FROM BARRIERS TO BREAKTHROUGHS

A **Practical Playbook** for Reforming
Local Regulations to **Empower Entrepreneurs**

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Introduction

"My grandmother would talk to her food. When I asked her why, she said, 'If you don't put love into it, you ain't gonna get no love out of it.' Everything we ate was made with love, so we could eat anything and feel good. Since my mama worked nights and I was the oldest, I would be the one to make the dinner a lot of the time. I learned these values and how to cook with love."

Mama Gina told us how her grandmother and mother taught her how to cook—and what they taught her shines through the dishes she serves at her Fort Worth, Texas, restaurant and catering business, Mama Gina's. Mama Gina began her catering business to support her family after becoming the caregiver for her husband. As her business grew and she wanted to move into a brick-and-mortar restaurant, she faced the reality many small business owners experience: navigating prohibitively high and complicated local regulatory barriers.

"It was a challenge to figure out what [requirement] to do next. I didn't know what came before what and what came after. I didn't know the order of the items. I am not college educated, but I do have common sense...There is no real direction on how to do this. I've just been struggling through and moving along."

After a long process of navigating regulations, the city granted her a certificate of occupancy to open her brick-and-mortar restaurant and

> *"There is no real direction on how to do this. I've just been struggling through and moving along."*
>
> — *Mama Gina*

approved her variance from the city's grease trap minimum size requirement because her small restaurant serves no fried food. But after opening, a new code inspector told her she needed to upgrade from her 20-gallon grease trap to the city's mandatory minimum size of 500 gallons, despite the previous waiver. Installing the unnecessarily large grease trap would have cost nearly $30,000, which would have sunk her business; luckily, the property owner who leased out the space agreed to assume those costs for her.

> *"I never went into my business thinking I was going to be a millionaire or move into a bigger house. I want to be able to take care of myself and my husband who is in a nursing home, maintain my home, and be of service to my community."*
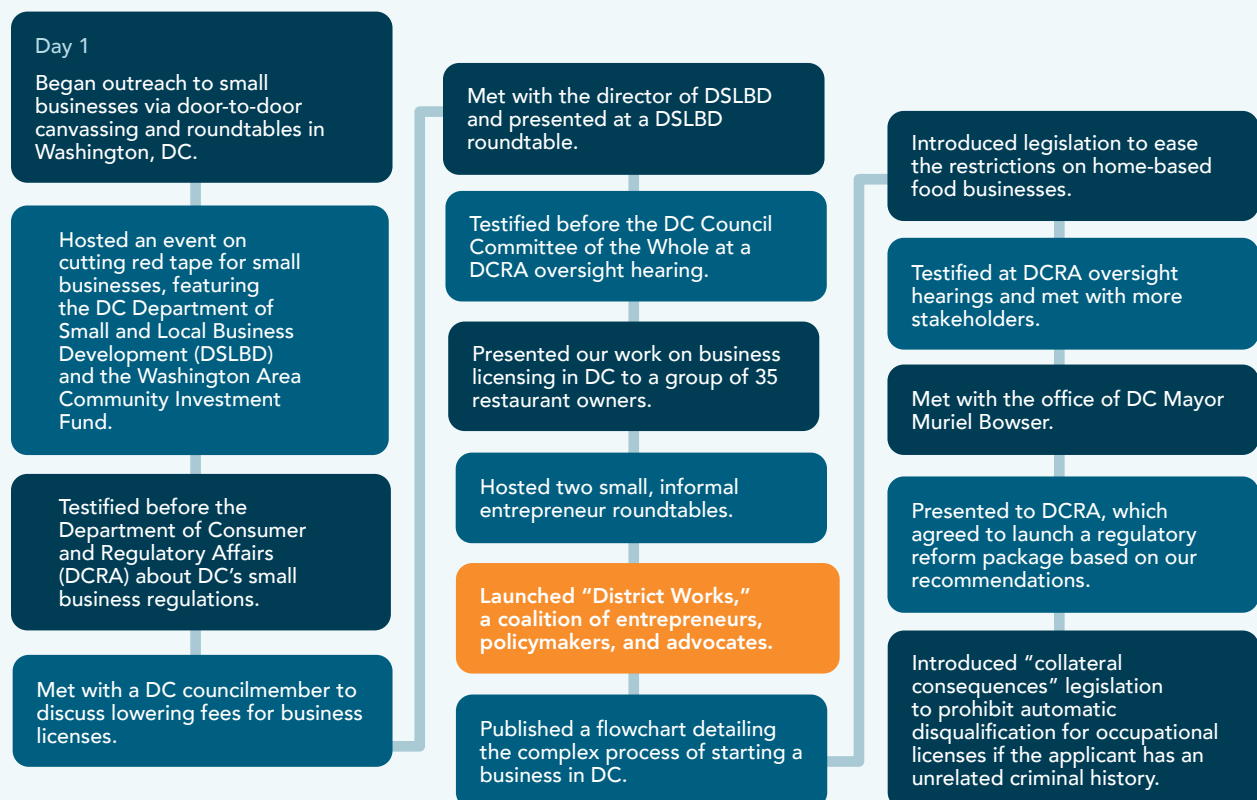
With her determination and dedication to serving the community, Mama Gina overcame the regulatory barriers and was able to open. Her restaurant not only serves delicious food to loyal customers, but also to the Fort Worth community by providing meals to people experiencing homelessness and hard times, as well as promoting childhood literacy.

The city of Fort Worth recognizes the benefits of small businesses like Mama Gina's to both the local economy and community, and demonstrated a strong commitment to these entrepreneurs by committing to streamlining its business licensing and permitting processes so more small businesses can open and grow. Part of that process involved a partnership with Cities Work to make it cheaper, faster, and simpler to start a small business.

Cities Work is an initiative of the nonprofit Institute for Justice (IJ) that partners with cities across the country to identify and rectify local regulatory barriers to opening and running a small business. This work began in Washington, D.C., where IJ has a long history of defending entrepreneurs' right to earn a living dating back to our founding in

Figure 1: Milestones in Washington, D.C.

Day 1
Began outreach to small businesses via door-to-door canvassing and roundtables in Washington, DC.

Hosted an event on cutting red tape for small businesses, featuring the DC Department of Small and Local Business Development (DSLBD) and the Washington Area Community Investment Fund.

Testified before the Department of Consumer and Regulatory Affairs (DCRA) about DC's small business regulations.

Met with a DC councilmember to discuss lowering fees for business licenses.

Met with the director of DSLBD and presented at a DSLBD roundtable.

Testified before the DC Council Committee of the Whole at a DCRA oversight hearing.

Presented our work on business licensing in DC to a group of 35 restaurant owners.

Hosted two small, informal entrepreneur roundtables.

Launched "District Works," a coalition of entrepreneurs, policymakers, and advocates.

Published a flowchart detailing the complex process of starting a business in DC.

Introduced legislation to ease the restrictions on home-based food businesses.

Testified at DCRA oversight hearings and met with more stakeholders.

Met with the office of DC Mayor Muriel Bowser.

Presented to DCRA, which agreed to launch a regulatory reform package based on our recommendations.

Introduced "collateral consequences" legislation to prohibit automatic disqualification for occupational licenses if the applicant has an unrelated criminal history.

1991.[1] We launched our regulatory reform efforts in the District in 2016 with a "listening tour" of small businesses and consistently heard that it was too expensive, it took too long, and it was too complicated to start a business in D.C. Guided by real-world feedback, we conducted in-depth research, further engaged the community, and worked with decision makers and regulators to help solve some of D.C. entrepreneurs' biggest challenges. See Figure 1 for a timeline detailing how our work in D.C. unfolded.

Our experiences working in D.C. demonstrated that local leaders can do a lot to support small businesses. To date, the district has vastly improved its website to guide new business owners through the regulatory process, simplified its business licensing system, and drastically reduced business license fees. Encouraged by the District's progress, we embarked on a 20-city study called *Barriers to Business: How Cities Can Pave a Cheaper, Faster, and Simpler Path to Entrepreneurship*, which quantified regulatory barriers facing entrepreneurs across the country and recommended best practices to improve how cities regulate small businesses.[2] Since publication in 2022, the Cities Work team has actively engaged with more than two dozen cities across the country to identify targeted, actionable reforms that will reduce regulatory barriers to entrepreneurship. See Figure 2 for an overview of the Cities Work process.

