

## OPEN FOR BUSINESS

5 phases to opening your business  
in the City of Detroit



## OPEN FOR BUSINESS — CHILDCARE COMPANION GUIDE

The City of Detroit is committed to the availability of quality child care to our residents. This toolkit is a companion guide to the city's Open for Business Guide which can be found at [degc.org/small-business/small-business-resources/](https://degc.org/small-business/small-business-resources/) and offers important licensing, permitting, and opening information specific to child care businesses. Child care businesses in the state require a license through the State of Michigan's Department of Licensing and Regulatory Affairs (LARA) and this process is separate from the requirements to open a business in the city. This guide will offer direction on both, however, more details on the LARA process can be found at their website [michigan.gov/michildcare](https://michigan.gov/michildcare) under the 'Licensed Providers' tab or by calling LARA's Detroit Field Office at (313) 456-0380.

See out-of-date information or have feedback?  
Contact us at [EarlyEd@detroitmi.gov](mailto:EarlyEd@detroitmi.gov)

# Getting Started

Before you move forward, it is important to know the categorization of your child care business. Your business's size will determine what requirements you'll have to meet to open and affect application costs, staffing needs, utility costs, and more.

## Here are some questions you might consider when deciding how big you want your childcare business to be:

- Do you want to work in your home? With others?
- Will you be able to meet the staffing requirements required for a center? (See LARA website for more details about staffing requirements)
- Will you be able to cover overhead costs like utilities, taxes, and maintenance of a center?
- Is the size of your property ideal for the kind of business you want?
- Will your business provide care to specific age groups (infants and toddlers, school-age children) or meet other special needs (night-time care, transportation), special licensing requirements may apply

## With this in mind, decide what kind of business you'd like to be licensed for:

<p><b>Family Day Care Home</b> Home-based childcare for up to 7 unrelated children for less than 24 hours a day</p>	<p><b>Group Day Care Home</b> Home-based childcare for up to 12 unrelated children for less than 24 hours/day (requires conditional land use hearing, fees)</p>	<p><b>Child Care Center</b> A facility in a commercial building that cares for more than 12 children for more than 2 weeks in a row</p>
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*The licensing process generally takes 3-6 months after you submit the needed materials and for child care centers, city inspections and permits can take longer than expected.*

# Navigating the Zoning Process

Child Care Businesses need to consider zoning designations and potential zoning costs when planning where to open their business.

## Where does zoning allow child care centers?

You can find out how your property is zoned by visiting [permits.detroitmi.gov](https://permits.detroitmi.gov) and clicking the "zoning portal" icon.

## Potential Costs

- Preliminary Plan Review (Free)
- Preliminary Plan Consultation (Optional—\$250 for consultation, \$350 for consultation with Fire Department)
- Permitting Fees (starting at \$150, depends on construction scope and remodel costs)
- Inspection Fees (\$134 for each inspection, number inspections required will depend on permitting scope)
- Special Land Use Hearing (Required for Group Day Care Homes—\$1000. The Buildings, Safety Engineering & Environment Department will arrange a payment plan for providers with payments as low as \$50/month, contact the Zoning Division at (313) 628-2603)

Zoning Districts	Zoning Code Categories	Family Day Care Home	Group Day Care Home	Child Care Center
<b>Key:</b> By Right <span style="color: green;">■</span> Conditional <span style="color: orange;">■</span> Not Permitted <span style="color: red;">■</span> Subject to Council Approval <span style="color: purple;">■</span>				
<b>RESIDENTIAL</b>				
Areas where people live. Zones range from single family homes to high density areas with rental units	R1- Single Family Residential			
	R2- Two Family Residential			
	R3- Low Density Residential			
	R4- Thoroughfare Residential			
	R5- Medium Density			
	R6- High Density Residential			
<b>COMMERCIAL/BUSINESS</b>				
Areas where retail stores and offices are located ranging from small business areas to a large retail center	B1- Restricted Business			
	B2- Local Business & Residential			
	B3- Shopping			
	B4- General Business			
	B5- Major Business			
	B6- General Services			
<b>SPECIAL DEVELOPMENT &amp; OVERLAY</b>				
Areas where typically unrelated uses are physically and functionally integrated	PD			
	PCA			
	SD1			
	SD2			
	SD4			

## Licensing Process

For child care licenses in the State of Michigan, all providers:

- Must complete a comprehensive background check and fingerprinting
- Get medical clearance and provide tuberculosis tests results to LARA
- Family and Group Day Care licenses require background checks and fingerprints for everyone in the household over the age of 14

In addition to general state licensing requirements, **Group Day Care Homes** and **Child Care Centers** have to take some extra steps to be in compliance with the city:

**Group Day Care Homes** are approved on a case by case basis. In order to receive a zoning approval letter as required by LARA for group licenses, child care businesses must:

- Complete Special Land Use Zoning Application
- Plot Plan (Formal Site Plan Review Not Required):
  - Property lines
  - Property dimensions
  - Outdoor space
  - Floor plans (only required for levels where children will be)
  - Photos of the home exterior (used in place of elevations)
- Conditional Land Use Hearing. Cost is \$1,000. BSEED will arrange a payment plan for providers with payments as low as \$50/month after a \$100 down payment. More information: Zoning Division, (313) 628-2603
- Participate in a public hearing, scheduled by BSEED, which gives neighbors the opportunity to understand and voice concerns about how your business could impact the community. A notice will be sent out to neighbors within 300' and posted at your home.

