

Whatcom County Planning & Development Services Staff Report

Amendments to WCC Title 20 (Zoning) Regarding Home-Based Businesses

I. Project Information

File # PLN2014-00016

File Name: Home-Based Businesses

Applicants: Whatcom County Planning and Development Services (PDS)

Summary of Request: Proposed amendments to WCC Title 20 (Zoning) regarding Home-Based Businesses. The amendments aim to consolidate the existing regulations for home occupations, cottage industries, and occasional commercial use of noncommercial properties for hosting special events.

Location: Countywide.

Recommendations: The Planning Commission recommends that the Council approve the amendments as shown in Exhibit A. Planning and Development Services concurs.

II. Background

Over the years, Planning & Development Services (PDS) has received numerous inquiries from the public about whether commercially hosting weddings and receptions, social and business retreats, seasonal farm events, and similar events is allowed on otherwise residential or resource properties.

Currently the zoning code does not specifically provide for these uses (events), but it does allow for small-scale home occupations and cottage industries in the County's residential, rural, rural forestry and agricultural districts. As an interim measure, commercially hosting weddings, receptions, and other similar special events have been permitted through the conditional use permit process as a cottage industry or as part of a bed and breakfast operation, even though the code doesn't specifically list them as a permissible use.

Existing code does not clearly communicate to the public that there is a way to gain approval or authorization for event hosting. Generally, when contemplating this type of business, the public doesn't automatically associate weddings, or special events with "cottage industry" or "bed and breakfast" operation.

Thus, in 2014 Council placed on the docket item PLN2014-00016, "Amend the Whatcom County Zoning Ordinance to allow "Weddings and Special Events" in specific zone districts through a conditional use permit. Amend WCC 20.97 to define "Special Events" and amend the parking space requirements in WCC 20.80.580."

Working with the Planning Commission in 2014 and 2015, staff prepared some draft regulations that would specifically allow for event hosting as a Home-Based Business, as well as consolidate the Home-Based Business rules into one place (they are currently spread throughout the code). This direction became the basis for the structure of the currently proposed amendments. Unfortunately, this project was put on hold shortly thereafter. It has now recommenced.

III. Code Amendments

The proposed code amendments are shown in Exhibit A. Please refer to that attachment; explanations are provided therein. Major changes include:

1. Eliminating “Home Occupations” and “Cottage Industries” and redefining and consolidating them under the umbrella of “Home-Based Businesses”

PDS proposes to eliminate the terms “Home Occupations” and “Cottage Industries,” and, along with incorporating “events” as an HBB, use them as the basis for a 4-tiered system of HBBs.

The proposal is to eliminate the definitions of “Home Occupations” and “Cottage Industries,” and add a new definition of “Home-Based Business” (see Exhibit A, Chapter 20.97).

Additionally, PDS proposes to replace §20.80.970 (Home Occupations) with a new §20.80.970 (Home-Based Businesses) that would define four types or levels of HBBs based on potential impacts. HBB Type 1 correlates to the current “home occupation” classification, HBB Types 2 and 3 to the current “cottage industry” classifications, and HBB Type IV would be the new allowance for “event facilities,” as shown in Table 1.

Table 1. Comparison of Existing Allowances to Proposed Allowances by Zone

Zone Allowed in	Existing Designations			Proposed HBB Designations				
	Home Occupation	Cottage Industry (by max # of employees)			Type I	Type II	Type III	Type IV
		2	4	10				
Urban Residential (UR)	AU				AU	AAU		
Urban Residential – Medium Density (URM)	AU				AU	AAU		
Urban Residential Mixed (UR-MX)	AU				AU	AAU		
Residential Rural (RR)	AU	AAU			AU	AAU		
Rural Residential-Island (RR-I)	AU	AAU			AU	AAU		
Eliza Island (EI)	AU	AAU			AU	AAU		
Rural (R)	AU	AAU	CUP		AU	AAU	CUP	CUP
Point Roberts Transitional Zone (TZ)	AU	CU			AU	AAU	CUP	
Agriculture Protection Overlay (APO)								
Agriculture (AG)	AU	AAU	CUP		AU	AAU	CUP	CUP
Rural Forestry (RF)	AU	AAU	CUP	AAU*	AU	AAU	CUP	CUP
Commercial Forestry (CF)								
Recreation and Open Space (ROS)								
Lake Whatcom Watershed Overlay								
Rural General Commercial (RGC)								
Neighborhood Commercial Center (NC)								
Small Town Commercial (STC)	AU**							
General Commercial (GC)								
Tourist Commercial (TC)								
Resort Commercial (RC)	AU**							
Light Impact Industrial (LII)								
General Manufacturing (GM)								
Heavy Impact Industrial (HII)								
Rural Industrial and Manufacturing (RIM)								
Airport Operations (AO)								

