



THE CITY OF SAN DIEGO

## OFFICE OF SMALL BUSINESS

# 10 Key Steps to Starting a Business

(For Businesses within San Diego City Limits)

There are several key steps to starting a business in the City of San Diego. The steps may vary according to the type of business you intend to start, but the following 10 steps will give you a general idea.

**Note:** Many of the following steps can be researched and accomplished by first visiting the respective web sites listed, rather than calling or visiting agency offices.

For those business start-ups that do not have access to the Internet, you may visit any of the City's Community Service Centers or Public Libraries and get online.

### **1. Get Basic Information**

The City of San Diego's Main Library provides significant resource materials, including information on market research, trademark and service marks, how-to books on a variety of businesses and industries, etc. The Central Library also offers workshops on patent, trademark and copyright issues. For more information, contact:

**City of San Diego Public Library**  
820 E Street, San Diego, CA 92101  
(619) 236-5800 website: [www.sandiego.gov/public-library/](http://www.sandiego.gov/public-library/)

The U.S. Small Business Administration has a Business Resource Center which provides a one-stop location for free access to a variety of information, education and training designed to help entrepreneurs start, operate and grow their business. In addition, there is on-site free counseling provided by the Service Corps of Retired Executives (SCORE). For more information contact:

**U.S. Small Business Administration**  
550 West "C" Street, Suite 550, San Diego, CA 92101  
(619) 557-7272 website: [www.sba.gov/regions/states/ca/sandiego](http://www.sba.gov/regions/states/ca/sandiego)

The City of San Diego's Office of Small Business acts as an information clearinghouse for City programs and those of other agencies in the area. The information can be requested via e-mail or telephone or can be accessed on-line or by visiting the office.

**City of San Diego, Office of Small Business**  
1200 Third Avenue, Suite 1400, San Diego, CA 92101  
(619) 236-6700 e-mail: [sdbusiness@sandiego.gov](mailto:sdbusiness@sandiego.gov)  
website: [www.sandiego.gov/economic-development/business-assistance/small-business/](http://www.sandiego.gov/economic-development/business-assistance/small-business/)

## **2. Create a Business Plan**

A business plan is like a roadmap; it shows you where you are in relation to where you want to be. Whether you believe in a business plan or not, starting a business involves many ideas that need to be documented and actions that need to be taken. Many businesses fail without a business plan, and furthermore, banks require one prior to being considered for a loan. Contact:

**U.S Small Business Administration, Service Corps of Retired Executives**

550 West C Street, Suite 550, San Diego, CA 92101

(619) 557-7272 website: [www.sba.gov/regions/states/ca/sandiego](http://www.sba.gov/regions/states/ca/sandiego)

## **3. Determine a Business Name**

The name you choose for your business is very important. If the name you choose is your own legal surname and a one-word description (such as John Smith Roofing) then you are not required to register a fictitious business name. If you choose a business name that does not meet these parameters (such as JS Expert Roofing) and your business is not registered with the state then state law requires you to file a *fictitious business name statement* with the County of San Diego. Please note that this statement does not protect the business name.

**County of San Diego, Assessor/Recorder/County Clerk's Office**

1600 Pacific Highway, Room 260, San Diego, CA 92101

(619) 237-0502 website: [http://arcc.co.san-diego.ca.us/arcc/services/fbn\\_info.aspx](http://arcc.co.san-diego.ca.us/arcc/services/fbn_info.aspx)

## **4. Determine the Legal Structure of the Business**

Several legal structures exist in the state of California. Your choice of legal structure will affect your income taxes and personal liability. Most businesses start as a **Sole Proprietorship** or a **General Partnership** and are generally the least complicated. **Limited Partnerships, Limited Liability Partnerships, Corporations** and **Limited Liability Companies** must register with the Secretary of State. You are strongly advised to contact your own accountant or attorney for advice and assistance in determining the best legal structure for you and your business.

