

FOLSOM

City Council

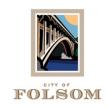
Public Hearing – March 8, 2022

Staff Recommendation



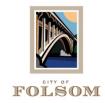
Staff recommends that the City Council introduce and conduct the first reading of Ordinance No. 1325 - An Ordinance Repealing and Re-Enacting Chapter 17.61 of the Folsom Municipal Code Pertaining to Home Occupations.

Key Issues and Questions



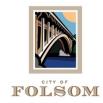
- 1. Types of businesses allowed?
 - Sale of firearms?
 - Sale of ammunition?
 - Manufacture and sale ammunition?
 - Tattoo parlors?
 - Assembly and manufacturing?
- 2. If not allowed in commercial zones, should they be allowed as home occupations?
- 3. Should homes be allowed to create commercial storefronts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

Planning Commission Recommendations



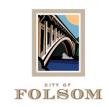
- Recommended the following changes on 9/1 and 11/17:
 - Increased number of allowed firearms sales from 2 at a time to 4
 - Removed tattoo parlors, ammunition sales, ammunition manufacture and reload sales, and assembly and manufacturing from prohibited uses list
 - Increased number of customers/clients 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)



- 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

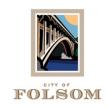
Background



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

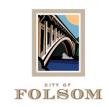
Background – Definition



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.

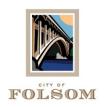
Background - Policy



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.

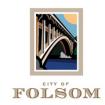
Existing Regulations



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
- <u>Vehicles</u>: 1 commercial vehicle (up to 1 ton)
- Parking: Off-Street parking space required for commercial vehicle
- <u>Deliveries</u>: 1 per day
- Signage: 1 square foot
- Nuisances: No noise, smoke, odors, glare, electrical interference or vibrations
- Additional Conditions: May be applied as necessary
- <u>Uses</u>: No prohibited uses list

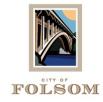
Current HOP Process



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



| Jurisdiction | % of Home | Number of Employees | Max. Clients at One Time | | On-Site Sales | Storefronts Allowed? | Signage Allowed | Max. Signage Size | Illuminated Sign? | Number of Business Vehicles |
|----------------------|--------------|------------------------|--------------------------------|----|------------------|-------------------------|--------------------|-------------------------|----------------------|-----------------------------------|
| Folsom (Existing) | 25% | Residents + 2 | 2 | 8 | Yes | No | Yes | 1 sq. ft. | No | 1 |
| Folsom (Proposed) | 25% | Residents + 2 | 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 |

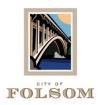
Notes:

^{*}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



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

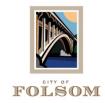
Notes:

^{*}Online, mail order, or off-site sales only

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

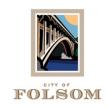
^{***}Kennels not allowed but pet services, such as pet sitting, grooming, training, and veterinarian care are allowed subject to additional conditions.

Current Issues



- 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

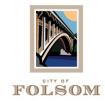


Over past 5 years approx. 100 complaints received Complaints related to:

- 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

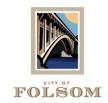
- Signs
 (e.g., large signs, lighted signs, and neon signs)
- Alterations to the home without a building permit
- Odors
- Pollution
 (e.g., fluids poured down storm drains)
- Visibility of commercial activities
- Use of public right of way

Outreach



- 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

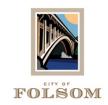
Outreach (continued)



- 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

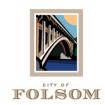
May 5th Commission Workshop



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



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

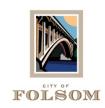
State and federal licensing

• 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

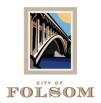
Proposed Ordinance Revisions



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



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

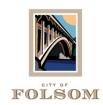
Sign size

- 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)



Business area

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

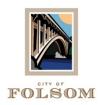
Number of employees

- 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

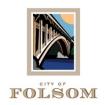
Potential Zoning Inconsistencies



Uses Limited in Commercial Areas but Allowed in Residences

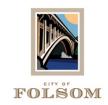
- Gun Stores:
 - Subject to CUP in commercial zones
 - Store must be 1,000 feet from schools and 500 feet from residences
- Tattoo Parlors
 - Not allowed in some commercial zones or requires CUP
- Manufacturing and Assembly
 - Not allowed in most commercial zones
 - Requires CUP in C-3 zone

Additional Input



- 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



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.