

City of Redlands

Business License & Zoning Clearance Guide

Starting a Business in the City of Redlands?

Welcome to the City of Redlands business community. Starting a business can be challenging. We created this guide to help you along the way. We wish you success on your new journey.

The City requires all businesses operating within city limits to obtain a business license prior to commencing business operations. This includes property owners and independent contractors. For your convenience we have included additional requirements that you may need to consider when applying for your business license.

The City of Redlands has contracted with The HDL Companies to assist with all of your business licensing needs. HDL offers a business support center for any questions or concerns that you may have along the way.

The Business Support Center can be reached Monday through Friday from 8:00 a.m. to 5:00 p.m. at:

• Telephone: (909) 479-2111

• Online: https://Redlands.HDLGov.com

Questions that you should answer prior to applying for a business license:

- Is your business located in the City of Redlands or outside our city limits?
- If inside the city limits, will your business be in a commercial area or an office inside your home?
- What is the address of your business?
- Are you the primary tenant for the location (i.e.: booth/station rental)?
- What type of product or service does your business provide?
- Will you need a resale permit?
- If you are a contractor, please make sure to have your contractor's license number.
- With the passage of SB205 that became effective January 1, 2020, you will need to supply your Standard Industrial Classification Code (SIC). Instructions are available during the application and renewal process online.

What is a Business License?

A business license is an annual fee that is collected by the city, for doing business within the city limits of Redlands. The City of Redlands municipal code requires a business license to be obtained if you are conducting business within the city, even if the physical location of your business is outside of the city limits, or if you have a business license from another City and/or County. This includes, but is not limited to, street vendors, home-based businesses, building contractors, independent contractors, and nonprofit businesses.

What is a Resale Certificate?

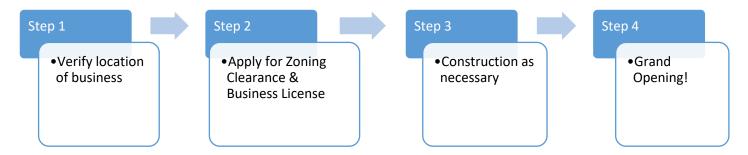
A resale certificate (also known as a resale license, reseller's permit, and tax exemption certificate) is a taxexempt form that permits a business to purchase goods from a supplier that are intended to be resold without having to pay sales tax on them. For more information and to apply, please visit www.taxes.ca.gov.

What is a Home Occupation Permit?

A Home Occupation Permit allows people to conduct business out of their home under certain circumstances. Any time you perform any work from your home or use your home address as the place of business, then you must obtain a Home Occupation Permit. This includes off-site business activities such as painters, gardeners, or consultants who work at a client's home. You will be asked to complete the Home Occupation Permit Application when you apply online for a business license. For further information about the criteria for approval of a Home Occupation Permit and the operating conditions, please see Redlands Municipal Code Chapter 18.160, or go to the Planning Division webpage at https://www.cityofredlands.org/post/home-occupations-and-child-care-homes.

Guide for Starting a Business in Redlands

This guide is intended to help you through the process for business license approval. There are four main steps:



Please see the outline in more detail below. Requirements may vary for different types of businesses.

STEP 1: Business Location

BEFORE YOU SIGN A LEASE or purchase a property, visit, or call City Planning staff at the **One Stop Permit Center** at (909)798-7551 ext. 3, to ensure your type of business and address location is allowed by the property's zoning designation.

1.1 - Verify the location is within the City of Redlands

Before applying for a business license, make sure the location is within the boundaries of the City of Redlands. For properties in the unincorporated areas abutting the City, the mailing address may include "Redlands, CA" (because the mail is processed through a postal facility in Redlands) but the actual location may not be within the City's boundaries. The U.S postal Service is responsible for mail delivery, and the city cannot change delivery addressing or the way the mail is processed. To verify the location, go to the City's Zone Map online at https://www.cityofredlands.org/zoning. If in an unincorporated area please visit County Business Information.pdf (sbcounty.gov).

1.2 - Verify the zoning

Make sure your business is compatible with your proposed site and the applicable zoning. The Planning Division webpage provides an online zone map at https://www.cityofredlands.org/zoning for your convenience. Zoning district information (including the allowable uses within each zone) is also available online at https://www.cityofredlands.org/zoning. If you have any questions, or do not see your specific type of use or business listed for that zone, then a city planner is available at the One Stop Permit Center https://www.cityofredlands.org/one-stop-permit-center during regular business hours.

