

MEMORANDUM

DATE: October 21, 2010
TO: Business Advisory Committee
FROM: Jeremy Graves, Community Development Director
SUBJECT: Review of How to Start a Business Brochure



At the September 16, 2010 BAC meeting, the attached copy of the draft How to Start a Business Brochure was distributed for review by the BAC.

Please review of the attached brochure and bring your written comments and questions to the BAC meeting on October 21, 2010.

Attachment: How to Start a Business Brochure, dated September 16, 2010

CDD\Boards & Committees\BAC\Staff Reports\BAC Candidates 4-8-10



DISTRIBUTED @
9/16/10 BAZ MR



Only in Sausalito!!

Have you dreamed of starting a business in Sausalito?

Are you interested in the business potential here and what you need to do to open a business? Welcome to our world! We look forward to working with you and helping you get started. The following document is an overview of what Sausalito offers a prospective business and how to work with City Hall -- the planning and development, permitting and licensing systems.

Why Sausalito?

It's a destination, it's a lifestyle, it's a view no one ever forgets, and it's a business opportunity unlike any other.

The Big Picture

Across the Golden Gate Bridge, just minutes from San Francisco, lays the picturesque waterfront community of Sausalito, world renowned for its Mediterranean flair and breathtaking views. In addition to a wide selection of first-class restaurants with foods from around the world, Sausalito offers its signature hospitality at waterfront inns, main street hotels and a new five-star resort. The city is also a world-class venue for every sort of outdoor and nautical activity -- whether it's biking, hiking, or boating -- Sausalito offers easy bay access and the most scenic backdrops imaginable. Sausalito has easy access to San Francisco and the dramatic north coast, as well as the wine country; Sausalito truly is the gateway to some of the most beautiful and sought after destinations in the world.

The Demographic Snapshot

Sausalito is a small, but affluent, tightly knit community with a bohemian and artistic heritage that attracts thousands of visitors and camera crews from around the world every year. Businesses that cater to locals as well as visitors year-round can be hugely successful.

- Population -- 7,000
- Households -- 5,000
- Average Resident Age --
- Median Income --
- Average Home Price --
- Schools --
- Estimated # of tourists each year --
- Bicycles --
- Transportation --
- Attractions -- Bay Model, Discovery Museum
- Sales tax revenues/solid economic base
- Public services -- police, fire,
- Non-profits --

The Business Opportunities & Benefits

- Location, location, location. Sausalito's proximity to San Francisco, the wine country and other world class destinations, not to mention it's nautical and waterfront venues provide a wide range of business opportunities for the enterprising entrepreneur
- You won't compete with big-box, chain stores. Sausalito's zoning and XXXX
- Overview of existing retail, consumer-oriented businesses: XXXXX
- Overview of service-oriented businesses: XXXXX
- XXXXX
- XXXXX

HOW TO MAKE IT HAPPEN

Following is checklist of questions to consider and references to the answers/support data you'll want to review.

Start Here

- How do I know if my business is allowed to operate where I want it located? (page 1)
- What type of permits or licenses do I need to start my business? (There are Sausalito zoning laws that dictate locations for different types of businesses – page 1)
- What about if I have a Home Based Business? Do I still need a license? (page 1)
- I'm going to be serving food products, do I need special approvals? (page 1)
- What kind of permits will I need to open a restaurant? (page 1)
- If I sell alcoholic beverages, will I need special approval? (page 2)
- I'm going to be remodeling an existing establishment, are there any special considerations? What sort of building permits are required? (page 2)
- What is the Sausalito Historical Overlay District, and if my business is going to be located in this district, are there special requirements for interior and exterior remodeling? (page 2)
- What kind of permit do I need to install my business sign, an awning or outdoor seating? (page 2)
- Can my establishment offer live music? What are the sound ordinances?
- Are there landscaping restrictions, issues?
- What sort of parking is available for patrons?

What to Think About Next

- What type of business entity should I have (S-Corp, LLC, etc)? How should it be structured? (page 3 & 4)
- What exactly is a fictitious name statement and do I need one? (page 3)

- Where can I go to obtain a seller's permit? (page 3)
- Where do I go to obtain State and Federal Tax ID numbers? (page 3)
- Where do I obtain my State Employer Identification Number? (page 3)
- Where can I find out about training funds and programs? (page 3)
- Are there funding/loan options for small businesses?
- How do I join the Chamber of Commerce and what do they offer?
- What other local resources may be of value?