- If approved, you will receive a conditional land use grant
- Register conditional land use grant with Wayne County Register of Deeds
- Submit building permit application, copy of registered grant, and plans for change of use permit to BSEED.
- Obtain inspections and approvals by calling (313) 224-3202
- Apply for a final certificate of occupancy in the BSEED offices, Room 408, 2 Woodward Ave, Detroit, MI, 48226. Please allow 3 days to process the application

**Child Care Centers**, specifically those whose facilities are new construction or being renovated before opening, will have to undergo plan reviews and building permitting ahead of construction and licensing. **See phases 3 and 4 of the Open for Business guide for more details on construction and permitting with the city.**

If you are renovating a building that was something other than a child care center, it is important to have plans reviewed for any work being done. You must also change the legal use classification of the building to suit your new business. If your child care center was legally designated a child care center before and no construction needs to be done, you'll have to apply for a certificate of compliance from BSEED before opening, this can be done in the BSEED offices, Room 412, 2 Woodward Ave, Detroit, MI, 48226.

## LARA Family & Group Home Provider Orientation

**Family and Group Day Care** homes must attend an orientation session arranged by their local licensing office. The purpose of the orientation is to review the licensing expectations rules and laws and prepare you for your licensing inspection.

## Additional Inspections for Centers

### Environmental Health Inspection

The City of Detroit's Health Department completes the environmental health and safety inspection needed by the State (LARA) in order to open a Child Care Center.

- This inspection is typically not required for Family and Group Day Care Homes.
- Arrange an inspection by completing the Environmental Health Inspection Request form which can be found at [detroitmi.gov/health](http://detroitmi.gov/health)
- Complete checklists of inspection items can be found in the LARA Technical Assistance Manual.

### Contact

City of Detroit Health Department, Environmental Health & Safety Coordinator  
(313) 876-4715

### Lead & Fire Inspection

Providers opening Child Care Centers must complete and pass an **annual fire inspection** with a **certified fire inspector**. Centers in buildings constructed before 1978 must also complete a **lead hazard risk assessment** with a certified lead risk assessor. Find more information about inspections for child care centers at [michigan.gov/michildcare](http://michigan.gov/michildcare).

## Other Resources for ECE Businesses

Organization	How they help	How to find them
<b>Grand Innovation</b>	Small business support	<a href="http://grandinnovation.org">grandinnovation.org</a>
<b>Build Institute</b>	Small business support	<a href="http://buildinstitute.org">buildinstitute.org</a>
<b>Motor City Match</b>	Location & real estate support	<a href="http://motorcitymatch.com">motorcitymatch.com</a>
<b>Detroit Score</b>	Small business support	<a href="http://detroit.score.org">detroit.score.org</a>
<b>IFF</b>	Non-profit lending, real-estate consulting, and development	<a href="http://iff.org">iff.org</a>
<b>Detroit SOARs Scholarship</b>	Income-based scholarships	<a href="http://greatstartwayne.org/detroit-soars">greatstartwayne.org/detroit-soars</a>
<b>Black Family Development</b>	Family & child support services	<a href="http://blackfamilydevelopment.org">blackfamilydevelopment.org</a>
<b>Brilliant Detroit</b>	Family & child support services	<a href="http://brilliantdetroit.org">brilliantdetroit.org</a>
<b>Brightmoor Quality Initiative/Scholarship</b>	Quality improvement support	<a href="http://highscope.org/project/brightmoor">highscope.org/project/brightmoor</a>
<b>Great Start Collaborative</b>	Provider and family support services	<a href="http://greatstartwayne.org">greatstartwayne.org</a>
<b>United Way Early Learning Communities</b>	Developmental screenings, quality improvement, literacy resources, parent networks	<a href="http://unitedwaysem.org">unitedwaysem.org</a>
<b>Detroit Early Learning Coaching Initiative</b>	On-site instructional coaching and support	<a href="http://ecic4kids.org/detroit-coaching-initiative">ecic4kids.org/detroit-coaching-initiative</a>
<b>Improve Detroit</b>	Application to contact city services	<a href="http://detroitmi.gov/improvedetroit">detroitmi.gov/improvedetroit</a>
<b>0% Interest Home Repair Loans</b>	Home repair loans, home based providers	<a href="http://homeloansdetroit.org">homeloansdetroit.org</a>
<b>Talking is Teaching</b>	a public awareness and action campaign that helps parents boost their children's early brain and vocabulary development through simple, everyday actions	<a href="http://talkingisteaching.org">talkingisteaching.org</a>
<b>Detroit School's Guide Community Education Commission</b>	Citywide school guide that includes early childhood education resources and businesses	<a href="http://cec.detroit.org">cec.detroit.org</a>
<b>Leaps &amp; Bounds</b>	Family support services	<a href="http://leapsandbounds.org">leapsandbounds.org</a>
<b>ACCESS</b>	Arab Community Center for Economic and Social Services	<a href="http://accesscommunity.org">accesscommunity.org</a>

