

INFORMATION CALENDAR
October 29, 2013

To: Honorable Mayor and Members of the City Council

From: Councilmember Jesse Arreguín

Subject: Berkeley Small Businesses

## **INTRODUCTION:**

Providing more than half of the jobs available in the City of Berkeley<sup>1</sup>, small businesses are crucial to the fiscal health and economic vibrancy of our City. In order to foster and support our local small business, it is incumbent upon the City to analyze the unique challenges facing small businesses and how the City may better serve the businesses that serve our community.

#### **STARTUP ISSUES**:

#### **Licensing and Permitting**

Most startup processes for privately-owned businesses undergo the following formula: Conception and Planning; Business Registration (Licensing and Permitting); Storefront Preparation; and Execution. Licensing and Permitting is a phase of extensive communication between local government institutions and entrepreneurs during the startup phase. Lack of an efficient licensing and permitting process bottlenecks the ability of entrepreneurs to realize their vision. This section explores Berkeley's Licensing and Permitting process for startups and explains why certain features of the current model can be problematic for many aspiring business owners.

The first site to which many Berkeley entrepreneurs look for guidance is the Permit Service Center. Berkeley's Permit Service Center (PSC), located at 2120 Milvia St., provides direct customer service to those seeking building permits and zoning information. Applications for building and zoning permits are accepted, and building permits issued, at the PSC. Permit Specialists at the PSC coordinate building permit application review with other city agencies as needed. Startups need to apply to three different categories of permits and licenses: Business License, Building Permits, and

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<sup>&</sup>lt;sup>1</sup> Berkeley's top 10 largest employers provide approximately 34,000 of the nearly 70,000 jobs in the City (*Statistical & Economic Profile*. City of Berkeley, Office of Economic Development).

Zoning. The Building and Zoning categories contain permits for numerous issues, many of which are governed by other City departments, and for many of which applications are contingent upon business type, location, and other factors. And although entrepreneurs have an idea of where their storefront will be located, information required by building planning permits often include technicalities with which most business owners are not readily familiar.

Although PCS and other departments give entrepreneurs a good starting point, 1) it can leave room for error should not all the materially relevant facts be provided by the entrepreneur, or 2) given the large amounts of information involved, crucial pieces of information can be either overlooked or not clearly explained to the entrepreneur. A recount by the owner of Heat Hot Sauce Shop details the miscommunication, delay, and financial costs that are incurred as a result (Attachment 1).

As another first step, entrepreneurs research online for business registration guidance. While Berkeley's website does have plenty of information on business registration, permitting, and licensing, it is difficult and time-ineffective for users to navigate and unearth the pertinent information. When adequate information cannot be found on the city website, entrepreneurs may visit other websites or ask for advice from individuals who do not work for the City, which often results in misinformation.

Berkeley's Office of Economic Development offers a Resource Guide (http://tinyurl.com/nx545zd), "Starting a Business in Berkeley." The Resource Guide demonstrates initiative and provides helpful information, however, it instructs entrepreneurs to apply for permits and licenses in over a dozen different departments. which may seem intimidating and leaves much room for error. The Resource Guide is a general and preliminary checklist that is not tailored to specific industries. The Resource Guide also provides contact information for several nonprofit organizations designed to benefit startups and small businesses. However, these organizations aid in business conception rather than business registration, and departments in the City of Berkeley do not offer recommendations on specific services from certain organizations for different businesses. Additionally, it is difficult for entrepreneurs to assess the cost of startup from only online research or inquiring the Permit Service Center without a building plan underway (Attachment 2). Thus, many Berkeley business owners recount spending much more money on permits or leasing to open their storefronts than initially planned. Numerous entrepreneurs have never successfully opened a storefront due to inadequate capital reserve.