Start Here

Q. How do I know if my business is allowed where I want to locate it?

- A. The City of Sausalito has various land uses or zones that are defined in the City's Municipal Code that allow for various types of business uses. For zoning maps of the main business areas of Sausalito go to <http://www.ci.sausalito.ca.us/Index.aspx?page=287>. Check with the City's Planning Division at 415-289-4128 to determine if your business use is permitted in a particular zone.

Q. Will I need a special permit?

- A. Businesses with a Sausalito address are also required to obtain an Occupational Permit to ensure the proper location and zoning of your business.

Before finalizing your business location and signing a lease agreement, contact the City of Sausalito Community Development Department to determine if the zoning designation of your proposed site permits your type of business. The Planning Division staff will help you determine if your business is a permitted use for your specific location and whether any special approvals, like a Conditional Use Permit (CUP), is required. A CUP process allows for Planning Commission level of review for selected land use proposals. CUP's are required for uses which may be suitable only in specific locations in a zoning district or which require special consideration in their design, operation or lay-out to ensure compatibility with surrounding uses. The CUP process can take up to a month or more for approvals, so you may want to start this process early!

Q. Do I need a business license as well as a permit to start my business? What about if I have a Home-based business?

- A. All businesses operating or doing business within the city limits of Sausalito are required to obtain a Business License.

All businesses in Sausalito, including home-based businesses, are required to have a Business License and Occupational Permit.

Q. I'm going to be serving food products, do I need special approvals?

- A. Yes. The Marin County Environmental Health Department reviews all plans for compliance with State of California health codes. They are interested in the type of restaurant equipment installed, the categories of food you are handling and standards relating to employee hygiene. The Health Department review will also include a review of the grease collection system (see below).

When remodeling an existing restaurant establishment, please remember that if the cost of the remodel is \$100,000 or more, you will be required to install a grease collection system, including

an outside interceptor tank. This device is generally installed outside of the building. The existing interior plumbing may need to be reconfigured for this grease interceptor. This issue should be evaluated prior to signing a lease on a food service establishment. Please contact the Marin County Environmental Health at 415-499-6907 with questions.

Q. What kind of permits will I need from the City of Sausalito to open a restaurant?

- A. In addition to a Business License and Occupational Permit, some restaurants could require a CUP, depending upon the zoning of your proposed restaurant location. Other things to consider when opening a restaurant are you going to have outdoor dining, live music and dancing.

Outdoor dining will require the restaurant owner to obtain a Minor Use Permit (MUP), and if your outdoor dining tables will be located on the sidewalk or in the public right-of-way, a Sidewalk Dining Encroachment Permit is also required. These permits are presented for approval at a public hearing held by the City's Zoning Administrator.

Music and/or dancing are only permitted as an accessory use to an approved eating and drinking establishment, with the issuance of an MUP to be heard by the Zoning Administrator. Music and Dancing shall only be allowed between the hours of 9:00 A.M. and midnight.

Q. If I sell alcoholic beverages, will I need special approval?

- A. Establishments serving any alcoholic beverage for consumption on the premises in the Central Commercial (CC), Neighborhood Commercial (CN), Commercial Waterfront (CW) and Industrial Marinship (IM) Zoning Districts requires that you obtain a CUP. Establishments located in the Mixed Commercial and Residential (CR) and Waterfront (W) Zoning Districts, requires you obtain an MUP. Please check your Zoning Designation to determine exactly what kind of permits you will need, many times these permits can take a month or more to get final approvals.

In addition to City requirements, the State of California Alcoholic Beverages Control Agency (ABC) governs the sale and serving of alcoholic beverages in conjunction with any business. You should contact them regarding all pertinent rules, regulations and required permits; you can contact them at (707) 576-2165.

