Steps to Starting a Restaurant

CITY OF CAMBRIDGE

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Community Development Department
Economic Development Division
www.cambridgema.gov/business

Steps to Starting a Restaurant

Introduction

A word from Robert W. Healy, Cambridge City Manager

The City of Cambridge is dedicated to maintaining its competitiveness and desirability as the place to live, work, and do business. Cambridge's continual growth and development depend, in part, upon the quality and timeliness of the information and services delivered by the City. This pamphlet has been prepared to assist residents, businesses, and developers in moving through the City's regulatory processes as easily as possible, by removing unnecessary confusion, delays, and costs. This pamphlet is one in a series, and is part of the City's ongoing effort to sustain livable neighborhoods and a positive business climate.

Robert W. Healy,
City Manager

This document explains the steps involved in starting a business in the City of Cambridge. It is meant to provide a general overview of the process and regulatory requirements; individual businesses must determine which specific regulatory requirements apply to them. Please read this entire brochure to better understand the different federal, state, and local regulatory requirements in opening a new business.

What is the first step in starting a restaurant?

Define your business!

There are several critical elements to consider in starting a restaurant. The potential business owner should have researched the industry, developed a sound business plan, acquired the necessary capital, and considered the need for staff and equipment. An accountant, banker, lawyer, and insurance agent should be consulted for financial, legal, and other professional advice. Additionally, homeowner's insurance and automobile insurance may require adjustments to reflect business uses. Please note: Within the City's Community Development Department (CDD), there is an Economic Development Division with professional staff available to assist start-up and existing businesses. Contact information or websites for all City departments and Federal and State agencies mentioned in this document are included next to the department name.

Next Step? Choose your location!

What must be considered in identifying a business site?

The City's Zoning Ordinance governs land and building uses in Cambridge. Depending on the particular zoning district in which the restaurant location is proposed, the use may be:

> (1) permitted as of right, which requires no zoning relief;
> (2) permitted with the grant of a Special Permit by the Planning Board (PB) or Board of Zoning Appeal (BZA) after demonstrating that certain specified conditions can be met; or
> (3) not allowed by the Zoning Ordinance. Where use is not allowed by zoning, a variance from the provisions of the Ordinance may be sought by petitioning the BZA for relief. (It should be noted, however, that there is no certainty that a variance will be granted.)

Restaurant owners seeking to rent, purchase, or renovate an existing commercial space or build a new building should contact the Inspectional Services Department (ISD) or the CDD early in their site selection process in order to determine whether their proposed business can be located as of right. If it is necessary to apply for a special permit or seek a variance, the prospective business owner should initiate the application at the earliest possible time, as the process can take three to five months. For this reason, locating the business in a non-residential zoning district as of right is preferable. Further information on the City's Zoning Ordinance can be obtained by contacting CDD or ISD or visit the Zoning Guide website at
http://www2.cambridgema.gov/cdd/cp/zng/zguide/index.html

Information that the Zoning Specialist will need to know in making a determination if your business is allowed to operate at a specific site includes:

- Address of proposed location;
- Proposed number of seats;
- Number of off-street parking spaces solely for the restaurant's use;

- Details about business operation, including hours, type of food, type of seating, customer interaction (e.g. takeout packaging, provision of non-disposable tableware; provision of menus) and breakdown of projected revenue from alcohol and food sales consumed on premises and off premises.

Next Step? Identify the appropriate permits!

What local regulations must be considered or met?

Various Cambridge city departments issue different types of licenses and permits. The list below is not all encompassing; it contains only those licenses and permits appropriate to new and existing restaurants. Please note that permits may have a flat application fee or may have a variable fee based on the type, size and scope of your business. Most departments have permit information and office hours on their website and may allow permits to be completed on-line. Be sure to check the department's website for available information.

Please contact each department if you have additional questions or need further assistance regarding the permit. Three questions to ask when contacting the respective office or department are:

1. **What are your business hours?** Due to each department's unique scope of work, the business hours or office hours of individual staff may vary.
2. **What is the timeline for the permitting process?** Due to staff availability or statutory requirements, the application review process may happen within minutes or may require several months. Each permit is different so don't be caught off guard. Ask about the timeline when the respective permit impacts your ability to conduct business.
3. **What documentation is required in addition to the application?** Some permit applications require further documentation beyond the completion of provided forms. Ask about the required or suggested format in which additional information should be submitted to keep the review process running smoothly.

Assessing Department - http://www.cambridgema.gov/assess.aspx

795 Massachusetts Avenue, Cambridge City Hall, Phone 617/ 349-4343; TTY 617/ 349-4242

- **Form of List** – all eligible registered businesses subject to taxation in Cambridge must file a Form of List notifying the Assessing Department of personal property.

