



# STARTING A BUSINESS IN SAN LEANDRO

## CITY OF SAN LEANDRO

Civic Center - 835 East 14<sup>th</sup> Street  
San Leandro, CA 94577-3782  
[www.sanleandro.org](http://www.sanleandro.org)

*Starting a new business can be exciting and challenging. The City of San Leandro provides the information below to help you learn what to do to start a business in the City of San Leandro.*

All new commercial businesses that plan to operate in San Leandro or sell goods or services within San Leandro city limits must obtain a business license and pay the applicable business license tax. This includes businesses dealing with residential and commercial real estate rentals or individuals who operate home-based businesses. In addition, commercial businesses that will be located within San Leandro must complete a zoning application and pay the applicable fees.

**BUSINESS LICENSES** - Anyone conducting any type of business activity within the incorporated portion of the city of San Leandro is required to obtain a City business license prior to commencing any such activity. You must complete and submit a City of San Leandro Business License Application and pay the applicable taxes and fees. Depending on business classification, the business license tax is either a flat annual tax or includes a base tax and a per unit tax. See tax schedule and tax and fee calculation worksheet. **New businesses located in the incorporated area of San Leandro, are required to apply over the phone with the City of San Leandro's contractor for business license support, the HdL Support Center at (510) 809-3133** or online at <https://sanleandro.hdlgov.com/> prior to applying in person for the zoning approval with the Planning department. For applications, please visit <http://sanleandro.org/depts/finance/licenses/start.asp>. You may also obtain business license and zoning applications by calling HdL Support Center at (510) 809-3133 or by visiting the Cashier's Office located in the San Leandro City Hall, 835 East 14th Street, San Leandro, CA 94577.

**ZONING APPROVAL** - New businesses planning to locate in San Leandro or any existing businesses changing an address in San Leandro must apply **in person**. Businesses not located within San Leandro are NOT required to obtain zoning approval and therefore are not required to submit their application in person. To determine if your proposed business location is zoned for your type of business, contact Planning Services at (510) 577-3325. Zoning approval can be obtained by visiting Planning Services at the City's Permit Center.

**RESIDENTIAL AND COMMERCIAL RENTAL PROPERTY BUSINESSES** - Rental property is classified as a business and is subject to business license taxes. Examples include apartments, single-family house rentals and duplexes, condominiums, townhouses, hotels/motels, mobile home parks and rooming or boarding house rental units including hosted short-term rentals. Commercial rental property includes warehouses, ministorage and industrial, commercial and office building rentals to tenants for purposes other than dwelling, sleeping or lodging.

**WEST SAN LEANDRO SHUTTLE BUSINESS IMPROVEMENT DISTRICT (BID)** - The West San Leandro Shuttle Business Improvement District (BID) was established by the San Leandro City Council in 2005 to partially fund the West San Leandro Shuttle service known as "LINKS." About 35 percent of the total cost of the LINKS Shuttle is funded by this assessment district. The City of San Leandro and regional transportation and air quality agencies provide the remainder of the funding.

LINKS provides free shuttle service from the San Leandro Main BART Station to the western industrial area of San Leandro. Businesses located within a quarter mile of the LINKS route pay an annual BID assessment fee based on the number of employees. Exempt from the BID are businesses that have a Home Occupation Permit,

businesses with three (3) or fewer employees, businesses that have received Internal Revenue Service 501(c)(3) tax exempt status and businesses that are exempt from local assessments under state or federal law, upon submission of proof of such status. The fee for the BID will be calculated at the time of issuance of your business license.

For additional information on the LINKS route and service times, visit [www.SanLeandroLINKS.com](http://www.SanLeandroLINKS.com).

**FICTITIOUS BUSINESS NAME STATEMENT** - Most businesses are required to file a Fictitious Business Name Statement with the Alameda County Clerk's Office in Oakland. A fictitious business name, in the case of an individual, means a name that does not include the last name(s) of the individual(s) or a name that suggests the existence of additional owners. In the case of a corporation, a fictitious business name is any name other than the corporate name as shown in its articles of incorporation. Many banks are now requiring their business customers to file a Fictitious Business Name Statement (FBN). If you need to file a Fictitious Business Name Statement, you are required to do so within 40 days of the time you first begin transacting business. A business license will be issued once this FBN statement is submitted to the Business License Support Center. The forms can be obtained and filed, in person or by mail, at the Alameda County Clerk-Recorder's Office at 1106 Madison Street, Suite 101, Oakland, CA 94607. Please contact the County of Alameda for further information at (510) 272-6362 or visit [www.acgov.org/auditor/clerk/index.htm](http://www.acgov.org/auditor/clerk/index.htm).

