



Introduction

The following information summarizes San Rafael’s requirements for a “home occupation.” The home occupation requirements are from Chapter 14 (the Zoning Ordinance) of the San Rafael Municipal Code. The Zoning Ordinance establishes standards and procedures to ensure that development is consistent with San Rafael’s General Plan. Ordinance section numbers are included to help locate the specific regulations in the Zoning Ordinance.

What is a Business License?

Operation of any business in San Rafael requires a Business License. Business Licenses are issued after the City has determined that the business is a safe and appropriate use in the proposed location. The license is issued on a calendar yearly basis, January 1 through December 31. The Business License Tax is based upon the type of business and, for most businesses, the estimated gross receipts.

What is a Home Occupation?

A *home occupation* is a “home-based business.” The Zoning Ordinance defines *home occupation* as “an accessory use of a dwelling unit, conducted entirely within the dwelling unit, carried on by one or more persons, all of whom reside within the dwelling unit. The use is clearly incidental and secondary to the use of the dwelling for residential purposes and does not change the character thereof or adversely affect the neighboring residences.” (§14.16.220B)

In reviewing an application for a business license for a Home Occupation, the Planning Division uses the standards (§14.16.220C) summarized on the back of this page. The standards ensure that a home occupation is located and conducted in a way that the average neighborhood, under normal circumstances, will not be aware of its existence other than for a nameplate identifying the name of the business. The standards are intended to insure compatibility with the residential character of the neighborhood, and to assure that the home occupation is incidental to the residential use.

What about Home Occupations which don’t comply with the standards?

In the rare instances where complaints are received about a Home Occupation violating zoning standards, the City’s Code Enforcement Officer will work with the complainant and the business owner to correct the violations. If a Home Occupation expands to the point where an outside employee or a larger facility is needed, the business will need to relocate to an appropriate commercial zoning district.

How can I obtain a Home Occupation Business License?

Step One: Read the attached standards. If you have questions, contact the Planning Division.

Step Two: Complete a Business License Application for a Home Occupation available from Finance-Business License Division. Fill out the pertinent application sections *completely*, using “N/A” when a question is not applicable.

Step Three: Submit the Business License Application and Tax (see fee schedule) to Finance-Business License Division. Allow four weeks for processing and review by City departments.

Step Four: After your application has been reviewed and approved by the City you will be issued a Business License. If your application is denied you will be notified of the reasons for the denial and receive a refund of the Business License Tax.

Standards for a Home Occupation (§14.16.220C)

Standards are a set of criteria describing the City's requirements for size, storage, employees and any other special rules. Standards for home occupations ensure that a home occupation is compatible with the residential character of the neighborhood and that the home occupation is clearly secondary to the primary residential use.

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| Residency | The home occupation shall be conducted only by people who live in the residence. A home occupation is allowed to have employees provided they also live at the home. |
| Size Limit | Up to twenty-five (25) percent of the gross area of the residence can be used for a home occupation (except for "Cottage Food Industry" as operated consistent with State Law). |
| Prohibited Locations | An accessory structure (such as a shed or studio), a recreational vehicle or a garage cannot be used for home occupation purposes. |
| Fire Safety | The home occupation shall not require internal or external alterations or the use of electrical or mechanical equipment that would change the fire rating of the structure or the fire district in which the residence is located. |
| Outdoor Storage | There shall be no outside storage of any kind related to the home occupation. |
| Clients | There shall be no more than one client at a time on-site. Appointments must be scheduled at reasonable intervals to maintain a low-intensity use and avoid client waits. |
| Traffic | The home occupation may increase vehicular traffic flow and parking by no more than one additional vehicle at a time. |
| Business Vehicle | One vehicle may be associated with the home occupation, provided that the vehicle is parked on-site in a parking space or the garage or on the driveway, that the vehicle does not exceed 2.5 gross tons in unladen vehicle weight and that the vehicle license number is indicated on the Business License for the home occupation. |
| No Nuisance | A home occupation shall not create noise, dust, vibration, smell, smoke, glare, electrical interference, fire hazard, or any other hazard or nuisance to any greater or more frequent extent than that usually experienced in the neighborhood. |

Sign

One nameplate displaying the name of the occupant and/or the name of the home occupation is allowed consistent with the following:

- The sign is no larger than one (1) square foot in area.
- The sign is not illuminated.

The sign is attached flat to the residence or is visible through a window.

Prohibited Home Occupations

Some uses by the nature of the business or operation have a tendency once started to increase beyond the limits permitted for home occupations and thereby substantially impair the use and value of a residential area. The following uses are not permitted as home occupations: auto repair, carpentry, dance instruction, dental offices, medical offices, painting of vehicles, trailers or boats, photo-developing, photo studios, private schools with organized classes, upholstery, and fortune-telling.