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1   See *Uqdah v. D.C. Bd. of Cosmetology*, 995 F.2d 306 (D.C. Cir. 1993).

2   Meleta, A. & Montgomery, A. (Feb. 2022). *Barriers to business: How cities can pave a cheaper, faster, and simpler path to entrepreneurship*. Arlington, VA: Institute for Justice. https://ij.org/report/barriers-to-business/
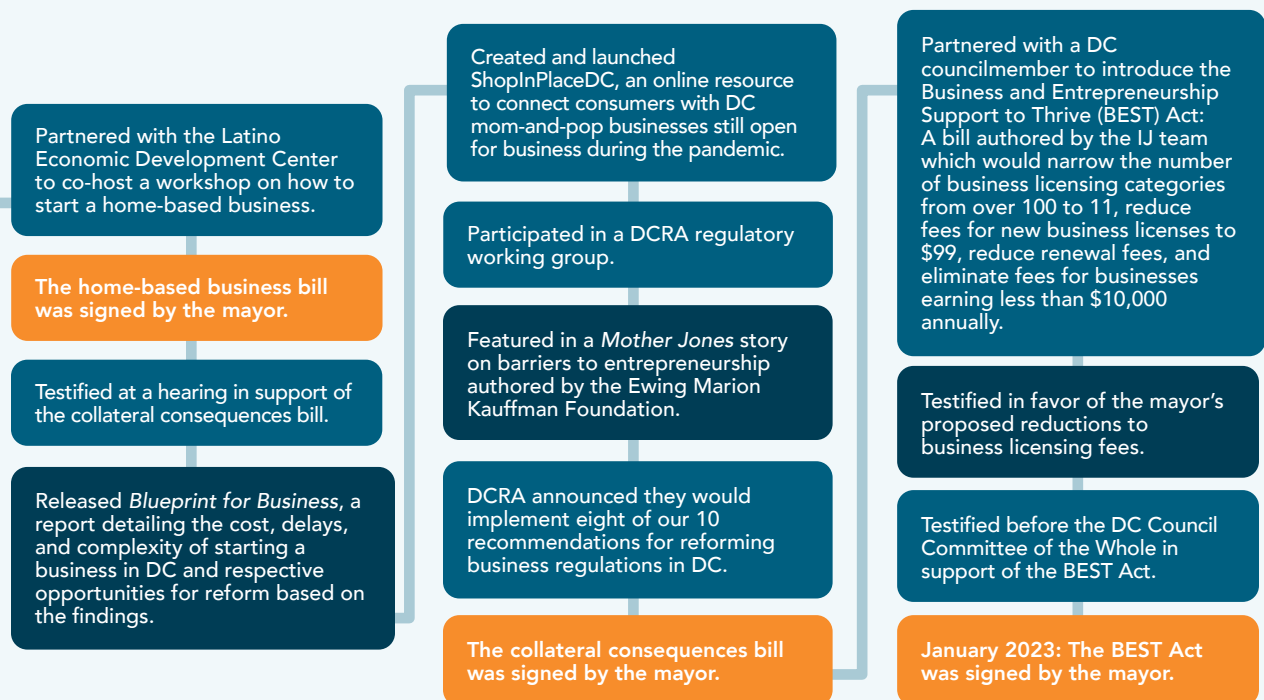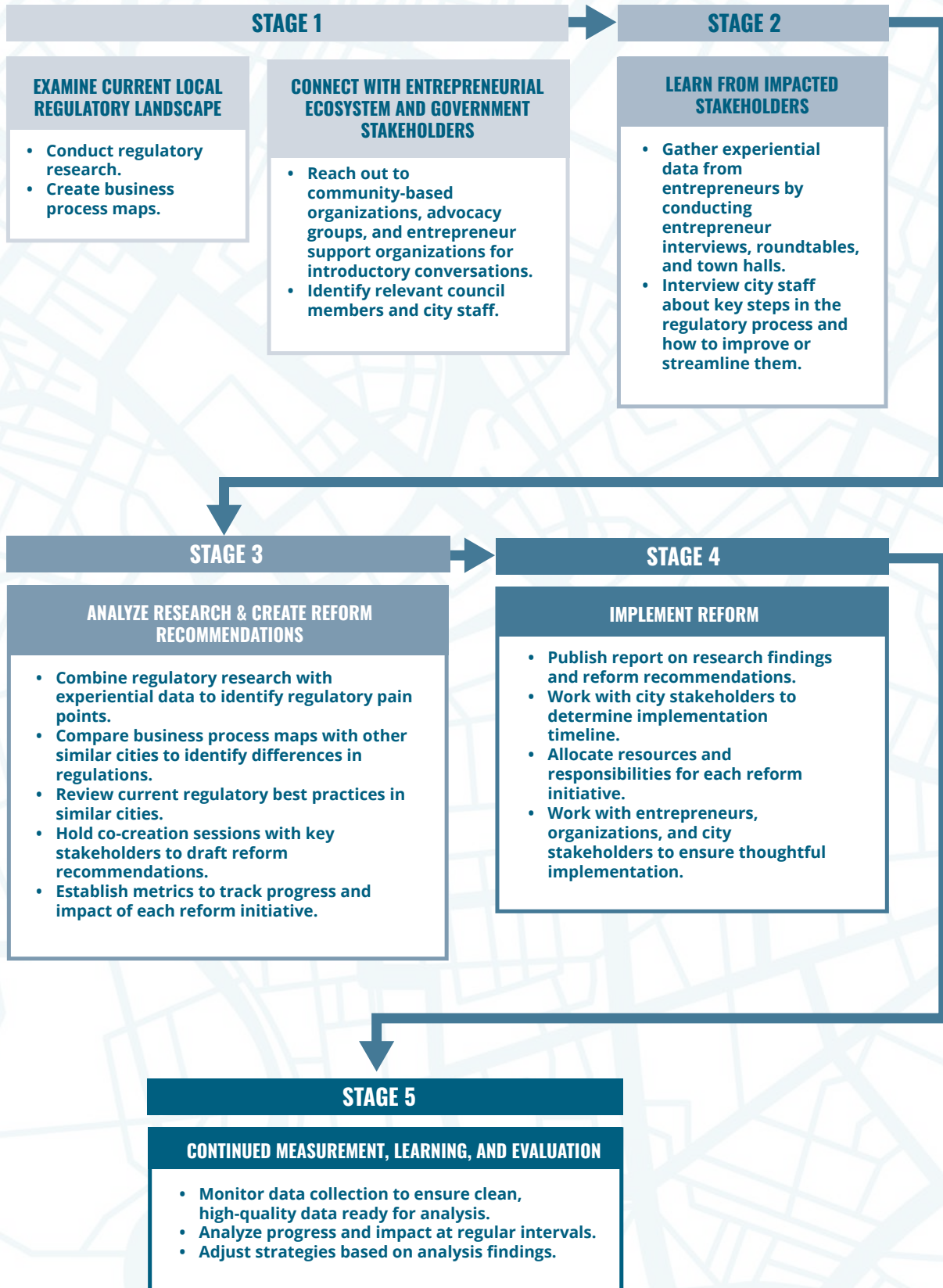
Partnered with the Latino Economic Development Center to co-host a workshop on how to start a home-based business.

The home-based business bill was signed by the mayor.

Testified at a hearing in support of the collateral consequences bill.

Released *Blueprint for Business*, a report detailing the cost, delays, and complexity of starting a business in DC and respective opportunities for reform based on the findings.

Created and launched ShopInPlaceDC, an online resource to connect consumers with DC mom-and-pop businesses still open for business during the pandemic.

Participated in a DCRA regulatory working group.

Featured in a *Mother Jones* story on barriers to entrepreneurship authored by the Ewing Marion Kauffman Foundation.

DCRA announced they would implement eight of our 10 recommendations for reforming business regulations in DC.

