WASHINGTON, DC

DOING BUSINESS GUIDE

2016 / 2017 EDITION
The Washington DC Economic Partnership would like to acknowledge our public and private sector board members whose continued financial support and guidance has made the DC Doing Business Guide: 2016/2017 Edition possible.

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THE WASHINGTON DC ECONOMIC PARTNERSHIP (WDCEP) is a nonprofit, public-private organization whose core purpose is to actively position, promote, and support economic development and business opportunities in Washington, DC.

Our mission is to promote DC’s economic and business opportunities and support business retention and attraction activities.

Through historical knowledge of the city’s business and economic climate; accurate analytics, data, and research; and community partners and access, WDCEP is the central organization in the District that connects public and private sectors, neighborhoods, and real estate communities to local, national, and international audiences.

WDCEP’s purpose and success aligns with its partners in the city: to facilitate dynamic relationships with nonprofit change agents, technology visionaries, artists, real estate entrepreneurs, and global enterprise leaders based on independent thinking and objective insights. We stay one-step ahead of the vibrant and evolving economic landscape by monitoring the pulse of DC’s developers, startups, entrepreneurs, and big and small businesses.

As your first point of contact for doing business in the District, the Washington DC Economic Partnership has a variety of resources in addition to this publication that can assist you in your business success. To find out more about what we can do for you, please call WDCEP at (202) 661-8670, or visit us online at wdcep.com.
The DC Doing Business Guide is an updated and improved version of the seventh edition released in 2015. The new guide covers information essential to creating, relocating, and expanding your business in the District. Whether you are an entrepreneur looking for some guidance on starting a business in DC or have an existing business that you are looking to relocate to DC, or you are a DC-based company seeking to understand local business resources, you will find this guide indispensable.

Content for this publication was made possible through collaboration with several district and federal agencies, including: the Office of the Deputy Mayor for Planning and Economic Development, the Department of Small and Local Business Development, the Department of Consumer and Regulatory Affairs, the Department of Insurance, the Department of Employment Services, the Department of Insurance, Securities and Banking, the U.S. Small Business Administration, the DC Office of Tax and Revenue, the Department of Employment Services, and the DC Small Business Development Center Network.

The DC Doing Business Guide is a publication of WDCEP. This document is intended to serve as a guide to starting or growing your business in DC. It is not intended to supplant legal or financial advice. Although every attempt was made to ensure the quality of the information contained in this document, WDCEP makes no warranty or guarantee as to its accuracy, completeness or usefulness for any given purpose.

This publication was funded by a grant from the Department of Consumer and Regulatory Affairs.
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THE DISTRICT OF COLUMBIA is a world-class capital city that offers unparalleled opportunities for businesses and organizations of all sizes. More than a political and cultural center, DC remains a business capital experiencing an unprecedented renaissance as one of the fastest growing and most exciting economies in the country. Choosing to create, relocate, or expand your business in DC will ensure advantages that are unmatched by any other city. DC’s economy has proven to be strong, resilient, and now has a thriving entrepreneurial community. DC boasts a highly skilled workforce and job market and is well established for industries such as professional services, nonprofits, hospitality, technology, and retail. The nation’s capital has the tools, infrastructure, workforce, accessibility, and climate for your business to flourish.
STRENGTH OF ECONOMY & WORKFORCE

#1 Metro area for economic strength based on earnings, jobs, wages, real estate, construction, retail, welfare, and Medicaid data (Policom, 2015)

- #1 most educated city in America (Census PEP, 2015)
- 53.4% of DC residents over 25 years old have a bachelor’s degree or higher. (Census PEP, 2015)
- #2 locale for America's fastest-growing private companies (inc.com)
- #2 fastest growing “state” in the country. DC has more residents than Vermont and Wyoming. (Census PEP, 2015)

LIVABILITY

#1 city for public transportation, based on quality, efficiency, and availability metrics (SmartAsset, 2016)

- #1 Restaurant City of the Year (bon appétit, 2016)
- #1 city for music lovers (CondéNast Traveler, 2015)
- #1 fittest city in America (ACSM American Fitness Index, 2014, 2015, 2016)
- Top 10 most bike-friendly, transit-friendly, and walkable cities in America (Walk Score, 2016)
REAL ESTATE DEVELOPMENT

• DC sets a national and global example of how to achieve sustainable development by creating policy and achieving a record number of LEED and Energy Star certified projects. (U.S. Green Building Council, Energy Star, 2016)

• DC’s flexible office market has grown by over 50% since 2015, with over 70 locations offering shared workspaces, co-working, flexible and short-term office rentals, and business incubation in September 2016 (WDCEP)

#1 in LEED-certified space per resident, with over 11 million square feet of certified space and 84 projects in 2015 (U.S. Green Building Council)

“Small businesses are the backbone of our local economy, creating jobs, contributing to our tax base, and providing vital services to District residents. When they succeed, more people have pathways to the middle class. That is why my Administration is committed to giving small businesses the resources and partnerships they need to grow, and to thrive.”

—Muriel Bowser, Mayor, District of Columbia
“The Washington DC Economic Partnership offers entrepreneurs free resources and expert guidance to strengthen their capacities within the District of Columbia. The DC Doing Business Guide is robust with actionable insight on building a successful business at every level, from making sure you have the right permits and licenses, to hiring the right talent as your company grows. It is our hope that this guide will provide the roadmap that you need to succeed and that you will turn to WDCEP when you are ready to do business in DC.”

—Keith J. Sellars, President & CEO, Washington DC Economic Partnership
DOES YOUR IDEA NEED SPACE?

When you need to scale up your business with a storefront or office space, WDCEP can assist with:

ONE-ON-ONE SUPPORT FOR BUSINESSES OF ALL SIZES
- Site location assistance
- DC incentive information
- Neighborhood retail/restaurant site tours
- Broker introductions

DATA & TOOLS
- Neighborhood Profiles
- Development Report
- Current retail and development online search tools
- Monthly economic sector maps

wdcep.com
(202) 661-8670
dcbiz@wdcep.com
Where small businesses start and grow!

**BUSINESS TRAINING COURSES INCLUDE:**
- The Business Planning Process
- Marketing Your Business
- Federal and Local Government Certification
- Strategic Planning
- International Trade Certification Programs

**BUSINESS CONSULTING SERVICES INCLUDE:**
- Strategic Business Planning
- Business Plan Development
- Market Research & Web-Site Development
- Federal and Local Government Certification
- Start-up Feasibility Analysis

Anacostia Economic Development Corporation
Business Development Center
1800 Martin Luther King, Jr. Ave, SE Suite 100 (202) 889-5090

Delucchi
Building Memorable Personalities for Exceptional Brands to Drive Engagement, Sales, Influence + Loyalty.

delucchiplus.com
INITIAL START UP CONSIDERATIONS

Business Planning, Business Locations, Ownership Structure
Whether you are creating a new business or relocating an existing one, you will need to know the requirements to operate a business in Washington, DC. If this is your first business venture in our nation’s capital, there are a number of factors that you must consider. This chapter will take you through the basic steps of starting a business in the District.

BASIC STEPS TO CREATE OR RELOCATE YOUR BUSINESS IN DC

1. BUSINESS PLANNING:
What are you selling? Who are your customers? Who is your competition? How will your business make money? How will you finance your business?

2. SELECTING A LOCATION:
Where are your customers? Where will you operate your business? How much space do you need? What are the zoning requirements?

3. MAKING YOUR BUSINESS LEGAL:
What business structure will your company have? What kind of licensing or registration requirements will you need? What tax forms do you need?

4. FINANCING YOUR BUSINESS:
Will you need a business loan? Do you qualify for a loan? What are the sources for financing? What financial incentives are available for your business based on your industry, location, or services?

contributors: The Department of Small & Local Business Development • The U.S. Small Business Administration • The Department of Consumer and Regulatory Affairs
STEP 1: BUSINESS PLANNING

Developing a business plan is crucial to success. A well-written business plan or adoption of a proven business model can help secure funding, help market your products and services, and help establish strategic partnerships. While there are different ways to clarify your plan in a formal document, there are a few essential components that should always be included.

1. DESCRIPTION OF BUSINESS

This section of your business plan should contain the “who, what, when, where, why, and how” of your business. Some relevant points include location, products and services, employees, management structure, and labor policies.

2. MARKET ANALYSIS

This section of your business plan should include demographic information about your customers and how you plan to reach them, information about potential competitors, timing of and barriers to market entry, your marketing budget, and your advertising plan.

3. FINANCIALS

This section of your business plan should include your balance sheets, cash flow projections, income statements, and break-even analysis. You will need to articulate all of your expenses and revenues by month and by year for a five-year time period.

Additionally, your business plan should include a cover sheet and an executive summary that provides an overview of your entire plan.

BUSINESS PLANNING NEXT STEPS

- Many startups no longer need a formal lengthy business plan to get started. Based on the type of company you are trying to start and the sources of funding you are seeking, you may only require a simpler format. It is important to determine the most appropriate format through early exploratory meetings with advisors, potential stakeholders, investors, and lenders.

- Attend local business planning seminars hosted by community agencies. Some organizations to consider are the Department of Consumer and Regulatory Affairs Small Business Resource Center, U.S. Small Business Association, DC Small Business Development Center, and the Washington DC Economic Partnership.

- Create your business plan. You can locate examples of business plans that cover a variety of industries and formats online. For more information visit bplans.com, forms.entrepreneur.com, or canvanizer.com.

- If you would like to work with an experienced counselor to help develop your business plan, we recommend that you contact one of several resource centers in DC. At the end of this chapter, we have included a list of organizations that provide comprehensive business startup assistance.

BUSINESS PLANNING RESOURCES

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS SMALL BUSINESS RESOURCE CENTER

The Department of Consumer and Regulatory Affairs (DCRA) Small Business Resource Center (SBRC) provides District-based small businesses and entrepreneurs with training, consulting, and technical assistance. Service offerings include a number of regulatory process one-on-one sessions, educational workshops and forums where subject matter experts from a variety of DCRA's divisions lend their expertise on corporations, business licensing, zoning (occupancy and home occupancy permits), and permitting special events and vending. Additionally, the SBRC conducts two annual forums designed to disseminate information, inspire entrepreneurship and encourage growth among current and future business owners.

Through partnerships with District and federal government agencies and nonprofits, which provide small business development and technical assistance, the SBRC also provides regular updates about small business opportunities and referrals to other small business resource providers throughout the District.

1100 4th Street, SW, 2nd Floor, Washington, DC 20024
(202) 442-8170 - dcra.dc.gov - dcbiz.ecenterdirect.com/signup
“Businesses working in the District have the unique opportunity to develop partnerships with, and to work alongside a variety of government agencies, non-profit groups, and foundations. This provides networking possibilities and opportunities for expansion, community involvement, and advanced assistance that simply cannot be found elsewhere.”  

–John Mains, SB Works
SB WORKS
SB Works is a small business advocate and resource nonprofit focused on providing small businesses with professional technical assistance, affordable consultants, and networking opportunities. SB Works helps owners protect and promote their dreams and aspirations while maintaining a healthy small business lifestyle. 5 Points Business Center is SB Work's shared office center and business-focused community space that provides not only an affordable and professional work space, but also functions as resource center for small businesses. Hosting educational events, trainings, on-site consultants, and networking opportunities, 5 Points is a comprehensive service center for the small business owner.

2316 Rhode Island Ave NE, Washington, DC 20018
(202) 803-5400 · sbworksdc.org · info@sbworksdc.org
info@5pointsdc.com

U.S. SMALL BUSINESS ADMINISTRATION
The U.S. Small Business Administration (SBA) is a federal agency devoted to helping small businesses. It has resource centers and counselors to assist you with starting and growing your business. At the SBA's Service Corps of Retired Executives (SCORE), counselors can provide mentoring, training and advice for startups and existing businesses.

409 3rd Street SW, 2nd floor, Washington, DC 20416
(202) 205-8800 · sba.gov/learning · washingtondc.score.org

WASHINGTON AREA COMMUNITY INVESTMENT FUND
The Washington Area Community Investment Fund, Inc. (WACIF) is a 29-year-old nonprofit community development loan fund whose mission is to empower underserved communities and individuals in the DC metropolitan area by providing access to capital and technical assistance to small businesses, child care centers, affordable housing developers, and community organizations. WACIF's programs and services include: specialized technical assistance, the District of Columbia Certified Business Enterprise (CBE) Revolving Microloan Fund, the SBA Revolving Microloan Fund, and WACIF's Access to Capital Loan Fund.

2012 Rhode Island Avenue, NE, Washington, DC 20018
(202) 529-5505 · wacif.org

WASHINGTON, DC WOMEN’S BUSINESS CENTER
The Washington, DC Women's Business Center (DC WBC) is a business development organization that serves women entrepreneurs in the DC Capital Region. The DC WBC provides training and consulting to assist in the growth of women-owned businesses in federal procurement opportunities. The DC WBC is funded in part by the SBA to provide training and one-on-one counseling to women entrepreneurs, especially women who are economically or socially disadvantaged.

727 15th Street, NW, Washington, DC 20005
(202) 393-8307 · dcwbc.org · info@dcwbc.org

LATINO ECONOMIC DEVELOPMENT CENTER
The Latino Economic Development Center Small Business Development Department equips Latinos and other underserved local residents with the skills and tools necessary to launch and grow small businesses. LEDC offers one-on-one small business coaching and Spanish-language trainings on diverse topics, including starting a business, business planning, financial management, incorporation, licensing and permitting, accounting, marketing, and social media.

2316 18th Street, NW, Washington, DC 20009
(202) 540-7400 · ledcmetro.org

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT COMMUNITY-BASED NONPROFIT ORGANIZATIONS
Department Of Housing and Community Development Community-based Nonprofit Organizations (DHCD CBOs) provide technical assistance, support, and training to small and retail businesses focusing on neglected commercial corridors in low and moderate income areas in DC. Assistance provided includes micro-loan packaging, business planning, entrepreneurial training, one-on-one business technical assistance, tax preparation assistance, accounting assistance, or legal assistance. CBOs in partnership with DHCD are heavily involved in neighborhood revitalization efforts in these areas, including major commercial project planning and interagency business development coordination. To apply for assistance or receive more information, please contact LEDC, WACIF, or one of the other CBOs listed below:

ANACOSTIA ECONOMIC DEVELOPMENT CORPORATION
1800 Martin Luther King Jr., Avenue, SE #100, Washington, DC 20020 (202) 889-5100 · anacostiacdc.com

ARCH DEVELOPMENT CORPORATION
1227 Good Hope Road, SE, Washington DC 20020
(202) 365-5586 · archdevelopment.org
STEP 2: SELECTING A LOCATION

One of the first concerns when starting a business is selecting a physical location. The neighborhood, and even the street you choose, are integral when determining if you qualify for certain government incentive programs (see Chapter 5: Financial Incentives). Among other items of importance, your location impacts target market accessibility, your capacity to attract and retain employees, and the type of occupancy permits you may need. You will be required to have a business location and to submit a Certificate of Occupancy or Home Occupation Permit when applying for your business license at the DC Department of Consumer and Regulatory Affairs.
SITE CONSIDERATIONS

Important factors to consider when choosing a location for your business:

How accessible is your proposed location?

- Will it be accessible to your potential clients of all ages and abilities?
- Is parking nearby? Is there a significant amount of foot traffic?
- Are you near a Metrorail station, Bikeshare station, bus stop, or major intersection?

Are the price and leasing terms right for you?

- How much revenue will you require to cover your lease?
- What amenities are included in your lease?
- Will you have to build to suit? Will the landlord outfit the space or cover the cost for tenant improvements?
- Are you able to commit to a long-term lease, or would more flexible office space options be more suitable for you and your company?

Does the site meet your requirements?

- Is the space zoned for your type of business (i.e., industrial, residential, commercial, or mixed-use)?
- Will you require loading bays? Do you need elevators?

Do you want to operate your business from home?

- What amount of savings do you anticipate to have from operating a home-based business?
- How will you be able to reach your clients?
- Will you be able to run your type of business from home?

ZONING REGULATIONS

As of September 6, 2016, DC has new zoning regulations to align with the District’s goals for achieving a healthy, vibrant, more diverse, and more environmentally sustainable city. Visit bit.ly/dczoning for more information.
SITE LOCATION NEXT STEPS

• If you operate your business from a residential property, you will need to obtain a Home Occupation Permit (see Chapter 2: Registration & Licensing). In addition, there are also restrictions on the number of employees you can have in a home-based business and how many deliveries or customers can come to your home each day.

• Download or pick up WDCEP’s Neighborhood Profiles and Development Report publications to give you an idea of where you might want to locate or expand your business in DC at wdcep.com/resources or 1495 F Street, NW.

• If you are considering co-working or using a short-term, shared office, or other flexible workspace, visit wdcep.com or call (202) 661-8670 to learn more about DC’s growing opportunities for alternative leasing options.

• If you plan to operate your business in a commercially leased property, you may contact one of the organizations in the section below to identify resources that best fit your needs.

DC ZONING MAP

Make sure to review the DC Zoning Map when thinking about locations for your business: at dcoz.dc.gov/OnlineServices/map.shtm. You can also learn about various location-based incentives at geospatial.dcgis.dc.gov/incentive.

SITE LOCATION RESOURCES

WASHINGTON DC ECONOMIC PARTNERSHIP

Looking for your ideal storefront, manufacturing facility or restaurant? WDCEP can provide you with broker contacts, information on vacancy rates, asking rents and demographic information about the areas around your business. WDCEP can also provide information on available office and retail space in established, emerging, or new neighborhood development projects.

(202) 661-8670 - wdcep.com

BROKERAGE FIRMS & REAL ESTATE SERVICE COMPANIES

You may directly contact a commercial real estate broker representing tenants for your space search. Brokerage firms offer a variety of services including but not limited to investment advice, real-time quotes, research, investment information and tools, online trading, touch-tone trading, website account access, check-writing privileges, and margin loans. For a list of top brokers in DC, visit costarpowerbrokers.com.

DC BUILDING INDUSTRY ASSOCIATION

The DC Building Industry Association can refer you to their member brokers depending on your needs. Association members are engaged in all aspects of real estate development and include developers, general contractors, architects and engineers, lenders, attorneys, brokers, title companies, utility companies, and community development organizations.

(202) 966-8665 - dcbia.org

DEPARTMENT OF SMALL & LOCAL BUSINESS DEVELOPMENT

The Department of Small & Local Business Development’s (DSLBD) Office of Commercial Revitalization provides site location assistance for retail ventures.

(202) 727-3900 - dslbd.dc.gov

COMMERCIAL REAL ESTATE BROKERAGE ASSOCIATION OF GREATER WASHINGTON (CREBA)

CREBA is a regional trade association dedicated to serving commercial real estate interests throughout the DC, Suburban Maryland and Northern Virginia. CREBA can provide you with a listing of real estate brokers in the region.

(301) 590-2000 - creba.org

DC MAIN STREETS PROGRAM

DC Main Streets is a comprehensive program that promotes the revitalization of traditional business districts in the District of Columbia. Main Streets serves as the citywide coordinating program that provides services and funding for the designated Main Streets found in the District of Columbia. Main Streets mission is to support the traditional retail
corridors in DC by retaining and recruiting businesses, improving commercial properties and streetscapes, and attracting consumers. The 2016 active and accredited DC Main Streets programs are Barracks Row Main Street, Destination Congress Heights, Ward 7 Business Partnership, Historic Dupont Circle Main Streets, H Street Main Street, North Capitol Main Street, Shaw Main Street, Rhode Island Avenue Main Street, Tenleytown Main Street, and Van Ness Main Streets.

DC OFFICE OF PLANNING

The DC Office of Planning (OP) performs planning for neighborhoods, corridors, districts, historic preservation, public facilities, parks and open spaces, and individual sites. In addition, OP engages in urban design, land use, and historic preservation review. Visit OP at planning.dc.gov to learn more about their historic resources research and community visioning, various historic and ward maps, and spatial and DC Census data.

SOCIETY OF INDUSTRIAL AND OFFICE REALTORS®

The Society of Industrial and Office Realtors® (SIOR) is a commercial and industrial real estate association, representing experienced and successful commercial real estate professionals. SIOR consists of associate members who include corporate real estate executives, commercial real estate brokers, agents, lenders, developers, and educators.

COMMERCIAL REAL ESTATE BROKERS ASSOCIATION OF GREATER WASHINGTON (CREBA)

CREBA is a regional trade association dedicated to serving commercial real estate interests throughout the District of Columbia, Suburban Maryland and Northern Virginia. CREBA can provide you with a listing of real estate brokers in the region.

ANACOSTIA ECONOMIC DEVELOPMENT CORPORATION

The Anacostia Economic Development Corporation (AEDC) provides multifaceted programs and services designed to help strengthen the economic base of the Anacostia community. AEDC places emphasis on housing rehabilitation, commercial revitalization and business development.

DEVELOPMENT CORPORATION OF COLUMBIA HEIGHTS

The Development Corporation of Columbia Heights works to improve the quality of life for Columbia Heights residents and business owners through leadership training, the Neighborhood Jobs Initiative program, and housing development.

H STREET COMMUNITY DEVELOPMENT CORPORATION

Since its inception in 1984, the H Street CDC has addressed the needs of DC-area residents and businesses through its commercial and residential projects, business services, small business loan programs, and community empowerment projects. Services are focused on Wards 2, 5, 6, and 7.

LATINO ECONOMIC DEVELOPMENT CENTER (LEDC)

LEDC’s mission is to drive the economic and social advancement of low- to moderate- income Latinos and other underserved communities in the DC area. LEDC serves all clientele, regardless of culture, class, or language. LEDC’s primary focus is on the Mount Pleasant, Adams Morgan, and Columbia Heights areas with additional city-wide outreach to Latino markets.
LOCAL INITIATIVES SUPPORT CORPORATION

Local Initiatives Support Corporation (LISC) provides grants, loans, and equity investments to CDCs for neighborhood redevelopment. LISC invests in programs that support entrepreneurship, attract new businesses, diversify the local retail mix, and stimulate employment. When LISC begins a new program, National LISC matches locally-raised funds and gives that much more to the community for renovation.

MARSHALL HEIGHTS COMMUNITY DEVELOPMENT ORGANIZATION

The Marshall Heights Community Development Organization is a nonprofit organization that has undertaken community development activities in the Ward 7 area of DC since 1979.
STEP 3: MAKING YOUR BUSINESS LEGAL

A. CORPORATE REGISTRATION
See Ch. 2: Registration & Licensing

- In order to operate legally in DC, all businesses must be registered with the Department of Consumer and Regulatory Affairs.

- Identify the most appropriate ownership structure of your business. See the chart on the following page for ownership structure comparison information.

- Visit the DCRA office at 1100 4th Street, SW, or apply online at business.dc.gov.

B. REGISTRATION WITH THE DC OFFICE OF TAX AND REVENUE
See Ch. 4: Business Taxes

- For-profit businesses must complete form FR 500 (Notice of Business Tax Registration).

- Not-for-profit companies must complete forms FR 500 (Notice of Business Tax Registration) and FR 164 (Notice of Business Tax Registration).

- Visit otr.cfo.dc.gov for more information.

C. REGISTRATION WITH THE ZONING ADMINISTRATOR
See Ch. 2: Registration & Licensing

- If operating your business out of a physical location within the District that is not your home, you must ensure that the address is zoned for your specific type of business. Complete the Certificate of Occupancy if operating out of an office location in the District.

