Subject Guide: Starting a Business in Santa Cruz County

Thinking of starting a business in Santa Cruz? There are people, agencies and websites available to advise and guide you through this process. Make sure to check all of the top-priority items (noted by an *) to see if they apply to your business, then get additional assistance from the general resource list. The Santa Cruz Public Library wants to help you succeed!

Here's What You Need

BUSINESS LICENSES

Licenses are required for most businesses. Business owners should contact the licensing department for each city in which the business is located or being operated. If your business will be based in one city, but you plan to operate in several cities, you may need a license from each city. To be sure, check with the tax and license division in each city where you intend to operate. Phone numbers and web addresses for business license offices in Santa Cruz County are:

- **Santa Cruz (city)**, 420-5070 or http://www.cityofsantacruz.com/departments/finance
- **Capitola**, 475 7300 or http://www.cityofcapitola.org/finance/page/business-licenses
- **Scotts Valley**, 440-5611 or http://www.scottsvalley.org/finance/business_licenses.html
- **Watsonville**, 768-3450 or http://growinwatsonville.com/start-a-business-in-watsonville/getting-a-business-license

Individual downloadable brochures entitled **License & Permit Information** are available for Santa Cruz and Monterey Counties from the Central Coast Small Business Development Center's website.

COUNTY PERMITS

The County of Santa Cruz also has restrictions and requires permits on some types of businesses operating in the unincorporated as well as incorporated areas. Because the regulations change from time to time, it is recommended that you contact the County Planning Department, 454-2580, to determine if a permit is required before opening your business. The most common businesses requiring permits from other departments are: ambulance, card rooms, bingo, food establishments, garbage collection, kennels, organized camps, pet shops, public swimming pools and target ranges. You can also check the Business Information brochure produced by the Santa Cruz County Clerk's Office, available on their web site at http://www.sccoclerk.com/busin.htm, or by calling the office at 454-2060.

ZONING REQUIREMENTS

You should contact the Planning (or Building) Department of the city for businesses in incorporated areas, or the County Planning Department for businesses in unincorporated areas, to make certain that your business location is zoned for your particular type of business. The phone numbers are as follows:

- Santa Cruz County, 454-2130 (Mon - Thu: 8 am - Noon for walk-in service; 1-4 pm for telephone inquiries)
- Santa Cruz City, 420-5100 (Mon - Thurs: 7:30am - Noon for walk-in service; 1-3 pm for telephone inquiries)
- Capitola, 475-7300 (also available online: http://www.codepublishing.com/ca/capitola/)
- Scotts Valley, 440-5630 (Mon - Thurs: 8am - Noon)
- Watsonville, 768-3050

STATE LICENSES

In addition to the licenses and permits mentioned above, certain professions and businesses require state licenses. A few of the more common are: automobile repair shops, bars, liquor stores, electrical appliance repair shops, contractors, cosmetologists, insurance sales, collection agencies, real estate sales, lawyers, and medical professionals. The California Department of Consumer Affairs provides information to the public about the more than 150 professional license types which it issues, and also offers online licensing services (http://www.dca.ca.gov/proflic). The California Business Portal features information about the state's permit, licensing and business/professional registration requirements plus a wide variety of helpful resources for starting, financing, expanding, or relocating a business in California (http://www.business.ca.gov/Home.Aspx).

FOOD VENDORS

If you are going to be selling or preparing food, you will need to obtain a permit from the County Department of Environmental Health, 701 Ocean St., Room 312, Santa Cruz 95060, 454-2022 (to speak with an Inspector, call between 8-9am).

FICTITIOUS BUSINESS NAME

A fictitious business name is one that does not include the surname of the individual owner and each of the partners **or** the nature of the business is not clearly evident by the name. Those who do need to file should do so within the first 40 days of doing business. You can get further information from the Santa Cruz County Clerk's Office, 701 Ocean Street, Room 210, Santa Cruz 95060, 454-2060 (Mon - Fri, 8 am - 5 pm); you can download the necessary forms or do an online business name search from the office's website (http://www.sccoclerk.com/fbngen.htm).