City Clerk's Office - http://www.cambridgema.gov/cityclrk.aspx

795 Massachusetts Avenue, Cambridge City Hall; Phone 617/ 349-4260; TTY 617/ 349-4242

- **Business Certificate** - for the establishment of any business in a name other than the owner's. (Fee: $50.00)

- **Petition to City Council for Use of Public Sidewalk** – to place A-frame and sandwich board signs, street or café furniture in the public sidewalk. This permit is issued by the Public Works Department, but the process is initiated with the City Clerk's Office.
- **Projecting Sign/Banner Permit** - to place signs or hang banners if either the sign or banner projects more than six inches over the public sidewalk or way. This permit is issued by the Inspectional Services Department, but the process is initiated with the City Clerk's Office.

Community Development Department - http://www2.cambridgema.gov/cdd/

344 Broadway, City Hall Annex; Phone 617/ 349-4600; TTY 617/ 492-4621

- **Development Consultation** - allows for the City's professional staff to review and comment on real estate development proposals.
- **Sign Certification Form** – to certify that all proposed signage complies with the City's Zoning Ordinance or determination that the proposal does not constitute a sign. Required as part of ISD's building permit process and the City Clerk's projecting sign/banner permit process.

Emergency Communications Department - http://www.cambridgema.gov/ec1.aspx

489 Broadway; Phone 617/ 349-6911; TTY 617/ 499-9924

- **Emergency Contact Information** – businesses may register their nighttime or weekend emergency contact information with the City's 911 Center.

Fire Department - http://www2.cambridgema.gov/cfd/

491 Broadway; Phone 617/ 349-4918; TTY 617/ 499-9924/9932

- **Fire Protection Permits** - for any work related to the installation, modification or removal of sprinkler, ventilation hood suppression and/or fire alarm system. (Fee is $50.00 per permit)
- **Commercial Kitchen Ventilation Hood Cleaning Requirements**
- **Occupant Load and Emergency Contact Information Posting Requirements**

Inspectional Services Department (ISD) - http://www.cambridgema.gov/inspection.aspx

831 Massachusetts Avenue; Phone 617/ 349-6100; TTY 617/ 349-6112

Business-Related Permits/Licenses – visit the ISD's website to view Fee Schedule for the respective permits that may apply to your business.

- **Bakery (Retail & Wholesale)**
- **Catering Establishment**
- **Commercial Food Processing Establishment**
- **Commissary**
- **Dumpster Permit**
- **Food Establishment (Alcohol or Non-Alcohol)**
- **Food Warehouse & Distributor**
- **Manufacture of Frozen Desserts and/or Ice Cream Mix Permit**

- **Manufacturing or Bottling of Beverage**
- **Milk Permit**
- **Mobile Food Server**
- **Package Store**
- **Retail Food Store**
- **Retail Food Store & Package Store**
- **Tobacco Sales Permit**
- **Vending Machines**

Building-Related Permits – visit the ISD's website to view Fee Schedule for the respective permits that may apply to your business.

- **Building Permit** - to construct, alter, repair, or demolish a structure.
- **Certificate of Inspection** - to certify that buildings used for purposes of assembly, lodging, and institutional care meet minimum requirements to safeguard the public. A new certificate is required to increase seating capacity in establishments such as restaurants and theaters.
- **Certificate of Occupancy** - to certify that a structure is constructed or altered in accordance with the State Building Code and the City's Zoning Ordinance. Required as part of the building permit process or when there is a change in use of the business establishment.
- **Signs and Banners Permit** - a sign permit is required for the installation, modification, or repair of all signs and banners in Cambridge, including awnings and canopies.
- **Other Building-Related Permits** - ISD issues permits to licensed persons for work related to gas, mechanical equipment, plumbing, and wiring.

License Commission - http://www.cambridgema.gov/license.aspx

831 Massachusetts Avenue; Phone 617/ 349-6140; TTY 617/ 349-6112
Visit the License Commission's website to view Fee Schedule for the respective licenses and permits that may apply to your business.

- **Alcoholic Beverage License** - allows an establishment to serve liquor, i.e. restaurant or club.
- **Common Victualer License** - allows food and non-alcoholic beverages to be sold, served, and consumed on premises.
- **Entertainment License** - to provide automatic amusement machines, automatic music machines, dancing, comedy, and other performances at a business establishment. The License Commission should be contacted directly for a detailed list of entertainment and entertainment devices requiring this license.
- **Lodging House License** - to run a lodging house where four or more unrelated persons share a kitchen or a bathroom.
- **Open Air Parking License** - to operate an open-air parking lot that charges a fee.
- **Package Goods Store License** - to sell alcoholic beverages not to be consumed on premises.

