

How to Start Your Business in Cupertino

A Step-by-Step Guide
to Getting Started

In Business Cupertino! How to Start Your Business

Welcome to Cupertino – the center of Silicon Valley and the heart of innovation! Starting a new business can be both exciting and challenging. This booklet is designed to guide you through the necessary steps and provide you with a helpful checklist to get you through the process.

The City of Cupertino offers a business-friendly environment that actively supports the development of a strong, diverse, and vibrant business community. We know the success of your business is crucial to the success of our city, so our team is ready to provide assistance to help you establish and expand your business.

Now let's get started. Here are two key resources to help you navigate your way to establishing a successful business in our community:

www.InBusinessCupertino.com is your link to valuable information and business resources. Here you will find information on why Cupertino is the ideal place to start and operate your business, including the City's excellent demographics of residents and daytime population, maps, and marketing assistance to help grow your business.

www.SiliconValleyOnline.org provides a free searchable database of available properties in Cupertino. This website shows available retail, commercial, and industrial properties and spaces. It also includes links to zoning, demographics, and other business links.

Looking for additional guidance? We're here to help! Please contact our team at:

Small Business and Economic Development

10300 Torre Avenue
Cupertino, CA 95014
(408) 777-7607

econdev@cupertino.org

Taking the following necessary steps will help ensure your success as a business owner. This checklist provides resources to ensure your business success, whether you are looking to launch, relocate, or expand in Cupertino.



STEP 1 DEVELOP 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. It is a framework for operating and expanding your business. A business plan may also serve as a tool to help raise capital and is usually required when applying for a loan from any financial institution.

Try This Tip: Get Support

Take advantage of low-cost **Business Workshops** presented by the Silicon Valley Small Business Development Center (SBDC). Free one-on-one business counseling is also available through the SBDC. Contact the Silicon Valley SBDC office at (408) 351-3600 or www.svsbdc.org.

OR...Attend the City of Cupertino's Small Business Symposium featuring workshops that provide both prospective and current small business owners with the training and resources needed to grow and sustain their business.

Also, plan to attend the free and low-cost "How to Start a Business" classes presented in Mandarin. These programs are sponsored by the Cupertino Chamber of Commerce's Asian American Business Council (AABC) in partnership with the City of Cupertino, SCORE, NOVA, and other local agencies. For more information, please contact the Cupertino Chamber of Commerce at (408) 252-7054.

STEP 2 DETERMINE YOUR BUSINESS 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 (2 or more owners), or corporation (1 or more stockholders/officers)? Determining this will clarify what formational documents are required by the State.

For example, if you are a sole proprietor, no formation documents are required to be filed with the California 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 contact the California Secretary of State's Office and they can supply you with all the information and forms needed. You may also want to consult an attorney or tax accountant for more guidance.

California Secretary of State

1500 11th Street
Sacramento, CA 95814
(916) 653-6814
www.sos.ca.gov

STEP 3 LOCATION, LOCATION, LOCATION

The website, www.SiliconValleyOnline.org, is a free online database of available retail, commercial, and industrial properties in Cupertino and the broader Silicon Valley region. This website can provide you with information and data to help you determine the best location for your business use. You will also find links to commonly referenced business questions.

If you cannot find what you are looking for, Cupertino's Economic Development Manager is eager to help. Feel free to contact (408) 777-7607 or via e-mail at econdev@cupertino.org.

Try This Tip: Check and Clear Zoning Regulations!

Before signing a building/property lease or purchase agreement, contact the City of Cupertino's Development Services Center to determine the zoning of the site and any pertinent development regulations.

Not all spaces are suitable for certain types of business uses. City zoning exists 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 restrictions help avoid this potential hazard. Planning Division staff will determine if your business is a permitted use for the location and if any special approvals are needed. Be sure to call the Planning Department at (408) 777-3308 or do a preliminary check on existing zoning at www.cupertino.org/mapping.



