

2020 | BUSINESS RETENTION AND EXPANSION SURVEY REPORT





2020 BUSINESS RETENTION SURVEY
 Please take a few minutes to complete this survey and return it to: EDA@YorkCounty.net or IDA@YorkCounty.net by April 2, 2020. Business retention and expansion are the foundations of a healthy local economy. The Office of Economic Development recognizes and appreciates the contributions you make to York County and wants your business to be successful here. Your feedback will help us be proactive and responsive to the needs of the County's business community.
All responses will be kept strictly confidential. Thank you for your participation.

1 | COMPANY INFORMATION

Company Name _____ Corporation Owned? Yes No
 Local Contact Name _____
 Phone _____ Email _____
 Local Address _____

1a. Type of business:
 Contracting and Construction Manufacturing Durable Goods (Retail)
 Non-Durable Goods (Service) Education and Health Services Professional Services
 Leisure/Tourism/Hospitality Wholesale and Distribution Other _____

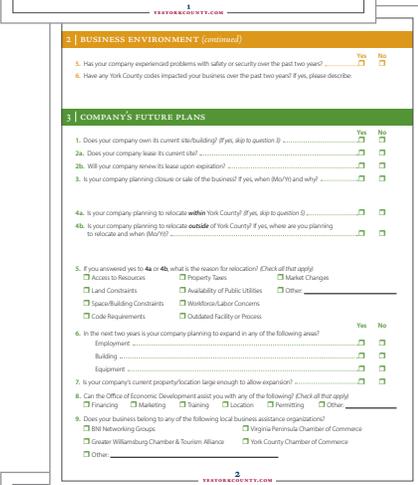
1b. Briefly describe your main service/product: _____

2a. Current number of employees _____
 2b. Projected number of employees in two years _____
 3. Year business was established in York County: _____

2 | BUSINESS ENVIRONMENT

1. Has your company experienced increasing sales over the past two years? _____ Yes No
 2. Has your company experienced decreasing sales over the past two years? _____ Yes No
 3. Is your company experiencing difficulty obtaining fixed asset or working capital? _____ Yes No
 4. Is your company experiencing difficulty recruiting employees? If yes, please describe: _____

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2 | BUSINESS ENVIRONMENT (continued)

5. Has your company experienced problems with safety or security over the past two years? _____ Yes No
 6. Have any York County codes impacted your business over the past two years? If yes, please describe: _____

3 | COMPANY'S FUTURE PLANS

1. Does your company own its current site/building? If yes, skip to question 8. _____ Yes No
 2a. Does your company lease its current site? _____ Yes No
 2b. Will your company renew its lease upon expiration? _____ Yes No
 3. Is your company planning closure or sale of the business? If yes, when (M/Y) and why? _____

4a. Is your company planning to relocate within York County? If yes, skip to question 5. _____ Yes No
 4b. Is your company planning to relocate outside of York County? If yes, where are you planning to relocate and when (M/Y)? _____

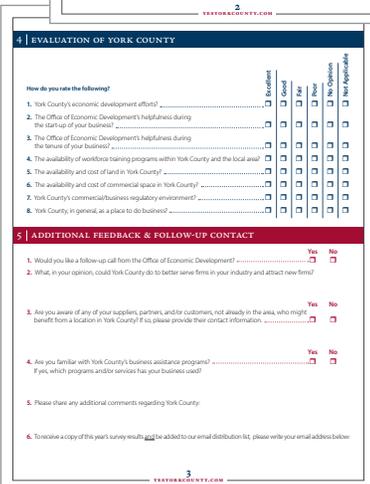
5. If you answered yes to 4a or 4b, what is the reason for relocation? Check all that apply!
 Access to Resources Property Taxes Market Changes
 Land Constraints Availability of Public Utilities Other _____
 Space/Building Constraints Workforce/Skill Constraints
 Code Requirements Outdated Facility or Process

6. In the next two years is your company planning to expand in any of the following areas? _____ Yes No
 Employment _____
 Building _____
 Equipment _____

7. Is your company's current property/facility large enough to allow expansion? _____ Yes No

8. Can the Office of Economic Development assist you with any of the following? Check all that apply!
 Financing Marketing Training Location Permitting Other _____
 Greater Williamsburg Chamber & Tourism Alliance York County Chamber of Commerce
 Other _____

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4 | EVALUATION OF YORK COUNTY

How do you rate the following?

