

# City of Dearborn

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## GUIDE TO DEVELOPMENT



City of Dearborn  
Economic & Community Development Department  
16901 Michigan Avenue  
Dearborn, MI 48126  
313-943-2180



# INTRODUCTION

This guide provides a general overview of the City of Dearborn's development approval process. Its intent is to help residents/developers/investors understand the review and approval process for any size project from concept through occupancy. The guide is written from an investor's viewpoint, whether a single-family homeowner or a professional developer. Contact information is prevalent throughout. The final section summarizes the economic incentive programs used by the municipality.

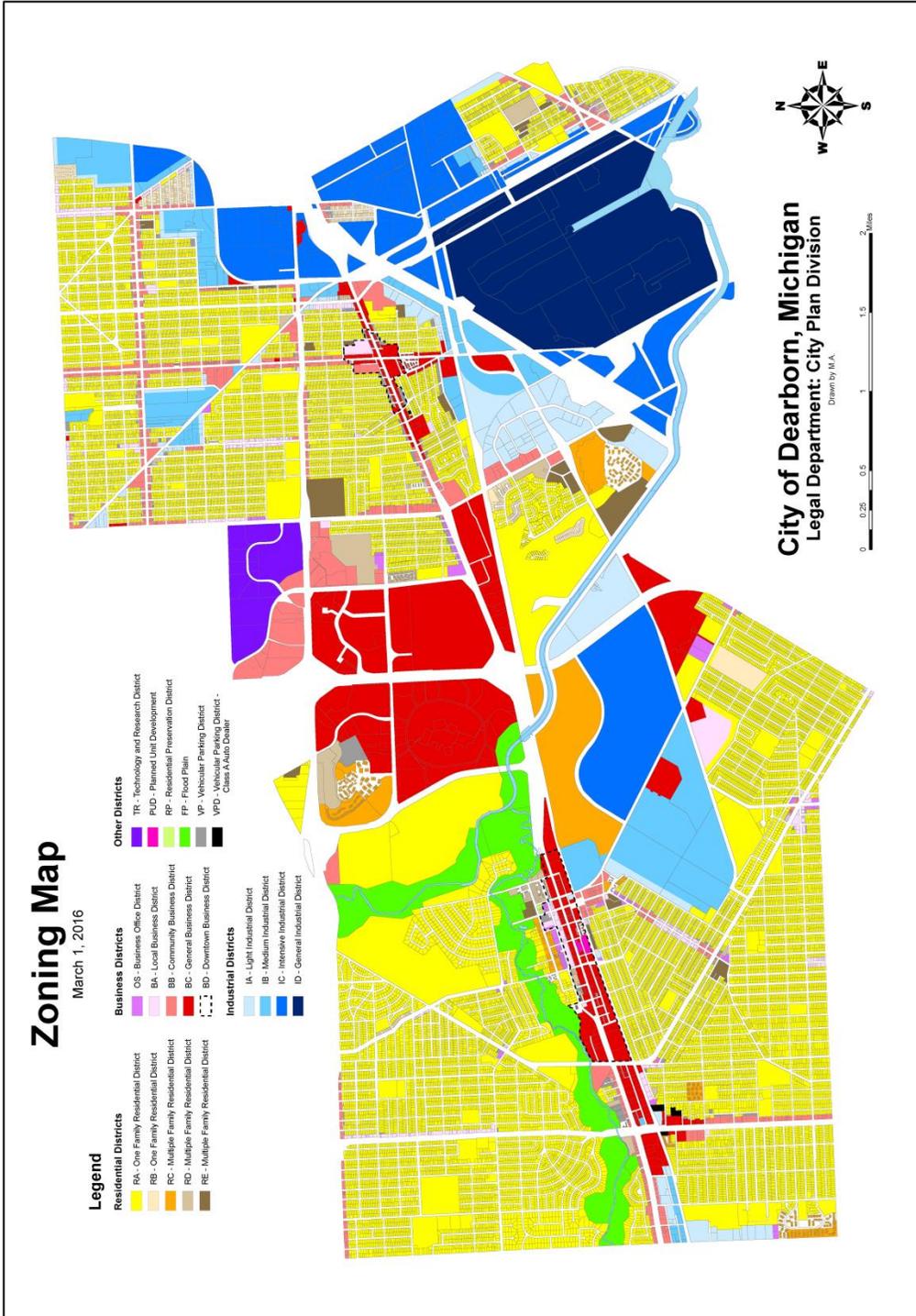
This guide is general and does not remove the responsibility of an investor to speak with staff or retain professional guidance. Each case is unique and may require modification of the general process. The City of Dearborn's website is available to provide accessible forms and documents, program descriptions and links to outside sources that an applicant would find helpful.

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*\*Please see city website or ECD Department for official maps*

## CONTACT AND SCHEDULE INFORMATION

The first step to investing in our community is to speak with key staff. The staff person may vary from project to project or during the course of a project. The following chart lists key staff, contact information and description of responsibilities.

Department Name	Key Contact	Title	Telephone #	E-Mail Address	Primary Responsibilities
<b>Economic &amp; Community Development (ECD)</b>	Barry Murray	Director	313-943-2180	<a href="mailto:bmurray@ci.dearborn.mi.us">bmurray@ci.dearborn.mi.us</a>	Economic Development Incentives
ECD	Tom Paison	Assistant Department Head	313-943-4151	<a href="mailto:tpaison@ci.dearborn.mi.us">tpaison@ci.dearborn.mi.us</a>	Commercial Development Coordinator
ECD	David Breneau	Zoning Administrator	313-943-3692	<a href="mailto:dbreneau@ci.dearborn.mi.us">dbreneau@ci.dearborn.mi.us</a>	Zoning reviews & Zoning Board of Appeals
City Planning	Mohamed Ayoub	City Planner	313-943-2170	<a href="mailto:mayoub@ci.dearborn.mi.us">mayoub@ci.dearborn.mi.us</a>	Planning reviews/activities & Planning Commission
City Engineering	Alan Loebach	Assistant City Engineer	313-943-2446	<a href="mailto:aloebach@ci.dearborn.mi.us">aloebach@ci.dearborn.mi.us</a>	Development review related to city infrastructure
<b>Property Maintenance &amp; Development Services (PMDS)</b>	Ken Foley	Building Official	313-943-2774	<a href="mailto:chall@ci.dearborn.mi.us">chall@ci.dearborn.mi.us</a>	Oversight of all plan review, permitting & inspection processes, Building Board of Appeals
PMDS	Greg Fronczak	Residential Inspections Manager	313-943-2098	<a href="mailto:gfronczak@ci.dearborn.mi.us">gfronczak@ci.dearborn.mi.us</a>	Residential inspections
PMDS	Vacant	Commercial Inspections Manager			MF residential & non-residential inspections
PMDS	Cathy Hall	Permit Counter Supervisor	313-943-2133	<a href="mailto:chall@ci.dearborn.mi.us">chall@ci.dearborn.mi.us</a>	Permit applications & processing
Fire Department	Laura Ridenour	Fire Marshall	313-943-2839	<a href="mailto:lridenour@ci.dearborn.mi.us">lridenour@ci.dearborn.mi.us</a>	Development review related to Fire Code

Although staff is willing to assist with a review process, the final decision on a project may be the responsibility of a board or commission. In some cases, especially those anticipating substantial community impacts, more than one (1) board may be involved in the decision process.

## BOARDS AND COMMISSIONS

The Zoning Ordinance specifies the procedures for development applications. However, depending on the nature and location of the project, more than one (1) board or commission may review the project. Some groups are advisory and provide recommendations, while others have final decision-making authority. A commission may have dual roles depending on the process type. A table of local boards and commissions, and their primary role(s) are provided on the following page:

*\*DAC stands for Dearborn Administrative Center, 16901 Michigan Avenue*

Board	Responsibility	Meeting Date/Time/Location*
<b>City Council</b>	Governing body with authority over development incentives; ordinance amendments; development policies, etc.	1st & 3rd Tuesdays; 7:30pm; DAC
<b>Planning Commission (PC)</b>	Creates and updates the Master Plan and reviews rezoning requests, site plans, subdivisions, special use permits and other land use applications.	1st Monday after the 1st Tuesday; 7:00pm; DAC
<b>Zoning Board of Appeals (ZBA)</b>	Interprets and grants variances from provisions of the Zoning Ordinance; conducts hearings and resolves disputes regarding decisions of the Zoning Official.	3rd Thursday; 5:30pm; DAC
<b>Building Board of Appeals (BBA)</b>	Interprets and grants variances from provisions of the building, electrical, mechanical, plumbing codes and conducts hearings and resolves disputes regarding decisions of the Building Official. Also hears appeals related to the fence and sign ordinances.	2nd Wednesday, 4:00pm; DAC
<b>Brownfield Redevelopment Authority (BRA)</b>	Assists development projects that face economic challenges due to environmental constraints.	As Needed
<b>East Downtown Development Authority (EDDDA)</b>	Develops programs and projects which are aimed at improving the east downtown district including new business development, business recruitment and retention, downtown beautification and public improvements.	2nd Thursday; 8:00am; DAC
<b>West Downtown Development Authority (WDDDA)</b>	Develops programs and projects which are aimed at improving the commercial corridor district including new business development, business recruitment and retention, corridor beautification and public improvements.	3rd Thursday; 8:00am; DAC
<b>Dix-Vernor Business District Improvement Authority (DVBDIA)</b>	Develops programs and projects which are aimed at improving the commercial corridor district including new business development, business recruitment and retention, corridor beautification and public improvements.	Quarterly on a set schedule

<b>Warren Business District Improvement Authority (WBDIA)</b>	Develops programs and projects which are aimed at improving the commercial corridor district including new business development, business recruitment and retention, corridor beautification and public improvements.	Quarterly on a set schedule
<b>Demolition Board of Appeals</b>	Consists of five members, including a building contractor, a registered architect/engineer, a citizen member, a member of City council or designee, a registered building official, and a plan reviewer or inspector.	As Needed
<b>Board of Safety Engineers</b>	Interprets and grants variances from provisions of the boiler and refrigeration code and conducts hearings and resolves disputes regarding decisions of the Building Official. Also oversees the testing and licensing of the operators for these systems.	2 <sup>nd</sup> Tuesday; 7:00pm; Ford Community Center
<b>Historic District Commission (HDC)</b>	Reviews proposed alterations and additions to the exterior of structures within historic districts.	4 <sup>th</sup> Tuesday; 7:30pm; McFadden-Ross House
<b>Housing Commission</b>	Advises the governing body on matters pertaining to housing within the community and reviews rental housing licenses.	2 <sup>nd</sup> Thursday; 4:00pm; DAC

The timeline for reaching a decision for each development application depends on the schedule of the reviewing board and/or commission, public notice requirements, as well as the types of development review(s) required.

## MASTER PLAN

The Master Plan is the primary tool for making decisions that affect the future land use of the community. It is a broad based policy document for the physical, economic and social development as it relates to land use and has a long-range vision providing a coordinated approach to making important decisions.

