

STARTING YOUR BUSINESS IN VACAVILLE

A Helpful Handbook for the Entrepreneur in You



Getting Started

YOU HAD A GREAT IDEA for a new product or service. You built a prototype; got certified; maybe you even quit your day job. You tested it out on friends, relatives, and coworkers. Everybody loved your idea—in fact, they even suggested you go into business and start profiting from your product or service.

You took a deep breath, conjured up all your courage and decided to become your own boss.

Now what?

This guide is designed to help you navigate the many rules, regulations, permitting processes and other steps on your way to opening your business in the City of Vacaville. We hope you find this information helpful, informative, and worth sharing with other budding entrepreneurs!

Good luck, and we welcome your business to the City!

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Why Vacaville?

There's just something about Vacaville that sets it apart for those who call it home. Maybe it's sitting down for your favorite meal at one of the city's local landmark restaurants. Maybe it's watching the Fiesta Days Parade kick off the summer on Merchant Street every May, or enjoying the bright lights of Candy Cane Lane on a Holiday evening stroll. Or, just maybe, it's taking pride in the fact that the teachers, police officers, and city workers who keep the city going strong are some of the same folks who you have over for company on the weekends.

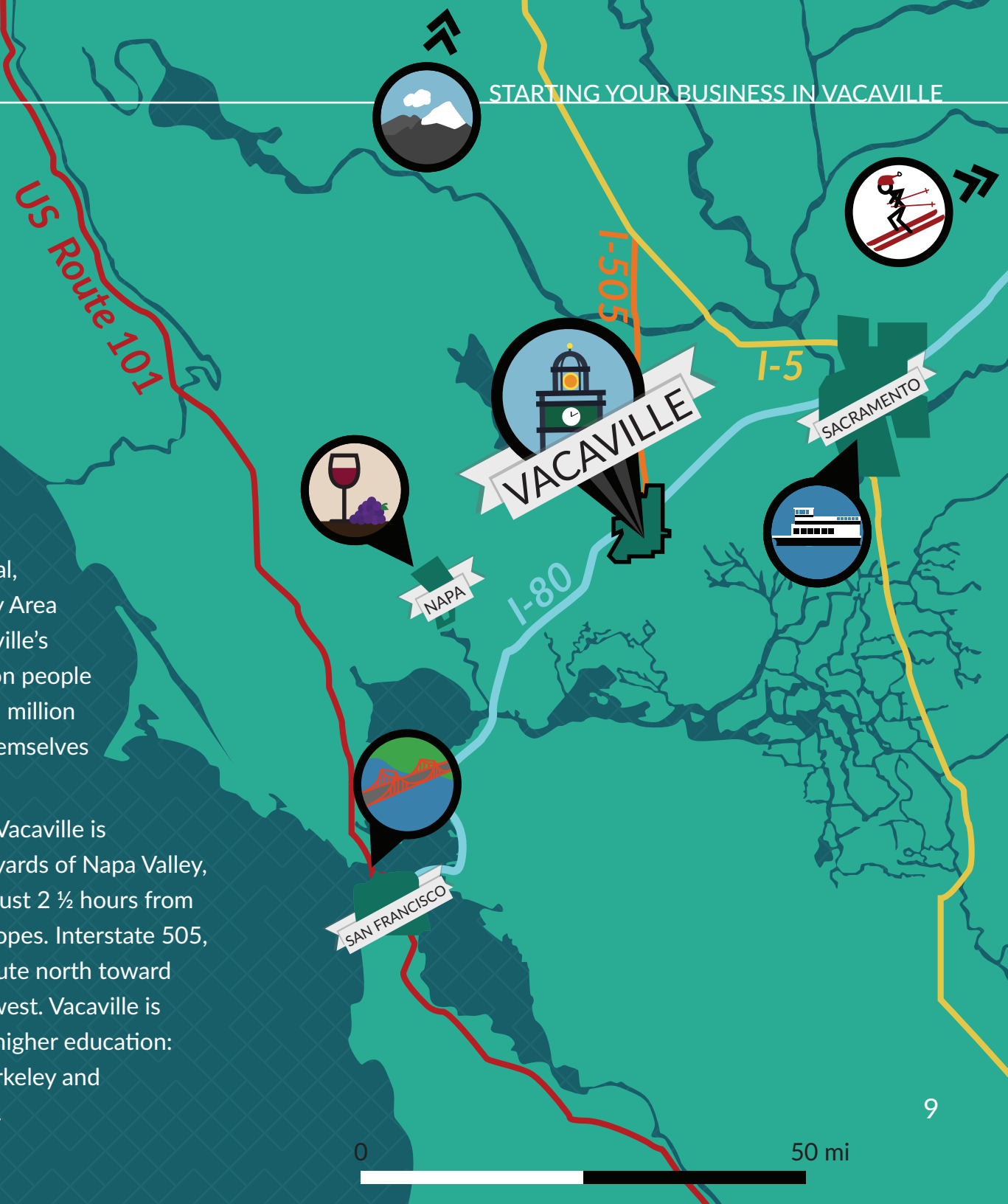
You can feel Vacaville's unique charm everywhere you go—it's in the people that make up this wonderful town. And as appealing a place it is to live, it's an equally appealing destination to start up or relocate a business. As you are about to discover, Vacaville's desirable location and its availability of retail, office and industrial space make it among the most eligible Northern California cities to do business.



