

Detroit Open for Business Guide



This guide is divided into 5 steps that reflect the journey you'll take to start your business here in Detroit. In each step you'll see a detailed checklist. This checklist requires collaborating with departments across the City to open your business.

Each list is designed to cover all the possible approvals, permits, licenses, or anything else you might need to open your business. Some of these are best practices, but others are required.

How to use this guide.

As you read this guide, you'll see that each step is organized with a list of items to complete. They're organized by Department.

Here's an example:

The Detroit Fire Department Fire Marshall can:

- ☐ check for outstanding fees.  
- ☐ conduct a fire inspection.

 **To do this,** [fill out a request form online.](#)

Next steps to complete the list are listed below. A full list of contacts is listed at the end of this guide.

Each step contains a list under specific City departments.

Some of the items in each checklist are required, or involve a fee.

 This symbol means there's a fee.

 This symbol means it's required.

Step 1: I'm considering signing a lease or buying a building



Before buying a property or signing a lease, double check that the type of business you're opening is allowed there. You'll also want to see if the location is in the correct zoning district and if the business you're opening matches the type that was there before. Finally, check for issues like violations or fees that the previous owner left; you'll be responsible for them if you buy the property.

Several departments within the City of Detroit will work together to complete this step as detailed in the tasks below. Here's who you'll work with:

The Buildings, Safety, Engineering, and Environmental Department (BSEED) can help you:

- ☐ conduct a zoning check to confirm if the type of business you want to open is or isn't allowed, or requires special permission. You can also ask BSEED to check and confirm for you with a zoning verification letter.
 - ☐ check for special zoning categories where different rules apply (Historic Districts, Traditional Main Streets).
 - ☐ check for "dangerous buildings" cases on property.
 - ☐ check for previous building violations with property maintenance.
 - ☐ find out if you need a business license certificate.
check plan review and license requirements (even if you're not building or renovating).
- ✔ **To do this,** [you can use an online tool called the Detroit Permitting Portal](#). You'll be able to locate your license type on the Business and Licensing website. If you'd like a zoning verification letter, [refer to the instructions on BSEED's zoning page](#).

The Office of the Assessor can help you check for:

- ☐ the classification of the building you'll be in.
 - ☐ how many parcels are part of your project.
delinquent personal property taxes.
- ✔ **To do this,** [visit the Office of the Assessor's website](#). Delinquent property taxes can be found by contacting [Treasury Revenue Collections](#), or by visiting a DivDat Kiosk.

Have questions about what a word means, or need to contact someone? Check out our [glossary](#) and [contacts](#) at the end of this document.



The Detroit Health Department can help you:

- ☐ conduct a pre-purchase or lease inspection to check for previous issues (especially for a restaurant).
- ☐ obtain environmental health clearance (only select businesses)

✓ **To do this,** [research previous issues by visiting the Detroit Health Department's Food Safety website.](#)

The Department of Appeals and Hearings can help:

- ☐ check for outstanding blight violations.

✓ **To do this,** [visit the Department of Appeals and Hearings website.](#)

The Detroit Water and Sewage Department can help:

- ☐ check for delinquent bills.
- ☐ check if the property has a working water service line.
- ☐ check the drainage charge that will be due on your water bill.

✓ **To do this,** [contact the Detroit Water and Sewage Department Customer Care.](#)

The steps below may or may not apply, depending on the type of business you're starting.

- Check for lien on property.
- Ensure all personal tax returns are paid and filed.
- Request information on outstanding fees.
- File a FOIA request to the Fire Department and Fire Marshal division for past & outstanding violations or environmental information (this can be done through a private consultant and costs \$200-\$300) or go to Detroit Public Safety HQ (1301 3rd Ave) and ask for outstanding permit fees.
- Consider conducting a baseline environmental assessment.
- For restaurants, consider what your menu will be and what equipment you'll need; make sure the space is the right size and there are enough gas and electric circuits for your project.
- Communicate with the State liquor control if you will be requiring a liquor license.
- Check for tax incentives & know when these incentives expire. Determine how this impacts your business plan.
- Check for deed restrictions and restrictive covenants with the Wayne County Register of Deeds.
- Check for utility easements.

Step 2: I've purchased a building or signed a lease



Once you have a location for your business, you'll need to formally register your property and clear any issues the previous owner may have left. Even if you're leasing, you'll need to register your business at the Assessor's Office. Here's what you need to do:

The Office of the Assessor can help you:

- ☐ file a deed within 45 days (if you bought your building) ⚠
- ☐ apply for a Personal Property Tax ID Number (aka. Tax ID) ⚠
- ☐ file a Personal Property Statement annually by February 20th. ⚠
- ✔ **To complete these items, [contact the Office of the Assessor](#).** To file your Personal Property Statement each year, navigate to the [Personal Property section of the website](#).