	Excellent	Good	Fair	Poor	Very Poor	No Opinion	Not Applicable
1. York County's economic development efforts?	<input type="checkbox"/>						
2. The Office of Economic Development's helpfulness during the start-up of your business?	<input type="checkbox"/>						
3. The Office of Economic Development's helpfulness during the tenure of your business?	<input type="checkbox"/>						
4. The availability of workforce training programs within York County and the local area?	<input type="checkbox"/>						
5. The availability and cost of land in York County?	<input type="checkbox"/>						
6. The availability and cost of commercial space in York County?	<input type="checkbox"/>						
7. York County's commercial/business regulatory environment?	<input type="checkbox"/>						
8. York County in general, as a place to do business?	<input type="checkbox"/>						

5 | ADDITIONAL FEEDBACK & FOLLOW-UP CONTACT

1. Would you like a follow-up call from the Office of Economic Development? _____ Yes No
 2. What, in your opinion, could York County do to better serve firms in your industry and attract new firms? _____

3. Are you aware of any of your suppliers, partners, and/or customers, not already in the area, who might benefit from a location in York County? If so, please provide their contact information: _____ Yes No

4. Are you familiar with York County's business assistance programs? _____ Yes No
 If yes, which programs and/or services has your business used? _____

5. Please share any additional comments regarding York County: _____

6. To receive a copy of this year's survey results, please be added to our email distribution list; please write your email address below: _____

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INTRODUCTION

IN DECEMBER OF 1999, the Industrial Development Authority (IDA) initiated a Business Retention and Expansion Survey Program for York County.

THE OBJECTIVES OF THE BUSINESS RETENTION SURVEY ARE TO:

- ➔ Learn about the local business community's perceptions of York County and the advantages and disadvantages of operating a business here.
- ➔ Identify pervasive problems or trends negatively impacting businesses and develop programs and/or processes to address these impacts and improve the economic environment in York County. Identify "red flag" situations and companies that are at risk of closing or relocating.
- ➔ Respond to the needs of "red flag" businesses with a variety of services, from providing information on financing and marketing, to acting as a liaison to County/State agencies. Establish a benchmark for measuring the effectiveness of our business retention and expansion program.

IN JANUARY 2000, over 1,000 surveys were sent to a sample of businesses in York County. This initial survey established a benchmark to measure the effectiveness of our business retention and expansion program, as well as the overall perception of economic development in the County. Over the years, list scrubbing has led to a reduction in the number of mailed surveys (2006 and 2008), but also an increase in the percentage of responses received. During 2007, staff worked closely with a team of students from William and Mary's Thomas Jefferson Public Policy Program to review and revamp the survey, making it more useful and user-friendly. The format, question style, and visual appeal were all greatly improved, as was the response rate.

IN MARCH 2020, mailed **956 surveys** and received **60 responses** via mail and the Economic Development website... and then a week later, the COVID-19 pandemic began. York County businesses were affected in many ways; some temporarily shut down, others closed forever, and many were completely overwhelmed with the new regulations and precautions put in place to slow the spread of the virus. Undoubtedly, the pandemic negatively affected the 2020 BRE survey response rate, as well as the actual survey responses. The 2020 return rate was 6.2%, which represented a 0.8% decrease from the response rates received in 2018.

SURVEY RESPONSE RATES ARE AS FOLLOWS

SURVEY YEAR	NUMBER OF SURVEYS MAILED	NUMBER OF RESPONSES RECEIVED	RETURN RATE
2002	1,200	210	17.5%
2004	1,650	229	13.9%
2006	1,230	215	17.5%
2008	840	178	21.0%
2010	970	182	18.8%
2012	798	78	9.8%
2014	760	119	15.7%
2016	936	78	8.3%
2018	984	69	7.0%
2020	956	60	6.3%

Survey respondents consisted of **40% corporately-owned businesses** and **58.33% independently-owned enterprises** (1.67% answered N/A).