Public Works Department - http://www.cambridgema.gov/theworks.aspx

147 Hampshire Street; Phone 617/ 349-4800; TTY 617/ 349-4805

- **Sidewalk Obstruction for Business Use Permit** - required for sign installation, facade renovations, exterior demolition, sandwich board or A-frame signs, flower planters, or street furniture. This permit is issued by the Public Works Department, but the process is initiated with the City Clerk's Office. (Fee: $75.00 w/ proof of insurance)

Traffic, Parking and Transportation - http://www2.cambridgema.gov/Traffic/

344 Broadway, City Hall Annex; Phone 617/ 349-4700; TTY 617/ 492-4621

- **Inter-Departmental Parking Facility Registration Form** - to establish or change the amount of off-street parking used for business, i.e. for customers and employees.
- **Valet Parking Permit** – to operate valet parking services from a public way.
- **Loading Zone Designation** – to request a loading zone on a public way.
- **Temporary Street Obstruction (i.e. Moving Van or Tool Truck) Permit –** required for temporary street obstruction for moving vans, contractor's tool trucks, dumpsters, etc. on a public way. There is an additional fee if the street permit includes metered spaces. Dumpster permit must start with ISD.

Water Department - http://www2.cambridgema.gov/CWD/

250 Fresh Pond Parkway; Phone 617/ 349-4770; TTY 617/ 492-0235

- **Cross Connection Permit** - applies to new and existing construction projects to protect the public drinking water supply from pollutants and contaminants.
- **Water Works Construction Permit** – All water works construction on public and private property, including new water lines, demolition sign-offs, repairs and fire protection line service with fire pump and fire flow testing.

What federal requirements must be considered or met?

- **Internal Revenue Service -** http://www.irs.ustreas.gov/businesses/index.html
  A business must have a taxpayer identification number so that the IRS can process its tax returns. There are two kinds of taxpayer identification numbers: a Social Security Number (SSN) and an Employer Identification Number (EIN). All corporations and partnerships must obtain a federal EIN by completing the IRS Form SS-4. Additionally, regardless of the form of ownership, any new business that has employees, has a Keogh plan or files employment, excise information or alcohol, tobacco or firearms returns must obtain an EIN. The application must be filed with the IRS early enough to receive the EIN by the time a return or statement is filed or a tax deposit is made. A business can apply by telephone to get an EIN immediately. If applying by mail, file Form SS-4 at least 4 to 5 weeks before an EIN is needed. For additional information on business-specific taxes and payment schedules, the IRS should be contacted directly.

- **Americans with Disabilities Act (ADA)** – www.ada.gov
  The ADA is a Federal civil rights law that prohibits discrimination against people with disabilities in everyday activities, such as buying an item at the store, going to the movies, enjoying a meal at a local restaurant, exercising at the health club, or having a

car serviced at a local garage. To meet the goals of the ADA, the law established requirements for businesses of all sizes. These requirements went into effect on January 26, 1992. Businesses that serve the public must modify policies and practices that discriminate against people with disabilities; comply with accessible design standards when constructing or altering facilities; remove barriers in existing facilities where readily achievable; and provide auxiliary aids and services when needed to ensure effective communication with people who have hearing, vision, or speech impairments. All businesses, even those that do not serve the public, must comply with accessible design standards when constructing or altering facilities. For more information, visit www.ada.gov, or contact the City's Commission for Persons with Disabilities at www.cambridgema.gov/DHSP2/disabilities.cfm or 51 Inman Street, 2nd Floor; Phone 617/ 349-4692; TTY 617/ 492-0235.

- **U.S. Department of Commerce -** Patent and Trademark Office - http://www.uspto.gov/
  Trademark and patent registration are done through the Department of Commerce. A trademark, which can be a word, name, symbol, or logo, is used to identify a particular good or service and to differentiate it from those sold by other people. Trademarks can be registered at both the federal and state level. Patent registration allows exclusive right to make, sell, or use an invention, which is new and useful.

- **Library of Congress -** Copyright Office – Register - http://www.copyright.gov/
  Copyrights lend protection for one's creative work. Literary works, computer programs, and sound recordings are examples of work that can be protected by copyright from unauthorized copying, distribution, performance and display. The protection extends to unauthorized creation of translations and other derivative works. Federal law does not require the formalities of notice or registration to establish copyrights; however, it is still advisable to apply a copyright notice (©) and to register a copyright for each piece of work.

What state requirements must be considered or met?

- **Massachusetts Executive Office of Labor and Workforce Development** - http://www.detma.org/
  File an Employer's Status Report (Form 1110) with the Massachusetts Executive Office of Labor and Workforce Development (EOLWD) if one or more persons are employed for 13 weeks or more in one calendar year, or the employee payroll totals $1,500 or more within one calendar quarter. This information is used by EOLWD to administer the State's unemployment insurance program.