Zone Allowed in	Existing Designations			Proposed HBB Designations				
	Home Occupation	Cottage Industry (by max # of employees)			Type I	Type II	Type III	Type IV
		2	4	10				
Water Resource Protection Overlay								
Point Roberts Special								
Mineral Resource Lands Special (MRL)								
Cherry Point Industrial (CP)								

AU = Accessory Use; AAU = Administrative Authorization Use Permit; CUP = Conditional Use Permit

* Must be forestry related/wood based

** Though code currently says HO's are allowed in commercial zones, there's no need to, since commercial uses are allowed by definition. Thus, not showing HBB allowances for any of the commercial or industrial zones.

2. Normalizing the performance standards

The new section Home-Based Business code (20.80.970) also lists the performance standards for each type of HBB. Each district wherein they're currently allowed has rules for "Home Occupations" and "Cottage Industries," but they differ slightly in different zones. PDS is proposing to eliminate these zone-specific rules and put them into §20.80.970, taken from each of the district rules but standardized. Table 2 shows which standards would apply to which type of HBB.

Table 2. Comparison of Standards Per HBB Type

Standards	HBB Type			
	I	II	III	IV
APPLICABLE TO ALL TYPES				
The use of the property shall be clearly incidental to its use as a residence.	√	√	√	√
The size and scale of the operation shall be compatible with the character of the surrounding neighborhood, and any impacts may not exceed the intensity to those generated by other uses allowed in the zone.	√	√	√	√
There shall be no change in the outside appearance of the building(s) or premises or other visible evidence of a home-based business inconsistent with the character of the dwelling or neighborhood.	√	√	√	√
Can be conducted in primary structure or accessory structures. No limit on number of HBBs per lot.	√	√	√	√
Shall generally comply with the off-street parking requirements of WCC 20.80.500	√	√	√	√
Customers/clients are prohibited on the premises prior to 7:00 a.m. and after 8:00 p.m. (unless an exception is specifically granted by the Director).	√	√	√	√
The home-based business shall be conducted so that noise, fumes, odor, smoke, dust, light, glare, vibration, electrical interference, and other similar impacts are not detectable by sensory perception at or beyond the property line of the lot where the home occupation is located.	√	√	√	√
On site sales in connection with home-based businesses are limited to merchandise handcrafted on site or items accessory to a service (i.e., hair care products for a beauty salon). In no case shall home-based businesses consist only of on-site retail sales.	√	√	√	√
Commercial deliveries and pickups to the dwelling unit are limited to one per day Monday through Friday. No commercial deliveries or pickups are permitted on Saturday, Sunday or federal holidays.	√	√	√	√

Standards	HBB Type			
	I	II	III	IV
Home-based businesses engaged in manufacturing shall be limited to the manufacture and assembly of finished products and shall not include the primary manufacture of petroleum products, rubber, plastics, chemicals, asbestos products, or primary metal industries.	√	√	√	√
The portion of the structure(s) housing the home-based business shall comply with applicable life/safety building code regulations.	√	√	√	√
Signage for home-based businesses shall comply with WCC 20.80.470(7).	√	√	√	√
Seasonal employees working less than 21 days per year will not be counted as employees if they are engaged in work directly related to agriculture or forestry.	√	√	√	√
VARIES WITH TYPE				
No more than <u> X </u> people at any one time, other than household members residing on the premises, shall be engaged in the businesses.	2	2	4	
Shall not exceed a total of <u> X </u> SF of building floor area	500 in Eliza, UR, URM, & URM-X; 1,250 in all others	1,750	2,500	
The maximum nameplate horsepower rating of the electrical motors of any single piece of machinery operating shall be <u> X </u> horsepower. The electrical service for home based businesses shall not exceed <u> X </u> amps.	5/200			
Minimum parcel size		1	5	10
<u> X </u> vehicle(s) up to 18,000 pounds gross vehicle weight is allowed.	1	2	3	
Outside display or storage of materials, merchandise, or equipment	Prohibited	Allowed with screening	Allowed with screening	
Clients are limited to one at any one time, not to exceed <u> X </u> clients per day	5	10	20	
The number of trips related to the business shall not exceed <u> X </u> per day.	5	10	20	
SPECIFIC TO TYPE IV				
Limited to 24 outdoor events per year				√
A maximum of 200 guests shall be permitted for any one event.				√
Amplified music for events shall comply with the Class A Residential source to Residential Receiving Property Standards of WAC 173-60-040. Amplified music is permitted for a one-hour duration. More than one-hour of amplified music may be permitted if requested, however; a noise study may be required.				√
Events are prohibited prior to 12:00 PM and after 9:00 PM.				√
The operator shall be present during all events.				√
Off-site parking may be permitted if an off-site parking and shuttle plan is approved.				√
Minimum buffering shall be required as established in WCC 20.80.345; provided, that minimum side and rear yard buffers are at least 50 feet.				√

3. Changing all instances of “Home Occupations” and “Cottage Industries” to “Home-Based Business” and identifying what type of permit (if any) is required for each type.