**California Business Portal**

(916) 324-6769 website: [www.ss.ca.gov/business/business.htm](http://www.ss.ca.gov/business/business.htm)

**IRS'S Technical Services Division**

(800) 829-1040 website: [www.irs.treas.gov](http://www.irs.treas.gov)

## **5. Determine the Business Activity Type**

There is a classification system for business activity types in San Diego, which identifies a business activity and determines many of the start-up requirements and where the business can be located. Determine the general business activity type from the list below. The same list is also provided with the Business Tax Certificate application.

Agriculture (11)

Mining (21)

Utilities (22)

Construction (23)

Manufacturing (31-33)

Wholesale (42)

Retail (44-45)

Transportation and Warehousing (48-49)

Information Services (51)

Finance and Insurance (52)

Real Estate/Rental/Leasing (53)

Professional/Scientific/Technical (54)

Management Services (55)

Administrative Support (56)

Educational Services (61)

Health Care/Social Assistance (62)

Arts/Entertainment/Recreation (71)

Accommodation/Foodservices (72)

Other Services (81)

Public Administration (92)

For more information on business activity type contact:

**City Treasurer's Office**

1200 Third Ave., First Floor, San Diego, CA 92101

(619) 615-1500 website: [www.sandiego.gov/treasurer/index.shtml#btax](http://www.sandiego.gov/treasurer/index.shtml#btax)

**6. Select a Site and Determine Zoning and Site Permit Requirements**

Determining zoning requirements prior to signing a lease or contract is imperative. You must check with the City to see if the type of business you plan to operate is legal in the desired location. You can usually receive same day information on the status of your location if you have the proposed business address and a description of the business when you contact:

**City's Development Services Department**

1222 First Avenue, Third Floor, San Diego, CA 92101

website: [www.sandiego.gov/development-services/smallbus/](http://www.sandiego.gov/development-services/smallbus/)

**Zoning** - (619) 446-5000

**Permits** - (619) 533-3089

If operating from home, you must follow the requirements for Home Occupations. You can obtain this information by contacting:

**Neighborhood Code Compliance**

(619) 236-5500 website: [www.sandiego.gov/nccd/zoning/home.shtml](http://www.sandiego.gov/nccd/zoning/home.shtml)

**7. Obtain Any Special Licenses and Permits**

The business activity type chosen determines the **licenses and permits** needed to operate a business legally. Some of the key contacts are listed below.

The CalGOLD database provides detailed information on the business permit, license and registration requirements from all levels of government. The information includes a description of the requirement, the name, address, and telephone number of the agency, and frequently, a direct link to that agency's Internet web pages. The information identified is specific to the type of business and its location in California.

**CalGOLD**

(916) 322-7394 website: [www.calgold.ca.gov](http://www.calgold.ca.gov)

For a list of more than 200 regulated Occupations and Professional Services, contact:

**State Department of Consumer Affairs**

(800) 952-5210 website: [www.dca.ca.gov](http://www.dca.ca.gov)

For the list of **Police Regulated Business** within the City of San Diego, contact:

**San Diego Police Licensing Division**

(619) 531-2250

Businesses selling tangible personal property in the state of California must apply for **Seller's Permit/Resale Number**

**State Board of Equalization**

1350 Front Street, Room 5047, San Diego, CA 92101

(619) 525-4526 website: [www.boe.ca.gov](http://www.boe.ca.gov)

Businesses engaged in selling goods by weight or volume must register the devices with the County Agriculture, Weights and Measures Office. Permits must usually be obtained by: import/export businesses, agricultural-related production, and businesses using pesticides.

**County - Agricultural, Weights and Measures Department**

5555 Overland Ave., Bldg 3  
San Diego, CA 92122-1295  
(858) 694-2739      [www.sdcawm.org](http://www.sdcawm.org)

Business engaged in: selling or handling food products, operating a pool or spa, handling hazardous materials, underground storage tanks, medical wastes, x-ray equipment, or waste handling must contact the Department of Environmental Health at the County.

**County - Environmental Health**

1255 Imperial Ave., Third Floor  
San Diego, CA 92101  
Tel: (619) 338-2222, Fax: (619) 338-2377  
[www.sdcdeh.org](http://www.sdcdeh.org)

Other permits and licenses may also be required.