- If operating a home-based business, complete the Home Occupation Permit.

D. CLEAN HANDS CERTIFICATION
See Ch. 2: Registration & Licensing

- Complete this affidavit stating that you do not owe more than $100 to the DC government.

- If you owe more than $100 to the DC government, you will need to resolve the outstanding debt before you can proceed.


E. BASIC BUSINESS LICENSE APPLICATION (BBL)
See Ch. 2: Registration & Licensing

- Most retail and office operations will require a Basic Business License, but DCRA also issues specialized license categories for food establishments, industry, and specific services.

- Visit business.dc.gov for more information about the 165+ types of business licenses to determine which one(s) may be necessary based on your business activities.
OWNERSHIP STRUCTURES

The ownership structure will not only define who owns the business, but will also determine who controls it, who assumes liability, how profits are divided, and how your business will be taxed.

C (General) Corporation

A business formed by law as a separate legal entity from its owners (stockholders and shareholders)

ADVANTAGES
- Has a lifespan independent from its owners (stockholders)
- Fringe benefits costs are tax-deductible
- Personal assets are protected from business liability
- Ownership can be transferred through the sale of stock
- Easy to raise operating capital through the sale of stock
- Ownership can change without affecting daily management

DISADVANTAGES
- Incorporating involves considerable start-up expenses
- Subject to more district and federal legislation
- Corporate earnings subject to double taxation
- Many legal formalities exist when filing corporate status
- Activities are limited

S Corporation

A business similar to a General Corporation, with the exception of specific IRS requirements

ADVANTAGES
- Already exists as a corporation
- Corporate earnings avoid double-taxation

DISADVANTAGES
- Difficult to qualify for IRS requirements

Limited Liability Partnership (LLP)

A business in which partners are given the same limited liability protection as professional corporations

ADVANTAGES
- Tax advantage of flow-through tax treatment for LLP partners
- Simple for an existing partnership to become an LLP

DISADVANTAGES
- A sole owner cannot set up an LLP as a partnership; an LLP must have at least two partners to exist

General Partnership

A business owned by two or more persons who have agreed—verbally or in a formal written statement—to operate a business

ADVANTAGES
- Easy to establish
- Partners share workload and responsibilities
- Financing is easier to obtain than for a sole proprietorship
- The partners share all profits and reap all benefits of ownership

DISADVANTAGES
- May be more expensive to start
- Partners have unlimited liability for business expenses
- Each partner is bound by the actions of the other partner
- Decision-making authority is divided
- Loss of one partner may dissolve the business
- Partnership may be difficult to end

Limited Partnership

A business similar to a General Partnership, however, one invests assets into the business at their own risk and is limited to the amount of capital invested. The investor is not involved in management and does not share in the liability for debts or losses

ADVANTAGES
- Relatively easy to establish
- Partners share in start-up expenses
- Financing is easier to obtain than for a sole proprietorship
- Partners share all profits and reap all benefits of ownership
- Partners’ assets are not at risk from creditors

DISADVANTAGES
- More expensive to set up initially due to the requirement for a written agreement
- Operating (general) partner has unlimited liability for expenses
- Loss of one partner may dissolve the business
- Partnership may be difficult to end

There are many ways to set up a business, and each business is subject to a unique tax situation. You should consult with a qualified tax professional and a lawyer to determine the appropriate structure for your business. Visit bit.ly/dcbizstructure or business.dc.gov for more information.
OWNERSHIP STRUCTURES (CONTINUED)

**Sole Proprietorship**
A business that is owned by a single individual

**ADVANTAGES**
- Easiest and least expensive to set up
- Full control over all business decisions
- Minimal legal restrictions or requirements
- Owns all profits and reaps all benefits
- Not required to pay unemployment taxes

**DISADVANTAGES**
- Personally liable for all business transactions
- May have difficulty obtaining long-term financing
- No unemployment benefits if the business fails
- Limited tax savings

**Limited Liability Company (LLC)**
A hybrid business that draws advantageous characteristics from both corporations and partnerships

**ADVANTAGES**
- Profits and losses pass through the company to its owners for tax purposes
- Personal assets are protected from business liability
- No limitation on the number or nature of owners
- Easier to operate than a corporation
- Not subject to corporate formalities
- Owners may participate in management of the business

**DISADVANTAGES**
- Legal assistance is needed to properly set up and structure
- Professionals—such as lawyers, accountants, and doctors—are prohibited from registering as an LLC

**Nonprofit**
An organization that has no owners, gives no income (except salaries/expenses) to members, directors or officers, and must have a Board of Directors

**ADVANTAGES**
- Tax exemption
- Business operation flexibility

**DISADVANTAGES**
- Merger limitations

**Benefit Corporation (B Corps)**
A type of for-profit company that operates as a General Corporation, but adheres to third-party social and environmental benefit standards

**ADVANTAGES:**
- Implementation of best environmental and social policies to your business
- Indicates real promotion of real social change to your costumers
- Conduit between investors and businesses
- Free Global Impact investment rating
- Flexibility in fundraising and profit structure

**DISADVANTAGES:**
- Recently introduced so more assistance is needed for set-up compared to other structure

**Cooperative Association**
(General Cooperative Association or Limited Cooperative Association)
A cooperative is a business or organization owned by and operated for the benefit of those using its services. Profits and earnings generated by the cooperative are distributed among the members, also known as user-owners.

**ADVANTAGES:**
- Less Taxation
- Funding Opportunities
- Reduce Costs and Improve Products and Services
- Perpetual Existence
- Democratic Organization

**DISADVANTAGES:**
- Obtaining Capital through Investors
- Lack of Membership and Participation
STEP 4: FINANCING YOUR BUSINESS

(See Ch. 3: Business Financing)

A. ORGANIZE YOUR FINANCES

• Complete a comprehensive review of your business’ financial position and goals. Collect information about your assets and liabilities, as well as your current resources.

• Review your business plan to make sure your projections support your goals and are realistic. Show how you will exponentially grow your company and support your plan to minimize the risks, and demonstrate clearly how you plan to pay your investors back, with a profit.

• Visit brc.dc.gov for more information.

B. DETERMINE YOUR CURRENT RESOURCES

• Take inventory of the various resources that you may already have available, including personal savings, credit cards, loans from family members and friends, customers and strategic partners, retirement accounts, and trade agreements with vendors or suppliers.

• Visit bit.ly/bizfinresources for more information.

C. OBTAIN YOUR CREDIT REPORT

Regardless of whether you are going to rely on your current resources or obtain commercial financing, you will need to obtain a copy of your credit report to ensure its accuracy and show potential investors that you are serious about paying back their investments.

Equifax, Experian, and TransUnion are the three major credit bureaus. Each credit bureau has a process by which you can request and obtain a copy of your credit report. Request copies of your credit report from the three major bureaus, and clear up any inaccuracies.

D. FIND ADDITIONAL FINANCING

Identify which funding options might be most appropriate for your business:

• Obtaining a traditional bank loan

• Working with a lender to get a loan guarantee from the U.S. Small Business Administration

• Securing funds from an angel investor, venture capital firm or small business investment company

• Obtaining a loan from an alternative, community lender

• Crowdfunding

• Claiming financial incentives provided by the DC government (See Ch. 5: Financial Incentives)
# THE BUSINESS MODEL CANVAS

**Key Partners**
- Who are your key partners, suppliers, collaborators, and stakeholders that can help you leverage your business model?
- Do you need financial, physical, IP, or HR support?
- Who is the competition? What are the alternatives?

**Key Activities**
- What are the main deliverables for the business to show success?

**Value Propositions**
- For each segment, what are the unique products/services you will provide?
- What is your customer’s issue? What is broken?
- What is the benefit to solve the issue?
- Why is your solution something the client will buy?

**Customer Relationships**
- How do you attract, keep, and grow your customer relationships?
- How much does it cost to establish and grow those relationships?

**Customer Segments**
- For which people or organizations are you creating value?
- Who are the simple users and who are the paying customers?
- What are their demographics and values?
- Who will be the early adopters of your solution?

**Key Resources**
- What infrastructure do you need to launch, operate, and grow your business?

**Channels**
- Using which specific touch points or tools will you interact with your customers and deliver value?

**Cost Structure**
- What are the costs associated with this business model?
- What resources and activities are most expensive?

**Revenue Streams**
- How and through what pricing model will you capture the value?
- For what are the customers ready/willing to pay?
- How much are they willing to pay?
- How much does each revenue stream contribute to the overall revenue?

Format derived from Alexander Osterwalder and Yves Pigneur’s “Business Model Generation” (found at businessmodelgeneration.com/canvas) and used under Creative Commons. Some concepts derived from Steve Blank’s “How to Build a Startup.”
## SAMPLE BUSINESS PLAN OUTLINE

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>NOTES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXECUTIVE SUMMARY</strong></td>
<td></td>
</tr>
<tr>
<td>Briefly and convincingly describe the fundamental elements of</td>
<td></td>
</tr>
<tr>
<td>your business, including: the problem your customers have,</td>
<td></td>
</tr>
<tr>
<td>your solution, how you will make money, who your target</td>
<td></td>
</tr>
<tr>
<td>customers are, what your competitive advantage is, who is on</td>
<td></td>
</tr>
<tr>
<td>your team, and your financial summary. Write this section</td>
<td></td>
</tr>
<tr>
<td>last since it summarizes the remaining components of your</td>
<td></td>
</tr>
<tr>
<td>business plan.</td>
<td></td>
</tr>
<tr>
<td><strong>BUSINESS HISTORY, BACKGROUND, AND OBJECTIVES</strong></td>
<td></td>
</tr>
<tr>
<td>Describe when, how, and why you formed the company and its</td>
<td></td>
</tr>
<tr>
<td>development so far. List your short term (next 12 months) and</td>
<td></td>
</tr>
<tr>
<td>long term objectives.</td>
<td></td>
</tr>
<tr>
<td><strong>BUSINESS ENVIRONMENT</strong></td>
<td></td>
</tr>
<tr>
<td>Describe how environmental factors such as the economy,</td>
<td></td>
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<tr>
<td>changes in population, interest rates, changes in levels of</td>
<td></td>
</tr>
<tr>
<td>employment, climate for small disadvantaged businesses in</td>
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<tr>
<td>your market, etc. may affect your business.</td>
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<tr>
<td><strong>PRODUCT AND/OR SERVICES</strong></td>
<td></td>
</tr>
<tr>
<td>List and describe your present products/services. Describe</td>
<td></td>
</tr>
<tr>
<td>any planned changes or additions to your products/services</td>
<td></td>
</tr>
<tr>
<td>within the next year.</td>
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</tr>
<tr>
<td><strong>PRESENT MARKET</strong></td>
<td></td>
</tr>
<tr>
<td>Who needs to buy your product or services? Describe the</td>
<td></td>
</tr>
<tr>
<td>target market, including geographic location, relevant</td>
<td></td>
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<tr>
<td>demographics, and growth potential.</td>
<td></td>
</tr>
<tr>
<td><strong>COMPETITION</strong></td>
<td></td>
</tr>
<tr>
<td>Who are your primary competitors in your market(s) and what</td>
<td></td>
</tr>
<tr>
<td>are their strengths and weaknesses? What are your company’s</td>
<td></td>
</tr>
<tr>
<td>competitive advantages and disadvantages?</td>
<td></td>
</tr>
<tr>
<td><strong>MARKETING PLAN</strong></td>
<td></td>
</tr>
<tr>
<td>Describe the marketing techniques, strategies, and tools you</td>
<td></td>
</tr>
<tr>
<td>will use in the future to promote your business.</td>
<td></td>
</tr>
<tr>
<td><strong>BUSINESS RESOURCES</strong></td>
<td></td>
</tr>
<tr>
<td>List the major operating equipment that your company owns or</td>
<td></td>
</tr>
<tr>
<td>leases. Identify other outside resources used/or needed to</td>
<td></td>
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<tr>
<td>fulfill customer requirements. Describe the skilled labor</td>
<td></td>
</tr>
<tr>
<td>and employee training necessary to meet your company needs.</td>
<td></td>
</tr>
<tr>
<td><strong>MANAGEMENT AND ORGANIZATION</strong></td>
<td></td>
</tr>
<tr>
<td>Who are you? Who are the owners of your business? Describe</td>
<td></td>
</tr>
<tr>
<td>your management team, its strengths and weaknesses, and</td>
<td></td>
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<tr>
<td>professional development opportunities.</td>
<td></td>
</tr>
<tr>
<td><strong>FINANCIAL PLAN/DATA</strong></td>
<td></td>
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<tr>
<td>Explain sales and profit trends. Outline your strategy and</td>
<td></td>
</tr>
<tr>
<td>timing for obtaining additional capital for expansion and/or</td>
<td></td>
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<tr>
<td>to meet current needs. Detail your credits, debts, liabilities,</td>
<td></td>
</tr>
<tr>
<td>warranties, claims, etc.</td>
<td></td>
</tr>
</tbody>
</table>

## REMEMBER

- There are many formats and elements you should consider when drafting a business plan. You can access over 500 plan templates at [bplans.com](http://bplans.com).
- Be concise, clear, and convincing. Create a longer version of your business plan for your own reference, if needed.
- Use charts, graphs, and diagrams when appropriate.
- Always send in PDF. From Microsoft Word, go to Save As ➔ Save As Type ➔ PDF.
DISB can help.

You may be eligible for DISB’s Business Capital Programs (DC BizCAP) which help District of Columbia small business owners with access to capital.

Visit the District of Columbia Department of Insurance, Securities and Banking at disb.dc.gov/smallbusinfo for more information or call 202-727-8000.
FIRST WE SHAPE OUR PLACES.
THEN THEY SHAPE OUR COMMUNITIES FOR GENERATIONS TO COME.

We believe that the shape of retail is always changing — but that it will always be a vital center of community life. At EDENS, we are committed to building vibrant, beautiful and engaging places. Throughout every step of our process — from groundbreaking to drafting a sophisticated mix of retailers to design — we remain determined to build spaces that serve the community.
BUSINESS REGISTRATION & LICENSING

Step-by-step Explanation of the Licensing Process
The process of obtaining business licenses and registrations can be streamlined if you know what you need and where to find it. This chapter will help you navigate your way through the process.

**THE DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS**

All businesses operating in the District of Columbia are required to be licensed and/or registered by the Department of Consumer and Regulatory Affairs (DCRA). Additionally, DCRA issues construction permits for commercial and residential properties in the District. The Business License Center serves walk-in customers who wish to file corporate documents, and apply for various licenses. The Permit Center is responsible for issuing construction, plumbing, electrical, and HVAC permits in DC. Both centers provide face-to-face technical assistance for residents and businesses within DC.

**SKIP THE TRIP**

For the first time ever, businesses can now apply for, track, and renew their DCRA Basic Business Licenses completely online, including document uploads. “Skip the trip” today by using DCRA’s new portal at [business.dc.gov](http://business.dc.gov).

**SMALL BUSINESS RESOURCE CENTER**

DCRA’s Small Business Resource Center provides District-based small businesses and entrepreneurs with training, consulting, and technical assistance. Service offerings include a number of regulatory process one-on-one sessions, educational workshops, and forums where subject matter experts from a variety of DCRA’s divisions participate in panel discussions relating to corporations, business licensing, zoning (occupancy and home occupancy permits), and permitting special events and vending. Additionally, the SBRC conducts two annual forums designed to disseminate information, inspire entrepreneurship, and encourage growth among current and future District-based businesses.

To make an appointment, visit [debiz.ecenterdirect.com](http://debiz.ecenterdirect.com).
Visit dcre.dc.gov to view the services that DCRA provides, including:

- Registration forms and documents
- Answers to frequently asked questions
- Business name availability tool
- Registered organization search
- Corporate online formation services, report filings, name reservation and trade name filings, status certificates, and certified copy ordering, as well as dissolution, withdrawal, and agent changes; online site for corporate filing is corp.dcra.dc.gov.

To register as a domestic company, you must file for articles of incorporation (for-profit or nonprofit corporations and cooperative associations), articles of organization (for limited liability companies or business trusts), or a statement of qualification for partnership (limited or limited liability partnership).

To register as a foreign company (if your business is already registered outside the District of Columbia), you must file for a certificate of registration for all filing entities, including for-profit and nonprofit corporations, limited liability companies, general and limited cooperative associations, statutory trusts, limited partnerships, and limited liability partnerships. Corporate registration can be accomplished online by using the CorpOnline site at https://corp.dcra.dc.gov.

**THE BUSINESS LICENSING PROCESS STEP-BY-STEP**

The following steps apply to all business license applicants:

1. Business Registration
2. Employer Identification Number (EIN)
3. DC Business Tax Identification Number
4. Certificate of Registration
5. Clean Hands Certificate
6. Certificate of Occupancy (CRA-5)
7. Basic Business License
8. Business Trade Name

**STEP 1: BUSINESS REGISTRATION**

If you will be operating as a sole proprietor, general partnership, unincorporated nonprofit association, or other special entity type, registration with the Corporations Division is not required and you can skip to step 2.

If you would like to operate in the District of Columbia as a nonprofit or for-profit corporation, limited liability company, limited partnership, limited liability partnership, general cooperative association, limited cooperative association, or statutory trust, you must register with the Corporations Division of DCRA that acts as Office of Corporate Registrar for the District.

**STEP 2: EMPLOYER IDENTIFICATION NUMBER (EIN)**

An EIN, also known as Tax Identification Number (TIN), is a nine-digit number assigned by the Internal Revenue Service. The IRS uses the number to identify business taxpayers who are required to file various tax returns. EINs are used by employers, sole proprietors, partnerships, corporations, nonprofit organizations, trusts, estates of decedents, government agencies, certain individuals, and other business entities.

Generally, you will need an EIN if you answer “yes” to any of the following questions:

- Do you have employees?
- Do you operate your business as a corporation, LLC, or partnership?
- Do you file any of these tax returns: employment; excise; or alcohol, tobacco, and firearms?
- Do you withhold taxes on income, other than wages, paid to a non-resident alien?
- Do you have a Keogh plan (a tax-deferred pension account)?
- Are you involved with any of the following: trusts (except certain grantor-owned revocable trusts), individual retirement accounts, exempt organization business income tax returns, estates, real estate mortgage investment conduits, nonprofit organizations, cooperatives, or plan administrators?
EIN REQUIREMENTS

For more specific information about whether you are required to obtain an EIN, refer to IRS Publication 1635. You can obtain a copy of the publication online at irs.gov.

The quickest and easiest way to apply for your EIN is online at bit.ly/EINapply. You may also fill out a copy of IRS Form SS-4 (Application for Employer Identification Number) and apply by phone, fax, or mail. This form is available at IRS and Social Security Administration offices, or you can request one by calling (800) 829-4933.

STEP 3: DC BUSINESS TAX IDENTIFICATION NUMBER

The FR-500 is a DC Combined Business Tax Registration document used to provide information on ownership, location, and type of business. This information is needed to make a determination of an employing unit's liability to pay unemployment taxes.

Once you complete the document and submit it to the Office of Tax and Revenue, you will be provided with a notice of business tax registration indicating your tax obligations and filing frequency. It will also be the basis for your unemployment tax registration with the Department of Employment Services. Tax forms can be accessed online at otr.cfo.dc.gov. For more information, call the Office of Tax and Revenue at (202) 727-4829.

Employers with one or more employees performing services within the District of Columbia must complete Part VI of the Combined Registration Application (FR-500). If the form is completed on the Office of Tax and Revenue's website, Part VI will automatically be forwarded to the Department of Employment Services (DOES). You will be contacted by DOES if necessary and provided with a determination of tax liability. If FR-500 is not completed online, Part VI should be submitted to:

DC DEPARTMENT OF EMPLOYMENT SERVICES
Office of Unemployment Compensation, Tax Division, 4058 Minnesota Avenue, NE, Washington, DC 20019 (202) 724-7000 · does.dc.gov
The withholding and submission of employer withholding tax is optional for household employees. If you choose to withhold, you should complete the Combined Registration Application (FR-500), as mentioned above.

**STEP 4: CERTIFICATION OF REGISTRATION**

You will receive a Certificate of Registration from the Office of Tax and Revenue once you file your FR-500.

**STEP 5: CLEAN HANDS CERTIFICATE**

The Clean Hands Certificate is an affidavit stating that you do not owe more than $100 to the District government. If you owe more than $100 to the District government, you will need to resolve the outstanding debt before you can proceed.

A Clean Hands Certificate is required to be submitted with any application for a license or permit, including a Basic Business License (see “Step 7”). The form is included in the Basic Business License application packet.

**STEP 6: CERTIFICATE OF OCCUPANCY (CRA-5)**

A Certificate of Occupancy (C of O) or Home Occupation Permit (HOP) is required to show that your business is operating in a building that meets building and zoning code requirements for its intended use. However, you may not need one if you are leasing space in a building that already holds a Certificate of Occupancy for your intended business use. For instance, a law firm can operate under the umbrella of an office building’s C of O as long as the firm operates in a manner that conforms to office use.

Certain businesses—mostly Basic Business License applicants—need to obtain a separate certificate if the property owner’s C of O does not cover their business. It’s important to ask the owner, property manager, or agent about the C of O when entering into a lease agreement.

To file for a C of O for your business, you must have a commercially zoned business location. However, if you operate your business from your house or apartment, you instead need a Home Occupation Permit. C of O applications are available from the Department of Consumer and Regulatory Affairs or online at dcr.gov under the heading “Zoning.” Once you have completed the application, you will need to submit it in person to the Permit Service Center.

Commercial Properties will typically already have a C of O. You should be able to get a copy of the certificate from the building owner or management company. If there is not a C of O, you will need to apply for one. If you are leasing a space for your business, you will need to get the property owner’s authorization, documented in the Authorization Form. You may wish to visit bit.ly/CofO to read more about the process and to obtain a C of O checklist, application, Authorization Form, and other supplemental forms that may be required.

Home-based businesses are subject to DC Code and DC Municipal Regulations (DCMR) Title 11 Zoning Regulations; if you use your residence as your primary business location, you must file for a Home Occupation Permit. HOPs allow for limited home occupations, with standards, as an accessory use to the principal residential use. See Section 203.1 of DCMR Title 11 for permitted home occupations and limitations. You may view this section and the District’s zoning regulations at dcoz.dc.gov. There are limitations, however, as you are only allowed to use the greater of either 250 square feet or 25% of the floor area of the structure, excluding the basement or any accessory structure, for your business operation. Check zoning regulations regarding all home-based businesses before applying for a HOP.

**UPDATED “FAST FOOD” DESIGNATIONS**

NEW: Your fast-casual establishment may no longer be restricted by DC’s “fast food” definition or zoning restrictions. As of September 6, 2016, zoning regulations changed for fast food and fast-casual restaurants. With this change, the “fast food” designation, which has separate zoning restrictions, will be assigned to restaurants that meet at least one of the following conditions:

- Foods that are prepared by production-line techniques
- Foods that are standardized foodstuffs shipped to a franchised establishment from central locations
- The establishment includes trash receptacles located in the dining area for self-bussing of tables
- Seating for customers
- Food served on disposable tableware
FREQUENTLY ASKED QUESTIONS
ABOUT BASIC BUSINESS LICENSING

HOW LONG DOES IT TAKE TO COMPLETE REGISTRATION AND LICENSING FOR MY BUSINESS?

