

### Item D-3

Discuss possible Unified Development Code amendments related to home occupations.

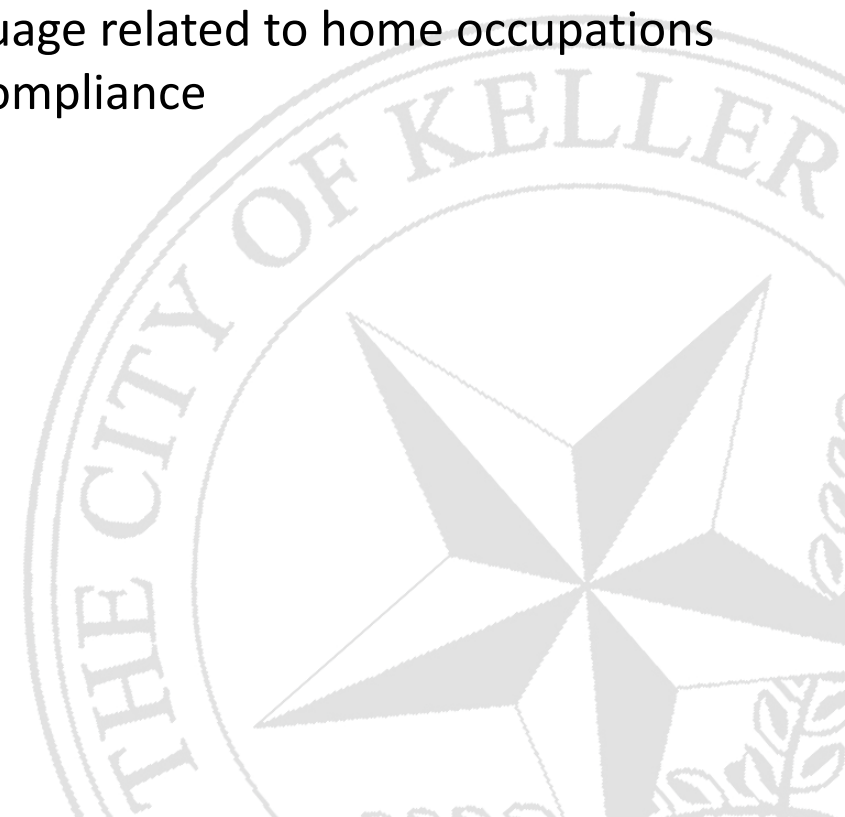
## Item D-3

### 1. Staff Presentation

- Current Unified Development Code (UDC) language related to home occupations
- Example resident concerns reported to Code Compliance
- Guidelines from benchmark cities
- 2025 state legislation (HB 2464)

### 2. Council Discussion

### 3. Next Steps



## Home Occupation – UDC Definition

**Section 3.01 - Definitions (205)** Any occupation or activity carried on principally by the inhabitants of a dwelling which is clearly secondary to the use of the dwelling for dwelling purposes, provided that: the existence of the occupation or activity **does not change neighborhood character or substantially increase traffic to and from the dwelling**; no trading in merchandise or selling of goods or services is carried out on a regular basis; no merchandise is displayed; and no mechanical equipment is used except types that are customary for purely domestic or household purposes and which do not create obnoxious conditions such as noise, odor, smoke or electrical interference. Uses that are not considered Home Occupations include beauty and barber shops, tearooms or restaurants, rest homes or clinics, bed and breakfast facilities, cabinet repair shops, metalworking shops, auto repair shops, and Commercial Stables.

## Other UDC References to Home Occupations

**Section 8.04 - SF-36 - Single-Family Residential - 36,000 square-foot lots (2)**  
**Permitted Uses (c)** Farms, barns, livestock, nurseries, greenhouses, or gardens, limited to the propagation and cultivation of plants, provided no retail business is conducted on the premises except as provided under home occupation (see definition for Home Occupation)...