Prospective developers should review the Master Plan to understand if their proposed project fulfills the goals of the Plan. The Master Plan document is available for download using the following link:

**Master Plan & Future Land Use Plan:**  
[City of Dearborn Master Plan](#)

## ZONING ORDINANCE / MAP

The Zoning Ordinance is the most common and often used way of regulating use of land. In general, land use type, building size and location, parking area size and location, screening, landscaping, access, design standards and signage are described. The purpose of the Zoning Ordinance is to carry out the land use vision of the municipality's Master Plan. Consulting the Zoning Ordinance and Zoning Map should be the first step in development/redevelopment of any property, and may be part of the initial contact with municipal staff. The Zoning Ordinance and Zoning District Map can be accessed using the following links:

**Zoning Ordinance:**

<https://www.municode.com/library/mi/dearborn/codes/zoning>

**Zoning Map:**

<http://www.cityofdearborn.org/documents/city-departments/city-plan/1925-zoning-map/file>

## NOTIFICATION PROCEDURES

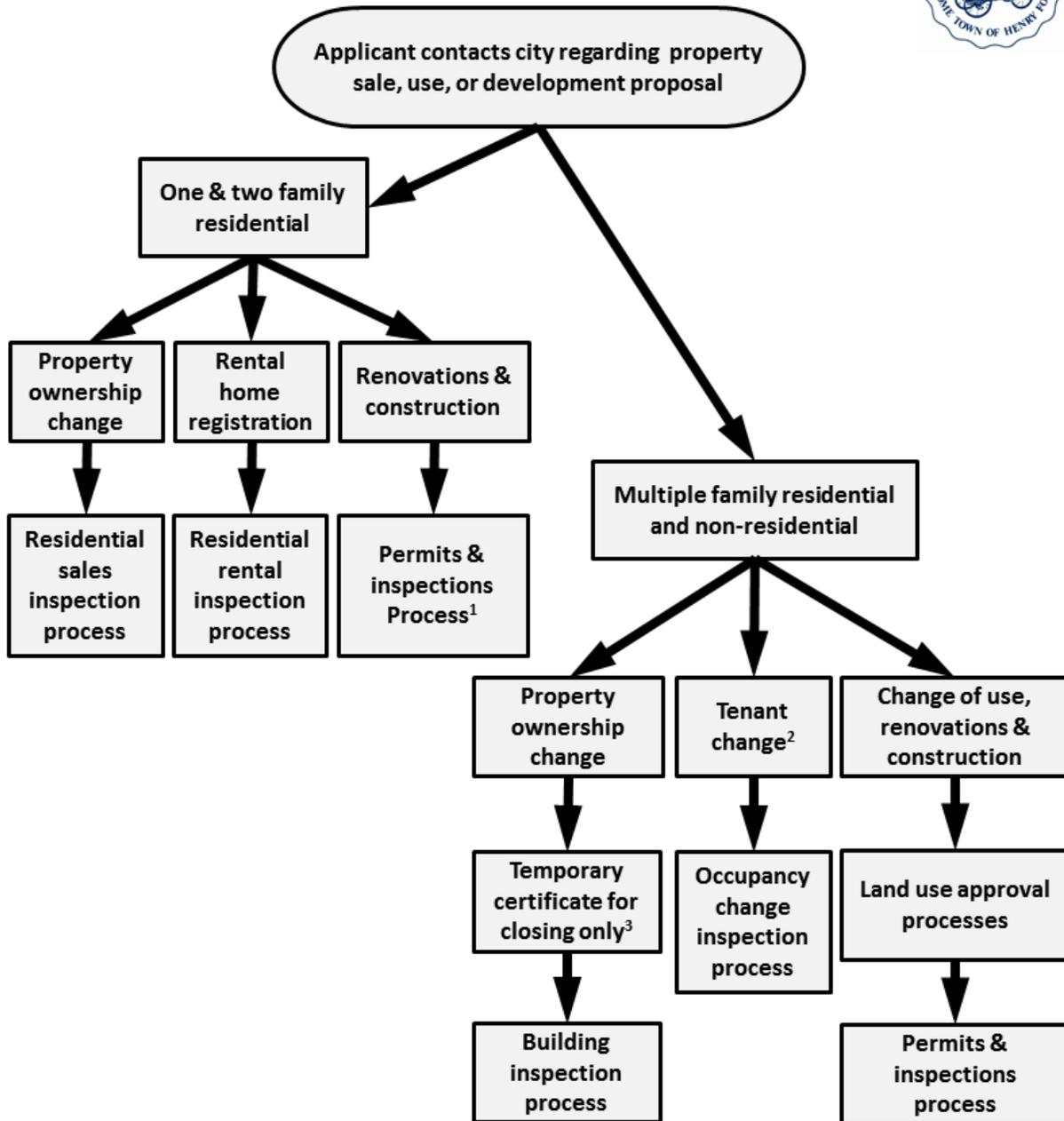
For those development review processes that require public hearings, the following notification requirements are outlined by the Michigan Zoning Enabling Act (P.A. 110 of 2008, as amended) and any other applicable ordinances and statutes.

Except as otherwise specified by law, the city shall publish a notice in a newspaper of general circulation and mailed or hand delivered to all persons owning property and occupants of property within 300 feet of the boundary of the property proposed for which approval is requested at least fifteen (15) days before the hearing.

The notice shall:

- Describe the nature of the request.
- Identify any property that is the subject of the request, including all street addresses contained upon the property, or other means of parcel identification.
- State when and where the request will be considered.
- Indicate when and where written comments will be received concerning this request.

# City of Dearborn Property Inspection & Development Approval Process Overview



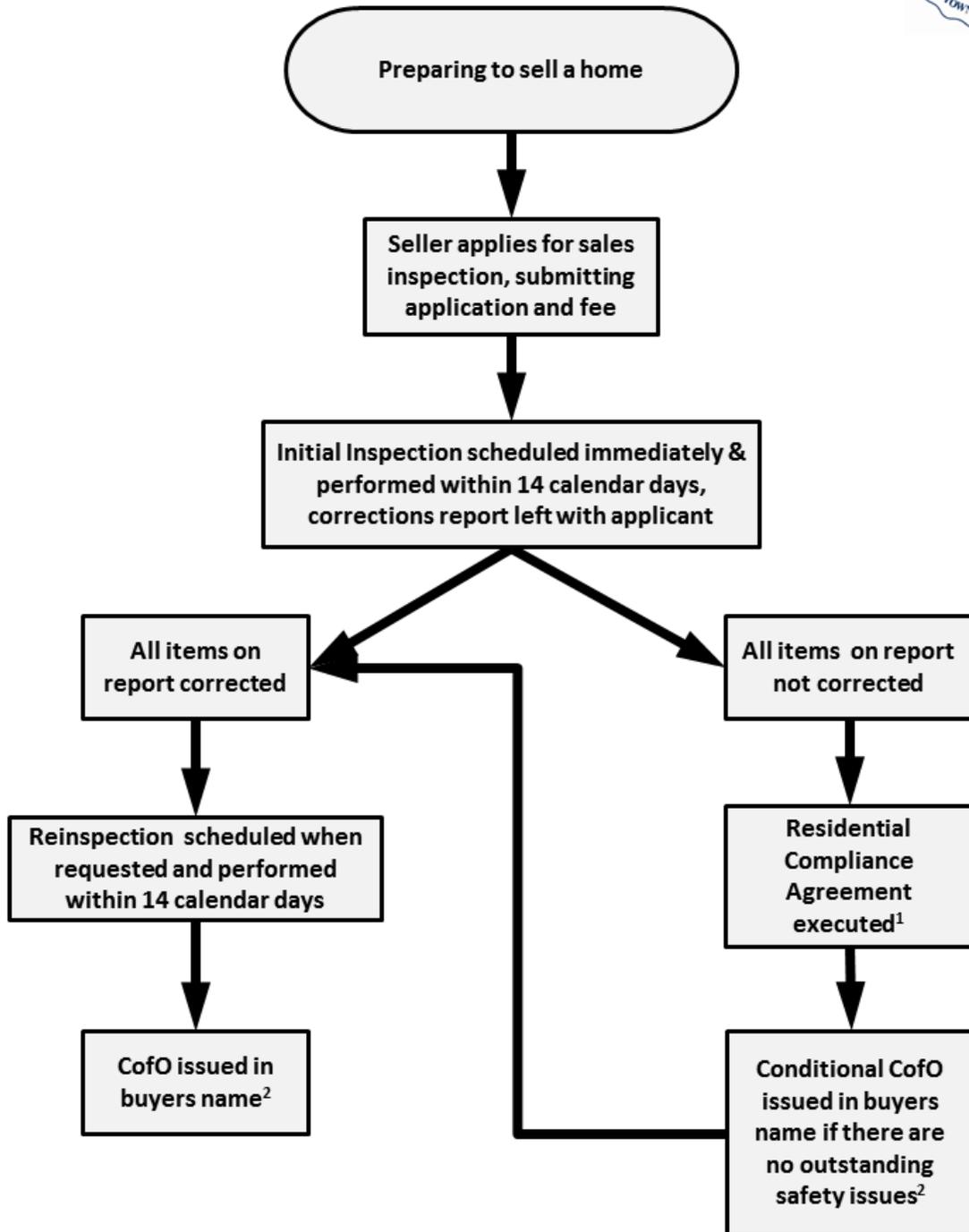
1 – Construction or substantial renovation of a two family residence will also require site plan review & a public hearing  
 2 - Tenant change does not apply to individual multiple family dwelling units or substantial changes of use that may create significant compliance issues with applicable ordinances, codes or regulations.  
 3 – No inspection performed, no occupancy approved, strictly for record keeping on change of ownership (application & small fee required)

## PROPERTY INSPECTION & DEVELOPMENT APPROVALS OVERVIEW - TIMELINE SUMMARY

Approximate timeline for the various property inspection and development approval processes are provided below:

- One & Two Family Residential Occupancy Inspections:
  - Residential Sales Inspection: within 14 calendar days (each inspection)
  - Residential Rental Inspection: within 14 calendar days (each inspection)
  
- Multiple Family Residential & Non-residential Occupancy Inspections:
  - Temporary CofO issuance: within 2-5 calendar days
  - Building Inspection: within 14 calendar days (each inspection)
  - Occupancy Change Inspection: within 14 calendar days (each inspection)
  
- Land Use Approvals:
  - Administrative Site Plan Review: within 14 calendar days (each submittal)
  - Rezoning/Zoning Amendments: minimum 2-3 months
  - Special Land Use & Public Site Plan Reviews: minimum 4-6 weeks
  - Zoning Variance Appeals: minimum 4-6 weeks
  
- Permits & Construction:
  - Permit review & response: within 14 calendar days (each submittal)
  - Permit Inspections: within 2-5 calendar days (each request)

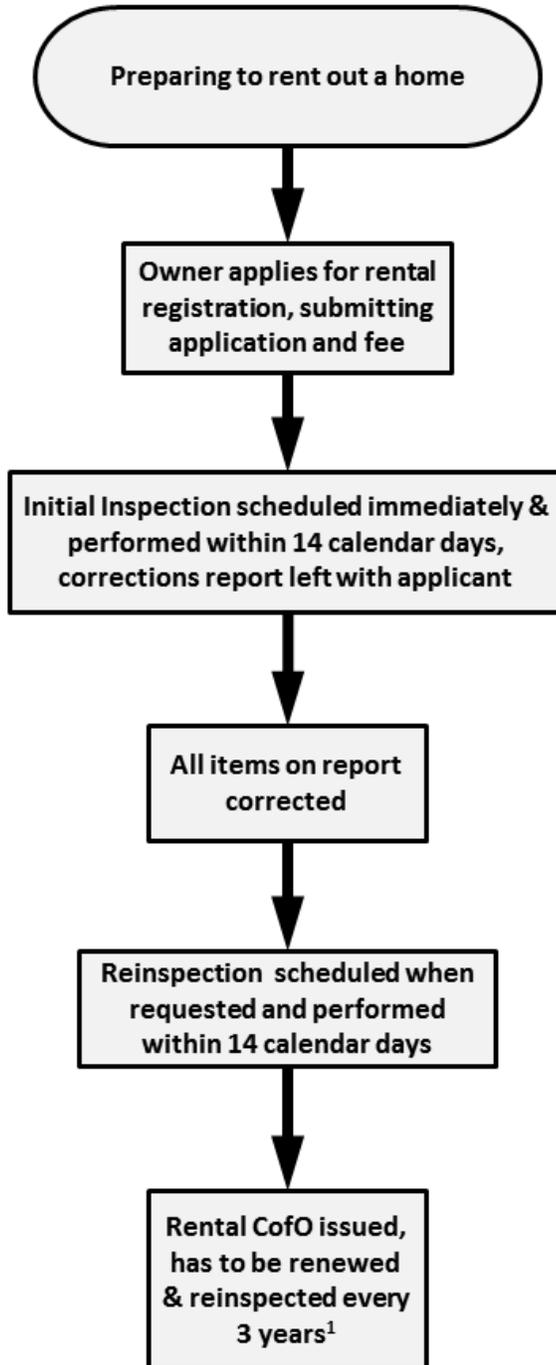
### City of Dearborn Residential Sales Inspection Process



1 - Residential Compliance Agreement gives buyer 6 months to complete remaining inspection items