OUR LOCATION

JUST AN HOUR'S DRIVE from San Francisco and a 40-minute trip from our state's capital, Vacaville is the home base of countless Bay Area and Sacramento workers. Because of Vacaville's location on the I-80 corridor, over 75 million people travel through our City each year—that's 75 million people who need to shop, eat, and avail themselves of services being offered here.

Sitting in the heart of Northern California, Vacaville is a convenient half-hour drive from the vineyards of Napa Valley, 45 minutes from the nearest beaches and just 2 ½ hours from Reno, Lake Tahoe and the Sierra Nevada slopes. Interstate 505, which begins in Vacaville, offers a direct route north toward Redding, Mt. Shasta and the Pacific Northwest. Vacaville is also within a short commute of top-notch higher education: UC Davis is just 15 miles away, and UC Berkeley and Sacramento State are each within 45 miles.



SMALL TOWN, BIG BUSINESS

VACAVILLE'S HISTORIC DOWNTOWN, safe neighborhoods and strong sense of community contribute to a small-town atmosphere that residents love, while its rapidly growing industrial park and nationally-famous retail sector make it an enviable location to start or expand a business. Vacaville is also more affordable than both the Bay Area and the Sacramento Valley when it comes to settling down or setting up shop.

The Vacaville Premium Outlets and the Nut Tree Shopping Center are the City's famous retail destinations, each day bringing visitors from around the state, around the country and around the world.

Major pharmaceutical companies Genentech and Alza Corporation each operate large-scale manufacturing facilities in the north of Vacaville, each providing of jobs to City residents. ICON Aircraft, developer of high-end consumer sport planes, manufactures its vehicles in its new Vacaville headquarters. Numerous new housing developments facilitate the continued expansion of employment opportunities in the City—for as fast as Vacaville's business sector is growing, there remains ample development-ready space available for purchase or lease.



1 STEP 1: Make a Business Plan

A BUSINESS PLAN is the first step to starting a successful business. This plan will help you evaluate your idea, estimate costs, and determine the strengths and weaknesses of your proposal. A business plan is usually required to apply for a commercial loan and it will establish a road map to your business future.

Contact the following local resources for valuable information and assistance in formulating your business plan.

WHO TO CONTACT

Solano College Small Business Development Center (SBDC)

360 Campus Lane #102
Fairfield, CA 94534
www.solanosbdc.org
(707) 864-3382

Service Corps of Retired Executives (SCORE)

492 9th St., Suite 350
Oakland, CA 94607
www.eastbayscore.org
(510) 273-6015

Vacaville Chamber of Commerce

300 Main St.
Vacaville, CA 94534
www.vacavillechamber.com
(707) 448-6424

HELPFUL HINT: GET HELP!

SBDC offers seminars and free one-on-one counseling on all aspects of small business management, including business plans, accounting systems, and financing.

At SCORE, retired business professionals volunteer to provide free counseling to individuals starting small businesses.

The **Vacaville Chamber of Commerce Consultation Program** provides 15 minutes of free consultation from Chamber members on a variety of topics ranging from business law to finance.

STEP 2: Choose a Structure

IT IS IMPORTANT to determine the structure of your business for operating and business reporting purposes. Will you operate your business as a sole proprietor, partnership, limited liability company (LLC), or corporation? Each business structure has certain advantages and disadvantages in terms of costs, taxation, and liability. With respect to formation, each structure has different requirements.