If you have thought through your business needs and your business will not be operating out of a physical location, then the process should take less than two weeks. Inspections, plans, permit reviews, etc. demand more time for brick-and-mortar businesses.

I HAVE CLIENTS IN THE DISTRICT, BUT I DON’T HAVE AN OFFICE THERE. DO I STILL NEED TO APPLY FOR A BASIC BUSINESS LICENSE?

If you are conducting business in the District, are registered with the Office of Tax and Revenue to do business in the District, and are not otherwise licensed, you are required to have a Basic Business License.

IF MY BUSINESS IS ALREADY REGISTERED OUTSIDE OF WASHINGTON, DC, DO I STILL NEED TO REGISTER MY BUSINESS IN DC TO DO BUSINESS IN THE CITY?

An organization registered in another state or country that seeks to transact business in the District of Columbia must obtain authority to do business in DC by filing an application for foreign registration. See bit.ly/dcforeignreg for more information. This is an easy process that DCRA can help you expedite.

I AM A SUB-CONTRACTOR AND AM ONLY IN DC FOR ONE CONTRACT. DO I NEED TO GET MY OWN BASIC BUSINESS LICENSE?

If you are a sub-contractor, and the firm you are contracting with is properly licensed to do business in the District, you are required to get your own; you would not fall under the contractor’s license.

I AM A CONTRACTOR WHOSE BUSINESS IS BASED IN ANOTHER STATE, BUT I WANT TO DO BUSINESS IN DC; DO I NEED TO SET UP AN OFFICE IN DC?

No. If you are a contractor who is located and licensed outside of the District, you must establish a Registered Agent who will be the District’s primary point of contact for your business. Visit bit.ly/registeredagent for more information.

I’M EMPLOYED BUT I DO SOME FREELANCE WORK ON THE SIDE. DO I NEED A BASIC BUSINESS LICENSE?

If you are conducting business in the District, are registered with the Office of Tax and Revenue to do business in the District, and are not otherwise licensed, you are required to have a Basic Business License.

I’M A CONSULTANT, NOT A BUSINESS, AND I FILE MY EARNINGS ON MY PERSONAL TAX FORM BUT I WAS TOLD I STILL NEED A BASIC BUSINESS LICENSE. WHY?

Unless you are registered as a business with the Office of Tax and Revenue, and have a Business Tax ID number (also referred to as a Federal Employer Identification Number), you are not required to obtain a Basic Business License.

I’M SETTING UP A MOBILE FOOD BUSINESS, BUT I’M BASED IN ANOTHER STATE. DO I NEED A VENDING LICENSE TO BE ABLE TO OPERATE IN WASHINGTON, DC?

Yes. The vending license is one of the specialized categories of business licenses that DCRA offers for food trucks. There are specific requirements that the vessel (truck or stand) must meet as well as specific tax obligations that are unique to mobile vendors. Reach out to DCRA or visit bit.ly/dcfreedtruckreg and dmvfta.org/washingtondc for more information.
STEP 7: BASIC BUSINESS LICENSE (BBL)

Whether you need a Basic Business License depends on the business activity being conducted. There are prerequisites for obtaining a Basic Business License such as registration with the Corporations Division (202) 442-4432, corp.dcra.dc.gov, the Office of Tax and Revenue (202) 727-4829, otr.cfo.dc.gov, and in some cases, the Permits Division (202) 442-4576. Review the directory to locate the applicable business category, which is based on the primary business activity, and determine the licensing requirements for licensure at: dcra.dc.gov/node/539512.

Please note that more than one license category may be applicable. You may apply online at business.dc.gov.

At business.dc.gov, you now have the ability to generate a personalized checklist of the appropriate Basic Business Licenses and supporting documents required by DCRA to start your business.

STEP 8: BUSINESS TRADE NAME [OPTIONAL]

The District of Columbia enacted legislation establishing a registration program for trade names. This law benefits the business community by:

- Allowing businesses to use fictitious names (created words and names) to conduct business, including transacting business with vendors and financial institutions;
- Providing an official record of all owners associated with a fictitious name;
- Allowing businesses with fictitious names to take legal action under that name.

You can register your trade name online at dcradc.gov as an individual or organization, by selecting “Business Licensing & Registration–Reserve or Register a Trade Name.”

Trade Name Registration Form TN-1 is also available by accessing the agency’s website, navigating to Licensing and Registration and Corporate Registration, and clicking on the appropriate entity type.

You may opt to obtain a trade name at any step in the process.

ALCOHOLIC BEVERAGE CONTROL LICENSING

The Alcoholic Beverage Regulation Administration (ABRA) is an independent DC government agency that issues licenses to qualified applicants to sell and serve alcoholic beverages; monitors compliance with District laws and regulations, and takes appropriate enforcement action when a business violates these laws. ABRA also implements new laws regulating the manufacture, distribution, and sale of alcoholic beverages in the District.

The Alcoholic Beverage Control (ABC) Board, which is responsible for overseeing ABRA, meets once each week to adjudicate, administer, and enforce alcoholic beverage laws.

There are several classes of alcoholic beverage licenses. The agency recommends that businesses consult with an ABRA representative to first determine the type of license needed for the proposed operations of the establishment. Additionally, the agency recommends that you discuss your proposed location with an ABRA representative to ensure that a license for your location is not prohibited by an existing ABC license moratorium. All alcoholic beverage license applications are subject to the review and approval of the Board.

TO FILE FOR AN ABC LICENSE:

- Watch the agency’s video at bit.ly/abralicense to learn the steps in the process to obtain an ABC license.
- Contact an ABRA representative to determine the type of license needed for your operations.
- Submit a completed ABC License Application along with all of the required documents outlined in the application. The application is available on ABRA’s website.
- Post at least two notice placards on the main entrance doors and in a visible location of the establishment for a 45-day public notice period.
 Await the ABC board’s decision on the application.

 Consult ABRA’s Quick Guides at abra.dc.gov/page/abc-quick-guides to learn more.

 Applications for new licenses are subject to a 45-day public comment period and the review and approval of the Alcoholic Beverage Control Board. A routine application, with no protests, will take approximately 12 weeks for approval, including the 45-day placard period and final inspections.

 (202) 442-4423 · abra.dc.gov

 HEALTH REGULATION AND LICENSING ADMINISTRATION (HRLA)

 DEPARTMENT OF HEALTH

 Prospective businesses that have an impact on the health and wellness of the District of Columbia residents and businesses, are required to follow the regulations of the Health Regulation and Licensing Administration (HRLA).

 The HRLA administers the executive functions of all health professional regulatory boards and licenses for roughly 70,000 health professionals in DC. HRLA investigates consumer incidents or complaints against health professionals, and recommends enforcement, when necessary, to bring licensees into compliance. It also develops rules and regulations for health professional practice.

 In addition, HRLA has oversight and management of all healthcare facilities through the Office of Food, Drug, Radiation and Community Hygiene, which includes the Food Protection and Consumer Hygiene Division, Pharmaceutical Control Division, Medical Marijuana Program, Office of Animal Disease Prevention, and the Rodent and Vector Control Division. The HRLA also conducts investigations on behalf of DOH and Boards and assists the health facilities.

 (202) 724-4900 · bit.ly/dchealthreg · doh@dc.gov

 BUSINESS SITE LICENSES & PERMITS

 BUILDING PERMITS

 You are required by law to obtain a permit for construction in the District of Columbia if you are going to be constructing, demolishing, renovating, or altering your building, home, or business. Even if you are not doing work, but are changing the use of a building or space, you will need to obtain a building permit. You may apply for permits in person at the Permit Service Center of the Department of Consumer and Regulatory Affairs or online at dcra.dc.gov.
Please note that other agencies (e.g. the Department of Health, the District Department of Transportation, and the Water and Sewer Authority) are tied into the permitting process and have their own approval requirements. If you need further assistance or have multiple permits, contact DCRA’s Building Permit Customer Service Section at (202) 478-9292.

You need a permit for:

- New construction and foundations;
- Additions, alterations, or repair of existing buildings;
- Razes (demolition) and interior or partial demolition;
- Erection of a sign and awning;
- Layout of interior space for tenants in new or existing commercial buildings;
- Change of use or load increase

Search “DCMR Title 12 Chapter 1” online for the entire list of required permits.

BUILDING PLATS (ISSUED BY DCRA)

Building plats—drawings showing the location of all property lines—are required as the basis for all additions and new buildings. An original and three copies can be obtained for a fee from the District Office of the Surveyor. You are encouraged to place your order a minimum of seven days in advance, although an expedited plat service is available. Plats show lot lines and do not show improvements, which must be added by the applicant. Plats are required for the following types of work:

- New buildings and additions
- Retaining walls and fences
- Sheds and garages
- Awnings

Site plans are required for:

- New buildings, additions, interior, and exterior alterations
- Retaining walls, sheds, and garages
- Excavation for foundations

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WHAT WE DO

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Feasibility Studies  
Litigation Support  
Market Data and Publications  
Boardroom Presentations
CODE COMPLIANCE

Reviews of drawings and submittal documents are performed by Technical Plan Review Staff to ensure compliance with the following, where applicable, prior to permit issuance:

- Structural/non-structural
- Plumbing/mechanical
- Accessibility
- Electrical
- Fire
- Green building
- Zoning
- DDOE - stormwater management, soil erosion and sediment control, and floodplain management
- District Department of Transportation - public space
- Historic Preservation Review Board - historic review
- DC Water
- Other – Washington Metropolitan Area Transit Authority, Commission of Fine Arts, National Capital Planning Commission, and Secret Service

INSPECTIONS

Once permits are issued and construction commences, DCRA or approved third party inspectors conduct inspections to verify that work complies with applicable codes, regulations, and referenced standards and conforms with approved construction documents. Final inspection approval is needed to obtain a certificate of occupancy.

To schedule a plumbing, electrical, fire, construction, elevator, or boiler inspection, call the Building Inspections Scheduling unit at (202) 442-9557. You can now schedule construction inspections 24/7 from any phone.

EIN REQUIREMENTS

For all questions regarding basic business, corporate, or non-health related professional licenses, contact DCRA. For all questions regarding small business opportunities or certification, contact DSLBD. For all questions regarding alcoholic beverage licenses, contact ABRA.
DOWNLOAD WDCEP'S NEW
ENTREPRENEUR TOOLKITS

Learn about unique regulations, incentives, office spaces, and resources available for your franchise, tech, creative, or nonprofit company. Download from wdcep.com.

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BUSINESS FINANCING

Factors of Consideration, the Loan Process, Small Business Lenders, Equity Financing, and Other Sources of Funding
Most businesses need outside sources of financing to become established or to expand. With ample options available, DC has many banking, financial, and community resources that can help a business thrive.

**There are many ways** to finance your small business, and you should consider the implications of each for your particular growth strategy. Funding options include:

- Obtaining a traditional bank loan

- Working with a lender to get a loan guarantee from the U.S. Small Business Administration

- Securing funds from an angel investor, venture capital firm or small business investment company

- Obtaining a loan from an alternative, community lender

- Crowdfunding

Some of the best resources when evaluating funding opportunities are the DC Department of Insurance, Securities and Banking (DISB) as well as the U.S. Small Business Administration (SBA).

DISB promotes the availability of capital for small businesses by administering several small business financing programs, DISB’s Business Capital Programs (DC BizCAP). These include the DC Collateral Support, Loan Participation, and Innovation Finance Programs in partnership with local lending institutions. Visit their website at disb.dc.gov/smallbusinfo for more information. In addition, DISB’s regulation of the “District of Columbia-Only Securities Offerings Exemption” facilitates crowdfunding-type investments for DC small businesses. For more information, visit disb.dc.gov/crowdfunding.

SBA can help facilitate a loan for you with a third party lender, guarantee a bond, or help you find venture capital. SBA provides a number of financial assistance programs for small businesses that have been specifically designed to meet key financing needs, including debt financing, surety bonds, and equity financing.
INITIAL CONSIDERATIONS

In order to determine how much business financing you will need and what is available to you, you will need to assess your current resources, complete your financials, and obtain a credit report.

YOUR CURRENT RESOURCES

If you ask business owners how they initially financed their businesses, you will find that most met their company’s needs through a variety of means. Depending on your business and growth strategies, evaluate your current resources before turning to outside financing. Take inventory of the financial resources that you may already have available, including personal savings, personal assets, loans from family members and friends, trade agreements with vendors or suppliers, retirement accounts, and credit cards. Review the chart on the opposite page for more information.

YOUR FINANCIALS

The financial section of your business plan is a critical component of attracting investors and securing funding. You may use the online financial tools provided by the District government’s Business Resource Center at brc.dc.gov to gain a solid understanding of your financial position and related goals. In addition, Service Corps of Retired Executives (www.score.org) offers workshops to teach entrepreneurs how to create a profit and loss statement.

After you have your financials in order, review your business plan to ensure that your expectations and projections achieve the following:

• Support your business goals and are realistic
• Show how you will exponentially grow your company
• Identify how you plan to minimize financial risks
• Demonstrate clearly how you plan to pay your investors or lenders back

YOUR CREDIT REPORT

Regardless of whether you are going to rely on your current resources or obtain commercial financing, you will need to obtain a copy of your credit report for several reasons:

• You can ensure accuracy by reviewing your report before potential investors or suppliers do.

• You can find out about any outstanding issues related to previous debt before your suppliers or potential investors do.
• You can show family and friends that you are serious about treating their investment professionally.
• You can show potential suppliers and investors your positive payment history.
• You may obtain credit reports online or via phone by contacting one of the following:

  EQUIFAX  
  (800) 685-1111 · equifax.com/business

  EXPERIAN  
  (888) 397-3742 · experian.com/small-business

  TRANSUNION  
  (800) 888-4213 · transunion.com/business

The Fair and Accurate Credit Transaction Act allows you to obtain one free copy of your credit report from each of the three major credit bureaus every 12 months. For more information, visit annualcreditreport.com.

THE LOAN PROCESS

The best way to obtain financing is to work with a bank or lending company while you are writing your business plan. These lending experts will help you decide which type of loan suits your business and financing needs. Their advice is valuable, and learning about loan types and their application processes will increase your knowledge as a business owner.

THE FIVE C’S OF CREDIT

Lenders weigh the following five characteristics to determine credit worthiness of potential borrowers:

CAPITAL: how much of your funds are invested in the business

CAPACITY: your ability to repay the loan (This is where your credit report will be crucial.)

COLLATERAL: assets, such as real estate, equipment, or inventory, that can be liquidated to repay the loan if you default

CONDITIONS: how you plan to use the loan

CHARACTER: the general impression of trustworthiness you make on the prospective lender or investor
## CURRENT RESOURCES

### INITIAL CONSIDERATIONS

In order to determine how much business financing you will need and what is available to you, you will need to assess your current resources, complete your financials, and obtain a credit report.

### YOUR CURRENT RESOURCES

If you ask business owners how they initially financed their businesses, you will find that most met their company’s needs through a variety of means. Depending on your business and growth strategies, evaluate your current resources before turning to outside financing. Take inventory of the financial resources that you may already have available, including:

<table>
<thead>
<tr>
<th>PERSONAL SAVINGS</th>
<th><strong>ADVANTAGES</strong></th>
<th><strong>DISADVANTAGES</strong></th>
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</thead>
<tbody>
<tr>
<td>Consider all of your accounts, including traditional savings, certificates of deposit, and money market accounts.</td>
<td>• Funds are available immediately.</td>
<td>• Withdrawal penalties can be high.</td>
</tr>
<tr>
<td>• Assemble statements for savings accounts (traditional savings, money market access, and certificates of deposit)</td>
<td>• There are no interest charges or processing fees.</td>
<td>• You will not have any fall-back cash in times of emergency.</td>
</tr>
<tr>
<td>• Prioritize savings accounts from lowest to highest earning, and liquidate in that order, as needed.</td>
<td></td>
<td>• Diminished savings may work against you should you seek a commercial loan.</td>
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<th>PERSONAL ASSETS</th>
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<th><strong>DISADVANTAGES</strong></th>
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<tbody>
<tr>
<td>An often overlooked way to raise capital is to sell some of your existing assets. This could be selling a car, boat, time-shares, property, or, if you are a business, accounts receivables.</td>
<td>• The asset is readily available for sale.</td>
<td>• The market may not place the same value on the asset as you do.</td>
</tr>
<tr>
<td>• Research the asset’s market on the Internet, in newspapers, and by making phone calls.</td>
<td>• You net all the profits.</td>
<td>• The asset can no longer be used as collateral against future loans.</td>
</tr>
<tr>
<td>• Consider the target audience for the asset being sold, and choose the best sales method accordingly.</td>
<td>• Factoring can help you even out your company’s cash flow without diluting equity or incurring debt.</td>
<td>• Factors’ fees and rates can be high.</td>
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<tr>
<th>FRIENDS &amp; FAMILY</th>
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<tbody>
<tr>
<td>Loans from family and friends are a common form of financing for start-ups and small businesses to boost performance or enhance balance sheets prior to obtaining more formal secondary money.</td>
<td>• Can be arranged quickly</td>
<td>• If your company does not succeed, your relationship can be adversely affected.</td>
</tr>
<tr>
<td>• Loan agreements should be in writing, and with full disclosure, even if made with friends or family members.</td>
<td>• Friends and relatives invest because they know and trust you.</td>
<td>• The family member may become too involved.</td>
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<tr>
<td>• Do not borrow more than the lender can afford to lose.</td>
<td>• There is no application or processing fee.</td>
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<td>• Determine how involved the family lender will be.</td>
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<th>TRADE ACCOUNTS</th>
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<th><strong>DISADVANTAGES</strong></th>
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<tbody>
<tr>
<td>Credit extensions from trade accounts is another source of business capital. Suppliers may choose to allow invoices to go unpaid for 30 to 60 days or may draft a formal agreement issuing credit for a specified period of time.</td>
<td>• Can be arranged quickly and on a relatively informal basis</td>
<td>• Must be used carefully. If you repeatedly ask for an extension, vendors may view you as a credit risk and refuse to do business with you in the future.</td>
</tr>
<tr>
<td>• Ask if there are any additional fees or consequences associated with paying invoices late.</td>
<td>• There is no application or processing fee.</td>
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<tr>
<td>• Consider your rate of profit as you weigh your ability to pay over time.</td>
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<td>• Understand the consequences of potentially being viewed as a credit risk.</td>
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<th>RETIREMENT ACCOUNTS</th>
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<th><strong>DISADVANTAGES</strong></th>
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<tbody>
<tr>
<td>You may have a retirement account from which you can borrow. In general, this is a highly discouraged method of financing because of the tax implications.</td>
<td>• The money is readily available.</td>
<td>• Tax penalties can be severe.</td>
</tr>
<tr>
<td>• Call an accountant or the IRS to determine the penalties associated with early withdrawal.</td>
<td>• Funds are available immediately.</td>
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<tr>
<td>• Evaluate the life consequences of taking money out of your retirement savings.</td>
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<th>PERSONAL CREDIT CARDS</th>
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<th><strong>DISADVANTAGES</strong></th>
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</thead>
<tbody>
<tr>
<td>Many business owners use personal credit cards to pay for start-up expenses, although it is not advisable to mix personal and business finances.</td>
<td>• Money is readily available, especially if you have good personal credit.</td>
<td>• You will pay higher interest rates.</td>
</tr>
<tr>
<td>• Calculate the credit card interest you pay now and factor in how this will affect any future loan plans.</td>
<td>• Equity loans could provide significant savings on interest rates</td>
<td>• Too many credit cards make you look overextended when potential lenders generate your credit report.</td>
</tr>
<tr>
<td>• Consider an equity loan if you own a home or other real estate.</td>
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## ISSUES TO CONSIDER

- Consider all of your accounts, including traditional savings, certificates of deposit, and money market accounts.
- Research the asset’s market on the Internet, in newspapers, and by making phone calls.
- Loan agreements should be in writing, and with full disclosure, even if made with friends or family members.
- Ask if there are any additional fees or consequences associated with paying invoices late.
- Evaluate the life consequences of taking money out of your retirement savings.
- Calculate the credit card interest you pay now and factor in how this will affect any future loan plans.
- Consider an equity loan if you own a home or other real estate.

## ADVANTAGES

- Funds are available immediately.
- There are no interest charges or processing fees.
- The asset is readily available for sale.
- You net all the profits.
- Factoring can help you even out your company’s cash flow without diluting equity or incurring debt.
- Can be arranged quickly.
- Friends and relatives invest because they know and trust you.
- There is no application or processing fee.
- Can be arranged quickly and on a relatively informal basis.
- There is no application or processing fee.

## DISADVANTAGES

- Withdrawal penalties can be high.
- You will not have any fall-back cash in times of emergency.
- Diminished savings may work against you should you seek a commercial loan.
- The market may not place the same value on the asset as you do.
- The asset can no longer be used as collateral against future loans.
- Factors’ fees and rates can be high.
- If your company does not succeed, your relationship can be adversely affected.
- The family member may become too involved.
- Must be used carefully. If you repeatedly ask for an extension, vendors may view you as a credit risk and refuse to do business with you in the future.
- Tax penalties can be severe.
- You will pay higher interest rates.
- Too many credit cards make you look overextended when potential lenders generate your credit report.
APPLYING FOR A LOAN

If you decide to apply for a business loan, your application should include the following information:

- A description of your business, including products or services, market, and competitive advantages
- A biography with a summary of qualifications. Many applicants simply provide resumes of key managers.
- A budget detailing how the funds will be used
- A statement of your equity injection — your personal contribution. If possible, this should be 20% of the total budget. The remainder is the amount of the requested loan.
- Business financial statements and tax returns for the last three years, if applicable
- Cash flow projections for at least the next 12 months
- Personal financial statements and three years of tax returns for each owner of the business
- A description of the collateral you are offering, in addition to business assets, which often include personal assets such as marketable securities or real estate

The lender will evaluate all of this information before making a decision. In some cases, the application is not quite strong enough to stand on its own. This is often true of startup businesses or cases in which the collateral is insufficient or the equity injection is too small. In those cases, the lender will sometimes agree to make the loan only with the guarantee of the U.S. Small Business Administration (SBA). The lender will guide you through the process and additional paperwork involved in obtaining the SBA guarantee.

TYPES OF LOANS

While there are only two types of loans — short-term and long-term — there are dozens of loan combinations. By understanding the different types of loans on the market and what each is designed to do, you can select the one best suited for your specific credit needs and circumstances. Make sure that you feel comfortable with your banker, the bank loan terms, your interest rates, and your ability to repay any loans before you commit yourself. Do your research, as it is often advisable to compare loan packages from more than one lender before making a decision. The SBA offers a wealth of information to businesses, including financing options. For more information visit sba.gov/dc.

SHORT-TERM LOANS

Short-term loans must be repaid within a year and are typically used to finance seasonal build-up of inventory or accounts receivable.

LINE OF CREDIT - A line of credit is a specific amount of money that has been approved and set aside by the bank for you to draw upon as needed. Interest is charged only on the amount of the line that you use. However, banks may charge a commitment fee of 0.5%–1% of the total line for reserving these funds. Lines of credit are used mostly for construction projects and working capital.

TIME LOANS - There are no installment payments with time loans. Instead, the entire amount of the loan plus interest is paid back at one time. This type of loan is often used to finance a temporary increase in inventory.

