

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

Action Statement D.11: Establish a marketing plan with incentives to encourage home-based businesses.

D₁₁

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

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

Estimated Cost: Staff time, \$300 for printing materials and hosting information online



Photo source: Jay Barker

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 start-ups and freelancers. The latter are typically in higher-wage and high-skill professions. Business start-ups 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 start-ups—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.

Capital is an important piece of any support system for start-ups. 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. Such programs should include components to ensure participants have the business acumen, an 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. Coordinate with the San Bernardino County Economic Development Agency (EDA).	Champion	Month 1	Lake Arrowhead Communities Chamber of Commerce http://lakearrowheadchamber.com/
2. Compile existing resources from the San Bernardino County EDA website and other resources.	Champion	Months 2–3	San Bernardino County EDA, Local Business Resources http://www.sbcountyadvantage.com/For-Local-Business.aspx
3. Organize a focus group of home-based business owners to discover issues and opportunities to help them grow and create a committee.	Champion with Lake Arrowhead Communities Chamber of Commerce	Month 3	US Small Business Administration https://www.sba.gov/offices/headquarters/oed/resources/148091
4. Draft an initial marketing plan with compiled resources.	Committee	Months 3–6	
5. Meet with local telecommuters and internet providers to discuss home-based business issues.	Committee	Months 3 – 6	Inland Empire Small Business Development Center http://www.iesmallbusiness.com/resources/
6. Review the plan with local stakeholders, including community leaders, business owners, and residents.	Committee	Months 6–8	Home-Based Business Resources: https://www.score.org/home-based-business-resources
7. Finalize the marketing plan.	Committee	Months 8–12	
8. Adopt the plan and revisit yearly to make adjustments.	Committee with Lake Arrowhead Communities	Month 12, ongoing	