

## **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 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 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.

### **COVID-19 Updates**

Due to COVID-19, guidance on how to operate child care facilities is frequently updated. Sign up for alerts and e-mails from LARA and the Michigan Department of Health and Human Services to get updates on changes to rules regarding how to serve children and families in public spaces.

## 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 for a center? (See LARA website for details about staffing requirements)
- Will you be able to cover overhead costs like initial and periodic inspections (fire, environmental health, lead, playground, fuel-fire furnace and hot water heater, radon, etc.), salaries, training and benefits for staff, utilities, taxes, and maintenance of a center?
- Is the size of your property ideal for the kind of business you want? Don't forget to think about space for outdoor play.
- Will your business provide care to specific age groups (infants and toddlers, school-age children) or meet other special needs (night-time care, transportation). A special licensing requirements may apply

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

#### Family Home Care

Home-based childcare for 1-6 unrelated children for less than 24 hours a day

#### Group Home Care

Home-based childcare for 1-12 unrelated children for less than 24 hours/day (requires conditional land use hearing, fees)

#### Child Care Center

A facility in a commercial building that cares for 1 or more children under the age of 13 for more than 2 weeks in a row.

Group Home Care referenced in this guide pertains to care for children under the age of 18.



An orientation is required prior to licensing for all child care homes. The time frame for licensing will vary depending on how long it takes for the applicant to submit all of the needed materials and to satisfy all requirements. 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 [detroitdevelopment.org](http://detroitdevelopment.org) and clicking "opportunities." Enter an address to get additional information about a property.

### 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 Home Care—\$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 313-224-1317.

Zoning Districts	Zoning Code Categories	Family Home Care	Group Home Care (Children)	Child Care Center
Key: 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	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: red;">■</span>
	R2- Two Family Residential	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: red;">■</span>
	R3- Low Density Residential	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>
	R4- Thoroughfare Residential	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>
	R5- Medium Density	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>
	R6- High Density Residential	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>
<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	<span style="color: red;">■</span>	<span style="color: red;">■</span>	<span style="color: red;">■</span>
	B2- Local Business & Residential	<span style="color: red;">■</span>	<span style="color: red;">■</span>	<span style="color: green;">■</span>
	B3- Shopping	<span style="color: red;">■</span>	<span style="color: red;">■</span>	<span style="color: green;">■</span>
	B4- General Business	<span style="color: red;">■</span>	<span style="color: red;">■</span>	<span style="color: green;">■</span>
	B5- Major Business	<span style="color: orange;">■</span>	<span style="color: red;">■</span>	<span style="color: red;">■</span>
	B6- General Services	<span style="color: red;">■</span>	<span style="color: red;">■</span>	<span style="color: red;">■</span>
<b>SPECIAL DEVELOPMENT &amp; OVERLAY</b>				
Areas where typically unrelated uses are physically and functionally integrated	PD	<span style="color: purple;">■</span>	<span style="color: purple;">■</span>	<span style="color: purple;">■</span>
	PCA	<span style="color: green;">■</span>	<span style="color: red;">■</span>	<span style="color: green;">■</span>
	SD1	<span style="color: green;">■</span>	<span style="color: red;">■</span>	<span style="color: green;">■</span>
	SD2	<span style="color: red;">■</span>	<span style="color: red;">■</span>	<span style="color: green;">■</span>
	SD4	<span style="color: green;">■</span>	<span style="color: orange;">■</span>	<span style="color: green;">■</span>

## 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 Child Care licenses require background checks and fingerprints for everyone in the household over the age of 18

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

**Group Home Care** is 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)224-1317
- 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 feet 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 by going online ([detroitmi.gov/bseed](http://detroitmi.gov/bseed)) and using the new Online Portal. Be sure to make an appointment for “Construction Inspection” and then select “Certificate” under needed service. Then go to to the Online Portal to complete form “C7- Request for Certificate of Occupancy” and e-mail to [BSEED-Construction@detroitmi.gov](mailto:BSEED-Construction@detroitmi.gov). Note: Providers should allow a minimum of 3 to 5 days to process the request.

**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 Property Maintenance before opening. Schedule an appointment via the BSEED online portal at [DetroitMI.gov/bseed](http://DetroitMI.gov/bseed). Call (313) 628-2451 with questions.

## LARA Family & Group Home Care Provider Orientation

**Family and Group Care** providers must participate in 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 Group Home Child Care.
- 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).

