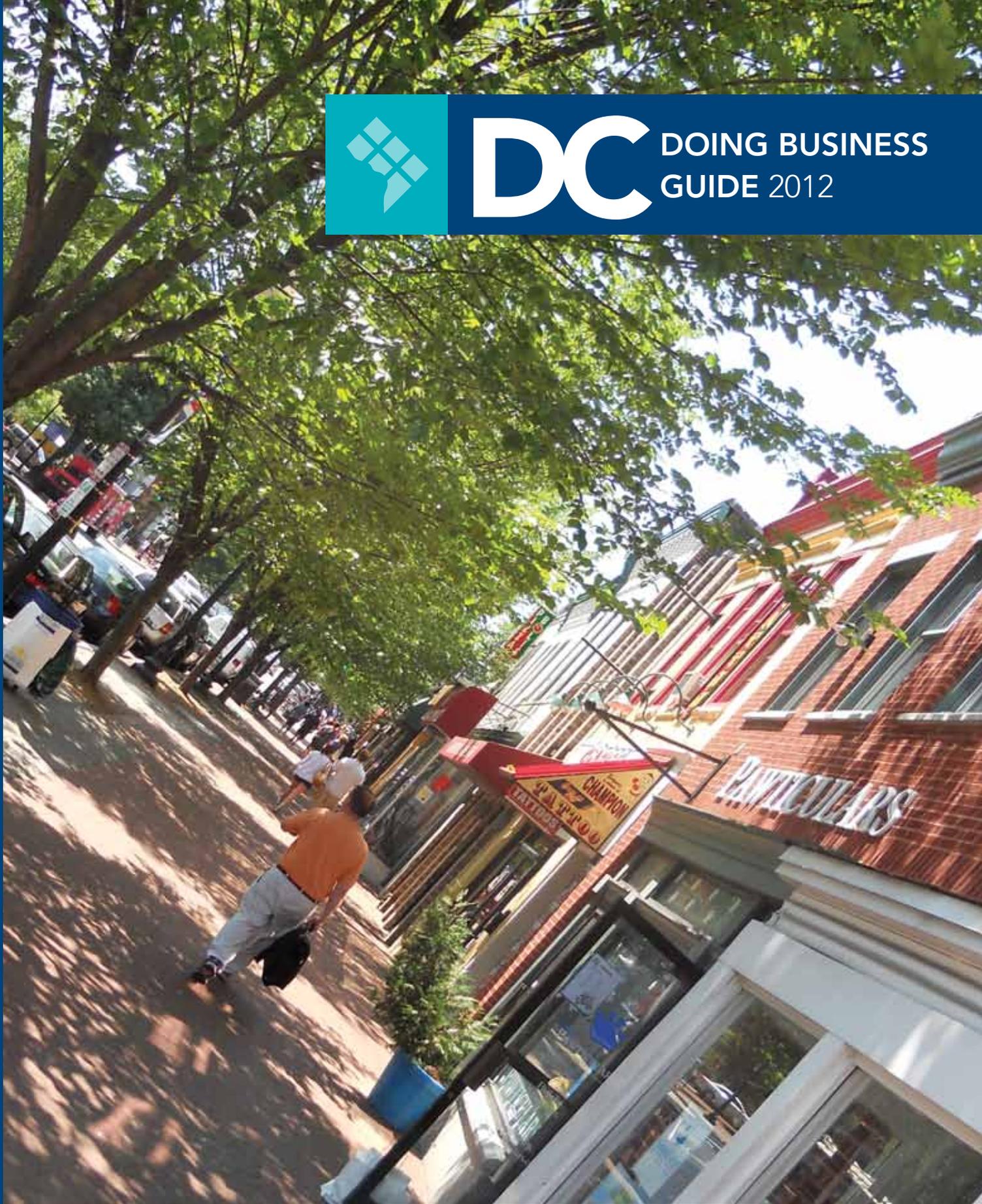




DC

DOING BUSINESS GUIDE 2012



Washington, DC
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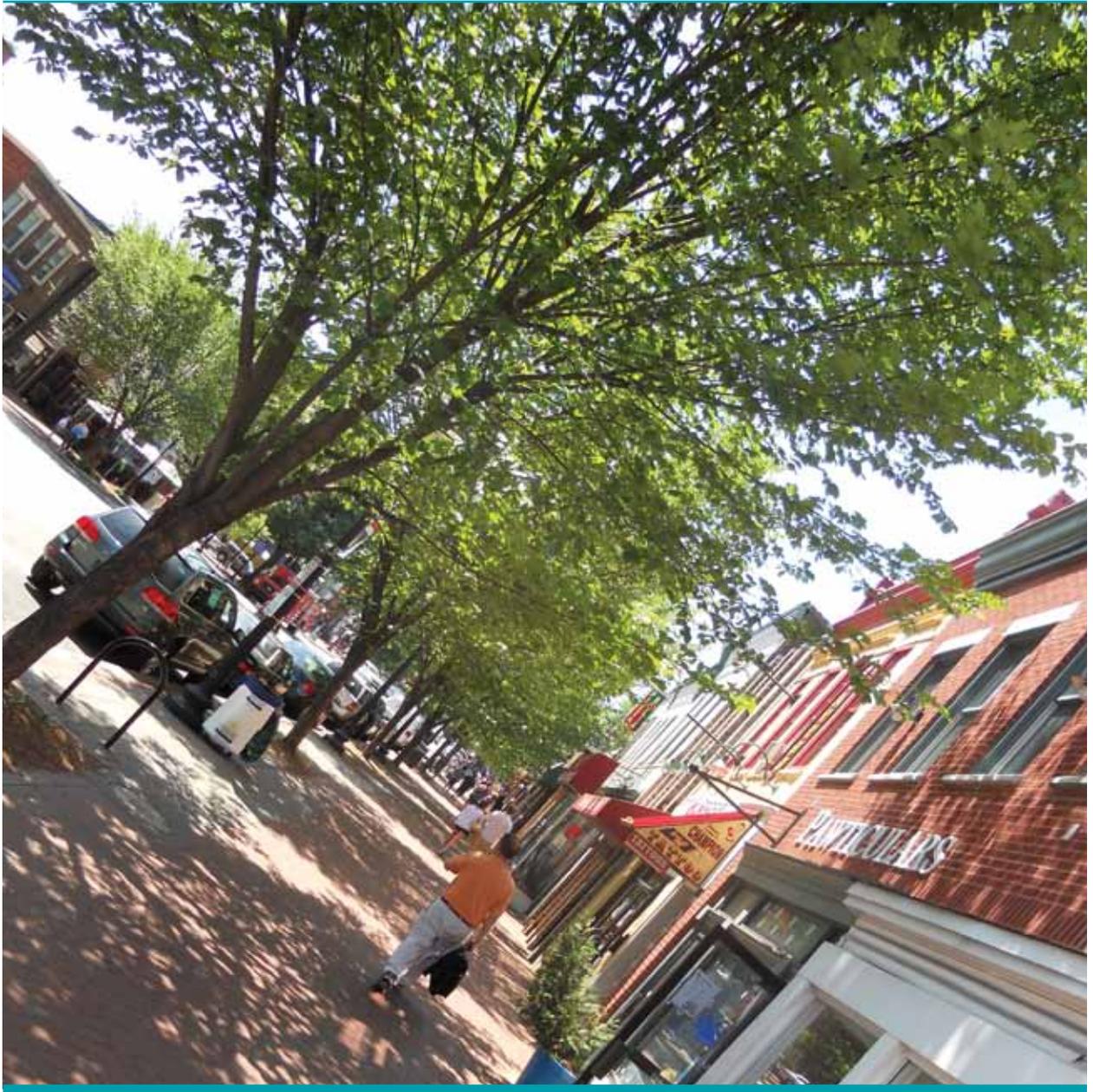


DC

DOING BUSINESS GUIDE

2012 EDITION

A resource guide to start or expand your business in Washington, DC



a publication of the



Washington, DC
Economic Partnership

ABOUT THIS GUIDE

The DC Doing Business Guide is an updated and improved version of the fifth edition released in 2010. The new guide covers information essential to relocating, starting and expanding your business in DC. Whether you are an existing business looking to relocate to DC, an entrepreneur looking for some guidance on starting a business in DC or a DC-based company looking to understand local business resources, you will find the guide to be an indispensable tool.

As your first point of contact for doing business in DC, the Washington, DC Economic Partnership (WDCEP) 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 the WDCEP at 202.661.8670 or visit www.wdcep.com.

Content for this publication was made possible through collaboration with several District and federal agencies, including: the Department of Small and Local Business Development, the Department of Consumer and Regulatory Affairs, the Department of Insurance, Securities and Banking, the Office of the Deputy Mayor for Planning and Economic Development, the U.S. Small Business Administration, the DC Office of Tax and Revenue, the Department of Employment Services, the DC Chamber of Commerce Foundation, the Women's Business Resource Center, the Washington Area Community Investment Fund, the Greater Washington Hispanic Chamber of Commerce, and the DC Small Business Development Center Network.

DC Doing Business Guide is a publication of the Washington, DC Economic Partnership. This document is intended to serve as a guide to starting a business and doing business in the District of Columbia. 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, the Washington, DC Economic Partnership 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 Small and Local Business Development.



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Small businesses are the economic drivers of the District of Columbia. I support the small business community in every way and will continue to work with them to create a more business-friendly environment. The Washington, DC Economic Partnership's DC Doing Business Guide provides an excellent blueprint for retailers, investors and entrepreneurs—creating the necessary opportunities for One City to prosper.



— Vincent C. Gray, Mayor, District of Columbia



WHY CHOOSE DC?

The District of Columbia is a world-class capital city that will guarantee unparalleled opportunities to small and large businesses and organizations. More than a political and cultural center, DC is also a business capital that is experiencing an unprecedented renaissance as one of the fastest growing and most exciting economies in the country. Choosing to locate your business in DC will ensure advantages that are unmatched by any other city. Over the past few years, the District of Columbia's economy has proven to be strong and resilient while major events and cycles have shocked the rest of the nation. DC is well established for industries such as business services, nonprofits, law firms, hospitality, technology and an increasingly vibrant retail market. The nation's capital has the tools, the infrastructure, the workforce, the accessibility, and the climate for businesses to flourish.

Workforce

The District of Columbia boasts a highly skilled workforce and a strong job market. There are 617,996 people living in DC of which 49.2% have a bachelor's degree or higher¹. The average household income for DC residents is \$89,000². Despite the recent economic downturn, the job market has proven to be strong and resilient. The DC metropolitan area unemployment rate has remained well below the national average, having dropped 0.6% in the past year³. The job market is currently employing approximately three million workers and is expected to add new employment opportunities in the near future⁴.

1 US Census Bureau (2010)

2 US Census Bureau

3 Delta Associates (2012 Trendlines)

4 Delta Associates (2012 Trendlines)

Transportation

The District of Columbia's public transportation system is highly efficient with the 2nd largest heavy rail network and the 6th largest bus network in the United States. Not only do people rely on the Metro system to commute to work everyday, they also use it to explore the city's many attractions. In 2011, there were a total of 341.2 million trips taken by riders⁵. The average commute time for residents is 29.3 minutes⁶.

Development

The District of Columbia serves as a leader in the national real estate market. There is a total of 7.0 million square feet of office space under construction or renovation in the metro area, as of December 2011⁷. There are also more than 349 planned or proposed projects that amount to \$41.4 billion in development. Additionally, DC sets a national and global example of how to achieve sustainable development by creating policy and achieving a record number of LEED certified projects.

Industries and Occupations

The top industries in the Washington Metro Area are Professional/Business Services, Government, Education/Healthcare, Leisure/ Hospitality, and Retail Trade. The top three sectors leading job growth include Professional/Business Services, Leisure/ Hospitality, and Financial Services⁸. The District of Columbia is a dynamic city with genuine and unique business opportunities. DC's economy has proven to be strong and resilient, despite the recent economic downturn, and is an ideal location to start, expand or relocate your business.

5 Washington Metropolitan Area Transit Authority

6 US Census Bureau

7 Delta Associates (2012 Trendlines)

8 Delta Associates (2012 Trendlines)

“ Whether your organization employs five people or 500, Washington, DC is an outstanding business location. With easy access to transit, workforce, and urban amenities, businesses in the District are poised to succeed. This administration partners with employers in all parts of the city, and we hope this guide serves as a valuable resource to help your enterprise grow.



—Victor L. Hoskins, Deputy Mayor for Planning and Economic Development, District of Columbia





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1

STARTING A BUSINESS IN DC

Business Planning, Business Locations, Ownership Structure

CONTRIBUTORS: Washington Area Community Investment Fund | DC Chamber of Commerce Foundation |
Minority Business Development Agency Business Resource Center

Whether you are starting a new business or relocating an existing one, you will need to know the requirements to operating a business in the District of Columbia. If this is your first business venture in our nation's capital, there are a number of factors that you should consider. This chapter will take you through the basic steps of starting a business in DC.

BUSINESS PLANNING

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

The three main sections to any business plan are:

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

WDCEP ON YouTube

Search **Starting a Business in DC** at www.youtube.com/wdcep1495



services, employees, management structure, labor policies, and other general information about your business.

Market Analysis

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

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, business plans should always include a cover sheet and an executive summary that provides an overview of your entire plan. For more in-depth information on how to write a business plan and examples of business plans in various industries please visit www.bplans.com.

BASIC STEPS OF STARTING A BUSINESS

Know Your Business What are you selling? Who are your customers? Who is your competition?

Write a Business Plan How will your business make money? How will you finance your business?

Find a Location Where are your customers? Where will your business operate? How much space you need? What are the zoning requirements?

Make Your Business Legal What business structure will your company have? What kind of licenses do you need? What tax forms do you need?

Get Financing Will you need a loan? Do you qualify for a loan? What are the sources for financing? What financial incentives are available?

WDCEP TIP

Please refer to **Chapter 13: Business Resources** for more information on each of these resources.

ASSISTANCE FOR BUSINESS PLANNING

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. These resource centers provide comprehensive business start-up assistance including business planning and marketing, and include:

U.S. Small Business Administration's SCORE

The U.S. Small Business Administration (SBA) is a federal agency devoted to helping small businesses. It has both 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 both start-ups and existing businesses.

202.272.0390 | www.scoredc.org

DC Chamber of Commerce: Business Resource Center

The DC Chamber of Commerce Business Resource Center helps emerging and established businesses navigate through the processes for business plan review, permits, and certifications. The Business Resource Center offers support services and training designed to expand the capacity of small businesses in the DC area.

202.545.0220 | www.dcchamber.org

Minority Business Development Agency (MBDA) Business Center

The MBDA Business Center in Washington, DC consults with established Minority Business Enterprises (MBEs) in the National Capital Region and throughout the United States to increase their access to contracting opportunities and financing. The Center is operated by the National Community Reinvestment Coalition and funded by the Minority Business Development Agency, U.S. Department of Commerce. The Center is committed to increasing the economic performance of its MBE client base.

202.482.2332 | www.mbda.gov

Small Business Development Center

The DC Small Business Development Center (DCSBDC) network provides business counseling and marketing resources.

202.806.1550 | www.dcsbdc.org

Washington Area Community Investment Fund

The Washington Area Community Investment Fund, Inc. (WACIF) is a 24-year-old nonprofit community development loan fund. WACIF provides access to capital and technical assistance services to existing and aspiring entrepreneurs and to nonprofit organizations in local underserved communities. WACIF's programs and services include: Specialized Technical Assistance, the District of Columbia Certified Business Enterprise Revolving Microloan Fund, the Small Business Administration (SBA) Revolving Microloan Fund, and WACIF's Access to Capital Loan Fund.

202.529.5505 | www.wacif.org

BUSINESS LOCATION

One of the first concerns when starting a business is deciding where to locate your business. Your business location choice is integral to determining if you qualify for certain government incentive programs (see Chapter 5: Financial Incentives), your accessibility to your target market, your ability to attract and retain employees, and the type of occupancy permit you will need. You will be required to have a business location and submit a Certificate of Occupancy or Home Occupation Permit when applying for your business license at the DC Department of Consumer and Regulatory Affairs.

PLEASE NOTE

In the District of Columbia, you are **required to have a business location and submit a certificate of occupancy permit** when applying for your business license.

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?
- Is parking nearby? Is there a significant amount of foot traffic?
- Are you near a Metro station, bus stop, or major intersection?

Is the price right?

- 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 provide funds for tenant improvements?

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?

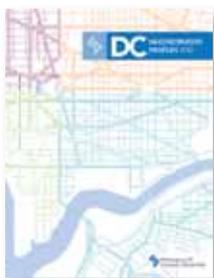
- What amount of savings do you anticipate to have from operating a home-based business?

- How will you be able to reach your clients?
- Will you be able to run your type of business from home?

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.

HELPFUL RESOURCES

For **free demographic information** about the area surrounding your business, contact the Washington, DC Economic Partnership at 202.661.8670 or online at www.wdcep.com.



Download the DC Neighborhood Profiles

Assistance with Choosing a Location

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

Washington, DC Economic Partnership

The Washington, DC Economic Partnership (WDCEP) can provide you with broker contacts, information on vacancy rates, asking rents, and demographic information about the areas surrounding your business. The WDCEP can also provide you with information on available office and retail space in neighborhoods or new development projects.

202.661.8670 | www.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. Generally, tenant broker services are provided at no charge to the prospective business.

Community Development Corporations

Community Development Corporations (CDCs) in the neighborhood of your choice can assist you with information on neighborhood properties.

www.brc.dc.gov/incentives/community.asp

DC Building Industry Association

The DC Building Industry Association (DCBIA) can refer you to their member brokers depending on your needs.

202.966.8665 | www.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 | www.dslbd.dc.gov

Greater Washington Commercial Association of REALTORS®

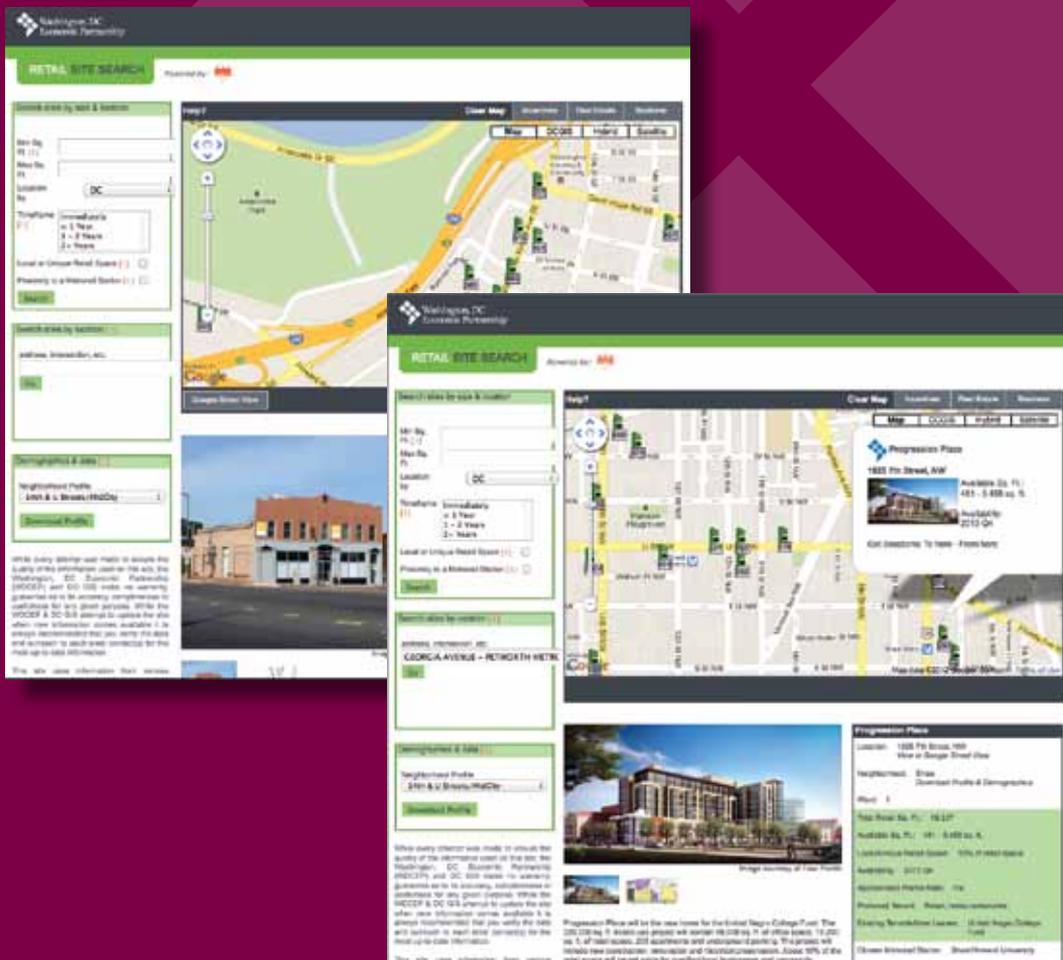
The Greater Washington Commercial Association of REALTORS® (GWCAR) can provide you with a listing of real estate brokers in the region.

301.590.2000 | www.gwcar.org

NEED SITE LOCATION ASSISTANCE?

USE WDCEP'S RETAIL SITE SEARCH

Find storefronts for rent or sale using size, location, proximity to Metrorail or timeframe.



Learn more at wdcep.com

COMPARISON OF OWNERSHIP STRUCTURES

SOLE PROPRIETORSHIP

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

GENERAL PARTNERSHIP

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

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

LIMITED LIABILITY PARTNERSHIP (LLP)

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

C (GENERAL) CORPORATION

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

Advantages

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

Disadvantages

- Difficult to qualify for IRS requirements

LIMITED LIABILITY COMPANY (LLC)

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

Advantages

- Tax exemption
- Business operation flexibility

Disadvantages

- Merger limitations

OWNERSHIP STRUCTURE

As you begin planning, you will need to consider the ownership structure of your business. Your business ownership structure will not only define who owns the business, but also will determine who controls it, who assumes liability, how profits are divided and how your business will be taxed.

The list below represents eight common business types. There are, however, many ways to set up a business, and each business is subject to its own unique tax situation. You should consult with a qualified tax professional and a lawyer to determine the appropriate structure for your business.

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

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

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.

Limited Liability Partnership (LLP) A business where partners are given the same limited liability protection as professional corporations.

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

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

Limited Liability Corporation (LLC) An LLC is a hybrid business that draws advantageous characteristics from both corporations and partnerships.

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.

Please see the chart on the previous page for comparison information.

WDCEP TIP

For more information on corporate ownership structures in the District of Columbia, visit the District's on-line Business Resource Center at www.brc.dc.gov.



Businesses like Big Bear Cafe and Boundary Stone Public House in Bloomingdale worked closely with ANCs and Neighborhood Advisory committees to obtain alcohol and patio licenses.

2

BUSINESS REGISTRATION AND LICENSING

Step-by-step Explanation of the Licensing Process

CONTRIBUTORS The Department of Small and Local Business Development |
The Department of Consumer and Regulatory Affairs | The Alcoholic Beverage Regulation Administration

The process of obtaining 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 of business regulations.

All businesses and corporations operating in DC are required to be licensed and or registered by the Department of Consumer and Regulatory Affairs (DCRA). Additionally, DCRA issues permits. Within DCRA, the Business and Professional Licensing Administration issues business and professional licenses and registers corporations. Walk-in customers are welcome to visit DCRA's Business License Center. The Business License Center serves walk-in customers that wish to file corporate documents, apply for various licenses, or need filing applications. The Permit Center is responsible for issuing construction, plumbing, electrical, and HVAC permits in the District of Columbia. Both centers provide face-to-face technical assistance which aids residents and businesses within the District of Columbia.

