

GUIDE TO STARTING A BUSINESS IN HERMOSA BEACH



The City of Hermosa Beach wants to be a partner in the success of your business. We understand that starting a business can be challenging. While there is no single source that provides all the information needed, this guide has been assembled to assist you in starting your business in Hermosa Beach. City staff are here to support you at every step of the way.

If you have any questions, please reach out:

1315 Valley Drive
Hermosa Beach, CA 90254
Monday – Thursday 7AM – 6PM
business@hermosabeach.gov
www.hermosabeach.gov

ABOUT HERMOSA BEACH

The City of Hermosa Beach is located within the southwestern coastal portion of Los Angeles County in what is commonly referred to as the “South Bay” area. The City is bounded on the north by the City of Manhattan Beach, on the south by the City of Redondo Beach, on the east by the City of Redondo Beach and the City of Manhattan Beach, and on the west by the Pacific Ocean.

The City of Hermosa Beach had an estimated population of 19,500. With a land area of 1.4 square miles, Hermosa Beach has a high population density, with approximately 14,000 people per square mile.

STARTING YOUR BUSINESS

Let's make your business a reality with these three basic steps for opening any type of business.



PLAN



Every successful journey begins with a plan. Starting a business is an exciting process that requires a strong foundation based on careful planning and research.

BUSINESS PLAN

A business plan is a roadmap; it shows you where you are in relation to where you want to be. Starting a business involves many ideas that need to be documented with actions taken. Most banks require a business plan prior to considering your loan application.

Traditional business plans include information that is important to framing your road map and can be beneficial when seeking funding from investors. The U.S. Small Business Administration (SBA) [provides a helpful overview of the steps to write a traditional business plan.](#)

Need help refining your idea? The SBA's SCORE Program offers free business-related resources for small businesses. You can request an experienced business mentor to answer any business-related questions by contacting [Los Angeles SCORE](#) or attend a SCORE **Pre-Business Workshop**, which can help you evaluate your business ideas.

BUSINESS STRUCTURE

We highly recommend you contact your accountant or attorney for advice and assistance in determining the best legal structure for you and your business. 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.

Sole Proprietorship

In a Sole Proprietorship, you alone own the company and are responsible for its assets and liabilities. This is the most basic type of business to establish and offers you complete control and easy tax preparation.

Partnership

A partnership is a single business where two or more people share ownership. Each partner contributes to all aspects of the business and in return each partner shares in the profits and losses of the business.

Limited Liability Companies

A Limited Liability Company (LLC) provides the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership. The "owners" of the LLC are referred to as "members."

Corporations

A Corporation is an independent legal entity owned by shareholders. The corporation itself, not the shareholders, is legally liable for the actions and debts the business incurs.

ADDITIONAL RESOURCES:

[Business Structure Comparison Chart](#)

FILE YOUR BUSINESS STRUCTURE WITH THE STATE:

[California Secretary of State Website](#)



CHOOSING 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. Fictitious business name statements must be filed with the Registrar-Recorder/County Clerk's Office.

For more information, and to apply for a fictitious business name, visit the County's website at http://rrcc.lacounty.gov/Clerk/Business_Name.cfm or call (310) 727-6142. You can search for existing fictitious business names at http://rrcc.lacounty.gov/CLERK/FBN_Search.cfm

County of Los Angeles Registrar-Recorder/County Clerk – Main Office

12400 Imperial Hwy., Room 1201
Norwalk, CA 90650
(800) 201-8999

PERMIT



Every business is unique and might require different City permits, entitlements, and licenses to open. Our goal at the City is to make opening a business as clear and simple as possible so you are set up for success.

PLANNING DIVISION

Prior to signing a lease, consult the Planning Division of the Community Development Department to ensure the type of business you want to open is permissible in that location.

Certain types of businesses must obtain special permits (e.g. conditional use permit short-term vacation rental, parking plan, etc.) Planning staff can provide additional information and [application forms](#) for these types of special permits. Planning website: <https://www.hermosabeach.gov/our-government/community-development/planning-division>.

Contact: planning@hermosabeach.gov

PARKING

Does your location have adequate parking for your proposed use? [Refer to our parking standards](#).