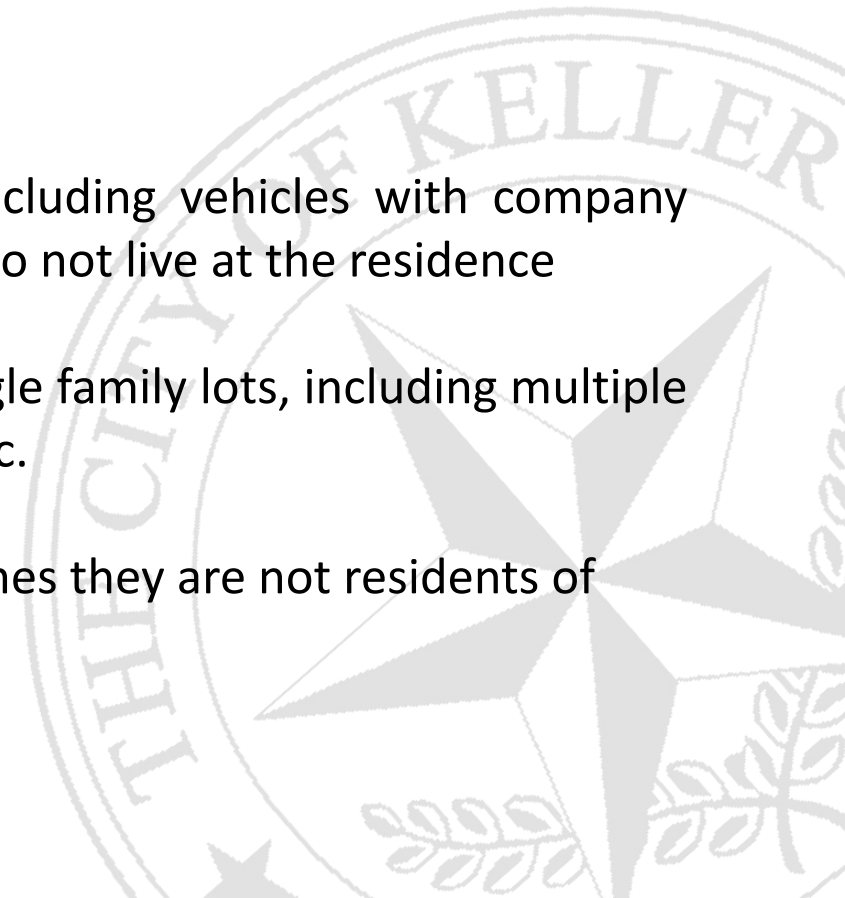
**Section 9.06 - Accessory Building and Use Regulations (A) General Provisions (1)**  
In a single-family or multi-family district, an accessory building or use is a subordinate or incidental building or use detached from the main building, not used for commercial purposes. A home occupation may be allowed in an accessory building as a subordinate use.

## Resident Concerns

Since 2020, Code Compliance has received complaints about 36 separate properties operating home occupations.

Most common complaints:

- Increased traffic and vehicles on the street, including vehicles with company wraps, or vehicles belonging to employees who do not live at the residence
- Storage of work materials and equipment on single family lots, including multiple trailers, construction material, pool chemicals, etc.
- Employees reporting to work at single family homes they are not residents of
- Auto repair businesses, swimming lessons



## Benchmark Cities\*

City	Employees	Parking/Neighborhood Impact	Structure
Keller	Occupation must be carried out principally by the inhabitants of a dwelling	Cannot change neighborhood character or substantially increase traffic to and from the dwelling	Accessory buildings may be used for home occupations
Colleyville	Only family members residing on-premises allowed	No increase normal traffic in neighborhood; parking needs must be met off-street	Cannot exceed 25% of floor area of dwelling unit; use must be clearly subordinate to dwelling unit or accessory building for residential purposes
Southlake	Only family members residing on-premises allowed	No increase normal traffic in neighborhood; parking needs must be met off-street	Cannot exceed 25% of floor area of dwelling unit; not allowed in accessory building
Grapevine	Only family members residing on-premises allowed	No increase normal traffic in neighborhood; parking needs must be met off-street	No evidence of home occupation can be visible to neighborhood; not allowed in accessory building
NRH	Only family members residing on-premises allowed; no outdoor assembly of employees, clients or equipment	No increase normal traffic in neighborhood and cannot require additional on or off-street parking	No change in outside appearance of building or premises; no storage of supplies allowed in accessory building