SURVEY RESPONDENTS CONSISTED OF BUSINESSES REPRESENTING THE FOLLOWING INDUSTRIES

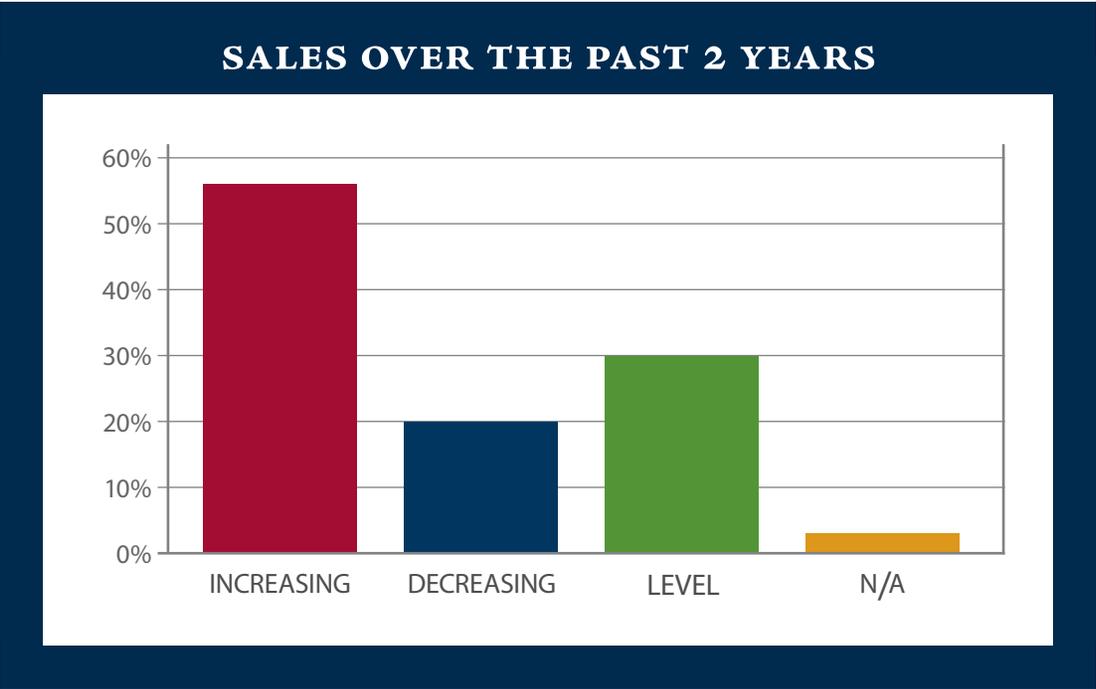
INDUSTRY	2012 RESULTS	2014 RESULTS	2016 RESULTS	2018 RESULTS	2020 RESULTS
Contracting or Construction	21.8%	22.1%	14.1%	17.4%	15.0%
Manufacturing	3.8%	4.1%	2.6%	2.9%	6.7%
Durable Goods (Retail)	24.4%	13.1%	19.2%	13.0%	15.0%
Non-Durable Goods (Service)	9.0%	5.7%	21.8%	1.5%	8.3%
Education or Health Services	2.6%	5.7%	3.9%	1.5%	8.3%
Professional Services	16.7%	22.1%	24.4%	34.8%	16.7%
Leisure/Tourism/Hospitality	2.6%	3.3%	12.8%	5.8%	8.3%
Wholesale or Distribution	2.6%	2.5%	1.3%	4.4%	6.7%
Other	26.9%	30.3%	0%	27.5%	26.7%

SURVEY RESULTS

The following data depicts results for several of the survey questions that provide insight into the business owners' perceptions of doing business in York County in our current economy.

**QUESTION:
HAS YOUR COMPANY EXPERIENCED INCREASING, DECREASING, OR LEVEL SALES OVER THE PAST TWO YEARS?**

The majority of respondents (76.67%) noted that they experienced level or increasing sales over the past two years, which is a positive indicator that the economy is improving.

