

City of Evanston Business Guide

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Section I. Creating a Business Plan

Congrats on taking the first step toward opening your business! It all starts with an idea. However, the best way to solidify your idea and move forward is to put it in writing.

Why do I need a business plan? A business plan allows you to create a roadmap for your business; it can help provide clarity and goal-setting to lead your business to probability.

A. Business Plan

The plan typically lays out your business strategies and goals 5-8 years into the future. A basic plan usually contains eight sections.¹ There are plenty of online resources and organizations that are ready to help you create your business plan.

8 Parts to Your Business Plan

1. Executive Summary
Briefly explain your business and plans for the future
2. Business Description

¹ Source: [San Francisco Business Portal](#). Accessed October 20, 2017.

Describe your business and your product or service, and explain how they are different from other businesses.

3. Market Analysis
Identify your potential customers, and describe your industry and competition.
4. Organization & Management
Show how you plan to structure your business and introduce your management team and their responsibilities.
5. Service or Product Line
Describe your product or service, including the features and benefits of your product or service.
6. Marketing & Sales
Explain how you plan to market and sell your product or service to the potential customers you've identified.
7. Finances
Show your current and projected financial status, including balance sheets, a cash flow statement, and revenue projections.
8. Appendix or Supporting Documents

B. *Online Resources, Entrepreneurship Training Programs, and Technical Assistance*²

- [Bethel New Life](#) (ETP)
- [Bplans](#) (OR)
- [Chicago Urban League](#) (ETP)
- [Illinois Department of Commerce & Economic Opportunity](#) (OR)
- [LEND - Lending for Evanston and Northwestern Development](#) (TA)
- [Small Business Development Center Illinois](#) (ETP/OR/TA)
- [Startup Savant](#) (OR)
- [Sunshine Community Business Academy](#) (ETP)
- [Women's Business Development Center](#) (ETP)
- [YWCA of Metro Chicago](#) (ETP)
- [Rogers Park Business Alliance - GROW Entrepreneurial Training](#) (ETP)
- [Sunshine Enterprises](#) (ETP/OR/TA)

Section II. Funding

A. *Types of Funding Sources*³

- [Angel Investors](#)
An angel investor is an individual who provides capital for a business start-up, usually in exchange for convertible debt or ownership equity.
- [Bootstrapping](#)
Funding/financing a business venture based on one's own funds.

² The City of Evanston does not endorse or recommend any specific website or organization over the other. This list is not meant to be exhaustive.

³ The City of Evanston does not endorse or recommend any specific method of financing or funding over the other. This list is not meant to be exhaustive.

- [Crowdfunding](#)
Crowdfunding is characterized by fundraising a project or venture by raising many small amounts of money from a large number of people, typically via the Internet.
- Friends and Family
- [Microloans](#)
Microlending is the practice of granting small loans to people in need. These loans are generally used by entrepreneurs who are starting a business, or those who need extra cash to expand.
- [Small Business Administration \(SBA\) Loan](#)
The SBA works with lenders to provide loans to small businesses. The agency doesn't lend money directly to small business owners. Instead, it sets guidelines for loans made by its partnering lenders, community development organizations, and micro-lending institutions. The SBA guarantees these loans will be repaid, which eliminates some risk for the lending partners.
- [Small Business Loans](#)
A small business loan is an amount of money borrowed from a financial institution by a small business person to start, run, or expand a small business.

B. *Resources and Local Agencies*⁴

- [Accion Chicago](#)
- [Bank of America](#)
- [BMO Harris](#)
- [Citibank](#)*
- [City of Evanston - Evanston Edge](#)
- [Chase Bank](#)
- [Fifth Third Bank](#)
- [First Bank & Trust](#)
- [First Northern Credit Union](#)*
- [Grants.gov](#)
- [LEND - Lending for Evanston and Northwestern Development](#)
- [PNC Bank](#)
- [Small Business Administration \(SBA\)](#)
- [US Bank](#)
- [Wells Fargo](#)
- [Wintrust Bank](#)

SECTION III. Finding a Location

The number one rule of real estate is "location, location, location!" While this may be a daunting task, you don't have to do it alone. There are a number of dedicated professional commercial

⁴ The City of Evanston does not endorse or recommend any specific financial entity or organization over the other. This list is not meant to be exhaustive.

