10 KEY STEPS TO STARTING A BUSINESS
For Businesses Within the City of San Diego Limits

So you want to start a business in the City of San Diego? Here are the key steps, which may vary depending on your type of business. Following 10 Key Steps will give you the general idea and help the process go smoothly.

Many steps can be researched and processed online through the websites listed, saving you the time of calling or visiting department or agency offices. The City's Central Library and all branches provide Internet access during library hours.

1. Research the Basics
The City of San Diego's Economic Development Department acts as an information clearinghouse for City business programs and services. It serves as your resource partner, connecting you with a variety of business assistance agencies. The department coordinates with City staff to provide the Business Tax Certificate (business license) and zoning, permit and regulatory information to businesses -- big, small and startup.

◆ Check out the City's award-winning Online Business Portal (business.sandiego.gov), powered by OpenCounter™. This free, one-stop, online portal provides customized information to guide you through your start-up process. Find permitted locations for your business, determine the necessary permits, get fee estimates, and learn about available business resources.

◆ At the City's Central Library, you can access many resources, including market research, information on trademark and service marks and how-to books on a variety of businesses and industries. The Central Library also offers workshops on patent, trademark and copyright issues.

◆ The U.S. Small Business Administration has a Business Resource Center that provides free access to a variety of educational and training resources for starting, operating and growing your business. Free onsite counseling is also provided by the Service Corps of Retired Executives (SCORE).

City of San Diego Economic Development Department
1200 Third Ave., 14th Floor, San Diego, CA 92101
619-236-6700 | sdbusiness@sandiego.gov | www.sandiego.gov/economic-development/business

Central Library
330 Park Blvd., San Diego, CA 92101
619-236-5800 | www.sandiego.gov/public-library

U.S. Small Business Administration
550 West C St., Suite 550, San Diego, CA 92101
619-727-4883 | www.sba.gov/offices/district/ca/san-diego

SCORE San Diego
8825 Aero Drive, Suite 101, San Diego, CA 92123
858-283-1100 | score0140@scorevolunteer.org | www.sandiego.score.org
2. Create Your Business Plan

A Business Plan will be your roadmap. It’ll show you where you are in relation to where you want to be. Your Business Plan will help you outline and document the actions you need to take. Many businesses fail without a solid Business Plan. One more thing: Banks require you to have a Business Plan to be eligible to apply for a loan.

The San Diego Small Business Development Centers (SBDC) offer technical assistance to aspiring entrepreneurs and small businesses in San Diego County. One of the nation's largest small business assistance programs, SBDC supports business growth and sustainability and helps create new business through advising, low-cost training and other specialized services, such as help preparing a Business Plan.

3. Determine Your Business Name

The name you choose for your business is very important. If it’s your own legal last name (surname) and a one-word description (such as “John Smith Roofing”), then you are not required to register a fictitious business name. If you have a business outside these parameters (such as JS Expert Roofing) and your business is not registered with the State, State law requires you to file a fictitious business name statement with the County of San Diego. This statement, however, does not protect the business name.

4. Determine the Legal Structure for Your Business

Your choice of legal structure will affect your income taxes and personal liability. Several legal structures exist in the State of California. Most businesses start as a Sole Proprietorship or a General Partnership, which 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 about which is the best legal structure for you and your business.
5. Select Your Business Activity Type

In San Diego, there's a business activity classification system that identifies a business activity and determines a business's start-up requirements and where it can be located. Here's a list of common Business Activity types, which can also be found on the Business Tax Certificate (business license) 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)
- 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)

6. Select Location and Determine Zoning and Site Permit Needs

Before you sign a lease or purchase a property, you should first check to see whether you're allowed to use the space for your type of business and what permits are necessary. The City's Online Zoning Portal can help.

City of San Diego Office of the City Treasurer, Business Tax Division
1200 Third Ave., First Floor, San Diego, CA 92101
619-615-1500 | www.sandiego.gov/treasurer/taxesfees/btax/index.shtml

City of San Diego Online Zoning Portal
https://zoning.sandiego.gov

Not sure where to locate? Submit an inquiry through the City's Online Business Portal to obtain information regarding permitted locations, site permit requirements and get fee estimates. This will give you the information you need and help you know the number and costs of permits you might need before locating, opening and expanding your business.