## Additional Resources for Detroit Child Care Providers

Organization	Type of Provider Support	Where to Find Them
<b>ACCESS</b>	Arab Community Center for Economic and Social Services.	<a href="http://Accesscommunity.org">Accesscommunity.org</a>
<b>Grand Innovation</b>	Small business support.	<a href="http://Grandinnovation.org">Grandinnovation.org</a>
<b>Black Family Development</b>	Family & child support services for families and providers.	<a href="http://Blackfamilydevelopment.org">Blackfamilydevelopment.org</a>
<b>Brightmoor Quality Initiative/Scholarship</b>	Quality improvement support for providers.	<a href="http://Highscope.org/project/brightmoor">Highscope.org/project/brightmoor</a>
<b>Brilliant Detroit</b>	Family, child and community support services (focused on 0 to 8).	<a href="http://Brilliantdetroit.org">Brilliantdetroit.org</a>
<b>Build Institute</b>	Small business support.	<a href="http://Buildinstitute.org">Buildinstitute.org</a>
<b>Detroit 0% Interest Home Repair Loans</b>	Info on home repair loans (home based providers).	<a href="http://Detroithomeloans.org/">Detroithomeloans.org/</a>
<b>Detroit Early Learning</b>	A website created by Detroit Early Learning partners for providers to access multiple types of resources in one website.	<a href="http://DetroitEarlyLearning.org">DetroitEarlyLearning.org</a>
<b>Detroit Early Learning Coaching Initiative</b>	On-site instructional coaching and curriculum support.	<a href="http://Ecic4Kids.org/detroit-coaching-initiative">Ecic4Kids.org/detroit-coaching-initiative</a>
<b>Detroit School's Guide from the Community Education Commission</b>	Citywide school guide now includes early learning resources and early learning site profiles.	<a href="http://DetroitSchoolsGuide.org">DetroitSchoolsGuide.org</a>
<b>Detroit Score</b>	Small business support.	<a href="http://DetroitScore.org">DetroitScore.org</a>
<b>Detroit Open for Business Guide</b>	A comprehensive resource to lead entrepreneurs through the process of starting their businesses in Detroit.	<a href="http://Degc.org/small-business/small-business-resources/">Degc.org/small-business/small-business-resources/</a>
<b>Detroit SOARs Scholarship</b>	Income-based scholarships for families.	<a href="http://Greatstartwayne.org/detroit-soars">Greatstartwayne.org/detroit-soars</a>
<b>IFF</b>	Non-profit lending, real-estate consulting, and development for providers.	<a href="http://IFF.org">IFF.org</a>
<b>Improve Detroit</b>	Application to contact city service departments.	<a href="http://Detroitmi.gov/improvedetroit">Detroitmi.gov/improvedetroit</a>
<b>Great Start Collaborative</b>	Provider & family support services.	<a href="http://Greatstartwayne.org">Greatstartwayne.org</a>
<b>Great Start to Quality (GSQ)</b>	GSQ is Michigan's quality rating and improvement system (QRIS) that supports early childhood programs and providers.	<a href="http://Greatstarttoquality.org">Greatstarttoquality.org</a>
<b>Hope Starts Here</b>	A citywide initiative working to strengthen Detroit's early childhood education system.	<a href="http://HopeStartsHereDetroit.org">HopeStartsHereDetroit.org</a>
<b>Leaps &amp; Bounds</b>	Family support services	<a href="http://Leapsandbounds.org">Leapsandbounds.org</a>
<b>Michigan Early Learning Business Advantage (MELBA)</b>	A statewide membership program to keep child care businesses in business.	<a href="http://Ecic4kids.org/melba/">Ecic4kids.org/melba/</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>United Way Early Learning Communities</b>	Connection to developmental screenings, quality improvement, literacy resources and parent networks.	<a href="http://Unitedwaysem.org">Unitedwaysem.org</a>