The Department of Appeals & Hearings can help you:

- ☐ apply for a blight clearance. ⚠
- ✔ **To do this, [fill out a request form online](#).**

The Detroit Water and Sewage Department (DWSD) can help:

- ☐ Open a new water account
- ☐ Establish new water service with a meter (if the building was removed from the demolition list and needs the water back on. ⚠ \$)
- ✔ **To do this, [contact DWSD Department Customer Care](#).**

The Detroit Fire Department (DFD) Fire Marshall can:

- ☐ check for outstanding fees.
- ☐ conduct a fire inspection and obtain permit (inspection is free). ⚠ \$
- ✔ **To do this, [fill out a request form online](#).**

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The Buildings, Safety, Engineering, and Environmental Department (BSEED) can help you:

- ☐ conduct a pre-plan review conference where City staff members will give advice on how to complete your project and identify requirements that apply.

✓ **To do this,** [visit BSEED's Project Review Meetings page.](#)

The Detroit Health Department can:

- ☐ make sure your license applications are properly submitted and approved. ⚠️💰

✓ **To do this,** [contact Detroit Health Department Food Safety and Environmental Health.](#)

Other state and county requirements.

- File deed with Wayne County Court.
- For a liquor license, contact the Michigan Liquor Control Commission (MLCC).
- For gas stations, contact the Michigan Department of Agriculture & Rural Development (MDARD).
- For grocery stores, party stores, food manufacturers, food distributors contact Michigan Department of Agriculture & Rural Development for license.
- For body art contact Michigan Department of Health and Human Services.
- For childcare and medical facilities contact Michigan Department of Licensing and Regulatory Affairs.
- For swimming pools contact Michigan Department of Environment, Great Lakes, and Energy for permit to build.

Other recommended steps that may or may not apply to your business:

- Familiarize yourself with the City of Detroit's Electronic Licensing & Permits System (eLAPS).

Step 3: I have construction drawings for my space.



If you're establishing a new business in a new space, you're probably planning to do some construction. In this case, you'll need to submit construction documents that are signed and sealed by a licensed architect or engineer. This is especially required if you're changing the use or type of business in the space. Here's what you need to do:

The Buildings, Safety, Engineering, and Environmental Department (BSEED) can help you:

- ☐ submit plans to BSEED for review.
- ☐ if changing the type of business in the building, request a building permit for
- ☐ change of use
- ☐ ask contractors to start the process to get trade permits
- ☐ ensure that sign contractor pulls the necessary permits from the City.

⚠️ 💰 All of these are required and have fees.

✔️ **To do this,** [visit BSEED's Development Resource Center.](#)

The Detroit Health Department will:

- ☐ Approve health plan review application (for new food establishment, remodeling an existing food establishment, or opening a new mobile food establishment). ⚠️ 💰
- ☐ Approve construction plans for restaurants.

✔️ **To do this,** [submit plans using the City's online application system, Accela.](#) For health plan review, [visit the Health Department's Food Safety Plan Review Page.](#)

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Contact the Department of Public Works to:

- ☐ request a "permanent encroachment" if your project will permanently use a public right-of-way, alley, or sidewalk. This includes awnings that hang over the right-of-way, too. ⚠️
- ☐ plan a temporary seasonal patio or cafe; you'll submit a request for a Temporary Cafe Permit. ⚠️ 💰

✔️ **To do this,** [visit Department of Public Works website.](#)

Contact the Detroit Water and Sewage Department (DWSD) if you're :

- ☐ creating/replacing at least ½ acre of impervious surface (e.g., a parking lot), develop Post Construction Stormwater Management Plan and pay plan review fee to comply with stormwater management ordinance. ⚠️ 💰
- ☐ modifying water or sewer lines outside of building, or if fire separation lines are needed (per Fire Marshal), submit plans and get a permit. ⚠️ 💰

✔️ **To do this,** [request a permit from DWSD.](#)

Helpful hint for Step 3

If your project requires a zoning variance or hearing, learn what and how the community feels about the project early.

Step 4: I began construction on my business.



Once your construction plans are approved, your contractor should get permits to start construction. You're responsible for making sure all permits and plans are posted at the worksite. It's also a good idea to maintain communication with BSEED and DHD, especially if your plans change.

