



# *A Guide to Starting Your Business in Richmond*

## **Introduction**

We are pleased to know that you have discovered the [top 5 reasons to do business in Richmond](#) and have chosen Richmond for your business. The City has established standards and regulations to ensure quality development and to protect neighborhoods and citizens. In general, the required approvals for establishing a business are:

- Zoning Approvals – Required to ensure the type of business and the building are appropriate for the neighborhood. Other permits may be required for specific business types, such as a restaurant, or if the business is located within a historic area.
- Building Permits – Required to ensure conformance with State and City health and life-safety requirements.
- Occupancy Permits – Ensures that all of the required improvements have been met and the building is ready to be occupied by your business.
- Sign Permits – Required for identification of your business.
- Business License – Required to operate a business.

## **Help is waiting for you**

The many departments of the City of Richmond are committed to helping you locate and get your business venture up and running.

While there are many requirements of the City there are also many services offered to help you navigate through the process.

This document is designed to give a general and short overview of what is required and where help may be obtained. It describes the process as a sequence of steps, even though some steps may occur at the same time. It also includes tips and contacts to help you expedite the process. More detailed information on specific processes or permits is available in other documents.

## **Step 1: Develop a Business Plan and Review Possible Incentives**

What is the nature of your business idea? What is the product or service? Who are your customers? Think about these questions. If you need any guidance in developing your business plan, please contact the appropriate Department of Economic Development representative. They may also be able to advise you on available **financing and incentives** for your business idea or assist you in finding a suitable location for your business.

The Department of Economic Development also coordinates a wide range of economic programs designed to support new businesses. Popular incentives include such programs as: Real Estate Tax Abatement, Enterprise Zone, and Commercial Area Revitalization Effort (CARE) to name a few, as well as other grant, loan and rebate programs.



**CONTACT:**

**Economic Development**

501 East Franklin Street, 8th Floor

646-5633

**TIP:** The Department of Economic Development Business Development Services has a “Business Checklist” for the City of Richmond. For more information CLICK:

**Business Checklist**

OR VISIT:

**[http://www.richmondgov.com/departments/econdev/docs/Business Checklist.pdf](http://www.richmondgov.com/departments/econdev/docs/BusinessChecklist.pdf)**



## **Step 2: Contact the Zoning Office**

Your business may have unique requirements or require certain permits or approvals. If you have any questions about what you need to do to open a business in the City of Richmond, contact a Small Business Coordinator in the **Zoning Division** or access information on the zoning website: <http://www.richmondgov.com/departments/communityDev/zoning.aspx>.

They will find answers to your questions and guide you through the process by:

- Defining the steps that match your specific needs;
- Identifying the appropriate sequence of steps (some steps may occur at the same time);
- Advising you of zoning requirements;
- Providing you with contacts in other City departments,
- Scheduling meetings with key personnel;
- Coordinating the review of any required planning or permit applications; and
- Helping to identify and resolving any problems.

A Small Business Coordinator will be available to help you through all of the steps contained in this brochure. Each business is unique so the steps may vary. You will be advised as to which steps are required for your particular business and the order of the steps you should take to ensure a speedy process.



**CONTACT:** A Small Business Coordinator in the **Zoning Division** Office located at City Hall - Room 110.

[Gary.Burton@richmondgov.com](mailto:Gary.Burton@richmondgov.com) (646-6923)

[Michelle.Peters@richmondgov.com](mailto:Michelle.Peters@richmondgov.com) (646-6354)

Or:

Any available Zoning Officer at: 646-6340

Choose a building or a piece of property where your business is to be located. A real estate broker may be able to help or you may check with a Department of Economic Development representative at (804) 646-5633. They know the City very well and often can give you valuable advice on the best location for your business.

For local requirements, a Small Business Coordinator can help verify the zoning of the property. You can also obtain zoning information on parking, historic districts, signs and any other special requirements from the City of Richmond **Zoning Ordinance**. The document is also online at: [http://www.richmondgov.com/Departments/communitydev/docs/Zoning\\_Ordinance\\_On-line.pdf](http://www.richmondgov.com/Departments/communitydev/docs/Zoning_Ordinance_On-line.pdf).

It is also important that you check the zoning by linking to the City's **GIS Zoning Map** at: [http://www.richmondgov.com/applications/maplibrary/maps/Community\\_Development/Zoning\\_44\\_x34.pdf](http://www.richmondgov.com/applications/maplibrary/maps/Community_Development/Zoning_44_x34.pdf).