The collateral consequences bill was signed by the mayor.

Partnered with a DC councilmember to introduce the Business and Entrepreneurship Support to Thrive (BEST) Act: A bill authored by the IJ team which would narrow the number of business licensing categories from over 100 to 11, reduce fees for new business licenses to $99, reduce renewal fees, and eliminate fees for businesses earning less than $10,000 annually.

Testified in favor of the mayor's proposed reductions to business licensing fees.

Testified before the DC Council Committee of the Whole in support of the BEST Act.

January 2023: The BEST Act was signed by the mayor.

Figure 2: Cities Work Process.

STAGE 1

EXAMINE CURRENT LOCAL REGULATORY LANDSCAPE

- **Conduct regulatory research.**
- **Create business process maps.**

CONNECT WITH ENTREPRENEURIAL ECOSYSTEM AND GOVERNMENT STAKEHOLDERS

- **Reach out to community-based organizations, advocacy groups, and entrepreneur support organizations for introductory conversations.**
- **Identify relevant council members and city staff.**

STAGE 2

LEARN FROM IMPACTED STAKEHOLDERS

- **Gather experiential data from entrepreneurs by conducting entrepreneur interviews, roundtables, and town halls.**
- **Interview city staff about key steps in the regulatory process and how to improve or streamline them.**

STAGE 3

ANALYZE RESEARCH & CREATE REFORM RECOMMENDATIONS

- **Combine regulatory research with experiential data to identify regulatory pain points.**
- **Compare business process maps with other similar cities to identify differences in regulations.**
- **Review current regulatory best practices in similar cities.**
- **Hold co-creation sessions with key stakeholders to draft reform recommendations.**
- **Establish metrics to track progress and impact of each reform initiative.**

STAGE 4

IMPLEMENT REFORM

- **Publish report on research findings and reform recommendations.**
- **Work with city stakeholders to determine implementation timeline.**
- **Allocate resources and responsibilities for each reform initiative.**
- **Work with entrepreneurs, organizations, and city stakeholders to ensure thoughtful implementation.**

STAGE 5

CONTINUED MEASUREMENT, LEARNING, AND EVALUATION

- **Monitor data collection to ensure clean, high-quality data ready for analysis.**
- **Analyze progress and impact at regular intervals.**
- **Adjust strategies based on analysis findings.**

This playbook details our process and is designed to help you—the advocate; the ecosystem builder; the city councilor, manager, economic development director, or other staff—replicate our work and make your city a more welcoming environment for small businesses. The first section, "How to quantify your city's regulatory barriers to business," details the research that everyone can—and should—do to understand the regulatory environment in your city. Subsequent sections contain recommendations that are primarily intended for advocates and ecosystem builders. We strongly encourage city officials to partner with these groups to build community support for the reforms you decide to pursue.

In the pages that follow, we will teach you how to conduct your own regulatory research, engage with your community and relevant decision makers, and identify and implement meaningful reforms to increase access to entrepreneurship. You can adapt the process to meet your local needs, and we welcome the opportunity to consult with you on next steps and answer questions.

Why should your city support small businesses?

Entrepreneurship generates inclusive economic opportunities: In 2021, 44% of microbusinesses—ventures with fewer than 10 employees—were created by individuals without college degrees and 63% were created with less than $5,000 in capital.[3]

Entrepreneurship increases the amount of quality jobs: Microbusinesses have a higher median wage than the federal minimum wage and often offer more flexibility than traditional jobs. On average, one entrepreneur generates two additional jobs.[4]

Entrepreneurship increases economic mobility: The median net worth of self-employed families is more than four times greater than non-self-employed families.[5] And in a multiyear study, the earnings from microbusinesses helped 81% of surveyed households below the federal poverty line at the start of the study move above it by the end.[6]

Entrepreneurship can help address the racial wealth divide: White adults have, on average, 13x the wealth of Black adults. But when comparing the median wealth of white and Black business owners, the median wealth gap decreases to 3x.[7]

Entrepreneurship supports local economies: Every dollar spent at a local small business keeps $0.73 in the local economy by contributing to cities' tax bases, employing residents, purchasing local business services, and more. Non-locally-owned businesses contribute only $0.43 of every dollar to the local economy because they tend to purchase supplies and services from outside the local community.[8]

3   Venture Forward by Go Daddy.com (2021). 2021 *Microbusiness national survey results*. https://www.godaddy.com/ventureforward/2021-national-survey-results

4   Association for Enterprise Opportunity. (n.d.). *Bigger than you think: The economic impact of microbusiness in the United States*. Washington, DC: https://aeoworks.org/wp-content/uploads/2019/03/Bigger-than-You-Think-Report_FINAL_AEO_11.10.13.pdf

5   Headd, B. (August 2021). *Small business facts: The importance of business ownership to wealth*. Washington, DC: U.S. Small Business Administration Office of Advocacy. https://advocacy.sba.gov/wp-content/uploads/2021/08/Small-Business-Facts-Business-Owner-Wealth.pdf

6   Edgcomb, E. & Thetford, T. (2013). *Microenterprise development as job creation*. Washington, DC: The Aspen Institute. https://www.aspeninstitute.org/wp-content/uploads/2013/03/MicroenterpriseDevelopmentAsJobCreation.pdf

7   Association for Enterprise Opportunity. (n.d.). *The tapestry of black business ownership in America: Untapped opportunities for success*. Washington, DC: https://aeoworks.org/wp-content/uploads/2019/03/AEO_Black_Owned_Business_Report_02_16_17_FOR_WEB-1.pdf

8   Robinson, N. (Sept. 2010). *Why buy local? An assessment of the economic advantages of shopping at locally owned businesses*. Michigan State University Center for Community and Economic Development. https://ced.msu.edu/upload/reports/why%20buy%20local.pdf

How to quantify your city's regulatory barriers to business
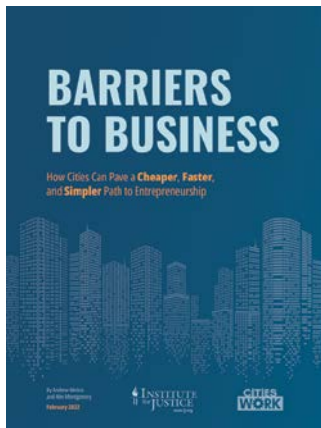
Our first-of-its-kind study, *Barriers to Business,* quantifies city regulations and details the business start-up process from the entrepreneur's perspective—a viewpoint that until now has been sorely lacking in this space. We documented the costs, delays, and complexities involved in starting five common business types in 20 large to mid-sized cities across the country. This perspective considers regulations governing small businesses, as well as rules and regulations that aren't codified, such as city websites and the number of times entrepreneurs must travel to different agencies' offices to get their businesses up and running. This holistic perspective is crucial to understanding exactly what entrepreneurs experience when trying to start a business in your city.

Our methods bring a fresh perspective to regulatory analysis and reform at the municipal level, and you can replicate them in your city. The template that follows explains how to conduct this research, identify and quantify regulatory barriers, and translate the research into meaningful and impactful reforms.

Step One: Familiarize yourself with *Barriers to Business* and other Cities Work research.[9]

If your city is included in *Barriers to Business*, you can use the research and associated policy recommendations to craft regulatory reforms right away. But if not, our research is a great resource to get you started:

To get a full picture of an entrepreneur's experience, you should be familiar with the burdens they face at the state level, which will underscore just how important major reforms are at the local level.[10] If your city is in a state where Cities Work has already done research, look at the other city's research in *Barriers to Business* to recycle the state requirements and give you an idea of where to look for city requirements. If your state is not included in *Barriers to Business,* peruse your state's website for "how to start a business" pages. This will provide a better understanding of which regulatory requirements can be controlled by the city and which are mandated by the state or county (and thus out of a city's authority to change), including things such as:

» State licenses, such as for alcohol sales or occupation-specific licenses.
» Tax requirements.
» Required criminal history background checks.
» Minimum health and safety standards.

Review any legislative changes that occurred during the time since the publication of *Barriers to Business* (February 2022) and keep your eye out for any state legislative changes that could affect local ordinances as well.[11]

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9 See https://ij.org/activism/activism-projects/cities-work/#research.