Please visit DCRA's website to view services offered:

- Registration forms and documents
- Answers to frequently asked questions
- Business name availability tool

WDCEP ON YouTube

Search **Business Registration and Licensing** at www.youtube.com/wdcep1495



VISIT THE DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS (DCRA)

1100 Fourth Street SW
Washington, DC 20024
202.442.4400 | dcra@dc.gov | @DCRA

Metro:

Closest stop is Waterfront on the Green Line

Hours of Operation:

Monday, Tuesday, Wednesday and Friday from 8:30 am–4:15 pm; Thursday from 9:30 am–4:30 pm

7 STEPS TO OBTAIN YOUR BUSINESS LICENSE

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

WDCEP TIP

For more specific information about whether or not you are required to obtain an EIN, you should refer to IRS Publication 1635. You can obtain a copy of the publication online at www.irs.gov.

- Registered organization search
- Corporate online formation services, report filings, name reservation and trade name filings and status certificates ordering

If you would like to operate in the District of Columbia as a nonprofit, 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 the Department of Consumer and Regulatory Affairs.

To register as a domestic company, you must file for articles of incorporation (for-profit or nonprofit corporations), articles of organization for Limited Liability Company or statement of qualification for partnership.

To register as a foreign company (if your business is already registered outside the District of Columbia), you must file for certificate of authority (for-profit or nonprofit corporations) or certificate of registration for a Limited Liability Company.

DC Department of Consumer and Regulatory Affairs

202.478.9292 | @DCRA | www.dcra.dc.gov

THE LICENSING PROCESS STEP-BY-STEP

Step 1

Employer Identification Number (EIN)

An EIN (also known as Tax Identification Number (TIN)) is a nine-digit number assigned by the Internal Revenue Service (IRS). 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.

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 a 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 types of organizations: trusts (except certain grantor-owned revocable trusts), IRAs, exempt organization business income tax returns, estates, real estate mortgage investment conduits, nonprofit organizations, farmers’ cooperatives or plan administrators?

The quickest and easiest way to apply for your EIN is online at www.brc.dc.gov (select “Start a Business”). 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 the IRS and Social Security Administration Offices, or you can request one by calling the IRS at 800.829.4933.

Step 2

Certificate of Occupancy (CRA-5)

A Certificate of Occupancy or Home Occupation Permit 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 Certificate of Occupancy 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 Certificate of Occupancy does not cover their business. It's important, therefore, to ask the owner, property manager, or agent about the Certificate of Occupancy when entering into a lease agreement.

To file for a Certificate of Occupancy for your business, you must either have a commercially zoned business location or operate your business from home. Limited home occupations, with standards, are permitted as an accessory use to the principal residential use. See Section 203.1 of DCMR 11 for permitted home occupations and limitations. You may view this section and the District of Columbia's zoning regulations at www.dcoz.dc.gov/info/reg.shtm. Applications are available from the Department of Consumer and Regulatory Affairs or online at www.dcrd.dc.gov under the heading "Permits/Zoning." Once completed, you will need to submit the application in person to the Permit Service Center.

Commercial Properties Most commercially zoned properties will already have a Certificate of Occupancy. You should be able to get a copy of the certificate from the building owner or management company. If there is not a Certificate of Occupancy, you will need to apply for one. For more information, visit www.dcrd.dc.gov and choose "Permits/Zoning" to read more about the process and to obtain a Certificate of Occupancy checklist, application, and other supplemental forms that may be required.

Home-Based Properties Pursuant to DCMR Title 11 Zoning Regulations, if you own and live in your home and use this residency as your primary business location, you must file for a Home Occupation Permit (HOP). 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. It is wise to check zoning regulations regarding all home-based businesses before applying for a HOP.

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, which 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. This will also be the basis for your unemployment tax registration with the Department of Employment Services.

PLEASE NOTE

In the District of Columbia, you are **required to have a business location and submit a Certificate of Occupancy permit** when applying for your business license

WDCEP TIP

Tax forms can be accessed online at www.otr.cfo.dc.gov. For more information call the Office of Tax and Revenue at 202.727.4TAX.

WDCEP TIP

Requirements for license and permit fees vary greatly according to the type of companies' ownership structure.

For more information on DC licenses and permit fees, to obtain a Clean Hands Certificate, or to register a trade name, please visit the Department of Consumer and Regulatory Affairs (DCRA) at: www.dkra.dc.gov.

If you are an employer with one or more employees performing services within the District of Columbia, you are liable for unemployment taxes under the District of Columbia Unemployment Compensation Act. This includes services performed on a part-time or temporary basis. Employers of household help are also liable if they pay at least \$500 in aggregate wages in any calendar quarter for such help. Persons considered household employees include chauffeurs, cooks, gardeners, nurses, maids and baby-sitters who are at least 18 years of age.

Employers with one or more employees performing services within the District of Columbia, as described in the preceding paragraph, must complete Part VI of the Combined Registration Application (FR-500). If the form is completed online at the Office of Tax and Revenue's website (www.cfo.dc.gov/otr) Part IV will automatically be forwarded to the DC 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 IV 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

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 6" below). The form is included in the Basic Business License application packet.

Step 6 Basic Business License (BBL)

The Basic Business License, renewed every two years, carries an endorsement for each activity that requires city oversight. A BBL is needed if a business or nonprofit requires city approvals, inspections or investigations. These rules apply if you transact businesses in the District, even if your business is not located in the city.

Step 7

Trade Name Registration

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) in conducting 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 undertake legal action under that name

You can register your trade name online at www.dkra.dc.gov as an individual or organization, by using the “CorpOnline” link from the main site.

Trade Name Registration Form TN-1 is also available by accessing DCRA’s website and navigating to Licensing and Registration and Corporate Registration, then by clicking on the appropriate entity type. You may opt to obtain a trade name at any step in the process.

Other 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, renovating or altering your building, home or leased premises. You may apply for permits in the Permit Service Center of the Department of Consumer and Regulatory Affairs.

Please note that other agencies (e.g. Department of Health, the District Department of Transportation and DC Water) are tied into the permitting process and have their own respective approval requirements. If you need further assistance, or have multiple permits, contact the DCRA, 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), 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

DCRA | Building Permit Customer Service Section | 202.478.9292 | www.dkra.dc.gov
(Search “DCMR Title 12 Chapter 1” online for the entire list of required permits.)

Building Plats

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 on a fee basis 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 but do not show improvements which must be added by applicant.

WDCEP TIP

Businesses can now apply for permits online via DCRA’s website. Go to www.dkra.dc.gov and click on *online permit application*. You can also file your construction permit online.

Plats are required for the following types of work:

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

Site plans are required for:

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

Public Space Permits

A Public Space Permit is required to use or install structures on public space—the area between the building or property line and the curb (restaurants with outdoor sidewalk seating will need to apply for the Sidewalk Café Permit). You are required to complete an application for Public Space Permits in order to:

- Construct sidewalks, alleys, flagpoles, fountains, planter boxes, retaining walls, fences, and any other improvements in public spaces
- Excavate in public space to construct foundations
- Occupy public space temporarily for construction equipment

Water or Sewer Excavation Permits

You must complete an application for Water or Sewer Permits to:

- Install water or sewer pipes
- Make connections to existing water and sewer mains in the street
- Excavate for water meters and meter vaults in public space

Supplemental Systems Installation Permits

Licensed contractors are required to complete an application for Supplemental Systems Permits in order to install:

- Air conditioning and refrigeration
- Plumbing fixtures
- Electrical fixtures

Floor plans, elevations, cross-sections, and detailed drawings are required in various combinations for all proposed construction, except for razes. You will need a building permit before submitting supplemental plan permits. Permits for simple projects can be issued over the counter in half an hour, while more complex projects may require from 14 to 30 days for completion of reviews.

SMALL BUSINESS RESOURCE CENTER (SBRC)

The Small Business Resource Center (SBRC), a partnership between the Department of Small and Local Business Development (DSLBD) and the Department of Consumer and Regulatory Affairs (DCRA), provides District-based small businesses and

THE SBRC NETWORK OF CENTERS LOCATIONS

Department of Small and Local Business Development

Small Business Resource Center
441 4th Street NW, Suite 970N
Washington, DC 20019
202.727.3900

Department of Consumer and Regulatory Affairs

Small Business Resource Center
1100 4th Street SW, 2nd Floor
Washington, DC 20024
202.442.8170

Services are by appointment only. To register for SBRC offerings, please visit dcbiz.ecenterdirect.com.

entrepreneurs with training, consulting and technical assistance. Service offerings include one-on-one technical assistance; pro-bono legal services; access to computers and business planning software; workshops on starting, managing, financing, and growing a business; and assistance navigating regulatory issues. The SBRC also provides regular updates about small business opportunities and referrals to other small business resource providers in the area.

ALCOHOLIC BEVERAGE CONTROL LICENSING

The Alcoholic Beverage Regulation Administration (ABRA) issues licenses to qualified applicants to serve or sell alcoholic beverages; monitors compliance with the law and regulations; and takes appropriate enforcement action when a business violates DC alcoholic beverage laws. ABRA implements new laws regulating the manufacturing, distribution and sale of alcoholic beverages in the District.

ABRA operates under the authority of a seven member Alcoholic Beverage Control (ABC) Board that sets parameters for the agency. ABRA is an independent DC government agency.

There are several classes of ABC licenses. Requirements for licensure vary greatly according to the type of establishment planned. We recommend that you consult with an ABRA representative to first determine the type of license application needed, as determined by the proposed activities of the establishment. Additionally, we recommend 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. Once your license is approved, your establishment and/or location are considered Board approved.

To file for an ABC License:

1. Consult "Quick Facts" and the "ABC Licensee Handbook" online or call an ABRA representative to determine the type of license application needed
2. File for a DC business tax number at the Tax Registration Counter in the One Stop Business Center of the Office of Tax and Revenue
3. Submit required application(s)
4. Await a 45-day placard period

Additionally, the Board is authorized to conduct a background investigation including a criminal history record check on the applicant. A routine application, with no protests, will take approximately twelve weeks for approval, including the 45-day placard period and final inspections.

202.442.4423 | www.abra.dc.gov



3

BUSINESS FINANCING

Factors of Consideration, the Loan Process, Small Business Lenders, Equity Financing and Other Sources of Funding

CONTRIBUTORS The Department of Small and Local Business Development |
The Department of Insurance, Securities and Banking | The U.S. Small Business Administration

Most businesses need outside sources of financing to get established or to expand. As a world-class financial center, DC has many banking and financing institutions that can help a business meet its financing needs.

Your funding options include:

- Obtaining a bank loan
- Working with a lender to get a loan guarantee from the U.S. Small Business Administration (SBA)
- Securing funds from an angel investor, venture capital firm, or small business investment company (see Chapter 12: Technology Company Resource Guide).

The DC Department of Insurance, Securities and Banking (DISB) promotes the availability of capital for small businesses. In 2004 a new small business development financing program administered by the DISB called the Certified Capital Company (CAPCO) Investment Program was introduced in order to increase private capital investment into DC's new or expanding small businesses (see page 30 for more information).

WDCEP ON YouTube

Search **Business Financing** at
www.youtube.com/wdcep1495



FACTORS OF CONSIDERATION

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

Your Current Resources

Depending on your start-up and growth strategies, it is advisable that you consider exhausting your current resources before turning to outside financing. These resources include savings, credit cards, and loans from family members and friends.

Your Financials

The financial section of your business plan is a critical component for attracting investors and securing funding. You may use the online financial tools provided by the District of Columbia Government's Business Resource Center at www.brc.dc.gov to gain a solid understanding of your financial position and related goals.

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.

You may obtain credit reports online or via phone by contacting one of the following companies:

Equifax

1.800.685.1111 | www.equifax.com

Experian

1.888.397.3742 | www.experian.com

TransUnion

1.800.888.4213 | www.transunion.com

WDCEP TIP

The Fair and Accurate Credit Transaction Act (FACTA) was passed by Congress in 2003 and 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, please **visit www.fdic.gov and search for "FACTA."**

THE FIVE C'S OF CREDIT

Capital: How much of your own funds are invested in this 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 trust-worthiness you make on the prospective lender or investor

THE LOAN PROCESS

The best way to get a loan is to work with a bank or lending company. These experts will help you decide which type of loan suits your business. Their advice is valuable and learning about loan types and processes yourself will supplement your knowledge to help you make the best decision.

Applying for a Loan

If you decide to apply for a business loan, your application should include the following information, much of which will be included in your written business plan:

- A description of your business: products or services, market, 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

STILL HAVE QUESTIONS?

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CONSIDER LOCAL LENDERS

The Department of Small and Local Business Development

441 4th street, NW, Suite 970 North
Washington, DC 20001
www.dslbd.dc.gov

Enterprise Development Group

1038 South Highland Street
Arlington, VA 22204
703.685.0510 | www.entdevgroup.org

- 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 being offered, 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 start-up businesses or in cases where 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 paper work involved in obtaining the SBA guarantee.

Types of Loans

Short-Term Loans

Short-term loans must be repaid within a year and are typically used to finance such items as 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.

Time Loan: There are no installment payments with a time loan. 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, accounts receivable, the expansion of a business, machinery and equipment, or construction of a new building.

Term Loan: 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 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 those 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% of the property's appraised value or construction cost in the form of a mortgage. However, commercial loans are generally offered for ten years or less. You may be able to reduce these monthly installment payments by basing them on an amortization period, which 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 start-up or new business can take out long term personal loans from a bank. Because there is no existing track record to evaluate, a banker can base the loan on your personal assets and borrowing record.

Micro-loans: Micro-loans (from \$500–\$35,000) are also a good source of financing. Non-traditional lenders with less stringent financial guidelines than banks usually offer them. They can be used for working capital, machinery, inventory and leasehold improvements.

Small Business Administration Loans

The Small Business Administration's (SBA) Micro-loan Program provides very small loans to start-ups, newly established, or growing small business concerns. Under this program, the SBA makes funds available to nonprofit community based lenders (intermediaries) that, in turn, give loans to eligible borrowers in amounts up to a maximum of \$35,000. The average loan size is about \$13,000. Applications are submitted to the local intermediary and all credit decisions are made on the local level.

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 up to \$150,000, and 75% on loans greater than \$150,000. The maximum loan amount is \$1.5 million. 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 provide short-term and cyclical working capital needs, construction, operating capital, and consolidate short-term debt. 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.

NON-TRADITIONAL FINANCING

Crowd-sourced funding opportunities for creative projects have become popular ways to raise capital. Kickstarter (www.kickstarter.com) is one of the more popular sites to offer this service.

Express and Pilot Programs streamline and expedite the loan process for certain community members, by providing rapid responses (within 36 hours of submitting applications) and lowered interest rates (often from 2.25%–4.75%).

Eligible candidates include:

- Veterans
- Service disabled veterans
- Eligible active duty service members
- 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

The Small Loan Advantage (SLA) Program is designed to encourage larger, existing SBA lenders to make lower-dollar loans, with a maximum value of up to \$250,000, which benefit businesses in underserved markets. These loans offer a streamlined application process to the 7(a) loans, 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 five to ten days. All lenders that are currently part of the SBA's Preferred Lenders Program (PLP) are eligible to participate.

The application procedure for a SBA loan varies. Specifics depend on the type of loan, as well as the lender, so it's important to ask the local lender which format they require. The SBA website (www.sba.gov) 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.

Applications should be made to local intermediaries, as all credit decisions are made at a local level.

DC participating intermediaries include:

Enterprise Development Group

703.685.0510 | www.entdevgroup.org

H Street Community Development Corporation

202.544.8353 | www.hstreetcdc.org

Latino Economic Development Corporation

202.588.5102 | www.ledcdc.org

Washington Area Community Investment Fund

202.529.5505 ext. 19 | www.wacif.org

Wheeler Creek Development Corporation

202.574.1508 | www.wheelerce.org

CDC/504 Loan Program

This program provides 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 both immediate

and long-term benefits, so that businesses can focus on growth. There is no specific maximum project size, but the SBA portion of the loan cannot exceed \$5 million.

The SBA partners with certified Community Development Companies (CDCs), and funds are made available through them. The cost is covered in three parts: a private sector loan covering 50% of the project costs, a SBA loan covering 40% of the project cost, and a 10% equity contribution from the borrower. Eligibility is determined by 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

The program now includes the Temporary 504 Loan Refinancing Program, which allows small business owners to refinance up to 90% of the appraised value of available collateral. At the time of publication \$7.5 billion was available in financing until September 27, 2012. The program contains many money-saving benefits, including:

- Consolidated existing debt (balloon and/or high interest rate loans)
- Locked in long-term, stable financing, reducing fluctuating expenses
- Finance eligible business expenses, saving needed cash-flow
- Protected jobs and ability to hire additional staff, which supports the local community
- Closing costs accounted for in the transaction, eliminating cash-flow drain

Three DC area 504 lenders:

Business Finance Group Inc.

703.352.0504 | www.businessfinancegroup.org

Chesapeake Business Finance Corporation

202.625.4373 | www.chesapeake504.com

Mid-Atlantic Business Finance Company

800.730.0017 | www.mabfc.com

Choosing the Right Loan

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 www.sba.gov/dc.

If you have difficulty obtaining a loan, or your bank advises you to do so, you may want to secure a loan guaranty from the SBA. Though the SBA does not loan directly to small businesses, it does operate a number of programs that can give your prospective lender additional security when financing your business.

WDCEP TIP

For a complete list of SBA certified and preferred lenders in the DC area visit www.sba.gov/dc and click on "Financing".

Small Business Lenders

When choosing a lender, it is important that you feel comfortable with both the loan officer and the bank itself. Many banks specialize in particular types of business financing. Others have restrictions on the types of businesses that they will loan to. Don't be reluctant to ask questions or submit your loan application to different banks at the same time.

Equity Financing and Other Source of Funding

Other financing options include 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.

Certified Capital Company (CAPCO) Investment Program

The DC Department of Insurance, Securities and Banking (DISB) administers a CAPCO Investment Program for small and start-up businesses in the District of Columbia. The Certified Capital Companies Act of 2003 (effective March 10, 2004) authorizes the CAPCO Investment Program to provide up to \$50 million in tax credits to insurance companies that make money available to certified capital companies, investment firms that specialize in high risk, or small and start-up ventures based in the District of Columbia. The CAPCO legislation requires the ventures to be based in the District of Columbia, have 75% District residency of their staff, and employ at least 25% District of Columbia residents. A business applying for CAPCO funds must be a small business as defined by the U.S. Small Business Administration, and the business must be unable to obtain conventional financing from a commercial lender.

202.727.8000 | www.disb.dc.gov



greaterwashington
hispanic chamber of commerce

Cámara de Comercio Hispana
del Área Metropolitana de Washington

Who are we?

The Greater Washington Hispanic Chamber of Commerce (GWHCC) has been promoting the growth of the Hispanic business community in the DC metropolitan region for 35 years.

What do we do?

The mission of GWHCC is to promote the success of Hispanic and minority-owned companies. We accomplish our mission through the following initiatives:

- *Technical Assistance Program for Small Businesses and Start ups*
- *Monthly Networking Events*
- *Monthly Bilingual Educational Seminars*
- *Annual Gala – June 1, 2012*
- *Annual Business Expo – April 2, 2013*



Angela Franco, President of GWHCC

Greater Washington Hispanic Chamber of Commerce

910 17th St. NW, Suite 1150,
Washington, DC 20006

www.gwhcc.org / info@gwhcc.org / (202) 728-0352

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Venture Capital and Private Equity investment

Venture Capital firms and private equity investment firms generally require some management control (in addition to 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. MAVA is a membership organization of investors, entrepreneurs, advisors, and other company-builders. For more information, see Chapter 12: Technology Company Resource Guide.

[Mid-Atlantic Venture Association](http://www.mava.org) | 703.506.9300 | www.mava.org

Venturehouse Group

Venturehouse Group is a venture capital firm that assists in building entrepreneurial businesses. They offer private equity financing for new businesses. In addition to providing young private companies with investment capital, Venturehouse Group also serves as a strategic partner, providing businesses with the expertise, support, infrastructure, and the network of services they need.

202.654.7000 | www.venturehousegroup.com

Small Business Investment Companies (SBIC's)

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.

Tax-Exempt Bond

Revenue Bond financing is an attractive source of funding for businesses and non-profit organizations that locate or operate within the federally designated Enterprise Zones (see page 39 for more information on Enterprise Zones). 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, the bond financing is usually at least two percentage points below market interest rates. A nonprofit organization is not bound by its location as long as it is within the District of Columbia and may borrow as much as it needs (see Chapter 5: Financial Incentives for eligibility requirements).



Bikeshare

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Bikeshare

4

BUSINESS TAXES

General Business Tax Requirements, Employer Tax Requirements, Other Types

CONTRIBUTORS: The DC Office of Tax and Revenue

There are two different classes of business taxes in the District; general business taxes and employer taxes. The general business taxes include corporate franchise tax, unincorporated business franchise tax, sales tax and use tax, personal property tax, gross receipts tax and taxes on special events. The employer taxes affect 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 Chapter 5: Financial Incentives).

GENERAL BUSINESS TAXES

Corporate Franchise Tax

If you engage in or carry on a trade or business in the District, and/or receive income from sources within the District as a corporation, you are required to file Form D-20, Corporate Franchise Tax return with the DC Office of Tax and Revenue. You must file the form by the 15th day of the third month following the close of the corporation's

WDCEP ON YouTube

Search **Business Taxes** at
www.youtube.com/wdcep1495



TAX PAYER SERVICE CENTER

To find out where to file forms, please go to OTR's taxpayer service center website: www.taxpayerservicecenter.com. You will also be able to file some forms online.

DC OTR
202.727.4TAX (4829) | @DC_OTR

taxable year. The minimum tax payable under the District corporate franchise tax is \$250 if the District gross receipts are \$1 million or less and the minimum tax payable is \$1,000 if the District gross receipts are greater than \$1 million.

Unincorporated Business Franchise Tax

You will need to file Form D-30, the Unincorporated Business Franchise Tax, if your business is unincorporated (sole proprietorship, partnership, joint venture, etc.), engaging in or carrying on any trade or business in the District of Columbia, deriving rental income and/or receiving other income from sources within the District, whose gross receipts exceed \$12,000 a year. The minimum tax payable under the District unincorporated business franchise tax is \$250 if the District gross receipts are more than \$12,000 but not more than \$1 million and minimum tax payable is \$1,000 if the District gross receipts are more than \$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 on the sale of:

- Tangible personal property delivered to a customer in DC
- Certain foods and drinks sold at retail
- Certain services including but not limited to security, data processing, information and real property and maintenance services
- Rental of rooms to transients
- Admissions to certain public events that take place in DC
- The service of parking, storing, or keeping motor vehicles and trailers in DC

In addition, you must file a Sales and Use Tax Return (Form FR-800M) monthly by the 20th day of the month following the reporting period, the FR-800Q (quarterly sales tax return) by 20th day of the month following the reporting quarter and the FR-800A (annual sales tax return) on 20th of October. The annual sales tax year covers the period from October 1st of the year through September 30th of the following year.

Personal Property Tax

For any tangible personal property (e.g. furniture, computers, fixtures, books), which is used or available for business purposes, you are required to file Form FP-31 and pay personal property tax on or before July 31st for 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." The Form FP-31 must be based upon the current value of all tangible personal property owned as of July 1st. 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 (OTR) requires that all businesses 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 your business fits into.