#### FINANCE ISSUES:

#### **Berkeley Revolving Loan Fund**

The Berkeley Revolving Loan Fund supplements, in the form of loans, private financing for tenant improvements, fixed assets such as equipment for businesses, to the extent that private financing is unavailable. These loans typically have lower interest rates than available private loans. The RLF was established in the 1980's with a \$500,000 grant from the Federal Economic Development Administration (EDA) targeting the South Berkeley area but has since expanded to include the entire City of Berkeley. All RLF

loans originate from this original amount plus the money earned from interest on previous loans.

The RLF is designed to address areas of economic distress and help implement the City's economic development strategy for the Target Area as summarized below. Without consistent grants, the RLF is the only financial support that Berkeley can give its small businesses. Coupled with the fact that the RLF is reserved for businesses that cannot obtain traditional financing from banks, there is unsubstantial financial support for the majority of Berkeley's small businesses.

#### **Economic Adjustment Strategy**

Businesses in the Target Area often are unable to access private capital for financing business expansion and improvements. Those who can meet private capital procurement requirements may do so at higher prices because of the current credit crunch. Supplementing private financing with RLF funds can reduce the risk of private financing, thereby increasing the availability of private capital to businesses.

Loans will generally be made to small businesses, which are defined as businesses with annual sales of \$1,000,000 or less or otherwise meeting the SBA's definition as a small business. Because the loan program requires approval from the Loan Board, it takes approximately 3-4 months for approved borrowers to receive their funds. This time restriction prohibits many startups from applying to the RLF. Businesses that cannot afford this timeline are referred to a number of non-bank lenders that service Alameda County, including Opportunity Fund and TMC Working Solutions. These non-profit organizations are not run by the local government.

Small businesses will generally need financing and technical assistance. Identified needs will be met by referrals to business workshops conducted by the Small Business Administration (SBA), the Alameda County Small Business Development Center and other local economic business assistance programs. Businesses may receive assistance in developing business plans from several local organizations, including the Alameda County Small Business Development Center, SCORE (Service Corps of Retired Executives), the Women's Initiative for Self-Employment, and the Sustainable Business Alliance.

Additionally, it is encouraged for businesses to have a consultation with local business owners with proven record of success, a list of which is provided by RLF staff.

#### **Financing Policies**

RLF loans may be made to qualifying businesses for tenant improvements, fixed assets such as equipment and machinery and real estate transactions on an exception basis. The standard maximum loan size is \$35,000, and loans larger than this amount are approved on an exception basis.

Interest rates on loans will be fixed. The standard RLF interest rate on RLF loans is equivalent to the prime interest rate quoted in the Wall Street Journal plus 2% at the time of loan approval.

There is a \$200 fee for each application. Fees will be credited towards the loan fee and will be refunded if not approved.

Payments will generally be made monthly; however, customized payment structures may be extended to borrowers depending upon their individual cash flow needs. Temporarily reduced or deferred payments may be considered as options in structuring a workout plan. Standard loan terms are 3-7 years fully amortized, depending on the loan amount. In general, loan terms will not exceed the average useful life of the assets being financed.

The RLF is highly encouraged to participate in other financing institutions' loans and/or lines of credit. There is a EDA portfolio requirement in which the RLF may leverage a minimum of two private dollars for each RLF dollar loaned. This leveraging requirement applies to the portfolio as a whole rather than to the individual loan. Private investment is capital invested by the borrower or financing from private entities such as banks. Equity/Borrower Injection General Requirement

The RLF will require all borrowers to inject owner equity as a percentage of the requested loan amount. The borrower's equity injection should at least 10% of requested loan amount for existing businesses and at least 20% of requested loan amount for startup businesses. Additionally, start up business will be required to provide a secondary source of repayment and a complete business plan.

Collateral pledged for each loan will depend upon the loan amount, the overall risk of the credit, and the availability of personal and business assets to be pledged as collateral. In general, the market value of pledged collateral will equal or exceed the loan.