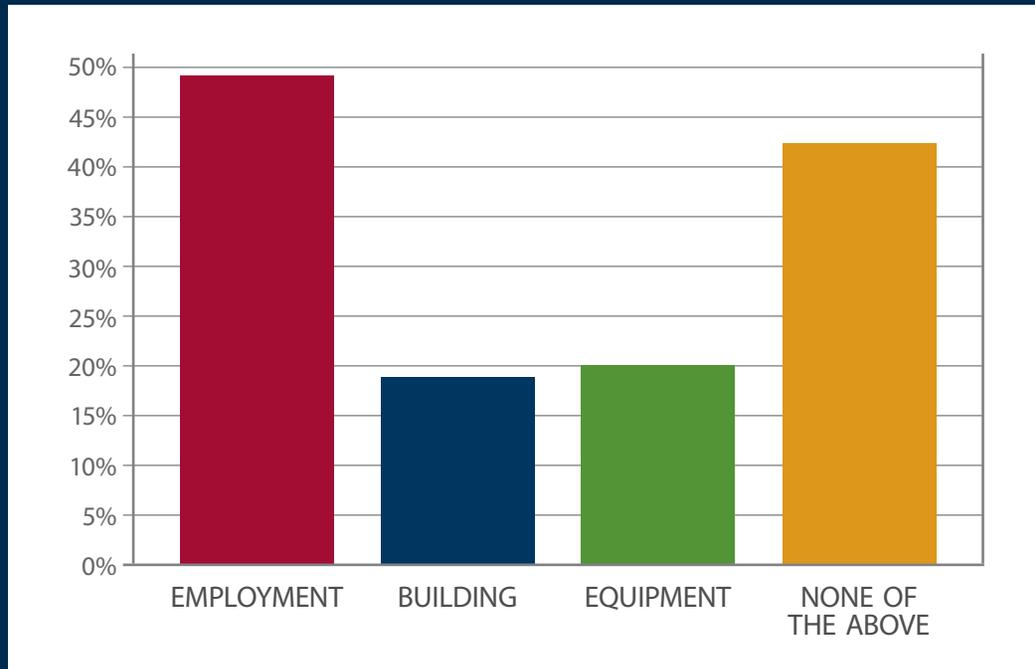


QUESTION:

IN THE NEXT TWO YEARS, IS YOUR BUSINESS PLANNING TO EXPAND IN THE FOLLOWING AREAS?

A very positive trend in this year's survey is the expected growth and expansion of the respondent's businesses in several key areas; employment, building, and equipment. The OED is ramping up outreach efforts to the business community so that staff can be ready to assist when needed.

EXPANSION PLANS OVER THE NEXT 2 YEARS



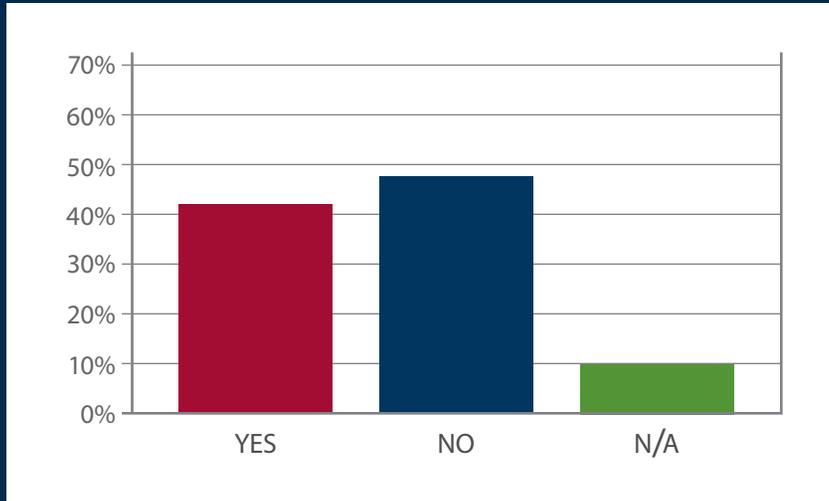
QUESTION:

DOES YOUR COMPANY EXPERIENCE DIFFICULTIES RECRUITING EMPLOYEES WITH ADEQUATE SKILLS?

IF YES, PLEASE DESCRIBE.

In previous surveys, workforce concerns seemed to be the most consistent and problematic issues facing the survey respondents. In 2008, 25% said they had issues in the areas of workforce development and employee attraction and retention. In 2010 and 2012, that percentage fell quite a bit, to just 13%. This year, the response has risen again to **25 respondents (or 42%)** citing workforce issues. Still, the majority (58 %) of respondents say they are not experiencing difficulty recruiting and retaining employees.

EMPLOYEE RECRUITMENT DIFFICULTIES



** Note: Several organizations, such as The Virginia Employment Commission, Peninsula Worklink, and The Peninsula Council for Workforce Development provide employment services, funding, and/or training for both employers and employees in Hampton Roads. Visit www.pcfwd.org for more information on the many workforce programs offered.*

QUESTION:

HAS YOUR COMPANY EXPERIENCED PROBLEMS WITH SAFETY OVER THE PAST TWO YEARS?