BALLPARK FEE SCHEDULE

REVENUES	FEE
\$5-8M	\$5,500
\$8-12M	\$10,800
\$12-16M	\$14,000
\$16M+	\$16,500

Taxes on Special Events

Special events are taxable activities, which occur inside the District of Columbia at intervals or only once. Special events include auctions, shows, celebrations, circuses, expositions, entertainment, exhibits, fairs, festivals, fundraisers, historical re-enactments, movies, pageants, parades, and sporting events. Vendors participating in special events are liable for sales tax on items sold during the event.

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 ten 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 access to the Office of Tax and Revenue 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 shall 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 shall 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 DCRA at 202.442.6805 (@DCRA).

EMPLOYER TAXES

Organizations will be taxed based on ownership structure type. (Please see the figure on the following page for tax requirements.)

OFFICE OF TAX & REVENUE
Office of the Chief Financial Officer
 1101 4th Street, SW, Suite W270
 Washington, DC 20024

202.727.4849 | @DC_OTR
 www.taxpayerservicecenter.com

Unemployment Taxes

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 (DOES) 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.

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 (e.g., lodging, meals). 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 UC (Unemployment Compensation) law may elect to reimburse DOES for benefits paid to their former employees, rather than paying quarterly contributions at a predetermined rate.

BUSINESS TAX REQUIREMENTS

based on ownership structure

GENERAL PARTNERSHIP

- Profits are personally taxed to partners based on percentage of ownership;
- Can claim on personal taxes

LIMITED PARTNERSHIP

- Profits are personally taxed to partners based on percentage of ownership;
- Can claim on personal taxes

LIMITED LIABILITY PARTNERSHIP

- Special Tax Consequences

S CORPORATION

- Corporate earnings are subject to "double taxation" when corporations are taxed and shareholders receive dividends

NONPROFIT

- May seek to be exempt from taxation, which requires the approval of the IRS under specific guidelines

LIMITED LIABILITY CORPORATION

- Corporation is taxed on earnings, owners only taxed on income taken out of business;
- Additional tax benefits

SOLE PROPRIETORSHIP

- Profits are personally taxed to owner;
- Offers few tax benefits

For more information on the District's compensation law pertaining to taxes, contact the Office of Unemployment Compensation Tax Division at 202.698.7550.

For Nonprofit Organizations

If you are exempt from federal unemployment taxes, you have two options to finance unemployment insurance coverage:

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 (OTR) encourages businesses and individuals that are not in compliance with District tax laws to voluntarily come forward 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.



Arena Stage used the DC Revenue Bond Program to help fund the \$125 million expansion of their theater complex.

5

FINANCIAL INCENTIVES

Summary of Financial Incentive Programs, DC Enterprise Zone Program, DC Technology Incentives

CONTRIBUTORS: The Office of the Deputy Mayor for Planning and Economic Development |
The Department of Insurance, Securities and Banking

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 Enterprise Zone program and the DC Tech Incentive program.

THE DC ENTERPRISE ZONE PROGRAM¹

The District of Columbia's Enterprise Zone (EZ) Program was established in 1997 by the federal government to stimulate economic growth and job development in the nation's capital. Businesses who qualify for the EZ incentives are eligible up to \$1.2 billion of federal tax credits, deductions, exemptions and exclusions.

Primary Enterprise Zones are defined as a geographical area with 20% or higher poverty rates based on 1990 Census tract data and are eligible for all EZ incentives.

WDCEP ON YouTube

Search **Financial Incentives** at
www.youtube.com/wdcep1495



¹ At the time of publication, the Enterprise Zone Credit expired and had not yet been renewed; please consult your accountant for its current status.

WDCEP TIP

DC Enterprise Zones are divided into primary and secondary zones. **Locate your business in a primary zone for maximum benefits.**

WDCEP TIP

The DMPED's online **DC Business Incentives Map** can determine if your business is located in an Enterprise Zone, Hub Zone, High Technology Development Zone, Supermarket Tax Credit Zone and other incentive areas.

Secondary Enterprise Zones are defined as a specific geographical area with between 10–20% poverty based on 1990 Census tract data. Secondary EZs are only eligible for federal capital gains tax exemption and personal property tax exemption.

Eligibility for EZ Incentives

To determine if your business is located within an Enterprise Zone, visit the Office of the Deputy Mayor for Planning and Economic Development (DMPED) online at www.dcbiz.dc.gov and click on "DC Business Incentives Map." You may also visit the Department of Housing and Urban Development's Address Locator online at www.hud.gov. If you have questions about a specific address, please contact the DC Revenue Bond-Enterprise Zone Program Office at the DMPED at 202.727.6365.

To be a qualified Enterprise Zone business, your business will need to meet the following criteria:

- It must operate as a corporation, nonprofit, partnership, LLC or sole proprietorship
- It must be a business that does not primarily develop or hold intangibles for sale or license. The only trade or business is the active conduct of a "qualified business" as defined by the IRS (IRS Publication 954).
- At least 50% of the business income is from the active conduct of a trade or business within the EZ
- A substantial portion of the tangible property and non-tangible property is used in the active conduct of a qualified business
- A substantial portion of the services performed for the business by its employees is performed in the EZ



Job Creation and Economic Growth



"Serving the Community Since 1969!"



Incentives Available to EZ Businesses

A Qualified Enterprise Zone Business (QEZB) may take advantage of the following incentives:

Tax-Exempt Bond Financing (EZ Bonds)

The DC Revenue Bond program provides below market interest rate loans (as much as 200 basis points below the market rate) to qualified private businesses that are located in the EZ, as well as nonprofit and manufacturing organizations citywide. Each QEZB is eligible for up to \$15 million of tax-exempt “EZ bonds” (no limit for nonprofit organizations) to finance depreciable tangible property, including buildings, equipment, and furnishings used in the business. Tax-exempt bond financing means that the holder of the debt does not have to pay federal income tax on the interest earned from the investment, thereby allowing you to lend money at lower rates than typical “taxable” securities.

You can issue bonds to assist in financing a broad variety of capital projects and eligible EZ bond projects including:

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

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.

Exclusion of Capital Gains from DC Zone Assets

If your business derives at least 80% (a requirement for this provision only) of its total gross income from business conducted within the EZ, then you are eligible for exclusion of federal capital gains taxes on qualified sale of stock, partnership interests, or property. The investment must be held for a minimum of five years.

DC Employee Tax Credits

Each QEZB may claim a tax credit of up to \$3,000 annually for each DC resident employee at the EZ facility. Businesses may claim a maximum of \$3,000 or 20% of the first \$15,000 in qualified wages for each qualified employee during each of the five tax years. The tax credit is applicable to both existing and new employees, as well as full-time and part-time employees. Credits are leveraged against federal corporate tax liability. To obtain employee tax credits, complete IRS Form 8844 and submit with your federal tax return.

Work Opportunity Credits

A QEZB may claim up to \$2,400 for each employee from targeted demographic groups.

PLEASE NOTE

At the time of publication, the EZ Program had expired and had not yet been renewed, therefore Revenue Bonds are eligible in all areas of the city until further notice. Check with your accountant for the current status of the EZ Program.

WDCEP TIP

Insert the WOTC pre-screening form into your on-boarding documents to ensure that you capture credits from eligible new hires.

Welfare to Work Credits

A QEZB can claim up to \$3,500 and \$5,000 for the first and second years of employment, respectively, for workers receiving long-term family assistance.

WORK OPPORTUNITY TAX CREDITS (WOTC)

DC-based businesses are eligible for up to \$9,000 in WOTC tax credits over two years for each employee who was previously a “long-term family assistance recipient.” A separate \$2,400 tax credit is available for qualified employees, including youth living within the Enterprise Zones, veterans, ex-felons, residents of impoverished communities, and recipients of supplemental social security benefits in the first year of employment. These are nationwide tax credits and generally have no employee residency requirements.

To receive certification that a new employee qualifies the employer for this tax credit, the employer must:

1. Complete page one of the IRS Form 8850 by the day the job offer is made
2. Complete page two of IRS form 8850 after the individual is hired
3. Complete either the one page ETA Form 9061 or Form 9062 as appropriate

For example:

- If the new employee has already been conditionally certified as belonging to a WOTC target group by a state workforce agency (SWA) or participating agency, complete the bottom part of ETA Form 9062, sign and date it, or
- If the new employee has not been conditionally certified, the employer and the new employee must complete, sign and date ETA Form 9061

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. You can find these forms online at www.irs.gov or request to receive the forms by mail by calling 1.800.829.3676.

DC TECH INCENTIVES (FORMERLY NET 2000)

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

Claiming DC Tech Incentives

To qualify as a QHTC, a business will need to attach the forms listed below to any tax return claiming the benefits of the DC Tech Incentives. You may obtain these forms online at www.dcbiz.dc.gov or www.otr.cfo.dc.gov, or you may contact the District’s Office of Tax and Revenue, Tax Form Center at 202.442.4829.

HIGH TECHNOLOGY DEVELOPMENT ZONES

To determine whether a business is located in a high tech zone, go to www.dcbiz.dc.gov, click on “DC Business Incentives Map” and then click on high tech development zones or call the Office of Tax and Revenue at 202.442.6500.

Required Forms for DC Tech Incentives Application

- **Publication 399:** Qualified High Technology Companies (description of and forms for claiming tax benefits)
- **QHTC-CERT 2001:** Certification for Qualified High Technology Company Form
- **D-20CR:** Business Tax Credits Form (file with form D-20)
- **D-30CR:** Business Tax Credits Return Form (file with form FP-332)
- **FP-332:** Claim for Refund of Retaining Costs Form
- **FP-331/337:** Claim for Refund of Sales & Use Tax
- **Exempt Purchase Certificate Forms**
- **NET 2000 Financial Incentives**

NET 2000 ACT

If you have questions about the NET 2000 Act, please contact the DC Office of Tax and Revenue's Office of the General Counsel at 202.442.6500, the Office of the Deputy Mayor for Planning and Economic Development at 202.727.6365, or refer to DC Law 13-256 and related regulations to determine eligibility.

DC Tech Incentives Financial Benefits

A QHTC can expect a significant tax break with the following abatements from DC taxes:

Franchise Tax Reduction or Exemption

- Zero franchise tax on unincorporated technology business
- Five-year elimination of franchise tax on incorporated technology companies located within the High Technology Development Zone. Companies enjoy a reduced franchise tax rate of 6% from the sixth year forward.
- Reduced franchise tax of 6% for incorporated tech companies located outside of the tech zones but within the District of Columbia

Real Property Tax Abatement

- A five-year abatement of increases on property tax rates attributable to renovations to accommodate technology companies and for certain newly constructed buildings

Personal Property Tax Abatement

- A ten year exemption of personal property taxes on certain purchases made after December 31, 2000
- An allowance of up to \$40,000 in personal property expense deductions

Sales and Use Tax Exemption

- Elimination of DC sales tax on certain sales to eligible companies
- Sales by eligible companies of certain intangible property or services are not taxable

Capital Gains Tax Exemption

- An exemption from District taxation of certain capital gains from the sale, exchange or rollover of stock, partnership interests and other assets of qualified high tech companies held for a minimum of five years

Workforce Development Credits

- DC Tech Incentives provides credits to the franchise tax for wages paid and certain expenditures made on behalf of employees

SUMMARY OF FINANCIAL INCENTIVE PROGRAMS

REVENUE BOND PROGRAM

Provides issuance and sale of tax-exempt bonds to finance, refinance, and reimburses costs of capital projects—including property acquisitions, renovations, construction and purchase of machinery and equipment

Eligibility

Borrower must be a qualified 501(c)(3) nonprofit or manufacturer located in DC; for-profit company must be located in a Primary EZ

DMPED | 202.727.6365 | www.dcbiz.dc.gov

ENTERPRISE ZONE PROGRAM (EZ)

Businesses can borrow up to \$15 million of federal tax exempt bonds to finance capital projects; annual federal employment tax credit of up to \$3,000 for each DC resident employee; increased federal expensing allowance

Eligibility

- Business primary location is within a federally designated EZ
- 50% of business income earned in an EZ
- Substantial portion of business property, services and workers are within an EZ Revenue Bond & Enterprise Zone Program

DMPED | 202.727.6365 | www.dcbiz.dc.gov

WORK OPPORTUNITY TAX CREDIT

Businesses can receive \$2,400 for each new adult hire; \$1,200 for each new summer youth hire; and \$9,000 for each new long-term family assistance recipient hired over a two-year period

Eligibility

New employees that belong to one of the eleven target groups, including: qualified TANF recipients; qualified ex-felons; qualified veterans; qualified food stamp recipients; qualified SSI recipients; long-term family assistance recipients

For a complete list and more detailed information please visit www.doleta.gov and search for “WOTC”

DOES | 202.724.7000 | www.does.dc.gov

CUSTOMIZED TRAINING PROGRAM

Employers are reimbursed for funds spent to train District residents as skilled employees; maximum \$500,000 per contract

Eligibility

Must submit funding request to Department of Employment Services and negotiate single source contract

Office of the Deputy Director | DOES

202.658.5810 | @ONEDOES_ONECITY | www.does.dc.gov

DC CAPCO

\$50 million as capital to support small and start-up businesses

Eligibility

- Capital needs of \$100,000 or more
- Must be headquartered in DC and at least 75% of your employees must work in DC and 25% must live in DC

Department of Insurance, Securities and Banking

202.727.8000 | @DCDISB | www.disb.dc.gov

TAX INCREMENT FINANCING (TIF)

Provides issuance and sale of tax-exempt governmental revenue bonds to finance public infrastructure redevelopment within predetermined geographic areas

Eligibility

Eligible projects must be consistent with statutory criteria (a redevelopment plan) and typically are supported by project feasibility studies, cost/benefit analysis and development agreements

DMPED | 202.727.6365 | www.dcbiz.dc.gov

SUPERMARKET TAX EXEMPTION

Ten-year exemption of real estate and personal property taxes and license fees; exemptions of sales and use taxes on building materials for construction or rehabilitation

Eligibility

Must be a qualified supermarket in a priority development area

DMPED | 202.727.6365 | www.dcbiz.dc.gov

DC TECH INCENTIVES (FORMERLY NET 2000)

Variety of incentives for technology companies

Eligibility

Must be certified as Qualified High Technology Company (QHTC), meeting the following criteria:

- Individual or for-profit with two or more employees
- Maintain an office, headquarters or base of operations in DC
- Derives 51% or more of gross revenues from a high tech business as defined by law

To determine eligibility:

Office of Tax & Revenue's Office of the General Counsel

202.442.6509 | @DC_OTR | www.otr.cfo.dc.gov

For forms:

Office of Tax & Revenue's Tax Forms Office

202.727.4TAX | @DC_OTR | www.otr.cfo.dc.gov

Relocation Expense Reimbursement

Companies that move at least two fulltime jobs to DC are eligible for:

- A credit of \$5,000 per employee for reimbursement of employee moving expenses and payments for the employee's lease or purchase of a primary residence capped at \$250,000 per company per year
- A credit of \$7,500 per employee for reimbursement of employee moving expenses and payments for the employee's lease or purchase of a primary residence if the employee relocates to DC from outside DC, capped at \$1,000,000 per company per year

Wage Credit

- You may claim a credit of 10% of wages paid for the first 24 months of employment, up to \$5,000 per employee per year

Training and Wage Credits

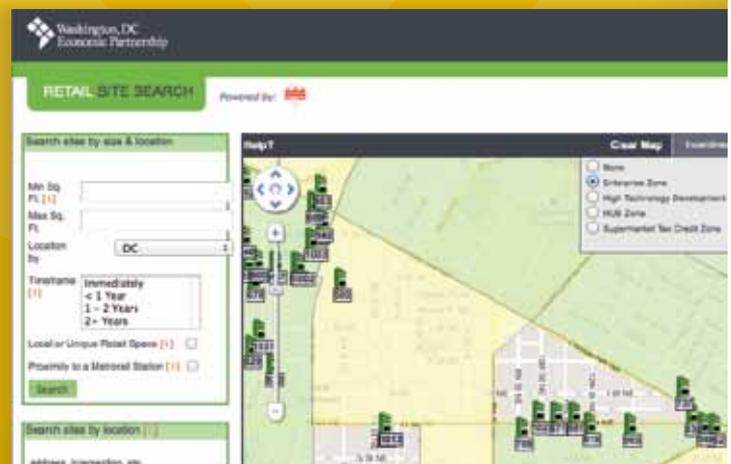
- Companies that hire the following types of employees are eligible for these credits: employees that are recipients of Temporary Aid for Needy Families (TANF), ex-offenders, or employees for whom the company may claim the Work Opportunity Tax Credit (see explanations for those in "Federal Tax Incentives")
- A credit for each employee of up to \$20,000 for costs of approved training during the first 18 months of employment
- A credit of 50% of wages paid for the first 24 months of employment, up to \$15,000 per employee per year
- Wage and relocation credits can be carried forward ten years if a company does not have District tax liability

LOCATE YOUR BUSINESS IN AN INCENTIVE ZONE

USE WDCEP'S RETAIL SITE SEARCH

Find storefronts in

High Technology Development, HUB, Enterprise and Supermarket Tax Credit Zones



Learn more at wdcep.com





DOES is located on Minnesota Avenue & Benning Road. Their services such as the One City One Hire Initiative or On the Job Training program can streamline your hiring process.



FINDING TALENT AND LABOR LAWS

**Resources for Finding Talent, Local and Federal Labor Laws,
Employment Regulation**

CONTRIBUTORS: The DC Department of Employment Services

In order to hire a qualified employee, companies must consider a wide 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.

FINDING TALENT

Locating the right person to hire can be a major challenge, but bear in mind that DC has an extensive job market. In 2011, the unemployment rate in the District of Columbia averaged 10.2%¹.

Look broadly at ways to fill your employment needs

- **Be flexible.** Can your needs be fulfilled by part-time employees, as opposed to full-time employees? Can student interns or recent graduates be of assistance?
- **Consider hiring independent contractors for assignments.** Contractors' hourly rates may be higher than the respective wages of full-time employees, but

WDCEP ON YouTube

Search **Finding Talent & Labor Laws** at www.youtube.com/wdcep1495



¹ DC Department of Employment Services

contractors are hired for a pre-defined and limited 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
- Contact and/or join industry specific professional associations
- Post advertisements in newspapers, publications, journals and online
- Hire an executive recruitment firm for professional staffing needs

WDCEP TIP

For more information about the assistance programs for DC-based small businesses that the Department of Employment Services has implemented go to www.does.dc.gov.

THE DEPARTMENT OF EMPLOYMENT SERVICES (DOES) ASSISTANCE PROGRAMS

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

One Stop

Area employers can use the online One Stop to place job orders and search for applicants by skill set or position. The system also accommodates the employer looking for specific industrial and economic data.

www.dcnetworks.org | 202.724.7000

Job Order Processing

Individual employer job specifications and necessary worker qualifications are recorded and made available to qualified applicants both locally and on America's Job Bank via the internet. The staff meets employer job needs consistent with Equal Employment Opportunity (EEO) principles through the selection and timely referral of qualified permanent full-time, temporary, and part-time workers.

The DOES' special initiatives include efforts to:

- Assist with the coordination of the Washington Region Access to Jobs Program
- Administer the Work Opportunity and Welfare-To-Work Tax Credit
- Assist public/private organizations with special recruitments

First Source Agreement

The First Source Agreement program grants DC residents priority for new jobs created by municipal financing—either in-part or in-full—and development programs. All beneficiaries of contractual agreements totaling \$100,000 or more are required to enter into a First Source Agreement with DOES and to utilize DOES as a first source for recruitment, referral, and placement of employees.

One City One Hire Initiative

One City One Hire is an employer-driven hiring initiative with the goal of putting District residents back to work. As part of DC's economic development strategy many programs are featured in the One City One Hire Initiative. We can distinguish the One the Job Training program, the Work Opportunity Tax Credit (WOTC), the Apprenticeship Program, the Project Empowerment (PE) and the Veterans' Employment Program.

One City One Hire is a Value Added Investment for Employers

The expense to businesses to hire new employees can be a costly investment in both time and money. The DOES can help employers defray some of these costs by facilitating training, recruitment, and screening processes for potential hires to prepare and identify qualified candidates. The DOES is also partnering with local corporations to offer job coaching and mentoring services at no charge to hiring employers. By taking advantage of these programs, services, and incentives, employers can reap the rewards of an adequately trained workforce that meets their needs.

A new strategy for improved customer service delivery in preparing job seekers and assisting employers with their employment needs is underway city-wide at every DC Works Career Center.

Work Opportunity Tax Credit

The Work Opportunity Tax Credit (WOTC) is a federally funded program that reduces the federal tax liability of private-for-profit employers hiring new employees from selected target groups who have consistently had difficulty obtaining or maintaining employment. Tax credit amounts vary and are based on a percentage of wages paid to, and hours worked by, properly certified employees.

Target Groups

- TANF Recipient
- Veteran
- Ex-felon
- Designated Community Residents
- Vocational Rehabilitation Referral
- Qualified Summer Youth
- Food Stamp Recipient
- SSI Recipient
- Long-term Family Assistance Recipient
- Unemployed Veteran
- Disconnected Youth

Employer Benefits

- \$2,400 generally for each new adult hire
- \$1,200 for each summer youth hire
- \$4,800 for each new disabled veteran hire
- \$9,000 for each new long-term TANF recipient hired over a two-year period

ADDITIONAL JOB DEVELOPMENT INITIATIVES

In addition to First Source Agreement, Job Order Processing and the online One Stop, the DOES also supports job development efforts associated with:

- Mayor's Retail Summit
- Citywide Job Fair
- Business Resource Center
- Focused Improvement Area Initiative
- Minority Business Development 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, electrician, 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.

Participant Eligibility Criteria

Apprenticeship sponsors must be approved by a state or federal apprenticeship registration agency for certification. The general qualifications for apprenticeships vary by craft, but general qualifications for apprenticeship selections are typically:

- 18 years or older
- Drug-free
- Physically able to do the work of the specified trade/occupation
- A high-school diploma or General Education Diploma (GED)
- Access to reliable transportation, particularly for construction trades
- A high school transcript, may be required

Your Choices, Your Trade

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 www.does.dc.gov.

Project Empowerment (PE)

Project Empowerment (PE) provides supportive services, adult basic education, job coaching, employability, life skills and limited vocational training, and job search assistance to hard-to-serve District of Columbia residents with multiple barriers to employment, living in areas with high unemployment and/or poverty levels.

Employer Benefits

- Protected 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.
- No federal regulations covering bonds issued
- 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 the necessary support to succeed on the job.

Target Audience

The District of Columbia residents who benefit from these services must be 22-54 years old; currently unemployed and lack a secondary school educational credential (high school diploma or its recognized equivalent, e.g., GED).

Veterans' Employment Program

The Department of Employment Services (DOES) proudly serves veterans and other

eligible individuals 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 known as the Disabled Veterans' Outreach Program (DVOP) and the Local Veterans' Employment Representative (LVER) Program are provided to veterans.

Veterans Services

The DVOP and LVER programs provide various types of occupational training, employment counseling, career readjustment assistance, and job seeker and placement services, including resume preparation, interviewing skills and techniques, and job matching.

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 DOES DC Works Career Centers.

THE DISTRICT OF COLUMBIA'S ON-THE-JOB TRAINING PROGRAM

The On-the-Job Training (OJT) Program objective is to assist businesses to provide training in occupations that meet the needs of the employer. The goal of the OJT Program is to place participants in occupations that will enhance their prospects for long-term employment. OJT involves the acquisition of specific skills and employment competencies, through exposure in an actual work setting, to the processes, work tasks, tools, and methods of a specific job or group of jobs.

It is a "hire-first" program in which the employer enters into an agreement with DOES to hire, train, and retain the individual upon successful completion of the training program. Through this program, businesses may be reimbursed 90% of the new employee's wages while they are in training (up to six months).

