Business License & Permit Planning Guideline

This document is intended to provide basic information for conducting business in the City of Gardena. Additional City, County, State, or Federal regulations may apply that are not covered in the following paragraphs.

The City of Gardena can assist you in obtaining information on the following topics or direct you to the appropriate City department:

- Business License
- Conditional Use Permit
- Business Activity Permit
- Temporary Use Permit
- Special Event Permit
- Building Permit
- Home-Based Business
- Sign Permit

- Film Permit
- Certificate of Occupancy
- Utility User Tax

Health Permit

- Alarm Permit
- Transient Occupancy Tax

Tent/Carnival Permit

- Zoning
- Handbill Distribution Permit

Residential/Day Care Licensing

The County of Los Angeles can assist you in obtaining information on the following topics:

- Fictitious Business Name Filing
- Health Hazardous Materials Permit
- Fire Permit
- Property Tax (Secured and Unsecured)
- The **State of California** can assist you in obtaining information on the following topics:
 - Corporation or Partnership Filing Chiropractor License
 - Sales/Use Tax (Resale Permit) Firearms Dealer License
 - State Income Tax Secondhand/Pawn Dealer Permit
- Alcoholic Beverage Control License Barbering & Cosmetology License
- Mobile Home Parks Acupuncturist License
- Contractors License Employer Identification Number

The **Federal** government can assist you in obtaining information on the following topics:

- Trade names and Trademarks
- Federal Tax Identification Number (TIN)

Federal Income Tax

Who needs a Business License?

Any person who conducts any business, trade, profession, enterprise, establishment, or occupation within the City shall obtain a license whether or not the physical business address is in or outside of the City. These include but are not limited to:

- Businesses located WITHIN the City's boundaries, such as retailers, wholesalers, manufacturers, professional service providers, home based businesses, commercial rental properties, residential rental properties, etc.
- Businesses located OUTSIDE the City's boundaries, but transact business or provide service in the City, such as
 construction contractors, independent service providers, repair and handyman services, gardeners, delivery
 services, real estate sales, janitorial services, temporary employment services, security services, property
 management, etc.
- Mobile vendors such as ice cream trucks, catering trucks, and itinerant sales representatives.

Page 1 LP-500, rev. 04/18/2013

Some businesses are not permitted to operate in the City unless the business has been awarded a franchise or a permit from City Council. Examples of such businesses include trash haulers, cable television, fireworks sales, and taxicab operations.

How do I apply for a Business License?

Information and applications for a business license may be obtained by contacting the Business License Office at (310) 217-6168 or (310) 217-9518 located in City Hall, Room 101 at 1700 West 162nd Street, Gardena or by visiting the City's website at www.ci.gardena.ca.us.

Applying for a business license is as easy as 1-2-3:

- 1. Complete a Business License Application. Read the application thoroughly and complete all sections. Depending on the type of business, you may need to obtain a fictitious name, a Federal ID number, a resale number, or a contractor's license from the appropriate governmental agency before completing a Business License Application with the City.
- 2. Submit the completed application to the Business License Office and pay fees. If your business is located in the city limits of Gardena, you MUST APPLY IN PERSON to obtain a zoning clearance. If your business is located outside the City limits, your license application can be processed by mail or fax. The fax number is (310) 217-9698. One of the most important steps in planning your business is to obtain a location that is zoned properly. We recommend that all business owners receive a zoning clearance for the location prior to entering into any purchase, lease or rental agreement.
- 3. Receive a Certificate of Occupancy. Every business located in the City must obtain a Certificate of Occupancy in order to occupy the premises. An inspection of the premises is conducted to ensure the business location is in compliance with zoning, fire, and Building & Safety requirements. The time and date of the business inspection is set by appointment only. The owner or manager must be present at the business during the inspection. Home-based businesses and businesses that plan to serve alcohol need to apply for a permit from the Community Development Department before a Business License Application can be accepted. Call (310) 217-9530, or stop by Room 101 at 1700 W. 162nd Street in Gardena for more information.

How Do I Get A Contractors License?