Q. I'm going to be remodeling an existing establishment; will I need a Building Permit?

- A. Yes. Anyone who intends to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or to erect, install, enlarge, alter, repair, remove, convert or replace any electrical, gas, mechanical or plumbing system, the installation of which is regulated by the California Building Code, or to cause any such work to be done is required to obtain a Building Permit. Please contact the City of Sausalito Building Department with any questions at (415) 289-4127. Often times, the submittal for a Building Permit will also trigger a Zoning Permit from the Planning Division. This is a simple permit that is often signed off upon submittal; please contact the Planning Division at (415) 289-4128 to see if a Zoning Permit is required for your remodel!

Q. My business is going to be located in the Historic Overlay District, can I remodel the structure?

- A. For structures located in the Historic Overlay District, Design Review shall be required for any proposal to demolish, make an addition to, or otherwise modify an existing structure. Be sure to check with the Planning Division for other questions regarding structures in the Historic Overlay District.

Q. What kind of permit do I need to install my business sign?

- A. Permits are required for the installation of *all* signage within the City of Sausalito. Please contact the Planning Division for information about the Sign Permit application process and fees, or review the information in Section 10.42 of the City's Zoning Ordinance which can be accessed at <http://www.ci.sausalito.ca.us/Index.aspx?page=287>.

What to Think About Next

Q. What type of business entity should I have? How should my business be structured?

- A. You may choose to conduct a business as a sole proprietorship, corporation, partnership, or a limited liability company. You should consult with a legal representative and accountant before making any determination as to the type of business entity to form. For more information on each type of business entity, visit the California Business Portal section of the Secretary of State's website at <http://www.sos.ca.gov/business/>.

Unless you conduct your business as a sole proprietorship, you must file papers with the Secretary of State's office Business Programs Division 916-657-5448

If you want to establish your business as a corporation, you must contact the Corporations Division of the California Secretary of State's Office. This office can supply you with all the information and forms needed. In addition, the Name Availability Unit can assist you in determining corporate name availability. Go to <http://www.ss.ca.gov> for additional information.

The Corporate Legal Unit will review and, if acceptable, file your articles, mergers and other legally required documents.

You may need to obtain Federal Income Tax Identification Numbers, information regarding these numbers is noted above. For more information go to <http://www.irs.gov>.

Q. What exactly is a fictitious name statement and do I need one?

- A. If you use a business name other than your own legal name or initials, you must file a fictitious name statement with the County Clerk. For additional information, please call 415-499-6152.

Q. Where can I go to obtain a seller's permit?

- A. The State Board of Equalization (BOE) issues seller's permits and is responsible for the administration and collection of the State's sales and use, fuel, alcohol, tobacco, and other special taxes and fees. Forms and additional information are available at the State Board of Equalization at <http://www.taxes.ca.gov/doingbus3.shtml>.

Q. Where do I go to obtain State and Federal Tax ID numbers?

- A. The Franchise Tax Board (FTB) issues State Tax identification numbers and administers personal and corporate income and franchise taxes for the State of California. Information regarding this number (which is utilized to track state withholding taxes) can be obtained from the California Small Business Assistance Center at [http://www.taxes.ca.gov/Small Business Assistance Center/index.shtml](http://www.taxes.ca.gov/Small_Business_Assistance_Center/index.shtml).