For many employers, the OJT Program could mean the difference between hiring an additional employee and remaining understaffed. The OJT Program helps to facilitate matching job seekers and employers thereby helping new employees learn new job skills while engaged in productive work for their new employer.

Quick Facts about OJT

- Participants receive no less than the District's minimum wage (\$8.25/hour)
- Training participants must be unemployed
- Employers must be established businesses (in good standing with the District)
- Participating employers receive a reimbursement to cover the extraordinary costs of training and supervision

Employer Benefits

- Monthly reimbursement – 90% of trainee’s hourly wage up to \$34/hour
- Salary must be commensurate with the average wage of that particular position according to the District of Columbia’s Occupational Employment and Wage Estimates Data/prevaling wages
- Employer makes all hiring decisions
- Employers save recruiting, screening, and training costs
- Length of training is negotiable
- OJT trainees are treated like regular employees
- Quick approval time

Additional info

- Jobs must be permanent and full-time
- Employers must have Workman’s Compensation or approved on-site accident insurance
- Training agreement must be approved before trainees begin to work
- Employer must provide a wage of at least \$8.25/hour up to \$34/hour (\$8,000 maximum for paid training)
- Employer must retain OJT employee for at least six months after completion of training
- Trainees abide by the same company policies as other employees (and receive same benefits as employees in similar positions)
- Employer will be monitored by the OJT Team

Exclusions

- Applicant cannot be related to owner or supervisor of firm
- Applicant cannot be hired by former employer²
- Jobs depending on a commission only as the primary source of income (e.g., insurance sales) are not eligible
- State and federal jobs are not eligible
- Intermittent seasonal occupations are not eligible
- Contract assignments—any occupation—are not eligible

Reimbursement Schedule for Participating Employers

The training wage reimbursement is based upon the size of the employer:

- Small employers (fewer than 51 employees) are reimbursed 90% of wages paid during training
- Medium-sized employers (between 51 and 250 employees) are reimbursed 75% of wages paid during training
- Large employers (over 251 employees) are reimbursed 50% of wages paid during training

² Case-by-case basis: Timeframe must be at least three months or more to rehire (for example, if a person was laid off and is brought back by employer, they may be eligible for OJT)

District of Columbia Participant Eligibility Criteria

To participate in this OJT initiative you must be:

1. A resident of the District of Columbia
2. Laid-off by your previous employer after January 1, 2008
3. Actively seeking and available for work

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 | www.scoredc.org

The DC Chamber of Commerce Business Resource Center (DCCCBRC) provides technical assistance to small business owners on many issues, including employment laws.

202.545.0220 | www.brc.dc.gov/gabrc

Worker's Protection and Labor Standards

The Department of Employment Services (DOES) 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

Effective July 24, 2009, the minimum wage in the District of Columbia is \$8.25/hour; if you are a restaurateur, however, the minimum wage for your tip earning staff is \$2.77/hour. 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.

Workers' Compensation Program

This 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.

Alien 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 aliens may obtain a visa to enter the U.S. and engage in permanent employment.

WDCEP TIP

DOES hosts up-to-date information on labor standards and laws on its website. For additional information visit www.does.dc.gov.

Child Labor Laws

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

Leave Acts

One of the newest, and most unique, laws to DC—the DC Accrued Sick and Safe Leave Act, which became effective May 2008—requires that DC employers provide paid leave to employees for physical and mental illness, preventive medical care, family care and certain absences associated with domestic violence or sexual abuse. The amount of leave an employer is required to provide depends on the size of the organization or business.

The DC Family Medical Leave Act requires employers with twenty or more employees in the District of Columbia to provide 16 weeks of job-guaranteed medical leave to qualified employees with a serious health condition every 24 months. Note that this is four weeks more than the 12 weeks required by federal law. Similarly, the DC Parental Leave Act entitles an employee up to 16 weeks of family leave during a 24-month period for the birth or adoption of a child or to care for a family member.

DC Office of Human Rights | 202.727.4559 | www.ohr.dc.gov

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. DC's Office of Human Rights provides free Equal Employment Opportunity (EEO)-related



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training sessions. 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, you need to be especially aware of ADA guidelines if you have more than 15 employees.

[ADA](#) | 800.514.0301 | www.ada.gov

If your business has 20 or more employees, take note of the Age Discrimination in Employment Act. Age discrimination occurs when an individual is treated unfavorably in his or her employment situation because of his or her 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. To set up a training program at your company's site on topics such as basic EEO training, diversity training, and sexual harassment training, contact the DC Office of Human Rights.

[DC Office of Human Rights](#) | 202.727.3545 | www.ohr.dc.gov

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 | www.does.dc.gov

Unemployment Compensation

Office of Unemployment Compensation | 202.724.7072 | www.does.dc.gov

Workers' Compensation (Private Sector)

Office of Workers' Compensation | 202.671.1000 | www.does.dc.gov

Occupational Safety and Health (Private Sector)

Office of Occupational Safety and Health | 202.671.1800 | www.does.dc.gov

Child Labor Law

U.S. Department of Labor | 866.487.9243 | www.dol.gov

Family Medical Leave Act

DC Office of Human Rights | 202.727.4559 | www.ohr.dc.gov

Equal Employment Opportunity

DC Office of Human Rights | 202.727.4559 | www.ohr.dc.gov



Amsterdam Falafel in Adams Morgan adjusted their insurance holdings as the business grew and they obtained a patio license.



BUSINESS INSURANCE

Workers' Compensation Insurance, Business Property and Liability, Bonding, DC Captive Insurance

CONTRIBUTORS: The DC Department of Insurance, Securities and Banking

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), www.disb.dc.gov, regulates the financial-services industries in the District of Columbia by administering District insurance, securities and banking laws, rules, and regulations. The District government agency oversees insurance companies and producers, broker-dealers, mortgage lenders, check cashers, and District-chartered banks, to name a few. The 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 the DISB has promoted is Insure U for Small Business. Created by the National Association of Insurance Commissioners, of which the DISB is a member, Insure U for Small Business is a comprehensive public education program to assist 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.

WDCEP ON YouTube

Search **Business Insurance** at www.youtube.com/wdcep1495



WDCEP TIP

The Insure U for Small Business curriculum is available online at www.insureUonline.org/smallbusiness.

OVERVIEW OF TYPES OF BUSINESS INSURANCE

The Insure U for Small Business curriculum includes six categories of vital information to small businesses:

- Workers' Compensation
- Group Health and Disability
- Business Property and Liability
- Commercial Auto
- Group Life and Key Person Life
- Home-based Business Insurance

Workers' Compensation Insurance

Workers' compensation insurance protects a business owner from claims made by employees who experience work-related injuries or illnesses—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 any medical expenses that individual incurs. You might also face fines and penalties for noncompliance.

The U.S. Department of Labor's Occupational Safety & Health Administration (OSHA) 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 www.osha.gov/dcsp/smallbusiness.

The District's Office of Workers' Compensation within the DC Department of Employment Services (DOES) processes claims and monitors the payment of benefits to injured private-sector employees in the District of Columbia. 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
4050 Minnesota Avenue, NE | Washington, DC 20019
202.671.1000 | www.does.dc.gov

Group Health & 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 is therefore 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 of Columbia. 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, self-insured health plans (where an employer insures itself), are regulated by a federal law called ERISA (Employees Retirement Income Security Act of 1974). It is rare for a company to self-insure its health insurance.

Business owners are not legally required to offer health insurance. However, under federal law, the Patient Protection and Affordable Care Act (PPACA), which was passed in 2010, the United States is moving in the direction of requiring health insurance for most people by 2014. Here, in the District of Columbia, efforts are currently underway to establish the Small Business Health Options Program (SHOP) health insurance exchange by 2014. With authority granted by PPACA, and in conjunction with the District of Columbia Health Insurance Exchange (DC HIX), small businesses will gain unprecedented leverage in purchasing health insurance coverage for their employees. The SHOP exchange 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 of 50% of the cost of providing health insurance for their employees.

Small businesses should check with the DISB to understand the current laws in the District of Columbia and determine how they may affect your organization.
202.727.8000 | @DCDISB | www.disb.dc.gov

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, typically from three to six months following a disability. The specific period and percentage of replaced income varies with different policies. According to the Small Business Administration (SBA), 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 the age of 65, depending on the policy selected.

Commercial Property & Liability

Commercial property insurance protects small business owners from losses due to damage to physical space or equipment, or as a result of theft. For insurance purposes, a business's property includes the physical building in which it resides, as well as its other assets, including machinery, computers and other data processing equipment, signs, fences, non-tangible items such as trademarks and copyrights, and inventory.

WDCEP TIP

For any additional questions or concerns regarding the various forms of business insurance, please contact the Small Business Administration (SBA).
www.sba.gov | 800.827.5722

WDCEP TIP

All of the following, owned or leased, can be considered business property: the actual building; inventory; furniture, equipment and supplies; machinery; computers and other data processing equipment; valuable papers, books and documents; artwork and antiques; television sets, VCRs, DVD players, satellite dishes; signs, fences and outdoor property not attached to a building; and non-tangible items such as trademarks and copyrights.

There are three types of commercial property insurance plans:

- **Basic** form, which includes losses resulting from fire, lightning, windstorm, hail, and explosion, plus the cost of removing property to protect it from further damage
- **Broad** form, which includes basic plus extended coverage for other types of perils, such as a roof collapse (e.g. caused by snow or ice), riot, and civil commotion
- **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

This type of 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. Business interruption/continuation 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. These are risks that liability insurance covers.

Liability insurance, also called Commercial General Liability (CGL), 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:** financial losses suffered by the injured party and future losses they may suffer resulting from an injury they claim in a lawsuit
- **General damages:** non-monetary losses suffered by the injured party, such as "pain and suffering" or "mental anguish"
- **Punitive damages:** 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; or
- Wrongful practices by professional service providers (e.g.: health care 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.

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 determines 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.

Group Life Insurance

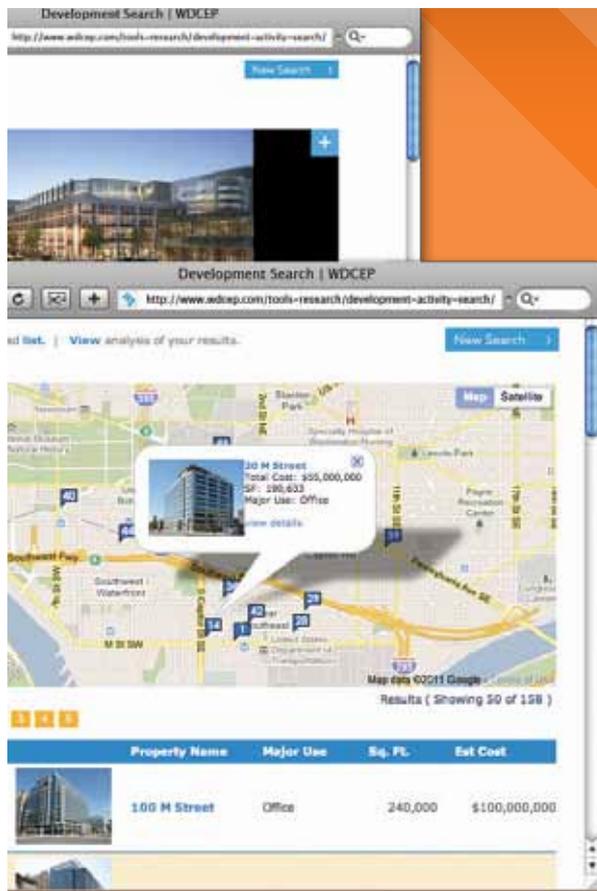
Some business owners offer group life insurance to employees. Group life insurance can be part of an employee benefit plan that is paid for by the employer, or a voluntary offering, whereby the employee pays for the coverage.

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 his/her salary, he or she 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 his or her 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 based on the fact that 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. In fact, term life premiums have decreased markedly during the past decade due to the fact that 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



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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 some "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 very important 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; and/or
- 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 owner's 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 goes by several names, such as whole life, universal life and/or variable life, typically includes both 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—comprise roughly half of all U.S. businesses and generate a huge amount of economic activity, according to the Small Business Administration. Some of the major types of home-based businesses are the following:

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

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% has 5–19 employees
- About 0.2% has 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 their owners against certain risks. Often, home-based businesses are underinsured—a fact their owners discover after an incident occurs.

Types of Insurance to Consider

If you have a home-based business or are thinking about starting one, it's 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 your insurance options.

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

- Workers' compensation insurance
- Property and liability insurance
- Commercial auto insurance
- Disability insurance
- Life insurance

Bonding

An insurance bond offers assurance that one party will be responsible for the faithful performance of another party. There are four general types of bonds available for small businesses to perform work or services for others:

- Bid or Tender Bond
- Performance Bond
- Payment Bond
- Maintenance Bond

A **Bid 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; and it guarantees that the successful bidder will enter into contract once the bid is accepted, and will furnish a Performance Bond.

A **Performance Bond** guarantees that the entity will perform and complete the work in accordance with the contract and related documents.

A **Payment Bond** ensures that the project is free from liens, and may protect against nonpayment.

A **Maintenance Bond** guarantees that the work is free from defects in workmanship and materials for a designated period.

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 they offer. You may also visit www.businessinsurance.com for general business insurance information.

DC Captive Insurance

Captive Insurance is a relatively new type of insurance that allows large organizations to insure themselves instead of seeking insurance on the commercial market.

A captive insurance company, or captive, is an insurance company owned by members of a common industry or trade association in order to share the risks of that industry among its members.

Captives allow associations, organizations and groups 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.

The Department of Insurance, Securities and Banking | Captive Insurance Division
202.727.8000 | @DCDISB | www.disb.dc.gov

DEFINITION

Tender: To make or submit a bid/offer/proposal.

WDCEP TIP

For general inquiries about business insurance in the District of Columbia, contact the D.C. Department of Insurance, Securities and Banking (DISB) at 202.727.8000 or visit its website at www.disb.dc.gov.

The image shows the storefront of a hardware store named 'Glover Park Hardware'. The building has a white facade with a blue and yellow horizontal stripe above the entrance. The store's name is displayed in large, 3D letters: 'GLOVER PARK' in green and 'HARDWARE' in dark grey. To the right of the word 'HARDWARE' is a white lightbulb icon. Below the entrance, there are several metal shelving units filled with various potted plants and flowers, including colorful geraniums and green foliage. The scene is brightly lit, suggesting a sunny day.

GLOVER PARK

HARDWARE



Gina Schaefer has successfully brought Ace hardware into the city using a franchise model.

8

STARTING A FRANCHISE

Establishing an Existing Franchise, Franchising Your Business

CONTRIBUTORS: International Franchise Association | U.S. Small Business Administration | DC Small Business Resource Center

Franchising has been a driving force in the U.S. economy for several decades. In Washington, DC 26,000 jobs are directly tied to franchised businesses¹. Franchising is a solution for people who want to own and operate their own business, while working under an established brand, benefitting from the experience and know-how of the franchisor. Franchises can offer you, the franchisee, a complete system of doing business, from branding and marketing to assistance with business set up, personnel training, and product supply.

THINK BEFORE YOU START

Ask yourself the following questions before making your decision to buy a franchise to avoid the potential risks and difficulties:

- Is the business you're considering a brick and mortar operation (like a restaurant or hotel)?

WDCEP ON YouTube

Search **Starting a Franchise** at www.youtube.com/wdcep1495



¹ The Economic Impact of Franchised Businesses: Volume III, Results for 2007

BENEFITS OF FRANCHISING

- Buying the franchisor's experience eliminates some of your start-up headaches
- Learning and training from the franchisors prepares you for the facets of the business
- Buying and advertising in bulk reduces your costs for inventory products and advertising
- Benefiting from brand recognition of the trademarks that represent the quality and integrity of the brand to consumers

- Is the grant of the franchise contingent upon the franchisee being able to obtain and maintain a lease for the selected location?

Answers to questions regarding leases and build-out requirements should be explored in the early stages of your research. Real estate expenses, coupled with build out and equipment purchases, can make franchising a costly venture for up and coming entrepreneurs.

Which Business to Choose

Franchises are often thought of as fast food restaurants and hotel chains. In actuality, franchising spans more than 1,000 industries. When looking into franchise opportunities, think broadly about what you would find interesting to do and what is of need and interest to the community you would like to serve.

Franchises can be home-based or mobile-based. These operations include home cleaning operations, on-the-go dog grooming salons, computer assistance companies, techs on call, and mobile interior design services, among others.

Understand the Information

As a potential franchise owner, you will need to review the company's franchise disclosure document, also known as offering circular, franchising disclosure document, or prospectus. The Federal Trade Commission and state laws require the franchisors to deliver disclosure documents to prospective franchisees. The disclosures cover more than 20 items of information regarding the history of the company, required fees, investment costs, etc. This information can help you choose the right franchise opportunity. Disclosure documents can be obtained through a few private companies listed on the FTC website (www.ftc.gov). While franchisors typically offer assistance during the start-up process, developing a well-written business plan is crucial to the financing and ultimate success of your franchise operation. Your business plan should include three main sections—description of business, marketing, and financial—as described in Chapter 1: Starting a Business in DC.

FINANCE YOUR FRANCHISE

When considering your options for financing your franchise, it is important to remember that financing will most likely come from multiple sources. Lending institutions such as commercial banks and independent financing specialists will consider investing in your franchise upon presentation of your business plan. Again, this is why it is crucial to have a clear, concise, and well-articulated plan.

Expected Costs

Total start-up costs for a franchise can range from \$20,000 or less, to over \$1,000,000, depending on the franchise selected, and whether it is necessary to own or lease real estate to operate the business. Typically, higher cost franchises involve not only the initial franchise fee and expenses, along with continuing royalty payments, but also the cost of opening shop including real estate and equipment.

Complete financing should not be expected. According to The International Franchise Association, a typical franchisee provides between 20%–30% of the total capital required to get their new business up and running. Depending on the type of franchise

you pursue, this could mean you need to come up with roughly \$40,000 to \$60,000 on a \$200,000 transaction. This capital can come from savings, stocks, bonds, pensions, IRAs, property, etc.

Source of Financing

Traditional Loans

Traditional loans usually include commercial bank loans or feature independent financing specialists. Banks and other conventional financial institutions are often more willing to work with franchises than independent enterprises. The franchisor's established trademark and market experience give you a lower financial risk than an independent business. This means that an entrepreneur's chance of receiving a loan is significantly improved when his or her venture is associated with a recognized franchise. In addition, your prospective franchisor may already have connections with lending institutions that could be of use to you.

The Small Business Administration (SBA)

Consider speaking with representatives of the Small Business Administration (SBA) about the existing programs they have with private banks and other lending institutions. The SBA frequently offers competitive rates and longer term programs that can be of assistance to you. For more information visit www.sba.gov.

Direct Franchising from the Franchisor

In some cases, franchise companies either offer financial assistance themselves or help franchisees find lenders with whom they have pre-existing relationships, known as preferred lenders. Ask your franchise company if they offer direct financing programs, loan guarantees, or leasing for property or equipment.

Additional information on business financing, including factors of consideration, the loan process, small business lenders, equity financing, and other sources of funding is available in Chapter 3: Business Financing.

FRANCHISE YOUR EXISTING BUSINESS

Franchising can be an ideal solution for entrepreneurs who want to expand their businesses but may lack capital, can't find adequate human resources, or simply don't have the time to grow their own operations organically.

Why Should You Franchise?

Franchise can give you the arms and the legs you need to expand more quickly and may alleviate some of your business's growing pains.

Franchising allows you to explore your potential

You may want to consider franchising your business if:

- Your product or service has a good reputation and is perceived as being credible in the marketplace
- Your business can generate at least 15% return on investment for franchisees
- Your business is somehow different from existing businesses in the marketplace
- Your methodology can be transferred to a franchisee

FRANCHISING CHALLENGES

Conformity to the franchise system limits your ability to personalize the business. Tremendous investment of time and hard work is expected to manage your business. Costs featuring royalties and potential payments on a certain percentage of your gross income from the franchise reduces your profits.

FOR MORE INFORMATION

- Contact the International Franchise Association (www.franchise.org; 202.628.8000) for their Franchise Opportunities Guide. They also offer a free online course called Franchise Basics www.ifa-university.com
- Attend the IFA's annual International Franchise Expo, which takes place every spring at the Walter E. Washington Convention Center in DC
- Visit the Federal Trade Commission's website for information on government regulations www.ftc.gov
- Establish a working relationship with the Small Business Association www.sba.gov
- Discuss disclosure documents and other legal and financial statements with a lawyer and an accountant with franchise experience

Franchising relieves some of your growing pains

- **Lack of Capital:** Franchising can help you expand your business without the risk of debt or the cost of equity. It's the franchisee who signs the lease and assumes the service contracts, leaving the franchisor with limited liability.
- **Finding and Retaining Human Resources:** Many businesses can't expand because they can't find, or keep, well-qualified unit managers. The franchising model puts the onus of finding staff on the franchisee.
- **Time Considerations:** The number of units you can open in months or years can be significantly greater if you encourage others to assist with identifying locations, recruiting employees, and/or purchasing equipment.

How to Franchise Your Business

If you are interested in franchising your business, start by speaking with counselors at the District of Columbia's Small Business Resource Center (SBRC). You can reach them at 202.442.8170.

Typical steps for expanding a business through a franchise plan include:

- 1. Develop a comprehensive plan.** Elaborate in detail on issues such as expansion timing, geographic considerations, and support services for franchisees, advertising programs, and a fee structure.
- 2. Subject your expansion plan to the scrutiny of legal and financial experts.** Get feedback and revise your plan.
- 3. Hire a lawyer and obtaining proper legal documentation** such as a franchise contract and an offering circular.
- 4. Develop a fool-proof system for your franchisees.** This includes operation manuals, policies, and procedure checklists.
- 5. Market your franchise.** Develop brochures, collateral material, etc. that will entice prospective buyers.

If you plan to franchise, be certain to hire a lawyer who specializes in franchising and fully understands the intricacies of the pre-sale disclosure documents.



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COMMERCIAL BANKING

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BLOOM WE BLOOM



9

STARTING A NONPROFIT ORGANIZATION

Steps in Establishing a Nonprofit Business, Grants & Other Resources

CONTRIBUTORS: The DC Department of Consumer and Regulatory Affairs | Newmark Knight Frank

The District of Columbia is home to the largest concentration of nonprofits and associations in the United States with over 12,500 nonprofit organizations¹ located in the city. A nonprofit organization is an incorporated organization which exists for educational or charitable reasons, and from which its shareholders or trustees do not benefit financially. Nonprofit organizations are active in humanitarian aid, education, the arts, the environment, animal protection and other endeavors.

ESTABLISHING A NONPROFIT BUSINESS

The most important components to start a nonprofit include a sound mission statement, a concept paper, defined organization type (business structure), established board of directors, bylaws, a strategic plan, and identified sources of funding.

WDCEP ON YouTube

Search **Starting a Nonprofit** at www.youtube.com/wdcep1495



¹ Internal Revenue Service, Exempt Organizations Business Master File (March 2012)

Determine the Mission

The mission statement is a brief description of an organization's purpose. It should be clear, focused, and concise. It is best to limit the statement to one or two sentences. The statement should include the organization's name, the services it provides, and describe the population it serves. Nonprofit mission statements generally do not change, unless the organization's purpose changes significantly. It should, however, be re-evaluated to ensure mission and operational alignment every five to ten years.

It is recommended that you research nonprofits with similar missions, in order to ensure your organization provides different and better services compared to other nonprofits. Remember to make your organization unique and focus on your values.

WDCEP TIP

The strategic plan is much like a business plan. For more detailed information please refer to Chapter 1: Starting a Business in DC.

