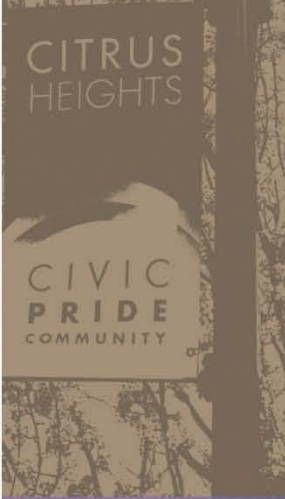


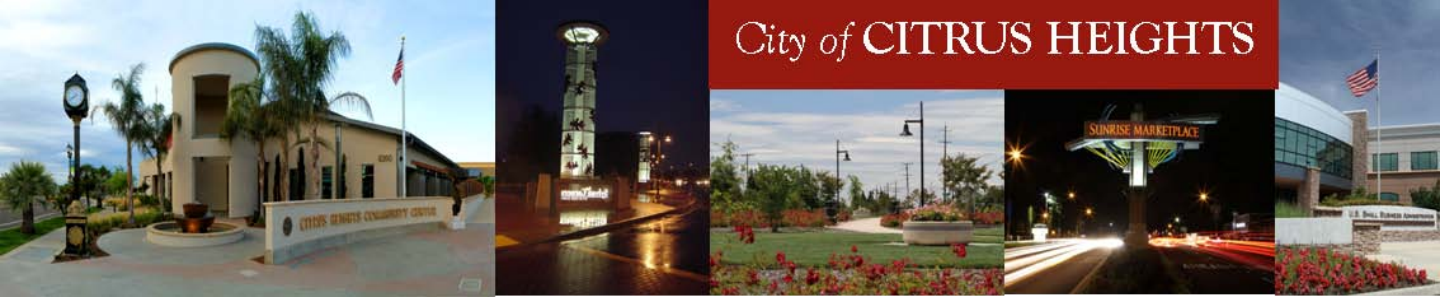
Starting a Business in the City of Citrus Heights

A Step by Step Guide



City of Citrus Heights
6237 Fountain Square Drive
Citrus Heights, CA 95621
(916) 725-2448
www.citrusheights.net

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City of CITRUS HEIGHTS

Welcome and congratulations on establishing, considering establishing or expanding your business in Citrus Heights. The City recognizes that small and medium-sized businesses are the backbone of our local economy. Citrus Heights is dedicated to assisting you as you start or expand your business within the community.

You've put a lot of thought into how your business should look, function, and now it is time to begin the implementation process. For some, understanding the City's vision for its commercial areas and obtaining the necessary approvals, permits or licenses is new and unfamiliar. It needn't be.

This guide is designed to help you navigate the licensing and permitting system and to answer many of your questions. This guide does not answer every question, so we have provided phone numbers of key contacts and Web site/page links to make the process easier.

> *Step 1: Develop a Business Plan*

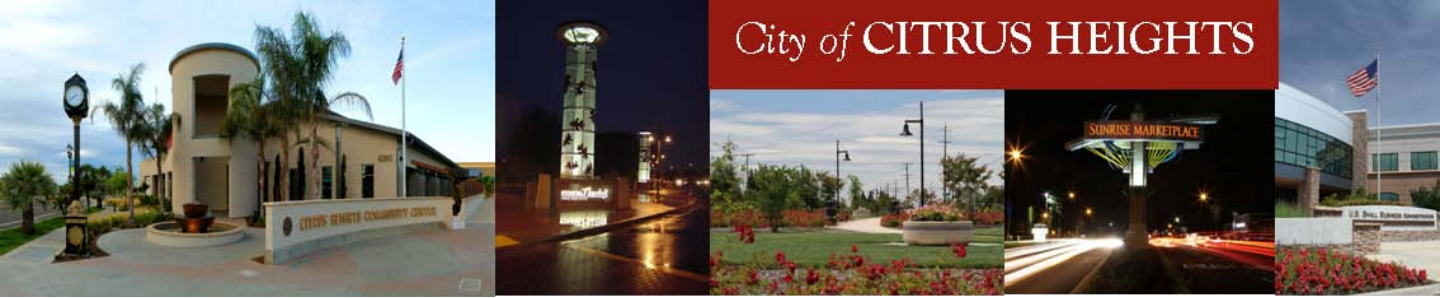
In order to start a successful business, you will need to create a business plan. This plan will help you evaluate your idea, approximate costs and determine the strengths and weaknesses of your proposal. A business plan may also serve as a device to help raise money and is usually required to apply for a loan.