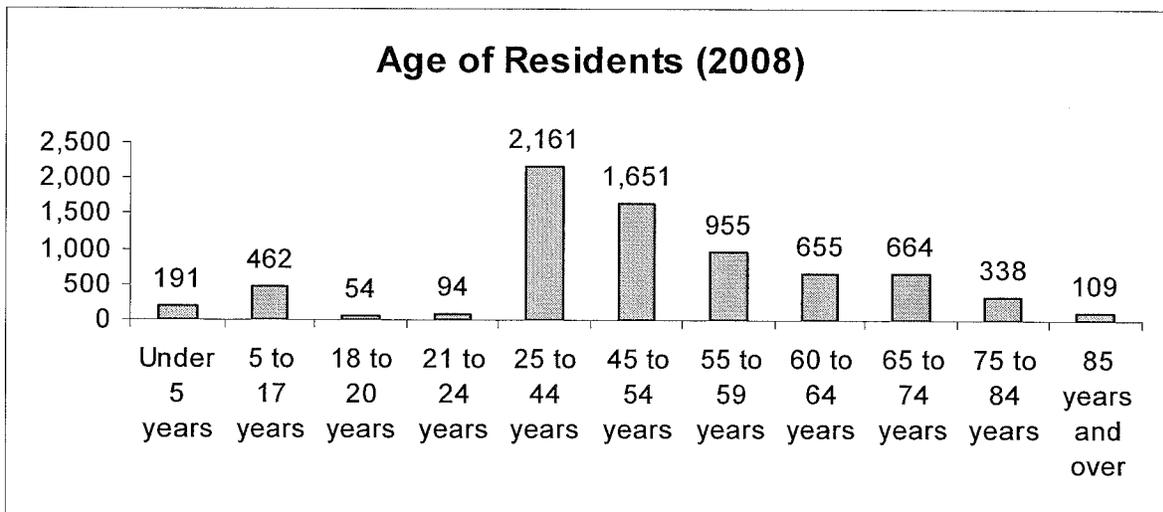
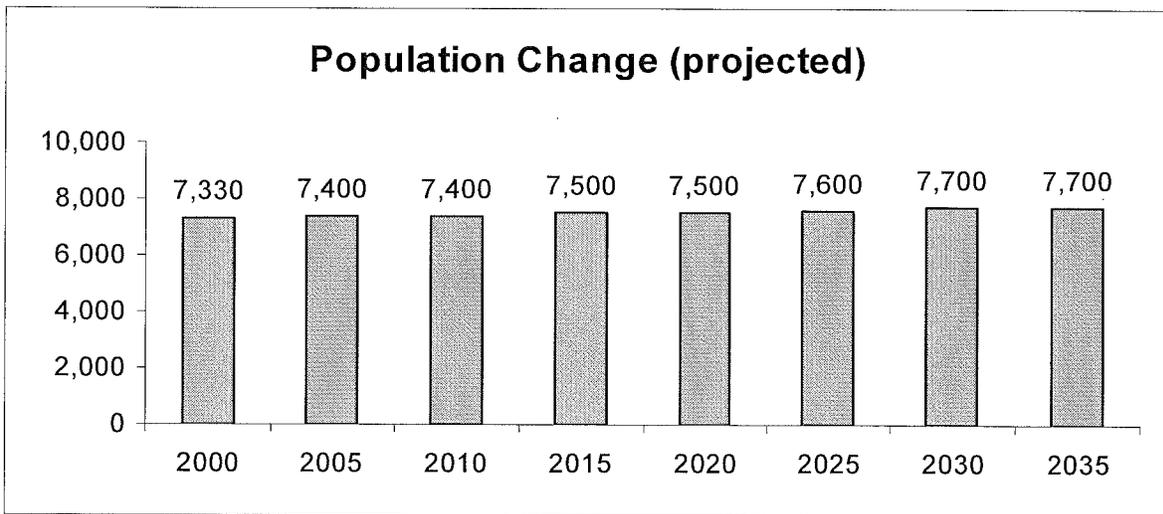
The Internal Revenue Service (IRS) issues federal employer identification numbers and administers federal payroll taxes, including social security, Medicare, federal unemployment insurance and federal income tax withholding. Visit their website at <http://www.irs.gov/businesses/index.html> for additional information.