**SELLER'S PERMITS** - Retailers, wholesalers and manufacturers must obtain seller's permits from the California Department of Tax and Fee Administration, located at 1515 Clay Street, Suite 303, Oakland, CA 94612. For additional information, please call (510) 622-4100 or visit [www.cdtfa.ca.gov](http://www.cdtfa.ca.gov).

**HEALTH PERMIT** - If you plan to sell food as part of your business, you will need to obtain a permit from the Environmental Health Services of the County Health Care Services Agency, located at 1131 Harbor Bay Parkway, Alameda, CA 94502. For additional information, please call (510) 567-6700 or visit [www.acgov.org/aceh/index.htm](http://www.acgov.org/aceh/index.htm).

**EMPLOYEES** - If you plan to hire employees, there are several requirements that must be met. You will need to contact the Internal Revenue Service and the Employment Development Department for further information.

**IRS** - Internal Revenue Service (federal taxes)  
1301 Clay Street, Suite 1605  
Oakland, CA 94612  
(800) 829-1040  
website: <http://www.irs.gov>

**EDD** - Employment Development Department (state employment tax)  
7677 Oakport Street, Suite 400  
Oakland, CA 94621  
(888) 745-3886  
website: <http://www.edd.ca.gov>

**FTB** - Franchise Tax Board (state income taxes)  
1515 Clay Street  
Oakland, CA 94612  
(800) 852-5711  
website: <http://www.ftb.ca.gov>

# FREQUENTLY ASKED QUESTIONS

*There are many things you should consider when starting a business. The following are answers to questions that are most frequently asked regarding requirements for starting a business, other related permits and licenses and different agency responsibilities.*

## **What is a business license?**

A business license is an annual tax for doing business within the incorporated area of the City of San Leandro (City). The San Leandro Municipal Code requires that you obtain a license when you conduct any business activity within the City – even if your business is located OUTSIDE the city limits or you have a business license from another city.

## **Who is required to have a San Leandro business license?**

Any person who conducts business in the City or is based in the City must obtain a business license on or before the date the business commences. Conducting business in the City without a license may result in violation penalty notices, citations and court action.

## **Why must I pay a tax to do business in the City?**

According to the City Ordinance, the tax imposed by the City is used solely for the purposes of obtaining general revenue. Business license taxes help pay for City services such as public works, police, senior and children's programs as well as other community services. These services benefit businesses, business owners and the general public.

## **How long is the license valid for?**

All licenses are valid until December 31st of each year.

## **What if I have more than one business or more than one location?**

If you own more than one business, a separate business license is required for each type of business and for each location.

## **I just purchased this business. Can I use the business license from the previous owner?**

No. A business license cannot be transferred or re-assigned. As a new owner, you need to apply for a business license in your name.

## **What if I close or sell the business?**

Business licenses are **NOT** automatically canceled. We need to hear from you. You may send written notification to City of San Leandro Business Support Center 8839 N. Cedar Ave #212, Fresno, CA 93720 or email [Support@HdLGov.com](mailto:Support@HdLGov.com). You will need to provide the date the business closed, moved or sold and the name of the new owner, if applicable.

## **What if I conduct business in the unincorporated area of San Leandro?**

A City business license is not required for the unincorporated area of San Leandro. If you have any questions, please call the Alameda County Business License Department at (510) 670-6400.

**I conduct business in several cities. Can I get just one license to do business in all cities?**

No. Each city has its own business license requirements and most California cities have a business license tax ordinance. Each city has its own tax rate, structure, and requirements. Check with the appropriate City or County for their rules and regulations.

**What happens if I pay late?**

The penalty for a delinquent license is 50% of the business license fee for the first 30 – 90 days overdue. Delinquencies of 90 days or more will be charged a penalty of 100% of the business license fee.

**Will the City of San Leandro notify me when it is time to renew my license?**

As a courtesy to the business community, the City does send renewal notices in December. The City is not required, however, to send notification to any person who is liable for the tax. It is the responsibility of the individual business owner to be aware of their business license tax due date and to remit payment in a timely manner. Penalties are assessed for delinquent accounts, regardless of whether you received a renewal notice.

