



Inquiry Type	Number of Inquiries to Business Hub	
	2016 *Data collected from April 2016*	Jan 1, 2017 – Oct 31, 2017 *No data collected for April and weeks 1 & 2 of May*
New Business Inquiries	240	244
Home Occupation Inquiries	98 (41%)	99 (41%)

Home Occupation Licences	Number of Licences Issued	
	2016	Jan 1, 2017 – October 31, 2017
Home Occupation New	240	264
Home Occupation Renewal	674	684

Schedule D – Home Occupations of the *City of Victoria Zoning Regulation* states “not more than one person shall be engaged in a home occupation” and “No more than one home occupation shall be carried on in any dwelling unit.” However, this is not reflective of the current need and demand of Victoria home-based businesses.

## II. Cannabis

A concern has been raised over the potential for some cannabis-related businesses to be located in residential areas in the guise of a home occupation. To eliminate uncertainty in this regard, Staff recommend adding cannabis-related businesses to the list of prohibited uses under home occupation regulations.

## ISSUES AND ANALYSIS

### I. Number of Businesses

#### *Cross-Jurisdictional Scan*

By reviewing the following municipalities' home occupation bylaws, we have determined our limit of one home occupation is not in alignment with current practices elsewhere.

Municipality	Number of Home Occupations	Other Requirements
District of Saanich	No maximum (for SFD) and 2 max for Multiple Dwellings Apt, Townhouses, and Condos	Combined commercial use of the dwelling unit must not exceed 20% and not have more than 2 clients or patrons on the premises at any one time
District of Central Saanich	No maximum	Combined commercial use must not exceed 25% of the gross floor area and no more than 2 clients or patrons of business on site at any one time (exception of daycare).

City of Richmond	No maximum	Be limited to a maximum of three clients on the premises at any one time.
Town of Sidney	No maximum	Commercial use does not exceed 20% of gross floor area (SFD), 15m <sup>2</sup> in secondary suite, 13m <sup>2</sup> in detached secondary dwelling and 35m <sup>2</sup> in an accessory building, "high traffic" home occupations have no more than 2 customers in unit at any one time (exception of daycare).
City of Langford	No maximum	Only one licence permitted that involves having client on-site (parking regulations). Combined commercial use of the dwelling must not exceed 25% of the total floor area
Town of View Royal	Maximum three	Different levels, with conditions based on the maximum amount of space the business occupies and varying restrictions on the number of clients allowed on premise at any one time.
District of Oak Bay	Maximum of two	No visitors or clients to the house, except for music instruction and school tuition
City of Vancouver	Maximum of three	Up to three licenses for each dwelling type, but no more than one resident family member occupying the residence can be engaged in each of the businesses. No clients can attend the premises at any time.

### *Data Analysis*

The Business Hub repeatedly encounters inquiries requesting Schedule D to be amended to allow for more than one home occupation per dwelling. These requests are most frequently from couples that both work as consultants, contractors or freelancers, and none of which see visitors to the home. Compounding this, we see similar environments in which couples also have grown children, either living at home, or returning home for the summer from university, and want to employ themselves as contractors or something similar. As the current bylaw is written, only one of the household residents is permitted to apply for a Home Occupation Business Licence. We view this as unnecessary red-tape that discourages citizens from appropriately registering their businesses, and significantly hinders the ability to make it easier to business in our City.

### *Parking Impacts*

Given that home occupations are located in residential neighbourhoods, care must be taken to reduce parking and traffic impact on neighbouring residents. By continuing to limit the home occupation to only one that has any customers visiting the premises (e.g. hairdresser, massage therapist), traffic impacts are not anticipated to be further impacted with this amendment. Additionally, with an increasing number of services conveniently located close to homes, customers may choose to use home-based businesses within their own neighbourhood, potentially reducing the number and length of vehicle trips, and advancing the OCP goal to have "a minimum of 60% of all trips by Victoria residents take place by walking, cycling and public transit by 2041" (Section 7.30.2).

## II. Cannabis

Although storefront cannabis retailers are prohibited in residential neighbourhoods, there are concerns that some cannabis-related business could potentially be located within residential neighbourhoods through the home occupation regulations. For instance, one of the permitted uses in Schedule D is mail order. Nuisance and security concerns could arise if an online cannabis dispensary with cannabis stored on-site is operating in a residential neighbourhood. In order to eliminate potential uncertainties, Staff recommend prohibiting cannabis-related businesses within the home occupation regulations by inserting "cannabis-related businesses" under the list of prohibited uses.

### **OPTIONS AND IMPACTS**

#### **Option 1 – Approve the proposed changes to Schedule D (Recommended)**

These changes to Schedule D will bring Victoria in line with other municipalities and deliver on an initiative identified in the City's Economic Action Plan, making it easier to do business in Victoria and help to accelerate the development of a vibrant downtown; they will also prevent cannabis-related businesses from existing in residential neighbourhoods.

#### **Option 2 – Decline the proposed changes**

Not amending Schedule D as proposed, will leave the current regulations in place for the number of home occupations per dwelling restricted to one, and will keep open the potential for home based cannabis businesses.

#### **Option 3 – Request amendments to the proposed changes**

Council may choose to selectively approve parts of this proposal and decline or request amendments to other parts.

### **ALIGNMENT WITH CITY OBJECTIVES**

#### *Accessibility Impact Statement*

There are no impacts to accessibility associated with the recommendations in this report.

#### *2015 – 2018 Strategic Plan*

Amending this bylaw is directly aligned with several of Victoria's strategic objectives:

- #1 Innovate and Lead
- #3 Strive for Excellence in Planning and Land Use
- #5 Create Prosperity through Economic Development

#### *Impacts to Financial Plan*

The recommended changes have no negative impact on the Financial Plan. If approved, there would likely be an increase in revenue due to business licence fees collected (\$100 per year per business).

*Official Community Plan Consistency Statement*

These updates to home occupation regulations are consistent with several objectives laid out in the Official Community Plan, particularly those in Section 14 – Economy:

- 14(a) That Victoria is more resilient to economic change through the strength of its core sectors, diversification, local business and community-based initiatives; section
- 14.5.3 Encourages and supports local ownership, business that use local resources, and social enterprise
- 14.11 Encourage and support economic activities that provide household sustaining jobs, and retain more community wealth in the community


**CONCLUSIONS**

The proposed updates to Schedule D – Home Occupations reflect the City of Victoria’s continued adaptation to the evolving nature of business in this community. Increasing the number of home occupations is an efficient way of advocating for our local economy, small businesses and residents working in the ever-evolving economic landscape here in the City of Victoria, while prohibiting home-based cannabis businesses will remove uncertainties when interpreting the *Zoning Regulation Bylaw*.

Respectfully submitted,




Quinn Anglin  
Business Ambassador



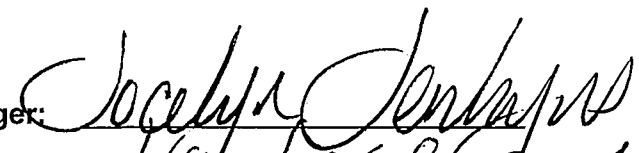
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Report accepted and recommended by the City Manager:   
Date: November 8, 2017

**List of Attachments**

1. Draft Amendment Bylaw 17-110