



In order to assist businesses in the city of Phoenix, the following advisory tips have been developed to help guide you in what the city has to offer and who you should contact for additional information.

➤ **RESEARCH**

All businesses, regardless of size, should always perform basic research or due diligence. In Phoenix, two distinct handouts are available to guide and direct you to various city, county, state and federal resources.

- ❖ Getting Your Business Started in Phoenix: If you are a newly created business or are relocating to Phoenix, you should obtain a copy of the “[Business Due Diligence](#),” which will help guide you through Phoenix requirements. Additional information may be obtained from the Phoenix Business Customer Service Center by either visiting the website at phoenix.gov/bcsc or by calling 602-534-2000.
- ❖ Business Expansion or Development: If you are already a business in Phoenix, relocating to a new site or need to expand your current facility, use the “[Development Due Diligence](#),” which provides a listing of important development issues within the city that can help you. For additional information regarding economic development programs that may be available to you, contact the Community and Economic Development Department at 602-262-5040. For development-related information, contact the Development Services Department at 602-262-7811.

In addition to performing necessary due diligence, businesses also may wish to consider the following issues and resources as part of their business or development project.

➤ **BUSINESS PLANNING**

Developing a business plan is very important. The following resources are available if you need assistance in this area:

- ❖ For start-up businesses, call the Maricopa Community Colleges Small Business Development Center at 480-784-0590. This agency offers a two-hour workshop called "How to Start a Successful Business" at various locations throughout the Valley. Visit their web site at: www.dist.maricopa.edu/mccdsbdc. After you attend the class, you can work with their experienced business counselors one-on-one at no cost.
- ❖ For existing businesses, the Management Technical Assistance (MTA) program (phoenix.gov/ECONDEV/mta.html) can assist businesses with developing a business plan. For more information, call the Community and Economic Development Department at 602-262-5040.

➤ REGULATORY PROCESSING

➤ License Requirements

The City of Phoenix has two distinct licensing requirements for businesses, privilege (sales) and/or use tax and regulatory licensing. A business license (commonly called the privilege or sales tax license) is required in the city of Phoenix for businesses such as, but not limited to the following:

- [retail sales](#)
- [owners of commercial rental property](#)
- [street/sidewalk vendors](#)
- [owners or managers of residential dwellings properties](#)
- [storage or use of tangible personal property](#) within the City
- [Other business activities](#)

If your business is not subject to the privilege (sales) and/or use tax license, no business license is required. If you have a retail sales location outside of Phoenix and sell to Phoenix customers from that location, you are not required to obtain a Phoenix business license. For complete information, see the [Phoenix Tax Code](#) or call (602) 262-6785, Press 4, 1 or TTY (602) 534-5500 to find out if you need to be licensed.

[Regulatory licensing](#) is only required for targeted business types. This may include the selling of liquor, mobile and street vending, escorts, sexually oriented businesses, massage establishments, and amusement related businesses. To request a form or if you have questions, call (602) 262-6785, Press 5 or (602) 262-4638, TTY (602) 534-5500

➤ DEVELOPMENT PROCESSING

Unless specifically instructed by city staff, assume you will need to process plans via the city Development Process. For your convenience, a web site has been created to provide additional information for customers at phoenix.gov/DEVPRO.

➤ Zoning

Property zoning should always be confirmed by the business owner to ensure the intended use of the property is allowed within the designated zoning district and to obtain development standards associated with the zoning district. We recommend contacting the Planning Department (Zoning Section) and obtaining a zoning verification letter phoenix.gov/PLANNING/zonverif.html. Such a letter will state, in writing, the zoning of the property and if the intended use of the property is allowed. Contact the Planning Department at 602-262-7131 for further information. A fee will be required with your request.

➤ Building Occupancy

The city building code categorizes building uses or character into occupancy groups. These occupancy groups determine how the building can be used and what building code requirements apply when modifying an existing building. Building occupancy is pre-determined by the previous user of existing buildings or when originally constructed. Changes to this occupancy may require additional building code reviews, which can add

time and cost to a project. An architect or engineer should confirm the occupancy to ensure the project meets current building codes and ordinances. Additional information pertaining to allowable occupancies can be found in Chapter 3 of the 2003 International Building Code. For additional information, contact the Development Services Department at 602-262-7811.

➤ **Non-Residential Development**

All non-residential uses that need to submit plans for city review and approval will be required to have plans drawn by a registered architect or civil engineer. Customers are advised to contact the Registrar of Contractors at 602-542-1502, the Arizona Institute of Architects (AIA), or look in the business pages to obtain an acceptable professional. We recommend customers ask their potential registered professional if they are familiar with the city of Phoenix development process, the number of projects and how recently they worked with the city.

In most cases, once you have submitted plans to the city, a development process team and team leader within the Development Services Department will be assigned to your project. This team will work with you until you have your building permit. If you have questions regarding this process, call the Development Services Department at 602-262-7811.

➤ **LEASE NEGOTIATIONS**

During lease negotiations, we recommend business owners make any lease contingent upon receiving necessary city approvals. This is especially important when the site and surrounding property does not have existing water, sewer and/or street improvements. Normally, the city requires the developer to install such improvements. As a lessee, this could add a significant cost to a project and make the property unfeasible for development for the intended business.

➤ **BUDGET**

We also strongly recommend developing a comprehensive development budget in addition to the operating budget for your business. Often times, businesses fail to factor city development cost into their loan package. Information that can assist you with these costs can be found on the Development Process Guide Web site under "Fees" at phoenix.gov/DEVPRO.

This document highlights the most common issues facing a new business. The information in this document includes, but is not limited to, various city, county, state and governmental contacts that may have programs or be able to assist you with your business issues. As each business is different, so are individual business needs. While every effort has been made to ensure this information is correct, the City of Phoenix can not guarantee this information is inclusive, current, and assumes no liability for problems that may arise from the use of this information. You are encouraged to obtain professional assistance if you have questions about setting up or modifying your business.

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Business Customer Service Center

200 W. Washington St., 1st Floor, Phoenix, AZ ■ Phone: 602-534-2000 ■ Fax: 602-534-2001
■ Web: phoenix.gov/bcsc ■ E-mail: bcsc@phoenix.gov