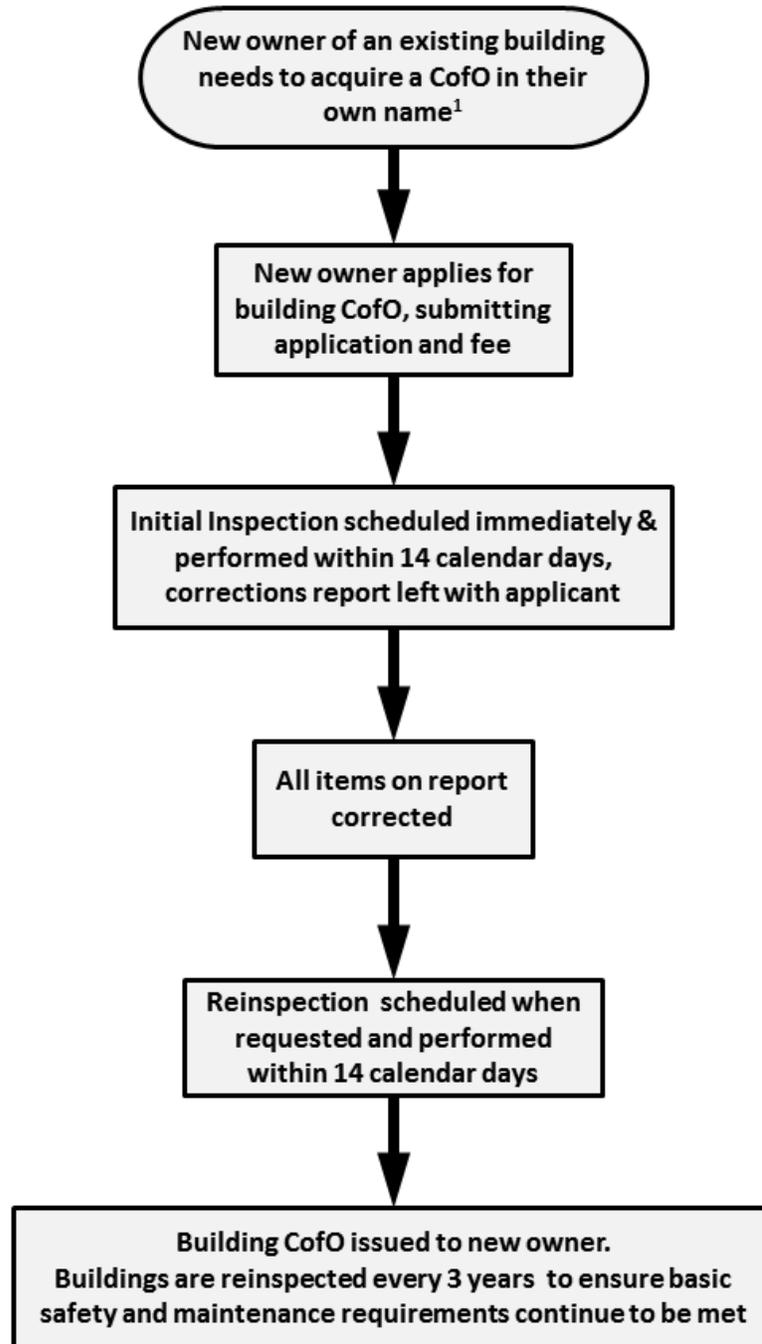
2 - CofO: Certificate of Occupancy

### City of Dearborn Residential Rental Registration Process



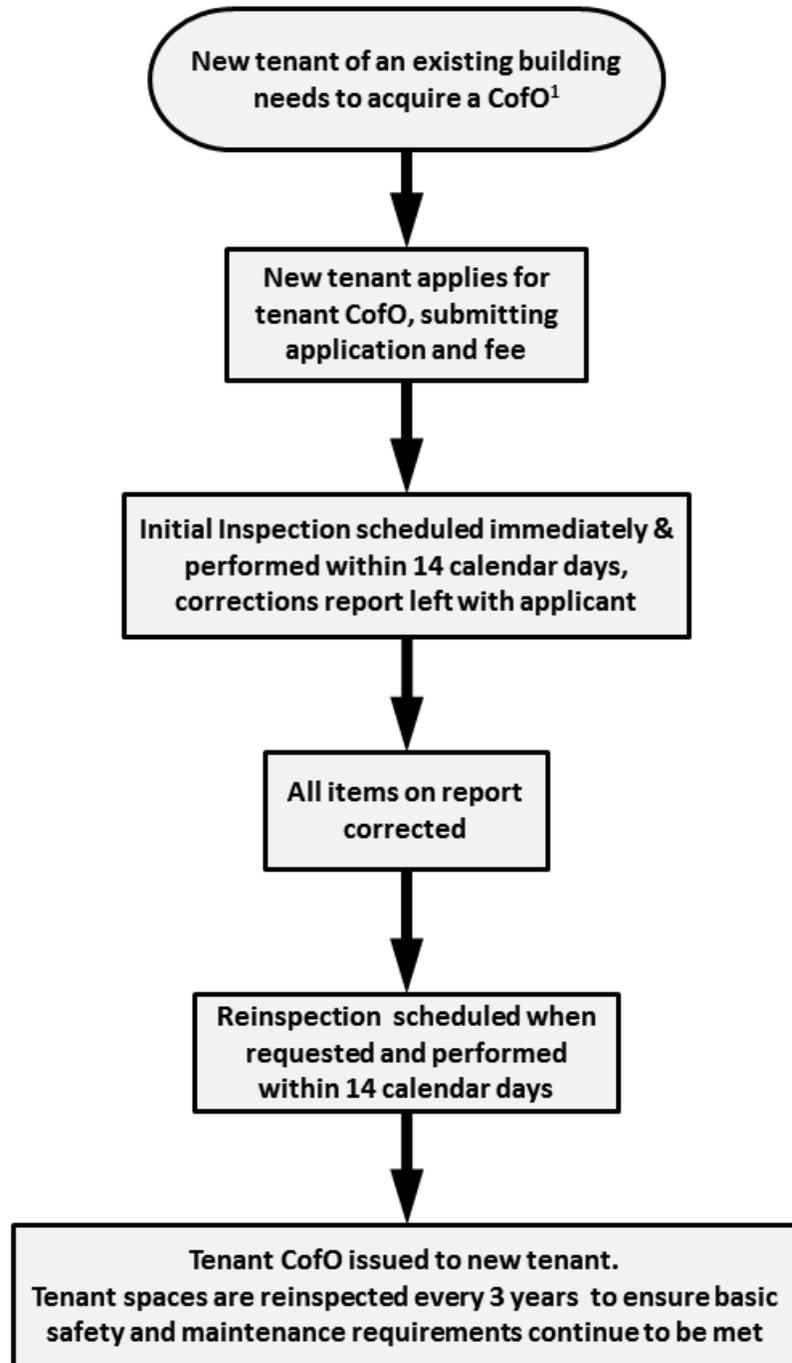
1 - CofO: Certificate of Occupancy

**City of Dearborn  
Multiple Family Residential and Non-Residential  
Building Inspection Process**



1 - CofO: Certificate of Occupancy

**City of Dearborn**  
**Multiple Family Residential and Non-Residential**  
**Occupancy Change Inspection Process**



1 - CoFO: Certificate of Occupancy

## LAND USE APPROVAL PROCESSES - INTRODUCTION

This section is designed to provide a comprehensive overview of each type of land use application. It should be recognized that this overview does not preempt or supersede any part of the City of Dearborn Zoning Ordinance.

The table below demonstrates the role of the various review entities regarding the approval of the various Planning/Zoning Applications outlined in this document.

	Planning Commission Recommendation	Planning Commission Approval	Governing Body Approval	Zoning Board of Appeals	Administrative Approval
<b>Rezoning</b>	*		*		
<b>Planned Unit Development</b>	*		*		
<b>Special Land Use</b>		*			
<b>Site Plan</b>		*1			*1
<b>Zoning Compliance</b>					*
<b>Variance</b>				*	

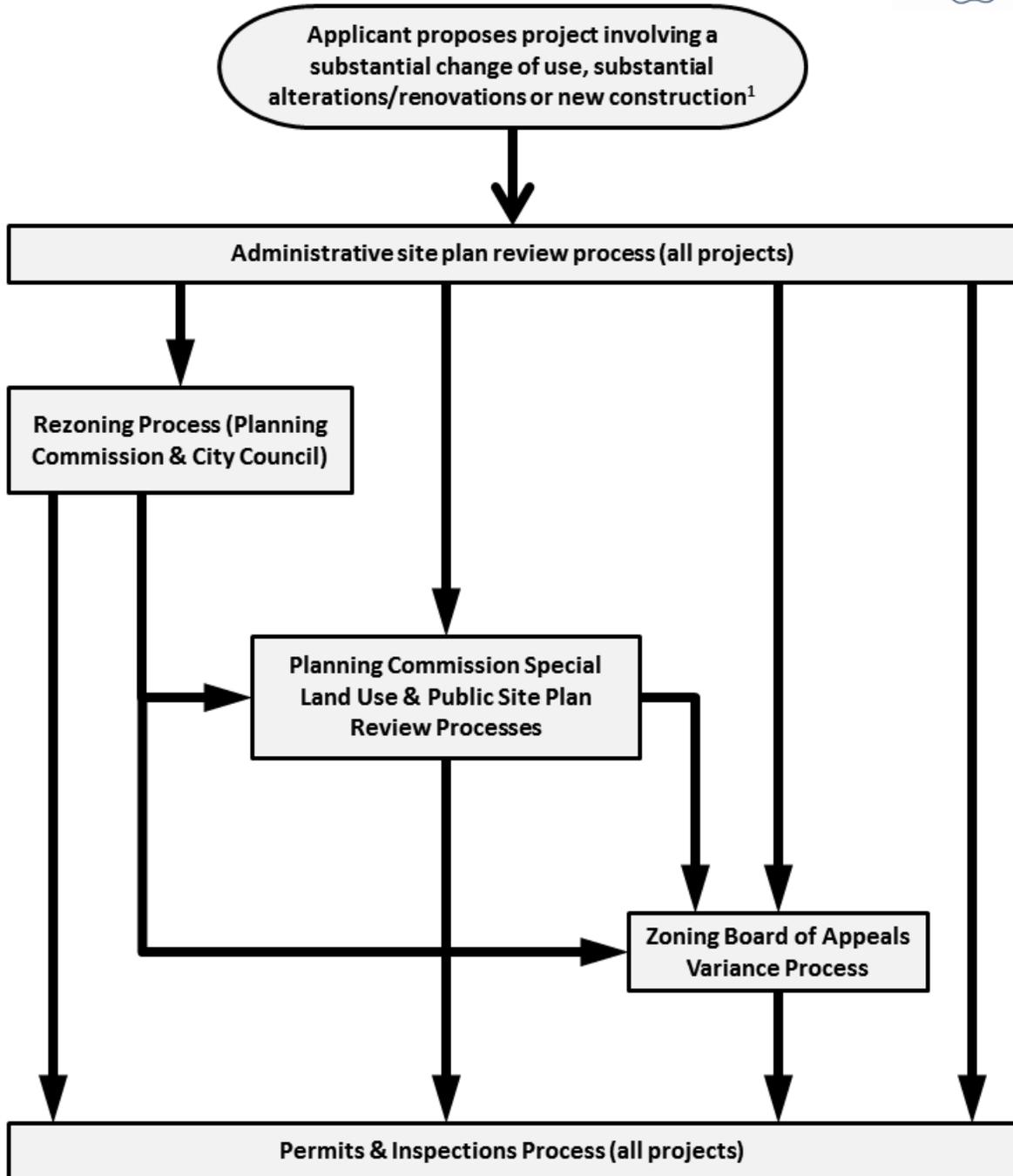
<sup>1</sup> Most site plans are administratively reviewed and approved, in the case of multiple family residential developments, cluster residential developments and developments in the O-S district the Planning Commission carries out a public hearing and has final authority over approving the site plan.

## ZONING COMPLIANCE

Prior to approval of any alterations to a building, structure, site or use, Zoning Compliance is reviewed as part of the site plan review and permitting processes. The purpose of Zoning Compliance is to ensure the proposed use, building, structure or lots conform to the requirements outlined in the City of Dearborn’s Zoning Ordinance.

Final Zoning Compliance is issued as part of the plan review component of the permitting process, approval by the Zoning Administrator and any necessary Board approvals are verified before any permits are issued.

### City of Dearborn Multiple Family Residential and Non-Residential Land Use Approval Processes Overview



1 - PUD's: Planned Unit Developments follow the Administrative site plan review, rezoning and special land use/public site plan review processes for land use approval.