If your type of business use is allowed at your selected site, then complete a **Certificate of Zoning Compliance application** and pay the required fee. If you want specific information in writing, a **Zoning Confirmation Letter** may be requested for a \$50-\$200 fee.

If your property is not properly zoned for the business of your choice, a Small Business Coordinator or Zoning Officer will advise you what areas of the City may be appropriately zoned or options that are available to you for bringing the site into compliance with zoning regulations. This may include a Special Use Permit or re-zoning from City Council or a Special Exception from the Board of Zoning Appeals (BZA).

Many businesses can be operated within your home, condominium or apartment and these businesses are known as a **Home Occupation**. These home-based businesses have specific rules and requirements associated with their operation. Most Home Occupation **Certificate of Zoning Compliance** application requests can be processed “over-the-counter” while you wait



**TIP:** It is important that you collect the information above *BEFORE* signing a lease or purchasing property, so you can be sure the location you choose allows your type of business.



## **Step 4: Review Building Code Regulations**

For your specific business you might need to or want to alter walls, structural elements and/or equipment within the building or on the site you have selected. In addition, to ensure the safety and health of the building's occupants, you may also be required to complete some modifications to the property in accordance with the Building Code and other City requirements.



**TIP:** To determine what modifications your specific process will require or what modifications or renovations may be required by Code, a Small Business Coordinator can help schedule a free property assessment conference. This will allow for you to decide whether you can afford the cost and time required for making any commitments with the property owner for the location you have selected. In some instances, it may also be necessary to hire a design professional (engineer or architect) to prepare plans, drawings, etc.

If your business requires work on the building, before starting any construction work, obtain any required construction permit(s). A Small Business Coordinator can direct you to the appropriate staff member in the **Bureau of Permits and Inspections** for questions relative to permit requirements and applications. The number of permits required is dependent on the type and scope of work being performed and separate permits may be required for each major trade doing work on your property:

- **Building Permits**
- **Mechanical Permits**
- **Electrical Permits**
- **Plumbing Permits**

During the construction phase, the City will send inspectors to your site to perform periodic inspections to ensure that the work is done in accordance with applicable local and state laws regarding building codes and the approved plans. When construction is complete you or your contractor should schedule a final inspection of the work. After the final inspection is approved, you will be issued a **Certificate of Occupancy** that will allow you to occupy the building.



**TIP:** To schedule an inspection or to check results, call (804) 646-0770 to access our 24-hour per day automated permit system, **SPANLINK**.

You may check results by accessing the **Permits Web Inquiry System**, on-line at:  
[http://eservices.ci.richmond.va.us/applications/permits/\(t4nlt4rjuv0gzviji5diyj55\)/Default.aspx](http://eservices.ci.richmond.va.us/applications/permits/(t4nlt4rjuv0gzviji5diyj55)/Default.aspx)

Or, you may contact a **Bureau of Permits and Inspections** representative at:  
(804) 646-6955

## **Step 5: Review Other State and City Regulations**

In addition to local requirements, some businesses (day care, restaurants, etc.) are subject to separate State regulations and your business might be required to obtain additional operating permits (e.g. - Food Operator's Permit from the Health Department).

A Small Business Coordinator can assist you in contacting the other appropriate state or City agencies.

**The Department of Public Health** is responsible for inspecting and regulating restaurants, hotels and motels, daycare center, adult homes, schools, barber and beauty shops, drinking water supply, milk and dairy products, swimming pools and marinas, and sewage disposal. Certain specific businesses (i.e. - restaurants, food vendors and food processing establishments) will require a Health Permit.

To operate a business of this type, complete a **Department of Health Permit application** or contact them at: 900 E. Marshall Street (Marshall Plaza Building), 3rd Floor, Richmond, Virginia 23219 or telephone them at: (804) 646-3120

If you plan to sell alcoholic beverages in your place of business, you will need to obtain an ABC License from the **Virginia Department of Alcoholic Beverage Control** (VA ABC). To obtain information on the **types of licenses** for beer, wine and mixed beverage permits, you will need to complete the Virginia **ABC application**. Be sure to contact an ABC agent, who can assist you with the licensing process and explain the regulations involved with operating an establishment that sells alcoholic beverages.