Before you close out the walls, secure rough inspections for plumbing, HVAC, and electrical work to avoid any issues at time of the final inspection. Once you get to this point, it's a good idea to start applying for any licenses you'll need to open. Like other steps, these require various inspections and clearances. Here's what you need to do:

Step 4

The Buildings, Safety, Engineering, and Environmental Department (BSEED) can help you:

- ☐ confirm that your contractor has secured trade permits. ⚠️ 💰
- ☐ determine what license approvals you'll need
- ☐ schedule a final inspection when construction is done ⚠️ 💰
- ✓ **To do this,** [visit BSEED's Development Resource Center](#). To schedule the final inspection, [visit BSEED's Construction Division page](#).

Contact the Office of the Treasury to:

- ☐ apply for Income Tax Clearance/Accounts Receivable Clearance. ⚠️
- ✓ **To do this,** [visit the Office of the Treasury's Clearances page](#).

Contact the Detroit Fire Department Fire Marshall to:

- ☐ schedule final fire inspection.
- ☐ schedule acceptance testing of fire alarm and suppression systems.
- ☐ get permits for temporary fuel storage.
- ⚠️ 💰 All of these are required and have fees.
- ✓ **To do this,** [visit the Detroit Fire Department website](#).

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Contact The Detroit Health Department to:

- ☐ submit revised plans if changes occur after Health Department approval, including changes in equipment (for Food Service and other business types requiring Health Service approval). ⚠️ 💰
- ☐ submit food service license application (for food service establishments only). ⚠️ 💰
- ☐ schedule a pre-opening inspection. ⚠️

✓ **To do this,** [contact Detroit Health Department Food Safety and Environmental Health.](#)

The Department of Public Works can:

- ☐ provide a Right-of-Way permit if construction will use sidewalks. ⚠️ 💰

✓ **To do this,** [visit Department of Public Works website.](#)

Contact the Detroit Water and Sewage Department to:

- ☐ Schedule final inspection and approval of stormwater installation (for sites with new and redevelopment of ½ acres of impervious surface like asphalt). ⚠️

✓ **To do this,** [visit the Stormwater Management website.](#)

Other helpful hints for Step 4

- It's a good idea to schedule a "rough" inspection of your construction before closing any walls. Once approved, you can close them. To do this, BSEED and The Detroit Fire Department Fire Marshall will be involved. Use the contacts provided at the links above to ask about how to get started.
- Once you have your approved plans and permits, keep them posted so they're easy to see until all your work is done.
- Schedule pre-opening inspections with relevant State agencies for State-licensed business types.
- Body art facilities must file with Michigan Department of Health and Human Services (MDHHS); MDHHS will receive an automatic email from Detroit Health Department to schedule inspection.

Step 5: I'm ready to open!



Congratulations on making it this far through the process! Before you open your doors, make sure your business is in full compliance with all City departments and that you've passed all necessary inspections and clearances, and have the licenses you need.

You'll want to be sure you have a Certificate of Compliance, Occupancy, or Acceptance, too. Here's what you need to do:

The Buildings, Safety, Engineering, and Environmental Department (BSEED) can help you with a few scenarios:

- ☐ **Option A:** if you didn't do construction but still need to address blight for your property, schedule an inspection for Certificate of Compliance.
- ☐ **Option B:** if you did construction and a Change of Occupancy or Use was required, request Certificate of Occupancy. This automatically triggers a check to determine outstanding BSEED fees that must be paid before the certificate is granted.
- ☐ **Option C:** if you did construction with no Change of Occupancy or Use, request a Certificate of Acceptance.
- ☐ If you haven't already, [apply for a business license](#). Once you get it, post it somewhere easily visible at your business.

⚠️ 💰 All of these are required and have fees.

✔️ **To do this,** [visit BSEED's Construction Inspection page](#).

Contact The Detroit Health Department to:

- ☐ confirm that you have the right health license, such as food or body art. Be sure to post it at your business. ⚠️ 💰
 - ☐ correct any outstanding health violations. ⚠️
 - ☐ ensure variances, if any, have been approved (like a special process, outer openings, etc). ⚠️ 💰
- ✔️ **To do this,** [contact Detroit Health Department Food Safety and Environmental Health](#).

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The Office of the Assessor and Treasury can help you:

- ☐ open and assessment notice, and appeal if necessary (there are two assessments: real and personal property).
- ☐ file a personal property statement annually by February 20. File a Small Business Exemption statement by February 20 of the initial exemption year. ⚠
- ☐ confirm approval for Income Tax Clearance/Accounts Receivable Clearance. ⚠
- ✔ **To do this,** [visit the Office of the Assessor's website](#). To confirm approval for Income Tax Clearance, navigate to the [Treasury Clearances section of the site](#).