**What if I want to move the business?**

Always check with the City’s Planning Division to verify that the new location is zoned for the intended use and whether a “Use Permit” or another type of approval is required. You must notify the City’s Business License HdL Support Center at (510) 809-3133 whenever you change your address, phone number, business activity or ownership information.

**Must I apply in person or can I do it by mail?**

You must first apply over the phone or online if your business will be physically located in the incorporated area of the City of San Leandro. If your business is not located in the City, you may apply by phone, mail or online. However, if you use the mail, double check your business classification and your rate fee calculation prior to sending in your application and payment. Please make sure that you sign the application. Errors delay the process. If you are not sure of your calculations, please call HdL Support Center at (510) 809-3133.

**Are there any restrictions on where I do business?**

Every business must meet zoning requirements to ensure that the business activity and site are compatible. *BEFORE SIGNING* any lease or rental agreement, we suggest that you check with the City’s Planning Division to make sure your business activity is appropriate for the area’s zoning and that it will not require a public hearing or special parking considerations. Call (510) 577-3325 for additional information.

**What about commercial business locations?**

Check with the City’s Permit Center to determine if any building modifications are necessary for your business. Call (510) 577-3420 for additional information.

For new businesses, a fire inspector may visit your business to verify that your building or tenant area meets Fire and Building Code requirements.

### **Do I need a license if I work out of my home?**

Yes. Businesses operated out of the home require a business license and must comply with the City's Zoning Ordinance. The Zoning Ordinance regulates types of home-based businesses and the manner in which they may operate.

### **Do I need a seller's permit?**

Every business intending to sell tangible goods – wholesale or retail, commercial or home-based, sales or repairs – requires a California Seller's Permit. To apply, contact the California Department of Tax and Fee Administration.

California Department of Tax and Fee Administration  
1515 Clay Street #303  
Oakland, CA 94612  
(510) 622-4100  
website: <http://www.cdtfa.ca.gov>

### **Do Nonprofit Organizations need a business license?**

Yes. All nonprofit organizations conducting business within San Leandro city limits are required to obtain a San Leandro business license. However, the business license fee is waived upon presentation of proof 501(c)(3) from the California Secretary of State or the Internal Revenue Service stating that the business has a nonprofit status. If the organization is located in San Leandro, a completed zoning application is also required.

California Secretary of State  
1500 11<sup>th</sup> Street  
Sacramento, CA 95814  
(916) 653-6814  
Website: <http://www.ss.ca.gov>

### **I am paid on a "1099" basis with my employer (not as an employee); do I need a business license?**

Yes. If you are not an employee, you are considered an independent contractor. Providing services to, or on behalf of, a business may constitute an employee/employer relationship or an independent contractor relationship, depending on the nature of work and the degree of control involved. Determining the relationship between you and your employer (or employee) can sometimes be confusing. However, **if you are not paid as an employee, you are considered an independent contractor and are required to have a business license.**

### **What if my business has employees?**

You will need to obtain a federal employer identification number (EIN) as well as a state employer identification number. Contact the IRS for your federal EIN and the Employment Development Department for their requirements regarding state withholding requirements, disability and unemployment insurance. Both federal and state employer identification numbers are required for your business license application.

Employment Development Department (EDD)  
(888) 745-3886  
website: <http://www.edd.ca.gov>

Internal Revenue Service (IRS)  
1301 Clay Street, Suite 1605, Oakland, CA 94612  
(800) 829-1040  
website: <http://www.irs.gov>

### **Do state-licensed contractors also need a San Leandro business license?**

Any person licensed as a contractor by the State Contractor's Board must obtain a business license if they are (1) conducting business in the City; or (2) based in the City, whether conducting business in or outside of the City.

### **What about selling food?**

If selling or preparing food is a part of your business, you must apply for a health permit from the Alameda County Environmental Health Department in addition to obtaining a business license.

Environmental Health Services  
1131 Harbor Bay Parkway, Alameda, CA 94502  
(510) 567-6700  
website: <http://www.acgov.org/aceh/index.htm>

### **I have a wonderful idea for a great sign!**

Check with the Planning Division before using or installing ANY type of sign, flag or banner, even balloons. Permanent and temporary signs require review and approval prior to issuance of permits and installations.

Posting signs, handbills, or flyers on any utility pole, traffic pole, fence, tree, mailbox or other public structure is prohibited.