**8. Get Tax Information**

Several types of taxes may be levied on businesses including income tax, employment tax and the City's Business Tax. For City tax information contact:

**City Treasurer's Office**

(619) 615-1500      website: [www.sandiego.gov](http://www.sandiego.gov)

For state taxes visit the California Tax Information Center that is sponsored by California's tax agencies (Board of Equalization, Employment Development Department, and Franchise Tax Board) and the IRS.

**California Tax Information Center**      website: [www.taxes.ca.gov/](http://www.taxes.ca.gov/)

For a copy of "Striking Gold in California", which outlines state taxes for businesses, contact:

**State Board of Equalization** (800) 400-7115      website: [www.taxes.ca.gov/doingbus.html](http://www.taxes.ca.gov/doingbus.html)

For federal tax information and a copy of the "Small Business Resource Guide" an invaluable tool to help business owners understand the basics contact:

**Internal Revenue Service** (800) 829-1040      website: [www.irs.treas.gov](http://www.irs.treas.gov)

**9. Employer Responsibilities**

A whole new set of responsibilities arises when a business hires employees. Employers must register as an employer and obtain a federal Employer Identification Number (EIN), pay additional taxes, withhold, match and submit employee withholdings, must obtain worker's compensation insurance and adhere to employee eligibility regulations.

The EIN, also known as a Federal Tax Identification Number, is a nine-digit number that the IRS assigns to business entities. The IRS uses this number to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, non-profit organizations, trusts and estates, government agencies, certain individuals and other business entities. Federal Employer ID numbers can be obtained by completing form SS-4 on-line or calling:

### **Internal Revenue Service**

(800) 829-4933 website: [www.irs.gov/businesses/small/article/0,,id=102767,00.html](http://www.irs.gov/businesses/small/article/0,,id=102767,00.html)

Get information on state requirements, taxes and services for employers by contacting:

**Employment Development Department:** website: [www.edd.ca.gov/employer.htm](http://www.edd.ca.gov/employer.htm)

### **10. Apply for a Business Tax Certificate (License)**

Anyone doing business in the City of San Diego for more than six days in one calendar year must have a business tax certificate. Home-based businesses, self employed persons and independent contractors are also required to have a business tax certificate. The applications can be obtained and filed at the following locations or downloaded from the City's website:

#### **City Treasurer's Office, Business Tax Division**

1200 Third Ave., First floor, San Diego, CA 92101

(619) 615-1500 website: [www.sandiego.gov/treasurer/index.shtml#btax](http://www.sandiego.gov/treasurer/index.shtml#btax)

### **City of San Diego Community Service Centers**

<b>Clairemont</b> 4731 Clairemont Drive.....	(858) 581-4111
<b>Navajo</b> 7381 Jackson Drive.....	(619) 668-2700
<b>Peninsula</b> 3740 Sports Arena Blvd., Suite 2.....	(619) 692-4970
<b>Rancho Bernardo</b> 17110 Bernardo Center Drive.....	(858) 538-8070
<b>San Ysidro</b> 663 E San Ysidro Blvd.....	(619) 424-0230
<b>Scripps Ranch</b> 11885 Cypress Canyon Road.....	(858) 538-8200

**By following these key steps**, the process should run more smoothly. If you do encounter obstacles with the process, or with permitting, zoning, etc., contact the City of San Diego's Office of Small Business. The office maintains a small business advocacy/ombuds program, which is designed to provide zoning, permit, and regulatory assistance to small businesses.

#### **City of San Diego, Office of Small Business**

1200 Third Avenue, Suite 1400, San Diego, CA 92101

(619) 236-6700 e-mail: [sdbusiness@sandiego.gov](mailto:sdbusiness@sandiego.gov)

website: [www.sandiego.gov/economic-development/business-assistance/small-business/](http://www.sandiego.gov/economic-development/business-assistance/small-business/)

## **Additional Resources and Information.**

### **Financial Resources**

Several financial resources exist for small businesses in San Diego. However, loans are **generally not available** to start-ups. Most loan programs require that businesses have at least one year of history.