LONG-TERM LOANS

With terms of one year and longer, these loans are typically used to finance permanent assets like your core level of inventory, the expansion of a business, machinery and equipment, or construction of a new building.
**TERM LOANS** - These loans are usually repaid within five years in equal installments of principal, plus interest on the outstanding amount of the loan. As the outstanding principal is reduced, the amount of your total installment payments will go down over the life of the loan.

**REVOLVING LINE OF CREDIT** - A revolving line of credit differs from other lines of credit because it does not require an annual payoff. Reviewed and renewed by the bank on a yearly basis, revolving lines are similar to credit cards with pre-set spending limits. The amount of available funds drops by the amount of money you withdraw and increases as you repay the funds in monthly installments of interest plus principal.

**ACCOUNTS RECEIVABLE** - An accounts receivable loan is based on the payment history of your customers. This type of loan is often used for government contracts and subcontracts. Banks will either write separate loans or set aside funds for your use in an amount usually equal to 75–100% of all accounts receivable invoices that are less than 90 days old (depending on the customer). Typically, a government contract is more reliable than one from the private sector, so the size and length of the loan changes accordingly. Available money is drawn as needed and paid as your customers pay you. Interest is charged only on the outstanding portion of the loan.

**COMMERCIAL AND INDUSTRIAL MORTGAGES** - These are typically used to finance the purchase of real property or a major expansion of the business. Depending on the property you would like to buy or build, most banks will finance up to 75 percent of the property’s appraised value or construction cost in the form of a mortgage. However, commercial loans are generally offered for 10 years or less. You may be able to reduce the monthly installment payments by basing them on an amortization period that is longer than the life of the loan. With this loan structure, when the loan is due, you pay off the outstanding principal and interest with a lump sum “balloon payment.”

**PERSONAL LOANS** - Owners of a startup or new business can take out long-term personal loans from a bank. Because there is no existing track record to evaluate, a banker may base the loan on your personal assets and borrowing record.

**MICROLOANS** - Microloans (from $500–$50,000) are also a good source of financing. Nontraditional lenders with less stringent financial guidelines than banks usually offer them. They can be used for working capital, machinery, inventory, and leasehold improvements.

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**SMALL BUSINESS ADMINISTRATION (SBA) LOAN PROGRAMS**

The SBA offers a variety of loan programs that many small businesses use for very specific purposes. While the SBA does not make direct loans to small businesses, they do set the guidelines for loans, which are then made by its partners (lenders, community development organizations, and microlending institutions). The SBA guarantees that these loans will be repaid, thus eliminating some of the risk to the lending partners. So when a business applies for an SBA loan, it is actually applying for a commercial loan, structured according to SBA requirements with an SBA guaranty.

There are many reasons why an SBA guaranty may be necessary, including:

- Lack of collateral
- Lower than normal down payment or equity
- Longer term/lower payments required to meet debt coverage requirements
- Riskier industries (entertainment, high tech, service, retail)
- Uneven historical revenues or profits
- Tighter than normal debt coverage
- Change of ownership or management
- Reliance on projections
- Lending limits

The SBA does not extend financial assistance to businesses when the financial strength of the individual owners or the company itself is sufficient to provide all or part of the financing. Both business and personal financial resources are reviewed as part of the eligibility criteria. If these resources are found to be excessive, the business will be required to use those resources in lieu of part or all of the requested loan proceeds.

Application procedures for SBA loans vary depending on the type of loan, as well as the lender, so it is important to ask the local lender which format is required. The sba.gov website has a thorough checklist of documents needed to apply for one of their loan programs, as well as advice on how to put together and present your application.

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**7(A) PROGRAM**

7(a) loans are designed to help small businesses in starting, acquiring, and expanding their interests. The program encourages lenders to extend credit to small businesses
by guaranteeing a portion of the loan: up to 85% on loans less than $150,000, and up to 75% on loans greater than $150,000. The maximum loan amount is $5 million, but the maximum guaranty to the lender is $3.75 million or 75%. The money can be used to purchase property or equipment, fund long-term or short-term working capital, finance against inventory or refinance existing debts, and cover new construction or expand existing facilities.

Within the 7(a) loan framework there are multiple categories of loans designed for specific functions. CAPLines is for loans up to $5 million for small business owners to meet their short-term and cyclical working capital needs. The Employee Trusts Program provides financial assistance to Employee Stock Ownership Plans. Export loans aim to help small businesses take advantage of the world market and can include 90% guarantees and financing up to $5 million to support exporting efforts.

### SBA EXPRESS

SBA Express loans streamline and expedite the loan process by providing rapid responses (within 36 hours of submitting applications) and lowered interest rates. SBA Express loans carry a maximum of 50% guaranty on loans between $25,000 and $350,000. These loans can be used for working capital and to purchase equipment, vehicles, or inventory.

### ADVANTAGE LOANS

SBA’s Advantage Loans are the equivalent of a basic 7(a) loan but are designed to encourage larger, existing SBA lenders to make smaller-dollar loans that benefit businesses in underserved markets. These loans offer a streamlined application process, with minimal paperwork and a two-page application. Most loans will be approved in a matter of minutes through electronic submissions; non-delegated loans will take 5-10 days.
THE SMALL LOAN ADVANTAGE PROGRAM allows lenders to get a pre-qualification indication from SBA that the applicant business has sufficient creditworthiness to warrant giving the applicant full consideration for financing. The maximum Small Loan Advantage amount is $350,000.

COMMUNITY ADVANTAGE is a pilot initiative aimed at increasing the number of the SBA 7(a) lenders who reach underserved communities, targeting community-based, mission-focused financial institutions that were previously not able to offer SBA loans. The maximum Community Advantage loan size is $250,000.

THE SBA VETERANS ADVANTAGE PROGRAM sets the borrower upfront fee to zero for all veteran loans authorized under the SBA Express program up to $350,000. Up-front fees for veteran borrowers are reduced by 50% for 7(a) loans up to $5 million.

In order to qualify for SBA Veterans Advantage, businesses must be 51% or more owned and controlled by an individual or individuals in one or more of the following groups:

- Veterans
- Service-disabled veterans
- Eligible active duty service members participating in the military’s Transition Assistance Program
- Reservists and National Guard members
- Current spouse of any of the above
- Widowed spouse of a service member/veteran who died during service or of a service-connected disability

MICROLOANS - The SBA Microloan Program provides very small loans to startups and newly established or growing businesses. Funds are made available to nonprofit community based lenders (intermediaries), who are then authorized to make loans to eligible borrowers. The average loan is around $13,000, although the maximum amount allowed is $50,000, and the term can be up to six years. These microloans can be used for working capital, stocking inventory, or purchasing equipment, but they cannot be used to pay off existing debts or buy real estate.

Microloan applications should be made to local intermediaries, as all credit decisions are made at a local level. DC participating intermediaries include:

**ECDC ENTERPRISE DEVELOPMENT GROUP**
(703) 685-0510 · hwelday@ecdcsus.org

**LATINO ECONOMIC DEVELOPMENT CENTER**
(202) 588-5102 · clopez@ledcmetro.org

LIFE ASSET INC.
(202) 709-0652 · contactus@lifeasset.org

WASHINGTON AREA COMMUNITY INVESTMENT FUND
(202) 529-5505 ext. 213 · info@wacif.org

EXPANSION OF SBA MICROLOAN PROGRAM

Intermediary lenders are now able to provide microloans to businesses owned by ex-offenders who are currently on parole or probation, subject to certain limitations. Also, federally-insured credit unions are now approved depositories for Microloan Revolving Funds and Loan Loss Reserve Funds.

CDC/504 LOAN PROGRAM

The SBA partners with certified community development companies (CDCs) to provide long-term, fixed-rate financing aimed at encouraging economic development within a community by investing in expansion and modernization. The loan can be used for most project costs. The goal is to provide immediate and long-term benefits, so that businesses can focus on growth. 504 Loan recipients must create or retain one job for every $65,000 guaranteed ($100,000 for manufacturers) or meet SBA public policy goals. There is no specific maximum project size, but the SBA portion of the loan cannot exceed $5 million, or $5.5 million for manufacturers and energy efficient projects.

The cost is covered in three parts: a private sector loan covering 50% of the project cost, an SBA loan covering 40% of the project cost, and a 10% equity contribution from the borrower. Eligibility is determined by the type of company and the size and income standards of the SBA:

- Companies must be for-profit (no nonprofit, passive, or speculative activities).
- Tangible net worth must not exceed $15 million after federal income taxes.
- Average net income must not exceed $5 million after federal income taxes for the two years prior to application.
Below are the three DC-area 504 lenders:

**BUSINESS FINANCE GROUP INC.**  
(703) 352-0504 · businessfinancegroup.org

**CHESAPEAKE BUSINESS FINANCE CORPORATION**  
(202) 625-4373 · chesapeake504.com

**MID- ATLANTIC BUSINESS FINANCE COMPANY**  
(800) 730-0017 · mabfc.com

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**SBA LENDERS**

For a complete list of ranked, certified, and preferred SBA lenders in the DC area, visit sba.gov/dc, and click on “Financing.”

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**LOAN ELIGIBILITY**

To learn more about SBA business loan eligibility, visit bit.ly/sbaloanprograms.

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**SMALL BUSINESS INVESTMENT COMPANIES (SBIC)**

SBICs are licensed and regulated by the SBA and are investment firms that make capital available to small businesses through investments or loans. They also provide management assistance and expect a share of the profits from your business.

SBIC Licensees Located in DC (as of May 2016):

**ARES VENTURE FINANCE**  
2200 Pennsylvania Avenue, NW, Suite 400-E  
Washington, DC 20037  
(202) 721-6180 · aresmgmt.com · mkrieger@aresmgmt.com

**CORE CAPITAL PARTNERS**  
1717 K Street, NW, Suite 920, Washington, DC 20006  
(202) 589-0090 · core-capital.com · rklueger@core-capital.com

**MCLARTY CAPITAL PARTNERS**  
900 17 Street, NW, Suite 800 · Washington, DC 20006  
(202) 419-7098 · mclartycapital.com · SBA@mclartycapital.com

For the most current list of SBIC licensees, visit sba.gov/sbic.

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**DISASTER LOANS**

The SBA provides low-interest disaster loans to businesses of all sizes, private nonprofit organizations, homeowners, and renters. SBA disaster loans can be used to repair or replace the following items damaged or destroyed in a declared disaster: real estate, personal property, machinery and equipment, and inventory and business assets.

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**SURETY BONDS**

A surety bond ensures contract completion in the event of contractor default. The SBA can guarantee a bond for a contract up to $10 million if a federal contracting officer certifies that the SBA’s guarantee is necessary for the small business to obtain bonding.

Any federal construction contract valued at $150,000 or more requires a surety bond when bidding or as a condition of contract award. Most state and municipal governments as well as private entities have similar requirements. Many service contracts and occasionally supply contracts also require surety bonds.
OTHER SOURCES OF SMALL BUSINESS FUNDING

Other financing options include crowdfunding, venture capital firms, angel investors, and small business investment companies. In recent years DC has added a number of new programs to help businesses open and expand.

CROWDFUNDING

Crowd-sourced funding for creative projects has become a popular way to raise capital. Crowdfunding allows multiple people to network and pool their money and resources together, typically through a crowdfunding website, to support a business, project, or campaign. Unlike angel investments, in which an investor takes a large stake in a small business, crowdfunding enables a small business to attract multiple people who take a small stake in a business idea by contributing towards an online funding target. This spreads the risk among backers and creates a strong network of support for your business. Popular crowdfunding sites are Kickstarter (kickstarter.com) and Indiegogo (indiegogo.com).

CROWDFUNDED MICROLOANS — KIVA

Kiva is a nonprofit organization that works to alleviate poverty through crowdfunding microloans. By leveraging the internet and a worldwide network of microfinance institutions, Kiva lets individuals lend as little as $25 to help create opportunity around the world.

Kiva has two microlending platforms that help aspiring entrepreneurs and small business owners to access capital:

KIVA CITY DC — A partnership between Kiva, the Latino Economic Development Center, and Capital One, Kiva City DC enables small businesses in the DC metro area to receive crowd-funded loans of up to $10,000 to support their business goals. Kiva DC loans are a good option for entrepreneurs who can't meet the collateral requirements for other microlenders; many loans made are under $2,000, and lenders can give as little as $25. Potential borrowers can apply online at kiva.org/dc.

KIVA ZIP LOANS — Kiva Zip is a peer-to-peer lending pilot program that provides no-interest loans to qualified borrowers. Individual lenders can contribute as little as $5 to support a borrower. An average loan made through Kiva Zip is $5,000 with a two-year repayment period. Kiva Zip borrowers must be endorsed by a Kiva trustee. Trustees are individuals and organizations that identify individuals they believe would make a good Kiva Zip borrower. Once approved, the publicly endorsed borrower will receive ongoing support from the trustee. A borrower has 45 days to become fully funded through the online Kiva Zip profile, and fully funded loans are disbursed to the borrower through PayPal. After successfully repaying a loan, the borrower is then eligible for larger loans in the future. More information is available at https://zip.kiva.org.

To learn more about whether crowdfunding is right for your business, visit crowdfunding.about.com.

VENTURE CAPITAL INVESTMENT

Venture Capital firms usually require some management control and repayment in exchange for their financial investment. An advantage to using private investors is that they bring experience and their networks of contacts to your business. To obtain a listing of area venture capital firms or other private equity investors, visit the Mid-Atlantic Venture Association (MAVA) online and choose “Member Profiles,” which allows you to search for funders that fit your criteria of industries and locations. MAVA is a membership organization of investors, entrepreneurs, advisors, and other company-builders.

(703) 506-9300 · mava.org

TAX-EXEMPT BONDS

Revenue bond financing is an attractive source of funding for businesses and nonprofit organizations that locate or operate within the city. A qualified private business can borrow up to $15 million of tax-exempt bonds to invest in buildings, equipment, and furnishings used for the qualified business. Besides being tax-exempt, bond financing is usually at least two percentage points below market interest rates. A nonprofit organization that is located in the District of Columbia may borrow as much as it needs. (See Ch. 5: Financial Incentives for eligibility requirements.)
BUSINESS TAXES

General Business Tax Requirements, Employer Tax Requirements
There are two different classes of business taxes in the District of Columbia: general business taxes and employer taxes. General business taxes include corporate franchise tax, unincorporated business franchise tax, sales tax and use tax, personal property tax, gross receipts tax, taxes on special events, and the Ballpark Fee. Employer taxes apply to organizations according to their ownership structure. In this chapter we will cover both classes of business taxes. However, while reviewing this chapter, it is important to bear in mind that there are a variety of tax abatement programs for District businesses (see Ch. 5, Financial Incentives).

GENERAL BUSINESS TAXES

CORPORATE FRANCHISE TAX

If you engage in or carry on a trade or business in the District, or you receive income from sources within the District as a corporation, you are required to file Form D-20, the corporate franchise tax return, with the DC Office of Tax and Revenue. You must file the form by the 15th day of the fourth month following the close of the corporation’s taxable year. The minimum tax payable under the District corporate franchise tax is $250 if District gross receipts total $1 million or less and the minimum tax payable is $1000 if District gross receipts total more than $1 million.
ETSC SERVICES

The electronic Taxpayer Service Center (eTSC) provides secure access to DC business tax information. As a registered eTSC customer, you may access tax forms, file tax returns, remit payment via credit card or electronic funds transfer, view account balance information, and correspond with the DC Office of Tax and Revenue.

1101 4th Street, SW, Suite 270 West, Washington, DC 20024 (202) 727-4829 - taxpayerservicecenter.com - otr.cfo.dc.gov taxhelp@dc.gov

UNINCORPORATED BUSINESS FRANCHISE TAX

Filing the Unincorporated Business Franchise Tax Form D-30 is mandatory for any unincorporated business (sole proprietorship, partnership, joint venture, etc.) engaged in or carrying on a trade or business in the District that meets the following conditions: The business derives rental income or receives other income from sources within the District, and District gross receipts exceed $12,000 per year. The minimum tax payable under the District unincorporated business franchise tax is $250 if District gross receipts total between $12,000 and $1 million.

SALES TAX AND USE TAX

If you engage in business activities in the District of Columbia, you must collect sales and use tax from the purchaser for the following business activities:

<table>
<thead>
<tr>
<th>Taxable Business Activity</th>
<th>Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible personal property delivered to a customer in DC</td>
<td>5.75%</td>
</tr>
<tr>
<td>Certain foods and drinks sold at retail</td>
<td>5.75%</td>
</tr>
<tr>
<td>Food or drink served or prepared for immediate consumption or sold in or by restaurants, lunch counters, cafeterias, hotels, caterers, boarding houses, carryout shops, and similar places of business</td>
<td>10%</td>
</tr>
<tr>
<td>Certain services including, but not limited to, security, data processing, information, real property maintenance services, car washing, bottled water delivery, bowling alleys or billiard parlors, carpet and upholstery, cleaning, health club, tanning, and service of storage of household goods</td>
<td>5.75%</td>
</tr>
<tr>
<td>Rental of rooms to transients</td>
<td>14.5%</td>
</tr>
<tr>
<td>Admissions to certain public events that take place in DC</td>
<td>5.75%</td>
</tr>
<tr>
<td>The service of parking, storing, or keeping motor vehicles and trailers in DC</td>
<td>12%</td>
</tr>
<tr>
<td>Street Vendor and Mobile Food Services minimum sales tax ($375 minimum quarterly sales tax) (Food)</td>
<td>10%</td>
</tr>
<tr>
<td></td>
<td>5.75%    (Other Sales)</td>
</tr>
</tbody>
</table>

In addition, you must file the Form FR-800M, the sales and use tax return by the 20th day of each month following the reporting period; the FR-800Q (quarterly sales tax return) by the 20th day of the month following the reporting quarter; and the FR-800A (annual sales tax return) on the 20th of October. The annual sales tax year covers the period from October 1 through September 30 of the following year.
PERSONAL PROPERTY TAX

For any tangible personal property (e.g., furniture, computers, fixtures, books, etc.) that is used or available for business purposes, you are required to file Form FP-31 and pay personal property tax on or before July 31 each year. This includes property kept in storage or held for rent, which is leased to third parties, including governmental agencies, under a “lease-purchase agreement.” Form FP-31 must be based upon the current value of all tangible personal property owned as of July 1. The statute allows filers to exclude $225,000 of personal property value.

GROSS RECEIPTS TAX

If your business falls under one of the following categories, you are subject to the gross receipts tax:

- Utilities and telecommunications companies providing long distance service, cable television, satellite relay or distribution of video or radio transmission to subscribers and paying customers

- Heating oil delivery companies

- Commercial mobile service providers and non-public utility sellers of natural or artificial gas

BALLPARK FEE

The Ballpark Fee was introduced with baseball’s return to DC. The Office of Tax and Revenue requires that all businesses that have derived at least $5 million in annual DC gross receipts file and pay a Ballpark Fee Return electronically. In order to file and pay electronically, a fee payer must:

- Have a valid Federal Tax Identification Number (EIN)
- Have filed a completely executed FR-500 (Combined Business Tax Registration Form)

Please refer to the Ballpark Fee Schedule to see which bracket applies to your business.

<table>
<thead>
<tr>
<th>BALLPARK FEE SCHEDULE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual Gross Revenues</strong></td>
</tr>
<tr>
<td>$0–$4.99M</td>
</tr>
<tr>
<td>$5–8M</td>
</tr>
<tr>
<td>$8–12M</td>
</tr>
<tr>
<td>$12–16M</td>
</tr>
<tr>
<td>$16M+</td>
</tr>
</tbody>
</table>

otr.cfo.dc.gov
Vendors participating in special events are liable for sales tax on items sold during the event.

**TAXES ON SPECIAL EVENTS**

A “special event” is an uncommon, unique, noteworthy, or extra occurrence of a specific activity open to the general public and designed, advertised, or promoted for an identified purpose. The event is to be conducted or held on a designated day or series of days, whether held outdoors, indoors, or both, in a public or private facility at which at least 50 vendors will be present.

**PROMOTER OBLIGATIONS:**

The promoter must submit an FR-500B registration form. The form details the information required about the promoter, the type of event, and the listing of vendors scheduled to be at the event.

The promoter must submit to the mayor a list of vendors and exhibitors, including their names, addresses, representatives, and telephone numbers, 30 days before the event and resubmit a final list 10 days after the event.

Promoters are also responsible for informing vendors of the District sales tax obligations and filing deadlines. Other obligations for vendors are supplied after the preliminary list is submitted. Vendors, however, are still responsible for filing sales tax returns with the District.

The promoter must provide to the Office of Tax and Revenue access to the special event premises and activities to monitor vendor and exhibitor sales as well.

A promoter who fails to submit the preliminary vendor and exhibitor list must pay a penalty in the amount of $1,000 plus $50 for each day the list is late, with a maximum penalty of $2,500. A promoter who fails to submit the final vendor and exhibitor list must pay a penalty in the amount of $1,000 plus $50 for each day the list is late, with a maximum penalty of $10,000.

For further questions regarding special events, contact OTR at (202) 727-4829.

**EXCISE TAXES**

**ALCOHOLIC BEVERAGE TAX**

Alcoholic beverages manufactured by a holder of a manufacturer’s license and beverages brought into DC by the holder of a wholesaler’s license are subject to the following tax rates:

- Beer: $2.79 per barrel
- Champagne/sparkling wine: $0.45 per gallon
- Distilled spirits = $1.50 per gallon
- Light wine (alcohol content 14% or less): $0.30 per gallon
- Heavy wine (alcohol content above 14%): $0.40 per gallon

**TOBACCO TAX**

The sale or possession of cigarettes in the District are subject to a tax of $2.50 per pack of 20 cigarettes. Cigarettes sold to the military and to the federal government are exempt from this excise tax.
When choosing your business ownership structure, pay close attention to the tax implications of the designation that you choose. As your business grows, it is normal to change your entity structure to accommodate changes in ownership, revenue, and investment or to minimize financial risk and tax liability. While it is best to assess your options with a tax advisor, review the considerations below:

<table>
<thead>
<tr>
<th>Business Ownership Structure</th>
<th>Tax Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sole Proprietorship</strong></td>
<td>• Profits are personally taxed to owner.</td>
</tr>
<tr>
<td></td>
<td>• Sole proprietors need to pay self-employment tax on their profits</td>
</tr>
<tr>
<td></td>
<td>• Offers few tax benefits</td>
</tr>
<tr>
<td><strong>General Partnership</strong></td>
<td>• Profits are personally taxed to partners based on percentage of ownership.</td>
</tr>
<tr>
<td></td>
<td>• Can claim on personal taxes</td>
</tr>
<tr>
<td><strong>Limited Liability Company (LLC)</strong></td>
<td>• Corporation is taxed on earnings; owners only taxed on income taken out of business.</td>
</tr>
<tr>
<td></td>
<td>• While the federal government does not tax income on an LLC, some states do. Check with your state’s income tax agency. For more information, visit <a href="http://bit.ly/statebiztaxes">bit.ly/statebiztaxes</a>.</td>
</tr>
<tr>
<td></td>
<td>• Additional tax benefits</td>
</tr>
<tr>
<td><strong>C Corporation</strong></td>
<td>• C Corporation owners must file personal and business tax returns separately.</td>
</tr>
<tr>
<td></td>
<td>• Corporate earnings are subject to “double taxation” when corporations are taxed and shareholders receive dividends.</td>
</tr>
<tr>
<td></td>
<td>• May be beneficial if you plan on investing the profits of your business back into the company.</td>
</tr>
<tr>
<td><strong>Limited Partnership</strong></td>
<td>• Profits are personally taxed to partners based on percentage of ownership.</td>
</tr>
<tr>
<td></td>
<td>• Can claim on personal taxes</td>
</tr>
<tr>
<td><strong>Limited Liability Partnership</strong></td>
<td>• Profits and losses can be passed to individual tax returns</td>
</tr>
<tr>
<td></td>
<td>• Special Tax Consequences</td>
</tr>
<tr>
<td><strong>Nonprofit</strong></td>
<td>• May seek to be exempt from taxation, which requires the approval of the IRS under specific guidelines</td>
</tr>
<tr>
<td></td>
<td>• Time consuming and costly process to apply for and maintain tax-exempt status</td>
</tr>
<tr>
<td><strong>S Corporation</strong></td>
<td>• S Corporation does not pay income taxes on any profits</td>
</tr>
<tr>
<td></td>
<td>• Difficult to qualify for IRS requirements</td>
</tr>
<tr>
<td></td>
<td>• Shareholders of S corporations report the flow-through of income and losses on their personal tax returns and are assessed tax at their individual income tax rates.</td>
</tr>
<tr>
<td><strong>Benefit Corporation</strong></td>
<td>• Taxed as a C or S Corporation, depending on your ownership structure</td>
</tr>
<tr>
<td></td>
<td>• Benefit corporations are for-profit entities and do not offer philanthropists the same tax advantages as donating to a nonprofit organization</td>
</tr>
<tr>
<td><strong>Cooperative Association</strong></td>
<td>• Exempt from taxation on all income that is distributed to worker-members</td>
</tr>
</tbody>
</table>
If you are an employer in the District of Columbia with at least one full-time or part-time employee, you are required to register Part VI of the Combined Business Tax Registration Form for unemployment taxes. Each employer that is determined liable for taxes is assigned an account number. This number identifies the employer’s individual account, which is a record of taxes paid by the employer and charges made against the employer by former employees.