#### **Financing Restrictions**

RLF Capital is subject to an array of financing restrictions, including, among other restrictions, the inability to:

- Acquire an equity position in a private business
- Subsidize interest payments on an existing loan
- Enable a borrower to acquire an interest in a business, either through the purchase of stock or through the acquisition of assets
- Refinance debt if outside the Target Area
- Portfolio Standards and Targets

The goal of the RLF is to target industry clusters to produce the following ranges for allocation of the portfolio:

• Healthcare, environmental services, business services: 50-65%

• Light industry: 10-35%

• Retail: 15-25%

A maximum of 25% of the portfolio shall be loaned to start-up businesses. The portfolio shall maintain a private leverage ratio of 2:1, or \$2 of private dollars or funds to every \$1 in EDA funding.

Every project shall have a new job creation or jobs saved component. The portfolio shall target a cost per job ratio of \$20,000 or less.

#### **Berkeley Revolving Loan Fund Impact**

In 2011, Berkeley revamped its small business lending rules following the default of a \$85,000 loan given to a pizza parlor that defaulted on the loan from the city and closed shop in August 2009. The loan was made despite poor credit and no collateral, according to a city report.

According to Michael Caplan, the city's manager of economic development, out of 34 loans made from the South Berkeley Revolving Loan Fund since 1984, just eight have been written off. And since the fund was started with a \$500,000 grant from the federal Economic Development Administration, the balance has grown to \$672,000 despite the city writing off \$350,000 in bad loans. By 2005, 32 RLF loans totaling \$1,658,417 had been originated, and a total of 175 jobs created within or in connection with the Target Area.

According to Elizabeth Garcia, community development project coordinator in the office of economic development, said partly as a result of the pizza parlor issue, the office has not made any more loans since 2008.

#### Marketing the Berkeley Revolving Loan Fund

The RLF has not been actively marketed in the past two years due to the following factors:

- 1. A new Administrative Plan was written, and due to backlog at the Economic Development Administration, Federal authorities took approximately one year to approve the new plan.
- 2. The City of Berkeley struggles to find a competent loan underwriting entity. The most recent loan, approved in July 2013, was underwritten by Board members themselves. The Office of Economic Development seeks to hire a professional underwriter by the end of the year.

#### **Cost of Doing Business in Berkeley**

This table provides current information on business classifications and their related Business License Tax rates. A new Business License application must reflect an accurate classification of the business activity, and your annual BLT renewal payment is based on the corresponding rate (based on gross receipts, rents, or other business-specific income). Unless otherwise indicated, rates are for each \$1,000 of income.

Business Classification	Basis	Rate/Flat	Minimum
Administrative Headquarters	Gross Payroll	\$1.20	\$51
Auto/Vehicles for Hire	Per Vehicle	\$215	\$215

(*see note about other permits & fees)			
Business, Personal & Repair Services	<b>Gross Receipts</b>	\$1.80	\$51
Construction Contractor	<b>Gross Receipts</b>	\$1.80	\$51
Entertainment/Recreation	<b>Gross Receipts</b>	\$4.50	\$51
Grocer (retail or wholesale)	<b>Gross Receipts</b>	\$0.60	\$51
Manufacturing	Value Added	\$1.20	\$51
Miscellaneous	<b>Gross Receipts</b>	\$2.40	\$51
Motor Vehicle Sales	<b>Gross Receipts</b>	\$1.20	\$51
Nonprofit Organizations	Flat	\$26	\$26
(**see note about other permits & fees)			
Private Franchised Recycling / Rubbish Haulers	<b>Gross Receipts</b>	\$1.80	\$51
Private Rubbish Haulers (***see note)	<b>Gross Receipts</b>	\$150.00	\$51
Professional - Semiprofessional	<b>Gross Receipts</b>	\$3.60	\$51
Rental of Real Property	<b>Gross Receipts</b>	\$10.81	\$77
Retail Trade	<b>Gross Receipts</b>	\$1.20	\$51
Solicitor/Peddler	Flat	\$258	\$258
Street Vendors &	Flat	variable	
Sidewalk Food Vendors			
Wholesale Trade	<b>Gross Receipts</b>	\$1.20	\$51

### 2012 California Corporate Tax Rates and Exemptions

The rate of inflation in California, for the period from July 1, 2011, through June 30, 2012, was 1.9%. The 2012 personal income tax brackets are indexed by this amount.

