity available for larger businesses on Type 3 lots without significant impacts.
Maximum vehicle trips for Type 1 businesses	5 return vehicle trips	0 return vehicle trips	To reflect the nature of Type 1 businesses where no clients, customers, or non-resident employees are anticipated.
Maximum vehicle trips for Type 3 businesses	10 return vehicle trips	12 return vehicle trips	To meet the potential demand for Type 3 businesses and recognize the nature of such businesses away from higher density urban areas.

As previously presented to Council, Staff recommended the lot size to permit Type 1 businesses be 450m² or less. However, after further review, it was determined Type 1 businesses should be restricted to lots that are less than 370m² in area to better reflect lot sizes in the Zoning Bylaw. Lots that are 370m² or greater in area are eligible for secondary suites, and the impacts of Type 2 home-based businesses are not anticipated to be greater than the anticipated impacts of secondary suites. Type 2 businesses will allow for customer visits and non-resident employees, but Type 1 businesses will not. Changing the threshold between Type 1 and Type 2 businesses from 450m² to 370m² will align with the typical single residential dwelling lot size where Type 2 impacts can be expected.

Further clarification has been introduced to the proposed regulations in order to address where customer-based businesses will be permitted. It is Staff's recommendation that only those businesses that meet the criteria of Types 2 and 3 be permitted clients, customers, or non-resident employees because of the associated impacts including traffic, parking, and noise.

- *Type 1 – Multiple-Family Dwelling unit, Secondary Suite, Mobile Home, Modular Home, Recreational Vehicle, Float Home, or Single Residential Dwelling on a lot < 370m²*

Type 1 home-based businesses will represent businesses that operate in smaller dwelling units, such as multi-family developments, secondary suites, mobile home parks,

and smaller single dwelling residential lots. These types of dwelling units are within more densely populated neighbourhoods where impacts on neighbours could be the greatest. As such, no businesses with clients, customers, or non-resident employees will be permitted. Due to these regulations, Type 1 businesses will typically be of an online or mobile nature. With greater restrictions on Type 1 businesses, issues pertaining to increased traffic, parking, and noise will be mitigated.

- *Type 2 – Single Residential Dwelling on a lot $\geq 370m^2$ and $< 2,020m^2$*

Home-based businesses that operate on typical single dwelling residential lots will be permitted one non-resident employee and up to 8 return vehicle trips per day between the hours of 7 a.m. and 9 p.m. to accommodate customer or client visits. Under the current regulation, 10 vehicle trips per day are permitted for all home-based businesses; however, due to an increasing number of complaints received by neighbours, Staff recommend the number of permitted vehicle trips per day be reduced from 10 to 8 for Type 2 home-based businesses.

- *Type 3 – Single Residential Dwelling on a lot $\geq 2,020m^2$*

Home-based businesses that operate on larger residential lots over $2,020m^2$ (a half-acre) will be permitted two non-resident employees and 12 return vehicle trips per day to accommodate customer or client visits. Because Type 3 businesses will be operating from larger lots, impacts on neighbouring properties are anticipated to be negligible.

Sign Bylaw

In addition to the Zoning Bylaw amendments, an amendment to the Sign Bylaw is proposed to clarify the restrictions on signage size and number of signs per lot. The amendment clarifies that signs related to home-based businesses are permitted for single dwelling residential lots only. Signage for home-based businesses operating from other types of dwelling units, such as multiple-family dwelling units, will not be permitted.

Off-Street Parking Bylaw

The Council report dated 2019-FEB-25 recommended the Parking Bylaw be amended to limit marshalling and staging of vehicles associated with the home-based business. After further review, however, Staff believe this issue is best addressed in the Zoning Bylaw under Section 6.12 Vehicle Restrictions. Section 6.12 regulates the number of vehicles, as well as the number of identifiable company vehicles permitted on a residential lot. As such, incorporating marshalling and staging of vehicles into this section is more cohesive than as a stand-alone regulation in the Parking Bylaw.

OPTIONS

1. That
 1. “Zoning Amendment Bylaw 2020 No. 4500.149” (To amend the home-based business regulations) pass first reading;
 2. “Zoning Amendment Bylaw 2020 No. 4500.149” pass second reading;
 3. “Sign Amendment Bylaw 2020 No. 2850.22” (To amend sign regulations pertaining to home-based businesses) pass first reading;
 4. “Sign Amendment Bylaw 2020 No. 2850.22” pass second reading; and
 5. “Sign Amendment Bylaw 2020 No. 2850.22” pass third reading.
 - *Advantages:* Home-based businesses are an integral component of the economic framework of Nanaimo. The number of home-based businesses continues to increase annually, and, as such, Staff recommend Council approve the proposed amendments to the Zoning Bylaw and Sign Bylaw to facilitate the continued successful integration of home-based businesses into developments and neighbourhoods. In addition, the amendments offer clarification on aspects of the home-based business regulations and will reduce uncertainty.
 - *Disadvantages:* The proposed amendments may result in a slight increase in processing times as there will be an increase in home-based business types.
 - *Financial implications:* Revenue is collected from all business licence applications, including home-based businesses. Home-based business licence applications may decrease in some areas with greater restrictions, but may increase in other areas with less restrictions. On balance, no significant financial implications are anticipated.
2. That Council deny approval of the amendments to the Zoning Bylaw or Sign Bylaw.
 - *Advantages:* The status quo may allow for easier processing of home-based business applications as there are currently no separate business types.
 - *Disadvantages:* Staff can continue to review home-based business licences based on the existing home-based business regulations; however, the existing regulations do not reflect current trends or best practices. This option will not respond to community input to see improved regulations to mitigate potential impacts of home-based businesses or land use conflicts.
 - *Financial implications:* None anticipated.
3. That Council provide alternative direction. |

SUMMARY POINTS

- As directed by Council, amendments to the Zoning Bylaw and Sign Bylaw are being presented for consideration.
- The proposed amendments introduce a classification system that categorizes home-based businesses based on dwelling unit type and lot size.
- The amendments to the Sign Bylaw introduce regulations pertaining to the size of sign permitted for a home-based business as well as restricting the number of signs permitted.

ATTACHMENTS:

ATTACHMENT A: Home Based Business Regulation Review Report to Council 2019-FEB-25
“Zoning Amendment Bylaw 2020 No. 4500.149”
“Sign Amendment Bylaw 2020 No. 2850.22”

Submitted by:

Lainya Rowett
Manager, Current Planning

Concurrence by:

Jeremy Holm
Director, Development Approvals

Bill Corsan
Director, Community Development

Dale Lindsay
General Manager, Development Services