Develop a Strategic Vision and Plan

Much like a business plan, a nonprofit's strategic plan details the organization's direction, focus, and vision for the next three to five years. Deviation from the nonprofit's organizational mission is often an issue that arises for nonprofits. In the quest to solicit funding, nonprofits sometimes take on programs that are outside of their mission. Having a sound strategic plan can help alleviate this issue. Strategic plans should include the following:

- Purpose and mission statement
- Survey of the issue(s) and problem(s)
- Description of the organization
- General goals and activities
- Future plans and vision

WDCEP TIP

Each category has different tax benefits and is required to comply with different restrictions. For more information on tax exemptions for each type of nonprofit, visit www.irs.gov/charities/nonprofits.

Determine the Organization Type

While the majority of nonprofits are classified under 501(c)(3) of the IRS Code as charitable organizations, a proposed organization should review the types below to determine the right choice for its particular group. Once the organization's classification has been defined, articles of incorporation, the primary rules governing the management of your organization, should be drafted. You should have these articles reviewed by a lawyer.

The classifications for nonprofits are:

- **501(c)(3):** Charitable or Religious Organizations
- **501(c)(4):** Social Welfare Organizations
- **501(c)(5):** Labor and Agricultural Organizations
- **501(c)(6):** Business Leagues
- **501(c)(7):** Social Clubs
- **501(c)(8) or (10):** Fraternal Societies
- **501(c)(19) or (23):** Veteran's Organizations
- **501(c)(4) or (9):** Employee Associations

Establish a Board of Directors

The board of directors ensures the organization's mission is carried out and provides legal accountability for its operations. It is best to develop a diverse board of

directors, who offer a variety of professional skills that represent the organization's service recipients, contributors, volunteers, and community members.

The primary functions of the board of directors are often financial oversight and fundraising, yet there are many other responsibilities depending on the needs of the organization such as: developing the organization's mission statement, strategic planning, hiring an executive director and staff, deciding on organizational and personnel conflicts and evaluating the nonprofit's programs, services and performance.

Register Your Organization

All nonprofits need to register with both the DC Department of Consumer and Regulatory Affairs (DCRA) and the DC Office of Tax and Revenue (OTR) in order to operate in DC.

Register with DCRA

To register with DCRA, visit its website and go to "Corporate Registration" (under Licensing/Registration) to complete all forms online. If you plan to engage in charitable solicitation activities (i.e. grants, funds, etc.), you will need to obtain a Charitable Solicitation registration from the Basic Business License department of DCRA. If you are a church or religious organization with tax exempt status under IRS Section 501, you do not need to complete this form.

[202.442.4400](tel:202.442.4400) | [@DCRA](https://twitter.com/DCRA) | www.dkra.dc.gov

Register with OTR

To register with the Office of Tax and Revenue, you need to fill out the FR 500 form (Combined Business Tax Form) regardless of your nonprofit type. If you have unrelated business income, such as renting part of your facility, you also need to fill out Form D-20 (Corporate Franchise Tax Return).

To seek exemption in DC, you must first gain that status from the Internal Revenue Service and attach that exemption document to Form FR 164, Application for Exemption from Income and Franchise Tax, Sales and Use Tax, or Personal Property Tax. You can fill out your forms online at OTR's Electronic Taxpayer Service Center website.

[202.727.4TAX \(4829\)](tel:202.727.4TAX) | [@DC_OTR](https://twitter.com/DC_OTR) | www.taxpayerservicecenter.com

Develop the Bylaws

Bylaws define how the nonprofit organization will be managed and operated. The bylaws should:

- Define the basic organizational structure of the nonprofit
- Determine which staff and board members have authority and decision making responsibilities and how those responsibilities are carried out
- Define the requirements and responsibilities of membership
- Create a framework for the organization and aid in resolving internal disputes
- Describe the rules for calling board meetings and specify board member election procedures

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Economic Partnership

GRANTS & OTHER RESOURCES

A significant amount of money for nonprofits comes from grants and donations. The following resources are helpful for searching, writing and applying for grants:

Center for Nonprofit Advancement

The Center for Nonprofit Advancement is a membership association of nonprofit organizations based in the Washington, DC metropolitan area.

1666 K Street, NW | Suite 440 | Washington, DC 20006
202.457.0540 | @CenterNonprof | www.nonprofitadvancement.org

Office of Partnerships & Grant Services

The Office of Partnerships and Grant Services is a DC government agency established to help advance and assist nonprofits. The Office holds trainings and conferences and has a free resource center that provides information about public and private grantmakers.

1350 Pennsylvania Avenue, NW | Suite 324 | Washington, DC 20004
202.727.8900 | @OPGSDC | www.opgs.dc.gov

American Society of Association Executives

The American Society of Association Executives is an organization designed to help association professionals achieve higher levels of performance by providing them with useful tools to lead and manage.

1575 I Street, NW | Washington, DC 20005
202.371.0940 | @ASAEcenter | www.asaecenter.org

Foundation Center

The Foundation Center is a leading authority on philanthropy. Its mission is to strengthen the nonprofit sector by advancing knowledge about U.S. philanthropy.

1627 K Street, NW | Third Floor | Washington, DC 20006-1708
202.331.1400 | @FCWashington | www.foundationcenter.org/washington

Chronicle of Philanthropy

The Chronicle of Philanthropy is an online newspaper that has daily updated information for grant seekers. This site also provides national reports with supplemental information and stories on other nonprofit organizations, providing a thorough overview and best practices for the nonprofit community.

@Philanthropy | www.philanthropy.com

Grants.gov

Grants.gov allows organizations to electronically find and apply for competitive grant opportunities from all federal grantmaking agencies.

www.grants.gov

WDCEP TIP

It is important to register for a solicitation license so that you are able to fundraise. You can obtain a Charitable Solicitation registration form at the:

Business License Center

1100 4th Street, SW
Washington, DC 20024
202.442.4400 | @DCRA
www.dcr.dc.gov



The Reeves Center on 14th and U Streets, NW is a hub of DC government offices.

10

DOING BUSINESS WITH LOCAL AND FEDERAL GOVERNMENT

Federal Government Contracting & Certification Programs, DC Government Contracting & Certification Programs

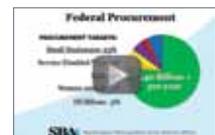
CONTRIBUTORS: The Department of Small and Local Business Development |
The U.S. Small Business Administration | The DC Office of Contracting and Procurement

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 their commercial contracting for them and other special programs for small economically disadvantaged businesses. There are an abundance of opportunities for businesses, big and small, to do business with the government, especially with the Department of Homeland Security and Department of Defense. The federal government's demand has been an economic engine that helps fuel the region's job and population growth.

The U.S. federal government is the largest buyer in the world. For step-by-step instructions on acquiring a federal government contract, visit the "Official Business Link to the U.S. government" at www.business.gov, which has a wealth of information on the process and requirements of selling to the government.

WDCEP ON YouTube

Search **Business with the Government** at www.youtube.com/wdcep1495



TIPS FOR LANDING A GOVERNMENT CONTRACT

- Research your intended buyer. Know their 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

FEDERAL GOVERNMENT CONTRACTING

General Services Administration

For a general understanding of government contracting needs, visit the General Services Administration's (GSA) website at www.gsa.gov. GSA manages a large portion of the 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.

For more information and small business support, please call 202.501.1021 or email small.business@gsa.gov. You can also view important information about how to become a vendor on GSA schedules at www.gsa.gov/schedules.

FedBizOpps.gov is the only government portal for federal government procurement opportunities over \$25,000. FedBizOpps helps federal government buyers and commercial vendors find one another. Through FedBizOpps, government buyers can post their business opportunities directly to the site and vendors seeking to sell to the federal markets can search, monitor and retrieve opportunities solicited by the entire federal contracting community. Visit www.gsa.gov for more information and support.

Small Business Administration

The U.S. Small Business Administration (SBA) 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 criterion is based both on number of employees and annual income, and is identified with the North American Industry Classification System (NAICS). Determining the size of your business is a two step process: first find the NAICS code that best describes your business, and then determine your industry's size standard using the SBA Table, available on the SBA website. Eligible businesses are also all:

- Organized for profit
- Based and operated primarily in the U.S.
- Independently owned and operated
- Not dominant in their fields on a national basis

The certification process involves first registering as a vendor with the government, and then joining the Central Contractor Registration (CCR) database.

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

Women-Owned Small Business (WOSB) Federal Contract Program

Recently expanded, this 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 be self-certified or certified by a third party; approved third-parties currently include El Paso Hispanic Chamber of Commerce, National Women Business Owners Corporation, U.S. Women's Chamber of Commerce, and the Women's Business Enterprise National Council.

DC Women's Business Center | 202.393.8307 | www.dcwbc.org

Service-Disabled Veteran-Owned Small Business Concerns (SDVOSBC)

This program sets contracts aside for competition exclusively among service-disabled veteran-owned small business concerns, and has the ability to award sole source contracts. Businesses are eligible under 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 SDVOSBC must be small as described by the North American Industry Classification System (NAICS)
- The SDV must have 51% ownership of the company, hold the highest officer position, and control the management and daily operations

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 establishes preference for award of federal contracts to small businesses in these areas. To qualify for the program, a business (except tribally-owned) must meet the following criteria:

- It must be a small business by SBA size standards;
- It must be unconditionally and directly owned and controlled (at least 51%) by U.S. citizens, or a Community Development Corporation, an agricultural cooperative, or an Indian Tribe;
- Its principle office must be located within a HUBZone; and
- 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.

These businesses have an opportunity to participate and potentially receive contract awards stemming from this overall goal.

There are three types of HUBZone contracts:

1. Set-aside contracts (if multiple HUBZone businesses submit offers)
2. Sole-source contracts (with anticipated award price ranging from \$3.5 million to \$5.5 million depending on NAICS codes)
3. Full and open competitive contracts (with up to 10% price preference for HUBZone businesses)

FOR MORE INFORMATION

Find more about HUBZones at www.sba.gov/hubzone.

To apply, complete the electronic application on the HUBZone website at www.sba.gov/hubzone. Upon verifying your application, you will be required to submit supporting documentation demonstrating that the firm meets the program eligibility criteria. The HUBZone Program Office will then review your application and render a decision, usually within 90 days but times vary based on the circumstances of each applicant.

The District of Columbia has its own branch of HUBZone, HUBDC, which aims to maximize the District's participation in the federal program. As part of the HUBZone Outreach initiative, HUBDC hosts a Boot Camp event aimed at encouraging businesses to join the program and manage their application.

8(a) Business Development Program

8(a) is a business assistance program specifically designed to help disadvantaged small businesses in entering the economic main stream. 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 also encourages them to 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 their 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.

The 8(a) Business program includes a Mentor-Protégé Program, which pairs disadvantaged businesses with successful companies, many of whom have graduated from the 8(a) program themselves. The aim is for mentors to teach protégés the ins and outs of government contracting; further collaborations are possible through technical and managerial assistance, financial assistance in the form of equity or loans, and collaboration in joint-venture competition for contracts. Mentors can own equity interest of up to 40% in a protégé firm to help it raise capital. Eligible protégés must meet the following requirements:

- Business must be in the developmental stage of the program
- Have never received an 8(a) contract
- Be less than half the size standard for a small business, based on its primary NAICS code

- Be in good standing in the 8(a) Development program and be current with all reporting requirements

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.

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 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; 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 government is required to award them the contract. This process can be initiated by the business or the SBA itself.

Procurement Center Representatives (PCRs)

Located at various SBA area offices, these representatives help assist 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

409 3rd Street, SW | Washington DC 20416

202.205.7341 (t) | 202.481.4547 (f) | www.sba.gov

DC GOVERNMENT CONTRACTING

Solicitation/Application

Follow these three steps to earn DC government contracts:

1. In order to apply for contract opportunities (or solicitations), a business must register as a vendor with the Office of Contracting and Procurement (OCP). OCP advertises its solicitation notices in print publications and on its website.

Businesses can register and apply for contracts at:

441 4th Street, NW | Suite 700S | Washington, DC 20001

202.727.0252 | www.ocp.dc.gov

2. The Office of Contracting and Procurement (OCP) works in partnership with the Department of Small and Local Business Development (DSLBD) and the business

WDCEP TIP

DSLBD & OCP conduct monthly workshops on government procurement to assist small businesses in learning about contracting opportunities. For more information please contact OCP at 202.727.0252.

community to develop meaningful programs to benefit business owners and to promote economic development. One such program is the DC Supply Schedule Program (DCSS), the District’s multiple award schedule procurement program for providing commercial products and services to District government agencies. The program is similar to the General Services Administration (GSA) multiple award program.

Only Certified Business Enterprises (CBEs) are eligible to apply for the DCSS. Currently, there are sixteen (16) schedules that are open, and there are approximately 170 contracts on the DCSS. To view DCSS contracts, please visit www.ocp.dc.gov, click on “Contract Awards” under Vendor Support Center.

3. Once you have a business registration and a CBE designation, log on to the Office of Contracting and Procurement (OCP) website to obtain a list of DCSS opportunities for solicitation/application at www.ocp.dc.gov.

To be eligible for an award on the DCSS, you must be current with taxes for both the Department of Employment Services (DOES) and Office of Tax & Revenue.

BENEFITS OF BECOMING A DISTRICT CERTIFIED BUSINESS ENTITY (CBE)

- Bid and proposal preferences
- Free training and education programs
- Advocacy and assistance
- Business opportunity alerts

Certified Business Enterprise (CBE) Certification

The Department of Small and Local Business Development (DSLBD) evaluates businesses headquartered in the District to determine their eligibility to become Certified Business Enterprises (CBE).

The Government of the District of Columbia directs spending to CBEs, contributing to job creation and the District’s tax base, strengthening the local economy. The CBE program provides contracting preference to certified businesses, maximizing their ability to compete for District government contract opportunities. 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.

In evaluating requests for bids (RFB) or requests for proposals (RFP), contracting personnel apply a percentage reduction or point preference according to the CBE designation and procurement type.

Applicants are eligible for certification in the following categories:

Local Business Enterprise (LBE): 2 Points—2% reduction

A LBE is a business whose principal office is located in the District of Columbia, licensed pursuant to Chapter 28 of Title 47 of the District of Columbia Official Code and subject to the tax levied under Chapter 18 of Title 47 of the District of Columbia Official Code, or is a business enterprise identified in paragraph 47-1808.01 (1) through (5) of the District of Columbia Official Code, and more than 50% of the business is owned by residents of the District.

The chief executive officer and highest level managerial employees of the business enterprise must maintain their offices and perform their managerial functions in the District.

In addition, a LBE must meet one of the four following criteria:

WDCEP TIP

All new businesses seeking certification with the Department of Small and Local Business Development must attend mandatory pre-certification orientations. Contact DSLBD at 202.727.3900.

- More than 50% of the assets of the business enterprise, excluding bank accounts, are located in the District; or
- More than 50% of the employees of the business enterprise are residents in the District; or
- The owners of more than 50% of the business enterprise are residents in the District; or
- More than 50% of total sales or other revenue is derived from transactions of the business enterprise in the District

DC OFFICIAL CODE

The DC Official Code, a compilation of the laws in the District of Columbia, can be viewed online at: www.dccouncil.washington.dc.us/legislation.

Small Business Enterprise (SBE): 3 points—3% reduction

A SBE is a local business enterprise that is independently owned, operated, and controlled.

A SBE must meet the U.S. Small Business Administration's definition of a small business concern under the Small Business Act or have average annual gross receipts of between \$5 million and \$300 million (based on industry type) for the three years preceding certification.

Disadvantaged Business Enterprise (DBE): 2 Points—2% reduction

A DBE is a local business enterprise that is more than 50% operated, owned, and controlled by socially and economically disadvantaged individuals. For the purpose of this program, socially disadvantaged individuals are those who clearly demonstrate that they have reason to believe they have been subjected to prejudice or bias because of their identity as members of a group without regard to their qualifications. An economically disadvantaged individual is one whose ability to compete in the free enterprise system has been impaired due to diminished capital and business redlining (discriminated against by refusal for grant loans, leases, and insurance).

Other requirements apply for the business enterprises affiliated with other business enterprises through common ownership, management, or control. To qualify, you must submit:

- A letter that demonstrates how the owner or owners of more than 50% of the business interest is/are socially and economically disadvantaged as described in this section
- Personal income tax return
- Personal financial statement (signed and notarized in the District of Columbia)

The owner or owners claiming to be economically disadvantaged must demonstrate that his or her net worth, excluding the value of his or her primary residence and the value of his or her ownership in the CBE, is less than \$1 million.

Resident Owner Business (ROB): 5 Points—5% reduction

ROB certification is available for a business enterprise that is owned by an individual who is—or a majority number of individuals who are—subject to personal income tax in the District of Columbia.

Longtime Resident Business (LRB): 10 Points—10% reduction

LRB is a business with continuous eligibility for certification as a Local Business Enterprise (LBE) for 20 consecutive years, or as a Small Business Enterprise (SBE) for 15 consecutive years.

Development Enterprise Zone: 2 points—2% reduction

A business enterprise must be located in an economic development zone designated by the mayor and approved by the DC Council to be eligible for approval in this category.

Veteran Owned Business (VOB): 2 points—2% reduction

A VOB is a local business enterprise that meets the definition of a small business enterprise and is not less than 51% owned and operated by one or more veterans (as defined in 38 U.S.C.101 (2)).

A veteran is a person who actively served in the military, naval, or air service, and who was discharged or released therefore under conditions other than dishonorable. In the case of any publicly owned business, not less than 51% of the stock of which is owned by one or more veterans; veterans must control the management and daily operations of the business enterprise.

Local Manufacturing Business (LMB): 2 points—2% reduction

An LMB is a local business enterprise that makes a product through a process involving raw materials, components, or assemblies, usually on a large scale with different operations divided among different workers. An LMB also has a principal location of manufacturing in the District of Columbia and annual revenue of \$2 million or more in the manufactured product. Check with the Department of Small and Local Business Development (DSLBD) for more information.

DSLBD | 202.727.3900 | www.dslbd.dc.gov



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- Economic Data
- Development Information
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Small Business Resource Center (SBRC)

The Small Business Resource Center (SBRC), a partnership between the Department of Small and Local Business Development (DSLBD) and the Department of Consumer and Regulatory Affairs (DCRA), provides District-based small businesses and entrepreneurs with training, consulting and technical assistance. Service offerings include one-on-one technical assistance; pro bono legal services; access to computers and business planning software; workshops on starting, managing, financing, and growing a business; and assistance navigating regulatory issues. The SBRC also provides regular updates about small business opportunities and referrals to other small business resource providers in the area.

Small Business Resource Center at Department of Small and Local Business Development

441 4th Street, NW | Suite 970N | Washington, DC 20019
202.727.3900

Small Business Resource Center at Department of Consumer and Regulatory Affairs

1100 4th Street, SW | 2nd Floor | Washington, DC 20024
202.442.8170

ExportDC

ExportDC is a new initiative launched by the DC Department of Small and Local Business Development (DSLBD) designed to increase the number of DC small businesses that export, grow the dollar value of exports from District businesses, and coordinate trade missions for qualified District-based businesses.

ExportDC has partnered with the U.S. Small Business Administration (SBA) through the State Trade and Export Promotion (STEP) grant, a three-year pilot program launched by the President's Small Business Jobs Act. In addition to the SBA, ExportDC is partnering with regional state export promotion agencies, and the DC Chamber of Commerce Foundation to provide comprehensive market intelligence, technical assistance, and trade advisory and export finance services to District businesses.

To be eligible for ExportDC support, participants must have a principal office and business registration in the District of Columbia. To be eligible for STEP-funded ExportDC support, participants must also:

- Meet the SBA small business size standard(s) for the firm's industry classification
- Be currently exporting, and/or have the capacity to export to new international markets
- Sell a product and/or service that is export ready

WDCEP TIP

SBRC services are by appointment only. To register for SBRC offerings, please visit dcbiz.ecenterdirect.com, or visit these websites:

- SBRC | dcbiz.ecenterdirect.com
- DSLBD | dslbd.dc.gov
- DCRA | dcra.dc.gov

FOR MORE INFORMATION

To learn more about **ExportDC**, visit DSLBD's ExportDC and agency websites:

- ExportDC | dslbd.dc.gov/ExportDC
- DSLBD | dslbd.dc.gov
- U.S. Small Business Administration | sba.gov/step



DC Food Trucks have become popular and successful due in large part to the use of social media marketing.

11

MARKETING YOUR BUSINESS

What is Marketing, How to Create a Marketing Plan, Social Media

CONTRIBUTORS: U.S. Small Business Administration | DC Small Business Development Center

In order to successfully grow your business, you need to attract and retain a large base of satisfied customers. An effective marketing program can help you achieve this goal. Many think marketing is just advertising and promotions, but it comprises the entire process companies use to maintain their customer base. A successful marketing program can be advantageous for your business to promote awareness of your products and build strong customer relationships.

WHAT IS MARKETING?

The American Marketing Association (AMA) defines marketing as “the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.” Marketing is the area of business that involves:

- The determination of customer needs/problems
- The development and offering of tailored services and/or products that have been developed to meet those needs

WDCEP ON YouTube

Search **Marketing Your Business** at www.youtube.com/wdcep1495



MARKETING PLAN OUTLINE SNAPSHOT

1. Executive Summary

2. Situation Analysis

- Industry Analysis
- Company Analysis
- Customer Analysis
- Competitor Analysis
- Collaborators
- Keys to Success

3. Marketing Strategy

- Marketing Objectives
- Financial Objectives
- Target Market
- Market Segmentation
- Positioning Strategy
- Marketing Mix

4. Financials

- Break-even Analysis
- Sales Forecast
- Marketing Expense Forecast

5. Controls

- Implementation Milestones
- Marketing Organization
- Contingency Planning

- Capturing customers' perceived value of product/service through optimal pricing strategies
- The development and implementation of the promotional activities that are most likely to reach a business' target market and stimulate purchase
- Identifying the ideal point of contact for customers to access a business' products and services

Marketing activities are numerous and varied. They include everything necessary to get a product off of a sketch pad and into the hands of consumers. Marketing includes activities such as:

- Designing a product to appear desirable to consumers
- Performing market research and pricing
- Promoting the product through public relations, advertising, marketing communications, and sales and distribution

Marketing takes time, money, and a lot of preparation. One of the best ways to undertake marketing for your business is to develop a solid marketing plan. A strong marketing plan will ensure you're not only sticking to your schedule, but that you're spending your marketing funds wisely and appropriately.

HOW TO CREATE A MARKETING PLAN

A marketing plan is a business tool that outlines how a company will attract, acquire and retain its target market. An executable and effective marketing plan consists of the following:

- Identifies the best customer profile (i.e. those individuals who are most willing and able to purchase your products)
- Identifies a business' optimal niche market (area of specialization)
- Links sales and profit goals to marketing efforts
- Provides an action plan for accomplishing sales and marketing goals (e.g. brand awareness, increase in market share, product line extensions etc.)
- Can substantially increase sales and company value

Conducting Market Research

Successful marketing requires timely and relevant market information. An inexpensive research program, based on questionnaires given to current or prospective customers, can often uncover dissatisfaction or possible new products and services. Market research will also identify trends that affect sales and profitability. Population shifts, legal developments, and the local economic situation should be monitored to quickly identify problems and opportunities. It is also important to keep up with competitors' market strategies.

Conduct Research:

- Products/Services
- Industry size (\$) and projections
- Industry trends
- Major players/competitors

- Market share
- Target market characteristics, size, willingness and ability to pay

Research Sources:

- **Primary research:** surveys, interviews, focus groups, suggestion cards, competitive assessment, etc.
- **Secondary research:** DC Small Business Development Center, U.S. Census Bureau, FINTEL, Bureau of Labor Statistics, EDGAR, MEDSEEK, IBIS World, public libraries, etc.