#### **Loan Programs**

CDC Small Business Finance Corporation  
Tel: (619) 291-3594, Fax: (619) 291-6954  
California Southern Small Business  
Development Corp./State of California Loan  
Guarantee Program  
Tel: (619) 232-7771, Fax: (619) 232-6743

#### **Micro Loans**

ACCION San Diego (requires at least six  
months of business operation)  
Tel: (619) 685-1380, Fax: (619) 685-1470  
[www.accion.org](http://www.accion.org)

#### **Business Loans**

City of San Diego,  
City Planning & Community Investment.  
Business Finance Section  
1200 Third Ave, Suite 1400  
San Diego, CA 92101  
(619) 236-6700  
[www.sandiego.gov/](http://www.sandiego.gov/)

#### **Matching Grant Programs**

Storefront Improvement Program  
City of San Diego  
Office of Small Business  
Tel: (619) 236-6460, Fax (619) 533-3219  
[www.sandiego.gov](http://www.sandiego.gov)

## **Certification and Contracting Opportunities**

#### **Certification for City Contracts**

City of San Diego Contract Services,  
Equal Opportunity Contracting Program  
1010 Second Ave., 5<sup>th</sup> Floor  
San Diego, CA 92101  
Tel: (619) 533-4464, Fax: (619) 533-4474  
[www.sandiego.gov](http://www.sandiego.gov)

#### **State Certification as a Small Business**

Office of Small Business Certification &  
Resources, California Department of General  
Services  
(916) 322-5060  
[www.osmb.dgs.ca.gov/](http://www.osmb.dgs.ca.gov/)

#### **Small Business Registration**

Small Business Administration  
550 West C Street, Suite 550  
San Diego, CA 92101  
(619) 557-7250  
[www.pro-net.sba.gov/pro-net/register.html](http://www.pro-net.sba.gov/pro-net/register.html)

#### **Contracting with City of San Diego**

City of San Diego Purchasing Division  
1200 Third Ave., Suite 200  
San Diego, CA 92101-4195  
Tel: (619) 236-6000, Fax: (619) 533-3236  
[www.purchasing@sandiego.gov](mailto:www.purchasing@sandiego.gov)

#### **Contracting Opportunities Center**

Southwestern College  
4007 Camino Del Rio South, Suite 210  
San Diego, CA 92108  
Tel: (619) 285-7020, Fax: (619) 285-7030  
[www.ptac-sandiego.org](http://www.ptac-sandiego.org)

## **County of San Diego Resources**

### **County Property Tax Information**

Assessor, Recorder, County Clerk  
1600 Pacific Highway, Room 103  
San Diego, CA 92101  
(619) 236-3771  
[www.sdcounty.ca.gov/arcc](http://www.sdcounty.ca.gov/arcc)

### **County Zoning Information**

County Department of Planning & Land Use  
5201 Ruffin Road, Suite B  
San Diego, CA 92123  
(858) 565-5981  
[www.sdcounty.ca.gov/dplu/](http://www.sdcounty.ca.gov/dplu/)

### **County Air Pollution Control**

County Small Business Assistance Program  
9150 Chesapeake Drive  
San Diego, CA 92123  
Tel: (858) 650-4700, Fax: (858) 650-4659  
[www.sdapcd.co.san-diego.ca.us](http://www.sdapcd.co.san-diego.ca.us)

### **County Office of Trade & Business Development**

5201 Ruffin Road, Suite N  
San Diego, CA 92123  
Tel: (858) 495-5494, Fax: (858) 495-5400  
[www.co.san-diego.ca.us/cnty/cntydepts/landuse/ombuds/](http://www.co.san-diego.ca.us/cnty/cntydepts/landuse/ombuds/)

## **State of California Resources**

Many City of San Diego businesses will need to work with state agencies if they intend to incorporate their business, sell alcohol and other goods, hire employees, etc.