If you plan to make tenant improvements, renovations, or install equipment, visit, or call City Building Division staff at the *One Stop Permit Center* at (909)798-7551 ext. 2, to determine if you need to submit plans and/or obtain building permits.

Redlands One Stop Permit Center

35 Cajon Street, Suite 15A Redlands, CA 92374 (909) 798-7551

When the One Stop Permit Center staff helps you determine the permits required, you can begin the process to apply for a business license and any building permits, if necessary.

STEP 2: Apply for a Business license

2.1- Name the Business

The name of your business is what will be used to identify the service and/or product that you provide. Once a name has been chosen you will want to make sure the name is available for use. Availability can be confirmed with the Secretary of State (https://bizfileonline.sos.ca.gov/) if you are going to be a corporation, or the San Bernardino County Recorder's office (https://arc.sbcounty.gov/) if filing for a fictitious business name.

2.2 - Classification of the Business

Businesses typically fall under one of the following legal statuses:

- **Sole-Proprietor** A business owned by a single person or husband and wife who receives profits.
- Partnership Two or more people who are co-owners of a business for profit.
- **Corporation** An independent legal tax entity, which remains intact even if its officers and/or directors change: must provide Articles of Incorporation or DBS (Doing Business As), if applicable.
- **Limited liability Corporation (LLC)** A non-corporate business whose owner actively participates in the organization's management is protected against personal liability.
- Non-Profit Must be recognized by the IRS as an exempt entity: must provide supporting documentation.

If you are unsure what your status should be, check with the California Secretary of State, an attorney, or financial advisor.

2.3 - Tax ID Numbers

If the business is going to have employees, you must obtain tax identification numbers for reporting purposes. The numbers are used for identifying the business on payroll and business tax returns. For a Federal tax ID the contact is the IRS at https://www.irs-ein-tax-id.com/ or call (800) 829-1040. For a California tax ID, the contact is the Secretary Of State's office at https://www.sos.ca.gov/business-programs/business-entities/tax-information/ or call (800) 300-5616.

2.4- Obtain Required Permits

Required permits vary on what type of business you have. The following are a few examples of what may be required:

• <u>Health/ Food Permit</u> — Any eating establishment, including sidewalk vendors that have food sales, food handling and anything that pertains to consumable products, is required to obtain a health permit

from the county's Environmental Health Services Department. The San Bernardino County State Board can be contacted at Food Facilities – Environmental Health Services (sbcounty.gov) or call (800) 782-4264.

- <u>Seller's Permit</u>- Wholesale and <u>all</u> retail businesses must obtain a seller's permit from the State Board of Equalization. Any business that sells goods must collect and then remit sales tax to the State of California. State Board of Equalization can be reached at https://www.boe.ca.gov/ or call (951)-680-6400 or (800) 400-7115.
- Resale Certificate- Businesses that purchase items for resale (i.e., shampoo, lotions, trinkets etc.) are required to have a resale certificate. A resale certificate indicates that the purchaser would resell the item and report tax on the final sale. For more information and to apply, please visit www.taxes.ca.gov.
- <u>Police Department</u> Massage establishments must obtain <u>both</u> a permit from Redlands Police Department, and a City of Redlands business license.

2.5 - Business License Application

The application, a brief description of what type of business you plan to operate, and all documentation (i.e.: zone clearance form, all state and/or county licenses, permits etc.) can be submitted online at: https://redlands.hdlgov.com, or mail your documentation to the HDL Support Center at: 8839 N. Cedar Avenue, Suite #212 Fresno, CA 93720.

2.6- Zone Clearance application (if applicable)

If your business location is physically located in Redlands, you will be asked to complete a Zone Clearance Form. Owners of a home-based business or a street vendor do not submit a Zone clearance application but will need to obtain a different type of approval (see sections 2.7 and 2.8 below). Contractors who perform work within the City, and who do not have a physical business location in Redlands, do not need zoning approval and may skip this step.

The Zone Clearance Application is a fillable PDF form that is available online. You may view a sample Zone Clearance Form and download it to your desktop: https://www.cityofredlands.org/post/business-license-zone-clearance-application. It takes just a couple of minutes, but it will ask important questions about your proposed business and the subject property. Please provide the requested information as complete as possible, as this will help expedite processing. If you do not know an answer to a question, you may reply "don't know or you may estimate. If a question does not apply to the property or business, then you may reply "N/A".