## ADMINISTRATIVE SITE PLAN REVIEW

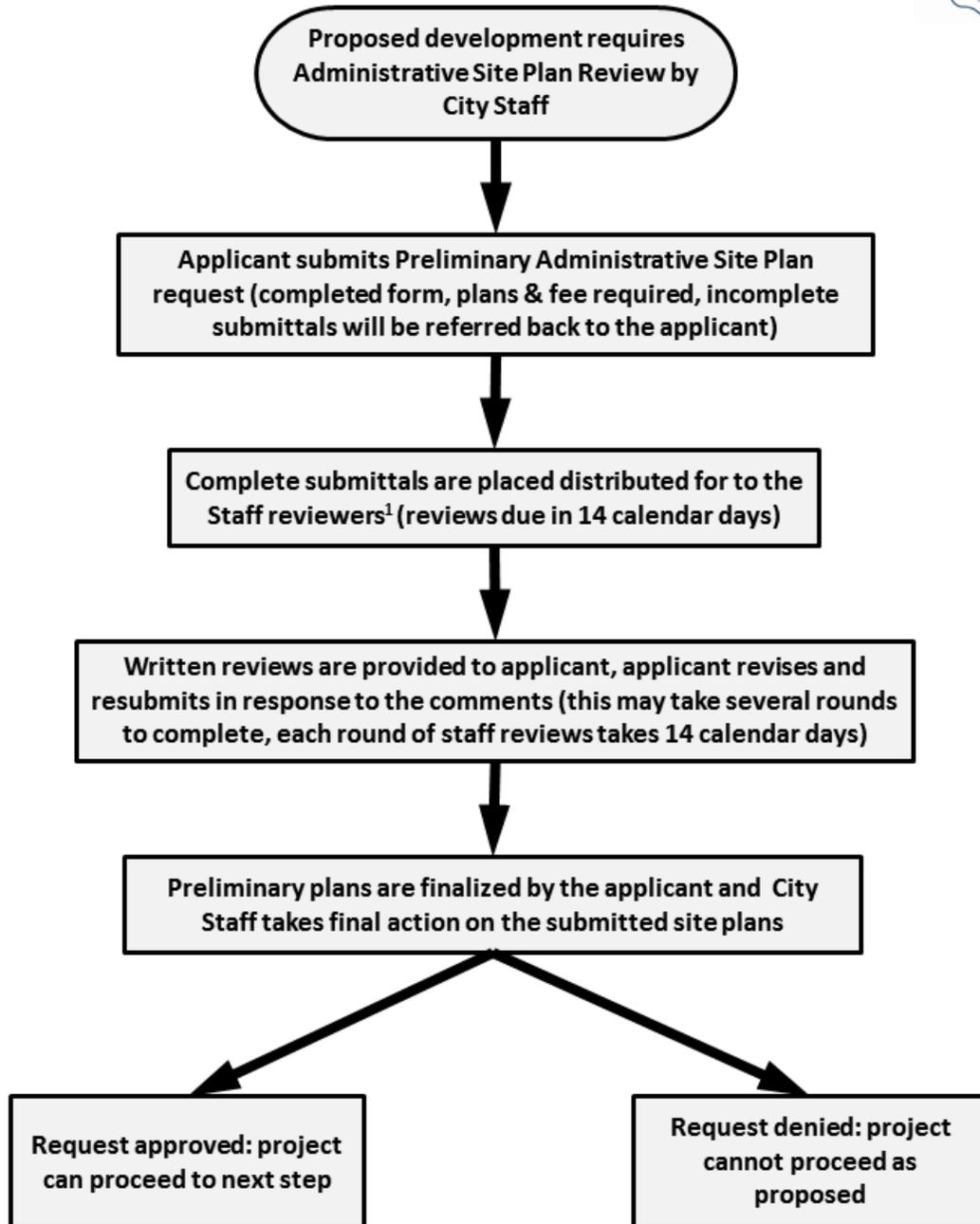
Administrative Site Plan Review and approval of most multiple family residential and non-residential development proposals is required to ensure that the City of Dearborn develops in an orderly fashion in accordance with the Master Plan. It is recommended that all potential projects consult with municipal staff regarding compliance with Sec. 32.02.

- Step 1.** Pre-Application Meeting. While not required (in most cases), it is highly encouraged for the prospective applicant to request a pre-application meeting with staff (and applicable agencies).
- Step 2.** Preliminary Site Plan Application Submittal. Applicants shall submit an application for Preliminary Site Plan Review to the Commercial Development Coordinator in the Economic & Community Development. The minimum information required for Preliminary Site Plan Review is listed on the application form. Review fees shall be enclosed as part of a complete Preliminary Site Plan review application.
- Step 3.** Preliminary Site Plan Review. Upon receipt of a complete application, staff (and other parties, agencies, etc. as applicable) will provide a review and recommendation of the Preliminary Site Plan based upon the required standards outlined in Sec. 32.02 and any other applicable laws, codes and regulations.
- Step 4.** Preliminary Site Plan Approval. Upon determination of the Development Coordinator that a Preliminary Site Plan is in conformance with Sec. 32.02 and other associated plans and regulations, the Preliminary Site Plan shall be granted approval and forwarded for any necessary Board hearings or to submit for permitting should none be required.
- Step 5.** Final Site Plan Review. Following any necessary Board approvals and upon receipt of a complete set of construction documents submitted along with an application for construction permits, the staff (and other parties, agencies, etc. as applicable) will provide a final review. Based upon the required standards outlined in Sec. 32.02 and other associated plans and regulations, the Final Site Plan shall be granted approval, approval with conditions or denied. Approval is issued if the application conforms to all applicable policies and regulations. Approval with conditions is issued to make certain the application complies with policies and regulations. Denial is issued if the application does not comply with local policies and regulations. Appeals from a final administrative site plan review action by staff can be taken to the Zoning Board of Appeals.

**Revised Site Plans:** A request to revise, modify or change an approved site plan that cannot be administratively approved shall be treated as a new application in accordance with Sec. 32.02.

**Time Limit of Approval and Work Completion:** A Final Site Plan approval remains valid for twelve (12) months from the date of approval. The Planning Commission or governing body as applicable may authorize an extension of the time limit provided in Sec. 32.02.

**City of Dearborn  
Land Use Approvals  
Administrative Site Plan Review Process**



1 – Staff reviewers include the City Planner, Zoning Administrator, Building Code Plans Examiner, Fire Marshall, Sanitation Supervisor, Assistant City Engineer, Water Department, Police Department Traffic Safety Division, and the City Assessor.

## REZONING & ZONING AMENDMENTS

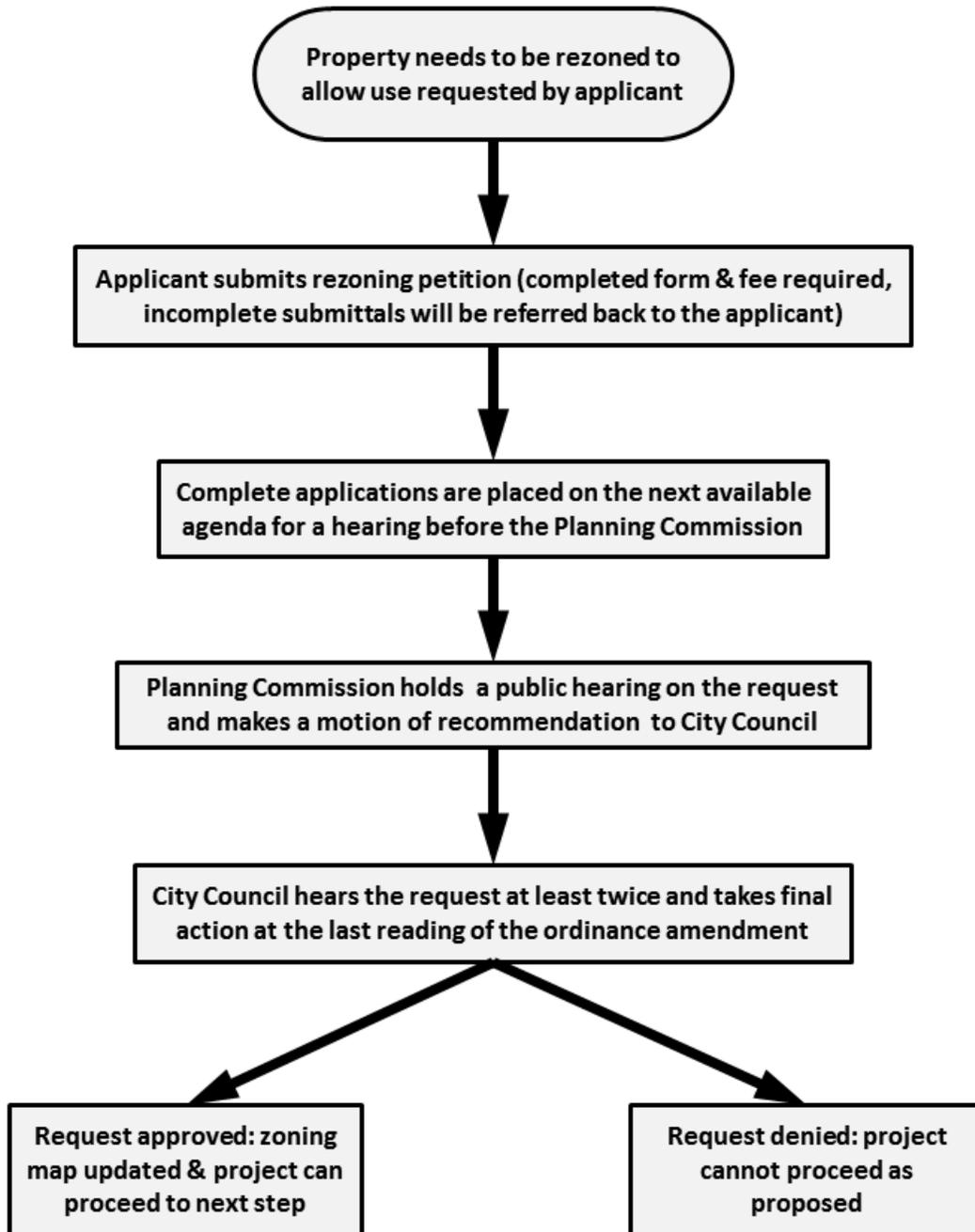
Zoning divides land into categories according to their use and sets regulations for these categories. When a property owner wants to use land in a way that is not permitted by the zoning of the property, the owner must request to rezone the property to a classification which permits the desired use. A rezoning is a legislative process that will amend the zoning map and/or text of an existing zoning code. The governing body (with recommendation from the Planning Commission) has the authority to approve or deny rezoning requests. The governing body may of its own motion, or shall upon petition signed by the owner(s) of a property proposed for rezoning, prepare an ordinance amending or changing the district boundaries or the district regulations.

- Step 1.** Application Submittal. The applicant shall submit the required information to the City Plan Division. The information required varies depending on the type of amendment (map or text) proposed. Review fees shall be enclosed as part of a complete rezoning application.
- Step 2.** Notice of Public Hearing. Upon receipt of a complete application, staff will make proper notification of the meeting.
- Step 3.** Public Hearing and Planning Commission Recommendation. Upon hearing staff's reviews and conducting a public hearing, the Planning Commission will make a recommendation to the governing body to approve, approve with conditions, deny or postpone the rezoning request.
- Step 4.** Governing Body Action. Upon receiving a recommendation from the Planning Commission, the governing body will hold a first reading of the rezoning request. At a following meeting the governing body will conduct a second reading. The governing body will take action to approve, deny or postpone the rezoning request (after the second Ordinance reading). Once the governing body approves the amendment to the Zoning Ordinance, a Notice of Amendment must be published within fifteen (15) days in a newspaper of general circulation within the municipality.
- Step 5.** Referendum. Within thirty (30) days after the adoption of a zoning ordinance amendment/modification, petition requesting the submission of the amendment to the electors residing in the municipality may be circulated. The petition shall be signed by a number of qualified, registered voters residing in the municipality equal to not less than 8% of the total vote cast for all candidates for governor at the last preceding general election at which the governor was elected, and presented to the Clerk.
- Step 6.** Approval. A Zoning Ordinance amendment/modification shall take effect thirty (30) days after publication unless a referendum petition is filed within the thirty day period after the publication is found to be adequate.