Corporations other than banks and financials	8.84%
Banks and financials	10.84%
Alternative Minimum Tax (AMT) rate	6.65%
S corporation rate	1.5%
S corporation bank and financial rate	3.5%

#### **STARTUP RESOLUTION:**

#### **City of Berkeley Website**

Highly time- and cost-effective small business support with substantial magnitude can be established through quality online resources and services. According to many small business entrepreneurs, the City of Berkeley's current website is overall difficult to navigate and at times counterintuitive, preventing users from accessing important information that is indeed on the website. Additionally, the Berkeley website may in fact be lacking some material necessary for small business owners. Examples of such

material includes: a sequential step-by-step guide for aspiring business owners; definitions and briefs on pertinent business concepts, such as the various types of business ownership; licensing and various other checklists; and comprehensive contact information for every city department and related nonprofit organizations.

The Berkeley website should actively market Visit Berkeley, Berkeley's Convention & Visitors Bureau and Film Office, through search engine optimization and other digital marketing endeavors; highlighting local businesses will expand their brand and increase their revenue by attracting the attention of prospects. The Berkeley website can facilitate storefront establishment by actively marketing its storefront vacancy program Locate In Berkeley, which is a search engine that pinpoints vacant retail space in Berkeley.

In order to reduce complications arising from licensing and permitting, Berkeley may establish an online widget to assist entrepreneurs through the licensing process. A prime example of such a product is San Francisco's License123, the city's initial phase in its movement to streamline licensing and permitting for San Francisco businesses. Due to variability in cost and scheduling for each industry, License123 tailors resources and action items to different types of businesses. By using a search engine, License123 consolidates the necessary permits and licenses for over 20 industries and 500 subindustries and emails a free report to the enquirer, providing clarity as to the documents required for business establishment in that field. The emailed report includes: Actual License Applications; Instructions for Filing the Applications; Licensing Authority's Contact; and Fees and Timeline Information. License123 also provides a live multilingual hotline. Individuals may schedule an appointment and visit the License123 office for a one-on-one appointment with a representative who assists in business startup.

#### Workshops

Deputy Planning Director Wendy Cosin has worked with the Berkeley Chamber of Commerce on providing workshops to interested entrepreneurs and individuals on the licensing and permitting side of business establishment in Berkeley. Dedicating full-fledged effort to marketing Cosin's workshops as well as providing an easily-accessible archive of them would correctly inform entrepreneurs and business owners regarding government-related business issues.

#### **Business Counseling**

To maximize the potential of small business establishment in Berkeley, business owners need a centralized space upon which new and existing businesses can rely for licensing, financing, and other business processes. Even with the relevant resources in hand, entrepreneurs may not understand what steps they need to take with respect to the uniqueness and nuance of their situation. Knowledgeable counselors who can provide a roadmap and recognize what classes, services from nonprofit economic development organizations, and the like will best benefit a certain business owner are the agents to business success in Berkeley. Additionally, well-informed businesses will likely shorten the timeline of their startup process by reducing the number of application resubmissions.

Another way in which the City of Berkeley can assist in reducing the startup timeline is through conditional use process expediters who smooth feedback through the bureaucratic process. An expediter cannot control the speed of which a permit circulates the bureaucratic process, but he or she can anticipate issues that may arise in the process and act proactively to prevent or handle them.

To reduce conflict and miscommunication between departments, Berkeley may consider building a platform similar to that of San Francisco's Excella, which tracks the startup process for individual businesses throughout the Planning and Building Inspection Departments. Excella records each business' name, approved and pending permits, current issues, and which applications are on which city employees' desk. Such a platform provides full transparency and facilitates communication between city departments or individuals.