Creating a Marketing Strategy

A marketing strategy identifies customer groups that a particular business can better serve than its target competitors, and tailors product offerings, prices, distribution, promotional efforts, and services toward those segments. Ideally, the strategy should address unmet customer needs that offer adequate potential profitability. A good strategy helps a business focus on the target markets it can serve best.

Target Marketing

Most small businesses don't have unlimited resources to devote to marketing; however, you can still see excellent returns while sticking to your budget if you focus on target marketing. By concentrating your efforts on one or a few key market segments, you'll reap the most from small investments. There are two methods used to segment a market:

1. **Geographical segmentation:** Specializing in serving the needs of customers in a particular geographical area.
2. **Customer segmentation:** Identifying those people most likely to buy the product or service and targeting those groups.

Managing the Market Mix—The Four Ps

Every marketing program contains four key components:

1. **Products and Services:** Product strategies include concentrating on a narrow product line, developing a highly specialized product or service or providing a product-service package containing unusually high-quality service.
2. **Promotion:** Promotion strategies focus on advertising and direct customer interaction. Good salesmanship is essential for small businesses because of their limited advertising budgets. Online marketing is a cheap, quick, and easy way to ensure that your business and product receive high visibility.
3. **Price:** When it comes to maximizing total revenue, the right price is crucial. Generally, higher prices mean lower volume and vice-versa; however, small businesses can often command higher prices because of their personalized service.
4. **Place/Distribution:** The manufacturer and wholesaler must decide how to distribute their products. Working through established distributors or manufacturers' agents is generally easiest for small manufacturers. Small retailers should consider cost and traffic flow in site selection, especially since advertising and rent can be reciprocal: a low-cost, low-traffic location means spending more on advertising to build traffic.

The nature of the product or service is also important in citing decisions. If purchases are based largely on impulse, then high-traffic and visibility are critical. On the other

WDCEP TIP

Washington, DC Small Business Development Center works with their resource partners, other SBDCs, a market research service, and the U.S. Small Business Administration to offer free market research assistance. For more information, contact the Washington, DC Small Business Development Center at 202.806.1550.

WDCEP TIP

For more information or to obtain free one-on-one consultation on developing your marketing plan, contact the Washington, DC Small Business Development Center at 202.806.1550.

hand, location is less of a concern for products or services that customers are willing to go out of their way to find. The Internet makes it easy for people to obtain goods from anywhere in the world, so if you're worried about reaching a certain market, selling your product online may do wonders for your business.

Measure Your Success

After implementing a marketing program, entrepreneurs must evaluate their performance. Every program should have performance standards to compare with actual results. Researching industry norms and past performances will help to develop appropriate standards.

Entrepreneurs should audit their company's performance at least quarterly. The key questions to accomplish this are:

- Is the company doing all it can to be customer-oriented?
- Do employees ensure the customers are satisfied and leave wanting to come back?
- Is it easy for the customer to find what he or she wants at a competitive price?

Keep an Eye on Return on Investment

It is important to create a plan to measure your spending and return on investment. Consider what impact certain marketing activities have had on your revenues during a fixed period, such as a business quarter, compared to another time period when you focused your efforts on other tactics. Consider the tactics that worked as well as those that didn't work. You don't have to cut the tactics that didn't work, but you should assess whether you need to give them more time to work or whether the funds are best redirected elsewhere. Some tactics may be hard to measure but are impactful for your target audience, such as print collateral (e.g. brochures, sales sheets, etc.).

Marketing plans should be maintained on an annual basis, at a minimum. But if you launch a new product or service, take time to revisit your original plan or develop a separate campaign plan that you can add to your main plan as an addendum.

INTEGRATING SOCIAL MEDIA INTO YOUR MARKETING PLAN

Small businesses are increasingly taking advantage of popular social media channels to market their businesses. According to the Social Media Examiner's 2012 Industry Report, the top benefits reported by businesses are "increased exposure, increased traffic, provided marketplace insight, generated leads, developed a loyal fan base, improved search rankings, grew business partnerships, reduced marketing expenses, and improved sales."

The top five social media networks used by businesses are:

1. **Facebook** | www.facebook.com
2. **Twitter** | www.twitter.com
3. **LinkedIn** | www.linkedin.com
4. **Blogs**
5. **YouTube/video sharing**

Steps to Create a Social Media Strategy

1. **Understand your audience.** What social media platforms does your target audience use?
2. **Define your goals.** Building awareness, customer retention, improved search engine rankings, reputation management, etc.
3. **Choose your metrics.** Reach, sharing behavior, monetization.
4. **Open accounts** on the platforms your audience uses.
5. **Listen to what your audience is saying** on those platforms.
6. **Respond** to their concerns.
7. **Provide content** that they value.
8. **Measure the results.**
9. **Repeat** steps 1 through 8.

Social Media Marketing Resources

Social Media Examiner, a free online magazine that is designed to help businesses discover how to best use social media tools like Facebook, Twitter, and LinkedIn to find leads, increase sales and generate more brand awareness. View their *Getting Started with Social Media: A Resource Guide* webpage for more information on how to effectively integrate social media into your marketing plan.

www.socialmediaexaminer.com/getting-started/

2012 Social Media Marketing Industry Report is an annual report by Social Media Examiner that examines how marketers and businesses are using social media to grow their businesses.

www.socialmediaexaminer.com

ADDITIONAL RESOURCES

Washington, DC Small Business Development Center (DC SBDC), is an outreach program of Howard University, working in partnership with the U.S. Small Business Administration (SBA), other District of Columbia universities, and community organizations, to provide free management and technical assistance and affordable training in all phases of business development to District of Columbia based small businesses.

www.dcsbdc.org

U.S. Small Business Administration | www.sba.gov

SBDCNet | www.sbdnet.org

The Washington, DC Women's Business Center | www.dcwbc.org



LivingSocial is one of the District's most successful tech companies; established in 2007 with only four employees, in five years they have expanded in the District and into hundreds of markets internationally and now employ approximately 1,000 people in DC.

12

TECHNOLOGY COMPANY RESOURCE GUIDE

Starting, Growing, or Relocating a Science & Technology-Based Enterprise

CONTRIBUTORS: Charlie Kiser, Sellstrategy

Fifteen years ago, Silicon Valley was the natural choice for a motivated entrepreneur wanting to locate a business within arm's reach of seasoned founders, angel investors, and venture capitalists. The dotcom crash served to galvanize this inclination when it curtailed DC's (and many other cities') burgeoning tech scene. In recent years, however, DC has re-emerged as a global hub of innovation¹.

Though measuring the vibrancy of a tech scene is difficult, Scott Heiferman, CEO of Meetup, has come up with an interesting metric. Measured by global tech Meetup RSVP's, DC is the 10th Fastest Growing Tech City and the 4th Biggest Tech City in the world². Though not a rigorous statistical study, those engaged in the DC tech community understand that the Meetup data reflects a very real energy and provides the proof that DC has joined that cast on the global innovation stage.

DC has endowments that provide a unique ecosystem and opportunities for an entrepreneur: the federal government is increasingly interested in efficiency-enhancing

WDCEP ON YouTube

Search **DC Tech Companies** at
www.youtube.com/wdcep1495



¹ Flook, Bill. "After years of hibernation, D.C.'s tech scene is finally re-emerging." Washington Business Journal. American City Business Journals, 22 April 2011. Web. 19 March 2012.

² Warzel, Charlie. "Boom. DC Tech Meetup is the 4th Most Engaged In The World!" InTheCapital. Streetwise Media, 9 Feb. 2012. Web. 29 March 2012.

technology, a resilient economy led by the public sector, travel, tourism, and a talented labor force. Moreover, DC has the ingredients to support a robust community of both seasoned and young innovators. According to recent report by the State Science and Technology Institute³, a community must provide access to the following resources in order to cultivate and sustain an entrepreneurial environment⁴.

- Science & Technology
- Risk Capital
- Facilities (Incubators, Accelerators, and Co-working Spaces)
- Social Networks
- Know-How

The following sections highlight DC's ability to provide each of these critical resources while simultaneously presenting the technology community with information to locate and grow technology-based businesses in DC.

SCIENCE & TECHNOLOGY

A sustainable innovation economy requires access to knowledge and technology generation. Universities and nonprofit research institutions are recognized sources of new technologies and the District is replete with both⁵.

DC Technology Transfer Offices

Strong research and development institutions are the foundation of a technology-based economy. These knowledge creators drive technological progress and, therefore, economic growth⁶. According to the National Science Foundation's National Center for Science and Engineering Statistics, the combined R&D expenditures for DC universities were \$325.7 million in 2009⁷. The mechanism to transfer the knowledge created in our universities (i.e. intellectual property) is their respective technology transfer offices:

The Catholic University of America

Office of Technology Transfer

213 McMahon Hall | 620 Michigan Avenue | Washington, DC 20064
202.319.5218 (t) | 202.319.4495 (f) | CUA-techtransfer@cua.edu | ott.cua.edu

The George Washington University

Office of Health Research, Compliance and Technology Transfer

Ross Hall | Suite 712 | 2300 Eye Street, NW | Washington, DC 20037
202.994.2995 | www.gwu.edu

³ "A Resource Guide for Technology-based Economic Development." The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

⁴ "A Resource Guide for Technology-based Economic Development." Page 32. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

⁵ "A Resource Guide for Technology-based Economic Development." Page 32. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

⁶ "A Resource Guide for Technology-based Economic Development." Page 11. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

⁷ "Academic Research and Development Expenditures: Fiscal Year 2009." National Center for Science and Engineering Statistics, July 2011. Web. 20 Feb. 2012.

The George Washington University technology transfer office is housed under the Office of Entrepreneurship, which has robust programming for entrepreneurs. Though much of the resources are available only to GWU students, many of the events are open to public participation such as pitch practice events and business plan competitions. www.gwu.edu/discover

Georgetown University

Office of Technology Commercialization

PO Box 571408 | Harris Building | Suite 1500
3300 Whitehaven Street, NW | Washington, DC 20007
202.687.7424 (t) | 202.687.3111 (f) | otc.georgetown.edu

The Georgetown University McDonough School of Business houses the Georgetown Entrepreneurship Initiative, which hosts and sponsors events throughout the year that are open to the public.

eship.georgetown.edu

Howard University

Intellectual Property Center

2400 Sixth Street NW | Suite 321 | Washington, DC 20059
202.806.2650 (t) | 202.806.6357 (f) | contracts@howard.edu | ip.howard.edu

Federal & National Laboratories

The Federal Laboratory Consortium for Technology Transfer

The Federal Laboratory Consortium for Technology Transfer “is the nationwide network of federal laboratories that provides the forum to develop strategies and opportunities for linking laboratory mission technologies and expertise with the marketplace”⁸. Broadly, the federal laboratories accomplish technology transfer either through direct licensing of intellectual property created at federal laboratories or through Cooperative Research & Development Agreements (CRADAs) with private sector firms.

www.federallabs.org

DoD TechMatch

The Department of Defense (DoD) sponsored web-based portal is a resource for both academia and private industry. DC-based high technology companies can license patents that have been developed in the approximately 120 DoD labs in the U.S. Additionally, this portal provided access to R&D opportunity through the DoD. These fall into two categories: DoD R&D needs (defense contracts) and laboratories available for commercial use.

www.dodtechmatch.com

Additional Resources

The Technology Transfer Society—Washington D.C. Chapter

The Technology Transfer Society holds the Technology Transfer and Innovation Forum, a monthly meeting “intended to provide critical links and enhanced understanding, in the unique and vital area of the Nation’s capital, among the diverse communities concerned with all aspects of the transfer of technology from research to application

⁸ Federal Laboratory Consortium for Technology Transfer. Federal Laboratory Consortium for Technology Transfer, n.d. Web. 28 Feb. 2012.

DC TECH INCENTIVES

DC offers several incentives to technology companies. See Chapter 5: Financial Incentives for more information.

FOR MORE INFORMATION

For more information visit the websites of DC-based sources of venture capital:

- **Fortify.vc**
fortify.vc
- **Revolution Growth Fund**
revolution.com
- **Paladin Capital**
www.paladincapgroup.com
- **Core Capital Partners**
www.core-capital.com
- **The Carlyle Group**
www.carlyle.com
- **The Grosvenor Funds**
www.grosvenorfund.com

and commercialization”⁹. Attendees include entrepreneurs, business leaders, venture capital firms, university technology transfer offices, and TBED organizations. The series is currently held at 1201 New York Avenue, NW, Suite 430, Washington, DC 20005 (near Metro Center) and is open to the public.

www.t2sdc.org

RISK CAPITAL

Sufficient funding at every level, from angel investment to institutional venture capital, must be available and accessible in order to cultivate an ecosystem of technology enterprises¹⁰. Below is a list of DC-based sources of capital for starting or expanding a science and technology-based business.

Venture Capital

Fortify.vc

Investment Strategy/Current Portfolio: Current portfolio is centered on software, Internet, and web technologies.

Revolution Growth Fund

Investment Strategy/Current Portfolio: Consumer-centric, innovative, high-growth, high technology companies.

Typical Investment Size: \$25-\$50 million, normally lead and largest investor.

Paladin Capital

Fund: Paladin III

Investment Strategy/Current Portfolio: Dual-use technologies that fit the needs of Fortune 500 and Federal enterprise (IT, cyber-security, enterprise mobility, and mobile broadband) and alternative energy.

Core Capital Partners

Investment Strategy/Current Portfolio: “Core” technologies in IT, communications, digital media, and technology-enabled services arenas.

Typical Investment Size: \$2-\$5 million initially with an expectation of \$5-\$12 million in total over the life of investment, lead or partnership investor.

The Carlyle Group

Fund: Carlyle Venture Partners I and II, and Carlyle U.S. Growth Fund III

Investment Strategy/Current Portfolio: Emerging technology companies with a focus on infrastructure applications like network security and storage, defense technologies, software, and specialty semiconductors.

Typical Investment Size: Equity Investments of \$20-\$75 million in viable businesses generating up to \$300 million in revenue, typically lead investor and will join the company’s board of directors.

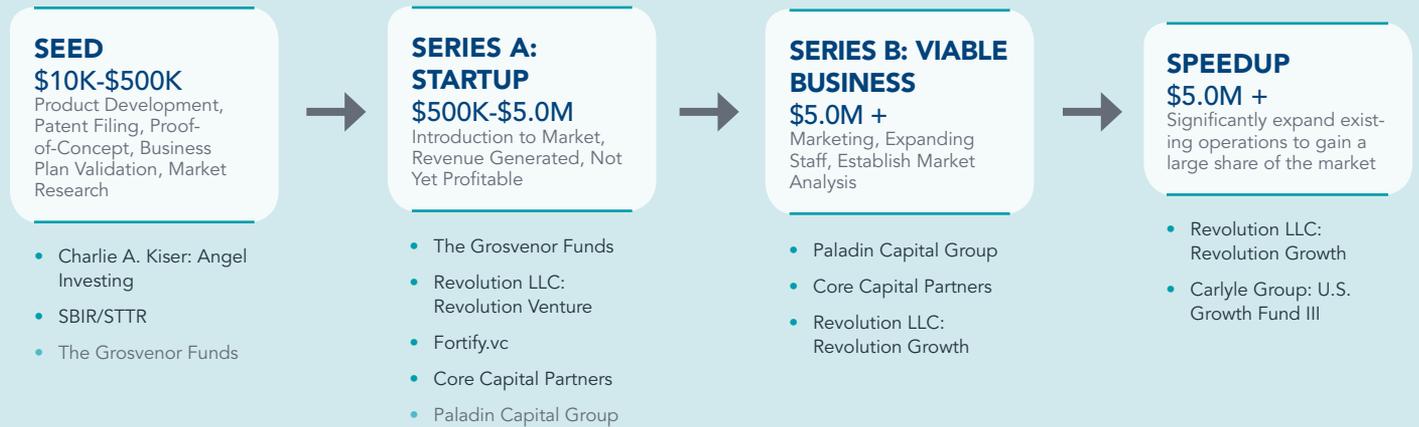
⁹ Technology Transfer Society Washington Area Chapter. National Technology Transfer Society, n.d. Web. 4 March 2012.

¹⁰ “A Resource Guide for Technology-based Economic Development.” Page 33. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

FUNDING SOURCES FOR DC-BASED SCIENCE AND TECHNOLOGY BUSINESSES¹

Potential funding sources are listed for each stage of development

• Primary Investment Strategy • Secondary Investment Strategy



TIPS FOR GETTING RISK CAPITAL²

A COLD CALL IS THE LEAST SUCCESSFUL WAY OF APPROACHING AN INVESTOR.

Listed below are the most common ways investors source their partners:

- Referrals
- Networking
- Pitch-Events

Head to the DC Technology Network section on page 102 and get connected!

MAKE YOUR PITCH BETTER

1. Establish the market need! Spend enough time on your product or service to prove why your business has the solution.
2. Keep it simple! Not all investors will be experts in your field.
3. Don't try to explain everything. Provide just enough to entice the investors to seek you out.
4. Do not use a script; show your passion and "speak" during your pitch.
5. Include a product demo.
6. Practice! Practice! Practice!

OWNERSHIP STRUCTURE IS VERY IMPORTANT TO TECH STARTUPS.

Seed and early-stage financing is dominated by equity financing, which requires your business to offer stock in exchange for capital. See Chapter 1 for additional details in ownership structure.

INCREASE YOUR CHANCES OF GETTING FUNDED

1. Have an amazing team! Investors like to see cofounders, not individuals.
2. Know the market landscape and your customer base. Is the market opportunity large enough to interest investors?
3. Show a clear path between startup, growth, and exit.
4. Know more about your competition than the investor does.
5. Show a customer track and some revenue.
6. Investors like experience. Consider this when choosing a co-founder.
7. Do your homework!

Is the investor a good match for deal size and space (industry and geography)? Is your competition already in their portfolio?

¹ Adapted from "Risk Financing for Knowledge-based Enterprises: Mechanisms and Policy Options", Guy Ben-Ari and Nicholas S. Vonortas (5)

² Mirzakarimova, Gulnara. Two-Side Brain Interviews, n.d. Web. 15 March 2012.

The Grosvenor Funds

Investment Strategy: Grosvenor is currently investing its fourth fund targeting early-stage, IP protected technologies addressing large market opportunities, with an East Coast geographic focus.

Other Resources

These venture capital trade association groups have unique resources for entrepreneurs:

- Mid-Atlantic Venture Capital Association | www.mava.org
- National Venture Capital Association | www.nvca.org

Angel Investors

Charlie Kiser

Start-Up Capital & Angel Investing

301.325.2440 | sellstrategy@gmail.com | [@CharlieKiser](https://twitter.com/CharlieKiser)

Angel Investment Network

This online platform connects entrepreneurs with international angel investors.

Mid-Atlantic U.S. Branch | www.midatlanticinvestmentnetwork.com

Federal Resources

Small Business Innovation Research (SBIR) & Small Business Technology Transfer (STTR)

The Federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs are an important source of seed and early-stage capital for technology startups throughout the U.S. Each year, SBIR and STTR are the source of more than \$2 billion in proof-of-concept and very early-stage funding. According to the SSTI report, "eleven federal agencies are required to provide the funds by setting aside 2.5% of their annual extramural R&D budgets for use exclusively by U.S. small businesses for new product R&D. The program consists of three phases and requires no repayment, no equity sacrifice, and the small business retains most intellectual property rights"¹¹.

www.sbir.gov

INCUBATOR, ACCELERATOR, AND CO-WORKING FACILITIES

With limited resources, another challenge for startups can be identifying and securing appropriate and affordable physical space from which to operate. This is typically provided by incubators, accelerators, and co-working spaces. These facilities do more than just provide office space, however. Entrepreneurs benefit from being in proximity to each other, which facilitates networking, information exchange, and collaboration. Moreover, the most successful facilities will provide access to technical assistance services, mentors and advisors, and possibly capital¹².

WDCEP TIP

The National Business Incubator Association (NBIA) is a great resource for entrepreneurs considering an incubation program. More information can be found at www.nbia.org.

¹¹ "A Resource Guide for Technology-based Economic Development." Page 74. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

¹² "A Resource Guide for Technology-based Economic Development." Page 35. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

The Fort Accelerator

fortify.vc | @TheFortvc

Industry Focus: Current portfolio is centered on software, Internet, and web technologies

Programming: Six-Month Accelerator Program

Services: Mentorship from seasoned founders and capitalization

GeekEasy Co-working Facility

www.geekeasy.org | @GeekEasyDC

Industry Focus: Mobile or Web Technology

Programming: None

Services: 24/7 access, fixed & virtual work spaces, co-working lounge, event space, robust network, professional sound recording, test bed resources, and venture capital investor hours

Affinity Lab Co-working Facility

www.affinitylab.com | @AffinityLab

Industry Focus: Industry Agnostic – Tech Centric

Services: 5,000 sq. ft. to work, meet, and host; redundant high speed internet, two conference rooms, 24-7 access, whiteboards/projectors/phone lines/paper shredder, kitchenette, print/can/copy/fax machine, UPS/FedEx deliveries/ mailing address

Programming: Skills courses, seminars, and networking events

WDCEP TIP

Need a change of scenery after a long coding session? Or, maybe you need to arrange an impromptu business meeting. **Check out the DC Wi-Fi Hot Spot Map at wifi.dc.gov** to find convenient access to the web!



Empowering Women To Grow Strong Businesses

The Washington, DC Women's Business Center offers:

- ★ *Motivating* seminars and workshops
- ★ *Personable* one-on-one consultation
- ★ *Exciting* business opportunities
- ★ *Unique* networking events

...to help Women become successful entrepreneurs

We are looking forward to helping you grow your business!

The Washington, DC Women's Business Center
727 15th Street, NW Washington, DC 20005
Phone: 202-393-8307
Email: info@dcwbc.org
Website: www.dcwbc.org

DC WBC Operated by:



CAN'T BEAR TO LOOK AT YOUR COMPANY'S ENERGY BILLS?

WE CAN HELP.

The DC SEU helps District businesses large and small save energy and money through financial incentives, rebates, and technical assistance for energy efficiency.

To find out how your business can start saving today, contact us toll-free at **855-MY-DCSEU**.



DISTRICT OF COLUMBIA SUSTAINABLE ENERGY UTILITY
202-479-2222 • WWW.DCSEU.COM/MYDCSEU



Endeavor DC Accelerator

endeavordc.com | [@startupendeavordc](https://twitter.com/startupendeavordc)

Industry Focus: Consumer Internet & Mobile Companies

Programing: Four-month accelerator program for four to eight companies with a working prototype and ideally some beta users

Services: Connections to mentors, advisors, funders, and potential business partners; legal, accounting, creative, and technical support; and a co-working facility

THE DC TECHNOLOGY NETWORK

As the knowledge economy is largely based on the transfer of tacit knowledge, networking cannot be overstressed. The obstacles and challenges encountered while launching a successful business are not easily codified in textbooks. Thus, entrepreneurs learn best from interacting with others who have encountered similar obstacles. Though they can be deceptively unstructured, networking events allow entrepreneurs to exchange valuable information with each other and members of their support community¹³.