Liable employers must file quarterly tax and wage reports with the Department of Employment Services Tax Division on or before the last day of April, July, October, and January of each year. Reporting forms imprinted with your information will be mailed to you roughly five weeks before each due date. Employers who employ only household employees may elect to file tax and wage reports annually rather than quarterly. Learn more at does.dc.gov, or call (202) 724-7000.

The amount of tax due is based on a specified tax rate of taxable wages for the quarter. As the employer you are solely responsible for the taxes — no part of the tax should be deducted from the employee’s wages. Taxes are based on gross wages before any amount is withheld for any purpose. Gross wages include salaries, commissions, bonuses, and the cash value of any remuneration payable to the employee in a medium other than cash (i.e., lodging, meals, etc.). Taxes are payable for the first $9,000 paid to each employee during a calendar year. A newly liable employer pays taxes at the rate of 2.7% or an average rate paid by all employers during the preceding year, whichever is higher. Nonprofit organizations covered under the Unemployment Compensation law may elect to reimburse DOES for benefits paid to their former employees, rather than pay quarterly contributions at a predetermined rate.

For more information on the District’s compensation law pertaining to taxes, contact the Office of Unemployment Compensation, Tax Division at (202) 698-7550.

As a new business owner, it is critically important that you understand and comply with all of the tax requirements based on your business type and operations.
Payment of contributions at the rate assigned by the DC Department of Employment Services. The rate is applied to the taxable wages earned by each employee during a calendar year. Contributions are paid on a quarterly calendar basis.

—or–

Reimbursement of the trust fund. At the end of each calendar quarter, the employer is billed for unemployment benefits paid to its former employees during the quarter.

EMPLOYER WITHHOLDING FORMS

All employers with businesses located in DC are required to deduct and withhold District income tax from employees’ wages and pay the District the exact amount of withholding as shown in the withholding tables.

DELINQUENT ON TAXES

As a new business owner, it is critically important that you understand and comply with all of the tax requirements based on your business type and operations. The DC Office of Tax and Revenue encourages businesses and individuals that are not in compliance with District tax laws to bring their accounts into compliance through the Voluntary Disclosure Program. Participation in the Voluntary Disclosure Program can be anonymous or under the taxpayer’s identity. OTR will waive civil penalties if the tax and interest is paid in full.
FINANCIAL INCENTIVES

Summary of Financial Incentive Programs, DC Technology Incentives
The Government of the District of Columbia offers a variety of incentives for entrepreneurs who are looking to locate or expand their business in DC. This section of the DC Doing Business Guide gives you an array of programs set up to help businesses succeed in DC, such as the Great Streets Grant and the DC Tech Incentive Program.

INCENTIVES AVAILABLE TO BUSINESSES

Qualified businesses may take advantage of the following incentives:

GREAT STREETS SMALL BUSINESS CAPITAL IMPROVEMENT GRANTS

Great Streets is the District’s multiyear, multiagency commercial revitalization initiative to transform emerging corridors into thriving and inviting neighborhood centers.

The purpose of the Great Streets Small Business Capital Improvement Grants is to support existing small businesses, attract new small businesses, increase the District’s tax base, create new jobs for District residents, and transform emerging commercial corridors across the District into thriving and inviting neighborhood centers.

When funding is made available, the Office of the Deputy Mayor for Planning and Economic Development (DMPED) awards competitive grants of up to $50,000 per small business. Grant funds may be used for approved hard costs including:

- Build-out of new improvements
- Renovations of existing improvements
- Façade improvements
- Equipment upgrades

CONTRIBUTORS: The Office of the Deputy Mayor for Planning and Economic Development · The Department of Insurance, Securities and Banking · The Department of Employment Services
Up to 50% of funding can be used for soft costs, including:

- Marketing
- Purchase of moveable equipment
- Point-of-sale inventory management hardware and software
- Business consultation services

Funds can be used for expenses incurred during the Period of Performance, which for FY17 is January 1, 2017 through August 31, 2017. For additional examples of eligible uses of funds and exclusions, visit greatstreets.dc.gov, or call (202) 741-8905.

GREAT STREETS

Great Streets is no longer a cost reimbursement program. Awardees now receive the grant funds in advance in one-third or one-quarter portions throughout the project.

ELIGIBILITY

- Eligible applicants for the grants are owners of small retail and service-oriented businesses or up to three business owners connected.

- Business owners operating within the designated Great Streets boundaries may apply. The Great Streets are:
  - 7th Street NW
  - Bladensburg Road NE
  - Connecticut Avenue NW
  - Georgia Avenue NW
  - H Street NE
  - Nannie Helen Burroughs Avenue NE
  - New York Avenue NE
  - North Capitol Street NW/NE
  - Martin Luther King Jr. Avenue/S. Capitol Street SE/SW
  - Minnesota Avenue/Benning Road NE
  - Pennsylvania Avenue SE
  - Rhode Island Avenue NE
  - U Street/14th Street NW
  - Wisconsin Ave NW

- Be a registered business in good standing with local and federal agencies

- Retain site control of the property either through fee simple ownership or an executed contract or lease with a minimum unexpired term of at least two years

- Provide proof that your three-year average annual revenue does not exceed $1 million

- Provide proof of property and liability insurance

- Ineligible business types: adult entertainment, auto body repair, bank, bar, construction/general contracting/architecture/design-build, financial services, home-based business, hotel, liquor store, nightclub, phone store, professional services, and real estate development/property management/realtor

APPLYING FOR A GREAT STREET GRANT

- Verify location eligibility using the interactive mapping tool at greatstreets.dc.gov

- Apply online at greatstreets.dc.gov

- Sign up for the newsletter at greatstreets.dc.gov for news and updates
TAX-EXEMPT BOND FINANCING

The District of Columbia Revenue Bond Program provides below market interest rate loans to help lower the cost of funds available for capital projects in the areas of healthcare, housing, transit and utility facilities, recreational facilities, health facilities, manufacturing, sports, convention and entertainment facilities, elementary, secondary, college, and university facilities, student loan programs, pollution control facilities, and industrial and commercial development.

These bonds may be used to assist in financing a broad variety of capital projects and eligible bond projects, including:

- Construction and renovation of a building
- Equipment acquisition
- Land and building acquisition
- Tenant improvements

ELIGIBILITY

501(c)(3) nonprofit organizations and developers of public school facilities are eligible for tax-exempt bond financing. Businesses that qualify as manufacturers are eligible for up to $10 million of revenue bond financing. Each applicant must meet credit-worthiness standards and own or otherwise have legal control over the proposed development site. Tax-exempt bond financing can only be authorized for projects that will contribute to the health, education, safety, or welfare of, or creation or preservation of jobs for, residents of the District, or to economic development of the District.

“I used the Great Streets Program, and it’s been absolutely amazing! The community is really excited about the changes as a result of it. If you have a business, you shouldn’t have any fear in taking on this program. It’s pretty straightforward, and you’ll actually have to keep up with them, since they’re so on top of things.”

–Ricardo James, Kangaroo
BOND ISSUANCE

Program funds are generated through the issuance and sale of tax-exempt and taxable municipal revenue bonds, notes, or other obligations. Proceeds from the sale of these securities are loaned to borrowers and may be used to finance, refinance, and reimburse costs of acquiring, constructing, restoring, rehabilitating, expanding, improving, equipping, and furnishing real property and related and subordinate facilities. Because of related costs, revenue bond financing may not be cost effective for businesses seeking less than $2 million in financing.

CLAIMING TAX-EXEMPT BOND FINANCING

For further information on the application for revenue bond financing, call or write:

DISTRICT OF COLUMBIA REVENUE BOND PROGRAM
OFFICE OF THE DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT
1100 4th Street, SW, Suite E500
Washington, DC 20024
(202) 724-7299 · dmped.eom@dc.gov

WORK OPPORTUNITY TAX CREDITS

The Work Opportunity Tax Credit (WOTC) is a federally funded program that reduces the federal tax liability of private-for-profit, and, in some instances, nonprofit employers hiring new employees from eligible target groups who have consistently faced significant barriers to employment. Recently, the Path Act of 2015 extended WOTC retroactively for new hires from December 31, 2014 to December 31, 2019.

ELIGIBILITY

Employers can hire eligible employees from the following target groups for WOTC:

- Unemployed veterans (including disabled veterans)
- Temporary Assistance for Needy Families (TANF) recipients
- Food stamp (SNAP) recipients
- Designated community residents (living in Empowerment Zones or Rural Renewal Counties)
- Vocational rehabilitation referred individuals
- Ex-felons
- Supplemental security income recipients
- Summer youth employees (living in Empowerment Zones)
- Qualified long-term unemployment recipients*

*Indicates a new target group enacted January 1, 2016. A qualified long-term unemployment recipient is defined as any individual who is certified by the designated local agency as being in a period of unemployment that is not less than 27 consecutive weeks and includes a period in which the individual was receiving unemployment compensation under state or federal law.

WOTC EMPLOYER BENEFITS

- Reduces cost of doing business
- Reduces federal income tax liability between $1,200 and $9,600 per employee
- No limit of new hires to claim the tax credit

CLAIMING WOTC

The requirements to certify that a new employee qualifies the employer for this tax credit include:

- Employees must work a minimum of 120 hours the first year of employment.
• Complete IRS Form 8850 by the day the job offer is made.
• Complete Employment and Training Administration (ETA) Form 9061 or 9062 if employee has been conditionally certified by state workforce agency, vocational rehabilitation agency, or other participating agency.
• Forms must be submitted within 28 calendar days of employee's start date.
• Insert the WOTC prescreening form into your on-boarding documents to ensure that you capture credits from eligible new hires.
• Complete, sign, and mail the completed and signed IRS and ETA forms to the employer’s state workforce agency within 28 days after the employee’s employment start date.

Forms are online at irs.gov or can be requested by calling (800) 829-3676 to have them delivered by mail.

FOR MORE INFORMATION:

US DEPARTMENT OF LABOR
Frances Perkins Building · 200 Constitution Avenue, NW · Washington, DC 20210
(866) 487.2365 · doleta.gov/wotc

DC DEPARTMENT OF EMPLOYMENT SERVICES
4058 Minnesota Avenue, NE, Washington, DC 20019
(202) 698-5700 · does.dc.gov/page/work-opportunity-tax-credit · does.wotc@dc.gov

GREEN ROOF REBATE NOTICE

The District recognized the technical and economic benefits of green, or vegetated, roofs in the early 2000s and began supporting their development through financial incentives to building owners who use green roofs to manage stormwater.

ELIGIBILITY

Owners of properties of all sizes, including residential, commercial, and institutional properties are encouraged to apply. For buildings with a footprint of 2,500 square feet or less, funds are available to defray the cost of a structural assessment. Additional funding may be available for features that further advance environmental goals.

GREEN ROOF BENEFIT

The District Department of the Environment’s 2015-2016 Green Roof Rebate Program will provide base funding of $10 per square foot and up to $15 per square foot in targeted subwatersheds. There is no cap on the size of projects eligible for the rebate.

CLAIMING THE GREEN ROOF REBATE

Applicants should file the necessary paperwork with the Anacostia Watershed Society to be added to the queue. Paperwork can be found at anacostiaws.org/green-roofs.

(202) 535-2600 · green.dc.gov · ddoe@dc.gov
DC TECH INCENTIVES (FORMERLY NET 2000)

The District offers one of the most attractive incentive packages for high-tech businesses in the country. DC Tech Incentives provide certain credits, exemptions and other benefits for a qualified high technology company (QHTC) to reduce the cost of doing business. A QHTC can leverage the program to develop or retrain their workforce, secure affordable facilities for their business and benefit from reduced real estate, personal property, sales and income taxes.

ELIGIBILITY

A QHTC is a company that:

- Is an individual or entity organized for profit
- Maintains an office, headquarters, or base of operations in DC
- Has two or more employees in DC
- Derives at least 51% of its revenue earned in the District from qualifying high-tech activities

TECH INCENTIVE BENEFITS

THRIVE IN DC

- 0% corporate income tax rate for five years and a reduction in the corporate income tax rate from 9.975% to 6% for the life of a company
- Exemption from sales tax on purchase of hardware and software

GROW IN DC

- Wage reimbursements of up to $10,000 for each new hire—or up to $30,000 for newly hired veterans
- Ten-year exemption of qualified personal property taxes
- Training tax credits of up to $20,000 for newly hired veterans—up to $10,000 may be refunded
- Exemption from sales tax charged for retail sales and service provided by a qualified company

MOVE TO DC

- Relocation reimbursements of up to $5,000 for each employee relocated to the District or $7,500 if the employee also relocates his or her principle residence to the District
- Five-year freeze on assessed value of real property (no increase in real property tax)

QHTC BENEFITS INFO

For more information about permitted high-tech activities and claiming QHTC benefits, visit bit.ly/hightechincentive.

CLAIMING DC TECH INCENTIVES

To self-certify your business through the DC Office of Tax and Revenue, complete QHTC FR-399 worksheets at bit.ly/qhtcforms, or contact the District’s Office of Tax and Revenue, Tax Form Center at (202) 442-4829.

You can now write to OTR requesting a Declaratory Order to identify, before moving your business to DC, if you would be eligible for DC’s QHTC benefits. Visit bit.ly/techDO or call (202) 442-4829 for more information.
SUPERMARKET TAX EXEMPTION

Through the Supermarket Tax Exemption Act of 2000, the District waives certain taxes and fees to supermarkets that locate in specific neighborhoods. The incentive encourages investment in areas lacking access to groceries and fresh food.

ELIGIBILITY

To qualify for the credit, the supermarket must be located in a Priority Development Area. The Priority Development Area map can be accessed at geospatial.dcgis.dc.gov/incentive.

BENEFITS

Qualifying supermarkets receive the following benefits for 10 years:

- Real property tax exemption
- Business license fee exemption
- Personal property tax exemption
- Sales and use tax exemption on building materials necessary for construction

DMPED · (202) 727-6365 · dcbiz.dc.gov

BUSINESS INCENTIVES MAP

Visit DMPED’s online DC Business Incentives Map at geospatial.dcgis.dc.gov/incentive to determine if your business is eligible for a location-based incentive.
LABOR LAWS & FINDING TALENT

Resources for Finding Talent, Local and Federal Labor Laws, Employment Regulation
In order to hire a qualified employee, companies must consider a variety of traits, such as skill level, job flexibility, and experience. However, finding talent is only the first step in the recruitment process; companies must also understand the relevant labor laws concerning the governance of employees.

THE DEPARTMENT OF EMPLOYMENT SERVICES (DOES)

The District government is an asset you can use to assist with your employee recruitment efforts. The Department of Employment Services has implemented a number of assistance programs for small businesses that can help attract qualified talent.

4058 Minnesota Avenue, NE, Washington, DC 20019
(202) 724-7000 · does.dc.gov · does@dc.gov

BUSINESS SERVICES GROUP

The Business Services Group (BSG) aligns business engagement strategy with the DOES workforce development mission by connecting job-ready District residents to District employers. BSG provides a variety of concierge services to District employers at no additional cost, including assisting businesses with registering in DC Networks for recruitment purposes and co-hosting job applicant pre-screening and hiring events at local American Job Centers. BSG also leverages DOES programs such as On-the-Job Training, the Senior Community Service Employment Program, Project Empowerment, and the Learn, Earn, Advance, Prosper initiative to establish a talent management pathway, bridging skilled job seekers with employer workforce needs. If you are interested in partnering with the DOES Business Services Group, call (202) 741-5308 or email bsg@dc.gov.

CONTRIBUTORS: The DC Department of Employment Services · The DC Office of Human Rights
DC AMERICAN JOB CENTERS – INTEGRATED CAREER DELIVERY SYSTEM

American Job Centers are part of a nationwide system that offers job seekers, students, businesses, and career professionals access to a comprehensive array of employment-related services and tools in one convenient location.

DCNetworks.org is the online equivalent of the American Job Centers system. DCNetworks.org is an advanced, comprehensive, and integrated web-based system that provides job seekers, training providers, employers, and unemployment insurance applicants with 24-hour access to the agency’s employment-related program services and resources. It also provides access to local, regional, and national labor market information.

JOB OPENINGS & RESUMES

The American Job Centers and DCNetworks.org allow employers to post job openings and review the resumes of our registered customers. The DOES offers a unique benefit to employers by offering to pre-screen potential applicants for their workforce needs.

(202) 724-7000 · dcnetworks.org

FIRST SOURCE

The District’s First Source law ensures that District residents are given priority for new jobs created by municipal funding and development programs. The law requires that 51% of all new hires on any government-assisted project or contract between $300,000 and $5 million be District residents.

WORK OPPORTUNITY TAX CREDIT (SEE CHAPTER 5, FINANCIAL INCENTIVES)

The Work Opportunity Tax Credit is a federally-funded program that reduces the federal tax liability of private for-profit, and in some instances nonprofit employers hiring new employees from eligible target groups who have consistently faced significant barriers to employment. Recently, the Path Act of 2015 extended WOTC retroactively for new hires from December 31, 2014 to December 31, 2019.

EMPLOYER BENEFITS:

- For WOTC certified new hires working at least 120 hours, employers can claim 25% of the first year wages paid up to $6,000 for a maximum income tax credit of $1,500.
- For WOTC certified new hires working 400 hours or more, employers can claim 40% of the first year wages up to $6,000 for a maximum income tax credit of $2,400.
- The PATH Act retroactive extension applies to individuals who begin work for an employer (and are certified under any of the existing current target groups) after December 31, 2014.
- The PATH Act provisions that cover the new target group apply to individuals who begin to work for an employer after December 31, 2015.

LEARN, EARN, ADVANCE, PROSPER

The Learn, Earn, Advance, Prosper (L.E.A.P) initiative is a network of interconnected partners utilizing the “earn-and-learn” approach that will link unemployed DC residents with employment, education, and training opportunities. The earn-and-learn approach applies the apprenticeship model to skill development, allowing individuals to earn a wage while participating in on-the-job training experience. The District government seeks to partner with private businesses that can serve as host employers for L.E.A.P. participants. For more information about L.E.A.P, call (202) 442-4646 or email leap.does@dc.gov.

PROJECT EMPOWERMENT

Project Empowerment (PE), an initiative of the District of Columbia Department of Employment Services, connects DC, Maryland, and Virginia businesses with District residents who are willing, ready, and qualified to work. Project Empowerment partners with businesses to recruit, train, match, and coach candidates for successful employment.

By partnering with DOES, businesses can help the agency put job-ready candidates to work while mitigating their hiring costs. Project Empowerment works with DC-area businesses by connecting them with candidates who have been provided with training, coaching, and job support. After completing this program, candidates have the opportunity to gain valuable work experience while their wages are subsidized by the District of Columbia government for up to six months.
EMPLOYER BENEFITS:

- Protection through the Federal Bonding Program. A bond can be issued to the employer as soon as the applicant has a job offer with a date scheduled to start work. The federal bond protects employers against employee dishonesty; it covers any stealing, theft, forgery, larceny, and embezzlement.
- No federal regulations covering bonds issued
- Employers receive the Work Opportunity Tax Credit

JOB RETENTION AND CASE MANAGEMENT

The job retention staff works with new employees for approximately six months to ensure that they have necessary support to succeed on the job.

TARGET AUDIENCE

To participate in the PE Program, individuals must be District of Columbia residents, 22-54 years old, be currently unemployed, and lack a secondary school educational credential (high school diploma or its recognized equivalent, e.g. GED).

PROJECT EMPOWERMENT

Contact DOES to see if your business might be a good fit to employ and coach a Project Empowerment candidate, at no cost to you. Call (202) 698-5599, or email does@dc.gov for more information.

ON-THE-JOB TRAINING PROGRAM

On-the-Job training (OJT) is a workforce development strategy where employers of all sizes have an opportunity to train, mentor, and hire candidates as they become fully proficient in a particular skill set or job function. Prescreened and job-ready candidates are matched with employers willing to provide skills-based, on-the-job training. DOES will provide wage reimbursement from 50-75 percent of the candidate's salary for one to six months (in some cases up to one year) for qualifying District of Columbia residents and employers. OJT employers maintain complete control over hiring decisions, and are assigned a DOES liaison to initiate recruitment efforts and provide support throughout the length of the OJT agreement. Clearly written agreements detail the individual training outline, objectives, duration of agreement, and reimbursement rate. Wage reimbursements will be administered to employers within net 30 days (upon receipt of invoice).

Desired occupations are those that will develop a marketable skillset during the term of the On-the-Job training, including:

- Administration
- Property management
- Assistant manager
- Merchandising
- Account executive
- Court reporting
- Healthcare and data coding
- Information technology and cyber security
- Law enforcement
- Mechanical engineering, diesel technicians, and auto mechanics
- Hospitality
- HVAC
- Transportation services

For more information on how to become an OJT employer-partner, contact us at (202) 899-3690, or email ojt@dc.gov.

VETERANS’ EMPLOYMENT PROGRAM

The Department of Employment Services proudly serves veterans and other eligible persons by providing resources and expertise to assist and prepare them to maximize their employment opportunities and protect their employment rights. A range of federally funded services mandated by the VOW to Hire Heroes Act and the Jobs for Veterans State Grant authorize each state to hire veteran-specific staff, known as the Disabled Veterans' Outreach Program Specialist (DVOP) and the Local Veterans’ Employment Representative (LVER) who provide a variety of employment-related services to veterans and eligible persons.