STEP 4 REGISTER A FICTITIOUS NAME

If you create a name for your business that is different than your own legal name, you need to register the business name with Santa Clara County. This step needs to be completed 40 days before your first transaction and before obtaining a Business License from the City of Cupertino. Also, public notices announcing your new business name must be posted for four weeks in the local newspaper to complete the registration process.

Santa Clara County Office of the Clerk Recorder

Fictitious Business Name Statement

70 West Hedding Street

San Jose, CA 95110

(408) 299-5688

www.sccgov.org/sites/rec

Try This Tip: Deciding Your New Business Name

*To make sure your business name doesn't conflict with other businesses, you can check to see if it is in use within Santa Clara County by checking the **Fictitious Business Name Database** at www.clerkrecordersearch.org.*



STEP 5 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 more about specific requirements.

Will you sell 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.

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

Franchise Tax Board

Oakland Office
1515 Clay Street, Suite 305
Oakland, CA 94612
(800) 852-5711
www.ftb.ca.gov/businesses

Board of Equalization

San Jose Office
250 South Second Street
San Jose, CA 95113
(408) 277-1231
www.boe.ca.gov/info/reg.htm

Internal Revenue Service

San Jose Office
55 S. Market Street
San Jose, CA 95113
(408) 282-0179
www.irs.gov

Social Security

San Jose Office
Room 244, Second Floor
280 S. First Street
San Jose, CA 95113
(800) 772-1213
www.ssa.gov/employer



STEP 6 APPLY FOR A CITY OF CUPERTINO BUSINESS LICENCE

YOU NEED A LICENSE TO OPERATE A BUSINESS IN CUPERTINO

The business license fee is \$124 per year (as of January 1, 2013) for most commercial businesses located in Cupertino. There is a renewal fee in subsequent years plus an amount based on the type of business. Please note the annual and renewal fees are subject to change, and the exact amount should be confirmed by the Finance Division. You may apply for a license in person at 10300 Torre Avenue, Cupertino, CA 95014 or online at www.cupertino.org/BusinessLicense.

Home-based businesses are also required to apply for a business license and require zoning approval. If you are unsure about any aspect of your home business, please contact Community Development Department staff at (408) 777-3308.

In addition, businesses that are located outside of Cupertino, but doing business in Cupertino (such as vendors, consultants, and contractors) are required to apply and pay for a Cupertino business license. Some non-profit organizations may be eligible for a business tax exemption. Please contact the City's Finance Division for further information or check www.cupertino.org/businessformsandfees.

If you are found operating a business without securing the proper licenses and other permits, you can be charged a penalty or forced to close entirely. If you need assistance in completing the necessary forms, please contact the Finance Division at (408) 777-3221.



STEP 7 OTHER CUPERTINO PERMITS & LICENSES

Your business may require site inspections by the Building and/or Fire Departments as part of your application approval, depending on your business type and/or if you are making improvements to a building,

- **Planning Permits**

Planning permits may be required depending on the type of business proposed and the extent of the building alterations involved. Please refer to the City of Cupertino Planning Department webpage at www.cupertino.org/planning or contact the Planning Department at (408) 777-3308 or planning@cupertino.org for additional information.

- **Building Permits**

Building permits are how the City of Cupertino ensures construction is safe for occupancy and use. A building permit is needed for all new construction in Cupertino. 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).

The City of Cupertino has created an online tool to better serve your business needs and minor building permits can now be obtained online at www.cupertino.org/onlineservices.

For more in-depth assistance, members of our Building Division can be reached at (408) 777-3228 or email building@cupertino.org.

- **Fire Code Permits**

A Fire Code Permit from the Santa Clara Fire Department is required if you want to conduct specific activities and practices. Use of hazardous substances or materials may require additional review and/or permits.

- **Message Therapist Permits**

If your business consists of message therapy, then a permit must be obtained from the Code Enforcement Department. Please call (408) 777-3182 or e-mail code@cupertino.org to schedule an appointment.

