



Chapter 17.61 - Home Occupations

Revisions to the City's Home Occupations Ordinance

City Council
Public Hearing – March 8, 2022



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Staff Recommendation



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Staff recommends that the City Council introduce and conduct the first reading of Ordinance No. 1325 - An Ordinance Repealing and Re-Enacting Chapter 17.61 of the Folsom Municipal Code Pertaining to Home Occupations.

Key Issues and Questions



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1. Types of businesses allowed?
 - Sale of firearms?
 - Sale of ammunition?
 - Manufacture and sale ammunition?
 - Tattoo parlors?
 - Assembly and manufacturing?
2. If not allowed in commercial zones, should they be allowed as home occupations?
3. Should homes be allowed to create commercial storefronts for home-based businesses?
4. Does the Council want to hear appeals for home occupation decisions?

Planning Commission Recommendations



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- Recommended the following changes on 9/1 and 11/17:
 - Increased number of allowed firearms sales from 2 at a time to 4
 - Removed tattoo parlors, ammunition sales, ammunition manufacture and reload sales, and assembly and manufacturing from prohibited uses list
 - Increased number of customers/clients from 2 at a time to 4
 - Increased number of daily customers/clients from 8 to 10
 - Did not want only one level of appeal
- Voted 6 to 1 to recommend ordinance to Council
- All these changes including in proposed ordinance

Planning Commission Recommendations (continued)



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- Commission wanted to encourage home-based business activity and provide flexibility
- Businesses removed from prohibited uses list already subject to State and/or Federal regulation and oversight including:
 - Sale of firearms
 - Sale of ammunition
 - Manufacture and sale ammunition
 - Tattoo parlors

Background



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Community Development Dept. asked to revisit Home Occupation regulations due to the following:

- Retail storefronts at home-based businesses
- Concern over outdated requirements
- COVID and recent trends leading to more residents working from home

Background – Definition



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What is a Home Occupation (aka Home-Based Business)?

- Is any business-related use within a residential structure or accessory structure that is secondary to the residential use.
- Can be located in a single-family home, duplex, apartment unit, or in an accessory structure.



Background - Policy



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General Plan Policy LU 6.1.8 (Home-Based Businesses):

- *With issuance of a home occupation permit, allow home offices and home-based businesses that are compatible with the character of the residential unit and do not significantly impact the neighborhood.*

Existing Regulations



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Chapter 17.61 of Zoning Code regulates:

- Size: No more than 25% of home
- Employees: Residents plus 2 non-resident employees
- Clients: No more than 2 at one time; 8 per day maximum
- Vehicles: 1 commercial vehicle (up to 1 ton)
- Parking: Off-Street parking space required for commercial vehicle
- Deliveries: 1 per day
- Signage: 1 square foot
- Nuisances: No noise, smoke, odors, glare, electrical interference or vibrations
- Additional Conditions: May be applied as necessary
- Uses: No prohibited uses list

Current HOP Process



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Home Occupation Permit Process

- Home occupation permit application required
- City business license also required
- Allowed in all residential zones
- Subject to Community Development Director review and approval
- Must comply with regulations in 17.61 of FMC
- Approval or denial may be appealed to Planning Commission
- Commission may add additional conditions
- Commission decision may be appealed to City Council
- Annual permit – must be renewed each year
- Finance Department handles renewals
- Code Enforcement handles complaints and violations

Regional Standards Comparison



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Jurisdiction	% of Home	Number of Employees	Max. Clients at One Time	Max. Clients Per Day	On-Site Sales	Storefronts Allowed?	Signage Allowed	Max. Signage Size	Illuminated Sign?	Number of Business Vehicles
<i>Folsom (Existing)</i>	25%	<i>Residents + 2</i>	2	8	Yes	No	Yes	1 sq. ft.	No	1
<i>Folsom (Proposed)</i>	25%	<i>Residents + 2</i>	4	10	Yes	No	Yes	1 sq. ft.	No	1
Auburn	--	Residents Only	--	--	No	No	No	--	No	0
Citrus Heights	20%	Residents + 1	2	8	Limited*	No	Yes	1 sq. ft.	No	2
Rancho Cordova	--	Residents Only	--	--	Limited*	No	Yes	4 sq. ft.	No	2
Rocklin	--	Residents + 1	--	--	Yes	No	Yes	2" x 10"	No	1
Roseville	15%	Residents Only	1**	--	No	No	No	--	No	1
Sacramento City	10%	Residents + 1	1	8	Yes	No	No	--	No	1
Sacramento County***	20%	Residents Only	2	8	Limited*	No	Yes	4 sq. ft.	No	0

Notes:

*Limited only to sales of products produced by residents.

**One (1) student per hour allowed. Otherwise, clients not allowed unless granted by the Approving Authority.

***Sacramento County has a separate category for home-based family contractor businesses. It also has a special category of businesses subject to additional restrictions.