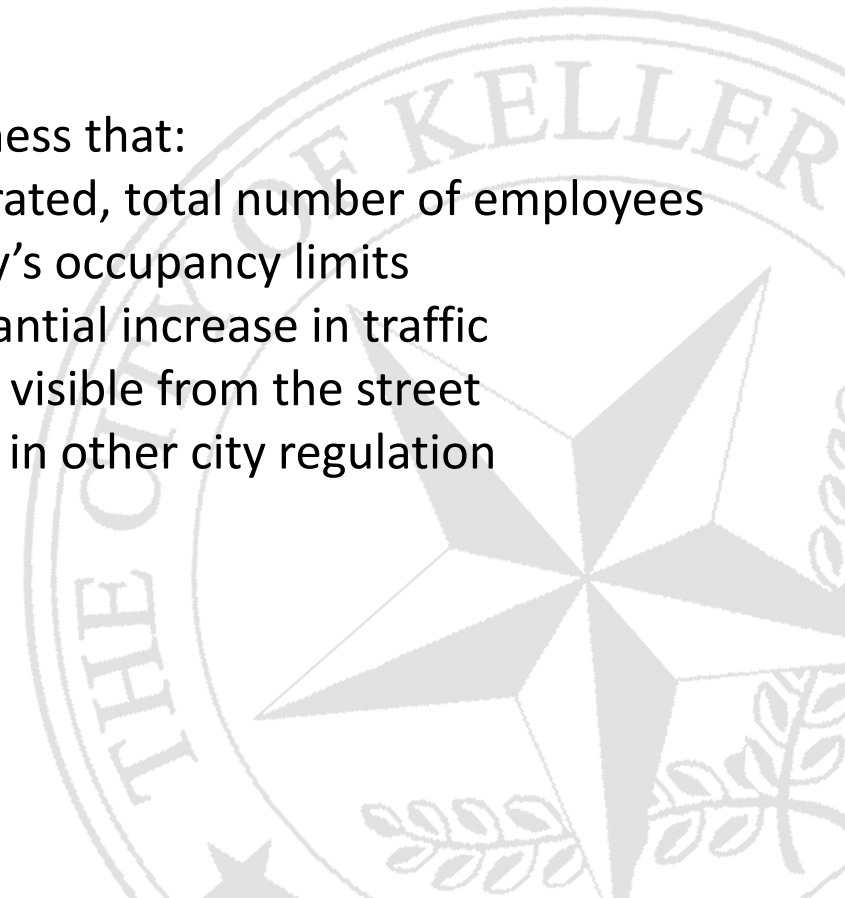
\*Additional details from these and other communities included in agenda packet

## 2025 State Legislation (TML post-session update Aug. 2025)

**H.B. 2464 – effective June 12, 2025:** limits city authority to regulate “no-impact home-based businesses”

No-impact home-based business (NIHBB) is a business that:

1. At any time on property where business is operated, total number of employees and clients at the property does not exceed city’s occupancy limits
2. Does not generate on-street parking or a substantial increase in traffic
3. Operates in a manner in which no activities are visible from the street
4. Does not substantially increase noise or violate in other city regulation