* Personal loans only

real estate brokers that can help you navigate the world of site selection. Below is a list of local commercial real estate firms and tools.⁵

- [@Properties](#)
- [Baird & Warner](#)
- [City of Evanston - Evanston Edge Tool](#)
- [Coldwell Bank](#)
- [DreamTown](#)
- [Fara Commercial Group](#)
- [Farnsworth-Hill, Inc.](#)
- [InSite Commercial Realty](#)
- [Jennings Realty, Inc.](#)
- [Renaissance Realty & Construction](#)
- [Schmerhorn & Co.](#)
- [Third Meridian Realty](#)

However, before signing a lease or purchasing a commercial building, make sure it is zoned properly for your business. You can find a copy of the City of Evanston zoning map [here](#). Depending on the zoning of the location you have in mind, you might need to go through a 60-90 day zoning process. Please contact the City of Evanston Zoning office by calling (847) 448-4311.

SECTION IV. Licensing

Before you can open your doors, there are a couple agencies you need to register with, depending on your occupation and business model.

A. Applying for an Employer Identification Number and Illinois Business Tax Number

You will need to apply to the IRS for a Federal [Employer Identification Number \(EIN\)](#). This is the equivalent of a social security number for all businesses, including those with no employees. You will also need an [Illinois Business Tax](#) Number.

B. Selecting a Name

"If you plan to set up as a sole proprietor or partnership, you will need to register using your own name or names. To establish a business name different than your own name, you must file a DBA (Doing Business As) with the [Cook County Clerk's office](#). Limited partnerships, LLCs and corporations must complete forms to take on an assumed name, and file an application with the Illinois Secretary of State. Before selecting a name for your business, search the Illinois

⁵ The City of Evanston does not endorse or recommend any specific agency or organization over the other. This list is not meant to be exhaustive.

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Secretary of State office's database of Corporate and LLCs to ensure your business name is not already in use."⁶

C. Businesses Licensed with IDFPR (Illinois Department of Financial and Professional Regulations)

Below is a *partial* list of businesses regulated by the Illinois Department of Financial and Professional Regulation (IDFPR), which is the main licensing agency for the State of Illinois. For a full list please visit the [IDFPR website](#).

⁶ Source: [Want To Register A Small Business In Illinois? Here's Everything You Need To Know](#)

- Acupuncturist
- Alarm Contractor
- APN CE Sponsor
- Architect
- Athletic Trainer
- Auctioneer
- Audiologist
- Barber
- Boxing & Wrestling
- Canine Handler
- Certified Public Accountant
- Physician
- Chiropractor
- Collection Agency
- Cosmetologist
- Dietitian Nutritionist
- Embalmer Psychiatrist
- Environmental Health Practitioner
- Esthetician
- Funeral Director
- Genetic Counselor
- Geologist
- Hair Braider
- Home Medical Equipment
- Interior Designer
- Land Surveyor
- Landscape Architect
- Licensed Practical Nurse
- Locksmith
- Marriage and Family Therapist
- Massage Therapy
- Mortgage Loan Originator
- Nurse
- Nursing Home Administrator
- Nutrition Counselor
- Occupational Therapist
- Optometrist
- Orthoptist
- Pawnshop Manager
- Perfusionist
- Pharmacist
- Physical Therapist
- Physician's Assistant
- Podiatrist
- Private Security Contractor
- Professional Service Corporation
- Psychologist
- Real Estate Agent/Broker
- Respiratory Therapist
- Roofing Contractor
- Shorthand Reporter
- Social Worker
- Speech Language Path. Asst.
- Speech Language Pathologist
- Structural Engineer
- Surgical Assistant
- Timeshare Acquisition Agent
- Title Insurance Agent
- Veterinarian
- Veterinarian's Technician
- Wholesale Drug Distributor

If you are licensed by the IDFRP, but have a retail component to your business (i.e. you sell hair or beauty products, medicine, t-shirts, etc.) you will have to be licensed by the City of Evanston as well, please refer to page 9. Additionally, if opening your IDFRP-licensed businesses requires buildout, you will have to obtain a Certificate of Occupancy.