For more information, visit them at 2901 Hermitage Road, Richmond, VA 23220 or contact them by telephone at: (804) 213-4620 (North of the James river) or (804) 213-4624 (South of the James river)

In some instances, in order to develop your site or operate your business, you may also need to apply for other permits from the Department of **Public Works** or you may also need to make service requests for connections from the City's Department of **Public Utilities** for such things as:

- Work-in-Street Permit (WISP)
- Encroachment Permit: **Administrative approval process - Encroachment Application**
- **Water Permit Application**
- **Gas Permit Application**

## **Step 6: Registering your Business**

**Sole Proprietor/Trade Name:** If you are a Sole Proprietor who is doing business under your name only, you are not required to file with the Circuit Court Clerk. However, if you are a business doing business under a name other than your own (Trade Name, T/A) you are required to register with the Richmond Circuit Court. Complete the **Certificate of Assumed or Fictitious Name** form and submit it to:

- Richmond Circuit Court Clerk's Office located within the John Marshall Courts Building at 400 North 9<sup>th</sup> Street. For more information or assistance, please contact the Circuit Court Clerk's Office at: (804) 646-6505



**Corporations, Limited or General Partnerships or Limited Liability Companies** must register with the Virginia State Corporation Commission (SCC) and the Department of Taxation (TAX) and, possibly, with the Virginia Employment Commission (VEC). Virginia publishes the **business registration guide** and the **Virginia guide to establishing a business** designed to assist new businesses operating in the State by providing information detailing the steps in registering with these agencies as well as including a brief description of other agencies that you may need to contact before opening a new business.

In addition, SCC Forms are available:

- At the SCC Office (1300 East Main Street).
- By calling (804) 371-9733.
- From the SCC web-site: [http://www.scc.virginia.gov/division/clk/fee\\_bus.htm](http://www.scc.virginia.gov/division/clk/fee_bus.htm)

## **Step 7: Obtain a Federal Employee Identification Number (EIN)**

A *Federal Employee Identification Number (EIN)* is required for most businesses; only sole proprietors with no employees or no Keogh plan are not required to have an EIN. To obtain an EIN, complete IRS Form SS-4, available from the U.S. Internal Revenue Service. The IRS Form SS-4 is available:

- At the local IRS Office (414 North 8<sup>th</sup> Street).
- By calling (800) 829-3676.
- From the IRS Web-site ([www.irs.ustreas.gov](http://www.irs.ustreas.gov)).

## **Step 8: Obtain a Virginia Sales Tax Number**

A Virginia Sales Tax Number is required for all businesses that intend to operate within Virginia. Businesses must register with the Virginia Department of Taxation (TAX) for all taxes that may apply to the operation of the business, including the sale of taxable goods. To register, complete a Combined Registration Application Form ([Form R-1](#)).

## **Step 9: Obtain a Business License**

Now you are almost ready to open your business in the City of Richmond. A [business license](#) must be obtained by all businesses operating in the City prior to beginning operation. A Department of [Finance](#) representative can assist you in registering your business and completing your [business license application](#). Please note that even independent contractors, self-employed individuals, businesses with no employees, and part-time businesses may also be subject to a license.

As a business operating in the City, you may be subject to various taxes, such as the Business Professional and Occupational License (BPOL) or the [business personal property tax](#), which requires the [business tangible personal property tax \(return form\)](#) to be submitted. The BPOL tax is generally based upon gross receipts, as seen on the [Business License](#) page, but may vary depending on the business classification. For example, a distributor might be both a wholesaler and a retailer so the business would be required to purchase a separate license for each business class. The City's Finance can assist in determining tax type(s) and amount(s) during the Business Application process. [A Business License can generally be issued immediately if:](#)

- 1) A Certificate of Zoning Compliance or Certificate of Occupancy and necessary operating permits, if applicable, have been obtained;
- 2) There are no outstanding delinquent real estate taxes;
- 3) Evidence of properly registered trade name, if applicable, is presented; and,
- 4) Taxes and fees are paid at the time of application.



**CONTACT:** If you have any questions about how to obtain a City business license, registering your business in the Commonwealth of Virginia (incorporation or trade name registration) or how to obtain a Federal I.D. number, check with a Department of [Finance representative](#), 900 East Broad Street, City Hall - Room 103 of City Hall.

**(804) 646-5700**

**LAST STEP: Open Your Business**

You're on your way! Good luck and may your business prosper!



***And remember, the Small Business Coordinators and other City of Richmond representatives are here to help you!***