Any person who wants to obtain a City of Gardena business license in order to operate as a contractor must first submit proof of possessing a valid State Contractor's License. Any contractor with a business address WITHIN the city limits is required to obtain a business license, zoning approval, and be inspected for a Certificate of Occupancy. If the contractor's business address is the same as his/her home address, a Home Occupation Permit is required in lieu of the zoning and inspection process. Any contractor based OUTSIDE of the city, who intends to work in the City, is also required to obtain a business license, however no inspection or zoning approval is required. For additional information regarding the State Contractor's License, please visit www.cslb.ca.gov. For information on how to apply for a City of Gardena business license for contractors, contact (310) 217-6168 or (310) 217-9518, visit the Community Development Department in Room 101 located at 1700 W. 162nd St. in Gardena, e-mail businesslicense.web@ci.gardena.ca.us, or visit the City's website at www.ci.gardena.ca.us.

Why is a Zoning Clearance Important?

The City's zoning ordinances regulate land use. Some businesses are not allowed in certain zones or require approval from the Zoning Administrator or the City Planning Commission. Parking requirements for the business will also need to be taken into consideration. If you plan to operate a business in your home, a home occupation permit is required before a business license can be issued; however, certain types of businesses cannot be operated out of the home. Our

Page 2 LP-500, rev. 04/18/2013

best advice to prospective business owners is to contact the Community Development Department at (310) 217-9530 before you make any financial commitments.

What if I move to a new location?

A business license is not transferable. If you move from one location to another location in the City, you must obtain a Certificate of Occupancy for the new location. A zoning clearance and inspection will be required.

What if I have more than one business in the City?

Separate licenses must be obtained for each branch or separate place of business that is a part of any licensed business within the City.

What if I stop doing business or move away?

Notify the Community Development Department's Business License Division in writing if you want your license cancelled. No refunds are given when a business ceases to operate; however your account will stay open and may show a delinquent status if the account is not closed.

Will your business serve alcohol?

If you are planning to serve alcohol, the State Department of Alcoholic Beverage Control (ABC) requires a license. The closest branch office to apply for a license is located at 3950 Paramount Boulevard, Suite 250, Lakewood, CA (562) 982-1337. Additional information and forms are also available on their website at www.abc.ca.gov. In addition to ABC's regulations, the business will also need to obtain a Conditional Use Permit from the City of Gardena. Information and application forms may be obtained from the Community Development Department located in City Hall, Room 101 at 1700 W. 162nd Street, Gardena.

When is a Conditional Use Permit Required?

A Conditional Use Permit is required when a particular type of business (or use) is not allowed by right in a particular zone. When the Community Development Department determines that a Conditional Use Permit is required, the permit must be approved before a business license may be issued. The process for obtaining a Conditional Use Permit involves a public hearing before the Planning Commission (and the City Council if the applicant requests an appeal). Each request for a Conditional Use Permit is evaluated on its own merit. For an application or additional information contact the Community Development Department at (310) 217-9530 or visit their office located in City Hall, Room 101 at 1700 W. 162nd Street between the hours of 7:30 a.m. and 5:00 p.m., Monday through Thursday and 7:30 a.m. and 4:30 p.m. on Fridays.

When is a Temporary Use Permit Required?

Temporary Use Permits are required whenever you propose to use your property for a short term activity that may not meet the standards ordinarily applicable to the zoning on a permanent basis, but is otherwise acceptable due to its temporary nature. Such uses may be permitted for a period of four days to a maximum of six months, and an extension of six months or longer may be granted if good and valid reasons have been established for such extension. Common examples of temporary uses include circuses, carnivals, fairs, exhibitions, Christmas tree sales, tent sales, or other special events. The owner, lessee, or other person having the right to the possession of the land for which the Temporary Use Permit is sought must file an application with the Community Development Department at least 45 days prior to the event. For additional information contact the Community Development Department at (310) 217-9530 or visit their office located in City Hall at 1700 W. 162nd Street between the hours of 7:30 a.m. and 5:00 p.m., Monday through Thursday and 7:30 a.m. and 4:30 p.m. on Fridays.