D. *Home-based Businesses (Major and Minor)*⁷

No General Business License is needed for home based business, however, the business owner must contact the Planning & Zoning Division to provide address and discuss particulars. While no general business license is required, Major Home Occupations must obtain a permit from the

⁷ Source: [City of Evanston – Zoning](#)

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Zoning office, which is \$110. A Zoning Compliance Letter can be provided if the business owner requires proof of home-based business.

Minor Home Occupation - Your business qualifies as a Minor Home Occupation Permit if:

- You are using less than 15% of the floor area of your home or 400 square feet (whichever is less)
- You are not selling products directly to customers
- Non-residents are employed on the premises
- There are never more than 3 clients at one time at your home and no more than 6 clients total per day
- You never have more than (1) delivery of bulk material per weeks and that deliver occurs between 8 a.m. and 5 p.m.

Major Home Occupation - Your business qualifies as a Major Home Occupation Permit if:

- The total area used must not be more than 25% of the floor area of your home
- No more than 2 non-residents can be employed on the premises
- No more than 6 clients at one time; and not more than 12 clients during a 24 hours period are allowed at your home
- The number of deliveries of bulk material cannot be more than 3 times a week and must occur between the hours of 8 a.m. and 5 p.m., Monday through Friday

For complete information and the Major Home Occupation Application, please click on this [link](#).

E. *Food Establishment License*⁸

Who needs a food establishment license? All Evanston facilities that include food preparation, service or sales to the public - even when those food operations are not the principal use of the facility - are licensed by the Environmental Health Division. Licensed facilities include restaurants, convenience stores, schools, churches, caterers, day care centers, gas stations, senior living residences and many, many more.

Food establishments need only the [Food Establishment License](#), not a General Business License. For more information about the general business license please see page 9.

How do I get a food establishment license? First of all, be aware that you cannot operate without a valid license. A license is valid only if the person, corporation, partnership, etc. to whom the license was issued is still the legal owner of the business.

To avoid any delay in operating, especially in the purchase of an existing business, submit a food establishment license application well before the sale is complete, the property is purchased or a contractor or architect is engaged. The Environmental Health Division manages the licensing process and performs the final inspection when you are ready to open.

⁸ Source: [City of Evanston – Food Establishment License](#)

If you are considering purchasing an existing business or opening a new business, we invite you to schedule a consultation prior to submittal of the building permit and license application. This consultation can answer many of your questions and confirm that the proposed space accommodates the operations you want to operate. Whether you are taking over an existing business or building from the ground up, scheduling an appointment to talk about your plans is a great investment of your time. Call (847) 866-2947 or email egolden@cityofevanston.org.

For more information, please visit the [Food Establishment License page](#).

F. Liquor License

If your business plans to sell alcoholic beverages you will need a liquor license. There are various categories of liquor licenses based on different business models. In order to better understand what license category fits your business model, we encourage you to take a look at the [Liquor Control Regulations](#) in the municipal code. Familiarizing yourself with the code will help you understand your responsibilities and duties as a liquor license holder.

Furthermore, if your business model does not fit under one of the current liquor license classifications, you may propose an amendment. Please contact Theresa Whittington, Liquor Licensing Manager, with questions or to submit an amendment request.

The process to obtain a liquor license typically takes 60-90 business days⁹ from the moment you file a [Liquor License Application](#). It is important that the application is thoroughly completed.

BYOB (bring your own bottle) is not regulated by The City Code. Consequently, the City of Evanston does not issue BYOB licenses.

