

Community Focus Statement F: Provide a thriving and vibrant local small business environment.

Action Statement F.7: Establish a marketing plan with incentives to encourage home-based businesses.



Benchmark: A marketing plan with strategies and resources for home-based businesses is created.

Champion: Volunteer group or person or can be identified by the community

Estimated Cost: \$300

Even through the Great Recession recovery, trends toward working at home have continued. While over half of at-home workers are telecommuting, a growing number are small-business startups and freelancers. The latter are typically in higher-wage and high-skill professions. Business startups and freelancers see many advantages of a home-based business including decreased commuting costs, lower overhead costs, tax advantages, more time with family, and lower child-care costs. Home-based businesses also benefit individuals by supplying second incomes. Although most home-based businesses rarely result in substantial job growth, many successful companies, including Apple and Mary Kay Cosmetics, got their start from the home. Although advantageous, home-based businesses can have an impact on surrounding neighbors. Balanced regulations are important in fostering entrepreneurship while ensuring harmony with surrounding neighbors and properties.

Fostering Entrepreneurship

Home-based businesses have the ability to act as individual incubators for small businesses by removing a substantial cost for startups—the cost of office space. Especially with service and professional jobs that create intellectual or digital content, the financial barriers to entry are lower. Even occupations that are part-time and provide supplemental income often improve overall disposable income and spending power within the community.

Startup capital is an important piece of any support system for startups. Pairing entrepreneurs with venture capital and local small business loans can help improve the financial situation and access to capital. It is important that any financial assistance programs recognize that the failure rate of new businesses is extremely high. Communities should develop programs to ensure participants have business acumen, understanding of market potential, and a strong business plan. Local incentive programs should act more like venture capital programs and ensure public dollars are invested wisely.

Improving the Business Climate for Home-Based Businesses

A community can do a number of things to improve the business climate for home-based businesses including:

- Working with the County to ensure zoning regulations focus more on a business's impact on its neighbors and not the use itself. Flexibility is important.
- Developing small business training programs with experienced executives to help provide support and guidance.

- Working with incumbent telecommunications and cable providers to expand broadband access, which is key to many professionally oriented businesses.
- Providing information on local banks and venture capital sources for capital financing.

Action	Action Leader	Timeline	Resources
1. Create an Economic Development Group	Champion	Month 1	Running Springs Area Chamber of Commerce
2. Appoint a member to coordinate with the San Bernardino County Economic Development Agency (EDA).	Economic Development Group with Running Springs Area Chamber of Commerce	Month 1	http://www.runningspringschamber.com/ San Bernardino County EDA, Local Business Resources http://www.sbcountyadvantage.com/For-Local-Business.aspx
3. Compile existing resources from the County EDA website and other resources.	Economic Development Group	Months 2–3	US Small Business Administration https://www.sba.gov/offices/headquarters/oed/resources/148091
4. Organize a focus group of home-based business owners to discover issues and opportunities to help them grow.	Economic Development Group	Month 3	Inland Empire Small Business Development Center http://www.iesmallbusiness.com/resources/
5. Draft an initial marketing plan with compiled resources.	Economic Development Group	Months 3–6	SCORE https://www.score.org/home-based-business-resources
6. Meet with local telecommunications and internet providers to discuss home-based businesses issues.	Economic Development Group	Months 5 – 6	
7. Review the plan with local stakeholders, including community leaders, business owners, and residents.	Economic Development Group	Months 6–8	
8. Finalize the marketing plan.	Economic Development Group	Months 8–12	
9. Adopt the plan and revisit yearly to make adjustments.	Economic Development Group with Running Springs Area Chamber of Commerce	Month 12, on-going	