

## ESTABLISHING A HOME-BASED BUSINESS -- WHAT YOU NEED TO KNOW

The City of Portage has expanded opportunities for residents to operate a home-based business, also known as a home occupation. The following information will answer commonly asked questions about a home occupation. For your convenience, the home occupation ordinance may be reviewed in the City of Portage Code of Ordinances, in the Zoning Code, and can be found at Section 42-129.B.

**What is a Home Occupation?** A home occupation is a business activity involving the sale or exchange of services conducted by the people who live in the home. A home occupation is an accessory use to the primary use of your property, which is a place of residence. Home occupations may include, for example, administrative offices, photographic studios, personal service establishments and instruction in outdoor recreational activities such as swimming or tennis lessons. The sale of products and goods from your home is not permitted unless the sale is incidental to the services provided, or involves the sale of fruits, vegetables or flowers grown on site.

**Are there different types of Home Occupations?** There are two types of home occupations that can be conducted from your home:

Passive Home Occupation – This type of home occupation would not likely have any impact on your neighbors. Passive home occupations are permitted in all residential dwelling units and do not require a permit from the city.

Active Home Occupation – This type of home occupation is a more intensive home-based business and is permitted only in one-family residential detached dwelling units. Residents who want to establish an Active Home Occupation are required to meet specific ordinance requirements and obtain a home occupation permit that is approved by City of Portage Planning Commission. The Planning Commission will hold a public hearing and property owners within 300 feet will be notified and given an opportunity to comment on the requested home occupation.

**How do I know if my accessory business use is a Passive or Active Home Occupation?** The following checklist will help you. If you can place a check mark in each box below indicating you meet the condition, your proposed home occupation would be considered a Passive Home Occupation and you do not need to obtain a home occupation permit from the City of Portage and there is no home occupation permit fee.

- 1. The people engaged in the home occupation are full-time residents who live in the home. There will be no non-resident employees who work at the home.
- 2. The home occupation will be conducted completely within the home.
- 3. The home occupation will not be conducted in any attached or detached accessory building or structure.
- 4. The home occupation will occupy 25% or less of the total floor area of any one floor or basement.
- 5. The home occupation will not involve interior or exterior alterations to the dwelling unit and will not require mechanical or electronic equipment not customarily used in a residence.
- 6. No sign will be used that identifies the home occupation.
- 7. The home occupation will not produce or generate, in any way, noise, odor, dust, fumes, smoke, glare or comparable nuisances that would cause negative effects on surrounding property.
- 8. The home occupation will not involve the use, storage or production of hazardous materials beyond that normally associated with a residential use.
- 9. The operation of the home occupation will not create pedestrian or vehicular traffic beyond that normally generated by a residential use.
- 10. The home occupation will not require any additional vehicular parking area other than the off-street parking facilities normally required for the residential use.
- 11. No goods or products will be sold or delivered to customers at the place of residence except when incidental to the services of the home occupation.
- 12. No farm products produced under the Michigan Right To Farm Act is involved in your home occupation.

If one or more boxes cannot be checked, please contact the Department of Community Development for assistance.

**What is an Active Home Occupation?** With Planning Commission review and approval, an Active Home Occupation can involve many types of home-based business activities that can fulfill the following conditions:

1. Up to two additional, non-resident persons can be engaged in the active home occupation.
2. An increase in the total floor area maximum of 400 square feet used in the active home occupation may be granted.
3. Alterations or exterior modifications to the residence, structures or property that change the residential character or appearance are not allowed.
4. An off-street parking area is permitted, but the residential character of the property must be maintained.
5. Sale or delivery of good and products that are incidental only to the services of the active home occupation are permitted.
6. Use of up to 50% of the floor area of a completely enclosed accessory building may be used to store goods, materials or equipment incidental to the active home occupation.
7. No portion of the active home occupation can be conducted in any accessory building or outdoors, on a patio or deck, except for those areas used for recreational instruction, such as swimming and tennis lessons.
8. To maintain the neighborhood, storage of goods, materials or equipment is permitted so long as this is not visible from adjacent properties.
9. Wall signage (maximum six square feet) may be used on the house to name the active home occupation.
10. The active home occupation may not produce noise, odor, dust, fumes, smoke, glare or comparable nuisances that would negatively affect surrounding property. In the interest of safety, there can be no use, storage or production of hazardous materials in excess of amounts permitted in residential structures.
11. A variety of home based business activities may be permitted by the Planning Commission that are within an acceptable range of compatibility with the surrounding area and that do not involve safety hazards. The Planning Commission will consider various factors such as the home occupation, operational issues, the property and location, driveway and access, number of vehicle trips, types of vehicles, public health, safety and welfare matters, and community objectives, among other factors.
12. Conditions of approval may be established by the Planning Commission that are necessary for the protection of property rights and to mitigate any impacts on surrounding residential uses.
13. Growing of fruits, vegetables or flowers or other farm product that is consistent with the Michigan Right to Farm Act is allowed and is not considered to be a home-based business activity.

Please feel free to contact the Department of Community Development for assistance. For convenience, an Active Home Occupation Permit Application can be obtained from the Department, or on the City of Portage website.

**Is there a fee to apply for an Active Home Occupation?** There is a \$150 fee that must accompany a completed application form (attached), site/building sketch and any additional information as may be necessary.

**How long will the Active Home Occupation review and approval process take?** The review and approval process will take approximately 30 days. The Planning Commission meets twice a month (first and third Thursday). In order to meet State of Michigan public notice requirements to the community and neighboring property owners, the application and related information from you must be submitted approximately 30 days in advance of the Planning Commission meeting date.

You are encouraged to contact the Department of Community Development at 269-329-4477 if you have any questions, require additional assistance or would like a copy of the Home Occupation Ordinance. The Home Occupation Ordinance and the application for an Active Home Occupation Permit are also available at the City of Portage website at [www.portagemi.gov/Departments/Community-Development](http://www.portagemi.gov/Departments/Community-Development).

THANK YOU. CONGRATULATIONS ON YOUR DECISION TO CONDUCT A HOME OCCUPATION !