VETERANS SERVICES

The DVOP staff provide intensive level services to veterans identified to have significant barriers to employment by conducting individual assessments, employment counseling referrals to occupational skills training, career readjustment assistance, and job seeker and placement services, including resume preparation, interviewing skills and techniques, and job matching. The LVER staff conducts employer outreach activities; attends job fairs, career fairs, and hiring fairs; facilitates employment related workshops; and works with employers and members of the Business Services Group (BSG) to identify viable employment, training, apprenticeship, and internship opportunities for veterans.
VETERANS WITH SERVICE-RELATED DISABILITIES

The law neither prohibits nor requires affirmative action on behalf of individuals with disabilities. An employer may hire a qualified individual with a disability (including a veteran with a service-related disability) over a qualified applicant without a disability.

RECRUITMENT PROCESS FOR VETERANS WITH SERVICE-RELATED DISABILITIES

Employers may post advertisements and vacancy announcements with the DOES Job Bank. They may also send vacancy announcements and request referrals from the DC American Job Centers at does.dc.gov/service/american-job-center.

APPRENTICESHIP PROGRAM

The Apprenticeship Program offers on-the-job training opportunities, combined with classroom instruction, to teach workers the practical and theoretical aspects of highly skilled occupations, including construction, electrical, plumbing/HVAC, and carpentry trades. Applicants must meet the sponsor’s eligibility requirements and demonstrate that they have the ability, aptitude, and education to master the basics of the occupation.

PARTICIPATION ELIGIBILITY CRITERIA

Apprenticeship sponsors must be approved by a state or federal apprenticeship registration agency for certification. Apprenticeship sponsors may grant applicants credit toward apprenticeship training for prior work or training in the occupation or trade area.

An apprentice is a worker who is at least 16 years old, except where a higher minimum age standard is otherwise fixed by law, who is employed to learn an apprenticeable occupation as provided. However, in the District of Columbia, the general qualifications for apprenticeships vary by craft; the general qualifications for apprenticeship selections are typically:

- Drug-free
- Physically able to do the work of the specified trade/occupation
- A high school diploma or GED
- Access to reliable transportation, particularly for construction trades
- A high school transcript may be required.

There are more than 800 apprenticeship trades recognized nationally. For more information contact the Office of Apprenticeship Information and Training at (202) 698-5099 or does.dc.gov.

UNDERSTANDING EMPLOYMENT AND LABOR LAWS

The District of Columbia has specific laws concerning the hiring, firing, and treatment of employees. Several agencies and nonprofit organizations offer assistance to understanding employment and labor laws in DC:

THE SMALL BUSINESS ADMINISTRATION, a federal agency devoted to helping small businesses, offers a counseling service (SCORE) and can provide guidance on a range of human resource topics.

(202) 272-0390 · washingtondc.score.org

THE DC CHAMBER OF COMMERCE BUSINESS RESOURCE CENTER provides technical assistance to small business owners on many issues, including employment laws.

(202) 545-0220 · dcsbdc.org
LABOR STANDARDS/WORKER’S PROTECTION

The Department of Employment Services plans, develops, and administers employment-related services to all segments of the District of Columbia population.

DOES houses up-to-date information on a broad range of labor topics including:

WAGE HOUR LAWS

MINIMUM WAGE On July 1, 2016, the District’s minimum wage increased to $11.50 per hour. Beginning July 1, 2017, the District’s minimum wage will be increased in proportion to the Consumer Price Index for All Urban Consumers in the Washington Metropolitan Statistical Area for the preceding 12 months. Employers must pay a “service rate” of $2.77 per hour to “tipped employees.” If an employee’s hourly tip earnings (averaged weekly) added to the service rate do not equal the minimum wage, the employer must pay the difference.

LIVING WAGE The Living Wage for contractors of the District of Columbia government is now $13.85, retroactive to January 1, 2016. As authorized by the Living Wage Act of 2006, all recipients of government contracts or assistance of $100,000 or more are required to pay their affiliated employees no less than the living wage authorized by the District. All subcontractors of $15,000 contracts or more must also pay their affiliated employees the living wage.

Other wage-hour laws to take note of include the Wage Payment and Wage Collection Law, the Wage Garnishment Law, the Seats Law, and the Wage Hours Rules.

NEW OVERTIME PAY REGULATION

Beginning December 1, 2016 all salaried, full-time workers who are paid less than $47,476 ($913 per week) will automatically be eligible for time-and-a-half overtime. For more information, visit dol.gov/whd/overtime/final2016.

WORKERS’ COMPENSATION PROGRAM

The Workers’ Compensation program is designed to ensure that your employees who may become injured or disabled on the job are provided with fixed monetary awards.

OCCUPATIONAL SAFETY AND HEALTH

The Office of Occupational Safety and Health (OSH) provides onsite consultation services to private-sector employers in the District of Columbia. OSH establishes and maintains a safety and health management program that ensures, to the maximum extent possible, a safe and healthy work environment for employees.

FOREIGN WORKER (LABOR) CERTIFICATION

Find out if you can hire workers from abroad to help grow your business. The Immigration and Nationality Act of 1965 stipulates that certain foreign workers may obtain a visa to enter the U.S. and engage in permanent employment.

CHILD LABOR LAWS

No minor under 18 can be employed for more than eight hours in any one day, six consecutive days in any one week, or 48 hours in any one week.

LEAVE ACTS

The Accrued Sick and Safe Leave Act of 2008 requires employers in the District of Columbia to provide paid leave to employees for their own or family members’ illnesses or medical appointments and for absences associated with domestic violence or sexual abuse. Employers in the District of Columbia must provide paid leave to each employee, including employees of restaurants and bars, temporary and part-time employees, and tipped employees. Paid leave accrues at the beginning of employment, and employees must be allowed to use paid leave no later than after 90 days of service with the employer. Accrual of paid leave is determined by the number of employees an employer has and the number of hours employees work.

Visit does.dc.gov for comprehensive information on The Accrued Sick and Safe Leave Act.

The DC Family Medical Leave Act requires employers with 20 or more employees in the District of Columbia to provide eligible employees with 16 weeks of unpaid family leave and 16 weeks of unpaid medical leave during a 24 month period. Similarly, the DC Parental Leave Act allows employees who are parents or guardians to take 24 hours of leave (paid or unpaid) during a 12 month period to attend school-related activities.

DC Office of Human Rights · (202) 727-4559 · ohr.dc.gov
FEDERAL HUMAN RIGHTS LAWS

The federal government has strict laws that forbid employment discrimination based on race, sex, color, religion, national origin, age, pregnancy, or physical disability. The Equal Pay Act, which applies to all businesses, requires that women doing the same job as men be paid the same salary. The Americans with Disabilities Act (ADA) is a federal civil rights law that prohibits the exclusion of people with disabilities from participating in everyday activities. As a business owner in the District, you need to be especially aware of ADA guidelines regardless of the number of employees you have.

Additionally, take note of the Age Discrimination in Employment Act. Age discrimination occurs when an individual is treated unfavorably by an employer because of one’s age. Sexual harassment laws are another concern for growing businesses. Consider adopting written policies that protect employees from being fired or not being promoted because of failure to succumb to the sexual advances of their superiors or sexual comments or references that can make them feel uncomfortable in the workplace.

LOCAL HUMAN RIGHTS LAWS

DC’s Office of Human Rights (OHR) enforces the DC Human Rights Act of 1977, as amended, which expands upon federal protections and applies to all DC businesses regardless of their size. The 15 traits protected from employment discrimination in DC are race, color, religion, national origin, sex (including sexual harassment and pregnancy), age (18 years or older), marital status, personal appearance, sexual orientation, gender identity or expression, family responsibilities, political affiliation, disability, matriculation, and genetic information.

OHR enforces the following additional employment laws:

- The Fair Criminal Record Screening Amendment Act of 2014, which prohibits most employers in DC from asking about criminal backgrounds on job applications or during the interview process. Covered employers may conduct a criminal background check only after making a conditional job offer to the applicant and may only withdraw the offer for a legitimate business reason.

- The Protecting Pregnant Workers Fairness Act of 2014, which requires DC employers to provide reasonable workplace accommodations for employees whose ability to perform job duties is limited because of pregnancy, childbirth, breastfeeding, or a related medical condition.

- The Unemployed Anti-Discrimination Act of 2012, which prohibits employers, employment agencies, or entities acting on an employer’s behalf from discriminating against individual applicants because they are unemployed.

According to the U.S. Census Bureau, 53% of DC’s population holds a bachelor’s degree or higher, compared to a national rate of 36%.
INFORMATION REQUIRED TO DISPLAY VISIBLY

Employers in the District of Columbia are required by law to display specific employment-related posters in locations accessible to their employees. A listing of these posters, and the appropriate District of Columbia government offices where they may be obtained, is provided below:

- **WAGE AND HOUR**
  Office of Wage-Hour - (202) 671-1880

- **UNEMPLOYMENT COMPENSATION**
  Office of Unemployment Compensation - (202) 724-7000

- **WORKERS’ COMPENSATION (PRIVATE SECTOR)**
  Office of Workers’ Compensation - (202) 671-1000

- **OCCUPATIONAL SAFETY AND HEALTH (PRIVATE SECTOR)**
  Office of Occupational Safety and Health - (202) 671-1800

- **CHILD LABOR LAW**
  U.S. Department of Labor - (866) 487-9243

- **DC FAMILY MEDICAL LEAVE ACT**
  DC Office of Human Rights - (202) 727-4559

- **EQUAL EMPLOYMENT OPPORTUNITY**
  DC Office of Human Rights - (202) 727-4559

- **PROTECTING PREGNANT WORKERS FAIRNESS ACT**
  DC Office of Human Rights - (202) 727-4559

- **DC PARENTAL LEAVE ACT**
  DC Office of Human Rights - (202) 727-4559

FINDING TALENT

Locating the right person to hire can be a major challenge, but bear in mind that DC has an extensive job market with a highly skilled labor force.

Look broadly at ways to fill your employment needs

- Be flexible. Can your needs be fulfilled by part-time employees, rather than full-time employees? Can student interns or recent graduates be of assistance?

- Consider hiring independent contractors for assignments. The hourly rate for contractors may be higher than the respective wages of full-time employees, but contractors are hired for a pre-defined amount of time. Additionally, contractors do not receive benefits.

- Develop an attractive package. Most small businesses cannot afford a pension or profit-sharing plan but can offer perks like flexible scheduling, telecommuting, additional vacation leave, or free transportation.

SUGGESTIONS FOR FINDING TALENT IN DC:

- Attend professional and networking events. Utilize sites like LinkedIn.com, Idealist.com, and Meetup.com to find out about events that relate to your business goals and hiring needs.

- Contact or join industry-specific professional associations.

- Post advertisements on online job boards, industry-specific job boards and forums, newspapers, and social media. Consider posting on several reputable sites, such as LinkedIn.com, Indeed.com, Monster.com, Glassdoor.com, Idealist.com, and Snagajob.com.

- Offer referral incentives to employees.

- Hire an executive recruitment firm for professional staffing needs.

- Seek out opportunities to participate in career counseling and job fairs at local universities and colleges, including:
  - American University
  - Catholic University of America
  - Gallaudet University
  - George Washington University
  - Georgetown University
  - Howard University
  - The Art Institute of Washington
  - University of the District of Columbia

- Call the DOES American Job Center at (202) 724-7000 to set up a time to review your employment needs.
BUSINESS INSURANCE

Workers’ Compensation Insurance, Business Property and Liability, Bonding, DC Captive Insurance
A significant part of any business planning is dealing with potential exposure to loss. Commercial insurance facilitates the transfer of potential business-related risks to an insurance company for a price or premium.

The DC Department of Insurance, Securities and Banking (DISB) regulates the financial services industries in the District of Columbia by administering DC insurance, securities, and banking laws, rules, and regulations. This District government agency oversees insurance companies and producers, broker-dealers, mortgage lenders, check cashers, and District-chartered banks, to name a few entities. DISB aims to provide a positive business climate that encourages fair and open competition and to increase the number of financial services firms conducting business in the District.

One of the insurance resources DISB recommends is Insure U for Small Business. Created by the National Association of Insurance Commissioners, of which DISB is a member, Insure U for Small Business is a comprehensive public education program that provides small businesses with information about business risks and insurance options. Insure U for Small Business includes an online education site and public service announcements in English and Spanish.

**BUSINESS INSURANCE INFO**

For general inquiries about business insurance in the District of Columbia, contact the DC Department of Insurance, Securities and Banking at (202) 727-8000 or visit its website at disb.dc.gov.

**OVERVIEW OF TYPES OF BUSINESS INSURANCE**

**WORKERS’ COMPENSATION INSURANCE**

Workers’ compensation insurance protects a business owner from claims made by employees who experience a work-related injury, illness, or death sustained either on business premises or due to business operations. In the District, most companies are required to carry workers’ compensation insurance for their employees. You will need a separate...
workers’ compensation policy for this type of coverage. Check with the DISB to see what is required for your business.

Typically, workers’ compensation covers the employee's medical expenses, rehabilitation costs, and lost wages. If you do not have workers’ compensation and one of your employees is injured on the job, your business may be liable for expenses incurred for that individual. You might also face fines and penalties for noncompliance.

Workers’ compensation does not cover on-the-job accidents caused while committing an illegal act, while intoxicated, or while using illegal drugs, or accidents that are self-inflicted.

### LIMITING WORK INJURIES

The U.S. Department of Labor’s Occupational Safety and Health Administration offers specific information by industry type and provides other helpful resources to small businesses on how to comply with safety requirements that can limit work injuries. To learn more, visit the OSHA website at osha.gov/dcsp/smallbusiness.

The District’s Office of Workers’ Compensation within the DC Department of Employment Services processes claims and monitors the payment of benefits to injured private-sector employees in the District. The program mediates disputes, monitors employer compliance, and administers the Special Fund, which provides benefits in cases of uninsured employers or in situations where an injury combines with a pre-existing disability and causes a greater disability.

### DC DEPARTMENT OF EMPLOYMENT SERVICES

Labor Standards Bureau - Office of Workers’ Compensation 4058 Minnesota Avenue, NE, Washington, DC 20019 (202) 724-7000 · does.dc.gov

### GROUP HEALTH AND DISABILITY

Providing health insurance for employees is one of the greatest challenges many businesses face today. As business owners know, health insurance is extremely important to most employees and therefore is a very powerful benefit in recruiting and retaining the best workers. Cost and availability of health insurance are key issues.

Small-group health insurance provided by insurers is regulated by the District. Federal law mandates that an insurer cannot deny coverage to a small business due to the health status or illness of its employees or their dependents. In addition, health plans are regulated by a federal law called ERISA (Employees Retirement Income Security Act of 1974).

Business owners are not legally required to offer health insurance. However, under the federal Patient Protection and Affordable Care Act (PPACA), businesses may be penalized for failing to offer health insurance coverage to their employees. With authority granted by PPACA,
and in conjunction with the District’s health insurance exchange, known as DC Health Link, small businesses have unprecedented leverage in purchasing health insurance coverage for their employees. The Small Business Health Insurance Options Program available through DC Health Link is intended to pool all eligible small businesses in the District into one group, thereby spreading risk across a vast number of individuals and families while yielding costs that are similar to those currently associated with large corporations and governmental entities. In addition, small business owners who purchase coverage for their employees on the exchange will be eligible for a tax credit up to 50% of the cost of providing health insurance for their employees and up to 35% for tax-exempt employers.

Small business owners should check with the DISB to understand the current laws in the District and determine how the laws may affect their organization.

(202) 727-8000 · disb.dc.gov

**SMALL BUSINESS HEALTH INSURANCE**

As of July 1, 2016, small businesses in the District of Columbia purchasing health insurance directly from an insurance company renew through DC Health Link. Visit [dchealthlink.com](http://dchealthlink.com) for more information.

**GROUP DISABILITY INSURANCE**

As a business owner, you may want to consider offering disability insurance to your employees should they become ill and unable to work. There are two types of disability insurance:

- Short-term disability covers a portion of the policyholder's salary for a short period of time, typically three to six months following a disability. The specific period of time and percentage of replaced income varies with different policies. According to the Small Business Administration, employers may specify a number of days of sick leave paid at 100% of salary. The employee can use these before short-term disability begins.

- Long-term disability coverage typically begins after the policyholder is disabled and unable to work for at least six months. It can extend for a specified number of years or until the insured retires or reaches age 65, depending on the policy.

**COMMERCIAL PROPERTY AND LIABILITY**

Commercial property insurance protects small business owners from losses due to theft or damage to physical space or equipment. For insurance purposes, a business property includes the physical building in which it resides and its other assets, including machinery, computers and other data processing equipment, signs, fences, intangible items such as trademarks and copyrights, and inventory. The insurance can also provide protection for employees’ business personal property.

There are three types of commercial property insurance plans:

1. **BASIC FORM**, which includes losses resulting from a fire, lightning, windstorm, riot or civil commotion, hail and explosion, plus the cost of removing property to protect it from further damage.

2. **BROAD FORM**, which includes basic plus extended coverage for other types of perils, such as a roof collapse (e.g. one caused by snow or ice), falling objects, sprinkler leakage, breakage of glass, etc.

3. **SPECIAL FORM**, which includes basic and broad and covers all direct physical losses except conditions specifically excluded as listed in the policy.

With property insurance, you can buy either actual cash value or replacement cost insurance. Actual cash value insurance reimburses you for the value of lost, damaged, or stolen goods after depreciation. Replacement cost insurance reimburses you the amount it would take to replace, rebuild or repair damages with materials of similar kind and quality, without deducting for depreciation.

**BUSINESS INTERRUPTION/CONTINUATION INSURANCE**

Business interruption/continuation insurance covers lost earnings due to circumstances identified in the policy that shut down or decrease your business for an extended period of time. Business interruption/continuation insurance covers expenses associated with running a business, such as payroll and utility bills, based on the company’s financial records. This coverage can be added to a property insurance policy or purchased as part of a package insurance product.
LIABILITY INSURANCE

If someone trips or falls while visiting your premises or if a customer is hurt by a product your business sells, you can be held responsible. That is the risk that liability insurance covers.

Liability insurance, also called commercial general liability (CGL) insurance, covers four categories of events for which you could be held responsible: bodily injury; damage to others’ property; personal injury, including slander and libel; and false or misleading advertising. CGL coverage pays for the injured party’s medical expenses. It excludes your employees, who are covered by workers’ compensation.

There are three types of legal damages people may sue you for that are typically covered by a CGL policy:

- **Compensatory damages**, which are financial losses suffered by the injured party and future losses the party may suffer resulting from an injury they claim in a lawsuit
- **General damages**, which are non-monetary losses suffered by the injured party, such as “pain and suffering” or “mental anguish”
- **Punitive damages**, which are additional penalties and charges awarded to an injured party that go beyond that which is necessary to compensate the individual for losses and that are intended to punish the wrongdoer

**STANDARD LIABILITY INSURANCE DOES NOT PROTECT A BUSINESS AGAINST:**

- Claims from sexual harassment, wrongful termination of employees, failure to employ or promote, or race and gender lawsuits
- Claims related to operating an automobile or truck
- Pollution caused by your company
- Wrongful practices by professional service providers (e.g., healthcare providers, lawyers and consultants). Professional liability insurance, errors and omissions insurance or directors and officers insurance is needed to cover these events. For additional information on these specialized types of coverage, contact your insurance broker or DISB. As with other liability insurance policies, premiums for professional liability coverage depend on the type of professional service being provided and its level of risk.
OTHER TYPES OF LIABILITY INSURANCE:

• An umbrella liability policy provides more comprehensive protection than a standard policy. Umbrella policy coverage limits are typically within the $1 million to $5 million range and are appropriate for business owners who have large assets or may be especially vulnerable to lawsuits.

• Crime insurance protects businesses from theft and malicious damage, such as employee embezzlement.

• “E–insurance” or internet business insurance covers web-based businesses for damages caused by computer hackers and viruses.

• Professional liability protects against lawsuits that may claim the business has been negligent or made an error or omission while performing services. Policies that fall under professional liability can include errors and omissions (protects business professionals against mistakes or oversights) as well as directors and officers (protects an organization, usually a corporation, from errors made by the people in charge).

COMMERCIAL AUTO INSURANCE

All motorized vehicles, whether used for personal or business purposes, need auto insurance. Automobile liability insurance covers medical expenses for injured persons and damages to the property of other individuals as a result of a motor vehicle accident caused by the insured’s negligence.

While the types of coverage provided by personal and commercial auto insurance policies are essentially the same, there are important distinctions. Typically, commercial auto insurance policies have higher liability limits — for example, $1 million. They may also have provisions that cover rented and other non-owned vehicles, including employees’ cars driven for company business.

Several factors related to ownership and use of vehicles determine whether a personal or commercial policy is appropriate. These include:

• Who owns or leases the vehicle, you individually or the business as an entity?

• Who drives the vehicle, you or your employees?

• How the vehicle is principally used: for transporting people, delivering packages, or carrying hazardous materials? You may also want to consider the purchase of collision and comprehensive (other than collision) coverage to protect yourself against damage to your vehicle.

FLOOD INSURANCE

A flood can occur in moderate- to low-risk and high-risk areas. Flooding can be due to poor drainage systems, rapid accumulation of rainfall, large snowmelt, and broken water mains. Properties on a hillside or in a sloping area can be damaged by mudflow. In high-risk areas, there is at least a 1 in 4 chance of flooding during a 30-year mortgage. Flood insurance is required by law for buildings in high-risk flood areas as a condition of receiving a mortgage or deeds of trust from a federally regulated or insured lender. For more information on flood insurance coverage, visit floodsmart.gov or contact the DC Department of Insurance, Securities and Banking for a list of licensed insurance agents.

GROUP LIFE INSURANCE

Some business owners offer group life insurance to employees. Group life insurance can be part of an employee benefit plan that is paid for by the employer or a voluntary offering, whereby the employee pays for the coverage.

For policies paid for by a business owner, the benefit can often be equivalent to a full year's salary, an amount that may not be sufficient for some people. These types of policies can be viewed as an added benefit or “supplemental” to other life coverage an employee may already have. If an employee wants additional coverage on top of what an employer is willing to purchase, amounting to double or triple times one's salary, the employee may have to pay for it individually instead. Purchasing additional coverage outside of what is offered through the group policy will likely require that the employee undergo a medical exam to determine the level of insurability based on health. However, a voluntary life insurance policy can provide significantly more coverage, depending on the amount of money an employee wants to spend individually for that type of policy.

Group life insurance policies tend to be less expensive than those purchased individually because many group policies are only effective while an employee within the group is employed at that particular company. Most group life insurance is sold on a term basis. Term life insurance pays a death benefit if the policy-holder passes away within a specified period.
In general, term life insurance is much less expensive than permanent life insurance. In fact, term life premiums have decreased markedly during the past decade because Americans are living longer.

To figure out a group rate, the insurance company will usually consider the following factors about a business: the number of employees within the group; average age of employees; ratio of females to males (based on the statistic that women tend to live longer than men); number of smokers; and risk factors associated with the business.