Contact: planning@hermosabeach.gov

BUSINESS LICENSE

After Planning confirms that the proposed use is allowed in the proposed space, you must obtain a business license from Revenue Services in the Administrative Services Department. New businesses within the city limits (excluding bars and restaurants open after 12 A.M.) are exempt from business taxes for the first year. 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.

Contact: business_license@hermosabeach.gov or visit: <https://www.hermosabeach.gov/doing-business/business-licenses-permits>

BUILDING PERMIT

If you are proposing tenant improvements in the leased space, you may be required to apply for a building permit. [Refer to the Building Division handout for when a building permit is required](#).

NOTE:

Before you sign a lease or purchase a building, contact the City to make sure it is zoned for your intended use. We can pre-screen the property to give you an idea of the permitting process, if any entitlements are required, and estimated timelines and permit costs. An easy way to simplify the process is to choose a location that was previously a similar use, or type of business. This can potentially reduce fees and entitlements as necessary.

PERMIT



SIGN PERMIT

Any permanent sign, temporary sign, or a-frame sign for any business is required to be permitted by the City. Refer to the Community Development Department's [Applications, Handouts, and Forms](#) webpage for more information on how to apply. If you need to close the sidewalk or street to install the sign, you will need a staging permit from the [Public Works Department](#).

Note that mural installations require a determination from the Planning Commission. For more information and how to apply, refer to the [Planning Application](#) or email planning@hermosabeach.gov.

OTHER ORGANIZATIONAL PERMITS:

Alcohol Licensing

Alcohol licensing is regulated by the State of California Alcoholic Beverage Control (ABC), and they issue the alcohol license for your business.

Long Beach/Lakewood District Office

3950 Paramount Boulevard, Suite 250, Lakewood, CA 90712

(562) 982-1337

Longbeach/lakewood@abc.ca.gov or <https://www.abc.ca.gov/licensing/>

Public Health

Opening a restaurant or food facility may require plan check review with Los Angeles County Health. To apply for a permit, visit the County's website at http://publichealth.lacounty.gov/eh/SSE/Plan_Check/desplan.htm or contact the Coastal Cities District office at:

Coastal Cities District Office

20221 Hamilton Avenue, Torrance, CA 90502

(310) 965-8910



Once you have made it through the planning and permitting process, you are ready to open your new business in Hermosa Beach! The next step in the process to set up your utilities, to recruit employees, set up a marketing strategy, and to launch your business!

Commercial Trash Collection

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

Athens Commercial Trash Services

(888) 336-6100

<http://www.athensservices.com>

Utilities: Electrical, Gas, and Water

Southern California Edison (SCE)

(800) 655-4555

www.sce.com

Southern California Gas Company (SoCalGas)

(877) 238-0092 (residential)

(800) 427-2200 (gas emergencies / safety issues)

www.socalgas.com

California Water Service

(310) 257-1400

www.calwater.com

Communications

Frontier Communications

<https://business.frontier.com/>

Spectrum

<https://www.spectrum.com>

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>

LAUNCH



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

<http://www.irs.gov>

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/>

LAUNCH



Marketing Strategy

A marketing strategy is key to attracting clients and customers and most of all, spreading the word about your new business.

The SBA's SCORE program offers marketing seminars and related videos and content at losangeles.SCORE.org.

The Small Business Development Center (SBDC) – Los Angeles Network offers no cost marketing resources for new businesses. Services include: market research, market analysis, strategy planning, advertising and sales planning, brand messaging, web development, and social media. For more information, visit the website here: <https://smallbizla.org/services/newbusiness/>

Hermosa Beach Chamber of Commerce

Consider joining the Chamber of Commerce to help promote your business and connect with other local businesses. For more information, visit www.hbchamber.net.

A grand opening event is a great way to celebrate the launch of your business and introduce your business to the community. Grand Openings are a fun way to introduce your business to the community, promote your new business, and network. The Hermosa Beach [Chamber of Commerce](http://www.hbchamber.net) can help schedule a ribbon cutting with City Council Members, City Staff, or members of the business community. Reach out to info@hbchamber.net for more information.

For more information, please visit www.hermosabeach.gov or if you have questions, contact the Community Development Department at communitydevelopment@hermosabeach.gov.
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