The rest of the amendments are solely replacing the terms “Home Occupations” and “Cottage Industries” with “Home-Based Business Type I, II, II, or IV and listing them in the appropriate zones

under what permit (if any) is required for each type. Additionally, this text refers readers to WCC 20.80.970 for the standards.

IV. Comprehensive Plan Evaluation

Whatcom County Comprehensive Plan goals and policies that may be applicable to the proposed amendments are:

GOAL 2DD: Retain the character and lifestyle of rural Whatcom County.

GOAL 2D: Refine the regulatory system to ensure accomplishment of desired land use goal in a fair and equitable manner.

Policy 2D-3: Streamline development regulations to eliminate unnecessary time delays.

Goal 2FF: Provide employment opportunities in the rural parts of Whatcom County.

Policy 2FF-1: Support small businesses, cottage industries, home occupations, resource-based, tourist, recreational, and other appropriate industries in the rural areas of Whatcom County. New rural commercial and industrial uses that are more intensive than those permitted within rural zones as home occupations or cottage industries should be located within designated Rural Communities and Rural Business areas.

GOAL 7A: Promote a healthy economy providing ample opportunity for family-wage jobs for diverse segments of the community, which is essential to the quality of life in the area.

Policy 7A-2: Foster a diverse, private-sector job base, which will provide family-wage jobs at the state median income level or greater, and facilitate the retention and expansion of existing businesses.

Chapter 8: Resource Lands

Resource Lands in the Whatcom County Comprehensive Plan Goals & Policies emphasize the importance of "Agriculture Related Heritage." Chapter Eight Goals and Policies in the Comprehensive Plan have been developed to promote the expansion and stability of local and regional agricultural economies; and:

- To be consistent with and help achieve the state-wide GMA goals to "maintain and enhance" natural resource-based industries
- To implement County-Wide Planning Policies which express the desire for the county to become a government of rural lands and sustainable resource-based industries
- To fulfill the citizens' vision of Whatcom County where resource-based industries are widely practiced and encouraged

Goal 8B: Maintain and enhance Whatcom County's agricultural products industry as a long-term and sustainable industry.

Policy 8B-1: Promote the expansion and stability of local and regional agricultural economies.

Policy 8B-3: Support agricultural product processing facilities through appropriate planning, zoning, and land use regulations.

Policy 8B-4: Support methods and strategies to market Whatcom County agriculture in ways which ensure that agricultural activities (such as dairying) and entities (such as processors) will remain here in the long term.

Goal 8C: Preserve and enhance the cultural heritage that is related to agriculture.

Policy 8C-1: Identify, preserve, and enhance community character, landscape and buildings associated with agricultural activity.

Policy 8C-3: Support the continuation of owner occupied/family owned farms.

Whatcom County County-Wide Planning Policies:

Goal I.8 – Economic development should be encouraged that: a) does not adversely impact the environment; b) is consistent with community values; c) encourages development that provides jobs to county residents d) addresses industries for a more diversified economic base; e) promotes reinvestment in the local economy; and f) supports retention and expansion of existing businesses.

V. Findings of Fact and Reasons for Action

PDS recommends the Planning Commission adopt the following findings of fact and reasons for action:

1. Whatcom County Planning and Development Services has submitted an application to make amendments to WCC Title 20 (Zoning) regarding home-based businesses.
2. A determination of non-significance (DNS) was issued under the State Environmental Policy Act (SEPA) on May 1, 2023.
3. Notice of the subject amendment was submitted to the Washington State Department of Commerce on April 19, 2023, for their 60-day review. No comments were received.
4. The Planning Commission held a duly noticed public hearing on the proposed amendments on May 25, 2023.
5. The County Council held a duly noticed public hearing on the proposed amendments on [REDACTED], 2023.
6. The amendments are consistent with Comprehensive Plan goals and policies listed in section IV of this staff report.
7. In addition, many of the amendments shown in Exhibit A are solely to fix grammar and have more concise language.

VI. Conclusions

1. The amendments are in the public interest.
2. The amendments are consistent with the Whatcom County Comprehensive Plan.

VII. Recommendations

The Planning Commission recommends that the Council approve the amendments as shown in Exhibit A. Planning and Development Services concurs.

Attachments

1. Draft ordinance
2. Exhibit A – Proposed Home-Based Business Code Amendments