Based on the business risk, for example, a marketing firm would probably have a lower group rate than a roofing company for equivalent coverage. Generally, group life insurance policies are a “guaranteed issue,” meaning that employees do not need to undergo a medical examination to be eligible. An employee who has a serious medical condition may still be a part of the group, as long as he or she is still an active worker. However, employees out on disability leave are not eligible for group life insurance until they return to work, unless they went on leave after the policy had been issued.

KEY PERSON LIFE INSURANCE

Within a small company, there are typically “key people” who are critical to the success of the business. These individuals may be limited to the business’ founders or partners, or defined more broadly to include other employees responsible for running a critical aspect of the business, such as the senior marketing or sales manager, chief engineer, or software developer in the case of a technology company.

The death of any of these key people would likely cause a serious impact on the business’ bottom line. Therefore, many small firms choose to purchase key person life insurance policies on these employees. As the policy owner, the company is the beneficiary and receives the proceeds when the insured key employee dies. The payout can help the company by providing:

- Cash to weather the loss and continue operations until a new employee can be hired and trained to carry out the functions of the deceased
- The funding to buy out the key person’s heirs if ownership rights of the business are involved

In some cases, a small business seeking a loan from a bank or trying to raise capital from outside investors may be required by the lender or investor to carry life insurance for its partners. The bank may even require that the small business provides a collateral assignment agreement that gives the bank first rights to the policy proceeds to cover outstanding loans due in the event of one of the owners’ deaths.

TYPES OF KEY PERSON POLICIES

Like individual life insurance policies, key person life insurance policies may be purchased as term life or permanent life policies.

TERM LIFE INSURANCE covers the insured for a term of one or more years. It pays a death benefit only if the insured dies within that term. Term insurance generally offers the best value for your premium dollar. However, it does not build up cash value. It may not be renewable at the end of the term or may cost considerably more to continue.

PERMANENT LIFE INSURANCE, which is also called whole life, universal life, or variable life insurance, typically includes a death benefit and cash value.

Because of the cash value element, premiums for permanent life insurance tend to be higher than for term life insurance.

HOME-BASED BUSINESS INSURANCE

Home-based businesses — those exclusively run from a home and no other location — compose roughly half of all U.S. businesses and generate a huge amount of economic activity, according to the Small Business Administration. Major types of home-based businesses include:

- Professional, scientific, and technical services
- Consultants and freelancers
- Construction
- Retail
- Specialized services (e.g., music instructors and day cares)

While some home-based businesses grow into full-fledged companies that employ substantial numbers of people, most remain quite small:

- 90% are sole proprietorships;
- 7.2% have between 2–4 employees;
- Just over 1% have 5–19 employees
- About 0.2% have 20 or more employees.

Regardless of their exact size or type, home-based businesses, like all businesses, should be properly insured to protect their assets and owners against certain risks. Often, home-based businesses are underinsured, a fact their owners discover after an incident occurs.
TYPES OF HOME-BASED BUSINESS INSURANCE TO CONSIDER

If you have a home-based business or are thinking about starting one, it is a good idea to learn about the range of insurance products available. While your specific business may not require all types of insurance listed, it is important to understand your potential risks and insurance options.

Home-based business owners should consider the following types of insurance for their business:

- Workers’ compensation insurance
- Property and liability insurance
- Commercial auto insurance
- Flood Coverage
- Disability insurance
- Life insurance

BONDING

An insurance bond offers assurance that one party will be responsible for the faithful performance of another party. It is different from insurance in that there are three parties involved in a surety program and only two parties involved in a typical contract of insurance. Surety programs usually involve the obligee (principal), the obligor (the performer), and the surety (the insurer). There are five general types of bonds available for small businesses to perform work or services for others:

1. A BID BOND or tender bond, is a type of surety bond issued by surety or insurance companies specializing in this type of product. It is taken out by an entity during the bidding process for a project. It guarantees that the successful bidder will enter into contract once the bid is accepted and will furnish a performance bond.

2. A PERFORMANCE BOND guarantees that the entity will perform and complete the work in accordance with the contract and related documents and that such work, when completed, will be free of any liens.

3. A PAYMENT BOND, also known as a labor and material bonds, ensures that subcontractors and material suppliers are paid.

4. A MAINTENANCE BOND guarantees that the work is free from defects in workmanship and materials for a designated period.

5. An ANCILLARY BOND guarantees that non-material, incidental, or essential performance requirements of a contract will be satisfied. An example would be compliance with an ordinance, rule, special term, obligation, or regulation.

Most capital work projects put out to tender require the successful tender to lodge bonds after being awarded the contract. Contact your insurance company to find out what it offers. You may also visit businessinsurance.com for general business insurance information.

CAPTIVE INSURANCE

Captive insurance is a relatively new type of insurance that allows businesses to self-insure their risks rather than buy the coverage from commercial insurers.

A captive insurance company, or captive, is an insurance company owned by a single business or a group of businesses that only insures the commercial risks of its owner or owners. A captive can be useful when insurance coverage is not offered by commercial insurers or when it is too expensive. An example is terrorism insurance. A captive is not permitted to sell insurance to the general public or issue personal lines insurance. Captives allow businesses to take financial control and manage risks by underwriting their own insurance rather than paying premiums to third-party insurers. The potential advantages of such self-insurance include lower costs, protection tailored to the organization’s needs, more control over risks, and tighter control over financial resources.

DEPARTMENT OF INSURANCE, SECURITIES AND BANKING / RISK FINANCE DIVISION
(202) 727-8000 · disb.dc.gov

THE AFFORDABLE CARE ACT

Signed into law by President Barack Obama in 2010, the Patient Protection and Affordable Care Act (ACA) is responsible for the most comprehensive reforms of the United States’ healthcare system since the 1960’s passage of Medicare and Medicaid. The ACA established a health insurance exchange, or marketplaces, where individuals, families, and small businesses may purchase guaranteed-issue qualified health insurance plans with affordable premiums. These plans satisfy the ACA’s individual mandate requiring those who don’t have health insurance to buy a health insurance policy.

For more information visit the following sites:

business.usa.gov · sba.gov/healthcare · healthcare.gov
District of Columbia businesses are highly favored when the federal and DC governments need contracting. Both governments have offices or administrations that do all of the commercial contracting for them and special programs for small, economically disadvantaged businesses. There is an abundance of opportunities for businesses, big and small, to do business with the government.

FEDERAL GOVERNMENT CONTRACTING

INITIAL CONSIDERATIONS

The U.S. federal government is the largest buyer in the world. The general aims of the rules and regulations governing federal contracts are to ensure that:

- Competition is fair and open: The process of requesting proposals, evaluating bids, and making awards should take place on a level playing field with full visibility. Any business that is qualified to bid should be considered.

- Products and services are competitively priced: The government seeks pricing that is commensurate with its formidable buying power.

- The government gets what it pays for: The government protects itself by carefully defining requirements, terms and conditions for all purchases. Contractors must document that they have fulfilled all requirements and met all terms in order to be paid.

- Both the government and contractors comply with the law: Different rules and regulations apply to different types of purchases. The Federal Acquisition Regulation or Defense Acquisition Regulation Supplement apply to most federal agencies. Individual organizations often have their own rules as well.

CONTRIBUTORS: The DC Office of Contracting and Procurement · The Department of Small and Local Business Development · The General Services Administration · The U.S. Small Business Administration
TIPS FOR LANDING A GOVERNMENT CONTRACT

- Research your intended buyer. Know the buyer’s budget.
- Develop a customer/agency specific strategy.
- Start with a small order and work from there.
- Allot sufficient time, resources, and knowledgeable personnel when seeking a contract.

TYPES OF GOVERNMENT CONTRACTORS

There are two broad categories of government contractors:

- **PRIME CONTRACTORS** bid on and win contracts directly from government agencies. After award, the prime contractor company is the entity that is legally responsible for all aspects of fulfilling the contract, such as interacting with the government customer, recruiting staff, organizing and managing teams of subcontractors, and meeting all delivery requirements. Both large and small businesses can serve as prime contractors.

- **SUBCONTRACTORS** join prime contractors’ teams, usually to provide a specific capability or product. Subcontracting is an excellent way to enter the government contracting market and to participate in large-scale opportunities. The advantage of being a “sub” is that you’ll be responsible only for your area of expertise, not managing the entire contract. You can gain valuable experience (called “past performance”) that will qualify you for future contracts. But note that you’ll be serving two customers: the prime contractor and the government. Your prime contractor will determine what percentage of the work (called “workshare”) and which assignments (called “tasks”) you will receive. You may or may not work directly with the government, at the discretion of your prime.

NEW CONTRACTING OPPORTUNITY TOOL

New! Visit the GSA Forecast of Contracting Opportunities tool at gsaforecast.gsa.gov to see upcoming contracting opportunities, filtering by agency, contract award status, location, NAICS code, and contract value.

SET-ASIDES

Most government agencies “set aside” a percentage of their acquisitions (what they buy) for small and disadvantaged businesses. In some cases, these set-asides might consist of certain types of tasks on larger contracts. In other cases, entire contracts may be designated for small businesses. In fact, every federal government purchase valued from $2,500 to $100,000 is automatically set aside for small businesses as long as there are at least two companies that can provide the product or service.

The government is particularly concerned to include small businesses as it buys goods and services for several reasons, including:

- To ensure that large businesses don’t “muscle out” small businesses
- To gain access to the new ideas small businesses are great at providing
- To support small businesses as engines of economic development and job creation
- To offer opportunities to disadvantaged socio-ethnic groups

The Federal government has specified annual prime contracting goals for designated small businesses. The current, government-wide procurement goal stipulates that at least 23% of all federal government contracting dollars should be awarded to small businesses. In addition, targeted sub-goals are established for the following small business categories:

- Women Owned Small Business – 5%
- Small Disadvantaged Business – 5%
- Service Disabled Veteran Owned Small Business – 3%
- HUBZone – 3%

Visit gsa.gov/setasides to learn more about set-asides and special interest groups.

STEPS TO REGISTERING AS A FEDERAL CONTRACTOR AND CERTIFYING YOUR BUSINESS AS “SMALL”

1. Obtain a D-U-N-S number. This is a unique nine-digit identification number for each physical location of your business. The assignment of a D-U-N-S number is quick and free for all businesses required to register with the federal government for contracts or grants. Visit fedgov.dnb.com/webform to register.

2. Register your business with the System of Award Management (SAM). SAM.gov is the primary database of vendors doing business with the federal government and is required prior to the award of a contract. SAM is also a marketing tool for businesses, allowing government agencies and contractors to
search for your company based on your ability, size, location, experience, and ownership.

3. Find the NAICS codes for your company. You may also find that you need a North American Industry Classification System (NAICS) code for administrative, contracting and tax purposes. The code classifies the economic sector, industry, and country of your business. For federal contracting purposes, you will need to identify in SAM all the NAICS codes (industries) applicable to your business. Read Identifying Industry Codes for more information.


Below are some of the items that you will need in order to complete registration processes.

- Your NAICS codes
- Your Data Universal Numbering System (D-U-N-S)
- Your Federal Tax Identification Number (TIN or EIN)
- Your Standard Industrial Classification (SIC) codes
- Your Product Service codes (optional but useful)
- Your Federal Supply Classification codes (optional but useful)

SEEKING CONTRACTING OPPORTUNITIES

- Visit FedBizOpps.gov often, and register there to be notified of newly posted opportunities. FedBizOpps.gov lists all open contracting opportunities over $25,000 across the federal government.
- Consider partnering with a prime contractor. Working with a prime contractor is the fastest way to begin. Subcontracting is the most popular partnering tool. It is an excellent way to test the waters of federal business without suffering undue risk.

- Browse the GSA Subcontracting Directory at www.gsa.gov/subdirectory for opportunities to subcontract with existing GSA prime contractors.
- Visit “Explore Government Contracting” at business.usa.gov to browse open federal government contracting opportunities and to help figure out which are right for your business.

NEW, STREAMLINED SYSTEM

SAM.gov has combined federal procurement systems and the Catalog of Federal Domestic Assistance into one new streamlined system that includes the Central Contractor Registry, Federal Agency Registration, Online Representations and Certifications Application, and Excluded Parties List System.

DC GOVERNMENT CONTRACTING

The Office of Contracting and Procurement invites all businesses to take the required steps to do business with the Government of the District of Columbia. Vendors interested in doing business with the District should:

1. ATTEND A GENERAL VENDOR WORKSHOP

Each month, OCP in conjunction with the DSLBD, hosts a General Vendor Workshop to discuss how to do business with the District. In these sessions, vendors learn the requirements for doing business with the District, the procurement process, and ask any questions they may have. In addition to the General Vendor Workshop, OCP also hosts a monthly workshop specifically for vendors interested in the DC Supply Schedule, a set-aside market for registered Certified Business Enterprises in the District. At these sessions, vendors are given an overview of the DC Supply Schedule and its application process. Call (202) 724-4477 or visit bit.ly/dcvendorworkshop for more information.
2. MEET ALL OF THE REQUIREMENTS FOR DOING BUSINESS WITH THE DISTRICT, INCLUDING:

- **Provide a federal identification number and Dun and Bradstreet number.** Prior to the award of a contract, vendors must provide a federal tax ID Number and D&B number. Additionally, OCP may request a copies of D&B reports. (800) 333-0505

- **Prove tax compliance.** For contracts exceeding $100,000, vendors must show proof that their taxes are current and that, if in arrears, an approved payment schedule exists. (202) 727-4829 · otr.cfo.dc.gov

- **Show proof of unemployment tax compliance.** For contracts exceeding $100,000, vendors must show proof of current Unemployment Tax payments. (202) 724-7000 · does.dc.gov

- **Enter into a First Source Agreement.** For contracts exceeding $300,000, vendors must enter into a First Source Agreement. This agreement requires the vendor to utilize DOES as the first source for employee recruitment, referrals, and placement in jobs created under the proposed contract. Please review the updated DC First Source Policy regarding social security numbers. (202) 724-7000 · does.dc.gov

- **Submit an Affirmative Action Plan.** For contracts exceeding $25,000, vendors must submit an Affirmative Action Plan. Local vendors may qualify for the District’s Small, Local, Disadvantaged Business Enterprise, and Resident Business Owner Certification. Vendors who are certified receive preference points in the competitive solicitation process. OCP supports the Mayor’s initiatives to enhance economic development in the District. OCP encourages all eligible District businesses to consider certification. (202) 727-3900 · dslbd.dc.gov

- **View solicitation notices.** Opportunities are advertised on the OCP website. For solicitations over $250,000, regulations require at least one notice in a newspaper of general circulation. Currently, business opportunities are advertised in the classified section of The Washington Examiner. OCP now uses an electronic solicitation system. Paper copies are no longer available at the Office of Contracting and Procurement. Vendors are responsible for checking OCP's website daily in the event that amendments are made to a solicitation.

- **Meet minimum insurance requirements.** Before awarding a contract, OCP determines the risks and minimum insurance required for supplies or services contracts. (202) 727-8600

3. REGISTER TO DO BUSINESS WITH THE DISTRICT IN ESOURCING TO RECEIVE NOTICE OF OPEN SOLICITATIONS. VISIT BIT.LY/DCESOURCING FOR MORE INFORMATION.

4. BECOME CERTIFIED AS A CBE-CERTIFIED BUSINESS ENTERPRISE (LOCAL BUSINESSES ONLY)

A Certified Business Enterprise (CBE) is a for-profit business that is headquartered in the District of Columbia and has been certified by the Department of Small and Local Business Development (DSLBD). Businesses with CBE certification receive preferred procurement and contracting opportunities.

**Businesses that are CBE-certified prior to March 11, 2015 are certified for two years. CBE certifications issued after March 11, 2015 are good for three years.**

**CBE CERTIFICATION PROCESS**

The CBE certification process can take up to 45 business days once you submit the application. DSLBD does not expedite applications. If you are completing a Certification application and you have never been certified or your CBE expiration date has lapsed for more than a year, you must take the mandatory CBE Program webinar.

The District government directs spending to CBEs, contributing to job creation and the District’s tax base and strengthening the local economy. The CBE program provides contracting preference to certified businesses, maximizing their ability to compete for District government contract opportunities. Each agency, including an agency that contracts or procures through the Office of Contracting and Procurement, must exercise its contracting and procurement authority. It must meet, on an annual basis, the goal of procuring and contracting 50 percent of the dollar volume of its goods and services,
including construction goods and services, to Small Business Enterprises. Businesses may be certified in any of the certification categories listed below; however, only a maximum of 12 points can be applied toward any contract award.

CBE CONNECT

DSLBD’s CBE Connect (cbeconnect.dc.gov) is a comprehensive tool to provide CBEs a one-stop shop for all contracting and procurement needs.

Certification as a Local Business Enterprise (LBE) is a prerequisite to be certified in any additional business enterprise category within the CBE Program. In the CBE Program, once a business meets all LBE requirements, the business can request the Small Business Enterprise (SBE), Disadvantaged Business Enterprise (DBE), Resident-owned Business Enterprise (ROB), business enterprise located within a Development Enterprise Zone (DZE), Longtime Resident Business Enterprise (LRB), Veteran-owned Business Enterprise (VOB), or the Local Manufacturing Business Enterprise (LME) designation(s) for consideration to receive additional preference points or percentages.

The preference points associated with each category of certification are as follows:

<table>
<thead>
<tr>
<th>CBE Category</th>
<th>Proposal Points</th>
<th>Bid % Reduction</th>
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<td>Veteran-Owned Business Enterprise</td>
<td>2</td>
<td>2%</td>
</tr>
<tr>
<td>Local Manufacturing Business Enterprise</td>
<td>2</td>
<td>2%</td>
</tr>
</tbody>
</table>

*Note: The personal net worth of the applicant seeking DBE certification must be less than $1,000,000, excluding the value of his/her primary residence and values if his/her ownership interest in the CBE.

5. GET ON THE DC SUPPLY SCHEDULE (CBES ONLY).

The DC Supply Schedule (DCSS) is the city’s multiple-award schedule for providing commercial products and services to District government agencies. Competitive contracts are awarded to hundreds of suppliers who can provide products and services to meet recurring needs of these government agencies.

DCSS Schedules Categories:

- Advertising, Novelties, Souvenirs, Promotional and Specialty Products, 037-00
- Audit & Financial Management Services, 946-00
- Engineering and Logistics Services, 925-00
- Furniture and Furniture Management Services, 425-00
- Industrial Services, 934-00
- Industrial Supplies and Apparel, 485-00
- Information Technology, Equipment and Software, 920-00
- Marketing, Media and Public Information, 961-00
- Medical Supplies and Equipment, 475-00
- Mission Oriented Business Integrated Services (MOBIS), 918-00
- Moving and Logistics Services, 962-00
- General Office Supplies, 615-00
- Printing and Document Management Services, 966-00
- Security Equipment, Security Services and Emergency Preparedness
- Temporary Support Services, 962-69,961-30
- Training Services and Products, 924-00

(202) 727-0252 · ocp.dc.gov/page/district-columbia-supply-schedule

6. REGULARLY VISIT OCP.DC.GOV TO VIEW CURRENT PROCUREMENT OPPORTUNITIES.
GOVERNMENT CONTRACTING RESOURCES AND PROGRAMS

GENERAL SERVICES ADMINISTRATION

For a general understanding of government contracting needs, visit the GSA website at gsa.gov. GSA manages a large portion of the US government's purchases, including everything from phone contracts to information technology services. GSA also procures furniture, office supplies, cars, trucks, and buses. GSA's Office of Small Business Utilization advocates for small businesses and conducts monthly workshops on how to obtain a GSA Schedules contract.

Visit gsa.gov/schedules for important information about how to become a vendor on GSA schedules.

1800 F Street, NW, Washington, DC 20405
(866) 606-8220 · gsa.gov · fbo.gov · small.business@gsa.gov

DISTRICT OF COLUMBIA PROCUREMENT TECHNICAL ASSISTANCE CENTER

The Department of Small and Local Business Development District of Columbia Procurement Technical Assistance Center (DC PTAC) offers DC-based businesses personalized guidance and competitive insight for navigating the federal and district government contracting process successfully. The DC PTAC provides no-cost advisory services, one-on-one counseling, education, and training to small and midsize businesses pursuing government contracting and subcontracting opportunities successfully. DC PTAC functions as the bridge between buyer and supplier, bringing to bear the knowledge of both government contracting and the capabilities of contractors to maximize fast, reliable, and quality service to government clients.

(202) 727-3900 · dslbd.dc.gov/ptac

SMALL BUSINESS ADMINISTRATION

The U.S. Small Business Administration has numerous programs that provide preferential treatment to small businesses looking to contract with the federal government. In order to be eligible for these special considerations, your business must be certified in one of the ways described in this section. The most basic certification is the small business certification. The business size criteria is based on number of employees and annual income, and is identified with the North American Industry Classification System. Determining the size of your business is a two-step process: First find the NAICS code that best describes your business, then determine your industry’s size standard using the SBA Table, available on the SBA website. Eligible small businesses must meet all of the following criteria:

- organized for profit
- based and operated primarily in the U.S.
- independently owned and operated
- must not be dominant in their fields on a national basis

The certification process involves registering as a vendor with the government then joining the SAM database.

For more information, and to determine if your business is eligible, visit sba.gov/content/small-business-certifications.

WOMEN-OWNED SMALL BUSINESS (WOSB) FEDERAL CONTRACTING PROGRAM

The SBA's WOSB Federal Contracting Program targets small businesses owned by women and economically disadvantaged women by setting aside certain federal contracts each year for competition solely among WOSBs. This can be an important advantage for your women-owned company, as the government must award 5% of its prime and subcontract dollars to WOSBs. Companies can self-certify at certify.sba.gov.

DC Women's Business Center · (202) 393-8307 · dcwbc.org

ONE-CONTRACTING PORTAL

The SBA One-Contracting Portal is making it easier for firms to process their eligibility and for contracting officers to verify eligibility to make awards. In 2016, WOSB and 8(a) Business Development certifications can be processed at certify.sba.gov. HUBZone certifications and Dynamic Small Business Search will be available on the site in 2017.
SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESSES (SDVOSB)

If your company is a Service-Disabled Veteran-owned Small Business (SDVOSB), it may be eligible for set-asides in federal contracts. Businesses are eligible if they meet the following conditions:

- The service-disabled veteran (SDV) must have a service-connected disability that has been determined by the Department of Veteran Affairs or Department of Defense.
- The SDVOSB must be small as described by the North American Industry Classification System.
- The SDV must have 51% ownership and control of the company, and the daily management operations of the business must be controlled by a service-disabled veteran or caregiver.

HUBZONE (HISTORICALLY UNDERUTILIZED BUSINESS ZONE)

The HUBZone program helps small businesses located in distressed urban and rural communities, known as Historically Underutilized Business Zones, gain access to federal contracts. The HUBZone program includes competitive and sole source contracting as well as a 10% price evaluation preference for award of federal contracts to small businesses in these areas. To qualify for the program, a business (except tribally owned businesses) must meet all of the following criteria:

- It must be a small business by SBA size standards.
- It must be owned and controlled (at least 51%) by U.S. citizens, a community development corporation, an agricultural cooperative, or an Indian tribe.
- Its principal office must be located within a HUBZone.
- At least 35% of its employees must reside in a HUBZone.