If you are starting a limited liability company or corporation, you will want to contact the California Secretary of State's Office. Online, you will find additional information and forms needed for formation. You may also want to consult an attorney or tax accountant for more guidance.

WHO TO CONTACT

California Secretary of State

1500 11th Street
Sacramento, CA 95814
www.sos.ca.gov/business
(916) 657-5448

Sole Proprietorship: No formation document is required to be filed with the California Secretary of State. A fictitious business name statement may be required to be filed in Solano County.

Partnership: No formation document is required to be filed with the California Secretary of State. A fictitious business name statement is required to be filed in Solano County.

Limited Liability Company: Articles of Organization must be filed with the California Secretary of State. No fictitious business name statement is required unless the LLC does business under a different name.

Corporation: Articles of Incorporation must be filed with the California Secretary of State. No fictitious business name statement is required unless the Corporation does business under a different name.

STEP 3: Zoning and Building Resources

BEFORE SIGNING a building/property lease or purchase agreement, contact the City of Vacaville's Community Development Department to determine the zoning of the site. If Community Development determines the use is allowed, then check with the Building Division at (707) 449-5152 to see if a Certificate of Occupancy is required. Also, you will want to ask Community Development staff about any sewer impacts fees that may be required for your space. If you are planning to remove flooring or tear down walls or ceilings you need to contact the Yolo Solano Air Quality District at (530) 757-3650 to see what they require.

Not all spaces are suitable for certain types of business uses. City zoning and building codes exist to protect you and your neighbors from incompatible uses. For example, it may not be safe for a childcare center to be located next door to a chemical manufacturing plant, and zoning and building code restrictions help avoid this potential hazard. Community Development staff will also inform you of any reviews, permits, or fees that may be necessary for your proposed location. Certain kinds of businesses may require a use permit and a public hearing in order to comply with the City's zoning regulations. All permit fees are separate and in addition to the business license fee.

BEFORE SIGNING A LEASE:
CHECK AND CLEAR ZONING
AND BUILDING REGULATIONS!

Zoned for what you want to do? New businesses need to check zoning at the Permit Center, open Monday through Friday at City Hall, 650 Merchant St. before filling out a business license form, purchasing property or signing lease agreements.

Want to modify the space before opening your business? The Building Division has a program that allows for a one stop/same day Tenant Improvement or Alteration Permit issuance. For most businesses, every Tuesday from 10 a.m.-noon and 2-3:30 p.m. at the Building Division Counter at 650 Merchant St., you or your contractor can obtain a permit for your proposed work. If you don't come in on Tuesday, the normal processing time is a minimum of 30 days.

STEP 4: Naming Your Business

IF YOU CREATE A NAME for your business that is different than your/its legal name, you need to register the Fictitious Business Name with Solano County Clerk's Office. This step needs to be completed before obtaining a business license from the City of Vacaville. Also, public notices announcing your new business name must be posted for four weeks in the local newspaper to complete the registration process.

WHO TO CONTACT

Solano County Clerk

675 Texas St., Suite 1900

Fairfield, CA 94533

www.solanocounty.com/depts/ttcc/county_clerk/info.asp

(707) 784-7510

Vacaville Reporter

916 Cotting Lane

Vacaville, CA 95688

www.thereporter.com

(707) 448-6401

HELPFUL HINT: DECIDING YOUR NEW BUSINESS NAME

To make sure your fictitious business name doesn't conflict with other businesses, you can see if it is already in use within Solano County by checking the Fictitious Business Name Database at http://www.solanocounty.com/depts/ttcc/county_clerk/fbn/searchficname.asp.

To make sure your corporate or limited liability name is available, you may contact the Secretary of State's office to determine if it is already in use. If it is not, you may reserve the name for a period of 60 days.

STEP 5: Taxes

ALL BUSINESSES ARE REQUIRED to file both state and federal tax returns. All small businesses need a Taxpayer Identification Number (TIN), even if they do not have employees. A TIN is an identification number used by the Internal Revenue Service in the administration of tax laws. It is issued either by the Social Security Administration or the IRS. Taxpayer Identification Numbers include Social Security Numbers and Employer Identification Numbers. Contact the California Franchise Tax Board and the Internal Revenue Service to learn more about specific requirements.