#### **Small Business Week**

One way in which the City of Berkeley can appeal to local prospects and foster the small business community is through a Small Business Week. Small Business Week collaborates with large organizations such as banks, chain stores, consulting and accounting firms, and other named businesses that can provide sponsorship. Small Business Week provides exposition of local businesses and promotes them through print and public relations advertising; assists in their networking with sponsors; and assembles workshops from participating large organizations.

#### Office of Economic Development Small Business Commission

A commission that uniquely focuses on and supports small business matters. A Small Business Commission is concerned with sustaining local businesses through legislation. The Commission communicates with the Berkeley City Council to take the reins on policy, a side of business issues over which most entrepreneurs have limited knowledge and power. In order to increase compliance with legislation, the Small Business Commission should communicate with business owners through print and other media regarding new legislation implementation that affects businesses.

#### **FINANCE RESOLUTION:**

The Office of Economic Development does not receive adequate funds solely dedicated to small business support. Increasing the availability of financing for businesses is possible through the collaboration of departments that are granted funds for projects related to businesses. For example, the Department of Public Works could allocate funds to ADA improvements for storefronts; the Office of Economic Development could utilize community development funds to work with landlords on occupying empty storefronts and implement facade renovations; the Office of Energy and Sustainable Development could aid businesses in reducing energy costs on their fixtures; and the Public Health Division could dedicate funds to keep businesses within health and safety regulations.

#### **CONTACT PERSON:**

Jesse Arrequin, Councilmember, District 4

## **ATTACHMENTS**:

- 1. Heat Hot Sauce Start Up Process
- 2. Engineering Permit Application

### <u>Heat Hot Sauce Shop - Startup Process</u> 12:30pm

6/25/2013

Lease on storefront started in December

Owner looked online for help from state and city government websites

Owner first went to Zoning, which was straightforward. Next, Owner went to health inspector, who referred him to Plan Check. Plan Check gave the mandatory applications of permits and licenses (not tailored to Owner's specific industry)

Owner went to Berkeley Health Department, which told him he needed a mop sink

Owner hired a plumber from online, who went to the Berkeley Permit Center. Permit Center told him that the required mop sink cannot be put in the bathroom because the bathroom does not abide by ADA requirements

After this, the plumber sent three different proposals to the Permit Center for this issue. Multiple submissions were a result of the Permit Center not telling the plumber and Owner about certain facts, regulations, etc. until after the proposal was submitted and reviewed. Different City of Berkeley officials gave the Owner inconsistent information and advice regarding building plans. Owner realized that he needed to hire a more informed plumber and did so from referral by his landlord. Berkeley, as a government entity, was unable to provide suggestions of plumbers, architects, and contractors to hire.

By the third submission, the Owner was ready to quit. (Note: Owner met a family in Berkeley's Health Department with exact same mop sink issue)

Owner was told that 10% of the money for improvements needed to be spent on ADA functions. One of such plans was denied by the Permit Center under the reason that these ADA improvements needed to enhance the front door area (e.g. automatic door)

By now, it had been over three months (March)

Owner was referred to (by a fellow business owner) and contacted Jesse Arreguin for help, resulting in a meeting with a Plan manager and an architect. Unfortunately, throughout the planning and application process, there was no clear communication. Every time a plan is submitted to the City, a contractor must be present; thus, if a contractor is not available at the intended time of submission, it could not be accepted by the City. This lack of communication slowed down the approval process.

Examples of miscommunication between the Owner and the Permit Center include rejection of a

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floor plan on 11inx17in paper, as instructed, on which the actual drawing was not large enough.

Owner's landlord agreed to extend lease for free - otherwise, his business would have folded

After Permit Center approved his building plan, Owner needed final approval from Health Department and Building and Safety before opening. Although the Health Department had already inspected the building, another health inspector had to inspect the building before it became approved. However, the health inspector's supervisor was on vacation, so the Owner had to wait two weeks before this final inspection.

Throughout this process, the Owner had no guidance except by asking friends and colleagues.



