General Guide to Starting a Business

Starting a business can be challenging. While there is no single source that outlines all required procedures, the following information has been assembled to assist you in starting your business.

Note: Before you sign a lease or obtain a business license it is very important to make sure the type of business you want to open is allowable in your chosen location, including home based businesses. (Please see page 5 for more information)

The City of Hermosa Beach wants to be a partner in success of your business. We are here to assist you!

City of Hermosa Beach
Economic Development
(310) 318-0201
ndeanda@hermosabch.org
www.hermosabch.org
City of Hermosa Beach Core Values

SMALL BEACH TOWN

HEALTHY ACTIVE LIFESTYLE

ECONOMIC & ENVIRONMENTAL SUSTAINABILITY

The Hermosa Beach community has identified these core values that should be considered when making policy decisions. The principal considerations are:

Environmental Impact
Quality of Life Impact
Economic Impact
Evaluate Your Needs and Determine Your Location

The City’s Economic Development office can assist you in determining a path to start your business, expand an existing business, or find a new location. Staff can provide information on business loans, workforce recruitment, available incentives, and site selection.

City of Hermosa Beach
Economic Development
City Manager’s Office
1315 Valley Drive
Hermosa Beach, CA 90254
(310) 318-0201
Email: ndeanda@hermosabch.org

Create a Business Plan

A business plan is 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 with actions taken. Many businesses fail without a business plan. Furthermore, banks require a business plan prior to considering your loan application.

The following organization can provide you with business plan consultations, workshops and referrals:

California Small Business Development Center (SBDC)
El Camino College Business Training Center
13430 Hawthorne Blvd.
Hawthorne, CA 90250
Tel (310) 973-3177
www.southbaysbdc.org.

The CALIFORNIA GO–BIZ website offers a number of resources for starting, growing, financing, expanding or relocating a business in California.

http://www.business.ca.gov/
Determine a Business Name

The name you choose for your business is important. Aside from making sure that the name clearly describes your business, you need to ensure that the name is not already being used. If the name you choose is anything other than your own legal name, you are required to file a fictitious business name statement. The statement is filed with the County of Los Angeles.

County of Los Angeles Registrar–Recorder/County Clerk
LAX District Office
11701 S. La Cienega Bl., 6th Floor
Los Angeles, CA 90045
Search Hours: 8:30 a.m. – 4:30 p.m., M–F, except holidays
Business name filing hours are 8:30 a.m. to 3:30 p.m.
(310) 727–6142
http://rrcc.lacounty.gov/Clerk/Business_Name.cfm

Determine the Business Legal Structure

Several legal structures exist; your choice of legal structure will affect your income taxes and personal liability. Many small businesses start as a Sole Proprietorship or a Partnership. These are legally the least complicated. Corporations and Limited Liability Companies must register with the Secretary of State. Contact your accountant or attorney for advice and assistance in determining the best legal structure for you and your business.

California Secretary of State
1500 11th St.
Sacramento, CA 95814
(916) 653–6814
http://www.sos.ca.gov/business/be/
Check Zoning and Building Regulations

Determining zoning requirements prior to signing a lease or contract is imperative. Check with the City to see if the type of business you plan to operate is legal in the desired location, including home based businesses.

City of Hermosa Beach
Community Development Dept.
Planning Division & Building Division
1315 Valley Drive, Room 103
Hermosa Beach, CA 90254
310–318–0235
CommDev@hermosabch.org


Additionally, note that the business type determines the licenses and permits needed to legally operate your business. For a list of regulated occupations and professional services, contact:
California Department of Consumer Affairs
1625 North Market Blvd., Suite N 112
Sacramento, CA 95834
(800) 952–5210
dca@dca.ca.gov
http://www.dca.ca.gov/index.shtml
Get a City Business License

To conduct business in Hermosa Beach, you must obtain a business license and pay an annual business tax. A City business license is required prior to conducting any business activity in the City, even if your business is located outside the City’s corporate limits. New businesses within the city limits (excluding bars and restaurants open after 12:00 am) are exempt from business taxes for the first year. For more information and to obtain a business license application contact:

City of Hermosa Beach
Finance Department – Business License
Finance Cashier Office
1315 Valley Drive, Room 101
Hermosa Beach, CA 90254
310–318–0206

Business License Application –

Obtain Important Permits and Licenses

City of Hermosa Beach
Community Development Dept.
Building Division
1315 Valley Drive, Room 103
Hermosa Beach, CA 90254
310–318–0235
CommDev@hermosabch.org

When is a Building Permit needed?
Sign Permit –
Starting a Business in Hermosa Beach

Other Permitting Offices

City of Hermosa Beach
Fire Department
1315 Valley Drive
Hermosa Beach, CA 90254
310–376–2479

City of Hermosa Beach
Public Works Department
1315 Valley Drive, Room 001
Hermosa Beach, CA 90254
310–318–0222

Selling any food or beverages?
BEFORE YOU BRING YOUR PLANS TO HERMOSA BEACH,
go to...

