

**CITY OF SHAKER HEIGHTS
DEPARTMENT OF BUILDING AND HOUSING**

**RULES AND REGULATIONS FOR BUSINESS LICENSES
(COMMERCIAL OCCUPANCY PERMITS)**

**ISSUED: JUNE 15, 2020
EFFECTIVE: JUNE 30, 2020**

These Rules and Regulations are promulgated pursuant to the authority of Section 1301.07 of the Building Code. That ordinance authorizes the Director of Building and Housing or the Commissioner of Building to promulgate such rules and regulations as they may determine are necessary to supplement or aid in the interpretation of the requirements of the Building Code, which regulations must be consistent herewith.

As required by Section 1301.07, these Rules and Regulations were publicly posted for two weeks.

Pursuant to Section 1301.07 C.O., these Rules and Regulations have the same force and effect as provisions of the Building Code.

The following Rules and Regulations for Business Licenses (AKA Commercial Occupancy Permits) in the City are established for the purpose of interpreting and clarifying the codified ordinance requirements for such licenses (permits).

1. The Shaker Heights Building Code provides that “No person, firm, corporation, or other entity shall commence a commercial or office use or occupancy of any structure or part thereof within the City of Shaker Heights unless a commercial occupancy permit has been issued by the Commissioner of Building.” Section 1317.01 Codified Ordinances (C.O.).
2. The Building Code also requires that “Every owner, agent, lessee or party in control of a commercial structure in the City shall apply for a biennial Commercial Occupancy Permit or an Exemption from the Permit requirement, no later than December 31 of the year immediately prior to the first year of each two-year Permit period.” Section 1317.02 (a) C.O. The Business License is a biennial requirement, and must be renewed every two years on even calendar years.
 - A. Each and every business must have a fully executed Business License (Commercial Occupancy Permit) before moving into a commercial building. This requirement is intended to apply to owners of structures as bearing the ultimate responsibility to ensure that every business occupying their structure has a Business License, as required in Section 1317.01. Application for the biennial Business License shall be made with the Commissioner of Building by the owner, agent, lessee or party in control, and prospective occupant, of the commercial structure. Tenants must work with the property owner to complete the application. Notwithstanding this, the City may enforce this ordinance against either the owner of the building and/or the tenant(s) operating a business in the structure or a portion thereof.
 - B. This Section prohibits any commercial or office use from occurring in a structure unless a Business License has been issued for each and every business within the structure. As stated in Section 1317.01, “no structure or part thereof” shall be occupied without a permit (business license). Thus, no commercial or office activities within a structure can start without a license having been issued for that particular business. As other parts of a structure are occupied by other businesses, each such tenant must obtain a license for their respective business.
 - D. The only exception to the requirement that each and every business must have a fully executed Business License (Commercial Occupancy Permit) is for true Co-Working Space.
 - (i) Co-Working Space is defined as space where:
 - (a) one business operation sub-leases spaces within the business space on varying terms ranging from daily, to weekly, to monthly, to annually;
 - (b) the co-working businesses have shared amenities and resources; and

- (c) the co-working businesses typically bring their tools and accessories to a fully finished and furnished space.
- (ii) One Business License may be obtained to cover an operator of a Co-Working Space and all of its Co-Working businesses, without separate licenses being needed for each business within a single Co-Working Space. If a Co-Working Space is located in a structure in which there are other businesses, including other Co-Working Spaces, then each such business, including each such Co-Working Space (but not each business within a Co-Working Space) must obtain a separate Occupancy License.
- (iii) Examples of Co-Working Spaces in the City are:
 - (a) the Dealership at 3558 Lee Road;
 - (b) the Salon Lofts at Shaker Towne Center; and
 - (c) the Salon Place at 3592 Lee Road.
- (iv) Co-Working Space does not include buildings such as the Van Aken Shopping Center Market Hall or Tower East Office Building, where there are typically annual leases and the individual office/retail spaces are individually custom fit out to meet the needs of, and furnished by, the tenant.

3. Fees for the Business License are:

- \$100 for a new license
- \$100 for a renewal before the expiration of the Business License
- \$125 for renewals after the date of expiration of the Business License

4. Inspection:

- A. Within fourteen (14) days of the receipt of an application for a business license, the Commissioner of Building shall inspect the portion of the premises to be occupied by the prospective occupant if the owner, agent, party in control or tenant, or other authorized person, grants consent to such inspection.
- B. Such inspection shall be for the purpose of determining compliance with the provisions of the Codified Ordinances of the City applicable to the construction, alteration, maintenance, repair, use or operation of commercial structures.
- C. This inspection shall not include the common areas of the commercial structure to be occupied by the prospective occupant with the other tenants, except where the Commissioner of Building has reasonable grounds to believe that a violation of the Codified Ordinances exists.
- D. Inspection of areas not open to the public in a commercial structure shall be carried out only pursuant to a search warrant obtained by the City, if the owner, agent or person in charge, or occupant of the premises, does not grant consent for such inspection.

5. Issuance of License (Permit):

- A. If, upon inspection of the commercial structure or portion thereof to be occupied by a business it is determined by the Commissioner that the structure or portion thereof is in compliance with the Codified Ordinances of the City, the Commissioner shall issue a business license for that particular business/occupant.
- B. If there are uncorrected violations in the structure or portion thereof, the Commissioner may issue a temporary license (or “qualified commercial occupancy permit”) conditioned on the submission of a compliance plan specifying a time period for correction of such violations, to include work required to close out any open building permits for the subject structure/portion to be occupied by the applicant.