# PLANNING & DEVELOPMENT

Permit Service Center 2120 Milvia Street, Berkeley, CA 94704 Main Tel: 510.981.7500 TDD: 510 981-6903 Fax: 510 981-7505

Scheduling Inspections: 510 981-7444 Eng. Inspector: 510 981-7440

Email: Planning@ci.berkeley.ca.us

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# **Engineering Permit Application**

STREET ADDRESS/ UNIT # (if applicable)  TOTAL PROJECT SQUARE FEET		TENANT NAME  VALUATION (\$)		
APPLICATION GROUP:		JI		
☐ DEMO>DEN	/ ☐ REMODEL	>REM ☐ REPAIR>REI	)	
Contractor Name	Phone#	Fees For Engineering Permit (Mark Quanti Technology Fee		
Address	State Lic#	Qty Fee Description  Base Permit Fee for each permit	Fee/Units	
	Pug Lig#	type except Const. Park	\$127.00	
City, ST	Bus Lic# ZIP Code	Refundable Deposit – As required by Engineering Inspector	\$1,376.00	
		SEWER, SANITARY		
		*Sidewalk Inspection (up to curb)	\$153.00/hr	
Property Owner Name	Phone#	**Trench Inspection (roadway)	\$153.00/hr	
		CONCRETE AREA		
ddress		Flatwork per 100sf	\$28.00	
		Curb Gutter per 10 Lin Ft CONSTRUCTION PARKING	\$28.00	
ity, ST	ZIP Code	Base Permit Fee	\$34.00	
,,	<u> </u>	No Parking Sign	\$12.00	
		Time Zone/ Metered Area (weekly)	\$79.00/wk	
Applicant/Contact Person	Phone#	Time Zone/ Metered Area (daily)	\$15.75/day	
ppineum, contact i cison	Thorien	MISCELLANEOUS	Ţ <i>,</i>	
		Miscellaneous Permit Inspection	\$153.00/hr	
Address	FAX#	Electrical Inspection Fee	\$153.00/hr	
		SEWER, STORM (Must be lic. sewer or	ontractor)	
City, ST	ZIP Code	Sidewalk Inspection	\$153.00/hr	
		Trench Inspection	\$153.00/hr	
mail		Storm Water BMP	\$153.00/hr	
		TEMPORARY RIGHT OF WAY	-	
		Monthly Fee	\$221.00/mc	
Misc. Comments (Brief Job Description) Attach Dimensioned Site Plan		R/W Inspection Fee	\$153.00/hr	
Comments (site, sea seconpu	,	\$7.50 xCurb LF. x mo.  Debris Box/ Moving Containers/PODS		
		Debris Box/ Moving Containers/PODS (Property Owners ONLY)	\$100.00 ea	
-		* - Must be a Licensed Sewer cont C36 and/or C42 or a General C ** - Must be a Class A contractor		