10 For example, all states impose various occupational licensing requirements, such as those for contractors and cosmetologists, which add an extra layer of regulatory burden on entrepreneurs. Keep in mind that an entrepreneur doesn't just need city permits to open a barbershop—they also need to pay for barbering school, licensing fees, and other state-mandated costs. See Knepper, L., et al. (Nov. 2022). *License to work: A national study of burdens from occupational licensing*. Arlington, VA: Institute for Justice. https://ij.org/report/license-to-work-3/

11 For example, Missouri passed HB2593 in 2022, which preempts local regulations of no-impact home-based businesses. This impacts our analysis of St. Louis' regulations for home tutoring businesses published in *Barriers to Business*. See https://documents.house.mo.gov/billtracking/bills221/hlrbillspdf/5321H.01I.pdf

One-Stop Shops

A one-stop shop is a website or online portal that allows applicants to complete all requirements for starting a business in one place. They should help applicants figure out which permits and licenses are relevant to them, which regulatory steps to complete and requirements with which to comply—and in what order. Many city websites offer disjointed or conflicting information, fail to clearly outline the regulatory processes, and often leave entrepreneurs with more questions than answers.

For these reasons, city websites are fruitful ground for reform. Agencies can often improve their websites by working within the website maintenance contracts they already have, without the need to first get approval from city council for additional expenditures. You can conduct your own analysis of your city's website and make recommendations that will build it out into a true one-stop shop. Improving this online tool is a fairly easy recommendation to implement and one that will have a big impact on entrepreneurs trying to get started.

One-stop shop analysis:

Connecting city requirements with processes from other levels of government.

Completing forms and registrations through the portal, not through each agency's own website.

Covering all city requirements, not just requirements for getting a business license.

Providing a single log-in opportunity so entrepreneurs can organize information and track progress in one location.

Guiding entrepreneurs effectively through the process, including the order in which various steps must be completed.

Step Two: Analyze agency websites and guides.

Familiarize yourself with navigating city websites. This is where entrepreneurs will get most of their information and spend most of their time deciphering city requirements, so they should offer clear, thorough guidance on regulatory processes. Getting familiar with these websites should not only help you map out regulatory processes for your research—it should also help you identify significant opportunities for improvement.

By looking through the webpages and agency guidance documents, you will find answers for several other questions. The following form what *Barriers to Business* categorizes as "general barriers" to starting a business:

- » How does the city license businesses?
    - • Does the city require a general business license for everyone, or are only certain types of businesses required to be licensed?
    - • Does the city license businesses based on taxes? If so, do the taxes change based on business characteristics?
- » How many business license categories are there?
- » Do the webpages present information on regulations effectively?
    - • Conduct a one-stop shop analysis – see page 9 for more details.
    - • Be sure to investigate several areas of the website, including permit wizards, portals, and zoning tools. You may need to create an account to fully see what these tools offer applicants.

Look for notable roadblocks, which are requirements and procedures that unfairly or illogically erect barriers to an entrepreneur's ability to start their business. Roadblocks often have little to do with public health and safety, thus making them ripe for reform. Some common notable roadblocks include:

- » Punitive late fees.
- » Illogical license renewal cycles; for example, if the city requires everyone to renew a permit on January 1, even if the applicant first obtained it just a few months prior.
- » Restrictive home-based business rules.
- » Inflexible or strangely high fee schedules.
- » Barriers for people with criminal records unrelated to the work they are trying to do.
- » Clean hands rules, which will typically be described as a prohibition on receiving a license or permit if the applicant owes debt to the city. See page 11 for more details.

Also take note of potential accommodations for new or small businesses, such as:

- » Graduated fee schedules, particularly those that make it easier for lower-income residents to start up without being required to first pay high fees to the city.
- » Flexible license terms.
- » Creative ways that steps have been streamlined, such as by combining licensing and tax paperwork or requiring certificates of occupancy in only limited circumstances.

Tameka Stigers
St. Louis, Missouri

Step Three: Read relevant sections of code.

First, identify sections of code that are generally applicable to all businesses. These may include sections on:

» Taxes
» Building codes
» Health codes
» Zoning codes
» Licensing

Second, review sections of code that cover specific kinds of businesses.

» Specific code sections are often reserved for businesses that require regulatory carve-outs because they may be more likely to impact health and safety, such as mobile food vendors or bars, or are generally unpopular in communities, such as adult-themed businesses. Cities often require licenses for "dance halls" or other types of amusement activities that can impose strangely restrictive rules on small businesses.
» Certain businesses, such as home occupations or auto repair shops, may be discussed in zoning codes.

Look again for notable roadblocks including those that may apply only to specific business types:

» Punitive late fees.
» Illogical license renewal cycles.
» Restrictive home-based business rules.
» Inflexible or strangely high fee schedules.
» Barriers for returning citizen entrepreneurs.
» Clean hands rules.

Again, take note of potential accommodations for new or small businesses, such as:

» Graduated fee schedules.
» Flexible license terms.
» Creative ways that steps have been streamlined.

Clean Hands Rules

Barriers to entrepreneurship come in many forms—not just the regulatory costs and complexities quantified in *Barriers to Business*—and many of them tend to disproportionately harm entrepreneurs of modest means. One such barrier is called a "clean hands" rule, which bars entrepreneurs who owe debt—sometimes *any* amount of money—to city government from obtaining a permit, license, or other government sign-off necessary to do business. In some cases, applicants may have an unpaid parking ticket of which they are unaware. They may complete the entire process to obtain a building permit, only to get to the end and find out they are barred from receiving the permit and must go to the end of the permitting line once they get their ticket paid. In other cases, lower-income individuals may be behind on city taxes or utility bills and are unable to pay until they can open their business and start to earn an income—but they can't get started, and thus remain stuck in a vicious cycle.

Such a restriction makes it even harder for entrepreneurs on the first rungs of the economic ladder to earn a living. Cities Work recommends cities abolish clean hands rules in favor of ensuring more equitable access to entrepreneurship and establishing more small businesses that will contribute to a city's economy while creating opportunities for financial self-sufficiency. As you research your city's regulations, keep an eye out for roadblocks like clean hands rules, which may not be contained in the same section of code as other regulations you research.

Step Four: Map out the process to open a common business; we recommend starting with a restaurant.

Restaurants are a common business type for entrepreneurs from many different backgrounds, and nearly every neighborhood has someone selling food. They can also be some of the most difficult business types to start, given the health regulations that accompany food-related businesses, so they provide a way to understand how multiple regulatory agencies' requirements may overlap.

» In *Barriers to Business,* we examined restaurants, food trucks, retail bookstores, barbershops, and home-based tutoring businesses, but different types of businesses may be more relevant for your city.
» See the online Appendix for sample comparative analyses for all five business types. When in doubt, refer to the examples to better understand how *Barriers to Business* quantifies regulations.

It is helpful when doing this step to act as if you are personally trying to start a specific business, as the cost, complexity, and time required to start even businesses of the same type can vary significantly by size, exact products or services offered, and the zoning status of a specific piece of property. You will likely need to create accounts on several city websites to see the process for applying for specific permits or licenses. Your research will require a thorough reading of both city codes and city websites.