Digital Capital Week (DCWeek)

[@dcweek](https://twitter.com/dcweek) | digitalcapitalweek.org

Social Media Week

[@smwwdc](https://twitter.com/smwwdc) | socialmediaweek.org/washingtondc

Wikimania 2012 DC—The International Wikimedia Conference

[@wikimania2012](https://twitter.com/wikimania2012) | wikimania.wikimedia.org

DC Entrepreneurship Week

[@dcweek](https://twitter.com/dcweek) | www.dcew.org

Lean Startup Machine

[@lean](https://twitter.com/lean) | leanstartupmachine.com

Foster.ly Study Hall

[@foster_ly](https://twitter.com/foster_ly) | foster.ly/studyhall

Startup Weekend

[@sw_dc](https://twitter.com/sw_dc) | dc.startupweekend.org

DC Tech Meetup

[@dctechmeetup](https://twitter.com/dctechmeetup) | www.meetup.com/DC-Tech-Meetup

Distilled Intelligence 2.0 (Fortify.vc)

[@fortifyvc](https://twitter.com/fortifyvc) | www.distilledintelligence.com

Startup DC

[@startupdc](https://twitter.com/startupdc) | dc.s.co

WDCEP TIP

Please refer to Chapter 5: Financial Incentives for information on DC Tech Incentives for qualified high technology companies.

¹³ "A Resource Guide for Technology-based Economic Development." Page 33. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.

Stay Informed—Tech Community News Sources

Tech Cocktail

@techcocktail | techcocktail.com

Proudly Made In DC

@proudlymadeindc | proudlymadeindc.com

Two Side Brain

@twosidebrain | twosidebrain.com

DC Founders.com

@dcfounders | dcfounders.com

Social Matchbox

@socialmatchbox | socialmatchbox.com

TechCrunch

@techcrunch | techcrunch.com

KNOW-HOW

Young entrepreneurs and investors covet qualified, experienced entrepreneurs. These individuals have weathered a few failures on the road to success and are often willing to share the benefit of their experience by advising new entrepreneurs in a mentorship relationship. Having an experienced entrepreneurial management team may mean the difference in whether the startup company receives the investment capital it needs to move forward¹⁴.

Mentorship Networks & Services

Washington, DC Economic Partnership Venture Mentoring Program

(Launching January 2013)

202.661.8670 | @wdcep | www.wdcep.com

Springboard Enterprises

@springboardent | www.springboardenterprises.org

Founder Institute:

@founding | fi.co

FounderCorps

@foundercorps | foundercorps.org

Finding Talent

CoFoundersLab

@cofounderslab | www.cofounderslab.com

Startup Riot

@startupriot | startupriot.com

¹⁴ "A Resource Guide for Technology-based Economic Development." Page 33. The State Science and Technology Institute, Aug. 2006. Web. 8 March 2012.



The HIVE, in Anacostia, is one of the many resources DC has to offer entrepreneurs; it serves as a creative and shared workspace for freelancers and small businesses.

13

BUSINESS RESOURCES

The resources below are public initiatives provided by government agencies and nonprofits. Complete contact information for all of the resources listed can be found in the quick reference section at the end of this chapter.

DC GOVERNMENT AGENCIES

Deputy Mayor's Office for Planning and Economic Development

The Office of the Deputy Mayor for Planning and Economic Development (DMPED) is charged with executing the Mayor's economic development strategy. The purpose of the DMPED is to encourage growth and investment across the District of Columbia, attract and retain high quality retail, provide and preserve affordable housing, connect residents to meaningful employment opportunities and revitalize its neighborhoods and waterfronts. The goal of the DMPED is to make the District of Columbia a world-class, globally competitive city. Programs include:

- Anacostia Waterfront Initiative
- Great Streets

- Neighborhood Revitalization Projects
- Business Attraction and Retention
- Mayor's Housing Initiatives
- New Communities

202.727.6365 | www.dmped.dc.gov

DC Department of Employment Services

The DC Department of Employment Services (DOES) has a One Stop Business Resource Center for employers and small business owners to encourage job creation and economic growth in the District of Columbia. Its services include, but are not limited to:

- Incubator space providing basic office services and equipment
- Technology support services
- Meeting space
- Assistance with financing and marketing
- Computers and audiovisual equipment

4058 Minnesota Avenue, NE | Washington, DC 20019

202.724.7000 | @ONEDOES_ONECITY | www.does.dc.gov

DC Department of Insurance, Securities and Banking

The DC Department of Insurance, Securities and Banking (DISB) efficiently and effectively regulates most financial services activities in the District of Columbia. The DISB provides maximum information and regulatory protection to the customers and consumers of financial services as well as District of Columbia residents, while encouraging the growth of the financial services business sector in order to increase jobs and tax revenue to the District of Columbia. The DISB regulates the business of insurance, the securities industry, the business of banking, trust companies, mortgage lenders and brokers, check cashers, money transmitters, consumer sales finance companies, money lenders, consumer credit service organizations and non-bank ATMs that operate in the District. Businesses are encouraged to contact the Department of Insurance, Securities and Banking to find out specific financial services licensing requirements.

810 First Street, NE, Suite 701 | Washington, DC 20002

202.727.8000 | @DCDISB | www.disb.dc.gov

DC Department of Small and Local Business Development

The DC Department of Small and Local Business Development (DSLBD) fosters economic growth, development, retention of businesses, and job creation in the District of Columbia. Among other services, the DSLBD offers small business certification through its Certified Business Enterprise (CBE) program so that they may better compete for contracting opportunities in the District. A description of the department's divisions follows.

The Division of Business Opportunities and Access to Capital

This division provides value added services as an advocate of small and local business owners. It is responsible for ensuring CBE participation in the procurement process

within the public and private sectors. In addition, the division conducts research and identifies new avenues of business opportunities and access to capital.

The Division of Certification

This division monitors, reviews, and processes applications for potential CBE certification. In addition, it assists in overseeing both District agencies and public/private contractors to ensure that they meet and maintain their obligations to contract with CBEs.

The Division of Training and Education

This division coordinates training and mentoring programs for local businesses. It provides assessment and identification of business needs and also connections to the wealth of business assistance organizations in the District. In addition, this division furnishes small business development, technical assistance, and training at the DSLBD's Small Business Resource Center located within the Department of Consumer and Regulatory Affairs' offices.

[1100 4th Street, SW | Washington, DC 20024 | 202.442.8170](#)

The Division of Commercial Revitalization

This division supports the revitalization of DC's neighborhood commercial districts and small businesses by: providing technical and funding assistance in targeted neighborhoods to retain DC businesses; design and improve storefronts and streetscapes; promoting DC's business neighborhood districts; and managing the certification, annual tax assessment projections, and the charter extension process for DC's Business Improvement Districts (BIDS).

[202.727.3900 | @bizDC | www.dslbd.dc.gov](#)

DC Procurement Technical Assistance Center

The DC Procurement Technical Assistance Center (DC-PTAC) provides eligible entities with specialized and professional technical assistance to individuals and businesses seeking to pursue and successfully perform under contracting and subcontracting opportunities with the Department of Defense, other federal agencies, and/or state and local governments.

[One Judiciary Square | 441 Fourth Street, NW, Suite 970N | Washington, DC 20001](#)
[202.741.0858](#)

DC Office of Contracting and Procurement

The DC Office of Contracting and Procurement (OCP) provides contracting services to over 60 District agencies so they can deliver quality goods and services in a timely and cost-effective manner. To begin doing business with the DC government, potential vendors are invited to use the OCP online vendor registration to view solicitations, awarded contracts, and business requirements. Bids may be left at the OCP office or, when appropriate, at the OCP location at the Department of Public Works.

[441 4th Street, NW, Suite 700 South | Washington, DC 20001](#)
[202.727.0252 | www.ocp.dc.gov](#)

goDCgo Employer Services

goDCgo Employer Services provides complimentary assistance to organizations in DC to implement and promote commuter benefits programs that are strategically designed to mutually benefit your organization and our nation's capital. An initiative of the District

Department of Transportation (DDOT), goDCgo provides employees, residents and visitors with the education and assistance they need to make more informed choices about their daily travel. Your organization will work one-on-one with a goDCgo consultant to customize and promote commuter services that benefit both your business' bottom line and your employees' well-being.

202.299.2186 | @goDCgo | www.goDCgo.com

WDCEP TIP

Check out www.wdcep.com for information about available locations for small businesses, new construction projects and neighborhood demographics.

NON-GOVERNMENTAL ORGANIZATIONS

Washington, DC Economic Partnership

The Washington, DC Economic Partnership (WDCEP) is a public/private partnership dedicated to facilitating economic development in the District of Columbia. The WDCEP promotes the creation of jobs, growth of tax revenues, attraction and retention of businesses, and distribution of community resources for local DC residents and business owners.

The WDCEP offers to entrepreneurs and DC residents

- Site location assistance
- Education seminars
- Networking opportunities
- DC economic development information

202.661.8670 | @wdcep | www.wdcep.com

DC Chamber of Commerce

The DC Chamber of Commerce is a nonprofit organization that advocates the growth and development of business in the District of Columbia. Since 1938, the Chamber has nurtured business creation and expansion throughout the city. Its 2,000 plus members include small and large local and international businesses and associations.

The Chamber's primary functions include:

- Improve the climate for business in the District
- Assist businesses in succeeding through education, information and outreach
- Provide networking and procurement opportunities
- Reduce the cost of doing business through regulatory reform
- Advocate for changes in federal and local laws that impact business growth and development in the District

202.347.7201 | @dcchamber | www.dcchamber.org

U.S. Chamber of Commerce

The U.S. Chamber of Commerce is the world's largest business federation representing more than three million businesses of all sizes, sectors and regions. It includes hundreds of associations, thousands of local chambers and more than 100 American Chambers of Commerce in 91 countries. The U.S. Chamber offers small business toolkits to help businesses with hiring, printing and shipping, sales and marketing, security and start-up assistance.

202.659.6000 | @uschamber | www.uschamber.com

Greater Washington Hispanic Chamber of Commerce

The Greater Washington Hispanic Chamber of Commerce (GWHCC) is a membership driven organization. The GWHCC supports the economic development of the DC region by facilitating the success of Latino and other minority-owned businesses through networking, advocacy and education. Its programs include technical assistance for Hispanic and other minority owned businesses in the District of Columbia and Arlington county, bilingual (Spanish) business education and a monthly series of networking events.

202.728.0352 | @GWHCC | www.gwhcc.org

Greater Washington Fashion Chamber of Commerce

The Greater Washington Fashion Chamber of Commerce (GW FCC) is a fashion trade association that serves the greater DC metropolitan area. Its purpose is to promote common interests, while simultaneously improving the business conditions of the greater metro area's fashion industry. It accomplishes this through advocacy, outreach, training, technical assistance, marketing and economic development activities that specifically support its members and the greater fashion community.

202.355.3929 | @GW FCC | www.gwfcc.org

CHAMPS—Capitol Hill Chamber of Commerce

CHAMPS is the Chamber of Commerce for Capitol Hill in the District of Columbia. The Chamber educates and advocates for Capitol Hill businesses and connects them with the greater community. Representing over 350 businesses and residents in the Capitol Hill neighborhood, CHAMPS runs regular local promotions and provides various publicity opportunities for its members. CHAMPS has an education program that consists of lunches, seminars, forums, and gatherings, each of which focuses on a different facet of running a business. In addition, it offers several events that focus on networking, giving members, non-members, and residents the chance to connect with one another. As the only business organization on Capitol Hill with the ability to lobby, CHAMPS has an active Government Affairs Committee that sets policy agendas annually, and looks out for and represents the voice of Capitol Hill businesses on pending legislation.

202.547.7788 | @caphillchamber | www.capitolhill.org

Service Corps of Retired Executives (SCORE)

The Service Corps of Retired Executives (SCORE) is a nationwide nonprofit volunteer association with more than 12,000 retired and active small business owners, executives, and professionals who donate their time to council aspiring and existing small business owners. As a resource partner of the U.S. Small Business Association, it provides free counseling and low-cost workshops to small businesses. In 2009, SCORE helped to create over 20,000 new businesses. The DC Chapter has over 46 members experienced in owning and operating both small and large businesses in almost every field.

202.272.0390 | www.scoredc.org

DC Small Business Development Center Network

The Small Business Development Center (DCSBDC) Network promotes the growth, expansion, innovation, and increased productivity of small business owners in the DC metropolitan area. Opportunities for small business success are enhanced through the delivery of training and counseling services and strategic alliances with organizations

and individuals in the field of entrepreneurship. Throughout the year, DCSBDC Network conducts affordable training courses designed for small business owners and managers in the following areas: business planning, management of a small business, accounting and financial systems development, marketing, 8(a) certification, international business, and more.

Counseling is provided on a pre-scheduled appointment basis. Contact the Lead Center at Howard University or visit the website to schedule an appointment or obtain information about upcoming training courses and events.

[202.806.1550](tel:202.806.1550) | [@dcsbdc](https://www.dcsbdc.org) | www.dcsbdc.org

Washington Area Community Investment Fund

The Washington Area Community Investment Fund, Inc (WACIF) is a 24-year-old nonprofit community development loan fund. WACIF provides access to capital and technical assistance services to existing and aspiring entrepreneurs and to nonprofit organizations in local underserved communities. WACIF's programs and services include: Specialized Technical Assistance, the District of Columbia Certified Business Enterprise Revolving Microloan Fund, Small Business Administration (SBA) Revolving Microloan Fund, and WACIF's Access to Capital Loan Fund.

[202.529.5505](tel:202.529.5505) | [@WACIF](https://www.wacif.org) | www.wacif.org

Minority Business Development Agency (MBDA)

The MBDA Business Center in Washington, DC consults established minority business enterprises (MBEs) in the National Capitol Region and throughout the United States to increase their access to contracting opportunities and financing. The Center is operated by the National Community Reinvestment Coalition (www.ncrc.org) and funded by the Minority Business Development Agency, U.S. Department of Commerce. The Center is committed to increasing the economic performance of its MBE client base.

[202.464.2304](tel:202.464.2304) | [@USMBDA](https://www.mbda.gov) | www.mbda.gov

DC Chamber of Commerce: Business Resource Center

The DC Chamber of Commerce Business Resource Center helps emerging and established businesses navigate through the processes for business plan review, permits and certifications. The Center offers support services and training designed to expand the capacity of small businesses in the DC area.

[202.545.0220](tel:202.545.0220) | [@dcchamber](https://www.dcchamber.org) | www.dcchamber.org

Small Business Resource Center (SBRC)

The Small Business Resource Center (SBRC), a partnership between the Departments of Small and Local Business Development (DSLBD) and Consumer and Regulatory Affairs (DCRA), provides District-based small businesses and entrepreneurs with training, consulting and technical assistance. Service offerings include one-on-one technical assistance; pro bono legal services; access to computers and business planning software; workshops on starting, managing, financing, and growing a business; and navigating regulatory issues. It also provides regular updates about small business opportunities and referrals to other small business resource providers in the area. Services are by appointment only. The SBRC Network of Centers can be found at:

**Small Business Resource Center at
Department of Small and Local Business Development**

441 4th Street NW, Suite 970N | Washington, D.C. 20019

bizdc.ecenterdirect.com

202.727.3900 | @bizDC | dslbd.dc.gov

**Small Business Resource Center at
Department of Consumer and Regulatory Affairs**

1100 4th Street SW, 2nd Floor | Washington, D.C. 20024

bizdc.ecenterdirect.com

202.442.8170 | @DCRA | dcra.dc.gov

District of Columbia Sustainable Energy Utility (DC SEU)

The DC SEU's Commercial and Institutional Services help businesses and institutions in the District save energy and money. Through a range of initiatives, the DC SEU offers financial incentives, technical assistance, and valuable information designed to help business owners make informed decisions on energy-efficiency measures that can help their businesses become more sustainable and save energy and money now and in the future.

855.693.2738 | www.dcseu.com

NEIGHBORHOOD RESOURCES

Business Improvement Districts (BIDs)

The Department of Small and Local Business Development (DSLBD) manages the certification, charter extension and annual tax projections for Business Improvement Districts (BIDs) and Community Improvement Districts (CIDs). These are commercial areas of the District that collect a "self tax" from property owners, which is used to provide services and programs that augment city services and address commercial corridor-wide issues such as cleanliness, safety, parking and transportation management, streetscape improvements, promotion, economic development and other collective business issues.

Adams Morgan BID

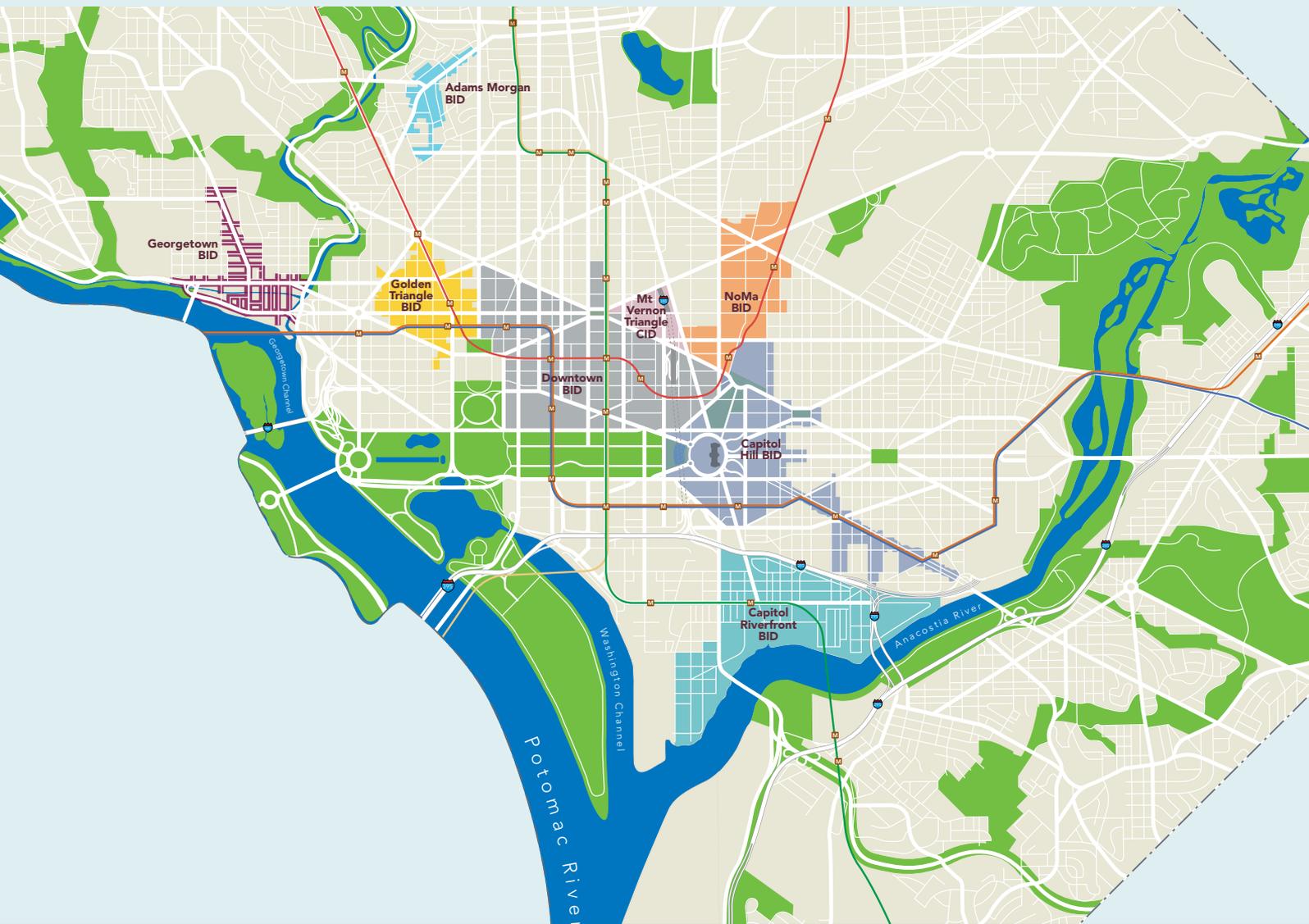
The Adams Morgan Partnership Business Improvement District was founded in August, 2005 as a 501 (c)(6) non-profit organization funded through an assessment on commercial property owners who are dedicated to revitalizing Adams Morgan as a cleaner and safer place to live, work, and play. The Adams Morgan Partnership is led by a 22-member Board representing a cross section of Adams Morgan stakeholders. This includes merchants, tenants, property owners and cultural and nonprofit organizations.

202.997.0783 | @AdamsMorganMS | www.adamsmorganonline.com

Capitol Hill BID

The Capitol Hill Business Improvement District (BID) is a 501(c)(6) led by a 26-member board representing a cross section of Capitol Hill stakeholders, including merchants, tenants, property owners, cultural and nonprofit organizations, ex-officio representatives and elected officials. The 81-block area is patrolled by the BID's Safety Ambassadors which provide pedestrian and visitor information, merchant visits, vehicular assistance, homeless outreach and act as the eyes and ears for the police department. The

DC BUSINESS IMPROVEMENT DISTRICTS (BID)



area is also serviced, seven days a week, by the workers of Ready, Willing & Working (RWW), aka the 'Men in Blue', who clean the sidewalks and curb, remove graffiti, and collecting over 200 bags of rubbish and recycling daily.

202.842.3333 | @CapitolHillBID | www.capitolhillbid.org

Capitol Riverfront BID

The Capitol Riverfront BID spreads over the area of 500 acres within the Southeast Corridor of the District. Among the services it provides are Clean Teams and hospital-ity/safety ambassadors; marketing, branding, and special events; economic develop-ment; office, retail, and residential attraction; and community building.

202.465.7093 | @CapitolRvrFront | www.capitolriverfront.org

Downtown DC BID

The Downtown DC Business Improvement District (BID) is a private non-profit orga-nization that provides capital improvements, resources and research to help diversify

the economy and enhance the Downtown experience for all. This special district, where property owners have agreed to tax themselves to fund services, encompasses a 138-acre of properties from Massachusetts Avenue on the north to Constitution Avenue on the South, and from Louisiana Avenue on the east to 16th Street on the west. As a catalyst, facilitator and thought leader, the Downtown BID promotes public/private partnerships to create a remarkable urban environment.

202.638.3232 | @DowntownDCBID | www.downtowndc.org

Georgetown BID

The Georgetown Business Improvement District (BID) is a nonprofit organization dedicated to protecting and enhancing the accessibility, attractiveness and overall appeal of Georgetown. Established in 1999 by its property owners and merchants, the Georgetown BID has more than 1,600 members. The organization is located in the heart of Georgetown and sets a standard of excellence in preserving historic charm while meeting contemporary needs. From marketing and special events, to transportation and streetscape, the Georgetown BID contributes to the vitality and quality of life in Georgetown.

202.298.9222 | @georgetowndc | www.georgetowndc.com

Golden Triangle BID

The Golden Triangle BID is a 43-block area that stretches from the front yard of the White House to Dupont Circle, encompassing the western section of DC's Central Business District and representing approximately 3,000 businesses. The Golden Triangle BID supplements District of Columbia services by providing maintenance, hospitality, public safety, promotional programs, as well as capital improvements and advocacy. The BID's Ambassador Program comprised of hospitality and maintenance Ambassadors who provide supplemental services to create a clean, safe and friendly environment.

202.463.3400 | @GoldenTriDC | www.goldentriangledc.com

The NoMa BID

To support the development of the neighborhood, the NoMa Business Improvement District was approved in March 2007 by the DC Council, and has since supported \$1.5 billion in recent private investment, and more than eight million square feet of development. This area is transforming into a mixed-use neighborhood of sleek sustainable offices, shops, restaurants, apartments, and hotels, with an additional 17.5 million square feet planned over the next 20 years. The NoMa BID promotes these changes by providing a clean, safe and friendly environment for businesses, residents and visitors.