Page 3 LP-500, rev. 04/18/2013

Can I promote my business with banners, flyers (handbills) or promotional events?

Yes, but it is wise to speak with the City before you purchase any exterior signs, banners, or flyers or commit to holding a periodic/special event for purposes of advertising your business. City approval is required before signage is installed or replaced and banners are permitted only to advertise promotional events. For additional information contact the Community Development Department at (310) 217-9530 or visit their office located in City Hall, Room 101 at 1700 W. 162nd Street between the hours of 7:30 a.m. and 5:00 p.m., Monday through Thursday and 7:30 a.m. and 4:30 p.m. on Fridays. It is unlawful to distribute flyers (handbills) or hold a special event within the City of Gardena without first obtaining a permit. If the event is more than three days in length, a Temporary Use Permit is also required, so please allow at least 45 days to process the permit for approval. Contact the Business License Office at (310) 217-6168 or (310) 217-9518 for additional information and an application package.

What is an annual or periodic event and how do I apply for a permit?

An event that occurs more than once a year or an event that takes place once a year regardless of the number of days in the event, but does not take place on a regular daily basis or is not a part of a continuing business is required to obtain an Annual/Periodic Permit from the Community Development Department. In the case of annual or periodic events, the sponsor may obtain a license and permit for all approved vendors included in the event and pay a fee for the license based upon the gross receipts of those vendors. Contact the Business License Office at (310) 217-6168 or (310) 217-9518 for additional information and an application package.

Who needs a business activity permit and how do I apply?

Certain types of business activities require a permit in addition to a business license. If you are planning to conduct any of the following business activities, be sure to allow at least 45 days to complete the permit review and approval process:

- Entertainment
- Secondhand Dealer
- Amusement Device
- Karaoke
- Pawn Broker
- Arcade/Billiard Establishment

- Massage Establishment
- Junk Dealer/Collector
- Handbill Distribution
- Fortuneteller
- Promotional/Special Event

Some permits will require a background investigation and approval from other City departments, City Council, and/or other governmental agencies before a permit is recommended for approval. Contact the Business License Office at (310) 217-6168 or (310) 217-9518 to obtain more detailed information and an application package.

If you are planning to open a pawnshop, sell secondhand goods, or conduct business as a junk dealer or collector, you will also need to receive a permit from the Department of Justice. The application materials and information are available at the Business License Office.

When is a Film Permit required and how do I apply?

Film production is prohibited on public or private property, facility, or residence located within the city unless a Film Permit is approved by the Community Development Department. Film production activity includes staging or shooting motion pictures, television shows or programs, still photography, and commercials. Film production activities that are exempt from the permit requirement include news media activities, film production conducted at a licensed studio,

Page 4 LP-500, rev. 04/18/2013

charitable or student filming and any photographing, and filming or videotaping conducted solely for private, non-commercial use. This exemption applies only in the event that the activity will not interfere with vehicular traffic or pedestrian movement, will not deprive nearby residents of quiet enjoyment of their property, and will not create a public nuisance, health or safety hazard. Contact the Business License Office at (310) 217-6168 or (310) 217-9518 to obtain more detailed information and an application package or visit the City's website at www.ci.gardena.ca.us.

What is the fee for obtaining a business license or permit?

Business license fees are assessed on either a flat rate or gross receipts fee schedule depending on the type of business activity conducted. Construction contractors, residential rental property, and non-residential rental property are examples of business types that are taxed on a flat rate. Most businesses are taxed on a gross receipts fee schedule. Business licenses expire on December 31 of each year. Flat rate business license fees are due on or before January 31, and gross receipt based license fees are due on or before February 28th. With the exception of a promotional/special event permit, which usually expire within a few days, most business activity permits must be renewed on an annual basis. Depending on the type of permit issued, it may expire on the anniversary date of issuance or on December 31st. To obtain a current copy of the business license fee and permit schedule, contact the Business License Office at (310) 217-6168 or (310) 217-9518 or visit the City's website at: www.ci.gardena.ca.us.