STEP 7 (cont.) OTHER CUPERTINO PERMITS & LICENSES

- **Solicitor/Mobile Vendor Permits**

If you are interested in engaging in business activities from house to house, place to place, along the streets within the City or any other types of mobile vending services/activities, you will need to secure the appropriate solicitor or mobile vendor permit from the City. Please note, limitations and conditions may apply. A permit can be obtained from the Planning Department at 10300 Torre Avenue. Or for more information please contact Planning Department staff at (408) 777-3308 or planning@cupertino.org.

- **Sign Permits**

If your business would like to display a sign that is visible from outside a building, a sign permit is required from the Community Development Department. Permits are needed for both permanent and temporary signs such as building and window signs and banners. Please contact the Planning Division at (408) 777-3308 or complete the application online at www.cupertino.org/planningforms.

- **Taxi Driver Permits**

A taxi driver permit must be obtained from the Code Enforcement Department. Please call (408) 777-3182 or e-mail code@cupertino.org to schedule an appointment.

Try This Tip: How to Patent or Trademark Your New Idea or Invention

A patent gives you the right to exclude others from making, using, offering for sale, or selling your invention in the United States or importing your invention into the United States. Patents are issued by the United States Patent and Trademark Office (USPTO). Visit www.uspto.gov for more information or visit the local Patent and Trademark Resource Center at the Sunnyvale Public Library, 665 W. Olive Avenue, Sunnyvale, CA 94086. You can now sign up for free legal counseling about intellectual property law (patents, trademarks, or copyright issues). Volunteer attorneys who specialize in these areas offer 20-minute consultations from 6:30pm to 8:30pm, on the last Tuesday of each month. All sessions will take place at the Sunnyvale Library. Call (408) 730-7300 (option 5) to sign up for your free meeting with a lawyer.

STEP 8 OTHER AGENCY PERMITS & LICENSES

Depending on the type of business, you may be required to obtain permits or licenses from the following county, state, or federal agencies. Please contact these individual agencies directly if applicable.

- **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. To learn more about these requirements and apply for a permit, contact:

Alcohol Beverage Control

100 Paseo de San Antonio

San Jose, CA 95112

(408) 277-1200

www.abc.ca.gov

- **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 barbers, cosmetologist, security services, and auto repairs are also required to obtain a State license. Please call to find out if you must register your business with:

California Department of Consumer Affairs

(800) 344-9940

www.dca.ca.gov

- **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 following:

United States Customs Service

(415) 782-9210

www.cbp.gov/trade

STEP 8 (cont.) OTHER AGENCY PERMITS & LICENSES

- **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 Santa Clara County Environmental Health Department to arrange for an inspection, or to request information and advice regarding health and environmental safety issues.

Santa Clara Environmental Health Department

1555 Berger Drive
Building 2, 3rd Floor
San Jose, CA 95112
(408) 918-3400
www.sccgov.org/sites/deh

- **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. The application process can be done in person or online.

Board of Equalization

250 South Second Street
San Jose, CA 95113
(408) 277-1231
www.boe.ca.gov/info/reg.htm

- **Other Permits & Licenses:** To determine what other regional, state, and federal permits and licenses your business may need, please visit the State's "CalGOLD Business Permits Made Simple" website at www.calgold.ca.gov.

• **Child Care Center or Family Child 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. In addition, large family day care homes with 9-14 children must also obtain from the City of Cupertino a business license from the Finance Department.

California Department of Social Services

2580 N. First Street
Suite 350, MS 29-07
San Jose, CA 95131
(408) 324-2112
www.ccl.d.ca.gov

City of Cupertino Finance Department

10300 Torre Avenue
Cupertino, CA 95014
(408) 777-3221

STEP 8 (cont.) OTHER AGENCY PERMITS & LICENSES

• **Contractor's License:** Construction is one of the largest industries in California's diverse economy. The Contractors State License Board (CSLB) receives 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.