### **State Payroll Taxes**

State Employment Development Department  
3110 Camino Del Rio South, Suite 100  
San Diego, CA 92108  
Tel: (619) 516-1920, Fax: (619) 516-1930  
[www.edd.ca.gov](http://www.edd.ca.gov)

### **State Alcohol Sales Licensing**

State Alcoholic Beverage Control  
1350 Front St., Suite 5056  
San Diego, CA 92101  
Tel: (619) 525-4064, Fax: (619) 231-1171  
[www.abc.ca.gov](http://www.abc.ca.gov)

### **State Worker's Compensation**

State Compensation Insurance Fund  
9444 Waples St.  
San Diego, CA 92121  
(858) 552-7000  
[www.scif.com](http://www.scif.com)

### **State Incorporation Information**

California Secretary of State  
1350 Front St., Suite 2060  
San Diego, CA 92101  
(619) 525-4113  
[www.ss.ca.gov](http://www.ss.ca.gov)

## **U.S. Federal Government Resources**

The federal government provides a host of pertinent information and services to small businesses, including consulting services, tax information, export information and wage and hour information.

### **Income Tax Information**

Internal Revenue Service  
880 Front St., First Floor  
San Diego, CA 92188  
Information: (800) 829-1040  
Forms and Publications: (800) 829-3676  
[www.irs.treas.gov](http://www.irs.treas.gov)

### **Export Information**

Department of Commerce  
6363 Greenwich Drive, Suite 230  
San Diego, CA 92122-3939  
(619) 557-5399  
[www.doc.gov](http://www.doc.gov)



**Import & Customs**

Bureau of Customs & Border Protection  
Airport and Seaport (619) 557-5370  
Otay Mesa Border (619) 661-3281  
Tecate Border (619) 478-5356

[www.customs.treas.gov](http://www.customs.treas.gov)

**Wage & Hour Information**

U.S. Department of Labor  
5675 Ruffin Road, Suite 310  
San Diego, CA 92123-5378  
(619) 557-5606

[www.dol.gov](http://www.dol.gov)

**Social Security Information**

Social Security Administration  
1333 Front St.  
San Diego, CA 92101  
Tel: (800) 772-1213

[www.ssa.gov](http://www.ssa.gov)

**Internet Business****Mail or Telephone Order Business**

Federal Trade Commission  
1-877-382-4357

[www.ftc.gov/](http://www.ftc.gov/)

**Market Research, Technical Assistance And Networking Opportunities****General Information, Research and Networking**

San Diego Regional Chamber of Commerce  
402 W. Broadway, Suite 1000  
San Diego, CA 92101  
Tel: (619) 544-1300, Fax: (619) 744-7481

[www.sdchamber.org](http://www.sdchamber.org)

**Demographics**

San Diego Association of Governments  
401 "B" Street, Suite 800  
San Diego, CA 92101  
Tel: (619) 595-5353, Fax: (619) 595-5305

[www.sandag.org](http://www.sandag.org)

**Business Improvement Districts**

BID Council  
1010 Second Avenue, Suite 1835  
San Diego, CA 92101  
Tel: (619) 239-2437, Fax: (619) 239-0714

[www.bidcouncil.org](http://www.bidcouncil.org)

**Health Care Program Information**

San Diego Business Healthcare Connection  
1551 Fourth Avenue, Suite 440  
San Diego, CA 92101  
Tel: (619) 231-0338

[www.sdbhc.org](http://www.sdbhc.org)

**Small Business Consulting**

Located at Higher Education Center  
880 National City Boulevard  
National City, CA 91950  
Tel: (619) 482-6391, Fax: (619) 216-6703

[www.sbditc.org](http://www.sbditc.org)

**Fermanian Business Center**

Point Loma Nazarene University  
3900 Lomaland Drive  
San Diego, CA 92106  
(619) 849-2564

[www.ptloma.edu/fermanianbusinesscenter/](http://www.ptloma.edu/fermanianbusinesscenter/)

**Entrepreneur Clinic – USD Law School**

University of San Diego  
5998 Alcala Park  
San Diego, CA 92110-7425  
(619) 260-7470

**Food & Beverage Association of S.D. County**

3110 Camino Del Rio South, Suite 315  
San Diego, CA 92108  
(619) 228-2291 Fax: (619) 228-2297

<http://www.foodnbeverage.org/>