202.289.0111 | @nomabid | www.nomabid.org

The Mount Vernon Triangle CID

The Mount Vernon Triangle Community Improvement District was the fifth BID to open its doors in the city of Washington and is the first to tax commercial and residential buildings. Comprised of 30 acres (15 city blocks) around New York Avenue, New Jersey Avenue, and Massachusetts Avenue NW, the MVT CID currently has 1,142 members. It provides services to the neighborhood, such as cleaning, landscaping, safety, marketing and planning.

202.216.0511 | @MVT CID | www.mountvernontriangle.org

Community Development Corporations (CDCs)

Community Development Corporations (CDCs) work to revitalize distressed neighborhoods throughout the District of Columbia. CDCs are great resources for understanding neighborhood culture and dynamics and for providing site locations assistance to your business.

Department of Small and Local Business Development (DSLBD) DC Main Streets

The Department of Small and Local Business Development's Division of Commercial Revitalization manages the DC Main Streets program, which fosters retail investment in the District by providing funding and technical assistance to help communities retain and recruit businesses, improve commercial properties and streetscapes and attract consumers to neighborhood commercial districts. This citywide program, which is based on the National Trust's Main Street Approach model, builds the capacity of neighborhood partner organizations and residents to sustain community driven revitalization efforts.

202.727.3900 | @bizDC | www.dslbd.dc.gov

Great Streets

The Great Streets Initiative is a multi-year, multiple-agency effort to transform nine under-invested corridors into thriving and inviting neighborhood centers using public actions and tools as needed to leverage private investment. The Office of the Deputy Mayor for Planning and Economic Development (DMPED) is partnering with the District Department of Transportation (DDOT) and the DC Office of Planning (OP) to manage the program. More than \$200 million is being invested in new mixed use development projects, storefront improvements, and transportation, streetscape, and transit improvements along these corridors. In late January 2008, the District of Columbia made available \$95 million in targeted Tax Increment Financing for neighborhood economic development projects which include over 10,000 square feet of quality local and national retail.

www.dmped.dc.gov ("Great Street" link) | Great.Streets@dc.gov

New Communities

The New Communities Initiative is a comprehensive, District-led redevelopment initiative aimed at addressing the physical and human architecture of identified DC neighborhoods that include: Barry Farm (Ward 8), Lincoln Heights/Richardson Dwellings (Ward 7), Northwest One (Ward 6) and Park Morton (Ward 1). The Initiative seeks to create healthy mixed-income communities with integrated public facilities and services that offer families better quality housing, real economic opportunity and access to human services. The New Communities Initiative is a partnership between the District's Office of the Deputy Mayor for Planning and Economic Development, Office of the City Administrator, Office of Planning, the Department of Housing and community Development, and the District of Columbia Housing Authority.

202.442.7600 | @OPinDC | www.planning.dc.gov

LEGAL RESOURCES

American University Washington College of Law and Economic Development Law Clinic (CEDLC)

CEDLC provides transactional legal services for client groups engaged in different kinds of neighborhood-based community development. They represent and help organized small nonprofits and businesses.

202.274.4147 | @auwcl | www.wcl.american.edu/clinical/community.cfm

The George Washington University (GWU) Small Business & Community Economic Development Law Clinic (SBCED Clinic)

The GWU SBCED Clinic provides free start-up legal assistance to selected DC area small businesses and nonprofit organizations that cannot afford to pay a lawyer.

202.994.7463 | @gwlaw | www.law.gwu.edu/sbcd

University of the District of Columbia (UDC) David A. Clarke School of Law

UDC operates a Small Business Law Center (SBLC) under a grant for the Small Business Administration to provide small, disadvantaged businesses with comprehensive legal services and business consulting to the DC community. This organization of student case workers can help with articles of incorporation or partnership agreements, tax laws, business structure or contracts, etc.

202.274.5122 | @UDCSchoolofLaw | www.law.udc.edu

UTILITY AND SMALL BUSINESS ENERGY EFFICIENCY RESOURCES

DC-Net/DC-CAN

As a part of the District of Columbia's Office of the Chief Technology Officer (OCTO), DC-Net has expanded to a fiber network of over 350 miles—providing solutions to over 350 District and federal government agencies, nonprofits, public schools and universities, health clinics, and public safety entities throughout the District.

The District was awarded a grant to develop the DC-Community Access Network (DC-CAN) broadband infrastructure project. The DC-CAN infrastructure aims to deliver affordable, value-added, middle-mile services to community anchor institutions in the city's economically distressed areas, and create points of interconnection for last-mile service providers delivering affordable broadband access to residents.

501(c)3 nonprofit community anchor institutions that offer health or education services in the District are eligible for DC-CAN service.

DC-Net offers a full range of state-of-the-art telecommunications products and services, including: Data (with speeds from 10 Mbps to 10 Gbps); VoIP (using Cisco Systems and Avaya solutions); Voice Managed Services; Video; Internet; Wireless LAN; Cloud Services; and Professional Services.

202.715.3800 | dcnet.dc.gov

District Department of the Environment (DDOE)

The Small Business Energy Efficiency Program (SBEEP) provides assistance to qualified District of Columbia for-profit small businesses by identifying and installing energy efficiency measures.

202.535.2600 | @DDOE_DC | www.ddoe.dc.gov

PEPCO

Pepco, a subsidiary of Pepco Holdings, Inc., provides safe and reliable electric service to more than 750,000 residential and commercial customers in the District of Columbia and Montgomery and Prince George's counties in Maryland.

202.872.2000 | @PepcoConnect | www.pepco.com

Verizon

Verizon provides voice, data and video services over intelligent wireless, broadband and global IP networks for its wireless, residential and business customers. The Verizon Foundation's mission is to improve education, literacy, family safety and health-care by supporting Verizon's commitment to deliver technology that touches life. The Foundation's also offers grants for nonprofits that support its core initiatives.

800.256.4646 | @VZSmallBiz | www.verizon.com

Verizon.Foundation@Verizon.com | www.verizonfoundation.org

Washington Gas

Washington Gas, a regulated subsidiary of WGL Holdings, Inc., delivers natural gas to more than one million residential, commercial and industrial customers throughout the District of Columbia, and the surrounding region.

703.750.1000 | www.washgas.com

QUICK REFERENCES

DC Government Agencies

District Government Hotline — Mayor's Call Center

Call 311 | @mayorvincegray | www.dc.gov

Office of the Deputy Mayor for Planning & Economic Development

1350 Pennsylvania Avenue, NW, Suite 317 | Washington, DC 20004

202.727.6365 | www.dmped.dc.gov

Alcoholic Beverage Regulation Administration (ABRA)

1250 U Street, NW, 3rd Floor | Washington, DC 20009

202.442.4423 | @DCGOV_ABRA | www.abra.dc.gov

DC Main Streets (DSLBD reSTORE DC Program)

441 4th Street, NW, Suite 970 North | Washington, DC 20001

202.727.3900 | www.restore.dc.gov

Department of Consumer & Regulatory Affairs (DCRA)

1100 4th Street, SW | Washington, DC 20024

202.442.4400 | @DCRA | www.dcra.dc.gov

Department of Employment Services (DOES)

4058 Minnesota Avenue, NE | Washington, DC 20019
202.724.7000 | @ONEDOES_ONECITY | www.does.dc.gov

District Department of the Environment

1200 First Street, NE, 5th Floor | Washington, DC 20002
202.535.2600 | @DDOE_DC | www.ddoe.dc.gov

Department of Housing and Community Development (DHCD)

1800 Martin Luther King, Jr. Avenue, SE | Washington, DC 20020
202.442.7200 | www.dhcd.dc.gov

Department of Insurance, Securities, and Banking (DISB)

801 First Street, NE, Suite 701 | Washington, DC 20002
202.727.8000 | @DCDISB | www.disb.dc.gov
DISB Insurance Bureau | 202.442.7766
DISB Risk Finance Bureau | 202.727.5074

Department of Small & Local Business Development

441 4th Street, NW, Suite 970 North | Washington, DC 20001
202.727.3900 | @bizDC | www.dslbd.dc.gov

Metropolitan Police Department Business Service Division

300 Indiana Avenue, NW | Washington, DC 20001
202.727.8711 | @DCPolice | www.mpd.dc.gov

Office of Contracting and Procurement (OCP)

441 4th Street, NW, Suite 700 South | Washington, DC 20001
202.727.0252 | @DCGOV_OCP | www.ocp.dc.gov

Office of Enterprise Zone and Revenue Bond Program

1100 4th Street, SW, Suite 500 | Washington, DC 20024
202.727.6365 | @DCStartup | www.dcbiz.dc.gov

Office of Partnerships and Grants Services

300 E Street, NW | Washington, DC 20001
202.727.8900 | @OPGSDC | www.opgd.dc.gov

Office of Planning

1100 4th Street, SW, 4th Floor | Washington, DC 20024
202.442.7600 | @OPinDC | www.planning.dc.gov

Office of Tax and Revenue Taxpayer Service Center

1101 4th Street, SW, West Building | Washington, DC 20024
202.727.4TAX | @DC_OTR | www.otr.cfo.dc.gov

Office of Unemployment Compensation Tax Division**Department of Employment Services**

4058 Minnesota Avenue, NE | Washington, DC 20019
202.724.7072 | @ONEDOES_ONECITY | www.does.dc.gov

State Data Center (Office of Planning)

1100 4th Street, SW | Washington, DC 20024
202.442.7600 | @OPinDC | www.planning.dc.gov

Federal Government Agencies

SBA's SCORE Program (main office)

740 15th Street, NW, 3rd Floor | Washington, DC 20005
202.272.0390 | www.scoredc.org

Social Security Administration Offices

2100 M Street NW | Washington, DC 20037
800.772.1213 | @socialsecurity | www.ssa.gov

U.S. Department of Housing and Urban Development

820 1st Street, NE, Suite 300 | Washington, DC 20002
202.275.9200 | @HUDnews | www.hud.gov

U.S. Internal Revenue Service

500 North Capitol Street, NW | Washington, DC 20221
202.874.6748 | @IRSnews | www.irs.gov | 800.829.4933 (toll-free for businesses)

DC Small Business Development Centers (DCSBDC)

DCSBDC at AEDC

1800 Martin Luther King Jr. Ave. SE, Suite 100 | Washington, DC 20020
202.889.5090 | @DCSBDC | www.dcsbdc.org

DCSBDC at Howard University Lead Center

2600 6th Street, NW | Washington, DC 20059
202.806.1550 | @DCSBDC | www.dcsbdc.org

DCSBDC at DC Chamber of Commerce

506 9th Street, NW | Washington, DC 20004
202.347.7201 | @DCSBDC | www.dcsbdc.org

DCSBDC at DC Chamber of Commerce Business Resource Center

7059 Blair Road, NW, Suite 203 | Washington, DC 20012
202.545.0220 | @DCSBDC

DCSBDC at University of District of Columbia

4340 Connecticut Avenue, NW | Washington, DC 20008
202.274.7030 | @DCSBDC | www.dcsbdc.org

DCSBDC at Howard University GADGET Center

2801 Georgia Avenue, NW | Washington, DC 20008
202.319.1393 | @DCSBDC | www.dcsbdc.org

General Business Support Resources

Washington, DC Economic Partnership

1495 F Street, NW | Washington, DC 20004
202.661.8670 | @WDCEP | www.wdcep.com

CHAMPS—Capitol Hill Chamber of Commerce

P.O. Box 15486 | Washington, DC 20003
202.547.7788 | www.capitolhill.org

DC Building Industry Association (DCBIA)

5100 Wisconsin Avenue, NW, Suite 301 | Washington, DC 20016
202.966.8665 | @dcbianews | www.dcbia.org

DC Chamber of Commerce

506 9th Street, NW | Washington, DC 20004
202.347.7201 | @dcchamber | www.dcchamber.org

Business Resource Center

7059 Blair Road, NW, Suite 203 | Washington, DC 20012
202.727.3900 | @dcchamber | www.brc.dc.gov/gabrc

DC Women's Business Center

727 15th Street, NW | Washington, DC 20005
202.393.8307 | www.dcwbc.org

Greater Washington Board of Trade

1725 I Street, NW, Suite 200 | Washington, DC 20006
202.857.5900 | www.bot.org

Greater Washington Fashion Chamber of Commerce

1629 K Street, NW, Suite 300 | Washington, DC 20006
202.355.3929 | @GWFCC | www.gwfcc.org

Greater Washington Hispanic Chamber of Commerce

910 17th Street, NW, Suite 1150 | Washington, DC 20006
202.728.0352 | @GWHCC | www.gwhcc.org

Greater Washington Initiative

1725 I Street, NW, Suite 200 | Washington, DC 20006
202.857.5999 | www.greaterwashington.org

National Association of Minority Contractors

The Ronald Reagan House Office Building, Suite 700
1300 Pennsylvania Avenue, NW | Washington, DC 20004
202.204.3093 | www.namcnational.org

Society of Industrial and Office Realtors

1201 New York Avenue, NW, Suite 350 | Washington, DC 20005
202.449.8200 | @siorglobal | www.sior.com

Washington Area Better Business Bureau

1411 K Street, NW, 10th Floor | Washington, DC 20005
202.393.8000 | @bbb_us | www.dc-easternpa.bbb.org

Washington Area Community Investment Fund Inc.

3624 12th Street, NE | Washington, DC 20017
202.529.5505 | @WACIF | www.wacif.org



DC NEIGHBORHOODS

DEMOGRAPHICS | WALK SCORES | METRO COUNTS | MAPS | PHOTOGRAPHS

14th & U Streets/MidCity

Adams Morgan

Anacostia

Barracks Row

Bellevue/South Capitol

Brookland

Capitol Riverfront

Central 14th Street

Chevy Chase/
Friendship Heights

Chinatown

Cleveland Park

Columbia Heights

Congress Heights

Deanwood

Downtown DC

Dupont Circle

Fort Totten

Georgetown

Georgia Avenue/
Walter Reed

Glover Park

Golden Triangle

H Street, NE

Hillcrest/Skyland

Howard University/
Pleasant Plains

Kennedy Street

Minnesota & Benning

Mount Pleasant

Mount Vernon Triangle

New York Avenue/
Bladensburg Road

NoMa

North Capitol

Pennsylvania
Avenue, SE

Petworth

Rhode Island
Avenue, NE

Shaw

Southwest Waterfront

Takoma

Learn more at wdcep.com



Export/Import Services

Bureau of Industry and Security
202.482.4811 | www.bis.doc.gov

Franchise Resources**International Franchise Association**

1501 K Street, NW, Suite 350 | Washington, DC 20005
202.628.8000 | [@franchising411](https://twitter.com/franchising411) | www.franchise.org

Legal Clinics**American University Washington College of Law**

4801 Massachusetts Avenue, NW | Washington, DC 20016
202.274.4147 | [@auwcl](https://twitter.com/auwcl) | www.wcl.american.edu

GWU Small Business & Community Economic Development Clinic

2000 H Street, NW Suite 200 | Washington, DC 20052
202.994.7463 | [@gwlaw](https://twitter.com/gwlaw) | www.law.gwu.edu/sbcd

University of District of Columbia Law School

4200 Connecticut Avenue, NW | Washington, DC 20008
202.274.7341 | [@DCSBDC](https://twitter.com/DCSBDC) | www.law.udc.edu

Nonprofit Assistance**American Society of Association Executives**

1575 I Street, NW | Washington, DC 20005
202.371.0940 | [@asaecenter](https://twitter.com/asaecenter) | www.asaecenter.org

Center for Non-Profit Advancement

1666 K Street NW, Suite 440 | Washington, DC 20006
202.457.0540 | [@CenterNonprof](https://twitter.com/CenterNonprof) | www.nonprofitadvancement.org

Foundation Center

1627 K Street, NW, 3rd Floor | Washington, DC 20006
202.331.1400 | [@FCWashington](https://twitter.com/FCWashington) | www.foundationcenter.org/washington

Neighborhood Resources**Business Improvement Districts (BIDs)***Adams Morgan BID*

1804 Belmont Street, NW | Washington, DC 20009
202.997.0783 | [@AdamsMorganMS](https://twitter.com/AdamsMorganMS) | www.adamsmorganonline.org

Capitol Hill BID

30 Massachusetts Avenue, NE | Washington, DC 20002
202.842.3333 | [@CapitolHillBID](https://twitter.com/CapitolHillBID) | www.capitolhillbid.org

Capitol Riverfront BID

1100 New Jersey Avenue, SE, Suite 1010 | Washington, DC 20003
202.465.7093 | [@CapitolRvrFront](https://twitter.com/CapitolRvrFront) | www.capitolriverfront.org

Downtown DC BID

1250 H Street, NW, Suite 1000 | Washington, DC 20005
202.638.3232 | @DowntownDCBID | www.downtowndc.org

Georgetown BID

1000 Potomac Street, NW, Suite 122 | Washington, DC 20007
202.298.9222 | @georgetowndc | www.georgetowndc.com

Golden Triangle BID

1120 Connecticut Avenue, NW Suite 260 | Washington, DC 20036
202.463.3400 | @GoldenTriDC | www.goldentriangledc.com

Mount Vernon Triangle CID

901 4th Street, NW, Washington DC 20001
202.216.0511 | @MVTCID | www.mountvernontriangle.org

NoMa BID

1200 First Street, NE, Suite 310 | Washington, DC 20002
202.289.0111 | @nomabid | www.nomabid.org

Department of Small and Local Business Development DC Main Street Programs

Visit www.restore.dc.gov and click on "DC Main Streets" for descriptions of each program.

Barracks Row Main Street

733 1/2 8th Street, SE | Washington, DC 20003
202.544.3188 | @BarracksRow | www.barracksrow.org

Congress Heights Main Street

3127 Martin Luther King, Jr Avenue, SE | Washington, DC 20032
@CHMainstreets | www.congressheights.com

Deanwood Heights Main Street

4645 Nannie Helen Burroughs Avenue, NE | Washington, DC 200019
202.621.2288 | www.dhmainstreet.org

Historic Dupont Circle Main Street

9 Dupont Circle, NW | Washington, DC 20036
202.441.1474 | @DupontCirMainSt | www.dupontcircle.biz

H Street Main Street

961 H Street, NE | Washington, DC 20002
202.543.0161 | www.hstreet.org

North Capitol Main Street

P.O. Box 93013 | Washington, DC 20090
202.670.1730 | @NCAPMST | www.NCMSINC.org

Shaw Main Street

1426 9th Street, NW | Washington, DC 20001
202.265.7429 | @shawmainstreets | www.shawmainstreets.org

Community Development Corporations (CDCs)

The following is a partial listing of CDCs. For a complete listing, please visit: www.brc.dc.gov, under "Community Development."

Anacostia Economic Development Corporation

1800 Martin Luther King Jr. Avenue, SE, Suite 100 | Washington, DC 20020
202.889.5100 | www.anacostiacdc.com

Development Corporation of Columbia Heights

3419 14th Street, NW | Washington, DC 20010
202.483.4986 | www.dcch.org

Far Southwest/Southeast CDC

3939 South Capitol Street, SW | Washington, DC 20032
202.373.1054

H Street CDC

501 H Street, NE | Washington, DC 20002
202.544.8353 | @HStreetCDC | www.hstreetcdc.org

Latino Economic Development Corporation

2316 18th Street, NW | Washington, DC 20009
1202.588.5102 | @ledcmetro | www.ledcdc.org

MANNA CDC

828 Evarts Street, NE | Washington, DC 20018
202.832.1845 | www.mannadc.org

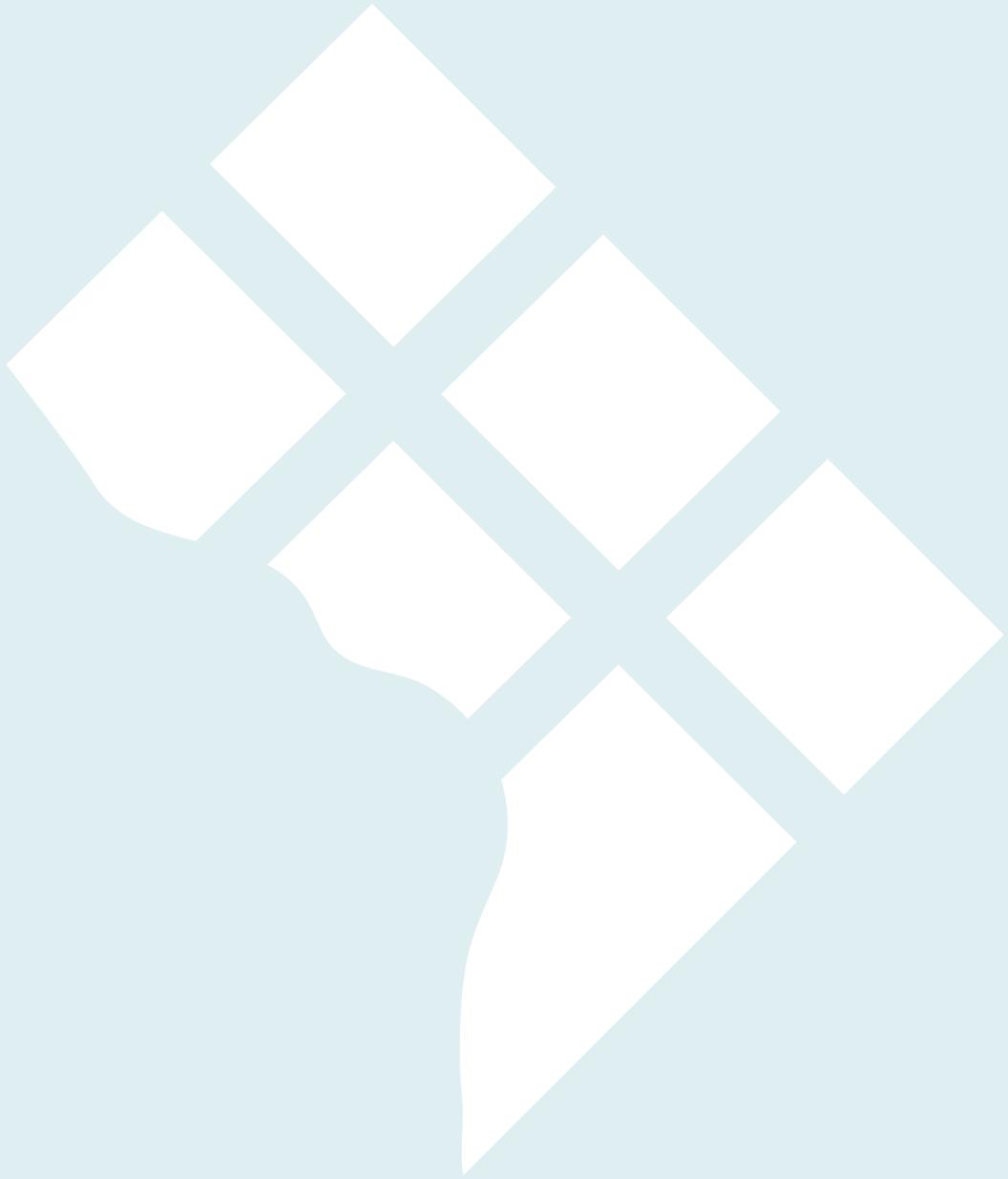
Marshall Heights CDO

3939 Benning Road, NE | Washington, DC 20019
202.396.1200 | @MHCDO | www.mhcdo.org



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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DC Department of Small & Local Business Development

Your Success Starts Here

OUR MISSION

The Department of Small and Local Business Development (DSLBD) supports the development, economic growth, and retention of District-based businesses, and promotes economic development throughout the District's commercial corridors.

OUR VISION

DSLBD envisions a business environment in which DC businesses are connected in real-time with local, federal, and global business opportunities; businesses navigate government quickly, confidently, and effectively; and, every entrepreneur and business with a great idea and a great plan has the capital to make it happen.