Regional Uses Comparison



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Jurisdiction	On-Site Firearm Sales	On-Site Ammo Sales	On-Site Ammo Manufacture/Reload	Manufacturing	Tattoo/Body Art	Massage Therapy	Animal Kennels
<i>Folsom (Existing)</i>	Y	Y	N	Y	Y	Y	Y
<i>Folsom (Proposed)</i>	Y	Y	Y	Y	Y	Y	N
Auburn	N*	N	N	N	N	Y	N
Citrus Heights	N*	N	N	N**	N	Y	N
Rancho Cordova	N	N	N	Y	N	Y	N
Rocklin	N*	N	N	N	N	Y	N
Roseville	N	N	N	N	N	Y	N
Sacramento City	N*	N	N	N**	N	Y	N***
Sacramento County	N*	N	N	N**	N	Y	N

Notes:

*Online, mail order, or off-site sales only

**Limited to repair of home electronics and small appliances only.

***Kennels not allowed but pet services, such as pet sitting, grooming, training, and veterinarian care are allowed subject to additional conditions.

Current Issues



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- **Home occupation permit rules have worked reasonably well**
- **Updates need due to some recent issues and complaints**
- **Ordinance Issue Areas:**
 - No list of prohibited businesses
 - Number of clients at the same time and per day
 - Storefronts
 - On-site sales
 - Number of deliveries
 - Mobile businesses
 - Offices and storage

Home Occupation Complaints



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Over past 5 years approx. 100 complaints received

Complaints related to:

- Noise
- Too many vehicles
- Commercial vehicles and trailers parked at the home or on the street
- Product and materials stored on-site and visible to the public
- Too many employees
- Too many visitors
- Too many deliveries
- On-site sales in the home
- Late night activity
- Signs (e.g., large signs, lighted signs, and neon signs)
- Alterations to the home without a building permit
- Odors
- Pollution (e.g., fluids poured down storm drains)
- Visibility of commercial activities
- Use of public right of way

Outreach



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- Published Required 10-day Public Hearing Notice
- Emails to approx. 1,000 home-based business owners in Folsom
- Email 4 weeks and 1 week before hearing to over 500+ residents, neighborhood associations, businesses, developers, and other stakeholders
- City social media post and article in City e-newsletter

Outreach (continued)



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- May 5, 2021: Public Workshop with Planning Commission
- September 1, 2021: Initial Planning Commission Public Hearing
- November 17, 2021: Final Planning Commission Public Hearing
- Information posted on City's Zoning Code update webpage:

www.folsom.ca.us/zoningcode

May 5th Commission Workshop



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Staff reviewed issue areas with Commission and public Commission feedback:

- Support for update to ordinance
- Support for update to home occupation definition
- Support for increased deliveries
- Support for prohibited uses list
- Support for prohibiting uses not allowed in C-1 and BP zones
- Concern over allowing home businesses to be open until 10 pm
- Commission had mixed views on increasing number of visitors per day
- Commission had mixed views on allowing retail storefronts
 - Supporters wanted design standards and/or storefronts covered when not in use

Proposed Ordinance Revisions



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Clarified home occupation definition

- Permit only needed if on-site sales, storage, or in-person services

Prohibited uses list created

- Prohibited uses incompatible with residential neighborhood
- Number of prohibited uses reduced by Planning Commission

Increased number of pickups/deliveries

- Increased number of pickups/deliveries from 1 per day to 4 per day

Hours of operation

- Changed from 7 am to 10 pm weekdays and 8 am to 6 pm weekends to 8 am to 8 pm everyday

State and federal licensing

- If state or federal license required, then must submit copy with application

Number of clients/customers

- Increased clients from 2 to 4 per visit
- Increased from 8 to 10 per day

Proposed Ordinance Revisions



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Firearms sales and storage

- Commission increased number of firearms sold at one time from 2 to 4 per customer
- Commission removed ammunition sales and ammunition manufacture and sale from prohibited uses list
- Staff made all home-based gun sales applications subject to approval by the Folsom Police Department
- Staff added specific requirements from Police for homes involved in firearms and ammo sales

No Changes



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No retail storefronts

- Allowing would conflict with General Plan Policy 6.1.8
- Would change residential character of residential neighborhood
- Other alternatives available to promote business

Sign size

- Kept size at 1 square foot
- Illumination still prohibited

Number of Appeals

- Staff recommended reducing appeals to 1 level (Commission only)
- Planning Commission want 2 levels of appeal (Commission and Council)
- Remains at 2 levels of appeal

No Changes (continued)



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Business area

- Kept at maximum of 25% of home
- Accessory structures included in home area calculation

Number of employees

- Kept at no more than 2 non-resident employees
- No more non-resident employees than resident employees

Parking

- Off-street parking still required for business vehicles

Potential Zoning Inconsistencies



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Uses Limited in Commercial Areas but Allowed in Residences

- Gun Stores:
 - Subject to CUP in commercial zones
 - Store must be 1,000 feet from schools and 500 feet from residences
- Tattoo Parlors
 - Not allowed in some commercial zones or requires CUP
- Manufacturing and Assembly
 - Not allowed in most commercial zones
 - Requires CUP in C-3 zone

Additional Input



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- Following September and November Commission meetings, staff received additional input
 - Many residents opposed to or concerned about firearms/ammo sales
 - Existing home-based firearms sellers concerned about losing their business
 - Fire Department opposed to allowing ammunition manufacture and reload at homes due to safety risk
- Refer to staff report and attachment 4 for more details

Recommendation



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