> *Step 2: Determine Your Business Structure*

It is important to determine the structure of your business for operating and business reporting purposes. Will you run your business as a sole proprietor, partnership (2 or more owners), or corporation (1 or more stockholders/officers)?

If you are a sole proprietor, no formation documents are required to be filed with the Secretary of State. It is optional for partnerships to file with the state.

If you are starting a corporation or a limited liability company, you must be filed with the Secretary of State's Office. They can supply you with all the information and forms you need.



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> *Step 3: Choosing the Right Location*

The City of Citrus Heights Community and Economic Development Department has compiled information regarding available retail, commercial and industrial properties within the City. Visit www.LocateinCH.net for more information and listings on properties available.



Check and Clear Zoning Regulations

All properties fall into a zoning classification that regulates the type of business activities that may occur at the site. Business owners should verify with the Planning Division that their business type is allowed in the desired location prior to signing any lease agreements. Contact the Planning Department at (916) 727-4740 to verify that your proposed business would be allowed at the proposed address location.

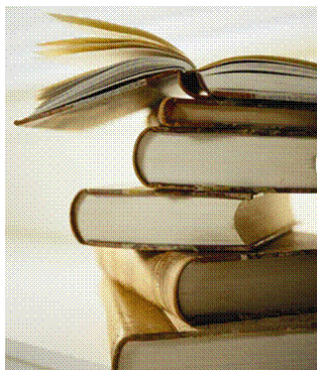
The Citrus Heights Zoning Code also implements design standards related to site plan design, architecture detailing and building materials. Zoning is also used to control other development regulations, such as signage, parking, and minimum yard requirements, more commonly referred to as setback requirements. Copies of the Zoning Code are available for purchase at the City Hall public counter. The Zoning Code is also available on the City's Web site.

Rezone or General Plan Amendment

A rezone or General Plan amendment may be initiated by a property owner or property owner's agent. It is recommended that prior to the submittal of a rezone or General Plan amendment application you discuss your project with the City's planning staff.

Variance

Variance is a process that allows an applicant an exemption from compliance to the Zoning Code. A variance may only be granted if it can be demonstrated that because of special circumstances present on the subject property, the application of the code would deprive the property of privileges enjoyed by other properties in the vicinity and under identical zone classifications. These special circumstances include property size, shape, topography, location, or presence of landmark trees, natural streams or floodplains. It is recommended that prior to the submittal of a variance application you discuss your project with City planning staff.





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> *Step 4: Register a Fictitious Name*

If you plan to conduct business under a name that does not contain your legal last name, the legal name of a corporation or suggests additional owners (“John Smith and Company,” etc.), you need to file a Fictitious Business Name (FBN) Statement with Sacramento County. The statement must be filed within 40 days of the first day of business; however, it is recommended that you file before opening your business to avoid confusion. Within 30 days after filing a Fictitious Business Name Statement, you need to publish the statement in a newspaper of general circulation in the County. The statement must be published once a week for four weeks.



> *Step 5: Home-based Businesses*

The conduct of a business within a home must comply with the City’s Home Occupation Regulations. These regulations are intended to provide reasonable opportunities for the occupants of a home to conduct a business while not changing the character of the home or the surrounding neighborhood.

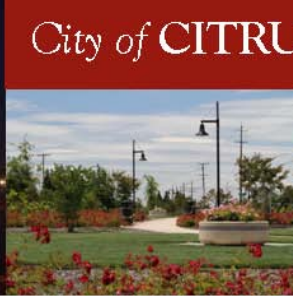


All home-based businesses are required to obtain a business license from the City’s Finance Department. In conjunction with the business license all home-based businesses must submit a Home Occupation Clearance form for review and approval by the Planning Division. Home-based businesses are allowed no more than one employee, unless a Minor Use Permit is granted and are subject to Employment Development Department regulations as well as the State Industrial Regulation Department. Lastly, home-based businesses that are open to the public or have employees are required to meet all ADA standards for accessible design.

> *Step 6: Tax Reporting*

All businesses are required to file both state and federal tax returns. Please contact the State Franchise Tax Board and the federal Internal Revenue Service to learn about specific requirements.

Will you be selling a product? The California Board of Equalization can assist you in determining whether you need a Seller’s Permit. You may also be required to collect sales tax. To do so, the Board of Equalization will need to issue you a resale number in order to report that sales tax.