City of San Diego Online Business Portal
https://business.sandiego.gov

Plan to operate out of your home? Learn about the City requirements regarding Home Occupation at www.sandiego.gov/ced/zoning/home. If you can't comply with these City requirements, you must obtain a Neighborhood Use Permit.

For new construction or questions about the development process, contact the Development Services Department.

City of San Diego Development Services Department (DSD)
1222 First Ave., Third Floor, San Diego, CA 92101
619-446-5300 | www.sandiego.gov/development-services
7. Get Special Licenses and Permits

Your Business Activity type determines which licenses and permits are needed to operate a business legally. The City’s Online Business Portal (business.sandiego.gov) provides plenty information. Here are some key contacts:

◆ The CalGOLD Business Permit System (database) assists you in finding appropriate permit information for your business. It also provides contact information for the various agencies that administer and issue these permits. CalGOLD neither issues permits or licenses nor provides information on any specific license number(s). If you have questions, contact the agencies that serve your Business Activity type.

CalGOLD
877-345-4633 | www.calgold.ca.gov

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

State of California Department of Consumer Affairs
800-952-5210 | www.dca.ca.gov

◆ Certain types of Business Activities are regulated by the San Diego Police Department (SDPD) and require a Police Permit. The City of San Diego’s Police Regulated Permitting Application process is administered by the Office of the City Treasurer. Regulation and enforcement is performed by SDPD. For a list of the City’s Police Regulated Businesses and information on permits and fees, visit: www.sandiego.gov/treasurer/taxesfees/pdpermits/requirements.shtml

City of San Diego Office of the City Treasurer, Business Tax Division
1200 Third Ave., First Floor, San Diego, CA 92101
619-615-1500 | www.sandiego.gov/treasurer/taxesfees/pdpermits

◆ Use of hazardous materials and some issues regarding high occupancy require special permits from the San Diego Fire-Rescue Department.

City of San Diego Fire-Rescue Department
619-533-4300
Permits: www.sandiego.gov/fire/services/permits/index.shtml

◆ Businesses that sell tangible personal property in the State of California must apply for a Seller’s Permit through the California Department of Tax and Fee Administration.

California Department of Tax and Fee Administration
15015 Avenue of Science, Suite 200, San Diego, CA 92128
858-385-4700 | https://www.cdtfa.ca.gov/taxes-and-fees/faqseller.htm

Continued on next page
Get Special Licenses and Permits (continued)

- Businesses that sell **goods by weight or volume** must register the devices with the County of San Diego Agriculture, Weights and Measures office. Permits are usually required for businesses that import/export businesses, engage in **agricultural-related production** or use **pesticides**.

  County of San Diego Agricultural, Weights and Measures  
  9325 Hazard Way, Suite 100, San Diego, CA 92123  
  858-694-2739 | www.sdcounty.ca.gov/awm

- Businesses that sell or handle **food products**, operate a **pool or spa**, handle **hazardous materials** or **medical waste**, have **underground storage tanks** or use **x-ray equipment** must contact the County of San Diego Environmental Health office. Services vary among the four County offices.

  County of San Diego Environmental Health  
  Four offices  
  858-338-2222 | www.sdcounty.ca.gov/deh

  **Other permits and licenses may also be required.**

8. Get Tax Information

Several types of State and Federal taxes may be levied on businesses, including income tax, unsecured personal property tax and employment taxes.

- For **unsecured property tax** information, contact:

  County of San Diego Treasurer-Tax Collector  
  877-829-4732 | www.sdtreastax.com

- For **State tax** information, read “Striking for Gold,” which outlines State taxes for businesses, and is available through the State Board of Equalization. Also, the California Tax Information Center, sponsored by California’s tax agencies (Board of Equalization, Employment Development Department and Franchise Tax Board) and the IRS, can provide guidance.

  “Striking Gold in California” - State Board of Equalization  
  800-400-7115 | www.boe.ca.gov/info/VirtualSeminars/business_publications.htm

  California Tax Information Center  
  (800) 338-0505 ● https://taxes.ca.gov

- For **Federal tax** information specific to businesses, contact:

  Internal Revenue Service  
9. Know Your Employer Responsibilities

If you are going to hire employees, you should know it comes with many responsibilities at the City, State and Federal levels.