Collect six sets of information, which form the second data set that *Barriers to Business* calls "procedures for starting a business":

» Total cost.
  • Add up fees related to filing permits and licenses.
» Number of fees.
  • Count the number of fees that went into the above total cost. *Barriers to Business* did not count issuance and application fees as separate fees.
» Minimum agencies involved.
  • Count the number of different agencies with which an applicant interacts,

particularly those to which applicants submit documentation.
» Minimum in-person activities.
  • Count the number of compliance activities that can't be done online, such as:
    ° Paperwork that must be submitted in person.
    ° Inspections, but keep an eye out for virtual inspection options.
    ° Documentation that must be notarized.
    ° Attending meetings and hearings in person, keeping an eye out for virtual options as well.
    ° Visiting multiple offices in different buildings across town.
» Number of forms.
  • Count the number of different forms applicants must submit. *Barriers to Business* also counted online registrations within portals as forms.
  • Some supporting documentation for a particular license or permit might also be counted as a form. Use your best judgment, but be consistent. When in doubt, look at the *Barriers to Business* methodology to check whether we counted a specific piece of documen-tation as a form.
    ° For example, if applicants must submit a Plan Review Worksheet with a food permit application, that worksheet should be counted as an extra form.
    ° PDF application packets may have multiple forms strung together. Avoid assuming a single file contains a single form.
» Number of steps.
  • Count every compliance step required to start a restaurant. This is the hardest part but also the most impactful data point you can collect. Use your best judgment and be consistent.
  • For supporting documentation under each permit and license, determine which pieces of documentation are things applicants already completed and are just required to submit copies of, as opposed to separate documents that must be produced independently. For the former, *Barriers to Business* counts

it all as a single step. For the latter, each one is classified as a step because each one can involve a lot of work and headaches to assemble.

- º An example:
    - o To get a food permit, you might have to submit copies of your incorporation articles and tax registrations. That is one step—not separated out.
    - o To get a food permit, you'll also have to create and submit things like a proposed menu, floor plans, etc.—each of which would be considered a separate step.

Keep in mind that while you collect all this data, you may also find more information for the "general barriers to starting a business" metrics.

» For example, by scanning specific licensing or permit applications, you may find prohibitions that affect returning citizens or clean hands rules.

Categorize the rules into the following phases:

» Corporate and tax registrations.
- • Assume an LLC. Take into account searches for name availability, registering LLC papers, and forming a trade name. In our study, we counted registrations for employer and sales taxes that must occur before starting a business.
- • While these are common requirements managed at the state rather than city level, it is important to include them in your research to ensure you are painting a comprehensive picture of the entire process to start a business. Understanding that levels of government above the city place additional barriers on entrepreneurs will help remind your audience why seemingly small burdens can have a big impact when combined.
» Building permits.
- • We recommend working within the permitting rubric *Barriers to Business* used so your research is comparable to other cities in the report:
    - º The restaurant is a limited liability

company (LLC).
- º It will have 40 seats and 8 employees.
- º Spatial dimensions:
    - o 1,000 sq. ft. total
    - o 600 sq. ft. for seating
    - o 400 sq. ft. for kitchen/storage/ preparation space
- º The desired location is zoned commercial, and a restaurant is permitted by right.
- º A planned renovation involving structural interior changes of a space that was formerly a restaurant.
- º Permits needed:
    - o Building permit for $180,000 of work
    - o Mechanical permit for $25,000 of work
    - o Electrical permit for $25,000 of work
    - o Plumbing permit for $25,000 of work
    - o Sign permit
- º No other miscellaneous permits were used in *Barriers to Business*, but you should record them anyway. Permits often prove to be good targets for regulatory streamlining.
- • Assume the project will require plan review, submitting both the permit application and required supporting documents, as well as scheduling inspections. Make note of approximate review timelines if your city tracks that kind of information.
- • Also include things such as the need to hire licensed professionals, which was part of the *Barriers to Business* analysis.
» Zoning.
- • We assumed our restaurant was going to be in a space where the zoning was granted by right—see page 14 for more details. However, it may be enlightening to map out your city's process for obtaining a zoning variance or change because these processes are typically extremely burdensome and ripe for reform. That process is outlined in Step Five below.

By-Right Zoning

Cities typically use zoning laws to dictate what types of activities can happen in various areas of town. Zoning dictates how specific spaces can be used—whether for residential, commercial, manufacturing, or other purposes. When a project is allowed "by-right," it means the zoning code already allows the project to use the space it desires without needing special approval. In the case of our restaurant, this means that we are opening in a commercial or retail zone and that restaurants are permitted to operate at the address we've selected.

Trouble with zoning tends to happen when an entrepreneur wants to undertake a project for which their space is not already zoned. This could include building a corner store (a commercial/retail use) in a neighborhood of single-family homes (a residential use), for example. In a case like this, entrepreneurs typically must go before their city's zoning board to get special permission to operate their project—a process which can add months and thousands of dollars to their project.

Local governments have immense power to dictate permissible uses for a piece of land by changing their zoning ordinances. For example, Peter and Annica Quackenbush were in the process of obtaining conditional zoning approval to use their land to open a green burial forest—something their town's zoning administrator said would be permitted if they completed the approvals process—when the town council voted to outright ban all new cemeteries, dashing the Quackenbush's dreams.[12] In another example, a city council voted to change its zoning rules to prohibit the existence of U-Haul rental centers because it didn't like how they looked, forcing a small automotive shop to shut down a crucial component of its business that had been operating for nearly 10 years.[13] To prevent cases like these from occurring in your city, it is crucial you advocate for as much by-right zoning as possible and remain vigilant when ordinances are proposed that would prohibit specific uses.

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12 Complaint, Quackenbush v. Brooks Township, No. 24-20984-CZ (Mich. Cir. Ct. Jan. 11, 2024), https://ij.org/wp-content/uploads/2024/01/Complaint-1.11.24-FILE-STAMPED.pdf. More information about the case is available at: https://ij.org/case/michigan-green-burial/

13 Complaint, Sark v. City of Mauldin (S.C. Ct. C.P. Sept. 8, 2022), https://ij.org/wp-content/uploads/2022/09/Complaint_Sark-v.-City-of-Mauldin-et-al.pdf. More information about the case is available at: https://ij.org/case/south-carolina-amortization/

» Business licensing.
  • For restaurants, this includes food permits typically issued by the local health department. Some of these requirements may come from the state or county but are administered by the city.
    ○ Restaurant owners in some cities have a very difficult time getting a liquor license—something key to ensuring their restaurant's success. If your city handles its own liquor licensing (rather than the state) it could be helpful to map out that process as well.

Use the rubric for the building permits mentioned above.

Your research should include:

» Plan review.
» Relevant food permits.
» The process to obtain a Hazard Analysis Critical Control Point (HACCP) plan.
» Certified Food Protection Manager (CFPM) certification, and any other food safety training required.
» Inspections, such as those carried out by the Building, Fire, Health, and other departments.

Repeat Step Four for as many different types of businesses as you want based on popular industries in your town. For example, if your downtown has lots of independent retail shops, you should map out that process to understand what their pain points may be. Or if there are large number of local construction contractors, establish which local permits they must get in order to offer their services. As part of your community listening tour described later on in this guide, you may learn of specific industries facing unique challenges, which may motivate you to repeat Step Four for that business type.

Step Five: Map out conditional zoning.

Conditional zoning approval is typically required when a certain use of space is not already approved by-right. It could be that an applicant wants to open in a part of the city where all zoning is conditional. It could be because the business's particular use is deemed as needing special review because of potential impact on neighbors. Regardless of the reason conditional zoning is triggered, the question you must answer is: Once you know you need conditional approval, what is the process you must follow?

A conditional zoning approval will either be:

» Political—applicants must notify neighbors and receive special approval from zoning boards alongside a public hearing process. The public hearing process is an incredibly high regulatory hurdle to clear. It typically requires applicants to spend thousands of dollars on attorneys or land-use experts, collect signatures or other approvals from neighbors who have the power to essentially veto any project they choose, and spend months waiting to find out whether their petition is approved.
» Administrative—zoning officials review applications case by case. While less burdensome than the public hearing process, the administrative method also has the potential to be incredibly subjective. It can be difficult to predict whether zoning officials will approve a project, leading to uncertainty and expensive delays.

Cities often have the option to apply for a zoning variance, which is a different process. *Barriers to Business* did not map out this process, as it is typically directly dependent on an individual project's specific circumstances.

Typically, applying for conditional zoning approval involves:

» Filing a zoning appeal application for conditional uses, which often requires payment of additional fees.
» Notifying neighbors of your intention to file for conditional approval.
» Publishing an additional notice in a newspaper.

Sometimes the city does this for you.
» Building a case in favor of approval.
» Sometimes presenting your case at a public hearing.

Step Six: Call city officials.

This is the final data collection step: If there are gaps—or processes that you think likely exist, but there is no information about them online—call city staffers to ask them how it all works.