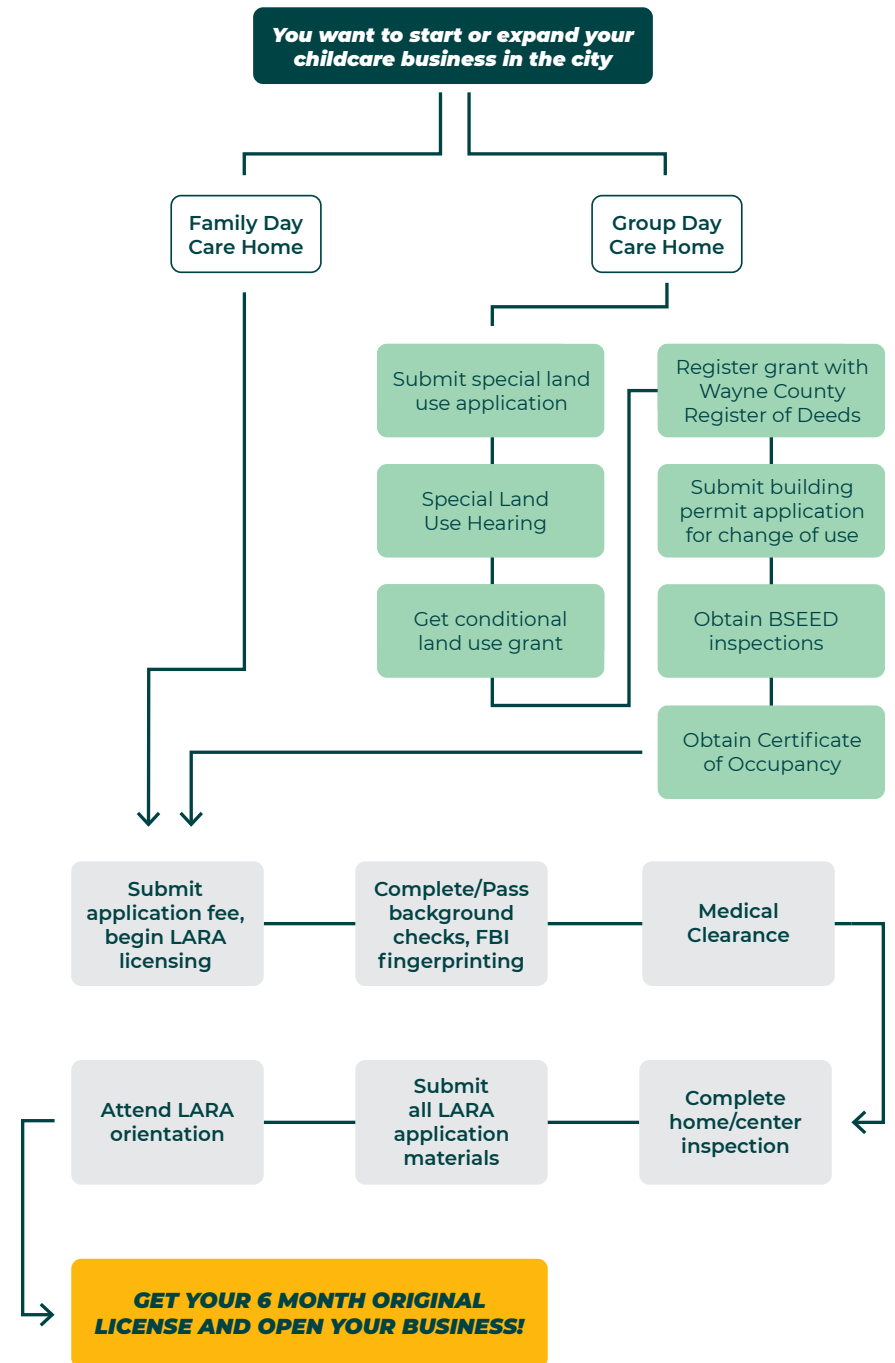


## Your Journey to Opening a Child Care Business in Detroit

The previous pages outline a few things you might want to consider before deciding what type of child care business to open. Each has its own licensing and permitting path that includes different timelines, stakeholders, fees and paperwork. We've placed these steps into process maps designed to help get your business to the finish line.

The process map for **Family and Group Day Care Homes** can be found on the following page. For **Childcare Centers**, please flip to the next page.

## Family & Group Home Providers



# Child Care Center Providers

**You want to start or expand your childcare center in the city**