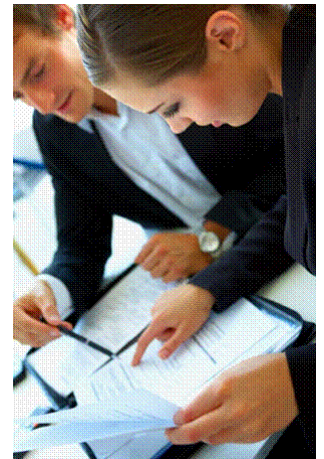


> *Step 7: Business Licensing*

Business licenses are required for all businesses, including home occupations, who conduct any business activities in the City of Citrus Heights. Some business types such as handyman, massage therapist and a variety of others, are also required to obtain a Special Business License that initiates a background check on the licensee. Business owners should verify with the Planning Division that their business type is allowed in the desired location prior to signing any lease agreements. For additional information on the types of business licenses you may require, contact the Finance Department at (916) 727-4907.

> *Step 8: Other Permits and Licenses*

All projects may not be allowed in all zoning districts. It is recommended that you contact the Planning Division prior to any significant investment in your project. The Planning Division processes a variety of applications. Application fees must be submitted with the application and are not refundable. If you have any questions on which fees apply to your project, please contact the Planning Division at (916) 727-4740.



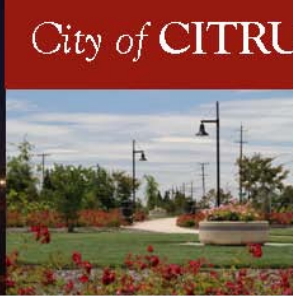
Certain building and site improvement projects require a building permit. If you should have any questions on whether your project requires a building permit, contact the Building and Safety Division at (916) 727-4760 for a determination. During the construction of your project, on-site inspections will be conducted to ensure that approved materials are properly used and the work is performed according to the approved job plans. Any work or materials that are not up to code will need to be corrected and re-inspected. The inspections are for the owner's and/or occupant's health and safety, as well as protecting your investment. Outside agencies also charge certain development fees be sure to contact your local water district, the sewer district, and the Air Quality District.

Fire Safety Inspections



Sacramento Metro Fire, the Fire Department serving Citrus Heights, issues a Fire Inspection Permit for various types of businesses. The permit provides a clearance to operate businesses which use special materials such as garages, hospitals, day care centers and hotels. To determine whether or not you need a permit call:

Sacramento Metro Fire Department
Fire Prevention Division
Rancho Cordova
(916) 942-3300



Food Safety

If you plan to start a food business, the FDA offers information on food safety guidelines and regulations that are required for informative labeling and the safe preparation, manufacture and distribution of food products. For more information, call 1-888-SAFEFOOD or visit <http://www.cfsan.fda.gov/~comm/foodbiz.html>. The Environmental Health Division of the Sacramento County Environmental Management Department is the local authority responsible for inspections. If you would like to learn how to get a green placard upon inspection, visit www.emd.saccounty.net or contact the Environmental Health Division at (916) 875-8440 or foodprogram@saccounty.net.



Vendor Permit

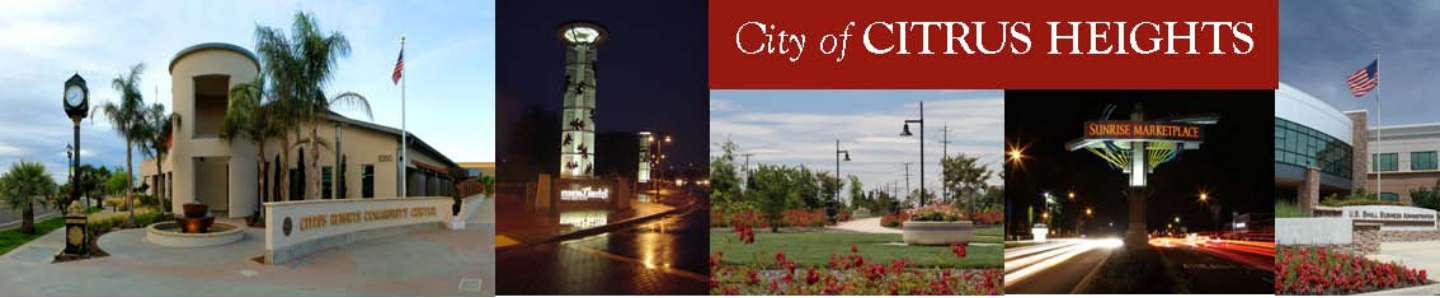
A vendor permit allows the sale of goods from a cart, stand, table, vehicle, or other device rather than a permanent building. Vending is limited to no more than 200 square feet of area. Vendor permit applications may take up to 30 days to gain approval. The Planning Department is required to notify all adjoining property owners and business operators of the application for the permit.