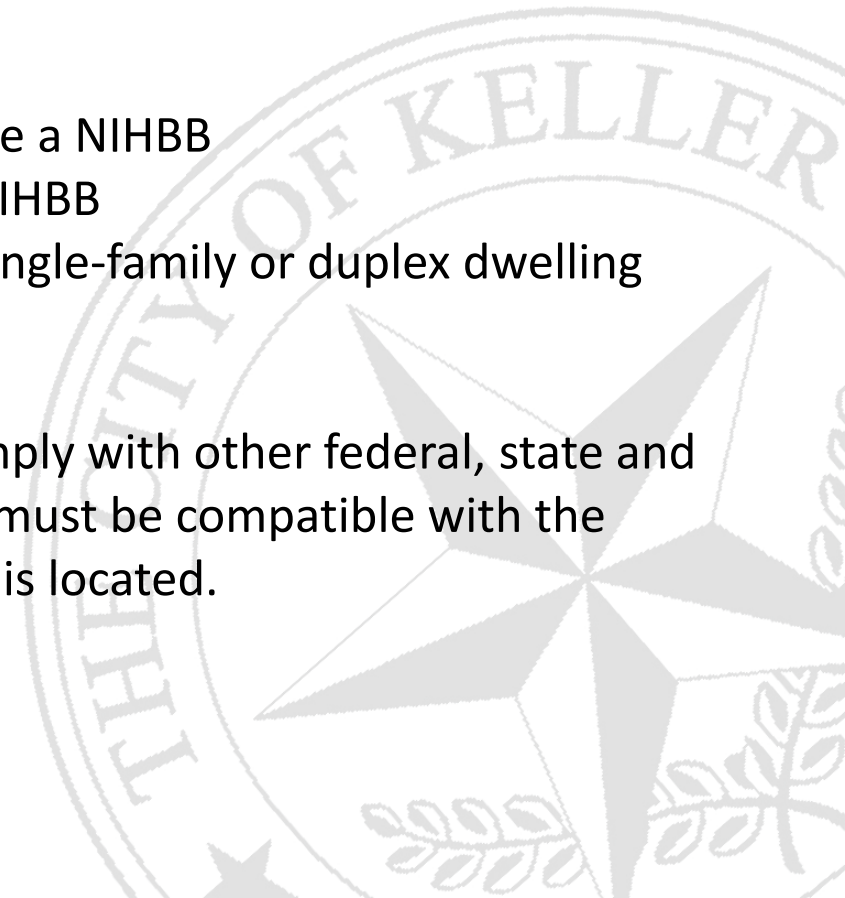


## 2025 State Legislation(TML post-session update Aug. 2025)

A city may not adopt or enforce regulations that:

1. Prohibits someone from operating a NIHBB
2. Requires someone to obtain a permit to operate a NIHBB
3. Requires someone to rezone a property for a NIHBB
4. Install a fire-sprinkler system for a NIHBB in a single-family or duplex dwelling

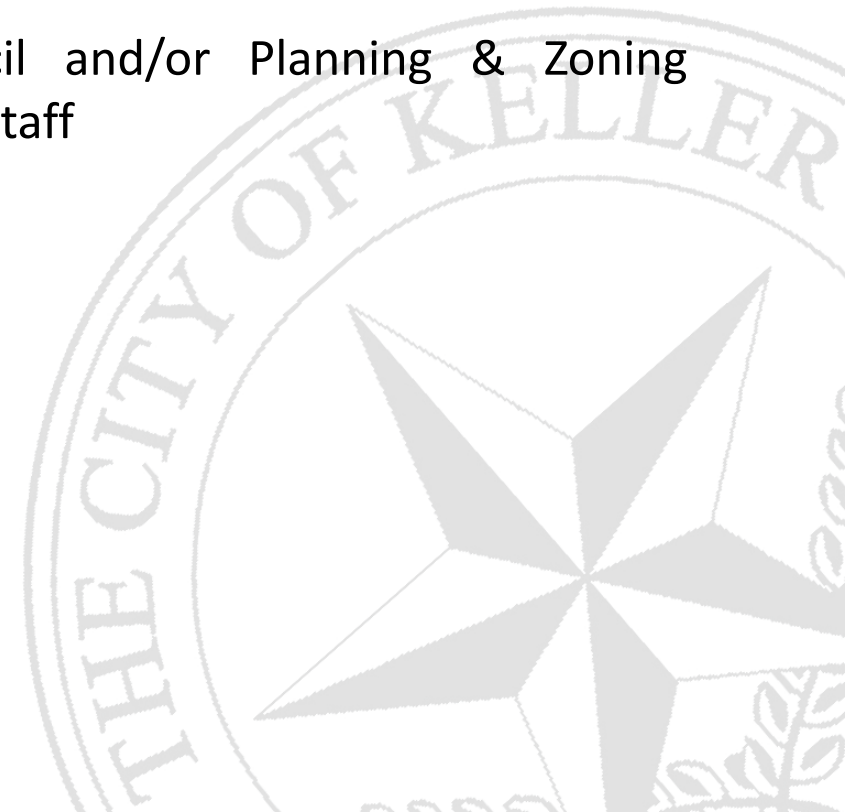
Cities can still require all home-based business comply with other federal, state and local regulations, and HB 2464 states the business must be compatible with the residential use of the property where the business is located.



## Council Discussion & Next Steps

### Options:

1. Take no action
2. Additional work session(s) with City Council and/or Planning & Zoning Commission to review draft amendments from staff
3. Direct staff to do additional research





**Questions?**

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