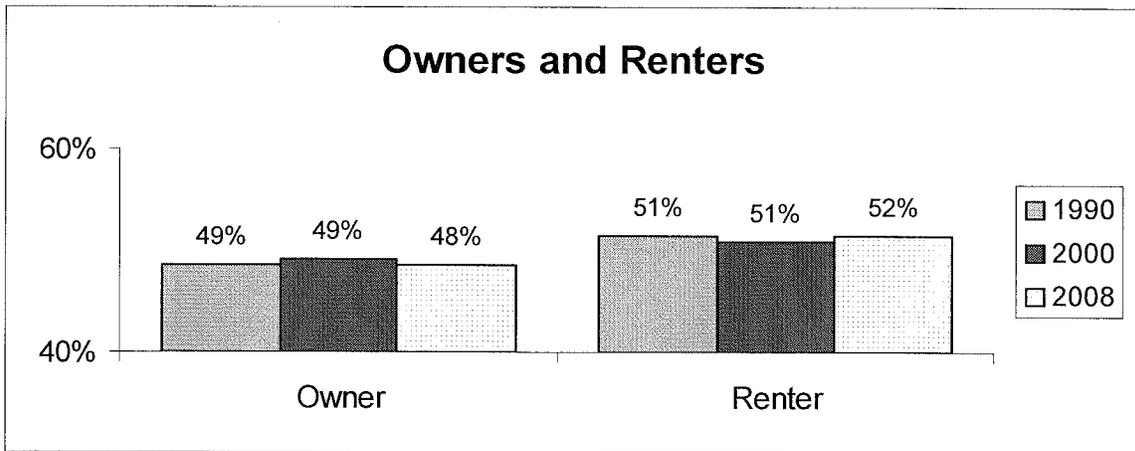
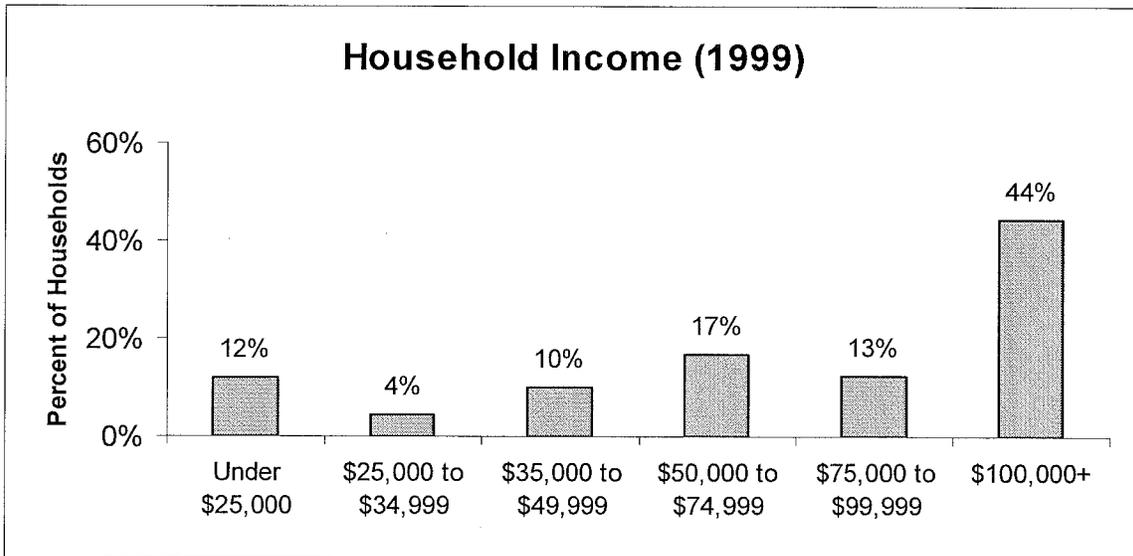
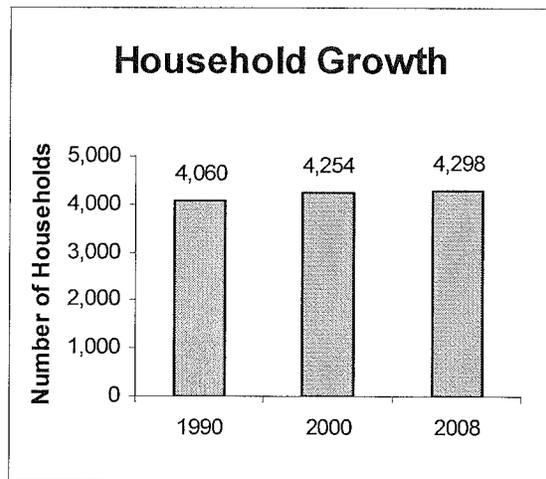
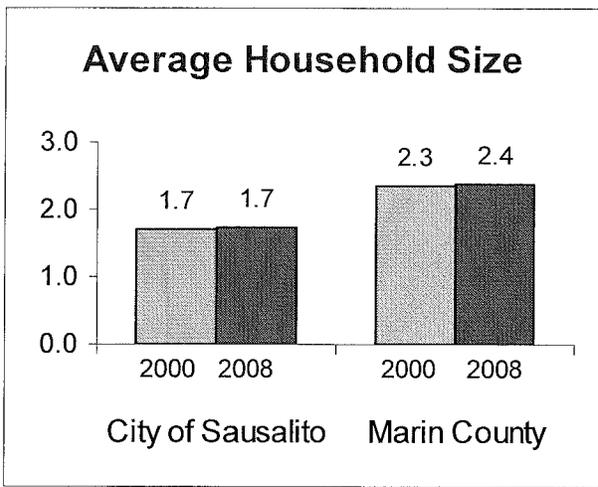
Q. Where do I obtain my State Employer Identification Number?