After you have submitted the form, it will be routed to several City departments for review (by Planning, Building & Safety, and the Fire Department). This is an important step in ensuring public safety and that occupancies are legal within buildings. Incomplete answers may result in delayed processing, or a staff member may need to contact you to request additional information.

2.7- Home Occupation Permit (if applicable)

If you are a **home-based business**, you will also need to apply for a home occupation permit. A home Occupation Permit allows people to conduct business out of their home under certain circumstances, (for

example, there cannot be any customers or outside employees visiting the residence). Any time you perform any work from your home or use your home address as the place of business, then you must obtain a Home Occupation Permit. This includes off-site business activities such as painters, gardeners, or consultants who work at a client's property elsewhere. You will be asked to complete the Home Occupation Permit Application when you apply online for a business license. For further information about the criteria for approval of a Home Occupation Permit and the operating conditions, please see Redlands Municipal Code Chapter 18.160, or go to the Planning Division webpage at https://www.cityofredlands.org/post/home-occupations-and-child-care-homes.

2.8 – Street Vendor Application (if applicable)

If you are a *Street Vendor*, please refer to the sidewalk vending Ordinance No.2922 for the criteria and operating requirements, located on the City of Redlands website at <u>Ordinance No. 2922 (amlegal.com)</u>

- * Outside contractors who perform work within the city at the request of individual property owners and who do not have a physical location in Redlands do not need zoning approval and may skip this step.
- *Payment is not required until your application has been reviewed and approved (including approval of the Zone Clearance Application).

STEP 3: Permits and Construction (if applicable)

Businesses that need to make interior or exterior changes to a tenant space (depending on the extent of work) may need to obtain a permit from the Building Division and/or Fire Department. For example, a Building Permit may be required for certain types of tenant improvements (e.g., new exits, ADA- compliant restrooms, ADA accessibility, etc.) In some cases, a Fire Permit or inspection may be required for some types of tenant improvements (e.g., fire sprinklers, hood system for a kitchen within a restaurant, or other fire suppression requirements) prior to opening to the public. The Building Division can be reached in the One Stop Permit Center or at https://www.cityofredlands.org/one-stop-permit-center or call (909) 798-7536.

If your business requires a Conditional Use Permit:

A Conditional Use Permit (CUP) is for a land use that requires additional review for any potential impacts to the surrounding neighborhood or community at-large, or to place specific Conditions of Approval on a use to alleviate any potentially detrimental effects generated by the use (see RMC <u>Chapter 18.192</u>). Some examples of conditional uses are churches, theaters, nightclubs, service stations, drive-through facilities, schools, and board/care facilities. The Planning Commission typically makes decisions to approve CUP applications.

Lists of the conditional uses specified for each zone in the City of Redlands can be obtained from the Redlands Municipal Code online. If your property is located within a Specific Plan, you can view the <u>Specific Plans online</u> here, or you may contact Planning staff with your questions.

Inquiries regarding conditional uses and the review process for a Conditional Use Permits can also be obtained

from the Planning public counter at the One Stop Permit Center, or you may contact us. Information regarding the development review process is also available at our <u>Development Process webpage</u>

After obtaining the required permits, completing any alterations, or construction, then a final inspection is needed. Once the final inspection has been passed, the permit card will receive final sign-off. You may also receive a new Certificate of Occupancy, in some cases. The building or space can now be opened to the public for business.

Step 4: Grand Opening

Grand Opening and your business may now be open to the public. Congratulations!



Disclaimer

This handout is intended to be a guide for business owners. The City of Redlands does not guarantee that these are the only steps that an individual or business may need prior to opening.

Business License FAQ

1- What if I sell or close my business?

Please contact HDL @ (909) 479-2111 to close your business license, Business licenses are not transferable, so if the business is sold the new owners will need to apply for a business license.

2- How will I know I need to renew my business license?

A renewal notice will be sent out annually as a courtesy. Renewals are typically due in June or December of each year.

3- If I have multiple businesses in the City do I need more than one license?

Yes, a separate business license is required for each business that is operated within the City of Redlands.

4- What if I need to change information on my business license?

If you have a change of ownership on an existing business, the new owners must apply for a new license under their name, even if the business name stays the same. If the physical location of the business changed and it is still in the City of Redlands, a new business license application is required. If there is a change that does not alter the business (i.e., mailing address, phone number, or e-mail address) please contact HDL @ (909) 479-2100 and the information will be updated.