SELLER'S PERMITS/RESALE NUMBERS

Retailers, wholesalers and manufacturers must obtain seller's permits from the California State Board of Equalization, 111 E. Navajo Drive, Suite 100, Salinas 93906 2452. Phone numbers are: (831) 443-3003 or (800) 400-7115. The BOE Sales Tax Field Office located at 250 S. Second Street, San Jose, 95113-2706 now accepts office appointments (call 408-277-1231 to schedule). Also, forms and instructions can be found at http://www.boe.ca.gov/info/reg.htm#sales.

INCORPORATION

Information about corporate filings may be obtained from: Secretary of State, 1500 11th Street, Sacramento, CA 95814. The **California Business Portal**, maintained by the Secretary's office (http://www.ss.ca.gov/business/), offers a wealth of additional information, including: corporate name availability and reservation, incorporation forms, and tax information, plus links to other agencies as well as state/federal business resources. The Secretary of State also has a San Francisco office at:

455 Golden Gate Avenue, Suite 14500, San Francisco, CA 94102-7007; (415) 557-8000.

NON-PROFIT STATUS

If you want to obtain non-profit status for an organization or business, look for the book **How to Form a Nonprofit Corporation in California** by Anthony Mancuso, published by Nolo Press. This book contains step-by-step instructions and forms. Find it in the library at OVERSIZE 346.794 MAN. Forms and general information can be found online at http://www.sos.ca.gov/business/bpd_forms.htm#be, and Publication 927 from the CA Franchise Tax Board offers an overview.

Locally, the **Community Foundation of Santa Cruz County** provides grants and management assistance to nonprofit organizations, public sector agencies, and community groups to help them address the needs of county residents. You can contact the office at (831) 662-2000, email them at CFHelp@cfscc.org or check the group's website, http://www.cfscc.org/ for further information.

EMPLOYEE RELATED REQUIREMENTS

If you plan to hire employees, there are additional requirements that must be fulfilled:

- Obtain an **Employer Identification Number** (EIN) by filing form SS-4 with the Internal Revenue Service. Order a form by calling the IRS toll free number: (800) 829-3676; also request instructions, which are separate. Send the completed form to:

  Internal Revenue Service Center
  Attn: EIN Operation
  Philadelphia, PA 19255

  You can also file online: http://www.irs.gov/pub/irs-pdf/fss4.pdf. The IRS Taxpayer Assistance Center, located at 928 East Blanco Road, Salinas, CA 93901 is open weekdays from 8:30 am - 4:30 pm; call (831) 753-6895 for a list of available services or an appointment.

- File a form DE-1 with the California Employment Development Department, Account Services Group, MIC 28, PO Box 826880, Sacramento CA 94280-0001, (916) 654-8706 or http://www.edd.ca.gov/Payroll_Taxes/Forms_and_Publications.htm#Forms. After filing, you will be responsible for withholding and payment of state income tax and unemployment insurance.

- Each employee must fill out a form I-9 from the U.S. Citizen and Immigration Services to verify employment eligibility. You can obtain the form online from the USCIS website ("Forms" on top bar). Santa Cruz County is served by the USCIS Sub-Office located at 1450 Coleman Ave., Santa Clara 95050. Hours are by appointment.

- You can arrange Workers Compensation Insurance coverage for your employees through a state-sponsored plan, **State Compensation Insurance Fund**, or through your own insurance agent. For additional information about State Workers Compensation, you can contact their office, located at 6203 San Ignacio Ave., San Jose 95119, (408) 363-7600, or visit their website: http://www.dir.ca.gov/dwc/Employer.htm.

- Be familiar with CAL-OSHA, the California Occupational Safety Health Act, which sets down specific requirements for safety and health standards in places of employment throughout the state. Fines for non-compliance can be steep. Check for regulations which might affect your business online (http://www.dir.ca.gov/samples/search/query.htm) or by visiting either the Santa Cruz County Law Library, 701 Ocean St., Rm 070, or UCSC's McHenry Library and requesting Title 8 of the California Code of Regulations.

General Resources

EMPLOYEE ASSISTANCE

Workforce Santa Cruz County is a nonprofit service agency which provides a wide range of free employment-related services to both employers and job-seekers in Santa Cruz County. Call the Santa Cruz office at 423-8611, the Capitola office at 464-6286, or the Watsonville office at 763-8700 for further information or a schedule of services and classes (including the popular Resume Workshop). You can also check the agency's website http://www.workforcescc.com/ to access local job boards or

use the **Virtual Career Center**.