A. The Employment Development Department (EDD) issues state employer identification numbers (SEIN) and administers California's payroll taxes, including unemployment insurance, employment training tax, state disability insurance and California personal income tax withholding. Visit the California Small Business Assistance Center at <http://www.taxes.ca.gov/Small Business Assistance Center/index.shtml>.

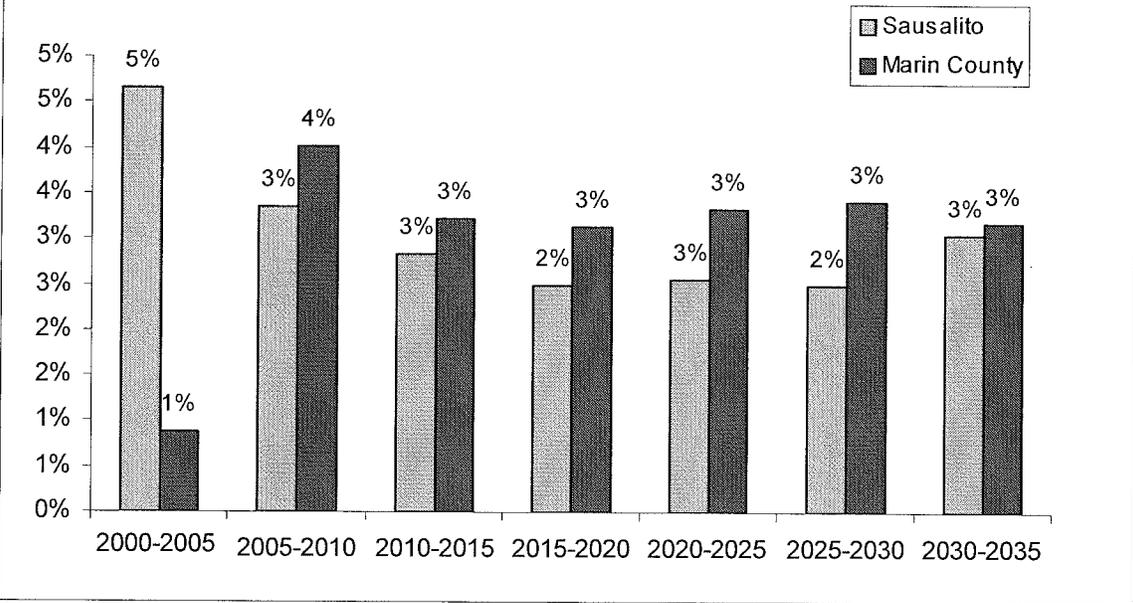
Q. Where can I find out about training funds and programs?

A. The Marin Employment Connection is Marin County's one stop center for employers and job seekers, and operates training programs and allocates Federal and State training funds. The office is located at 120 N. Redwood Drive, 3rd Floor East Wing, San Rafael, CA 94903. The phone number is 415-473-3300. Additional information is available through the California Small Business Assistance Center at <http://www.taxes.ca.gov/Small Business Assistance Center/index.shtml>.

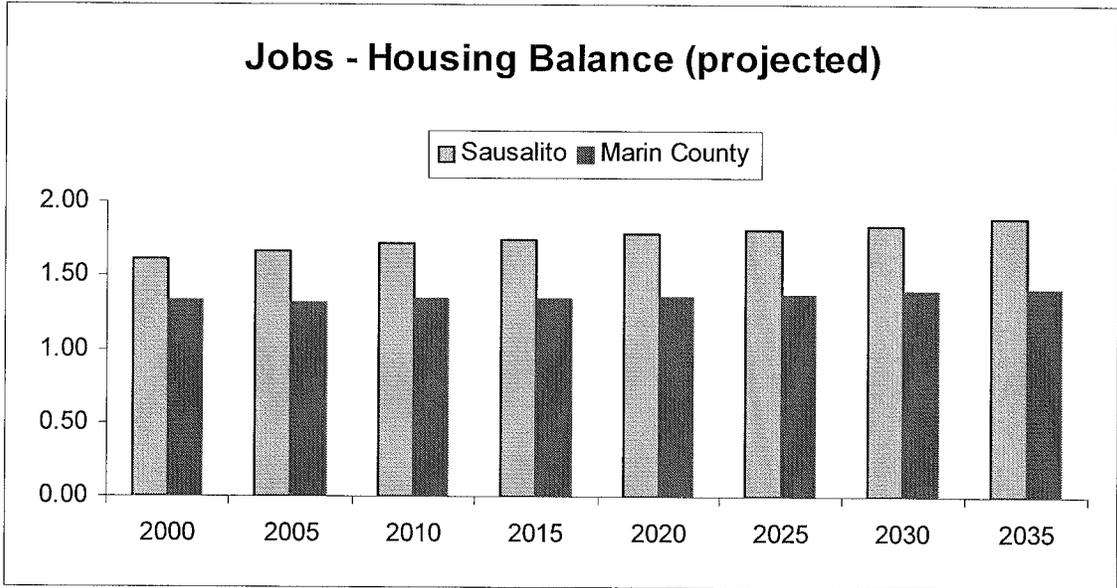


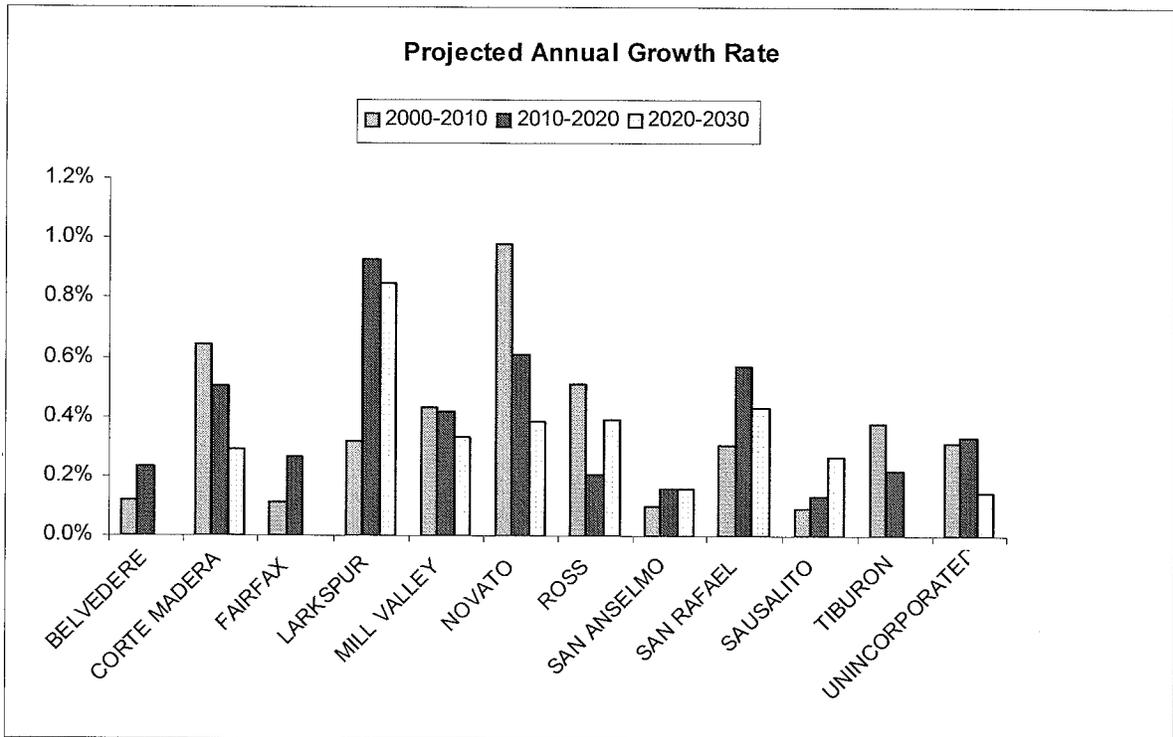
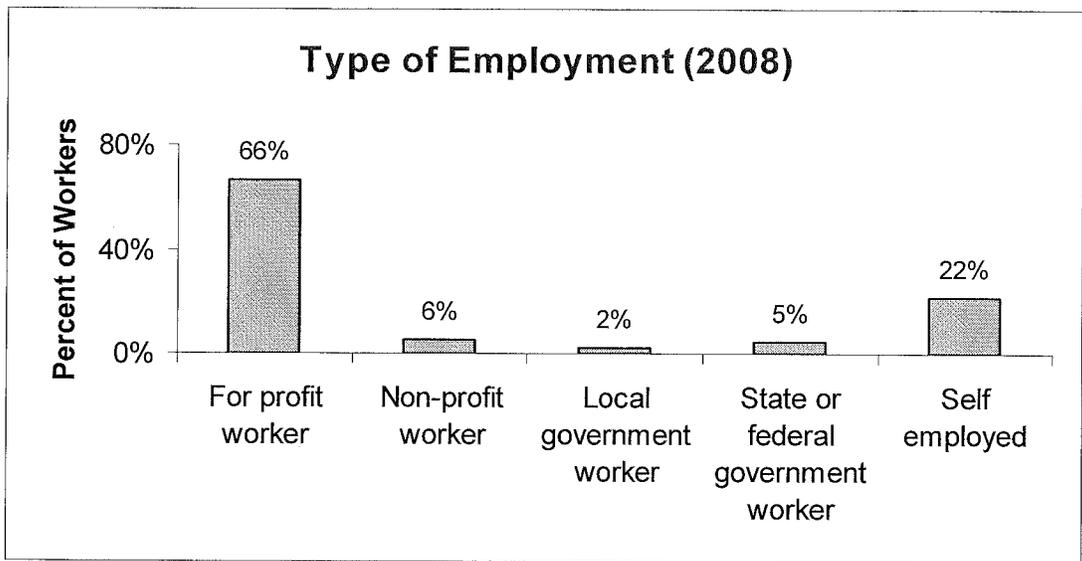