◆ For information about the City of San Diego employer requirements, including the Earned Sick Leave and Minimum Wage Ordinance, contact:

City of San Diego Office of the City Treasurer
1200 Third Ave., First Floor, San Diego, CA 92101
Minimum Wage Program: 619-615-1565 | SDMinWage@sandiego.gov | www.sandiego.gov/MinimumWage

◆ For information about State employer requirements, taxes and services, contact:

State of California Employment Development Department
10636 Scripps Summit Court, Suite 202, San Diego, CA 92131
888-745-3886 and 858-880-2500 | http://www.edd.ca.gov

◆ On the Federal level, employers must register as an employer with the Internal Revenue Service (IRS) to obtain a Federal Employer Identification Number (EIN). Employers must also pay additional taxes; withhold, match and submit employee withholdings; obtain worker's compensation insurance and adhere to employee eligibility regulations. The EIN is a nine-digit number that the IRS assigns to business entities and uses to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, nonprofits, trusts and estates, government agencies, certain individuals and other business entities. EINs can be obtained by completing form SS-4 online or by calling the IRS.

Internal Revenue Service
800-829-4933 | www.irs.gov/businesses/small-businesses-self-employed/how-to-apply-for-an-ein

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

Any person or entity 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 (Home Occupation), self-employed persons and independent contractors are also required to have a Business Tax Certificate. You can apply for a Business Tax Certificate online or in person.

City of San Diego Office of the City Treasurer, Business Tax Division
1200 Third Ave., First Floor, San Diego, CA 92101
619-615-1500 | www.sandiego.gov/treasurer
Download application: www.sandiego.gov/treasurer/taxesfees/ptax/ptaxhow.shtml

More questions? Let us help.

City of San Diego Economic Development Department
1200 Third Ave., 14th Floor, San Diego, CA 92101
619-236-6700 | Email us: sdbusiness@sandiego.gov
24-Hour Online Business Portal: https://business.sandiego.gov
Our Website: www.sandiego.gov/economic-development
Additional Resources
The City's Economic Development Department offers many resources to help entrepreneurs start, expand and locate their business in the City of San Diego. The City's new Business Resource Matcher can help you discover available financing, such as tax credits, grants and loans, as well as services, such as consulting and mentorship.

City of San Diego Business Resource Matcher
www.sandiego.gov/business-resources

You can also explore our website (www.sandiego.gov/economic-development). Below are some other resources.

Financing Resources
Small business have financial resources in San Diego, but few are available to startups. Most loan programs require that businesses have been in operation for at least one year.

Gap Financing/Business Financing Loan Program
City of San Diego Economic Development Department
1200 Third Ave, 14th Floor, San Diego, CA 92101
619-236-6323 | Fax: 619-533-3219
www.sandiego.gov/economic-development/business/financing

Loan Programs
CDC Small Business Finance Corporation
619-291-3594 | Fax: 619-291-6954
https://cdcloons.com

California Southern Small Business Development Corp.
State of California Loan Guarantee Program
619-232-7771 | Fax: 619-232-6743
www.casouth.com

Micro Loans
ACCION San Diego
404 Euclid Ave., Suite 271, San Diego, CA 92114
619-795-7250 | Fax: 619-795-7260
www.accionsandiego.org

Matching Grant/Incentive Programs
Storefront Improvement Program
City of San Diego Economic Development Department
619-236-6700 | Fax 619-533-3219
sdbusiness@sandiego.gov
www.sandiego.gov/storefront

Certification and Contracting Opportunities

Certification for City Contracts
City of San Diego Equal Opportunity Contracting
1200 Third Ave., Suite 200 San Diego, CA 92101-4195
619-236-6058
www.sandiego.gov/eoc/boc/slbe.shtml

State Certification as a Small Business
Office of Small Business & DVBE Services
California Department of General Services
800-559-5529
www.dgs.ca.gov/pd/programs/osds/getcertified.aspx

Contracting with City of San Diego
City of San Diego Purchasing Division
1200 Third Ave., Suite 200 San Diego, CA 92101-4195
619-236-6000, Fax: 619-236-5904
www.sandiego.gov/purchasing/