G. Contractor License

All contractors performing work within City limits are required to register with the City, including but not limited to General Contractors, Electrical, Carpentry, Concrete, Excavation, Masonry, Landscaping¹⁰, Fence, Roofing and Sign contractors. To obtain the registration, the contractor must provide the City with a completed [Registration Application](#) and an original certificate of insurance or policy declaration documenting that the contractor carries general liability insurance with a minimum of three hundred thousand dollars (\$300,000.00) per occurrence, bodily injury insurance with a minimum of one hundred thousand dollars (\$100,000.00) per occurrence, property damage insurance with a minimum of one hundred thousand dollars (\$100,000.00) per occurrence and workers' compensation insurance at the statutory minimum amounts. For more information, please visit the [Contractor Registration](#) page.

⁹ Actual length of process varies from case to case.

¹⁰ This refers to landscaping companies doing work under a building permit. All other landscaping companies not performing work under a building permit will need to apply for a General Business License, including those located outside of Evanston.

H. *General Business License*

All businesses that are not currently licensed under a State or Federal Law, are not home-based, and are operating for-profit within the City limits must have a license.

Each place of business must have its own license. The following business types must have a license to do business within the City regardless of where the physical headquarters of the business is located: Landscaping, pesticide and/or weed spraying, lawn fertilizing, pickup and delivery of laundry or dry cleaning at dwelling units, garbage or refuse pickup.

There are a few steps you have to take in order to obtain your general business license:

1. Check with zoning that the location you have chosen is zoned appropriately. Make an appointment with them by calling (847) 448-4311 or email zoning@cityofevanston.org.
2. You must fill out a [General Business License](#) application. Once it is fully completed, email it to economicdevelopment@cityofevanston.org, or mail it or drop it off at the Civic Center (C/O Economic Development, 2100 Ridge Avenue, Room 3600, Evanston, IL 60201).
3. Once we receive your application, it will be submitted for final zoning approval.
4. If you are not performing any build-out to your building, you will have to schedule a Fire, Life, and Safety Inspection with the Fire Department upon staff recommendation. However, if you conduct a build-out, we will need to obtain a digital copy of your Certificate of Occupancy; no Fire, Life, and Safety Inspection is needed in this case.
5. Upon receiving a copy of the Fire, Life, and Safety Inspection report or the Certificate of Occupancy, staff will send you an invoice, which you will be able to pay online. Once payment is received a General Business License will be issued.

I. *Other Permits*

The City of Evanston may require other permits, such as a sign fee for your awning or window decal, building permits, or sidewalk café permit. Please visit the [Permits & Licenses](#) page to determine what additional permits you need to apply for, if any. You can also reach the permit desk at (847) 448-4311.

SECTION V. Ribbon Cuttings & Getting Involved

Evanston has a very robust and organized business community. The options to get involved and market your business are plenty.

A. *Evanston Chamber of Commerce*

The Chamber of Commerce is a membership based non-for-profit organization that offers networking, marketing, and professional development opportunities for its members. Among some of its services are ribbon-cutting ceremonies. For more information, please visit the [Evanston Chamber of Commerce website](#).

B. *Special Service Areas*

If you are in a Special Service Area,¹¹ this means that you are automatically a contributing member of the business community that works to bring programming, marketing, infrastructure improvements, and networking opportunities to the area. The City of Evanston has two Special Service Areas: [Downtown Evanston](#) and the [Main Dempster Mile](#).

C. *Other Business Districts and Business Interest Groups*

- [Central Evanston Business Association \(Church and Dodge\)](#)
- [Central Street Business Association](#)
- Howard Street Business Association
- [WestEnd Business Association](#)
- West Village Business Association
- Dr. Hill Arts Business Association
- [Black Business Consortium of Evanston North Shore](#)
- [Evanston Latinx Business Alliance](#)

¹¹ “SSAs are local tax districts that fund enhanced services and programs, which are paid for by a localized property tax levy within contiguous areas. The enhanced services and programs are in addition to those currently provided through or by the” City of Evanston. Source: [PLACE Consulting](#)