

# Residential Businesses

## WHAT IS A RESIDENTIAL BUSINESS?

Residential Businesses (previously referred to as Home Occupations) are businesses that are based within a residence, such as a home office. The business owner both resides and operates a business within the same building or dwelling. These are typically small-scale businesses that don't have a lot of customer traffic. Residential Businesses are not required to be brought up to the same building code occupancy standards as other commercial or mixed-use buildings, since the building will remain primarily a residence. This can be an inexpensive option for small business owners living and operating from home.

The standards listed below have been established to ensure that the outside appearance of a dwelling and residential property is not significantly altered to fit business needs and that business operations do not disturb the neighborhood with unusual noise, odor, or traffic.



## RESIDENTIAL BUSINESS 1 STANDARDS:

1. The use of the home as a residence will remain the primary use. The Residential Business will be clearly incidental and subordinate to the use of the dwelling as a residence.
2. No outdoor display or storage of materials, goods, supplies, or equipment used in the Residential Business shall be permitted on the premises. Indoor storage is allowed for Residential Business related materials, goods, supplies, or equipment.
3. Any chemicals or materials used for the Residential Business will be stored and disposed of according to the applicable health and safety regulations.
4. A 5-pound dry chemical fire extinguisher will be centrally located within the area of the Residential Business. Any additional Tacoma Fire Department requirements are met.
5. There shall be no change in the outside appearance of the building or premises, or other visible evidence that the residence is being operated as a Residential Business. The business will not generate nuisances to any greater extent than what is usually experienced in a residential neighborhood, including traffic, parking, noise, lighting, odors, fumes, hazards, and electrical interference. If the business is changed or expanded, contact Planning and Development Services to find out if additional permitting is required.
6. Limited on-premises sales of products or stock-in-trade may be permitted in conjunction with a Residential Business; provided, that the product is accessory to a service offered through the business, customer visits are arranged by appointment, and the applicant can clearly demonstrate that such on-premises sales will not be inconsistent with the criteria set forth above. For example, a Residential Business engaged in hair salon services may sell hair care products or accessories. It must be clearly demonstrated that on-premises sales will be limited and consistent with the Residential Business 1 criteria.
7. The number of people that do not reside on the premises that are engaged in the Residential Business at the dwelling is not limited, so long as any negative impacts are found to be sufficiently mitigated consistent with the criteria set forth above.
8. Public hours of operation. Any aspects of the business that are available to the public shall only be conducted between 8:00 a.m. and 8:00 p.m.
9. Parking of commercial vehicles (over 12,000 lbs) will be limited to one hour, unless engaged in legitimate loading or unloading activities. Blocking vehicle or pedestrian traffic on any portion of a public street, alley, or sidewalk may require additional permits.



**Note: This Tip Sheet does not substitute for codes and regulations.**

**The applicant is responsible for compliance with all codes and regulations, whether or not described in this document.**

**More information: City of Tacoma, Planning and Development Services | [www.tacomapermits.org](http://www.tacomapermits.org) (253) 591-5030**

To request this information in an alternative format or a reasonable accommodation, please call 253-591-5030 (voice).

TTY or STS users please dial 711 to connect to Washington Relay Services.

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Please see Tacoma Municipal Code (TMC) Title 11 or contact Planning and Development Services for more information.

10. Residential Businesses involved in food and beverage production or catering will obtain all required approvals from other applicable agencies, including the Tacoma-Pierce County Health Department.
11. One non-illuminated nameplate (maximum size 1.5 square feet) placed flat against the building shall be allowed for each dwelling containing a Residential Business.

12. The Director may attach additional conditions to a Residential Business license to ensure that the criteria are met.

**13. A Residential Business exceeding the standards listed above may be requested subject to Conditional Use Permit (CUP) approval as a Residential Business 2 per TMC 13.05.010.A. However, 1, 5, and 8 may not be exceeded through a CUP.**

Both Residential Business 1 and Residential Business 2 allows for limited commercial activity within a residential structure. Whereas some of these limitations are common to both types, Residential Business 2 generally allows for more intensive commercial use compared to those permitted in Residential Business 1.

