

HOW TO ENCOURAGE ENTREPRENEURSHIP IN YOUR TOWN

A strong town needs strong local businesses. Local businesses provide jobs and opportunities for wealth creation. They can become a draw, encouraging visitors from outside your community, as well as a way for community members to support each other by buying local. Only with a thriving locally-based economy—one that isn't owned or propped up by someone six states away—can we succeed in creating sustainable jobs and lasting economic prosperity.

Entrepreneurship is a hot word these days. Lots of towns say they would like to attract more entrepreneurs and grow their small business communities. But how do you do it? There are many ways to encourage entrepreneurship in your community, both through government leadership and private sector/neighborhood-level work.

THE GOVERNMENT'S ROLE IN ENCOURAGING ENTREPRENEURSHIP

1. Adjust zoning codes to reduce business costs.

Do your zoning codes allow for mixed-use buildings where a shop owner runs her business on the first floor and lives upstairs? Are there [minimum parking requirements](#) for new businesses? Are food trucks permitted in your community? These are good questions to ask if you want to encourage small business growth. Buying or renting and renovating a building for a new business can be extremely costly. If your community allows for creative use of space, diverse income streams and smaller options than the typical stand-alone store, you lower the barriers to entry for small business owners.

2. Help facilitate walkable business districts.

Walkability is a huge factor in small business success and can [create fertile soil](#) for entrepreneurship to thrive. In a concentrated, walkable neighborhood with shops and restaurants, passersby are far more likely to frequent multiple businesses than if they were just driving to a specific store in an auto-oriented area. And as a bonus, walkable neighborhoods in [city after city](#) across the country demonstrate far greater tax revenue per square foot than any other type of development. So help your city move toward walkable neighborhoods by slowing cars in existing business districts, widening sidewalks, and placing public benches and planters to improve the landscape. When you have the choice between using land for a parking lot or a productive business, make the right choice and enable a business instead of car storage.

3. Simplify local regulations for starting new businesses.

Make the business start-up process simple. Instead of forcing entrepreneurs to jump from government office to government office filling out forms and asking questions, create a central space on your local government website that walks business owners through the process of getting started: which forms to fill out, who to contact, how long each step takes, etc. Cut out any superfluous steps if possible. Consult existing business owners in the process to find out how they got started.

4. Dedicate resources to [economic gardening](#).

While it's important to focus on helping people start businesses, a concerted effort should be put into helping businesses grow. Growth presents a whole new set of challenges. Providing businesses with resources to take their business to the next level is a proven way to strengthen the local economy.

THE PRIVATE SECTOR'S ROLE IN ENCOURAGING ENTREPRENEURSHIP

1. Provide easy access to small business loans and/or grants.

Banks, community development corporations (CDCs) and other community development financial institutions (CDFIs) are all in a position to offer loans to small businesses that are starting out. Other organizations in your community may also be able to offer grants to new businesses. Create these opportunities and help businesses easily connect with them.

2. Offer business development classes at local colleges and community education programs.

Whether it's a full-fledged, credited class that goes in depth on how to set up a business, or just a short workshop with tips on online marketing, local education opportunities can play a helpful role in encouraging successful business growth. One-on-one business counseling can also be a beneficial option for entrepreneurs to utilize.

3. Host a small business day.

Designate a Saturday (summer and fall are great times for this) to encourage patronage of local businesses. This could include outdoor music, food stands, and other fun activities, or it could simply be a day when you invite people to check out their local businesses. Some businesses may choose to offer special discounts or refreshments on this day. Make sure to advertise the event around your town.

4. Get organized.

Create a small business guide on your town's website listing local businesses, days/time they are open, and descriptions of their services. This is a great way to promote existing businesses to your town, as well as attract customers who may be visiting your community. Another way to get organized is to develop a small business association or chamber of commerce to help local businesses work together and promote their interests.

5. Get Social.

Programs such as [One Million Cups](#), Business After Hours ([here's an example](#)) and Start-up Drinks ([here's an example](#)) are great ways to help entrepreneurs network, share and be inspired by one another.

Pick one of these 9 steps -- big or small -- and get started growing the small business community in your town.