Contractors State License Board

(800) 321-CSLB (2752)

www.cslb.ca.gov

STEP 9 GAINING OR EXPANDING YOUR WORKFORCE

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 do the following:

- o withhold State income tax
- o withhold State disability insurance
- o pay unemployment tax
- o pay for any employment 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 a package of helpful information explaining the types of forms used and due dates for these forms.

As an employer, you are required to carry worker's compensation insurance. You may obtain this insurance through your own insurance agent or the State Compensation Insurance Fund of California (SCIF). The SCIF is a non-profit, public enterprise fund that operates like a mutual insurance carrier and can be contacted via the information below:

State Compensation Insurance Fund

(888) 782-8338

www.scif.com

STEP 10 GROWING GREEN with GreenBIZ CUPERTINO

The City of Cupertino offers a free business support service, GreenBiz Cupertino, to help your business access free equipment and reduce operational expenditures while achieving Bay Area Green Business Program certification. The Bay Area Green Business Program is a successful partnership of environmental agencies and utilities formed to assist, recognize, and promote businesses, nonprofit organizations and government agencies that voluntarily operate in a more environmentally responsible way, by conserving resources, preventing pollution, and minimizing waste. GreenBiz was created to shepherd small to mid-sized businesses and organizations through the stringent and, often, time-consuming statewide process.

A Green Business is recognized as an environmental leader. Businesses strengthen their bottom line through implementing utility efficiencies, achieving cost savings and creating a healthier workplace for their employees, all with the support of the GreenBiz team. A growing number of consumers and businesses are prioritizing purchases and work with organizations that are mission-congruent and value-aligned, giving green businesses a marketing edge over the competition.

As a Green Business you will **SAVE** money on utility bills, **REDUCE** purchasing costs through new products and reuse practices, **CONSERVE** resources through free recycling and composting services, **IMPROVE** your operational bottom line, and **GAIN RECOGNITION** for your contribution to the health and wellness of our community.

Green Businesses receive recognition through:

- The Green Business Program website www.greenbiz.abag.ca.gov
- The City of Cupertino's GreenBiz Program website www.cupertino.org/greenbiz
- City, County, statewide, and local Chamber of Commerce newsletters
- Press coverage promotional events
- Annual Cupertino City Council and County Board of Supervisor's recognition events
- Window decals, certificates and promotional materials for display at your business
- Electronic Green Business logo to use in your advertising



BECOME A GREEN BUSINESS

You may already be doing enough to qualify. Our helpful City staff will work with your business and local agencies to verify that you are complying with any applicable environmental regulations and are adopting progressive environmental practices across your business lifecycle. We will provide technical assistance to ensure your business is accessing free equipment, services and rebates from local partners and utilities to help amplify your

Visit www.cupertino.org/greenbiz for more information or contact (408) 777-7603 or greenbiz@cupertino.org. *Get recognized for being Green!*

FREE SERVICES AND EQUIPMENT FOR GREEN BUSINESSES

The City of Cupertino can help facilitate free property improvements including new, water-saving bathroom fixtures (faucets, shower heads, and toilets) via the Santa Clara Valley Water District, free energy audits and no-cost energy efficiency upgrades with PG&E, and no-cost recycling and food-waste composting programs through Recology. All commercial and industrial businesses and non-profit organizations within Cupertino are eligible to participate. For more information, please contact (408)777-7603 or greenbiz@cupertino.org or be sure to pass this information along to your property owner/manager.

MATERIALS EXCHANGE

The California Materials Exchange (CalMAX) is a free service provided by the California Integrated Waste Management Board (CIWMB). The program's goal is to help businesses, industry, residents, and others locate markets for usable nonhazardous materials that would otherwise be discarded. According to CIWMB, "the concept behind CALMAX is simple: One business's trash is another business's treasure." To post reusable materials you currently have or locate wanted items, please call (800) 732-9253 or visit www.calmax.org.