Standard	Residential Business 1	Residential Business 2	Comparison
Primary use	The business use must be subordinate to the residential use.	The business use must be subordinate to the residential use.	Same
Outdoor display	Outdoor display or storage is prohibited	Outdoor display or storage is permitted but must be screened	Different
Exterior alterations	Changes to the building's outside appearance is prohibited	Changes to the building's outside appearance is prohibited along street-facing facades, but permitted elsewhere	Different
Impacts	Must not exceed those typical for a residential neighborhood	Must not exceed those typical for a residential neighborhood	Same
On-site sales	Limited to product accessory to a service arranged by appointment	Permitted so long as other criteria are met	Different
Non-resident employees	No limit but any impacts are subject to necessary mitigation	No limit but any impacts are subject to necessary mitigation	Same
Hours of operation	Public hours limited to 8 a.m. to 8 p.m.	Public hours limited to 8 a.m. to 8 p.m.	Same
Signage	Limited to one non-illuminated sign, max. ½ sq. ft.	Limited to one non-illuminated sign, no size limit so long as other criteria are met	Different

A **Residential Business License** and **City of Tacoma Business License** are required to establish a Residential Business.

## STEPS TO STARTING A HOME BUSINESS

- Discuss your desired Residential Business with a Planner by calling 253-591-5030 or meet in person during lobby hours.
- Obtain other applicable approvals, such as a State License or Tacoma-Pierce County Health Department approval.
- If all standards are met, sign the Residential Business License and Conditional Residential Business Agreement.
- Signed Conditional Residential Business Agreement, Business license application and fees are submitted to the Tax and License Division. Go to [www.cityoftacoma.org/taxandlicense](http://www.cityoftacoma.org/taxandlicense) for ways to file.



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Certain types of Residential Businesses such as catering/food and beverage production, dog daycares, scrap metal, vehicle repair or hulk hauling have additional conditions and applicable regulations. A **Conditional Residential Business Agreement** for these types of uses will be attached to the Residential Business License and lists the specific standards that the business will need to comply with so that the neighborhood is protected from any potential nuisances.



## Craft Food Production

1. Contact the following agencies to confirm that requirements are met before proceeding with business operations:
  - a. Tacoma-Pierce County Health Department (all food/drink production, or catering)
  - b. Puget Sound Clean Air Agency (coffee home roasters)
  - c. Washington State Liquor and Cannabis Board (alcohol)
  - d. Washington State Licensing (all food/drink production)
2. All operations and storage need to be contained within the residential building(s).
3. No noticeable odors from the food/beverage production emitting from the property.
4. Distilleries and marijuana production are prohibited as Residential Businesses.

## Dog Daycare

1. Limited to a capacity of 6 dogs within the dog daycare operations.
2. Must be cared for within an enclosed building.
3. No more than one dog at any one time may be allowed outdoors periodically.

## Scrap Metal

1. All business operations and storage must be contained within an enclosed building that is no more than 500 square feet in size. Such building shall be in compliance with applicable building and land use regulations.
2. On-site processing of scrap metal is prohibited.

## Vehicle Repair

1. All vehicle work shall be limited to light automotive and general engine repair.
2. All repair work shall be conducted within an enclosed structure.
3. Any vehicles waiting for service shall be stored in an enclosed structure.
4. Screened outdoor storage is permitted only under an approved Residential Business License 2 [Conditional Use Permit](#).

## Hulk Hauler

1. No vehicles in the process of being transported shall be stored on the subject site. This includes vehicles attached to or on the vehicle transport vehicle.



## APPLICABLE REGULATIONS

Tacoma Municipal Code Section: [6 - Tax and License Code](#)

Tacoma Municipal Code Section: [13.06.080.G - Residential Business Standards](#)



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