Some cities have ad hoc processes that are not well-documented and thus difficult for people outside of City Hall to understand. As a result, applicants must work directly with city staff to complete the process.

» In this case, talk to several officials from the permitting, building, and licensing departments to piece together as coherent of a picture of the process as possible.
» Sometimes staff will be unable to give you information without specific plans for your project, so use your judgment. Ensure that you err on the side of undercounting versus overcounting regulatory requirements—overcounting will damage your credibility with decision makers.

Step Seven: Compile your research and make comparisons.

Each city has its own unique challenges—and unique ways to solve them. You will typically find that your city does some things better than others, and other things worse. Similarly, there is no gold standard for how many steps it should take or fees should be paid to open a small business. Instead, cities' goal should always be to streamline their permitting and licensing systems in order to make an aspiring small business owner's experience navigating regulations as easy and affordable as possible. Focus first on what you see as the biggest barriers your city's regulations erect and form your reform recommendations around those areas.

» A tip for recommendations: Examine the *Barriers to Business* profiles for other cities and the examples in this playbook's online Appendix to see what about your city seems abnormal or excessive.

Visualizing the Problem

The data you collect throughout this process will serve as a compelling argument in favor of regulatory reform and streamlining. For some of the cities where we have worked, we turned the data into a flow chart to help stakeholders visualize how truly complex and extensive the business start-up process is. We've included an excerpt of our D.C. flowchart here as an example. The flowcharts tend to be several feet long—we've even printed them on 8-foot banners to truly hammer home the point! If you have the time (and the budget!) to partner with a data visualization expert who can do this for you, we highly recommend doing so.

You can also see the D.C. flowchart on our website at: https://tinyurl.com/DC-flowchart.

How to establish community partnerships within your city's entrepreneurial ecosystem

Community partnerships with local organizations and leaders outside of City Hall are critical to making sure your work reflects the experiences and feedback of those who have been working in your city, which will secure the support and commitment of key decision makers to make change happen. These partnerships will also help you engage at the grassroots level, which will be discussed in the next section. As someone who is involved in your community, you likely already have a network you can tap into—and if you are struggling to know where to start, think about local groups that represent the interests of small businesses you frequent.

Examples of potential local partners include:

- » Chambers of Commerce.
- » Main Street chapters.
- » Economic development organizations.
- » Neighborhood associations.
- » Incubators and entrepreneur support organizations (ESOs).
- » Advocacy organizations that have an interest in promoting equitable access to entrepreneurship.
- » Local chapters of national nonprofits, such as the United Way.
- » Restaurant associations and other trade-based groups.
- » Groups representing particular cultures or ethnicities.
- » Rotary clubs.
- » Universities and community colleges.
- » Build from Within Alliance partners.

Connecting with these types of groups can begin with a personalized introductory email that connects their unique interest with the issues you are seeking to address. It is important to connect your goal with theirs. You can then schedule a meeting or phone call to explain further what you're trying to do, why their partnership would be valuable, and what a partnership could look like.

It is also important to familiarize yourself with organizations you may not be aware of or able to find online. Attending community events is a great way to identify these potential partners. Keep an eye out for events such as:

- » Small Business Week, Global Entrepreneurship Week, Black Business Month, Shop Small Saturday, and other similar events celebrating local entrepreneurs.
- » Community fairs, festivals, or block parties.
- » Pop-up markets.
- » Conferences or summits hosted in your region or state, particularly with a focus on entrepreneurship, innovation, or policy advocacy.
- » City council or government outreach events focused on small businesses or economic development.

As you are making contacts with various groups, remember it is important to gather information and experiences from a diversity of communities. We have learned that certain regulatory barriers may impact certain groups of people differently than others—for example, your city may make all of its information available in Spanish but not provide translated materials for the sizeable Vietnamese-American population in town.

Remember to meet potential partners where they are—not every organization will have the resources to engage on a large scale. Be sure to offer a wide array of options for how organizations can support your efforts, such as:

- » Invite their members to roundtables and other events you host.
- » Sign coalition letters supporting your policy goals.
- » Share important updates with members via email or social media posts.
- » Encourage members to testify in favor of your measures at city council hearings.
- » Connect you with key decision makers in city hall.

- » Introduce you to their members so you can hear their stories.
- » Assist with any foreign language translations you may need.
- » Advise you on political or cultural contexts of which you may be unaware.
- » Co-author op-eds.
- » Provide quotes of support for press releases.

Once you've made your contacts, consider whether forming a coalition, small working group, or task force will keep your efforts organized and moving forward—but ensure that this does not end up creating a veto point or an unproductive exercise that slows reform efforts down. It is critical your group agrees on a targeted mission and focuses on progress over process, ensuring all members are focused on achieving tangible goals.

Increasing access to entrepreneurship for all city residents can require a multi-faceted approach that tackles issues like access to funding, financial education, and racial and wealth inequities. These broader issues are urgent, important, and can often overlap with the regulatory issues restricting access to entrepreneurship. These should be considered in relation to your regulatory reform project, but it will be important to maintain a strong focus on regulatory reform to achieve your specific goals. We have found the most effective advocates for change are those that focus on a single issue and avoid mission creep, so establish upfront that this group will focus narrowly on small business regulatory reform. By aligning your team's mission with one common goal at the creation of the group, it will be easier to build a diverse, nonpartisan coalition focused on achieving your goals.

Joseph Landeros
Fort Worth, Texas

Case Study: Fort Worth, TX

A few months after publishing *Barriers to Business* and launching the Cities Work initiative, we were contacted by ecosystem builders Cameron Cushman and Marco Johnson from the University of North Texas' Health Science Center in Fort Worth—they wanted to do this work in their town. Cameron and Marco invited us to host a series of roundtable discussions with local advocates for entrepreneurship, where we met representatives from the city's various chambers of commerce, neighborhood associations, other community groups, advocates, and small business owners. They also connected us with key stakeholders in City Hall who would be instrumental in accomplishing our shared goals. We spent the next few months conducting in-depth research into the city's regulatory processes.

Marco and Cameron then invited us to speak at their local Global Entrepreneurship Week events. We used that opportunity to present results from our research outlined in the previous section and make even more contacts with city stakeholders, such as key officials from city departments, entrepreneurs, and local business reporters, as well as national advocates like Right to Start and the Startup Champions Network. The event received press coverage, which further elevated the public's awareness of our efforts to improve the city's regulatory landscape for small businesses.

After roughly two years working with our coalition partners in Fort Worth, these partnerships continue to be the foundation of our community involvement—and the key to our success—in the city.

How to engage with the community at the grassroots level

Research tells us which regulations are on the books, but entrepreneurs' lived experiences are critical to fully understanding a city's barriers to business. Gathering insights from local current and aspiring small business owners will not only add the human element to your regulatory research—it will also provide you with the most concrete examples of regulations that are the biggest pain points for entrepreneurs.

Soliciting feedback from entrepreneurs

Engaging with the community at the grassroots level can be challenging due to the busy schedules of entrepreneurs, so you must make engagement and listening sessions as little additional work for participants as possible. Meet individuals where they are, invite them weeks in advance if possible, and offer a variety of times, locations, and formats (in-person and virtual) for them to share their experiences. We recommend hosting various types of events to gather community feedback:

» One-on-one interviews with small business owners provide the opportunity to really understand a person's entrepreneurial journey and dig deep into the struggles they faced when completing various regulatory requirements.
» Roundtables with three to five small business owners allow entrepreneurs to swap stories and feed off of each other's experiences. These may not allow you to learn as much in-depth information about the entrepreneurs' experiences, but they often bring up topics of conversation that wouldn't otherwise be covered by your interview questions.
» Town halls and other public events give everyone in the community the chance to share their stories with you. These are often the events with the most moving pieces to manage, but they can also help you identify vocal advocates that could help you make your case to city council once your reform recommendations are on the table.

Asking entrepreneurs to take time out of their day to tell you their story is a substantial request, especially if they have never heard of you before and might

be skeptical of whether the promises of reform will actually be prioritized and materialize. This is where your community coalition comes in. Your contacts will know small business owners from across the city and will be able to invite them to your listening sessions. A personal connection is the best way to guarantee event attendance and typically also invites more candid responses.

