

Ask the Experts

Professional guidance and information is provided by industry experts.

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Q “I want to remodel my restaurant. Do I need any state or local permits?”

A Yes, you will be required to meet all local ordinances and may need prior approval of the Michigan Liquor Control Commission (MLCC).

New restaurateurs are usually engulfed in state and local approval processes when they open. There are many moving parts that must come together before you can open the doors for your first customers. If you decide to remodel or update your establishment, there are certain requirements that you must meet as well.

Escrow Liquor License

The MLCC Code requires all licensees to place their liquor license in escrow with the MLCC if the establishment is not in “active operation” (see, MCL. R. 436.1107 (1)). The general rule is if you are closed for 30 days or more the license is placed in escrow. You must



file a “Notice of License in Escrow.” This form is found on the MLCC website. When the remodel is complete you must request that the liquor license be released from escrow. Allow at least 21 days for this request to be processed by the MLCC.

Depending on what changes have been made, the MLCC may require a final inspection before

you can reopen.

Compliance With All Regulations

The MLCC requires licensees to comply with state and local building, plumbing, zoning, sanitation, and health laws, as well as all ordinances determined by the state and local law enforcement officials who have jurisdiction over the licensee. See MCL. R. 436.1003(3). When you are in the process of redesigning your restaurant, you may need to obtain building permits, for example. Failure to do so may result in a violation of the local ordinance, which in turn, can be a violation of the Liquor Code.

Adding or Dropping Space

If you are adding space to your restaurant, prior approval from the MLCC is needed, in addition to any local ordinance requirements. See MCL. R. 436.1023(2)(b). A request to “Add Space” must be made by completing and filing LC Form 3011 with the MLCC. Often, there will be other permits needed when adding space, such as an Additional Bar Permit, or an Outdoor Service Area Permit. There will be fees associated with the application. The request will be assigned to an MLCC Investigator to examine the request. You should allow at least 90 to 120 days for the MLCC to process this request. You will need to submit a floor plan and a lease, or other property document covering the space. The MLCC approval may require a final inspection to determine that the renovations are complete, that seating capacity is posted, and that the requirements of the MLCC have been met.

If you drop space from your establishment, this too requires prior approval of the MLCC. The best course of action when you make any changes to your restaurant is to consult a professional before investing your hard-earned money.