WHO TO CONTACT

Internal Revenue Service

1301 Clay St.
Oakland, CA 94612
www.irs.gov
(209) 548-7388

California Franchise Tax Board

3321 Power Inn Road, Suite 250
Sacramento, CA 95862
www.ftb.ca.gov
1 (800) 883-5910

State Board of Equalization

2480 Hilborn Road, Suite 200
Fairfield, CA 94534
www.boe.ca.gov
1 (800) 400-7115

Social Security Administration

700 Main St.
Suisun City, CA 94585
www.ssa.gov/employer
(866) 964-5021

Whether self-employed or an employer with one or more employees, you must also pay Social Security taxes.

Will you sell a product? The California Board of Equalization will help you determine whether you need a Seller's Permit; you may also be required to collect sales tax. To do so, the Board of Equalization will issue a resale number in order to report the sales tax.

STEP 6: City Licenses

ALL INDIVIDUALS, partnerships, corporations and sole proprietors conducting business in the City of Vacaville are required to have a business license. This includes persons dealing with residential and commercial real estate rentals or who operate home-based businesses within the City.

Licenses expire on April 30. Fees for new licenses are prorated from June to April. In the middle of March each year, renewal notices are sent out to all existing license holders to inform them that the annual renewal period has begun, to request updated information, and payment of fees by April 30 of the renewal year.

Closing a business? Remember, if you are closing a business in Vacaville, let the City business license staff know. Failure to notify could result in additional fees, interest, and penalties being assessed against your account.

Working from Home? If you are working from home or in an area zoned residential, you will need a Home Occupation Permit.

WHO TO CONTACT

Finance Dept.

Vacaville City Hall
650 Merchant St.
(707) 449-5129

Community Development Dept.

Vacaville City Hall
650 Merchant St.
(707) 449-5140

STEP 7: Permits and Inspections



NEED FORMS?

Most of the forms listed on pages 24-27 are downloadable from the City's Department of Finance website or from the Community Development Department.

YOUR BUSINESS MAY REQUIRE site inspections by the Fire and/or Building Department as part of your application approval, depending on your business type and/or if you are making improvements to a building. Permit fees may vary depending on the size and location of the project. The permit technicians at the City's Building Division will be happy to meet with you to discuss your project and provide you with a fee estimate.

Building Permits: Building Permits are how the City of Vacaville ensures construction is safe for occupancy and use. A Building Permit is needed for all new construction in Vacaville.

Certificate of Occupancy: A certificate of occupancy is required for all new businesses in Vacaville. This is required even if no construction is taking place. Your business must be located in a building constructed appropriately for your use. A permit is also required for most modifications, replacement construction, additions, or remodeling. Any changes to a building must comply with the federal Americans with Disabilities Act (ADA).

Sign Permits: If your business would like to display a sign that is visible from outside a building, a sign permit is required. The Planning Division will perform a “Design Review” assuring your sign is code compliant. The Building Division will issue a permit for its installation to assure it is safely attached to your building.

Fire Code Permits: A Fire Code Permit from the Fire Prevention Services Division is required if you want to conduct specific activities and practices. Use of hazardous substances or materials may require additional review and/or permits.

Encroachment Permits: An encroachment permit is required for any use of the public sidewalk or right of way, such as sidewalk seating or merchandise displays.

WHO TO CONTACT

For Building and Sign Permits:
Community Development Dept.

Vacaville City Hall
650 Merchant St.

For Fire Code Permits:
Fire Dept. - Administration

Vacaville City Hall
650 Merchant St.
(707) 449-5452

STEP 8: Other Licenses and Permits

DEPENDING ON THE NATURE of your business, you may be required to obtain one or more of the following licenses or permits:

Alcohol Beverage Control (ABC) License

No person may directly or indirectly, on any pretense, sell, barter, charge for possession or otherwise dispose of alcoholic beverages as part of a commercial transaction without having obtained the proper license or permit.

California Department of Consumer Affairs License

Many professional businesses such as accountants, engineers, doctors, and dentists require a State License from the California Department of Consumer Affairs. Businesses such as cosmetology, security services, and auto repairs are also required to obtain a State license.

Import/Export Permit

If your business will involve the import or export of products with other countries, you may need to obtain an Import/Export Permit from the United States Customs Service.

Restaurants and Food Vendors and Salons and Tattoo Parlors

A health inspection is required for restaurants and food vendors, as well as salons and tattoo parlors. Contact the Solano County Environmental Health Department to arrange for an inspection, or to request information advice regarding health and environmental safety issues.