The HUBZone program is charged with providing contracting assistance to qualifying small businesses in order to promote job growth, capital investment, and economic
development in HUBZone areas. Federal procurement officials have a goal of contracting at least 3% of their contracting dollars to HUBZone-certified small businesses. Qualifying businesses have an opportunity to participate and to potentially receive contract awards stemming from this overall goal.

Specific procurement preferences include:

• Set-aside (competitive) HUBZone contracts reduce the pool of competing proposals if at least two qualified HUBZone businesses are expected to submit offers and the contract is expected to be at a fair market price.

• Sole source HUBZone contracts allow sole-sourcing on projects up to $5 million for manufacturing and $3 million for other industry types if it is expected that two or more HUBZone businesses will not submit offers.

• Full and open competitive HUBZone contracts give price preference to bids from HUBZone businesses if their offer is not 10 percent higher in cost than those of the non-HUBZone bids.

• Subcontracting HUBZone contracts mandate that all subcontracting plans for large federal contractors include a HUBZone subcontracting goal.

To apply, complete the electronic application on the HUBZone website at sba.gov/hubzone.

8(A) BUSINESS DEVELOPMENT PROGRAM

The 8(a) Business Development Program is a business assistance program designed to help disadvantaged small businesses in entering the economic mainstream. The program also aims to assist entrepreneurs in gaining access to federal and private procurement markets. Eligible businesses must be owned or controlled 51% by U.S. citizens of good character who are socially or economically disadvantaged. The program lasts for nine years, with two phases: a four-year developmental stage and a five-year transition stage.

BENEFITS OF THE 8(A) PROGRAM:

• Participants can receive sole-source contracts, up to a ceiling of $4 million for goods and services and $6.5 million for manufacturing. The program encourages businesses to build their competitive and institutional know-how and participate in competitive acquisitions.

• Firms are also able to form joint ventures and teams to bid on contracts. This enhances the ability of 8(a) firms to perform larger prime contracts and overcome the effects of contract bundling.

• Participants may take advantage of specialized business training, counseling, market assistance, and high-level executive development provided by the SBA and its resource partners.

8(a) firms are monitored through annual reviews, business planning, and systematic evaluations, in order to ensure participants are on track to accomplish the goals and meet the requirements of the program.

FEDERAL OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION (OSDBU)

The OSDBU is a council of small business program officials who work to increase the number of small businesses awarded government contracts. The council advocates for best-practice policies within the ranks of those who implement and execute government programs, and ensures that all agencies abide by policies that promote small business concerns. The OSDBU includes members from 35 federal agencies. Officials meet informally once a month to discuss small business interests and long-term goals, in conjunction with SBA officials.

PROCUREMENT WORKSHOPS

The Department of Small and Local Business Development and the Office of Contracting and Procurement conduct monthly workshops on government procurement to assist small businesses in learning about contracting opportunities. For more information, visit ocp.dc.gov or call (202) 727-0252.

CERTIFICATE OF COMPETENCY PROGRAM (COC)

The COC program seeks to empower small businesses in the contracting process. In the event that a small business is the low bidder on a federal government contract but is denied because a contracting officer decides that the firm would be unable to fulfill the contract requirements, the COC program allows the small business to appeal this determination. SBA industrial and financial specialists then conduct a thorough review of the firm’s capabilities. Factors such as credit ratings, past performance, management capabilities and schedules, and prospects for obtaining needed financial help or equipment are all considered. If the small business is found to be adequate,
the federal government is required to award the business the contract. This process can be initiated by the business or the SBA.

**ALL SMALL MENTOR-PROTÉGÉ PROGRAM**

The All Small Business Mentor-Protégé Program is designed to encourage approved mentors to provide various forms of business development assistance to protégé firms. This assistance may include technical and management assistance, financial assistance in the form of equity investments and loans, subcontracts, and assistance in performing prime contracts with the government through joint venture arrangements.

Mentor-provided assistance can be sought for any, or all of the following activities:

- Management and technical assistance: internal business management systems, accounting processes, marketing and business/strategic planning assistance, technology transfers, and manufacturing assistance
- Financial assistance: equity investments and loans as well as bonding
- Contracting assistance: contracting processes, capabilities, acquisitions, and performance
- Trade education: international trade business and strategic planning, finding markets, and learning how to export
- Business development assistance: strategy, and identifying contracting and partnership opportunities
- General and administrative assistance: business processes and support, human resource sharing, security clearance support, and capacity building

The purpose of the mentor-protégé relationship is to enhance the capabilities of the protégé, assist the protégé with meeting the goals established in its SBA-approved business plan, and improve the protégé’s ability to successfully compete for contracts.

**ELIGIBILITY**

- Protégé must be small for the size standard corresponding to its primary or secondary NAICS code(s) and identify that it is seeking business development assistance under that specific secondary code.
- Protégé must be an organized for-profit.
- Protégé must have a place of business located in the United States, operate primarily within the U.S., or make significant contributions to the U.S. economy through the payment of taxes or use of American products, materials, or labor.
- Mentors must be able to demonstrate that they can fulfill their obligations under the mentor-protégé agreement (MPA) and that they are a federal contractor in good standing with the U.S. government.
- Mentors cannot appear on the federal list of debarred or suspended contractor firms, and must disclose any other MPAs with other federal agencies.
- Mentors may be for-profit businesses of any size. However, if a prospective mentor owns, or plans to own equity interest in a protégé firm, the amount cannot exceed 40%.

Applications from prospective participants will only be accepted using the new online application through certify.sba.gov. Any application received prior to October 1, 2016, or received in any other format other than through the certify.sba.gov web portal will not be considered.

**MENTOR-PROTÉGÉ PROGRAM**

Beginning October 1, 2016 the Mentor-Protégé Program is now open to all small businesses, not just 8(a). Learn more at bit.ly/sbaprotege.

**PROCUREMENT CENTER REPRESENTATIVES (PCRS)**

Located at various SBA area offices, PCRs help small businesses in obtaining federal contracts by initiating small business set-asides, reserving procurement for competition among small business firms, providing small business sources to federal buying activities, and counseling small firms. For more information contact your local PCR office:

**WASHINGTON DC METROPOLITAN AREA U.S. SMALL BUSINESS ADMINISTRATION**

409 3rd Street, SW, Washington, DC 20416
(202) 205-7341 · sba.gov
BUSINESS RESOURCES
QUICK REFERENCES

GOVERNMENT AGENCY RESOURCES

ALCOHOLIC BEVERAGE REGULATION ADMINISTRATION (ABRA)
2000 14th Street, NW, S400, Washington, DC 20009
(202) 442-4423 · abra.dc.gov · abra@dc.gov
Chapter 2: Business Registration & Licensing

CODE OF THE DISTRICT OF COLUMBIA—SEARCHABLE CODES AND LAWS
beta.code.dccouncil.us/dc/council/code/

DC MAIN STREETS (DSLBD PROGRAM)
441 4th Street, NW, Suite 850 North, Washington, DC 20001
(202) 727-3900 · dslbd.dc.gov/service/DCMS · dslbd@dc.gov
Chapter 1: Initial Startup Considerations

DC OFFICE OF PLANNING
1100 4th Street, SW, Suite E650, Washington, DC 20024
(202) 442-7600 · planning.dc.gov · planning@dc.gov

DEPARTMENT OF CONSUMER & REGULATORY AFFAIRS SMALL BUSINESS RESOURCE CENTER
1100 4th Street, SW, Washington, DC 20024
(202) 442-4400 · dcra.dc.gov · business.dc.gov
dcbiz.ecenterdirect.com/signup · dcra@dc.gov
Chapter 1: Initial Startup Considerations
Chapter 2: Business Registration & Licensing

DEPARTMENT OF EMPLOYMENT SERVICES (DOES)
4058 Minnesota Avenue, NE, Washington, DC 20019
(202) 724-7000 · does.dc.gov · does@dc.gov
Chapter 4: Business Taxes
Chapter 5: Financial Incentives
Chapter 7: Business Insurance

DEPUTY MAYOR’S OFFICE FOR PLANNING AND ECONOMIC DEVELOPMENT
1350 Pennsylvania Avenue, NW, Suite 317, Washington, DC 20004
(202) 727-6365 · dmped.dc.gov · dmped.eom@dc.gov
Chapter 1: Initial Startup Considerations
Chapter 5: Financial Incentives

MAYOR’S CALL CENTER: CALL 311 / DC.GOV
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD)
1800 Martin Luther King, Jr. Avenue, SE, Washington, DC 20020
(202) 442-7200 · dhcd.dc.gov
Chapter 1: Initial Startup Considerations

DEPARTMENT OF INSURANCE, SECURITIES, AND BANKING (DISB)
810 First Street, NE, Suite 701, Washington, DC 20002
(202) 727-8000 · disb.dc.gov · disb@dc.gov
DISB Insurance Bureau · (202) 442-7766
DISB Risk Finance Bureau · (202) 727-5074
Chapter 3: Business Financing
Chapter 7: Business Insurance

DEPARTMENT OF SMALL & LOCAL BUSINESS DEVELOPMENT
Center for Entrepreneurial Education & Development
Certified Business Enterprises
Procurement Technical Assistance Center
441 4th Street, NW Suite 850 North, Washington, DC 20001
(202) 727-3900 · dslbd.dc.gov · business.dc.gov/cbe-connect
dslbd.dc.gov/ptac · dslbd@dc.gov
Chapter 1: Initial Startup Considerations
Chapter 8: Doing Business with Local & Federal Government

DISTRICT DEPARTMENT OF THE ENVIRONMENT
1200 First Street, NE 5th Floor, Washington, DC 20002
(202) 535-2600 · green.dc.gov · ddoe@dc.gov
Chapter 5: Financial Incentives

GENERAL SERVICES ADMINISTRATION
1800 F Street, NW, Washington, DC 20405
(866) 606-8220 · gsa.gov · fbo.gov · small.business@gsa.gov
Chapter 8: Doing Business with Local & Federal Government

METROPOLITAN POLICE DEPARTMENT
300 Indiana Avenue, NW, Washington, DC 20001
(202) 727-9099 · mpdc.dc.gov · mpd@dc.gov

OFFICE OF CONTRACTING AND PROCUREMENT (OCP)
441 4th Street, NW, Suite 700 South, Washington, DC 20001
(202) 727-0252 · ocp.dc.gov · ocp@dc.gov
Chapter 8: Doing Business with Local & Federal Government

OFFICE OF PLANNING
1100 4th Street, SW, Suite E650, Washington, DC 20024
(202) 442-7600 · planning.dc.gov · planning@dc.gov
Chapter 1: Initial Startup Considerations

OFFICE OF TAX AND REVENUE
1101 4th Street, SW, Suite 270 West, Washington, DC 20024
(202) 727-4829 · otr.cfo.dc.gov · taxhelp@dc.gov
Chapter 1: Initial Startup Considerations
Chapter 2: Business Registration & Licensing
Chapter 4: Business Taxes
Chapter 5: Financial Incentives

SOCIAL SECURITY ADMINISTRATION OFFICES
2100 M Street NW, Washington, DC 20037
(800) 772-1213 · ssa.gov
Chapter 2: Business Registration & Licensing

U.S. INTERNAL REVENUE SERVICE
1111 Constitution Ave NW #5480, Washington, DC 20224
(202) 622-5000 · irs.gov · (800) 829-4933 (Toll-free for Businesses)
Chapter 2: Business Registration & Licensing
Chapter 5: Financial Incentives

GENERAL BUSINESS SUPPORT RESOURCES

WASHINGTON DC ECONOMIC PARTNERSHIP (WDCEP)
1495 F Street, NW, Washington, DC 20004
(202) 661-8670 · wdcep.com
Preface
Chapter 1: Initial Startup Considerations

ARCH DEVELOPMENT CORPORATION
1227 Good Hope Road SE, Washington DC 20020
(202) 365-5586 · archdevelopment.org
Chapter 1: Initial Startup Considerations

CAPITOL HILL ASSOCIATION OF MERCHANTS AND PROFESSIONALS (CHAMPS)—CAPITOL HILL CHAMBER OF COMMERCE
P.O. Box 15486, Washington, DC 20003
(202) 547-7788 · champsdc.org · champs@capitolhill.org

DC BUILDING INDUSTRY ASSOCIATION
5100 Wisconsin Avenue, NW, Suite 301, Washington, DC 20016
(202) 966-8665 · dcbia.org · info@dcbia.org
Chapter 1: Initial Startup Considerations

DC CHAMBER OF COMMERCE
506 9th Street, NW, Washington, DC 20004
(202) 347-7201 · dcchamber.org · contact@dcchamber.org
Chapter 1: Initial Startup Considerations
Chapter 6: Labor Laws & Finding Talent
DC FASHION FOUNDATION
1629 K Street NW Ste 30, Washington, DC 20006
(202) 355-3929 · dcfashionfoundation.org
info@dcfashionfoundation.org

DC SMALL BUSINESS DEVELOPMENT CENTER AT ANACOSTIA ECONOMIC DEVELOPMENT CORPORATION
1800 Martin Luther King Jr. Avenue, SE Suite 100
Washington, DC 20020
(202) 889-5090 · dcsbdc.org
Chapter 1: Initial Startup Considerations

DC SMALL BUSINESS DEVELOPMENT CENTER AT THE HOWARD UNIVERSITY SCHOOL OF BUSINESS LEAD CENTER
2600 6th Street NW, Washington, DC 20059
(202) 806-1550 · dcsbdc.org
Chapter 1: Initial Startup Considerations

DC WOMEN’S BUSINESS CENTER
727 15th Street, NW, Washington, DC 20005
(202) 393-8307 · dcwbc.org · info@dcwbc.org
Chapter 1: Initial Startup Considerations
Chapter 8: Doing Business with Local & Federal Government

EMORY BEACON OF LIGHT, INC.
6203 Piney Branch Road, NW, Washington, DC 20011
(202) 829-5732 · emorybeaconoflight.org
Chapter 1: Initial Startup Considerations

GREATER WASHINGTON BOARD OF TRADE
1725 I Street NW, Suite 200, Washington, DC 20006
(202) 857-5900 · bot.org

GREATER WASHINGTON HISPANIC CHAMBER OF COMMERCE
910 17th Street NW, Suite 1150, Washington, DC 20006
(202) 728-0352 · gwhcc.org
Chapter 1: Initial Startup Considerations

LATINO ECONOMIC DEVELOPMENT CENTER
641 S Street, NW, Washington, DC 20001
(202) 588-5102 · ledcmetro.org · clopez@ledcmetro.org
Chapter 3: Business Financing

MINORITY BUSINESS DEVELOPMENT AGENCY BUSINESS CENTER
(202) 464-2304 · www.mbda.gov/businesscenters
Chapter 1: Initial Startup Considerations

NATIONAL ASSOCIATION OF MINORITY CONTRACTORS
910 17th Street, NW, Suite 413, Washington, DC 20006
(202) 204-3093 · namcnational.org
SB WORKS AND THE 5 POINTS BUSINESS CENTER
2316 Rhode Island Ave NE, Washington, DC 20018
(202) 803-6400 · sbworkscdc.org · info@sbworkscdc.org
info@5pointscdc.com
Chapter 1: Initial Startup Considerations

SCORE PROGRAM (MAIN OFFICE)
US Small Business Administration
409 3rd Street, SW, Washington DC 20416
(800) 827-5722 · sba.gov · answerdesk@sba.gov
Chapter 1: Initial Startup Considerations
Chapter 3: Business Financing
Chapter 6: Labor Laws & Finding Talent

SOCIETY OF INDUSTRIAL AND OFFICE REALTORS
1201 New York Avenue, NW Suite 350, Washington, DC 20005
(202) 449-8200 · sior.com
Chapter 1: Initial Startup Considerations

WASHINGTON AREA BETTER BUSINESS BUREAU
1411 K Street, NW 10th Floor, Washington, DC 20005
(202) 393-8000 · dc-easternpa.bbb.org

WASHINGTON AREA COMMUNITY INVESTMENT FUND INC.
2012 Rhode Island Ave, NE, Washington, DC 20018
(202) 529-5505 · wacif.org · info@wacif.org
Chapter 1: Initial Startup Considerations
Chapter 3: Business Financing

EXPORT/IMPORT SERVICES

BUREAU OF INDUSTRY AND SECURITY
14th and Pennsylvania Avenue, NW Room 2705, Washington, DC 20230
(202) 482-4811 · bis.doc.gov

BUSINESSUSA
business.usa.gov/begin-exporting

EXPORTDC
441 4th Street, NW, Washington, DC 20001
(202) 727-3900 · dslbd.dc.gov/service/exportdc

SBA US EXPORT ASSISTANCE CENTER
1501 Wilson Boulevard, Suite 1225, Arlington, VA 22209
(202) 557-406 · https://sba.gov · william.houck@sba.gov
LEGAL RESOURCES

AMERICAN UNIVERSITY WASHINGTON COLLEGE OF LAW
4801 Massachusetts Avenue, NW, Washington, DC 20016
(202) 274-4147 · wcl.american.edu

D.C. BAR PRO BONO PROGRAM
1101 K Street, NW, Suite 200, Washington, DC 20005
(202) 737-4700 · dcbar.org

GWU SMALL BUSINESS & COMMUNITY ECONOMIC DEVELOPMENT CLINIC
2000 H Street, NW, Suite 200, Washington, DC 20052
(202) 994-7463 · www.law.gwu.edu

UNIVERSITY OF DISTRICT OF COLUMBIA LAW SCHOOL
4200 Connecticut Avenue, NW, Washington, DC 20008
(202) 274-7341 · law.udc.edu

NONPROFIT ASSISTANCE

AMERICAN SOCIETY OF ASSOCIATION EXECUTIVES
1575 I Street, NW, Washington, DC 20005
(202) 626-2723 · asaecenter.org

CENTER FOR NONPROFIT ADVANCEMENT
1666 K Street NW, Suite 440, Washington, DC 20006
(202) 457-0549 · nonprofitadvancement.org

FOUNDATION CENTER
1627 K Street, NW, 3rd Floor, Washington, DC 20006
(202) 331-1400 · foundationcenter.org/washington

LOCAL INITIATIVES SUPPORT CORPORATION (LISC)
1825 K Street, NW, Suite 1100, Washington, DC 20006
liscdc.org

OFFICE OF PARTNERSHIPS AND GRANTS DEVELOPMENT
EXECUTIVE OFFICE OF THE MAYOR
300 E Street, NW, Washington, DC 20001
(202) 727-8900 · opgs.dc.gov · opgs.eom@dc.gov

NEIGHBORHOOD RESOURCES

DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT DC MAIN STREET PROGRAMS
For more information, visit dslbd.dc.gov/service/DCMS for a list of all active and accredited DC Main Streets programs.

BARRACKS ROW MAIN STREET
731 8th St SE, Washington, DC 20003
(202) 544-3188 · barrackrow.org

DESTINATION CONGRESS HEIGHTS
3115 Martin Luther King Jr Ave SE, Washington, DC 20032
(202) 563-5201 · destinationcongressheights.org

DEANWOOD HEIGHTS MAIN STREET
4645 Nannie H. Burroughs Avenue, NE, Suite 202, Washington, DC 20019-3622 · (202) 621-2288 · dhmainstreets.org

DUPONT CIRCLE MAIN STREET
9 Dupont Circle, NW, Washington, DC 20036
(202) 656-4487 · dupontcircle.biz · execdirector@dupontcircle.biz

H STREET MAIN STREET
729 10th Street, NE, Washington, DC 20002
(202) 543-0161 · hstreet.org

RHODE ISLAND AVENUE
P.O. Box 10041, Washington, DC 20018
(202) 525-7286 · friendsofria.org

NORTH CAPITOL MAIN STREET
1703 N. Capitol Street, NE, Washington, DC 20002
(202) 670-1703 · northcapitoldc.com

SHAW MAIN STREET
875 N Street, NW #201, Washington, DC 20001
(202) 265-7429 · shawmainstreets.org

TENLEYTOWN MAIN STREET
4000 Albemarle Street, NW, Suite 304, Washington, DC 20016
(202) 362-1815 · tenleytownmainstreet.org/

VAN NESS MAIN STREET
4401A Connecticut Avenue, NW, Washington, DC 20008
(240) 462-9664 · facebook.com/VanNessMainStreet
# Business Improvement Districts (BIDs)

<table>
<thead>
<tr>
<th>BID Name</th>
<th>Address</th>
<th>City, State</th>
<th>Phone</th>
<th>Website</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams Morgan Partnership BID</td>
<td>1804 Belmont Road, NW, Washington DC 20009</td>
<td>Washington, DC</td>
<td>(202) 997-0783</td>
<td>adamsmorganonline.org</td>
<td><a href="mailto:info@adamsmorgan.org">info@adamsmorgan.org</a></td>
</tr>
<tr>
<td>Anacostia BID</td>
<td>2216 Martin Luther King, Jr. Ave SE, Washington, DC 20020</td>
<td>Washington, DC</td>
<td>(202) 449-9871</td>
<td>anacostiabid.org</td>
<td></td>
</tr>
<tr>
<td>Capitol Hill BID</td>
<td>30 Massachusetts Avenue, NE, Union Station Parking Garage, Washington, DC 20002</td>
<td>Washington, DC</td>
<td>(202) 842-3333</td>
<td>capitolhillbid.org</td>
<td></td>
</tr>
<tr>
<td>Capitol Riverfront BID</td>
<td>1100 New Jersey Avenue SE, Suite 1010, Washington, DC 20003</td>
<td>Washington, DC</td>
<td>(202) 465-7093</td>
<td>capitolriverfront.org</td>
<td><a href="mailto:info@capitolriverfront.org">info@capitolriverfront.org</a></td>
</tr>
<tr>
<td>Downtown DC BID</td>
<td>1250 H St NW, Washington, DC 20005</td>
<td>Washington, DC</td>
<td>(202) 638-3232</td>
<td>downtowndc.org</td>
<td></td>
</tr>
<tr>
<td>Georgetown BID</td>
<td>1000 Potomac Street, NW, Suite 122</td>
<td>Washington, DC</td>
<td>(202) 298-9222</td>
<td>georgetowndc.com</td>
<td><a href="mailto:info@georgetowndc.com">info@georgetowndc.com</a></td>
</tr>
<tr>
<td>Golden Triangle BID</td>
<td>1120 Connecticut Avenue, NW, Suite 260</td>
<td>Washington, DC</td>
<td>(202) 463-3400</td>
<td>goldentriangledc.com</td>
<td><a href="mailto:feedback@goldentriangledc.com">feedback@goldentriangledc.com</a></td>
</tr>
<tr>
<td>Mount Vernon Triangle CID</td>
<td>901 4th St NW, Washington, DC 20001</td>
<td>Washington, DC</td>
<td>(202) 216-0511</td>
<td>mountvernontriangle.org</td>
<td><a href="mailto:info@mvtcid.org">info@mvtcid.org</a></td>
</tr>
<tr>
<td>Noma BID</td>
<td>1200 First Street, NE, Suite 310, Washington, DC 20002</td>
<td>Washington, DC</td>
<td>(202) 289-0111</td>
<td>nomabid.org</td>
<td></td>
</tr>
<tr>
<td>Southwest BID</td>
<td>1101 6th Street, SW, Washington, DC 20024</td>
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It is the mission of the Washington DC Economic Partnership, a 501(c)3 organization to promote business opportunities throughout the District of Columbia and to contribute to business retention and attraction activities.

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