



SARCEE MEADOWS HOUSING CO-OPERATIVE LTD.

OPERATIONS POLICY

SUBJECT: Home-based Business

ORIGINAL DATE OF APPROVAL: February 23, 2005

APPROVED BY: Board of Directors

DATE OF AMENDMENT OR REPLACEMENT: September 2010

General

Any member of Sarcee Meadows Co-operative Ltd who wants to set up a home-based business from their unit needs to receive board approval. Approval is also required for any existing home-based businesses that have not been previously approved. The board will not approve any home based business that might harm or disturb other members or property, nor if the member increases the co-operative's liability by failing to take out any additional insurance that may be required.

Information about permits and licenses required for various kinds of home-based businesses is attached.

Insurance requirements

Any home-based business involving visits by third parties to a member's unit may require the member, at the discretion of the Board of Directors, to take out a commercial insurance and provide a letter from the member's insurer stating that the member has added the co-operative to the member's policy. If the member is an approved Family Day Home, registered with a Day Home Agency, they will provide the member with the additional insurance that the member needs.

Application process

If the member wants to start a home-based business, or is currently operating one, the member needs the board's approval to do so. To have the member's proposed home-based business considered, the member needs to submit the following to the Board of Directors at least 72 hours before a board meeting:

- a detailed description of the proposed home-based business indicating whether it is a class one or class two home occupation, if applicable, and

- describing any third party involvement, if any (eg. visits by outside parties related to the business, including who would visit, and number of expected visits per week), and
- if the member is proposing to provide childcare in the member's home, the number and ages of children to which services will be provided, and whether the member will be providing a babysitting service or be an approved day home.

Once the proposal is approved, and before starting the business, the member needs to submit to the SMHC office all required insurance documentation, as described above.

Violation of this policy

Refusal to comply with this policy may lead to termination of membership in Sarcee Meadows Housing Co-operative in compliance with the co-operative's bylaws.

INFORMATION ABOUT OPERATING A HOME-BASED BUSINESS

Kinds of home businesses

Home Occupation – A home occupation, as defined by the City of Calgary, is a small scale business that operates out of a home in a residential neighborhood. There is both a class one and class two type of home occupation. Both types require the member to apply for a permit from the City of Calgary. Some home occupations may also require a business license. (Please see attached list and also contact the City of Calgary Business License office.)

Class one home occupation – This is a home-based business that has no effect on the surrounding neighborhood. This type is allowed in all residential neighborhoods. Examples are “desk and telephone” occupations or a consultant's office. This type of business has three or fewer visits per week from customers, clients, staff and/or couriers. Rules governing a class one home occupation include but are not limited to the following:

- Only one class one business is allowed in each home.
- The business cannot be visible from the outside.
- There can be no outside storage of material, goods, or equipment on or near the site.
- The business cannot create any kind of nuisance by way of electronic interference, dust, noise, odor, smoke, bright light, nor anything of an objectionable nature detectable from outside the house.
- There can be no employee or business partners working at the home who do not live at the home.

- No client visits are allowed for personal service businesses such as hairdressing, chiropractic services, or massage therapy.
- Address of the home occupation cannot be advertised to the public.
- No form of advertising related to the business is allowed on the site.
- Direct sale of goods which are not produced on the site is not allowed.

Class two home occupation- This type of home business has the potential to impact on neighbors and therefore the City of Calgary requires a Development Permit. Examples of a class two home occupation are a hairdresser, music teacher, and a consultant's office which has more than three visits per week. The application process is much more extensive for a class two home occupation, and includes, but is not limited to, posting a sign on the property to inform the neighbors of the proposed use, as well as publishing the intent in two local newspapers.

The same rules govern a class two home occupation as those listed above for a class one home occupation, with the addition of the following:

- The business cannot generate traffic to and from the home that is not characteristic of the neighborhood.
- There can be one employee or business partner working at the home who does not live at the home.

Zoning requirements

Sarcee Meadows Housing Co-operative is zoned by the City of Calgary as Direct Control. Approval of a particular home-based business is approved on a per case basis. In general, the city approves most class one home occupations. A class two occupation business, however, will need a development or land permit and approval is less certain.

Further information

For more details about the requirements of both class one and class two home occupations and to determine whether or not you require a business license, check with the City of Calgary at 268-5521.

Home-based child care

Members are permitted to look after 6 or fewer children in the member's home (including the provider's own children under twelve years of age).

Sarcee Meadows permits members to look after no more than 6 children (including the member's own children) under the age of 12 in their unit. If a member wants to look after 6 or fewer children in the member's home (including the provider's own children under twelve years of age) the member does not need a license nor permit from the City of Calgary. Under provincial legislation, no more than three children can be under two years

of age. The member can either operate a private babysitting service, or become a “Family day home”, approved by the Family Day Home Agencies who are under agreement with local Child and Family Service Authorities. A Family Day Home has additional requirements including further age restrictions and qualifies for a provincial Child Care Subsidy. A Family Day Home Agency will provide the member with insurance protection. Otherwise, the member is responsible for taking out a commercial insurance policy and adding SMHC onto the policy.

To look after more than six children under 12 (including the caregiver’s own children) is not permitted within Sarcee Meadows even though provincial requirements allow for the care of up to 6 children in addition to the caregivers own children.