WHO TO CONTACT

ABC - Solano County

3927 Lennane Drive Ste 100
Sacramento, CA 95834
www.abc.ca.gov
(916) 419-2500

United States Customs Service

www.cbp.gov/trade
(415) 782-9210

California Department of Consumer Affairs

www.dca.ca.gov
(800) 344-9940

Solano County Environmental Health Services

675 Texas Street Ste 2700
Fairfield, CA 94533
www.solanocounty.com
(707) 784-6210

Retail and Wholesale Business Permits

If your business will involve sales, you will need to obtain a Seller's Permit from the State Board of Equalization.

Child Care Center or Family Care Home License

Licensing of all child care centers and family child care homes in California is required and can be obtained through the California Department of Social Services.

Contractor's License

Construction is one of the largest industries in California's diverse economy. The Contractors State License Board (CSLB) receive and processes applications for new licenses, additional classifications, changes of license records, and license renewals. An Application for Original Contractor's License can be obtained from any CSLB office, by telephone, or online.

CalGOLD

To determine what other regional, state, and federal permits and licenses your business may need, review the State's "CalGOLD Business Permits Made Simple" page at www.calgold.ca.gov.

WHO TO CONTACT

State Board of Equalization

www.boe.ca.gov
(800) 400-7115

Employee Development Department

www.edd.ca.gov
(888) 745-3886

Contractors State License Board (CSLB)

www.cslb.ca.gov
(800) 321-2752

CalGOLD

www.calgold.ca.gov
(916) 322-7394

STEP 9: If You Have Employees

IF YOU HIRE EMPLOYEES, be sure to register with the California Employment Development Department. They will provide you with the necessary forms and answer any questions you may have regarding your responsibilities.

As an employer, the state requires you to:

- Withhold state income tax
- Withhold state disability insurance
- Pay unemployment tax
- Pay for any unemployment training costs

You must also register with the Internal Revenue Service (IRS) in order to receive an Employer Identification Number. The IRS offers many services to new business owners and will provide helpful information explaining the types of forms used and due dates for these forms. As an employer, you are required to carry workers compensation insurance. You may obtain this insurance through your own insurance agent or the State Compensation Insurance Fund of California (SCIF). SCIF is a non-profit, public enterprise fund that operates like a mutual insurance carrier.