### Rezoning Application Link:

<http://www.cityofdearborn.org/documents/commissions-and-boards/planning-commission/planning-commission-forms/1968-rezoning-application/file>

**City of Dearborn  
Land Use Approvals  
Rezoning/Zoning Amendment Process**



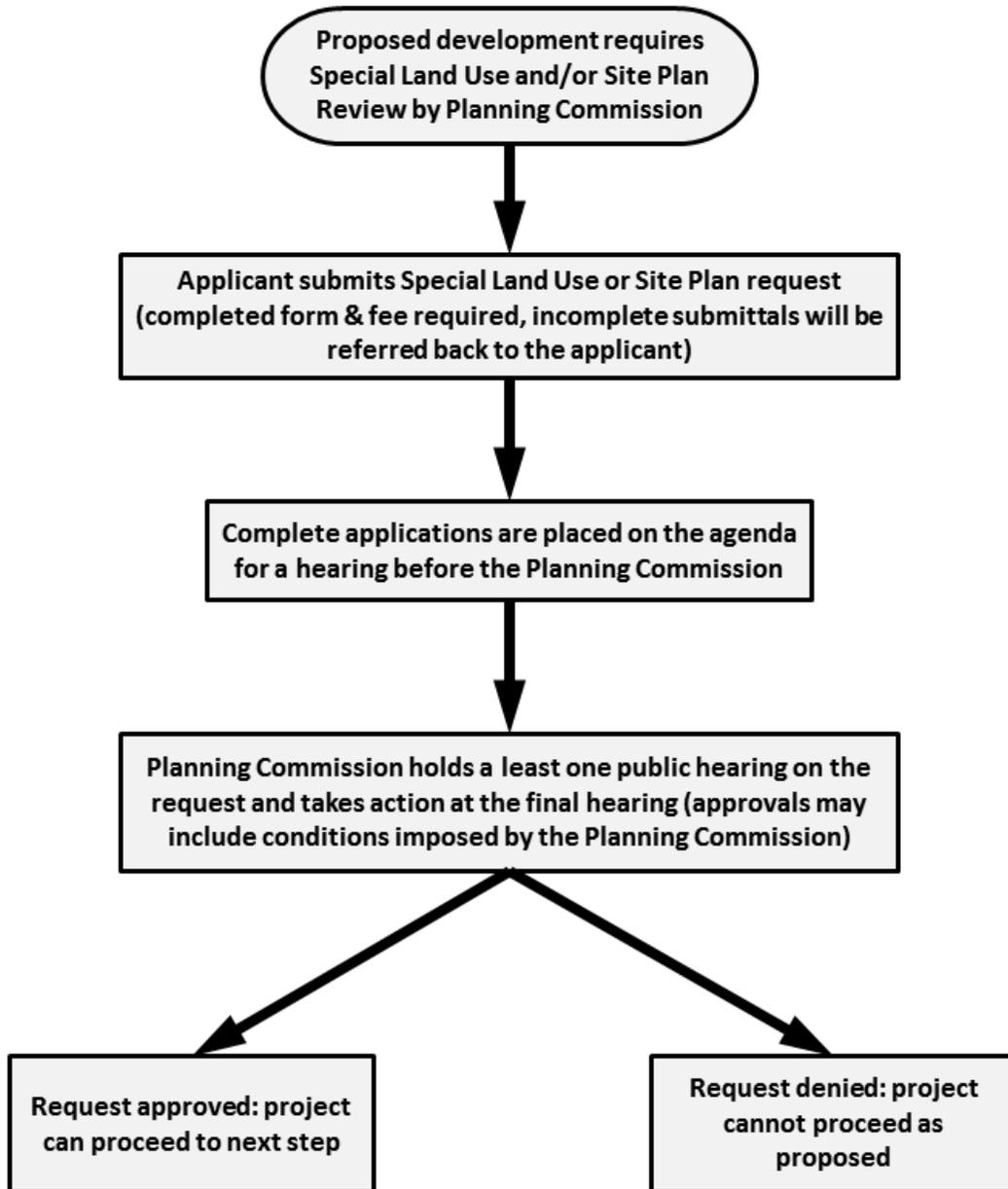
Total time required for this process varies, but at a minimum would be 2-3 months due to public notification requirements and the minimum requirement of three public meetings.

## SPECIAL LAND USE & PUBLIC SITE PLAN REVIEW

In each zoning district, certain specified, mutually compatible uses are permitted by right. In addition to permitted uses, there are certain other uses which are essential or desirable for the welfare of the community. Such uses are appropriate and are not incompatible with the uses permitted by right in a zoning district, but not at every or any location, or without conditions being imposed because of special problems presented by the use or its particular location in relation to neighboring properties. These uses are identified as special land uses. For similar reasons some uses in some zoning districts require a public site plan approval by the Planning Commission instead of the Administrative review that is use for most other uses. Both special land uses and public site plan reviews follow the procedure below:

- Step 1.** Application Submittal. Applicants shall submit an application to the City Plan Division. The information required for these reviews is listed in Sec. 32.02 & 32.03. Review fees shall be enclosed as part of a complete application. To download the Application go to: <http://www.cityofdearborn.org/documents/commissions-and-boards/planning-commission/planning-commission-forms/1970-special-use-and-site-plan-review-application>
- Step 2.** Notice of Public Hearing. Upon receipt of a complete application, staff will make proper notification of the meeting.
- Step 3.** Public Hearing and Planning Commission Decision. Upon hearing the staff reviews and conducting a public hearing, the Planning Commission will approve, approve with conditions, or deny the Special Land Use or Site Plan Review request. The Planning Commission may postpone action on the application if it is determined that additional information is needed from the applicant that would help address the standards and findings of Sec. 32.02 & 32.03. The Planning Commission's decision, the basis for the decision and all conditions imposed shall be described in a written statement and provided to the applicant. Approval is issued if the application conforms to all applicable policies and regulations. Approval with conditions is issued to make certain the application complies with policies and regulations. Denial is issued if the application does not comply with local policies and regulations.
- Step 4.** Permit. After the Planning Commission grants approval, an application for a building permit must be completed and received by the City within 12 months from the date of approval. The Planning Commission or governing body as applicable may authorize an extension of the time limit provided in Sec. 32.02 & 32.03.
- Step 5.** Appeal to Circuit Court. Should the Planning Commission deny the Special Land Use or Site Plan Review request, the decision to deny the request can be appealed to Wayne County Circuit Court.

**City of Dearborn  
Land Use Approvals  
Special Land Use & Public Site Plan Review Process**



Total time required for this process varies, but at a minimum would be 4-6 weeks due to public notification requirements for the public hearing.

## ZONING VARIANCES AND APPEALS

The Zoning Board of Appeals (ZBA) is the legislatively appointed body that can permit variances from the Zoning Ordinance. The most common variances are dimensional such as lot area and width, building height, bulk regulations, setbacks, and off-street parking and loading requirements. The Zoning Board of Appeals can also hear and decide questions that arise in the administration of the zoning ordinance, including the interpretation of zoning maps and zoning language.

- Step 1.** Application Submittal. Applicants shall submit an application for a Variance or Appeal Request to the ZBA, via the Zoning Administrator. All required information and fees shall be enclosed as part of a complete variance/appeal application. The application shall specify the grounds upon which the appeal is based and shall contain a notarized signature of the property owner or owner's agent. Applications involving a request for a variance shall specify the section number(s) containing the standard from which a variance is sought and the nature and extent of such variance.
- Step 2.** Notice of Public Hearing. Upon receipt of a complete application, staff will make required notification of the meeting.
- Step 3.** Staff Review. The Zoning Administrator (and other staff as appropriate) will provide a review and recommendation based upon the required standards and findings outlined in Sec. 32.05. This review and recommendation will be presented during the public hearing being conducted at the ZBA meeting.
- Step 4.** Public Hearing and Zoning Board of Appeals Decision. Upon hearing staff's review and conducting the public hearing, the ZBA shall approve, approve with conditions, or deny the variance request.

In granting a variance, the board may grant a lesser variance or specify, in writing, conditions regarding the location, character, landscaping, or other treatment that will, in the board's judgment, be reasonably necessary to the furtherance of the intent of the Zoning Ordinance and the protection of the public interest. The breach of any condition shall automatically invalidate the permit granted.

Each variance granted under the provisions of the Zoning Code becomes null and void after twelve (12) months from the date of granting unless the construction or occupancy authorized by such variance or permit has commenced and is being pursued diligently to completion.

### **ZBA Information Packet:**

<http://www.cityofdearborn.org/documents/commissions-and-boards/zoning-board-of-appeals/581-dearborn-zba-information-packet/file>

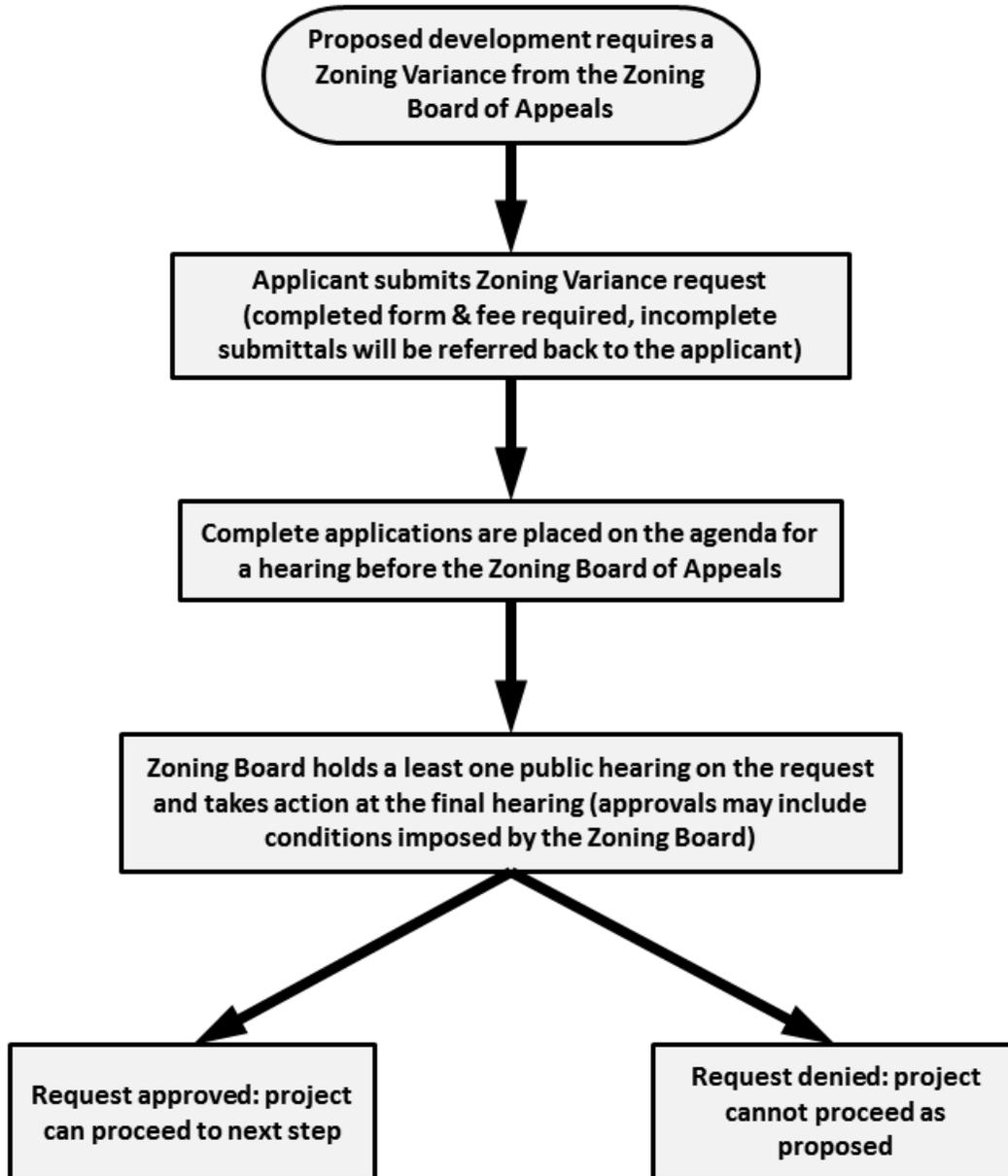
### **ZBA Application:**

<http://www.cityofdearborn.org/documents/commissions-and-boards/zoning-board-of-appeals/580-dearborn-zba-application/file>

### **Contact the Zoning Board Administrator:**

<http://www.cityofdearborn.org/contacts/35>

**City of Dearborn  
Land Use Approvals  
Zoning Board of Appeals Variance Process**



Total time required for this process varies, but at a minimum would be 4-6 weeks due to public notification requirements for the public hearing.

## PLANNED UNIT DEVELOPMENT

It is the intent of the City of Dearborn to permit Planned Unit Development Mixed Use Districts for the purpose of:

- Encouraging innovation in land use planning and development.
- Achieving a higher quality of development than would otherwise be achieved.
- Encouraging assembly of lots and redevelopment of outdated commercial corridors.
- Encouraging in-fill development on sites that would be difficult to develop according to conventional standards because of the shape, size, abutting development, accessibility, or other features of the site.
- Providing enhanced housing, employment, and shopping opportunities.
- Providing a development of framework that promotes appropriate business activity that significantly improves the economic viability of the City.
- Ensuring compatibility of design and function between neighboring properties.
- Encouraging development that is consistent with the City's Master Plan.