Job Growth (projected)



Jobs - Housing Balance (projected)





NUMBERS AND CONTACT DATA YOU'LL WANT TO KNOW

CITY OF SAUSALITO

Community Development Department: (415) 289-4128

Public Works Department: (415) 289-4106

Business License: (415) 289-4148

420 Litho Street, Sausalito

www.ci.sausalito.ca.us

COUNTY OF MARIN

County Clerk

(415) 499-6152

Room 247, Hall of Justice, Marin County Civic Center

www.ca.marin.ca.us

County Marin Environmental Health Services Division

(415) 499-6907

www.co.marin.ca.us

STATE OF CALIFORNIA

California Secretary of State

(916) 653-6814

1500 11th Street, Sacramento, ca 95814

www.ss.ca.gov

CalGOLD Business Permits Made Simple

www.calgold.ca.gov

California Employment Development Department

Disability Insurance: (415) 480-3287

Payroll Tax Assistance: (888) 480-3287

Unemployment Insurance: (800) 300-5616

California Franchise Tax Board

(800) 852-5711

Board of Equalization

(415) 356-6600

www.boe.ca.gov

California Department of Consumer Affairs

(800) 952-5210

www.dca.ca.gov

FEDERAL GOVERNMENT

Small Business Administration

(415) 744-6820

www.sba.gov

Internal Revenue Service

(415) 522-4061

www.irs.gov

U.S. Customs and Border Protection

(202) 354-1000

www.cbp.gov

UTILITIES

Pacific Gas and Electric (PG&E)

(800) PGE-5000

Marin Clean Energy

Marin Municipal Water District

(415) 945-1400

Sausalito – Marin City Sanitary District

(415) 332-0244

Bay Cities Refuse Service

(415) 332-3646

Sausalito Chamber of Commerce

(415) 331-7262

I:\CDD\Boards & Committees\BAC\Econ Dev\Biz Start Brochure - 1.doc