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

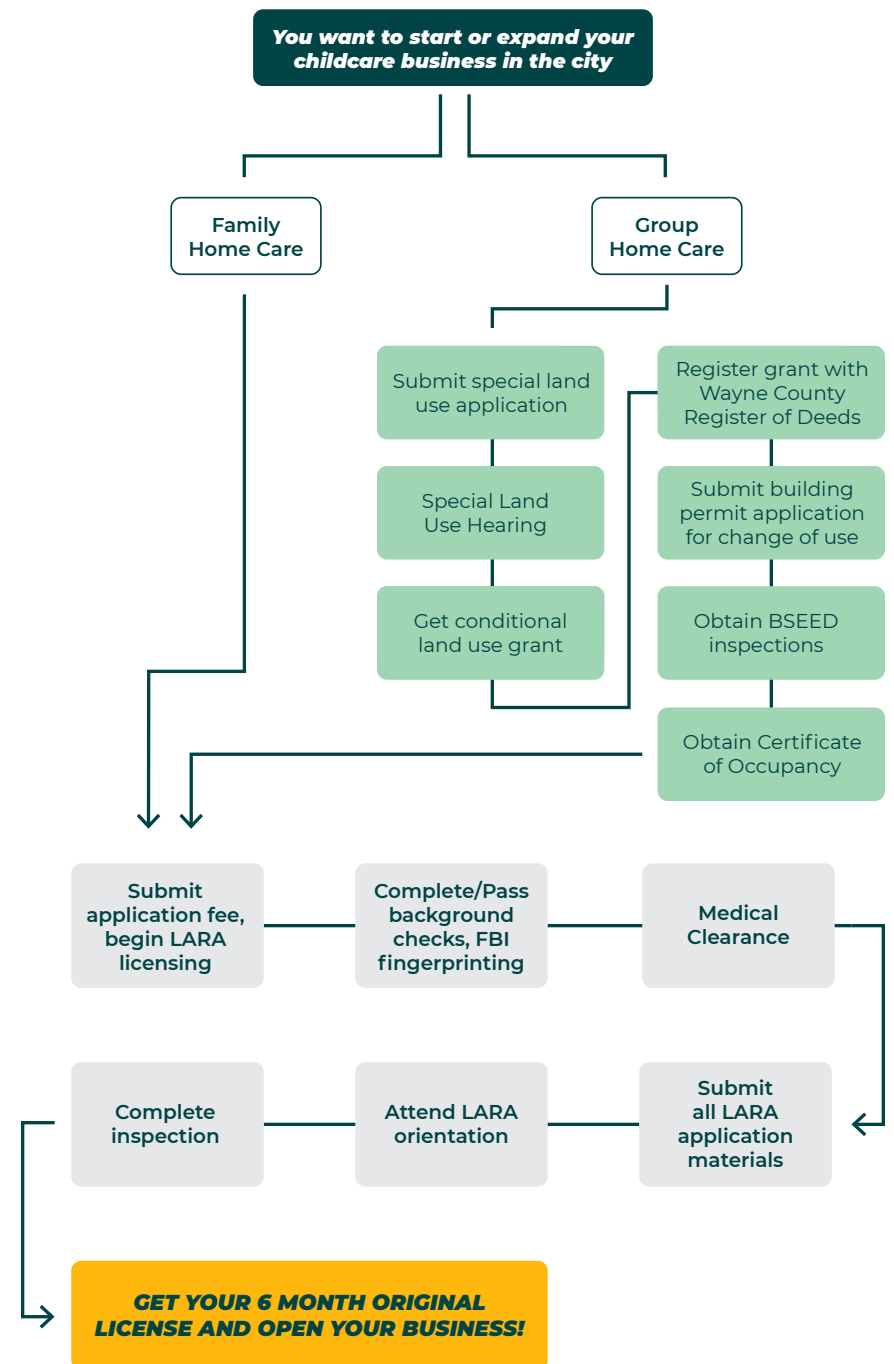
The previous pages outlined a few things you might want to consider before deciding what type of child care business to open. Each has its own licensing and permitting path that includes different timelines, stakeholders, fees and paperwork. We've placed these steps into process maps designed to help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

The process map for **Family and Group Home Care** can be found on the following page. For **Child Care Centers**, please flip to the next page. Note: Providers must distinguish via the application process (available at [Michigan.gov/lara](https://Michigan.gov/lara)) whether they plan to open a center-based program or a home-based program.

*"I love to mentor new providers, and this guide will really help me assist others and walk them through the process of opening their own site. My advice to any new provider is to do your research, and use this guide, you won't regret it!"*

**Lashawn Bridges**, Founder and Director  
Blessed Beginnings Learning Center (Osborn)

## Family & Group Home Providers



# Child Care Center Providers

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

Will you rent or own your center?

**Own**  
 1. Determine if property is city owned and if it's on the market  
 2. Check the property's tax status  
 3. Consider the feasibility of your project (costs, former use, etc.)

**Rent**  
 1. Confirm ownership of property before signing a lease  
 2. Check rental rates of surrounding area to ensure your rate is fair

**New Construction**  
 1. Consider construction costs and timeline  
 2. Prepare site plans and concept drawings for review

Was the location legally zoned as a child care center by the city previously?

*BSEED will double check legal use of the property*

Yes

No

Will there be new construction or remodeling?

Yes

No

**BSEED Inspections**

**Certificate of Compliance**

**Preliminary plan review**

**Plan review + building permitting**

**BSEED Inspection + certificate of occupancy**

*Starting the LARA & city processes at the same time could save you time*

**Submit application fee, begin LARA licensing**

**Complete/pass background checks, FBI fingerprinting**

**Medical Clearance**

**Lead Inspection for buildings pre-1975**

**Fire Inspection**

**Request Env. health inspection through Health Department**

**Submit all LARA application materials**

**Complete inspection**

**GET YOUR 6 MONTH ORIGINAL LICENSE AND OPEN YOUR CENTER!**

## Contacts

**COLEMAN A. YOUNG MUNICIPAL CENTER, 2 WOODWARD AVENUE**  
**Buildings, Safety, Engineering and Environmental Department**  
(313) 224-1317 | [zoning@detroitmi.gov](mailto:zoning@detroitmi.gov) | [detroitmi.gov/bseed](http://detroitmi.gov/bseed)

**State of MI License & Regulatory Affairs (LARA) Detroit Field Office**  
3026 W Grand Boulevard  
313 456-0380 | [Michigan.gov/lara](http://Michigan.gov/lara)

## What The Community is Saying

*I work with providers daily and I'm so appreciative the city created this guide with all of the processes mapped out in one place! It is guidance that was very much needed, and so nice to have it in a format that providers can easily use and share!*

**Beth Pierson**, Chair of Southeastern Michigan Association for the Education of Young Children

*Making sure those who care for our children have the support and guidance they need to open their own child care is a huge priority, as it is a process that can be overwhelming! As you start this journey, know this guide exists because we want to see you succeed and help you navigate providing quality care for Detroit's children.*

**Denise Smith**, Implementation Director  
Hope Starts Here

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