What is the Penalty for Not Obtaining a License or Permit?

The act of commencing or conducting any business without a license is a violation of the Gardena Municipal Code and is subject to additional fines and late charges, in addition to the cost of the Business License, up to and including criminal prosecution.

What is a Fictitious Business Name?

Any name used to transact business other than your personal proper name must be filed with the County of Los Angeles. Therefore, the name you are planning to use for your business must be filed and registered no less than 40 days from the date you plan to commence business. For more information, branch locations and application forms contact the County of Los Angeles at (562) 462-2177 or visit: http://regrec.co.la.ca.us

Will your Business Generate Industrial Waste?

Any business activities that handle or store hazardous materials, and any business that generates, stores, or treats hazardous waste should contact the Los Angeles County Fire Department Health Hazardous Materials Division located at 5825 Rickenbacker Road, Commerce, CA 90040 to obtain an evaluation and a permit. Information is also available by contacting (323) 890-4045 or by visiting the County's website at: www.lacofd.org.

When is a Health Permit required?

All lodging businesses, such as motels, hotels, and food service businesses, which include restaurants, snack bars, delicatessens, grocery stores, and food warehouses, must be licensed by the County of Los Angeles Department of Health Services. For environmental health program information and local district office locations, visit the County's website at http://lapublichealth.org/eh/ehcontact.htm or contact the South Bay District Office at 122 W. 8th Street, San Pedro, CA. If you have a food related question call (310) 519-6050 and for a housing related question call (310) 519-6060.

How do I Get a Resale Number?

To sell or lease merchandise, vehicles, or other tangible personal property in California, a seller's permit (sometimes called a resale number or permit) is required. It is a state license that allows a person to sell items at the wholesale or

Page 5 LP-500, rev. 04/18/2013

retail level and to issue resale certificates to suppliers. Issuing a resale certificate allows a person to buy items to be sold in their business operations without paying tax to the seller. For more information, contact the State Board of Equalization at (310) 342-1000 or (800) 400-7115, or visit the website at http://www.boe.ca.gov

Do I need an Employer or Tax Identification Number (EIN/TIN)?

An Employer Identification Number (EIN), also known as a Federal Tax Identification Number (TIN), is a nine-digit number that the IRS assigns to business entities. The IRS uses this number to identify taxpayers that are required to file various business tax returns. EIN's are used by employers, sole proprietors, corporations, partnerships, non-profit organizations, trusts and estates, government agencies, certain individuals, and other business entities. For more information or to apply for an Employer Identification Number, visit www.irs.ustreas.gov or apply by fax at (215) 516-3990 or call the Business and Specialty Tax Line at (800) 829-4933. Use Form SS-4 to apply for an EIN either by fax or by telephone.

Are You Planning to Install a Burglar Alarm?

All residences and businesses that have an alarm system must have a valid permit on file with the City. A late fee of \$20 will be imposed for any permit not obtained within 60 days of installation. The owner will be assessed a false alarm administrative fee for any alarm system that has four or more false alarms during a calendar year. Applications for an Alarm System Permit are available at the Police Department located at 1718 W. 162nd Street, or the Business License Office located in City Hall, Room 101 at 1700 W. 162nd Street. For fees or additional information, call (310) 217-9525.

What are the Licensing Requirements for Firearms Dealers in Gardena?

Firearms dealers must obtain and maintain the following:

- A valid Federal Firearms License
- A valid Seller's Permit issued by the State Board of Equalization
- A valid Certificate of Eligibility issued by the Department of Justice
- A Gardena Business License that states on its face "Valid for Retail Sales of Firearms."

After obtaining the above licenses, an application for placement on the Centralized List of Firearms Dealers and the corresponding fees are submitted to the Department of Justice. For more information on dealer licensing or to obtain an application for placement on the Centralized List of Firearms Dealers, contact the Office of the Attorney General Firearms Licensing and Permits Unit at (916) 227-3694 or visit the website at http://www.caag.state.ca.us.

Page 6 LP-500, rev. 04/18/2013