

Mark-up of Proposed Text Amendments for Minor Home Based Businesses

Zoning Bylaw 12800 regulates businesses operated in the home as either a Minor Home Based Business or Major Home Based Business. A Minor Home Based Business is differentiated from a Major Home Based Business in that it is considered to have minimal to no land use impacts to surrounding neighbours.

To be considered a Minor Home Based Businesses, the business cannot generate more than one business associated visit per day at the dwelling, no aspects of the business operations can be detectable from outside of the property, and the dwelling cannot serve as a workplace for non-resident employees. The special land use provisions also require that any storage associated with the business be contained within the dwelling, as well as other requirements to ensure the business does not change the principal character or external appearance of the dwelling.

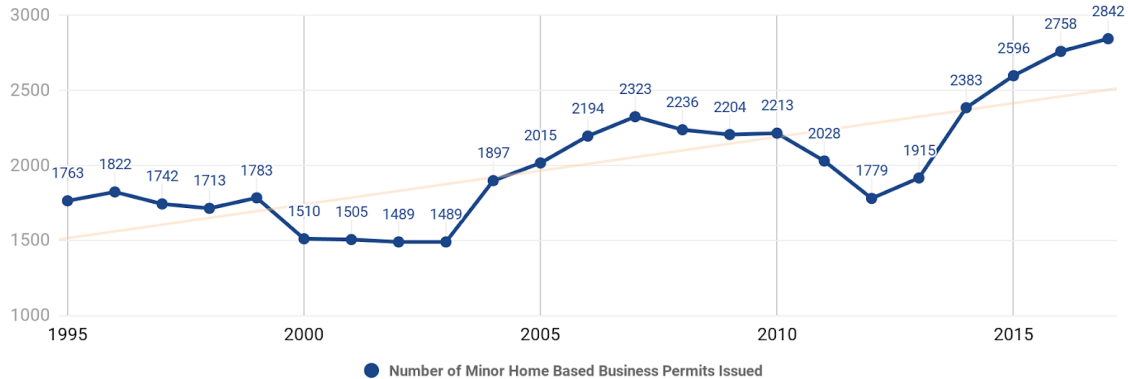
Due to the minimal impacts associated with Minor Home Based Businesses, this use is often listed as a permitted use in residential zones. If the development meets all of the land use provisions for Minor Home Based Businesses, it is approved as a Class A development and no notices are sent to surrounding landowners, Community Leagues or Business Improvement Area Associations.

Removing development permit requirements aligns with other work being undertaken by Administration to reduce costs and barriers to home based businesses, as outlined in the April 17, 2018, Urban Form and Corporate Strategic Development report CR_5469 Home-Based Licence Fees Elimination - Impacts and Options.

Current conditions

Permit data suggests that home based businesses are a growing segment of Edmonton's economy. Although the number of permits issued for Minor Home Based Business has fluctuated, the number of permits issued overall has steadily increased over the last 20 years. In 2017, the City issued 2,842 Minor Home Based Businesses permits. Because these are generally permitted uses, less than one percent of the applications made for a Minor Home Based Business are refused. The low percentage of refusals may also correlate with the number of applications that switch from a Minor Home Based Business to a Major Home Based Business once a Development Officer is able to verify the type of business proposed. Additionally, some applications may be cancelled, or withdrawn, when the applicant is made aware that the business is more appropriately located in a commercial or industrial location.

Minor Home Based Business Permits Issued between 1995 to 2017



Proposed changes

The proposed changes will exempt Minor Home Based Businesses from requiring a development permit, provided that they are listed as a permitted use in the zone they are located, and they fully comply with the special land use provisions. Minor Home Based Businesses were chosen for this exemption for their overall minimal land use impact. These proposed changes also create an opportunity to reduce administrative fees for small businesses by \$125, the current development permit application fee for a Minor Home Based Business. The removal of the development permit will also enable a faster processing time for businesses and create greater capacity within Administration to address more complex applications.

As Minor Home Based Businesses will still be required to obtain a business licence, Administration can verify compliance with Zoning Bylaw 12800 during the business licence application process. If it is found that the proposed Home Based Business does not comply with the Special Land Use regulations, the applicant will be directed to apply for the appropriate development permit as required.

A minor change has been made to the proposed amendments since presented at the June 5, 2018, Urban Planning Committee meeting. The special land use regulations for Minor Home Based Business and Major Home Based Business are no longer required to be consolidated as Section 91 can be used for the Special Event special land use provisions.

Conclusion

Removing the development permit requirement for Class A Minor Home Based Business uses can help reduce startup costs for small businesses, and improve process efficiencies within Administration. Similar to the proposed amendments for change of use developments, these proposed changes support continued investment in Edmonton's thriving local economy.

Mark-up of Proposed Text Amendment to Zoning Bylaw 12800 Black Font Existing Text in Zoning Bylaw 12800 Strikethrough: Proposed deletion from Zoning Bylaw 12800 <u>Underline:</u> Proposed addition to Zoning Bylaw 12800	Rationale
12.2 No Development Permit Required 1. A Development Permit is not required for: <u>z. a Minor Home Based Business that fully complies with the regulations of this Bylaw and is a Permitted Use in the applicable Zone.</u>	<p>The intent for this change is to eliminate the Development Permit requirement for Minor Home Based Businesses that generally do not create a nuisance or major land use impact to the surrounding neighbourhood.</p> <p>Verification of compliance with zoning and the Special Land Use Provisions will be assessed as part of the Business Licence application. This includes a process where a Development Officer determines when a development permit is required.</p>