INCENTIVES & OTHER USEFUL PROGRAMS

Local Business Purchasing Preference Policy

The County of Santa Clara strives to ensure that the public receives the best value for the tax dollars expended and supports local businesses. Businesses are encouraged to register as a vendor at: www.sccgov.org/sites/proc/Pages/County-of-Santa-Clara-Procurement-Department.aspx.

For more information visit:

County of Santa Clara Procurement Department

2310 North First Street, Suite 201
San Jose, CA 95131
(408) 491-7400

Individual Development Accounts

Individual Development Accounts (IDAs) are savings accounts that can be used only for capitalizing a small business, purchasing a first home, or for educational or job training expenses. Accounts are held at local financial institutions. Contributions by lower income participants are matched using both private and public sources. All participants receive economic literacy training that includes money management workshops. The following are two agencies within Silicon Valley:

Opportunity Fund

111 W. St. John Street
Suite 800
San Jose, CA 95113
(408) 297-0204
www.opportunityfund.org/ida

Catholic Charities

2625 Zanker Road
San Jose, CA 95134
(408) 325-5236
www.catholiccharitiesscc.org/financial-education-services

GET INVOLVED with the BUSINESS COMMUNITY!

Cupertino Chamber of Commerce

20455 Silverado Avenue

Cupertino, CA 95014

(408) 252-7054

www.cupertino-chamber.org

Asian American Business Council of the Cupertino Chamber of Commerce

20455 Silverado Avenue

Cupertino, CA 95014

(408) 252-7054

www.cupertino-chamber.org

Try This Tip: Need Guidance?

SCORE “Counselors to America’s Small Business” is an association of working and retired executives and business owners who volunteer as business counselors to provide confidential counseling and mentoring free of charge. To schedule an appointment with a local counselor, please call (408) 453-6237 or visit www.svscore.org. **Silicon Valley SCORE** is located at 234 E. Gish Road, San Jose, CA 95112

Here are additional things to keep in mind when doing business in Cupertino and as your business grows...

Waste & Recycling Services

Be sure to arrange for garbage collection services. Cupertino's garbage collection contractor for Commercial, Industrial, and Business services is Recology Cupertino.

Recology provides free recycling for local businesses. Recycling is not mandatory, however, a successful recycling program at an office, a restaurant, or a retail complex may help to reduce garbage costs by either reducing the frequency of garbage pickup, the size of the garbage dumpster, or both. For more information, please contact (408) 725-4020 or visit www.recologysouthbay.com or connect with GreenBiz Cupertino to schedule a site visit www.cupertino.org/greenbiz.

Utilities

- **Pacific Gas & Electric (PG&E):** Gas and electric services in Cupertino are provided by Pacific Gas & Electric (PG&E). For more information contact PG&E at (800) 468-4743 or visit www.pge.com.

- **Water Services**

Depending on your location, you will either be served by San Jose Water Company at (408)279-7900 or California Water at (650) 917-0152.

- **Cupertino Sanitary District**

The Cupertino Sanitary District provides wastewater collection, treatment, and disposal services. For more information contact Cupertino Sanitary District at (408) 253-7071 or www.cupertinosanitarydistrict.com.

Commuter Resources

511 is a one-stop-shop free alternative commuter resource that features:

- Bus and light rail schedules and trip-planning – visit: tripplanner.transit.511.org;
- Bike-friendly routes – visit: <http://gis.mtc.ca.gov/btp/>; and
- Ride-match carpooling services (www.ridematch.511.org).

Qualifying carpools can cross Bay Area toll bridges for free during commute hours and alternative commuters (cyclists, walkers, transit riders) may qualify for additional financial incentives or subsidies. For more information, please visit www.511.org.



CUPERTINO

CITY OF CUPERTINO

Small Business & Economic Development

10300 Torre Avenue

Cupertino, CA 95014

408.777.7607

www.inbusinesscupertino.com

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