Temporary Use Permit

Temporary use permits are required for promotional signs, grand opening events, outdoor events, carnivals and sales trailers. Most temporary use permits are valid for no more than ten days within a given year. For further information a City Planning Staff member can be reached at (916) 727-4740 or visit http://www.citrusheights.net/docs/141233522010temporary_use_permit.pdf for more details.

Letter of Public Convenience

If you would like to sell alcoholic beverages, applicants must contact the Department of Alcoholic Beverage Control Board (ABC) for a liquor license. If the business location is in a highly concentrated or high crime area ABC will deny the request unless the person(s) applying for the liquor license obtain a letter of public convenience. This designation is made by ABC, not the City of Citrus Heights. Please visit http://www.citrusheights.net/docs/1713262562004letter_of_public_convenience.pdf for application submittal requirements or contact the City's Planning Staff at (916) 727-4740 to discuss your application.



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Sign Permit

The Planning Division reviews all sign permit applications to ensure compliance with allowed square footages, installation locations, and in certain areas, compliances with the master sign program. Sign permit applications are filed with the Building Division.

> *Step 9: Will You Have Employees?*

If you hire employees, you must register with the State Employment Development Department within 15 days after your employees are hired. The Employment Development Department regulates



State Disability Insurance, Unemployment Insurance Tax, Income Tax Withholdings, and Employment Training Tax. There is no fee to register as an employer. The Employment Development Department will have information on tax rates and payment schedules.

If you hire employees, you will need information on minimum wage, child labor, record keeping, etc., for a full understanding of your rights and responsibilities. The State Industrial Regulations

Department provides information and assistance to businesses concerning worker's compensation regulations and benefits. This is a very complex area of the law, and before you hire employees you should check on your rights and responsibilities under worker's compensation laws. Home based businesses can have no more than one employee on-site at any one time or more than one employee reporting to work in a given day. Home occupations having more than one employee on-site at any one time is permitted only when authorized through a Minor Use Permit. If needed, the City may request employee verification information from the business owner.

> *Step 10: Get in Touch with Business Resources*

Citrus Heights Regional Chamber of Commerce and Sunrise Marketplace

The Citrus Heights Regional Chamber of Commerce is a non-profit business association that works toward addressing the needs of the business community. To expand your horizons with hundreds of other business owners and operators doing business in Citrus Heights as well as reap the benefits of the many services the chamber provides you may consider becoming a member of the Citrus Heights Regional Chamber of Commerce. For more information call (916) 722-4545 or visit www.chchamber.com. If you are looking to locate in the Sunrise Marketplace, a property-based improvement district, visit www.locateinsmp.com for available locations.



Citrus Heights Resources

City Hall - (916) 725-2448
General Services Department - (916) 727-4770
Planning Division - (916) 727-4740
Building Division – (916) 727-4760
Economic Development - (916) 725-2448

In addition, to contacts at City Hall the following list of related agencies can assist you with various stages of your project. Some agency approvals may be required prior to building permit issuance.

SACRAMENTO METRO FIRE DISTRICT
(916) 942-3300

ELECTRIC
SMUD (Electric Only)
(888) 742-7683

GAS
Pacific Gas & Electric (Gas Only)
(916) 386-5112

SAC REGIONAL COUNTY SANITATION DISTRICT - SEWER
Customer Service (916) 876-6000
Impact Fees (916) 876-6160