### PROCEDURES:

A Zoning Ordinance amendment is required. The approval of a Planned Unit Development Mixed Use proposal shall require an amendment to the Zoning Ordinance to revise the zoning map and designate the subject property as "Planned Unit Development Mixed Use." Approval of a Planned Unit Development Mixed Use proposal, including all aspects of the final plan and conditions imposed on it, shall constitute an inseparable part of the zoning amendment.

Planned Unit Development Mixed Use applications shall be submitted in accordance with the procedures and requirements set forth in Article 32.00. Section 32.04 calls for a two-step approval process as follows:

1. **Administrative Site Plan Review Required:** Initial review and feedback from City staff will aid in scoping and refining the proposal with regard to any applicable codes, laws and regulations and to ensure that the proposal is consistent with the long term goals of the City and compatible with its proposed location.
2. **Rezoning Required:** The applicant shall first submit a Planned Unit Development Mixed Use Plan which shall be reviewed in accordance with zoning amendment procedures. The plan commission shall review the Planned Unit Development Mixed Use Plan, hold a public hearing, and make a recommendation to the City Council. The City Council shall have the final authority to act on a Planned Unit Development Mixed Use Plan and grant the requested Planned Unit Development Mixed Use Zoning.
2. **Public Site Plan Review Required:** Following approval of the Planned Unit Development Mixed Use Plan and rezoning to Planned Unit Development Mixed Use (PUD), the applicant shall submit a final site plan for review by the plan commission in accordance with normal site plan review procedures.

Please review the Municipal Zoning Code at the following link for additional parameters and eligibility criteria:

[https://www.municode.com/library/mi/dearborn/codes/zoning?nodeId=CIDEZOOR\\_ART23.00PUPLUNDEM\\_IUSDI\\_S23.01STPU](https://www.municode.com/library/mi/dearborn/codes/zoning?nodeId=CIDEZOOR_ART23.00PUPLUNDEM_IUSDI_S23.01STPU)

## PERMITS & INSPECTIONS

**One & two family residential projects:** A homeowner or contractor must apply for a building, electrical, mechanical and/or plumbing permits for new homes, additions, demolitions, home remodeling/alterations, basement refinishes, roofs, windows that require structural changes, decks, accessory structures, pools, etc. A property owner may obtain permits in the owner's name; however, the person's name on the application must perform the work. If a contractor performs the work, the contractor must obtain the permit, have the appropriate license, and be registered in the municipality.

**Multiple-family residential & non-residential projects:** Commercial projects, including multiple-family residential housing, require licensed contractors to perform construction and most repairs. A contractor must apply for a building permit for any of the following activities: new construction, additions, demolitions, interior/exterior alterations, or signs. The City Plan Department can assist with the process.

### **Applications for Permits:**

<http://www.cityofdearborn.org/services/permits/apply-for-permits>

### **Dearborn Fee Schedule:**

<http://www.cityofdearborn.org/documents/permits/78-permit-fees/file>

**Step 1.** Application Submittal: Applicants are required to submit an application denoting the type of improvement along with the required sets of building plans indicated on the application to the [Property Maintenance & Development Services Department](#) and the required fee. Residential plans exceeding 3,500 square feet, all multiple-family residential and non-residential plans must be sealed and signed by a licensed architect and/or engineer. The building official can advise prospective investors on additional projects requiring an architect or engineer seal. Additionally, evidence must be provided that the plan has been submitted for review as required to affected county, state and federal agencies; including but not limited to the Wayne County Department of Roads, Wayne County Drain Commissioner, Wayne County health Department, and Michigan Department of Transportation.

Building plans must include all work to be performed and meet the minimum requirements indicated on the application. All dimensions must be shown. Plans shall contain the following information: site plan, project address or location, property owner address, architect/engineer name, address, phone number and license number, construction codes used, all design (live, dead, snow and wind loads), occupancy classification, type of construction, and total floor area and floor area for each use group classification and level. Larger projects may require other height and area computations, automatic fire sprinklers, number of means of egress, capacity of egress calculations and travel distances, fire rated assembly details and fire resistive requirements, structural design calculations, and soil, footing, foundation, masonry and concrete minimum bearing capacities and design standards. Additional information may be required based on complexity or size of building project.

**Step 2.** Plan Review: The [Property Maintenance & Development Services Department](#) will review the information for compliance with zoning ordinance, building code, electrical code, mechanical code, plumbing code and fire code. Safety of the intended inhabitants is essential. Approvals required from the governing body, Planning Commission, Zoning Board of Appeals and the Zoning Administrator (if applicable) must first be received prior to permit issuance. The review of a complete plan submission is generally completed within **14 calendar days**. Depending on the project, the applicant might need to apply for and receive a soil erosion permit through the [Property Maintenance & Development Services Department](#) before a building permit is issued.

If application is incomplete, the reviewer will ask the applicant for additional information. A plan review letter will be issued citing approval, conditions imposed on approval or necessary corrections. Requested plan corrections require the applicant to submit new or revised plans for review.

**Step 3.** Permit Issuance: The applicant will be contacted to come to pick up the building permit and pay the permit fee at the [Property Maintenance & Development Services Department](#). The building permit is issued when all required approvals have been obtained and applicable fees have been paid. The applicant must post a copy of the permit on the job site until final approval is issued.

Electrical, mechanical, and plumbing permits are generally not issued until the building permit is approved. Compliance may be determined at the time of the inspection for less complex projects. More complex projects may require review by the applicable trade inspector. An approved Certificate of Occupancy or Certificate of Compliance is required prior to occupancy or use of such project.

MISS DIG System, a free service, at 1-800-482-7171, must be contacted at least 3 working days before excavating to identify the location of underground utility lines. The MISS DIG System member utilities will mark the approximate location of their underground public utility lines at no charge. If Miss Dig is not notified and damage occurs, liability for repair costs may occur.

**Permit Validity:** Permits shall lapse and cease to be in effect when authorized work has not started within **6** months following the date of issue or when work has been abandoned for a period of **6** months as evidenced by failure to make substantial progress or lack of inspections.

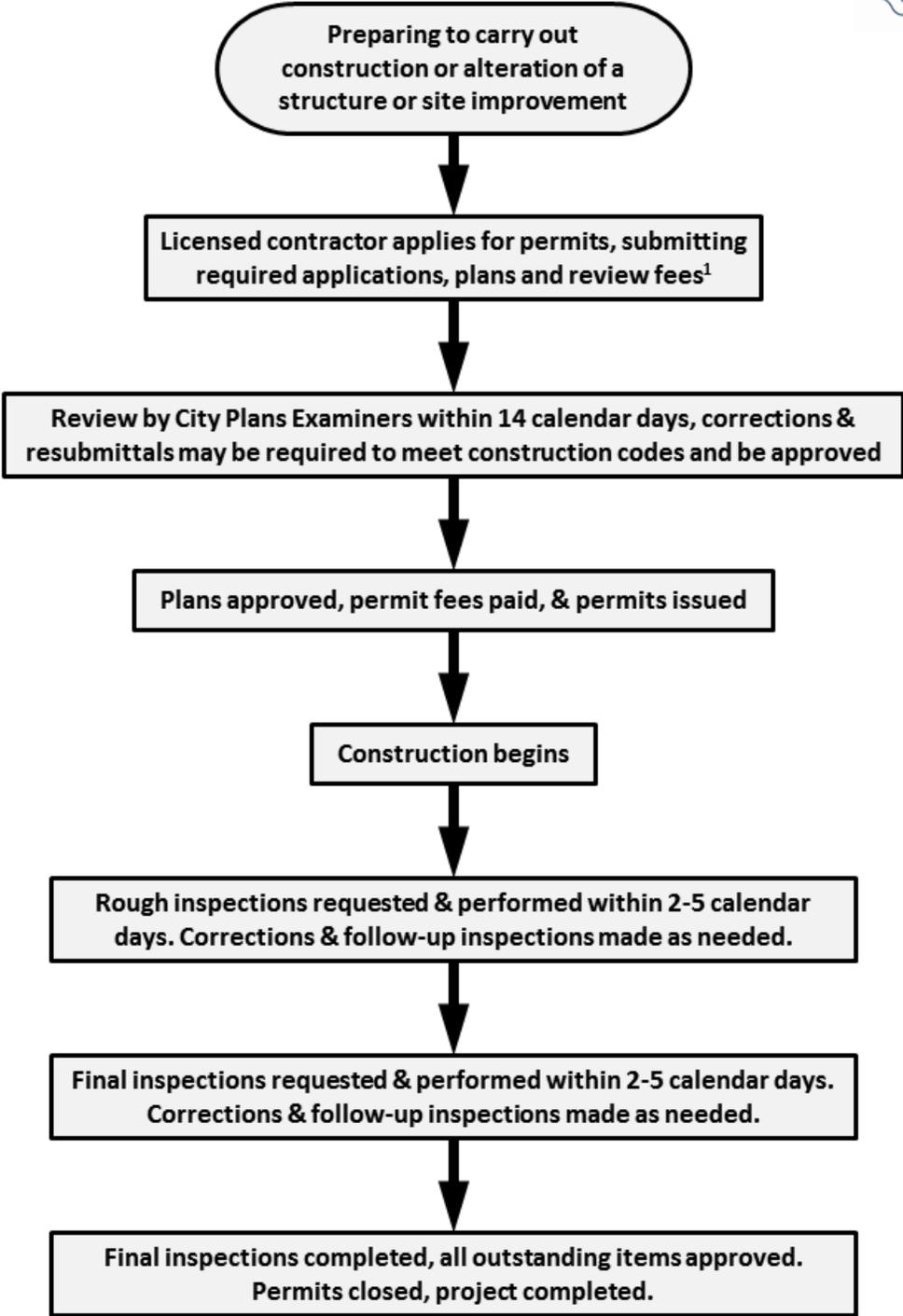
**Construction Progress:** As construction progresses, the municipality inspects work to verify that the building plans are being followed. Permit holders are required to schedule appropriate inspections throughout the process, and get appropriate approvals before moving on to the next construction phase. The permit holder is responsible to notify the [Property Maintenance and Development Services Department](#) when the stages of construction that require an inspection are reached.

**Final Inspections:** Electrical, mechanical or plumbing permit final inspections must be completed before the final building inspection. Similarly, the Dearborn Fire Marshal, County Health Department, Department of Public Works and Michigan Department of Transportation (as applicable), must review and issue their own final inspection approvals. The structure must be complete and ready for use and occupancy. After all of the above inspections have been approved and if final building inspection is approved, the certificate of occupancy or certificate of compliance can be issued.

**Temporary / Permanent Certificate of Occupancy:** A temporary certificate of occupancy may be issued for projects with landscaping, soil or grading work that cannot be completed due to weather. In those cases, the temporary approval will take place only if all of the other components of construction are completed and temporary approvals are issued by the [Property Maintenance and Development Services Department](#). The building official may require that a cash deposit, certified check or irrevocable bank letter of credit in an amount equal to the engineer's estimated cost of uncompleted improvements be escrowed with the municipality. The building official will also set a date of completion. The escrow will be returned when the work is completed within the set date.

**Business License:** After the final occupancy permit is issued, the owner or representative agent can apply for other business licenses through the Clerk's Office (e.g., restaurant license).

### City of Dearborn Construction & Renovations Permits & Inspections Process



1 – Homeowners may apply for permits for certain types of work they will do on their own property

## BUSINESS LICENSES

The following business activities require a license issued by the City Clerk:

- Amusement
- Apartment building
- Athletic club
- Auctioneer (per day)
- Automobile parts and accessories sales (new or used)
- Awning erector
- Bed and breakfast
- Billiard room
- Boiler operator, high-pressure & low-pressure
- Bowling alley
- Building contractor
- Building subcontractor
- Card or game room
- Carnival
- Concrete contractor
- Chief powerhouse stationary engineer
- Christmas trees
- Circus
- Coffeehouse
- Concrete supplier
- Distributor, vending machine
- Distributor, amusement device only
- Drain layer contractor
- Drive-in theater
- Electrical contractor registration
- Exhibitor
- Exhibitor equipment
- Explosives contractor
- Fire repair contractor
- Fire sale
- Food establishment
- Satellites (each satellite dish)
- Catering kitchen and/or commissary food

- Fuel oil truck
- Garage sale
- Going-out-of-business sale
- Golf course
- Hauling vehicle, each vehicle
- Hotel
- Junk dealer vehicle
- Junkyard
- Lodging or rooming house
- Manager, motel, hotel, apartment, rooming house, coffee house, athletic club
- Mechanical contractor registration (heating, cooling, ventilation, refrigeration)
- Mechanical excavating and grading
- Motel
- Motor bus
- Motor supply station
- Motor vehicle for hire
- Motor vehicle parts recycling
- Moving contractor
- Plumbing contractor registration
- Refrigeration contractor registration
- Refrigeration operator
- Secondhand dealer
- Sign erector
- Solicitor or vendor
- Stationary engineer
- Tank installer
- Taxicab
- Tent erector
- Theatre
- Tobacco
- Transient merchant
- Turbine and reciprocating engineer operator
- Used motor vehicle lot
- Vendor vehicle
- Welder

The above licenses are applied for at the Office of the City Clerk on forms provided by that office, the application specifies the fees and all required supporting documentation for approval

of the license. Complete application submittals are processed immediately and licenses are typically issued on the spot.