## PERMIT DECLARATIONS for FAX or Mail-In-Only

LICENSED CONTRACTOR'S DECLARATION AND INFORMATION  I hereby affirm under penalty of perjury that I am licensed under provision of Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions  Code and any license in full force and officet.					
Code, and my license is in full force and effect.  License Class———————————————————————————————————	License No.				
Date	Contractor				
□ OWNER BUILDER DECLARATION  Thereby affirm under penalty of perjury that I am exempt from the Contractors' State License Law for the following reason (Sec. 7031.5, Business and Professions Code:  Any city that requires a permit to construct, alter, improve, demolish or repair any structure, prior to its issuance, also requires the applicant for the permit to file a signed statement that he or she is licensed pursuant to the provisions of the Contrators' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code) or that he or she is exempt therefrom and the basis for the alleged exemption. Any violation of Section 7031.5 by any applicant for a permit subjects the applicant to a civil penalty of not more than five hundred dollars (\$500).):					
offered for sale (Sec. 7044, Business and Professions Code: The Contractors' and who does the work himself or herself or through his or her own employed	pensation, will do (_) all of or (_) portions of the work, and the structure is not intended or State License law does not apply to an owner of property who builds or improves thereon, es, provided that the improvements are not intended or offered for sale. If, however, the ilder will have the burden of proving that he or she did not build or improve for the purpose				
	ractors to construct the project (Sec. 7044, Business and Professions Code: The builds or improves thereon, and who contracts for the projects with a contractor(s) licensed <b>nation above.</b>				
$\hfill \square$ I am exempt from licensure under the Contractors' State License Law for	the following reason:				
Forms. (Permit Supplement 1). When executed by a person other than Property Owner's Behalf form prior to issuing of permit. (Permit Supplement	submit completed Owner-Builder Verification of Information & Limitation of Sale n the property owner, owner must also sign the Authorization of Agent to Act on ement 2).				
☐ AUTHORIZED AGENT DECLARATION  I hereby affirm under penalty of perjury that I am the authorized agent of: ☐ CC	ONTRACTOR OWNERPrint Name of Agent				
	TTHE Name of Agent				
Phone No.	NOTE: A permit applicant who files a signed document by facsimile transmission (fax) with the City of Berkeley Permit Service Center represents that the original signed document is in his or her possession or control. At any time after filing the document, the City may demand production of the original physically signed document. Notwithstanding any provision of the law to the contrary, the City of Berkeley will treat a signature produced by facsimile transmission as an original.				
I hereby affirm under penalty of perjury one of the following declarations:  I have and will maintain a certificate of consent to self-insure for workers' co 3800 of the Labor Code, for the performance of the work for which this permit is	on be completed if the permit valuation is for five hundred dollars (\$500) or less.)  compensation, issued by the Director of Industrial Relations as provided for by Section 3700-sissued. POLICY NUMBER  cition 3700-3800 of the Labor Code, for the performance of the work for which this permit is				
CARRIER:	POLICY NUMBER				
EXPIRATION DATE: NAME OF AGENT:	PHONE				
☐ I certify that, in the performance of the work for which this permit is issued, I shall not employ any person in any manner so as to become subject to the worker's compensation laws of California, and agree that, if I should become subject to the workers' compensation provisions of Section 3700-3800 of the Labor Code, I shall forthwith comply with those provisions.  WARNING: FAILURE TO SECURE WORKERS' COMPENSATION COVERAGE IS UNLAWFUL, AND SHALL SUBJECT AN EMPLOYER TO CRIMINAL PENALTIES AND CIVIL FINES UP TO ONE HUNDRED THOUSAND DOLLARS (\$100,000), IN ADDITION TO THE COST OF COMPENSATION, DAMAGES AS PROVIDED FOR IN SECTION 3706 OF THE LABOR CODE, INTEREST, AND ATTORNEY'S FEES.					
CITY ORDINANCES DECLARATION (Ordinances available for view on request)  ☐ In conformance with the City of Berkeley Noise Ordinance, and/or Use Permit, I understand my obligation to comply and work within prescribed hours.  ☐ I am aware of my responsibilities under the Relocation Ordinance.  ☐ I certify that I have read and shall use to the maximum extent practicable applicable portions of the State Storm Water Best Management Practices Manual for Construction.					
CONSTRUCTION LENDING AGENCY DECLARATION  ☐ Thereby affirm under penalty of perjury that there is a construction lending agency for the performance of the work for which this permit is issued (Sec. 3097, Civ. C.).					
Lender's Name:					
Lender' Address:					
I am the property owner or authorized to act on the property owner's behalf. I has state laws and city and county ordinances relating to building construction and at property for which I have applied for this permit for the purpose of making inspe   ENGINEERING – Certificate Of Indemnification and Compliance Berkeley and its officers and employees from any and all claims arising from, or	iance: By my signature below, I hereby agree to indemnify and hold harmless the City of out of work, connected with this permit and to perform all work as specified in BMC Title 16 and City of Berkeley, and in all special provisions made a part of this permit, whether written or oral,				
	<u>RE</u> (Circle One) I hereby affirm under penalty of perjury that each of the				

SIGNATURE: