

# Standard Operating Policy 4-46

## Name of Procedure: Profit Making Activities for PH

**CFR Reference Number: 966.4**

**Policy Reference: ACOP, Section 7**

**Approved by: Res. 679-07**

**Effective Date: 7/1/07**

In order to promote economic independence and self-sufficiency of assisted families, FMHA developed the following Policy to allow certain profit making activities in FMHA owned units. Such activities must be incidental to the primary use of the lease unit for residence by members of the household. All activities must receive prior written consent from the Housing Manager.

Any Profit Making Activity must adhere to the lease, all FMHA polices and regulations as required by HUD. The request to begin a Profit Making Business must be in writing to the Housing Manager. An application must be filled out and an agreement signed between the tenant and FMHA.

A Profit Making Activity must:

1. Be legal.
2. Meet neighborhood zoning requirements.
3. Have a proper license.
4. Adhere to all lease requirements.
5. Meet FMHA insurance requirements.

A Profit Making Activity must:

1. Not attract people into the neighborhood. (Customer coming and going)
2. Not require warehousing of any type of equipment on FMHA owned property.
3. Not require any combustible material be brought onto the property for the business such as paint thinner, gasoline, oil, etc..
4. Not disturb neighbors in any way.

Tenant must be responsible for :

1. All utilities.
2. Providing proof of required insurance liability.
3. Keep all income and expense records and be able to provide them at the request of the PHA.
4. Keep all license and certifications required for the business current.

Examples of the types of business which could be possible are: \*(please note this is not all inclusive)

1. Day Care that is licensed though the Department of Human Services.
2. Paper Delivery.
3. Bookkeeping.
4. Tax Prep Service.
5. Cleaning Service.
6. Avon or Party Representative.
7. Ironing/laundry service.

Examples of types of businesses which would be denied are: \*(please note this is not all inclusive)

1. Car repair.
2. Manufacturing.
3. Catering
4. Tattoo/Piercing Parlor
5. Any business that would affect the right to peaceful enjoyment of the neighborhood.