## LIQUOR LICENSES

Businesses must be approved for a Liquor License with both the Michigan Liquor Control Commission and the City of Dearborn to sell alcoholic beverages. More information about the application process and licensing can be found through the following sources:

**State of Michigan:**

[Michigan Liquor Control Commission](#)

**City of Dearborn:**

<http://www.cityofdearborn.org/services/public-safety/obtaining-a-special-liquor-license?highlight=WyJsaXF1b3liLCJsaWNlbnNlIiwibGlxdW9yIGxpY2Vuc2UiXQ==>

## DEVELOPMENT AND FINANCE INCENTIVE TOOLS

A general description of development and finance incentive tools used by the City of Dearborn is provided within this section. The intent is to provide important information to a potential investor to assist in making an initial decision to proceed with an investment. The intent is not to describe how a district or program was initiated or identify the operations of a board or authority. Each economic incentive listed below, provides a general description, investor incentive, eligible activities or projects, the application process (if required) and contact information.

### LIST OF INVESTMENT INCENTIVES

#### Finance Authorities

- Brownfield Redevelopment Authority
- Downtown Development Authority
- Corridor Improvement Authority

#### Tax Exemptions and Abatements

- Plant Rehabilitation and Industrial Development Exemption
- Commercial Redevelopment District
- Commercial Rehabilitation District
- Neighborhood Enterprise Zone
- Obsolete Property Rehabilitation Act

#### Municipal Assistance

- Site Location Assistance
- Interactive GIS Map
- Development Data
- Entrepreneurial Support
- How To Start A Business
- Regional Economic Development Resources

The municipality uses the following state legislated financial and/or tax assistance programs to encourage new development and rehabilitation. The governing body and reviewing authorities support requests based on careful consideration anticipated public benefit. The program summaries are intended to provide key general information for an investor decision to proceed with an investment. Contact person information and links to local plans and State Public Acts will inform an investor with complete information.

## BROWNFIELD REDEVELOPMENT AUTHORITY

### PA 381 OF 1996

A BRA provides a municipality with the opportunity to create a local Brownfield financing resource in order to enhance local economic development capacities and market difficult sites based on the private investment incentives and enhance tax base. It encourages redevelopment of contaminated, functionally obsolete and blighted property by providing financial and tax incentives for cleanup and due diligence activities.

The Brownfield Redevelopment Authority reviews and recommends approval of an application and reimbursement requests. The legislative body provides final approval. The State Tax Commission and other state agency approvals are also necessary.

### INVESTOR INCENTIVE:

Tax increment finance funds will reimburse a developer for the eligible costs pursuant to a Brownfield Redevelopment Plan and as approved by the Authority and legislative body. The length of tax increment capture will not exceed the number of years required to pay the costs of eligible activities as allowed under the Brownfield Redevelopment Financing Act.

### ELIGIBLE ACTIVITIES:

- Remediation of environmental contamination
- Structure demolition
- Lead or asbestos abatement
- Infrastructure improvements including but not limited to utilities and parking,
- Site preparation that is not a response activity
- Relocate public buildings or operations for economic development purposes.
- [IF APPLICABLE] Assistance to a land bank fast track authority in clearing or quieting title and other property conveyance methods for economic development purposes.
- [IF APPLICABLE] Assistance to a qualified local governmental unit or authority in clearing or quieting title and other property conveyance methods for economic development purposes.

### APPLICATION PROCESS:

The BRA reviews proposals for the redevelopment of eligible property and determines what financial incentives are necessary to assist the redevelopment. The Authority prepares a plan that identifies the Brownfield projects. Each project section of the plan includes the description of the eligible property, the eligible activities, the TIF approach to be taken and other issues related to the subject parcels. The Authority then recommends to the legislative body that the decision-making body holds a public hearing regarding the plan and subsequently acts to approve with modifications or deny the plan.

- Step 1.** The developer of a proposed brownfield project should contact the Economic & Community Development Department to introduce the proposed project and request financing assistance. The developer has the ability to work with an Environmental/Engineering consultant to draft the Brownfield Redevelopment Plan, also known as the Act 381 Work Plan, and complete the other steps required by state

- agencies.
- Step 2.** Required site plan and special use approvals are received from local authority.
- Step 3.** The Brownfield Redevelopment Authority reviews and recommends approval of the development plan and reimbursement agreement to the legislative body. A public hearing is conducted according to provisions of PA 381 of 1996.
- Step 4.** The legislative body will consider the request from the Authority. A public hearing may be conducted in accordance PA 381 of 1996 provisions. A resolution for approval is issued for the development plan and reimbursement agreement.
- Step 5.** The Brownfield Redevelopment Authority enters into a Brownfield Reimbursement Agreement that specifies the terms and conditions associated with the reimbursement of costs associated with the eligible activities.
- Step 6.** The approved agreement is forwarded to the State of Michigan Tax Commission for approval.

**Note:** If captured school taxes were used to reimburse the cost of certain environmental response activities or any non-environmental activities, approval of a PA 381 work plan by the MDEQ and/or Michigan Strategic Fund is necessary. The applicant will submit the work plan to the appropriate State agency together with the approved Brownfield Redevelopment Plan, a copy of the City of Dearborn resolution approving the plan, and a transmittal letter from the BRA.

CONTACT: Amina El Hussein / 313-943-2180 ext. 5 / [aelhusseini@ci.dearborn.mi.us](mailto:aelhusseini@ci.dearborn.mi.us)

#### WEBSITE LINKS:

##### State of Michigan BRA Fact Sheets:

[State of Michigan Brownfield Fact Sheet](#)

[State of Michigan Brownfield Program Overview](#)

[State of Michigan Act 351 Guidance](#)

## DOWNTOWN DEVELOPMENT AUTHORITY

### PA 197 OF 1975

The governing body finds it necessary for the best interests of the public to halt property value deterioration, increase property tax valuation, eliminate causes of deterioration, and promote economic growth in the downtown area. A Downtown Development Authority (DDA) is created to administer improvement programs and use a range of funding options including tax increment financing to fund public improvements and the ability to levy a limited millage to address administrative expenses.

The DDA has a plan separated into a development plan section identifying projects, costs, location and resources for implementing public improvements and a tax increment financing plan detailing the tax increment collection and the amount of bonded indebtedness to fund programs.

The Downtown Development Authority reviews and recommends approval an annual budget to the legislative body for final approval. Activities provided for in the approved budget can be funded by the DDA.

**INVESTOR INCENTIVE:**

A private investor may receive public infrastructure improvements supporting a development. Tax Increment Financing (“TIF”) provides a significant source of financing these improvements. The DDA may use a grant program to improve facades, signs or landscaping when the budget permits. DDA district-wide programs with marketing, event planning maintenance support individual businesses.

**ELIGIBLE ACTIVITIES:**

- Plan and propose the construction or improvement of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to aid in the economic growth of the downtown district.
- Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building.
- Acquire and construct public facilities.
- Create, operate, and fund marketing initiatives.
- Contract for broadband service and wireless technology service.
- Create, operate and fund retail business incubators.

**APPLICATION PROCESS:**

The developer of a proposed DDA project should contact the Economic & Community Development Department (which provides staffing to the DDA’s) to introduce the proposed project, request a public improvement or financial assistance and receive information on the review process. The DDA will determine whether public interest is advanced by halting property value deterioration, increasing property tax valuation and promoting economic growth. An amendment to the Development and Finance Plan may be necessary prior to approval to accommodate a project. For plan amendment, the process set forth in the legislative act will be followed. The process includes governing body approval and public hearing(s).

**CONTACT:** Christina Sheppard-Decius / 313-943-3188 / [csdecius@ci.dearborn.mi.us](mailto:csdecius@ci.dearborn.mi.us)

**WEBSITE LINKS:**

**City of Dearborn DDA’s:**

[West Downtown Dearborn](#)

[East Downtown Dearborn](#)

**State of Michigan DDA Fact Sheet:**

[State of Michigan DDA Fact Sheet](#)

**CORRIDOR IMPROVEMENT AUTHORITY****PA 280 OF 2005**

The governing body finds it necessary for the best interests of the public to correct and prevent deterioration, encourage historic preservation, promote economic growth within the Dix-Vernor & Warren Business District Improvement Authorities (BDIA’s). The BDIA’s have been created

to administer improvement programs and use a range of funding options including tax increment financing to fund public improvements.

The BDIA's have plans separated into development plan sections identifying projects, costs, location and resources for implementing public improvements and tax increment financing plans detailing the tax increment collection and the amount of bonded indebtedness to fund programs.

The provisions of the BDIA's generally mirror those of a Downtown Development Authority. Differences between a DDA and a BDIA include:

- More than one authority is permitted within a municipality.
- A BDIA cannot levy an ad valorem tax.
- A BDIA may enter into inter-local agreements with adjoining municipalities.

#### ELIGIBLE ACTIVITIES:

- Plan and propose the construction or improvement of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to aid in the economic growth.
- Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building.
- Acquire and construct public facilities.
- Create, operate, and fund marketing initiatives.
- Contract for broadband service and wireless technology service.
- Create, operate, and fund retail business incubators.

#### APPLICATION PROCESS:

The developer of a proposed project should contact the Economic & Community Development Department (who currently staff the BDIA's) to introduce the proposed project, request a public improvement or financial assistance and receive information on the review process. The BDIA's will determine whether public interest is advanced by correcting and preventing deterioration, encouraging historic preservation and promoting economic growth halting property value deterioration, increasing property tax valuation and promoting economic growth. An amendment to the Development and Finance Plan may be necessary prior to approval to accommodate a project. For plan amendment, the process set forth in the legislative act will be followed and includes governing body approval and public hearing(s).

CONTACT: Barry Murray, ECD Director / 313-943-2180 / [bmurray@ci.dearborn.mi.us](mailto:bmurray@ci.dearborn.mi.us)

#### WEBSITE LINKS:

[State of Michigan Corridor Fact Sheet](#)

[Warren Business District Improvement Authority Development and Tax Increment Financing Plan](#)  
[Dix-Vernor Business District Improvement Authority Development and Tax Increment Financing Plan](#)

## PLANT REHABILITATION AND INDUSTRIAL DEVELOPMENT EXEMPTION

### PA 198 OF 1974

The City of Dearborn provides tax abatements to eligible manufacturers to enable renovation and expansion of aging facilities, assist in the building of new facilities, and to promote the establishment of high tech facilities. Industrial property tax abatements provide incentives for eligible businesses to make new investments in Michigan. Industrial property is defined as land improvements, buildings, structures, and other real property and machinery, equipment, furniture, and fixtures or any part or accessory whether completed or in the process of construction comprising an integrated whole.

An Industrial Facilities Tax Exemption (IFE) can be granted in an Industrial Development District (IDD) and a Plant Rehabilitation District (PRD). The IDD is applied in areas for new construction. A PRD is applied in areas for rehabilitation of obsolete facilities. . The governing body will consider the merits of each individual project and the overall benefits that result from granting the exemption.

### INVESTOR INCENTIVE:

An Industrial Facilities Tax Exemption certificate entitles the facility to exemption from ad valorem real and/or personal property taxes for a term of up to 12 years as determined by the governing body. The City of Dearborn will determine the number of years granted for an exemption request. After the Industrial Facilities Tax Exemption Certificate (198 abatement) is granted, the City of Dearborn is required to enter into a contract memorializing the terms of the abatement.

### Notes:

1. Any buildings and equipment that existed prior to construction of a new facility are not exempt.
2. If the project is for rehabilitation, the value of any pre-existing obsolete property is exempt from ad valorem property taxes, but will be used as the base for the IFT.
3. Similarly, any structures or equipment added after completion of the project are fully taxable.
4. Land is specifically excluded from the benefits of the act and is fully taxable.