WATER
Citrus Heights Water District
(916) 725-6873

California America Water Company
(916) 568-4251

Sacramento Suburban Water
(916) 972-7171

ALLIED WASTE SERVICES
(916) 638-9000 or (916) 725-9060

SAC METRO AIR QUALITY MGMT DISTRICT
(916) 874-4800

SAC CO ENVIRONMENTAL MGMT DEPT ENVIRONMENTAL HEALTH
(916) 874-6010

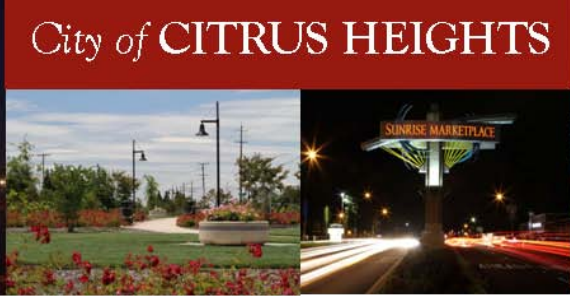
SAC CO ENVIRONMENTAL MGMT DEPT HAZARDOUS MATERIALS
(916) 875-8550

SAC CO ASSESSOR’S OFFICE
(916) 875-0700

SJUSD Developer Fee Office
Katie Colby
(916) 971-7073

FAIR HOUSING DEPARTMENT
Tenant-Landlord Issues
(916) 444-0178

UNDERGROUND SERVICE ALERT (USA)
811 or (800) 227-2600 Call before you dig



City of CITRUS HEIGHTS

Business Links and Contacts

America's Small Business Development Centers

<http://www.asbdc-us.org/>

The Better Business Bureau Serving Northeast California

<http://www.sacramento.bbb.org/>

Business Environmental Resource Center (BERC)

www.sacberc.org

California Employment Development Department

<http://www.edd.ca.gov/>

CalGOLD Business Permits Made Simple

<http://www.calgold.ca.gov/>

California Department of Alcoholic Beverage Control

<http://www.abc.ca.gov/>

California Department of Consumer Affairs

<http://www.dca.ca.gov/>

California Department of Social Services

<http://www.dss.cahwnet.gov/cdssweb/default.htm>

California Secretary of State's Office

<http://www.sos.ca.gov/>

California State Board of Equalization

<http://www.boe.ca.gov/>

California Tax Service Center

<http://www.taxes.ca.gov/>

Citrus Heights Chamber of Commerce

<http://www.chchamber.com/>

Contractors State License Board

<http://www.cslb.ca.gov/>

County of Sacramento

<http://www.saccounty.net/default.htm>

Franchise Tax Board

<http://www.ftb.ca.gov/>

Internal Revenue Service

<http://www.irs.gov/>

Sacramento County Environmental Management Department

<http://www.emd.saccounty.net>

Sacramento Employment and Training Agency

<http://www.seta.net/>

Small Business Development Center

<http://www.sba.gov/>

Sunrise Marketplace

<http://www.locateinsmp.com>

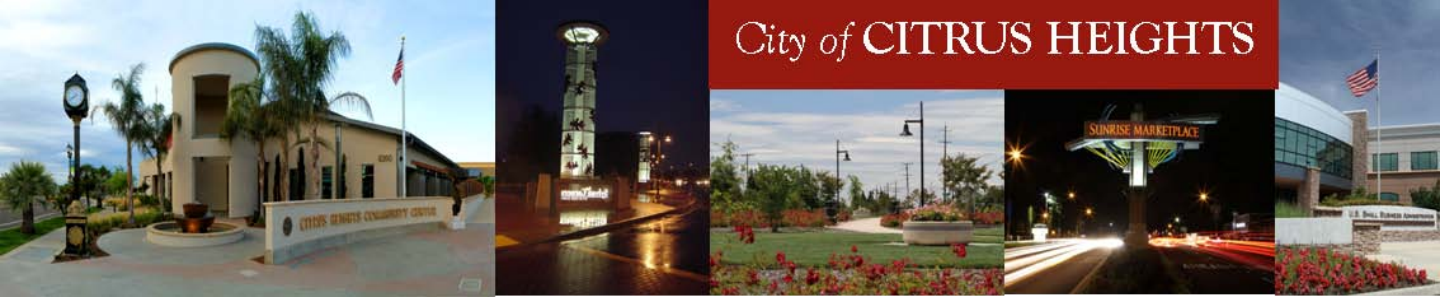
United States Department of Agriculture

<http://www.usda.gov/>

United States Food and Drug Administration

<http://www.cfsan.fda.gov/>





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> *Tips for Dealing with Government Offices*

Always get the name of the person you're dealing with -

Government offices are almost always large organizations where many people answer the phone. Knowing whom you spoke with can help clarify things if delays or difficulties develop.

Always make notes as you speak -

This will help you keep the information straight and help you connect names with phone numbers.

Always find out where your call is being transferred and the number you're being transferred to -

This will help if you get disconnected or if you need to call back.

Always be patient -

The number you first call may be the main reception area. You may have to repeat your request or explain your situation to more than one person. Expect this, and give complete but concise information so you can be forwarded to the right person.

Every year many new businesses open in Citrus Heights. The Mayor and City Council have a long-standing policy of supporting business growth in the City. As a part of that policy, the City strives to make the process of opening a business and obtaining the proper licenses as easy as possible.