Other helpful hints for Step5

- Setup payroll and report employee tax withholding with Michigan Department of Treasury (517-636-5829 or www.michigan.gov/taxes)

Glossary



Blight Clearance: Application to check for outstanding blight tickets on the property.

Blight violation: Violations given when an owner fails to maintain their property. If the issue is not corrected, a ticket is issued.

By Right vs. Conditional Use: Not all uses are allowed in all buildings/neighborhoods. Some uses are permitted "by right" in your zoning designation, and some uses (conditional) require special exemptions.

C of A, Certificate of Acceptance: Required if no change is made to use or occupancy. Indicates that any alterations made are acceptable.

C of C, Certificate of Compliance: Required if no construction is needed. Indicates that a building meets all city codes and is safe to occupy.

C of O, Certificate of Occupancy: Required if the project included construction. Indicates that a building meets all city codes and is safe to occupy. The C of O is issued upon request of the customer by BSEED after verification that all the required division approvals (electrical, plumbing, mechanical and building) have been obtained.

Clearance: Application to check for no outstanding taxes on property, business or equipment or income.

Encroachment: An encroachment is any privately owned and maintained improvement located within the public right-of-way.

Easement: A right given to another person or entity to trespass upon or use land owned by somebody else.

E-plans: The city's online Building Plan submission portal. Allows plans to be submitted and reviewed online.

Established use: The legally permitted purpose of a property, as permitted by the City of Detroit.

FOIA: Freedom of Information Act, is a federal law that grants the public access to information possessed by government agencies.

Historic Designation: A zoning designation in historic districts that has specific requirements.

LARA: Michigan Department of Licensing and Regulatory Affairs.

Legal use: The legally permitted purpose of a property, as permitted by the City.

Lien: Outstanding debt on property that can inhibit the transfer of the property.

Main Street Designation: A zoning designation that has specific requirements established by the state.

MDARD: Michigan Department of Agriculture and Rural Development

MEP: Mechanical, Engineering and Plumbing.

Occupancy: Classification of a room/enclosed space designed for human use according to the fire safety/relative hazard involved. This occupancy classification determines the appropriate egress, light, and ventilation code requirements that must be met.

Personal Property Taxes: The State of Michigan requires business owners to pay taxes on their personal property. This is the tangible property that is used to make a profit (equipment, cash registers, shelves, etc.). The owed personal property tax follows the equipment, not the building.

Plan Review: The process of submitting building plans for approval (conditional land use, building permits etc.)

Right-of-Way: Construction that will impact the street or sidewalk requires a permit from the Department of Public Works.

Stormwater Management Plan: The City requires new and redevelopment of .5 acres or greater to implement stormwater management practices.

Trade Permits: MEP work must be done by a licensed mechanic, electrician and plumber

Vacation: A street vacation, also known as an alley vacation or vacation of public access, is a type of easement in which a government transfers the right-of-way of a public street, highway or alley to a private property owner.

Variance: A variance is a request to deviate from current zoning requirements. If granted, it permits the owner to use the land in a manner not otherwise permitted by the zoning ordinance.

Zoning: the City's laws on how buildings can be built (e.g., size, spacing) and used (e.g., commercial, residential).

Contacts



Buildings, Safety, Engineering and Environmental Department (BSEED)

(313) 224-2733 | BSEED@detroitmi.gov

BSEED Development Resource Center

(313) 224-2372 | drc@detroitmi.gov

Department of Public Works City Engineering

(313) 224-3901

<https://detroitmi.gov/departments/department-public-works>

Office of the Chief Financial Officer (OCFO)– Assessor

(313) 224-3560 | detroitmi.gov/ocfo | assessors@detroitmi.gov

Detroit Taxpayer Service Center

(313) 224-3560 | DTSC@detroitmi.gov

Department of Appeals & Hearings (DAH)

(313) 224-0098 | <https://detroitmi.gov/dah>

Detroit Health Department 100 Mack Ave, 3rd Floor Food Safety

(313) 876-0135 | foodsafetyDHD@detroitmi.gov

Environmental Health & Safety

(313) 876-4715 | www.detroitmi.gov/environmentalsafety

Detroit Fire Department Fire Marshal

(313) 596-2963 **Inspections** (313) 596-2954

<https://detroitmi.gov/departments/detroit-fire-department/fire-marshal>

Detroit Water & Sewage Department

(313) 267-8000 (for drainage charge) drainage@detroitmi.gov