WHO TO CONTACT

California EDD

1440 Marin Street Ste 114
Vallejo, CA 94590
www.edd.ca.gov

Internal Revenue Service

1301 Clay Street
Oakland, CA 94612
www.irs.gov

State Compensation Insurance Fund

P.O. Box 254700
Sacramento, CA 95865
www.statefundca.org

STEP 10: Utilities and Other Resources

UTILITIES

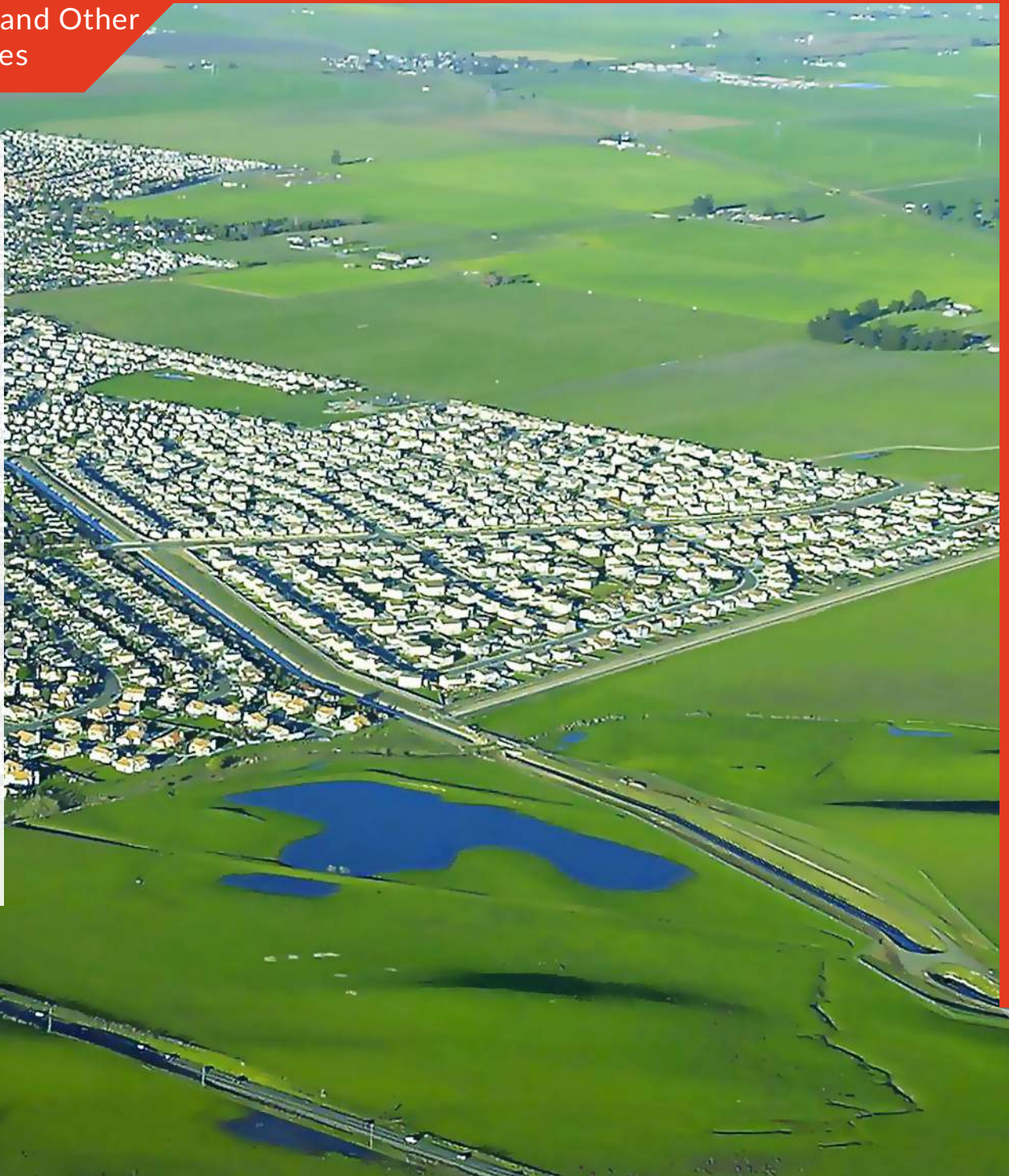
Water and Sewer Services
City of Vacaville—Utilities
650 Merchant St.
Vacaville, CA 95688
www.cityofvacaville.com

GAS & ELECTRIC

Pacific Gas & Electric
770 Mason St., Ste. 160
Vacaville, CA 95688
www.pge.com
(800) PGE-5000

TRANSPORTATION

The City of Vacaville operates its own transit service – CITY COACH.
CITY COACH staff can work with you to identify commuting resources for you and your employees.
See www.citycoach.com for more details.



STEP 11: Get Involved!

NOW THAT YOU ARE taking your first steps toward starting your business, be sure to become part of the vibrant and active Vacaville business community!

The Chamber of Commerce is your entrée into specialized training, networking opportunities and important information to help your business succeed.

If you are located in the historic downtown area, the Downtown Vacaville Business Improvement District provides resources and events to attract customers to downtown and make its businesses successful.

Visit Vacaville, the City's Convention and Visitor's Bureau, markets the City and its businesses worldwide. Be sure to contact them to see their resources and how they may assist in your business.

WHO TO CONTACT

VACAVILLE CHAMBER OF COMMERCE

300 Main St, Ste A
Vacaville, CA 95688
(707) 448-6424
www.vacavillechamber.com

DOWNTOWN VACAVILLE BUSINESS IMPROVEMENT DISTRICT

311 Parker St.
Vacaville, CA 95688
(707) 451-2100
www.downtownvacaville.com

VISIT VACAVILLE

1633 E. Monte Vista Ave., Ste. 102
Vacaville, CA 95688
(707) 450-0500
www.visitvacaville.com

NOTES

Handwritten notes area with horizontal lines. The background image shows the Vacaville City Manager's Office building with flags flying in front.

This booklet brought to you by:

VACAVILLE CITY MANAGER'S OFFICE -
ECONOMIC DEVELOPMENT COMMITTEE
650 Merchant St.
Vacaville, CA 95688



and by:

VACAVILLE CHAMBER OF COMMERCE
300 Main St. Suite A
Vacaville, CA 95688



Designed by:

Zackery Jones
zajones105@gmail.com
(707) 761-0090