

414.33 Home-based businesses.

1. For purposes of [this section](#):

a. “Goods” means any merchandise, equipment, products, supplies, or materials.
 b. “Home-based business” means any business for the manufacture, provision, or sale of goods or services that is owned and operated by the owner or tenant of the residential property on which the business operates.

c. “No-impact home-based business” means a home-based business for which all of the following apply:

(1) The total number of on-site employees and clients does not exceed the city occupancy limit for the residential property.

(2) The business activities are characterized by all of the following:

(a) The activities are limited to the sale of lawful goods and services.

(b) The activities do not generate on-street parking or a substantial increase in traffic through the residential area.

(c) The activities occur inside the residential dwelling or in the yard of the residential property.

(d) The activities are not visible from an adjacent property or street.

2. The use of a residential property for a home-based business is a permitted use. However, [this subsection](#) does not supersede any of the following:

a. A deed restriction, covenant, or agreement restricting the use of land.

b. A master deed, bylaw, or other document applicable to a common interest ownership community.

3. A city shall not prohibit a no-impact home-based business or otherwise require a person to apply, register, or obtain any permit, license, variance, or other type of prior approval from the city to operate a no-impact home-based business.

4. A city may establish reasonable regulations on a home-based business if the regulations are narrowly tailored for any of the following purposes:

a. The protection of the public health and safety, including rules and regulations related to fire or building codes, health and sanitation, transportation or traffic control, solid or hazardous waste, pollution, or noise control.

b. Ensuring that the business is all of the following:

(1) Compatible with residential use of the property and surrounding residential use.

(2) Secondary to the use of the property as a residence.

(3) Complying with state and federal laws and paying applicable taxes.

c. Limiting or prohibiting the operation of a home-based business for the purposes of selling alcoholic beverages or illegal drugs, operating or maintaining a structured sober living home, creating or selling pornography, providing nude or topless dancing, or operating any other adult-oriented business.

5. A city shall not require as a condition of operating a home-based business that the property be rezoned for commercial use or that the business owner install or equip fire sprinklers in a single-family detached residential dwelling or any residential dwelling with not more than two dwelling units.

6. In any proceeding alleging that a city regulation does not comply with [this section](#), the city that enacted the regulation must establish by clear and convincing evidence that the regulation complies with [this section](#).

[2022 Acts, ch 1129, §13](#)

Similar provisions, see [§335.35](#)