Keep in mind that it is important to hear from a sample of entrepreneurs that is as representative of your city's population as possible. Individuals who are connected in their communities often have more resources at their disposal than those without those connections—particularly those living in underserved communities or who have historically lacked access to City Hall. It is crucial that you hear from them too, and it may require some cold outreach, such as:

» Door-to-door canvassing in commercial districts where you have not previously met a small business owner.
» Advertising your listening session in the local newspaper, event sites like Eventbrite, or on social media.
» Calling businesses you found on local business registries or identified through online search engines.
» Working with city staff in the licensing and permitting departments to conduct a short survey of business owners who have recently completed the licensing and permitting process.

It is also important to remember that you are attempting to serve two different communities: existing small business owners and aspiring entrepreneurs. Most existing small business owners are happy to share stories of the struggles they faced to get started and to help make it easier for the aspiring entrepreneurs that will come after them. But it is also important to learn from individuals who have yet to open their business, whether because they are stuck somewhere along the startup process or haven't yet been able to turn their ideas into action.

We always offer an incentive for attendees to join us to thank them for their valuable time. If you are

hosting your event at a restaurant or coffee shop, make sure attendees know the food or drinks are on you. If you host a town hall at a community center, be sure to advertise that snacks or a meal will be provided. You could also entice attendance by offering small gift cards, if that is within your budget.

Expect needing to reach out to substantially more entrepreneurs than will end up RSVPing and prepare for more RSVPs than actual attendees. Always send event reminders via a confirmation email and calendar invite upon RSVP, an email or text reminder one week in advance, and a phone call the day before to confirm and answer any clarifying questions about the event.

This process may be easier for you if you are already engaged in the community and can get personal introductions to entrepreneurs from your friends, connections, and community organizations, but don't be discouraged if it is more difficult than expected. Hearing from entrepreneurs is crucial to ensuring reforms address real-world needs. These insights are worth any challenging or long logistical process to set the event up for success and to make sure everyone's voice is heard throughout the process.

How to plan and host your events

The first step to hosting a successful event is to identify what you want to get out of the event. Are you primarily interested in compelling, informative personal stories? Do you need to know which specific regulations are most troublesome for the largest population of people? One-on-one conversations and small roundtables (ideally three to five people) allow entrepreneurs to share their in-depth experiences. With more relaxed time parameters, entrepreneurs can share more niche but valuable insights that otherwise might be left out or skimmed over. Larger events like discussions with a dozen individuals or town halls can be just as important for gathering experiential data by expanding your sample size and hearing from as many people as possible.

Next, you need an appropriate space for your event. Do your best to:

> » Host events at local small businesses, such as coffee shops or restaurants, or community spaces such as local libraries. Find a secluded space without too much noise. This is particularly important if you will be meeting with a few people in a busy coffee shop or restaurant.

> » Host events in different neighborhoods—it will be easier for people to attend if the event is close to their home or business.
> » Ensure your space is appropriate for the number of attendees you plan to have. Coffee shops are great for one-on-one interviews and small roundtables, but larger community spaces are needed for a town hall with a broader audience.
> » Reserve your space ahead of time.

Prepare a list of questions that you will use to guide the conversation during your session. We typically start each session by having each entrepreneur tell their story about why they went into business for themselves. Groups of three to five people typically fall into a natural conversation, sharing stories about regulatory barriers they faced when starting up or continue to face to this day. If the conversation gets too sidetracked, it may be necessary to refer to your list of questions in order to keep the conversation focused within the allotted session time. Entrepreneurs may discuss additional out-of-scope barriers such as access to capital and generational poverty. It is valuable to let the entrepreneurs express their experiences and take note of these significant barriers while also being mindful of time constraints for the session, so guide the conversation to focus on regulatory reform. After the session, you can return to your notes and connect the entrepreneurs with organizations and groups who specialize and provide resources in those additional areas and consider another separate project to dive deeper into those facets. Remember to stick to your group's mission and policy goals.

Be sure to take good notes and get permission from all participants if you plan to record the session. We also always specify that all feedback will be kept anonymous unless we are given permission to share it. This is important because people can be very reluctant to criticize the practices of a city department on which they are reliant to keep their business open—we frequently hear small business owners say they don't want to upset the people in charge of issuing their permits, for example. Before we share any feedback publicly, we make sure to remove any information that could identify a particular individual or business.

If you are a city employee, be sure to partner with community organizations to do this part of the work. Participants are much more candid in their feedback when city employees are not present to listen to them.

Case Study: Kansas City, MO

Over the course of two days, we hosted four successful entrepreneur roundtables in Kansas City, Missouri, that gave us the opportunity to gather valuable insights from 15 entrepreneurs from a variety of backgrounds and businesses.

We reached out to entrepreneurs through local organizations and by cold-calling a large number of small businesses found through local registries and Google Maps. Because these entrepreneurs didn't know us and we were asking them to give their time and knowledge to us for a long-term goal that will largely benefit newer entrepreneurs, emails and advertisements alone would not suffice. Calling the entrepreneurs and having open, candid, and friendly conversations helped build trust that we were dedicated to achieving meaningful change and were often the deciding factor for an entrepreneur to engage. Often, these phone calls ended with the entrepreneur asking us to send them an email with the invitation and details of the event; because they knew us as real, well-meaning people, they were more likely to attend and participate.

At the end of the day, our roundtables in Kansas City not only brought to light the biggest barriers these entrepreneurs experienced, but also allowed us to create genuine connections with these community members and gain insight into the unique character of the local community. It is important that throughout this process, which can be research-heavy and challenging, you remember why you are doing this project and for whom you are doing it.

A roundtable discussion with entrepreneurs in Kansas City, Missouri.

How to collaborate with city government to create meaningful change

The types of policy changes required to make it cheaper, faster, and simpler to start a small business are typically only possible with cooperation from key stakeholders within city government. Stakeholders differ from community partners in that stakeholders typically have decision-making power. Community partners can advocate for change, but stakeholders can usher those changes through to fruition. Cities Work always strives to partner with a city department such as the economic development or permitting department, mayor's office, and/or a city councilor's office. Connecting with city officials provides the most direct access to decision makers. City officials also often have the deepest knowledge of city processes, which is essential to creating narrowly targeted reform recommendations.

The policy changes for which you will be advocating will come in two forms:

» Legislative changes through city council
  • Anything that requires a change to city code/ordinances will have to pass through the city council.
  • Examples include fees established in code, minimum size requirements for buildings or equipment, zoning rules, and more.
» Administrative changes through city departments
  • Anything that is under city departments' authority to change, such as a city's website or one-stop shop.
  • Procedures, such as how many approvals are required, which forms must be filled out, how many steps must be completed in person, and more.
  • Situations where city code gives governing departments discretion to decide and implement the specifics of a given regulation.

It is crucial that you identify and establish a relationship with key stakeholders in city government. It is helpful to have early conversations with your contacts—both inside and outside of City Hall—about which city officials hold decision-making power, who will be your most likely allies, which department or person may be your biggest opponent, and who has the final decision over your policy changes. Key questions to ask include:

» Is there a city council member particularly interested in small business issues or charged with improving economic development?
» Which city departments oversee business licensing, permitting, and other compliance issues?
» Does the city have an advocate for small businesses working in the economic development, innovation, or other city departments?
» Does your city have a system with a strong mayor and council or a strong city manager?
  • This is important because it will help you understand who you need to get on board with your recommendations. For example, in some cities, the mayor holds the majority of the power and the city manager takes their cues from the mayor. In other cities, it is much more critical to get the city manager on board because the mayor listens to their advice when deciding how to act on legislation.
» What issues are most important to your key stakeholders other than small businesses or economic development, but can be related to your policy goals? Some examples include:
  • Diversity, equity, and inclusion.
  • Filling vacant storefronts.
  • Employment for people with criminal records or other vulnerable populations.
  • A shortage of childcare or other services (gaps that could be filled by local entrepreneurs).