### **I want to leave handbills at homes to advertise my business. Is that covered by the business license?**

No. A separate advertising permit is required in addition to the business license. Please contact our office before distributing any handbill or flyer.

Distribution of handbills or flyers on car windshields is always prohibited.

### **How do I know which classification/category fits my business?**

If you are not sure which category, best fits your business; call the City's HDL Support Center. You will be asked a few questions about your business and determine the proper category.

Certain types of business activities require additional steps in the licensing process. Call the Finance Department for more detailed information if you are involved in any of the following business activities:

- Solicitors/Peddlers
- Dance Halls
- Bingo Games
- Firearms Sales
- Massage Therapy
- Taxicab Companies
- Fortune Telling
- Christmas Tree/Pumpkin Patch
- Used Auto Dealers

**CITY OF SAN LEANDRO**

835 East 14<sup>th</sup> Street  
 San Leandro, CA 94577

**(510) 809-3133 – Business Support Division**

(510) 577-3378 – Business License Division

(510) 577-3325 – Planning/Zoning/Design

(510) 577-3420 – Building Permits

<http://www.sanleandro.org>

**SAN LEANDRO CHAMBER OF COMMERCE**

120 Estudillo Avenue  
 San Leandro, CA 94577

(510) 317-1400

<http://www.sanleandrochamber.com>

**Federal Government****IRS -INTERNAL REVENUE SERVICE**

(Federal tax)

1301 Clay Street, Suite 1605

Oakland, CA 94612

(800) 829-1040

<http://www.irs.gov>

**U.S. PATENT AND TRADEMARK OFFICE**

(Trademarks, Patents & Copyrights)

Crystal Plaza 3, Room 2C02

Washington, DC 20231

(800) 786-9199

<http://www.uspto.gov>

**State Government****ALCOHOLIC BEVERAGE CONTROL - ABC**

1515 Clay Street, Room #2208

Oakland, CA 94612

(510) 622-4970

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

**CAL OSHA**

(Occupational Safety and Health Agency)

455 Golden Gate Avenue, Room #9516

San Francisco, CA 94102

(800) 963-9424

[http://www.dir.ca.gov/occupational\\_safety.html](http://www.dir.ca.gov/occupational_safety.html)

**CONTRACTORS STATE LICENSE BOARD**

9821 Business Park Drive

Sacramento, CA 95827

(800) 321-CSLB (2752)

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

**DEPARTMENT OF CONSUMER AFFAIRS**

(800) 952-5210

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

**EDD – EMPLOYMENT DEVELOPMENT DEPARTMENT**

(state employment tax)

(888) 745-3886

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

**FRANCHISE TAX BOARD - FTB**

(State income tax)

(800) 852-5711

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

**SECRETARY OF STATE - SOS**

(Articles of Incorporation/Trademarks/Notary Public Agencies)

1500 11<sup>th</sup> Street

Sacramento, CA 95814

(916) 653-6814

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

**SOCIAL SERVICES - COMMUNITY CARE LICENSING**

(Child Care, Children's Residential Facilities, Adult & Elderly Facilities)

1515 Clay Street, Room #1102

Oakland, CA 94612

(510) 622-2602

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

**CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION**

(State sales tax/seller's permit/resale license)

1515 Clay Street, Room #303

Oakland, CA 94612

(510) 622-4100

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

**STATE COMPENSATION INSURANCE FUND**

(Worker's compensation)

1515 Clay Street, 6<sup>th</sup> Floor

Oakland, CA 94612

(510) 622-2866

<http://www.dir.ca.gov/dwc>

**County Government****ALAMEDA COUNTY BUSINESS LICENSE DEPARTMENT**

(Unincorporated areas/district)

224 West Winton Avenue, Room #169

Hayward, CA 94544

(510) 670-6400

<http://www.acgov.org/buslic.htm>

**ALAMEDA COUNTY CLERK-RECORDER - FBN**

(Fictitious Business Name)

1106 Madison Street, Suite 101

Oakland, CA 94607

(510) 272-6362 or (888) 280-7708

<http://www.acgov.org>

**DEPT. OF ENVIRONMENTAL HEALTH SERVICES**

(Health permits)

1131 Harbor Bay Parkway

Alameda, CA 94502

(510) 567-6700

<http://www.acgov.org/aceh/index.htm>