Contracting Opportunities Center
San Diego Contracting Opportunities Center (Procurement Technical Assistance Center)
4007 Camino Del Rio South, Suite 210
San Diego, CA 92108
619-285-7020, Fax: 619-285-7030
www.ptac-sandiego.org
Small Business Registration
Small Business Administration
550 West C St., Suite 550, San Diego, CA 92101
619-727-4883
https://www.sba.gov/offices/headquarters/obd/resources/4210

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
https://arcc.sdcounty.ca.gov/Pages/default.aspx

County Treasurer/Tax Collector
1600 Pacific Highway, Room 162
San Diego, CA 92101
877-829-4732
www.sdtreastax.com

County Air Pollution Control
County Small Business Assistance Program
10124 Old Grove Road, San Diego, CA 92131
858-586-2600 | Fax: 858-586-2601
http://www.sdapcd.org/content/sdc/apcd/en/compliance-programs/business_assistance.html.html

County Zoning Information
County Planning & Development Services
5510 Overland Ave., San Diego, CA 92123
858-565-5920
www.sdcounty.ca.gov/pds

State of California Resources

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

State Payroll Taxes
State Employment Development Department
10636 Scripps Summit Court, Suite 202
San Diego, CA 92131
888-880-2500
www.edd.ca.gov

State Worker's Compensation
State Compensation Insurance Fund
888-782-8338
www.statefundca.com

State Alcohol Sales Licensing
State Alcoholic Beverage Control
1350 Front St., Suite 5056, San Diego, CA 92101
619-525-4064 | Fax: 619-231-1171
www.abc.ca.gov

State Incorporation Information
California Secretary of State
916-657-5448
www.sos.ca.gov/business-programs

Federal Government Resources

The federal government provides a host of pertinent resources 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 92101
Information: 800-829-1040
Forms and Publications: 800-829-3676
www.irs.treas.gov

Export Information
Department of Commerce
International Trade Administration
www.ita.doc.gov
Import & Customs
U.S. Customs & Border Protection
Airport and Seaport  619-685-4304
Otay Mesa Border  619-671-8064
Tecate Border  619-938-8300
www.cbp.gov/trade/basic-import-export

Wage & Hour Information
U.S. Department of Labor
550 West C St., Suite 990, San Diego, CA 92101
619-557-5110 and 866-487-9243
www.dol.gov and www.labor.ca.gov

Social Security Information
Social Security Administration
1333 Front St., San Diego, CA 92101
800-772-1213
www.ssa.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
619-544-1300
www.sdchamber.org

Demographics
San Diego Association of Governments
401 B St., Suite 800, San Diego, CA 92101
619-699-1900 | Fax: 619-699-1905
www.sandag.org

Business Improvement Districts
619-236-6607
sdbusiness@sandiego.gov
www.sandiego.gov/economic-development/about/bids

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
www.foodnbeverage.org

Fermanian Business & Economic Institute
Point Loma Nazarene University
2600 Laning Road, San Diego, CA 92106
619-849-2692
www.pointloma.edu/experience/academics/centers-institutes/fermanian-business-economic-institute

USD School of Law
Entrepreneurship Clinic
University of San Diego
5998 Alcala Park, San Diego, CA 92110-2492
619-260-7470
www.sandiego.edu/law/academics/clinical_education/clinics/entrepreneur.php

California Western School of Law
New Media Rights Clinic
225 Cedar Street, San Diego, CA 92101
619-591-8870
www.cwsl.edu/clinics-and-programs/new-media-rights-clinic
www.newmediarights.org

Thomas Jefferson School of Law
Small Business Law Center
495 11th Ave., San Diego, CA 92101
619-961-4382 | Fax: 619-961-1382
www.tjsl.edu

Small Business Consulting
Small Business Development Center (SBDC)
South San Diego SBDC
880 National City Blvd., Suite 103
National City, CA 91950
619-482-6391, Fax: 619-216-6692
www.sandiego.gov/economic-development/about/bids
North San Diego SBDC
2075 Las Palmas Drive, Carlsbad, CA 92011
760-795-8790
www.sandiegosmallbiz.com
Email: centerinfo@miracosta.edu

SBDC Technology Center
5998 Alcala Park, San Diego, CA 92110
sdsbdc@swccd.edu
www.sdivsbdc.org/usd-sbdc/

San Diego Center for International Trade Development
880 National City Blvd., Suite 7100
National City, CA 91950
619-482-6393
www.support@sandiegocitd.org
www.sandiegocitd.org

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