Your city government allies will be interested in understanding your timeline and the cost of adopting reforms. Most cities we work with are interested in achieving both short-term and long-term wins. Administrative changes, such as

updating and improving city websites, tend to be the easiest changes to make quickly. Many cities already have a webmaster or a contract with a vendor to help them manage their websites, which means partners can act on their own timeline to decide what the website should look like and then execute that vision. In some cases, a city will need to enter into a new contract with a vendor specializing in one-stop shops, such as Qwally or Open Counter, in order to meaningfully improve their website. This often involves an appropriation of funds and can lead to a longer process.

Changes to zoning or building codes are longer-term goals because they must go through the entire legislative process and be approved by the city council. This is why it is so important to have someone on the council in your corner who can introduce new ordinances and hold public hearings. As elected officials, councilors and mayors are typically more interested in the needs of the public than are those who are permanent employees of city departments. Being able to share personal stories from entrepreneurs who have struggled with the regulatory process is absolutely crucial to generating necessary buy-in from city leadership. You will serve the crucial role of bridging the communication gap between government officials and community members. Your grassroots organizing will come in handy convincing elected officials that their constituents truly want change and they should adopt your policy recommendations in response. Your ability to mobilize the public in favor of your proposed ordinances is crucial. Some ways to engage the public include:

» Regularly update interested activists on your progress via an email newsletter or social media. Invite your coalition partners to pass on your updates to their members as well.
» Invite the public to speak in favor of your policy proposals at public hearings.
» Encourage activists to contact their city councilors and ask them to support your legislation.
» Hold an event to showcase new, local businesses and build up public excitement about your efforts. Invite the elected officials.
» Publicly recognize and thank officials when they support your efforts.

Note that if you represent a nonprofit organization, you may run into lobbying compliance requirements when working with city staff and officials. Be sure to check your state's and city's lobbying regulations before you engage.

Former Fort Worth FUSE Fellow Kay West (left), Cities Work Director Jennifer McDonald (Center), and Fort Worth entrepreneurial ecosystem builder Marco Johnson (right) presenting reform recommendations to city staff in Fort Worth, Texas.

Case Study: Washington, D.C.

While many of D.C.'s most important reforms required the Council to enact new laws, the city's licensing and regulatory agencies had significant authority to improve entrepreneurs' experience unilaterally. As the Council debated, crafted, and eventually passed reforms to license categories and fee structures, D.C.'s primary licensing agency (the Department of Consumer and Regulatory Affairs, now the Department of Licensing and Consumer Protection) took steps to evaluate and promote reforms. The Department chartered a regulatory reform working group in 2020 that included input from outside organizations like the Institute for Justice and began working on administrative changes. Those changes included launching a new website in 2021 that greatly clarified the licensing process, and ongoing work since then has made at least some of the licensing and permitting requirements more obvious for applicants upfront.

Ché Ruddell-Tabisola
Washington, D.C.

How to generate media buzz for your work

Generating publicity for your efforts is a great way to inform the community about your efforts and generate more grassroots support. It can also demonstrate to city officials that their constituents care about these issues and they should take your recommendations seriously. Keep in mind that this work isn't possible if you do not have a good working relationship with the city, so be mindful of how you talk about your work and the city in the media. Any publicity should focus on the positive benefits of reducing regulatory barriers to entrepreneurship, the city's commitment to change, and general support for small businesses. If you are a city employee, keep in mind that you will likely have to run any media past your communications team.

The best way to encourage continued coverage of your work is to establish a good relationship with local reporters, especially those who cover business or economic development issues. Issuing press releases is a great first step, but the personal connection with reporters is a better way to ensure coverage over time. Keep them apprised of your progress, understanding that they may not cover every milestone if they don't think it newsworthy enough. Convince them that this is groundbreaking work but be sure not to inundate their inboxes with every single detail of your progress. Milestones to share with your media contacts include:

» Publication of research results.
» Hosting community events that are open to the public—and inviting them to attend and cover the events.

» Key hearings or other events where you will be speaking about your policy recommendations—reporters may choose to attend the public events to get a firsthand look at what you're doing.
» Issuance of formal policy recommendations to city officials—putting these into a formal published document or report is a great way to get coverage because reporters will have a tangible product to discuss.
» Wins both big and small, such as when the city passes an important reform ordinance or overhauls its website based on your recommendations.

Even though this work is new and exciting, reporters are always most interested in the "human face" story. The human element adds color to dry talk of statistics or city code and helps the reader understand why this work is so important: Reducing regulatory barriers for small businesses will improve the lives of hardworking entrepreneurs living in their own neighborhoods. The more people directly impacted by your work that can share their stories in the media, the better. Confirm that your small business contacts are willing to talk to the media before you pass along their stories or information. Sometimes the reporter will want to interview the entrepreneur directly, so you should make that process as easy as possible for all parties involved. Passing along high-quality photos of the entrepreneur and their business always helps to add a visual element to a news piece.

ARIZONA CAPITOL TIMES

Starting a Phoenix business should not take 58 steps

November 28, 2023

KSLA NEWS 12

Mayor Arceneaux names members of Small Business Task Force

August 22, 2023

STARTLAND NEWS

Starting a business in KCMO is too expensive, study says; here's how the city can cut those costs

March 21, 2024

FORTWORTHTEXAS.GOV

Institute evaluates barriers to Fort Worth's small businesses

Published on November 17, 2022

Case Study: Boston, MA

Boston was the first city that we engaged with following the launch of the Cities Work initiative. We were invited by a city councilor to make specific recommendations as to how the city could make it cheaper, faster, and simpler to start a business in Boston. After spending several months learning more about how the city operates and talking with local small business owners, we testified about barriers to business at a city council hearing. We let the Boston media know we would be testifying at the hearing, and a reporter from the *Boston Herald* covered the event.[14] The reporter not only quoted our testimony—they also quoted the small business owners who came to tell their personal stories. This media coverage has gone a long way towards establishing our credibility in Boston and spreading the word about the reforms the city should undertake.

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14 Cotter, S. P. (2022, Aug. 9). Boston should drop barriers for small businesses, experts say in council hearing. *Boston Herald*. https://www.bostonherald.com/2022/08/29/boston-should-drop-barriers-for-small-businesses-experts-say-in-council-hearing/

Conclusion

Local officials have incredible power to open the doors to entrepreneurship for everyone with the talent and fortitude to start a business. Nearly every city official with whom we have interacted wants to make their city more business friendly—they just need your help to make that happen. You are the key to unlocking your city's entrepreneurial potential by uniting small business owners, community advocates, and city stakeholders around the shared goal of increasing access to entrepreneurship by knocking down regulatory barriers to business.

Cities Work is committed to reducing regulatory barriers to business in cities across the country. We may not be able to directly work with every city that seeks our input, but we hope the guidance this playbook provides will help you on your journey to make it cheaper, faster, and simpler to do business in your city. Feel free to reach out to citieswork@ij.org if you're ever seeking advice on how to accomplish your goals of improving the regulatory environment for small businesses.

Acknowledgments

About the Author

Jennifer McDonald is the Assistant Director of Activism Special Projects at the Institute for Justice, where she engages with policymakers, regulators, and activists to achieve needed reforms through research, legislative advocacy, coalition building, and working with the media. She is also IJ's Cities Work Director, through which she partners with cities across the country to make it cheaper, faster, and simpler to start a small business by identifying and rectifying regulatory barriers facing small business owners. She speaks at national conferences on topics such as the power of entrepreneurship, reducing red tape for small businesses, and organizing coalitions of activists to advocate for themselves in City Hall.

Prior to joining the Activism team, Jenny was an IJ senior research analyst, where she authored IJ reports on topics such as civil forfeiture, municipal fines and fees, government transparency, occupational licensing, and home-based businesses. Her work has appeared in multiple academic journals and her research results have been cited in national media outlets such as the *Washington Post*, *New York Times*, *Politico*, and *Los Angeles Times*. She holds a Master of Public Administration from the London School of Economics and Political Science and a bachelor's degree in history from California State University San Marcos.

To view a digital copy of this report, including the online appendix and additional guidance, scan the QR code or go to **citieswork.org/playbook**.