

## **BUSINESSES IN THE HOME**

Do your association documents state that no owner may run a business out of their home? Has the Board created a resolution regarding what constitutes running a business out of the home? Both are good questions that should be addressed.

Most public entities require that anyone wishing to operate a business out of a home must get a license and must adhere to very strict guidelines. Checking with your local City or County entity will give you the specifics in your local, but normally they required many of the following conditions:

- 1) No clients can come to the home.
- 2) No signage can be visible from the exterior or windows in the home.
- 3) No advertisements can direct clients to the home.

Many individuals may be running a business out of their home and no one would ever know it since cyber businesses do not bring in additional traffic and do not inconvenience any of the neighbors. They may bring in the UPS truck a little more often, but since most owners are using the Internet to shop more often anyway, you don't need to be running a business to have UPS showing up at your door a lot.

Several Associations have found out about some of these silent businesses by accident or by a neighbor who holds a grudge for some other reason and want to cause the person trouble. If the individual does not violate the City or County rules, they are normally harmless and should be left alone. Vendettas are not a situation that the Association wants to get in the middle.

An exception to the above requirement is that City or County laws are normally protecting child care facilities as they would prefer that children be raised in a home environment vs. an institutional environment. The Health Department, however, has very strict guidelines in this area and limits the number of children the individual is licensed to provide care for.

I was able to use these strict County Health Department requirements when neighbors were complaining about a child care facility next door. The neighbors complained that there were at least a dozen children in a neighboring home, the back yard had been converted to a concrete slab, the kids spent all day on the slab on noisy hot wheel type riding toys and at times they could not get out of their own driveways because of the cars blocking their driveways for clients dropping off children.

The owner was sent a courtesy notice and responded by sending a copy of their license from the County to have the facility in the home. In California, the legislators saw fit to pass laws stating that associations could not prohibit child care facilities. I decided to take it one step further and call the County Health Department to see how many children were licensed for the home. The individual was licensed for 6 children, none of whom could be infants. I advised the Health Department that there appeared to be more than 6

children in the home and had concerns about the amount of noise coming from the property. I was told that they would conduct a review of the property, but could do nothing about the noise if the owner was abiding by the conditions of the license. They stated that this would be an Association issue, not theirs.

When they conducted their inspection, the child care facility was closed since they found 12 children in the home, babies sleeping in closets on the floor, animal feces all over the concrete back yard and an unhealthy environment inside the home. The home was apparently quite dirty as well.

Check with your local entity to see what protections that they may have regarding child care. In some entities, you can't prohibit someone from having the child care facility, but as you can see the child care provider has strict rules that they must abide by.

In the above example, not only were the neighbors satisfied, but closing the home was in the best interest of the residents in the community as well since many of the children lived within the community.

More and more businesses are allowing their employees to work out of their home to save on office space. In today's economy, pick your battles and look at your documents. If the business is violating the City or County's rules, let them step in and handle the issue for you vs. the association taking the lead. It could save you a huge hassle and resolve the issue.