County of Los Angeles – Environmental Health
5050 Commerce Drive
Baldwin Park, CA 91706
626–430–5200
http://www.publichealth.lacounty.gov/eh

Selling alcohol?
Calif. Dept. of Alcoholic Beverage Control (ABC)
Long Beach/Lakewood District
562–982–1337
http://www.abc.ca.gov/procurement/smallbiz.html

The State also operates CalGOLD, a website that provides detailed information on required permits, licenses and regulations. The information provided is specific to your type of business and its location in California.

http://www.calgold.ca.gov/
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 business license taxes, contact:
City of Hermosa Beach
Finance Cashier
1315 Valley Drive, Room 100
Hermosa Beach, CA 90254
bislic@hermosabch.org
310–318–0206

For state taxes, contact:
Franchise Tax Board
Los Angeles Field Office
300 S Spring St #5704,
Los Angeles, CA 90013
(800) 852–5711
https://www.ftb.ca.gov/

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

Employment Development Department
PO Box 826880
Sacramento CA 94280–0001
http://www.taxes.ca.gov/strikinggoldbus.shtml

For federal tax information and a copy of the “Small Business Resource Guide,” a document that helps business owners understand the basics, contact:

Internal Revenue Service
District Business Office – Los Angeles
300 N. Los Angeles St.
Los Angeles, CA 90012
213–576–3009
Recruit and Train Employees

The South Bay One-Stop Business & Career Centers provide the business community and the adult or youth job seeker with access to a variety of services including a wide range of employment and training programs. Contact their office for more information:

South Bay Workforce Investment Board
11539 Hawthorne Blvd, Hawthorne, CA 90250
310–970–7700
http://www.sbwib.org

The California Employment Development Department (EDD) assist businesses find and train employees through CalJOBS. CalJOBS is an Internet–based labor exchange system provided by the EDD. The system gives you immediate access to the largest pool of job seekers in the state, 24 hours a day, 7 days a week.

Employment Development Department
Workforce Services
PO BOX 826880 MIC 50
Sacramento, CA 94280–0001
916–654–7799
http://www.edd.ca.gov/Jobs_and_Training/Caljobs.htm
Acquire Employer Identification Numbers and Worker’s Compensation Insurance

If you will have employees, acquire employer identification numbers and Worker’s Compensation Insurance. For an employer identification tax number and federal tax withholding information, contact:

Internal Revenue Service
District Business Office – Los Angeles
300 N. Los Angeles St.
Los Angeles, CA 90012
213-576-3009

For an employer identification tax number and state tax withholding information, contact:

State of California Employment Development Department
District Business Office – Los Angeles ETO
5401 South Crenshaw Boulevard, Suite A
Los Angeles, CA 90043
888–745–3886
http://www.edd.ca.gov/Payroll_Taxes

All employers are also required to carry Worker’s Compensation Insurance. It covers your employee(s) for work-related injuries. To obtain an insurance policy or for more information, contact:

State Compensation Insurance Fund
Los Angeles District Office
900 Corporate Center Dr
Monterey Park, CA
(888) 782–8338
http://www.statefundca.com/
Retailers and Wholesalers

If you are selling a product either through a retail store, Internet or wholesale, you will need to obtain a Sellers Permit:

State Board of Equalization
Field office – Los Angeles
5901 Green Valley Circle, Ste. 200
Culver City, CA 90230–6948
310–342–1000
FAX 1–310–342–1061
ASReg@boe.ca.gov
www.boe.ca.gov

Commercial Trash Collection

The City of Hermosa Beach has a franchise agreement for commercial trash collection. To start service contact:

Athens Commercial Trash Services
310–374–0301
http://www.athensservices.com

Electrical, Gas and Water

Southern California Edison (SCE)
800–655–4555
www.sce.com

Southern California Gas Company (SoCalGas)
562–803–7500
www.socalgas.com

California Water Service
310–257–1400
www.calwater.com
Communications

Frontier Communications
https://business.frontier.com/

Time Warner Cable (TWC)
http://business.timewarnercable.com/

Local Papers
http://www.easyreadernews.com/
http://tbrnews.com/
http://www.dailybreeze.com/

Police Social Media
https://www.facebook.com/pages/Hermosa-Beach-Police/348797155292
http://www.nixle.com/
https://www.crimereports.com/
Checklist for New Businesses

☐ Check with Community Development to make sure the type of business you want to open is allowable in your chosen location.

☐ Evaluate Your Needs & Create a Business Plan

☐ Determine Your Business Name & Legal Structure

☐ Check into Zoning, Permits & Licenses

☐ Get a City Business License

☐ Determine Other Permitting Requirements

☐ Get Tax Information

☐ Recruit & Train Employees

☐ Acquire Employer Identification Numbers and Worker’s Compensation Insurance

☐ Retailers & Wholesales: Obtain Resale Permit

☐ Order Trash Collection, Gas, Electric and communications services

Please visit our website for extensive information on permitting and civic matters!

www.hermosabch.org