- **Massachusetts Department of Revenue -** http://www.dor.state.ma.us/
  Register to collect "trustee taxes" by filing a Massachusetts Trustee Tax Application for Original Registration (Form TA-1) with the Massachusetts Department of Revenue. Trustee taxes include payroll tax, sales tax, room occupancy excise tax, and withholdings for pension plans, annuities, and retirement distribution. Those collecting a sales or use tax will receive a Sales and Use Tax Registration Certificate (Form ST-1) to be displayed at a conspicuous location on the business premises. The Department of Revenue advises on the various tax forms required and how to file them. Contact the Department's Customer Service Bureau by phone or by visiting the office.

- **Secretary of the Commonwealth's Corporations Division -** http://www.sec.state.ma.us/index.htm
  Different forms of business ownership require different types of state authorization. A corporation is required to file Articles of Organization with the Secretary of the Commonwealth's Corporation Division. The Secretary of the Commonwealth also issues Certificates of Limited Partnership or Limited Liability Company.

- **Massachusetts Department of Industrial Accidents -** http://www.mass.gov/dia/
  In accordance with the State's Worker's Compensation Law, if a business has one or more part-time or full-time employees, obtain Worker's Compensation Insurance from any casualty insurance company.

- **Massachusetts Architectural Access Board –** www.mass.gov/aab
  The Massachusetts Architectural Access Board (AAB) is a state agency, which has developed regulations designed to make public buildings accessible to, functional for, and safe for use by persons with disabilities. The AAB's regulations, available on its website, www.mass.gov/aab, are incorporated in the Massachusetts building code as a "specialized code", making them enforceable by all local and state building inspectors, as well as by the AAB itself. These regulations are designed to provide full and free use of buildings and facilities so that persons with disabilities may have the education, employment, living and recreational opportunities necessary to be as self-sufficient as possible and to assume full responsibilities as citizens. For more information and technical assistance contact the City's Commission for Persons with Disabilities at www.cambridgema.gov/DHSP2/disabilities.cfm.

- **Massachusetts Division of Professional Licensure Boards -** http://www.mass.gov/reg/boards
  There are many occupations and services, which require a license, or an examination/approval from the appropriate state agency. A partial list of these occupations and services, along with contact numbers, is provided at the back of this brochure. For a complete listing, visit the Commonwealth of Massachusetts web site.

- **Alcohol Beverage Control Commission -** http://www.state.ma.us/abcc/index.htm
  Department of Environmental Protection - http://www.state.ma.us/dep/
  Other industry specific requirements: The Alcoholic Beverage Control Commission licenses and regulates manufacturers, distillers, wholesalers, importers, agent brokers, solicitors, and liquor transportation companies. If smoke or air pollution is a component of the new business, an Air Pollution Permit may be required from the Department of Environmental Protection, Division of Air Quality Control.

Contact all City Departments at the City's website at: http://www.cambridgema.gov.

City

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City Council
Henrietta Davis, Mayor
Councillor Denise Simmons, *Vice Mayor*
Councillor Leland Cheung
Councillor Marjorie C. Decker
Councillor Craig E. Kelley
Councillor David P. Maher
Councillor Kenneth E. Reeves
Councillor Timothy J. Toomey, Jr.
Councillor Minka vanBeuzekom

City Council
City Hall, 2nd Floor
795 Massachusetts Avenue
Cambridge, MA 02139
Phone: 617-349-4280/ TTY/TDD: 617-349-4242
FAX: 617-349-4287

Other permit brochure titles currently available include:

- Step-by-Step Guide to Starting a Business in Cambridge
- Step-by-Step Guide to Building Permits
- Step-by-Step Guide to Curb Cuts
- Step-by-Step Guide to Fire Safety
- Step-by-Step Guide to Obtaining Permits and Licenses Required to Hold a Special Event
- Step-by-Step Guide to Obtaining Historical Commission Certificates and Neighborhood Conservation District Commission Certificates

To download these titles, please visit the Step-by-Step Guide publication website at http://www2.cambridgema.gov/cdd/ed/resources/index.html#pub or by calling the Community Development Department at (617) 349-4600.

For More Information

For more resources, guides, events and data please check out the City of Cambridge Economic Development Division website at www.cambridgema.gov/business. Contact the Division at 617-349-4637.

The City of Cambridge does not discriminate on the basis of disability. The City will provide auxiliary aids and services, written materials in alternative formats, and reasonable modifications in policies and procedures to persons with disabilities upon request.

The information contained in this document may not be complete or fully up to date and is subject to change. To confirm information regarding this permitting process, contact the appropriate City of Cambridge Department. This document may be used strictly for informational purposes. All other uses require the written permission of the City of Cambridge.