CHAMBER OF COMMERCE

Registration is not required, but you may be interested in checking with the Chamber of Commerce in your area:

- Aptos, 688-1467, http://www.aptoschamber.com
- Capitola-Soquel, 475-6522, http://capitolachamber.com
- San Lorenzo Valley, 222-2120, http://www.slvchamber.org
- Santa Cruz, 457-3713, http://www.santacruzchamber.org
- Scotts Valley, 438-1010, http://www.scottsvalleychamber.com/
- Pajaro Valley, 724-3900, http://www.pajarovalleychamber.com

These organizations offer a wide range of services including referrals, advertising, business start-up kits and networking opportunities--call the one near you for more information.

COPYRIGHT AND PATENT INFORMATION

For copyright information, contact the U.S. Copyright Office, 101 Independence Ave. S.E., Washington, DC 20559 6000, (202) 707-3000, (http://www.copyright.gov). For patent information, check the website of the U.S. Patent and Trademark Office (http://www.uspto.gov) for a full list of customer support services and contact information. In this area, the **Sunnyvale Library** is a Patent and Trademark Depository Library (PTDL), offering free access to patent and trademark documents in various formats including through the USPTO Web site http://www.uspto.gov. Contact the library for hours and further information: Sunnyvale Library website (http://sunnyvale.ca.gov/Departments/SunnyvalePublicLibrary/ResearchOnline/PatentsandTrademarks.aspx), or (408) 730-7300.

TRADEMARKS AND SERVICEMARKS

For information about registering a trademark or servicemark, check the California Business Portal (http://www.sos.ca.gov/business/ts/) online or the U.S Patent and Trademark Office (http://www.uspto.gov). You can also contact California's Trademarks/Service Marks Office, P.O. Box 942870, Sacramento, CA 94277-2870, (916) 653-3984.

SMALL BUSINESS ASSISTANCE

The Central Coast Small Business Development Center (SBDC - located at Cabrillo College), 479-6136, provides free professional counseling for small businesses and offers low or no cost workshops and seminars. SBDC's website (http://www.businessonline.org) links to an application form to request free of charge help, as well as to a wide range of business resources produced by local, state and national organizations.

Free business counseling and low-cost workshops are available through SCORE (Service Core of Retired Executives). Contact Santa Cruz County SCORE (621-3735) to make an appointment, or check their home page (www.santacruzcounty.score.org) for information about upcoming local workshops and programs.

The U.S. Small Business Administration (SBA) offers many programs and services designed to help small businesses succeed. The SBA also has a number of low cost business development pamphlets and booklets available. The nearest SBA District office is located at 455 Market St., Suite 600, San Francisco, CA 94105, (415) 744-6820, http://www.sba.gov, or contact the SBDC office for information.

The **Santa Cruz Public Libraries** has many publications to assist an entrepreneur starting a small business. Consult the staff, in person or by phone (427-7713), to find out about our up-to-date resources or browse on your own by connecting to the library's Public Access Catalog from the Library's home page (www.santacruzpl.org).

For additional information, see the other helpful websites listed below.

Related Websites:

- Business.gov (http://www.business.gov/)
  This site is managed by the U.S. Small Business Administration and is a one-stop electronic link to all information and services which the federal government provides for the business community.
- CalGold (http://www.calgold.ca.gov/)
  Provides businesses with links and contact information for agencies that administer and issue business permits and licenses, as well as registration requirements from all levels of government.
- City of Santa Cruz Small Business Permitting Tool (http://opencounter.cityofsantacruz.com/)
  The City of Santa Cruz Economic Development Agency has created a handy interactive tool for those interested in starting a small business in Santa Cruz. Specific assistance for scoping out locations, costs and permits.
- Franchise Tax Board (http://www.taxes.ca.gov/Small_Business_Assistance_Center/)
  Links to a wide variety of sites providing research and information about starting, running, and closing a business in California.
- Santa Cruz County Clerk (http://www.sccoclerk.com/busin.htm)
  Business Information, an informative brochure for local small businesses is available from this site.
- Scotts Valley Chamber of Commerce (http://www.scottsvalleychamber.com/)
  An excellent "How to Open a Business" brochure and checklist is available on this site.
- U.S. Small Business Administration (http://www.sba.gov/category/navigation-structure/starting-managing-business)
  An excellent website featuring information about start-up, business plans, finance and taxes, marketing, employment topics, plus a free online business planning workshop.