### ELIGIBLE PROJECTS:

- Industrial plants that primarily manufacture or process goods or materials by physical or chemical change.
- Related facilities of Michigan manufacturers such as offices, engineering, research and development, warehousing or parts distribution.
- Research and development laboratories, high-tech facilities and large communications

centers can qualify throughout Michigan.

- The facility must be located within an established Industrial Development or Plant Rehabilitation District.
- The applicant is a qualifying business as outlined in MCL 207.552.
- The application must be filed within six months of the commencement of the improvements.
- [IF APPLICABLE] Facilities used for warehousing, distribution or logistics purposes can be eligible if they locate in specific border counties.

#### APPLICATION PROCESS:

A Plant Rehabilitation or Industrial Development District must be created prior to initiating a project.

- Step 1.** The application is filed with the municipal clerk.
- Step 2.** The governing body reviews and approves the application within 60 days of the clerk's date of receiving the completed application. A public hearing is conducted as part of the review process.
- Step 3.** The application, resolution of approval and executed contract are forwarded to the State Tax Commission for final approval and issuance of certificates. The exemptions are not effective until approved by the State Tax Commission.

**Note:** The following criteria are used to evaluate the merits of an application:

1. That the exemption does not have the effect of substantially impeding the operation of the City of Dearborn,
2. The exemption does not have the effect of impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Dearborn;
3. The applicant is not delinquent on any taxes related to the facility, including taxes owed on existing property.
4. The exemption of property will have the effect of increased employment in the City of Dearborn and
5. The aggregate State Equalized Value (SEV) of real and personal property exempt from ad valorem taxes within the City of Dearborn, after granting this certificate, will not exceed 5% of the SEV.

CONTACT: Barry Murray, ECD Director / 313-943-2180 / [bmurray@ci.dearborn.mi.us](mailto:bmurray@ci.dearborn.mi.us)

## COMMERCIAL REDEVELOPMENT DISTRICT

### PA 255 OF 1978 / 227 OF 2008

The governing body encourages replacement, restoration and new construction of commercial property by abating the property taxes generated from new investment for a period up to 12 years. As defined, commercial property means land improvements whether completed or in the process of construction, the primary purpose and use of which is the operation of a commercial business enterprise, including office, engineering, research and development, warehousing parts distribution, retail sales, hotel or motel development, and other commercial facilities. Land and personal property are not eligible for abatement under this act.

### INVESTOR INCENTIVE:

A private investor may receive property tax abatement for up to 12 years on investment. The property owner pays a Commercial Facilities Tax rather than the normal property tax. A certificate will be issued for a period between one year and 12 years.

For a restored facility: The taxable value of the building freezes its value prior to restoration. The school operating tax and the State Education Tax (SET) are also frozen.

For a new or replacement facility: A 50 percent reduction in the number of mills levied as ad valorem taxes, excluding the State Education Tax (SET), is provided. Within 60 days after the granting of a new Commercial Facilities Exemption Certificate, the State Treasurer may exempt 50 percent of the SET mills for a period not to exceed six years. The State Treasurer will not grant more than 25 of these SET exclusions each year.

### ELIGIBLE PROJECTS:

- Commercial property including research and development, office and warehousing parts distribution.
- Mixed use, including high-density residential, buildings.
- Obsolete commercial property or cleared or vacant land which is part of an existing, developed commercial or industrial zone which has been zoned commercial or industrial for 3 years before June 21, 1978, and the area is or was characterized by obsolete commercial property and a decline in commercial activity.
- Land which has been cleared or is to be cleared as a result of major fire damage, or cleared or to be cleared as a blighted area under Act No. 344 of the Public Acts of 1945.
- Property which was owned by a local governmental unit on June 21, 1978, and subsequently conveyed to a private owner and zoned commercial.
- Building must be completed or in process of construction.
- Does not include a casino and associated parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company.

- Land and personal property are not eligible for abatement under this act.

**Note 1:**

“Replacement facility” means commercial property to be acquired, constructed, altered, or installed for the purpose of being substituted for obsolete commercial property. Property impaired due to changes in design, construction, technology, or improved production processes, or damage due to fire, natural disaster, or general neglect shall be considered obsolete. All other new commercial property is considered a “new facility.” For purposes of granting the tax abatement, the replacement or new facility must meet all of the following conditions.

**Note 2:**

A “restored facility” means changes to obsolete commercial property as may be required to restore the property to an economically efficient condition. Restoration must result in improvements aggregating to more than 10 percent of the true cash value of the property at commencement of the restoration. Restoration includes major renovation including, but not limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to one or two stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes.

**APPLICATION PROCESS:**

Before the Commercial Redevelopment Exemption Certificate (i.e. property tax abatement) can be granted for the Facility,

1. The legislative body establishes a Commercial Redevelopment District by resolution. A public hearing is conducted prior to approving the resolution for approval.
2. A property owner files an application with the local clerk for a Commercial Facilities Exemption Certificate. *Note: Applications are available from the Michigan Department of Treasury.*
3. The legislative body conducts a public hearing on the application. The application must be approved or disapproved not more than 60 days after its date of receipt.
4. An approved application is sent to the State Tax Commission for filing purposes.

CONTACT: Barry Murray, ECD Director / 313-943-2180 / [bmurray@ci.dearborn.mi.us](mailto:bmurray@ci.dearborn.mi.us)

**WEBSITE LINKS:**

[State of Michigan Commercial Redevelopment District Fact Sheet](#)

## COMMERCIAL REHABILITATION DISTRICT

### PA 210 OF 2005

The Commercial Rehabilitation District encourages rehabilitation of commercial property by abating the property taxes generated from new investment for a period up to 10 years.

#### INVESTOR INCENTIVE:

A private investor may receive property tax abatement for up to 10 years on investment. The property owner pays a Commercial Facilities Tax rather than the normal property tax. A certificate will be issued for a period between one year and 10 years.

The property owner must pay a Commercial Rehabilitation Tax rather than the normal property tax. The certificate must be issued for a period of at least one year, but cannot exceed 10 years.

The Commercial Rehabilitation Tax freezes the taxable value of the building and exempts the new investment from local taxes. The school operating tax and the State Education Tax (SET) are still levied on the new investment. Land and personal property cannot be abated under this act.

The criteria for extensions must be included in the resolution approving the abatement.

#### ELIGIBILITY:

- Construction cannot have started six months prior to filing an application.
- Multiple-family housing or commercial buildings 15 years or older and at least three acres in area.
- Vacant property or other commercial property that was commercial property within the immediately preceding 15 years.
- Office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities.
- Commercial properties allocated new market tax credits are also considered a qualified facility.
- Qualified retail food establishments including a retail supermarket, grocery store, produce market, or delicatessen that offer unprocessed USDA-inspected meat and poultry products or meat products that carry the USDA organic seal, fresh fruits and vegetables, and dairy products for sale to the public.
- Commercial property does not include property that is to be used as a professional sports stadium or a casino.
- Land and personal property are not eligible for abatement under this act.

#### Note:

Rehabilitation is defined as changes that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. The new investment in the rehabbed property must result in improvements aggregating to more than 10 percent of the true

cash value of the property at commencement of the rehabilitation of the qualified facility. Rehabilitation includes the following:

- Improvement of floor loads, correction of deficient or excessive height, new or improved fixed building
- Equipment including heating, ventilation, and lighting,
- Reducing multistory facilities to one or two stories, improved structural support including foundations,
- Improved roof structure and cover, floor replacement, improved wall placement, improved exterior and
- Interior appearance of buildings, and other physical changes required to restore or change the property to an economically efficient condition. Rehabilitation also includes new construction on vacant property from which a previous structure has been demolished and if the new construction is an economic benefit to the local community as determined by the qualified local governmental unit. Rehabilitation for a qualified retail food establishment also includes new construction.

**Note:**

Commercial property is a qualified facility that includes a building or group of contiguous buildings of commercial property that is 15 years or older, of which the primary purpose is the operation of a commercial business enterprise or multifamily residential use. Multifamily residential is housing that consists of five or more units.

**APPLICATION PROCESS:**

1. The legislative body establishes a Commercial Rehabilitation District by resolution. A public hearing is conducted prior to approving the resolution for approval.
2. The resolution is provided to the county where the district is established. Within 28 days, the county may accept or reject the establishment of the district.
3. A property owner files an application with the local clerk for a Commercial Rehabilitation Exemption Certificate. Note: Applications are available from the Michigan Department of Treasury.
4. The legislative body conducts a public hearing on the application. The application must be approved or disapproved not more than 60 days after its date of receipt.
5. An approved application is sent to the State Tax Commission for approval. A resolution is not effective unless approved by the State Tax Commission.
6. Upon approval by the State Tax Commission, a Commercial Rehabilitation Certificate is issued.

**Note:**

The application shall contain or be accompanied by a general description of the qualified facility, a general description of the proposed use of the qualified facility, the general nature and extent of the rehabilitation to be undertaken, a descriptive list of the fixed building equipment that will be

a part of the qualified facility, a time schedule for undertaking and completing the rehabilitation of the qualified facility, a statement of the economic advantages expected from the exemption, including the number of jobs to be retained or created as a result of rehabilitating the qualified facility, including expected construction employment.

CONTACT: Barry Murray, ECD Director / 313-943-2180 / [bmurray@ci.dearborn.mi.us](mailto:bmurray@ci.dearborn.mi.us)

WEBSITE LINKS:

[State of Michigan Commercial Rehabilitation District Fact Sheet](#)

## NEIGHBORHOOD ENTERPRISE ZONE

### PA 147 of 1992

A Neighborhood Enterprise Zone provides a tax incentive for the development and rehabilitation of residential housing and to spur the development and rehabilitation of residential housing in communities where it may not otherwise occur. A NEZ promotes neighborhood revitalization, encourages owner occupied housing and new investment by lowering property taxes. The Neighborhood Enterprise Zone (NEZ) encourages redevelopment and rehabilitation of residential housing, owner-occupation and new investment. It provides a tax freeze for the development and rehabilitation of residential housing. The program is overseen by the governing body.

A local ordinance is currently under development.

WEBSITE LINKS:

[State of Michigan Neighborhood Enterprise Zone Fact Sheet](#)

## OBSOLETE PROPERTY REHABILITATION ACT

### PA 146 OF 2000

The City of Dearborn in promotion of public interest, has enacted the Obsolete Property Rehabilitation Act (OPRA) and provides tax incentives to encourage the redevelopment of obsolete and older buildings into vibrant commercial and mixed-use projects. The tax incentive is designed to assist in the redevelopment of older buildings in which a facility is contaminated, blighted or functionally obsolete. In many cases, this could be an abandoned, multi-story industrial building that is now more suited for commercial or residential rental units.

INVESTOR INCENTIVE:

The advantage to the developer is savings on property taxes. The tax incentives freeze local property taxes for up to 12 years. In addition, the State Treasurer has the ability to exempt one-half of the school millage for up to six years on 25 projects per year.

ELIGIBLE PROJECTS:

- Commercial Building
- Mixed-Use Residential Building

**Note:**

Commercial Housing Property is defined as the portion of real property not occupied by an owner of that real property that is classified as residential real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, is a multiple-unit dwelling, or is a dwelling unit in a multiple-purpose structure used for residential purposes. Commercial housing property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to a multiple-unit dwelling or dwelling unit in a multiple-purpose structure, used for residential purposes.

Commercial Property is defined as land improvements classified for general ad valorem tax purposes as real property including buildings and improvements assessable as real property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise or a multiple-unit dwelling or a dwelling unit in a multiple-purpose structure, used for residential purposes. Commercial property does not include land or public utility property.

**APPLICATION PROCESS:**

1. An owner of an obsolete property within the district files an application for an OPRA certificate with the clerk of the local government that includes the details of the project.
2. The clerk notifies the assessor and each taxing unit that levies property taxes.
3. The governing body holds a public hearing prior to acting on the resolution regarding the certificate.
4. Within 60 days of receipt of application, the governing body approves or disapproves the application and sets the number of years for the tax freeze by resolution. The decision is completed within 60 days of the municipality receiving the application.
5. An approved application and resolution is sent to the State Tax Commission (STC). The STC has 60 days to approve or disapprove the request. To apply for the abatement of school millage, the developer must make note of this on the application form. The STC is responsible for final approval and issuance of all OPRA certificates.

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**WEBSITE LINKS:**

[State of Michigan Obsolete Property Rehabilitation Act Fact Sheet](#)