Over 87% of respondents indicated that they have not had any safety or security concerns or situations over the past two years. This is very positive feedback that speaks to the high quality of the county's law enforcement program. While many respondents indicated that the costs of doing business in York County were a bit higher than in neighboring localities, due mainly to the cost of real estate and space rental, most were willing to accept these higher costs because of the safety and security they enjoy here.

QUESTION:

HAVE ANY YORK COUNTY CODES IMPACTED YOUR BUSINESS OVER THE PAST TWO YEARS?

Another positive statistic is that over **89% of respondents** that no York County codes had impacted their business over the past two years. This, in concert with the above security question, imply that neither codes nor security are causing a serious concern for York County's business community.

QUESTION:

WHAT CAN YORK COUNTY DO TO BETTER SERVE LOCAL BUSINESSES?

When asked what York County could do to better serve firms and to attract new companies to the area, comments centered on the following:

1. Create a more business-friendly environment by reducing restrictive regulations on signage/building appearances and streamlining permit-approval processes
2. Provide greater marketing support to businesses – ranging from permittance of signs on more roads to direct marketing advice/assistance to individual businesses.
3. Provide further incentives to York County businesses – specifically, providing incentives to better retain local businesses and to promote community wellness (such as for producing healthier/more sustainable goods & services)

QUESTION:

IS YOUR COMPANY PLANNING CLOSURE OR SALE OF THE BUSINESS?

IF YES, WHY?

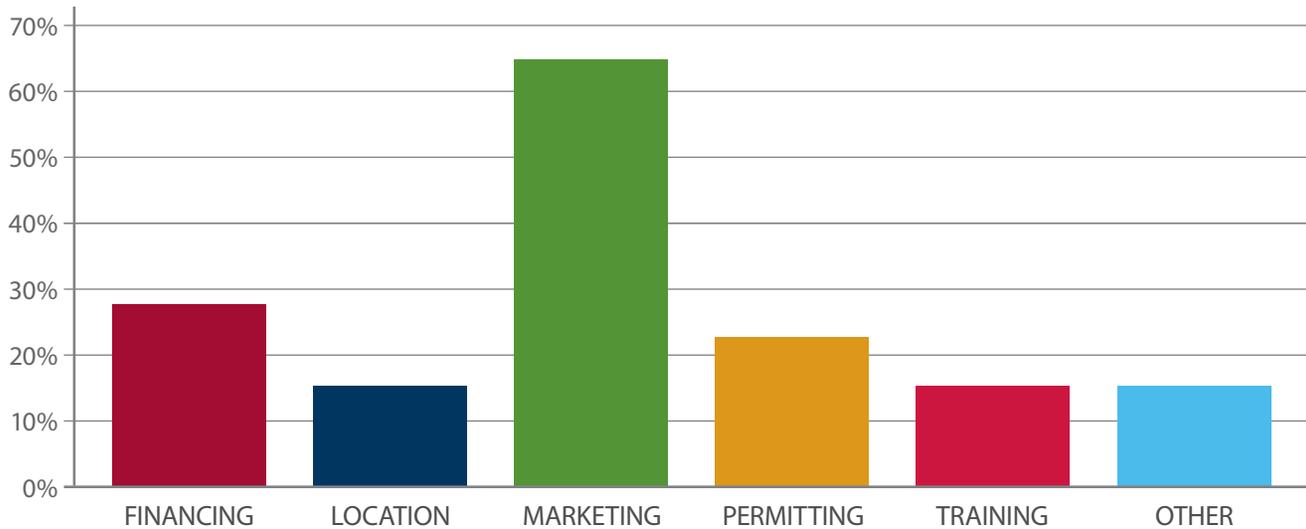
Only two respondents indicated they have plans to close and/or sell their business. One did not disclose a reason for the closure/sale of the business, whereas the other was planning to close their business due to the rent being too high.

QUESTION:

CAN THE OED ASSIST YOU WITH ANY OF THE FOLLOWING?

The following chart shows the areas in which respondents, who plan to expand their businesses, would like help from the OED:

AREAS BUSINESSES WOULD LIKE HELP FROM THE OED



Consistent with responses from 2006 to 2018, marketing is the category for the 2020 survey in which respondents indicated they needed the most assistance. In response to this, the OED has developed new initiatives aimed at training businesses in new and innovative marketing techniques and at actually promoting the businesses to the local community and increasing their exposure. More efforts have been made to help promote new and existing businesses and offer them free marketing assistance. Staff efforts have been increased on the following initiatives: business grand openings, feature stories, TV exposure, press releases, social media coverage, and more.

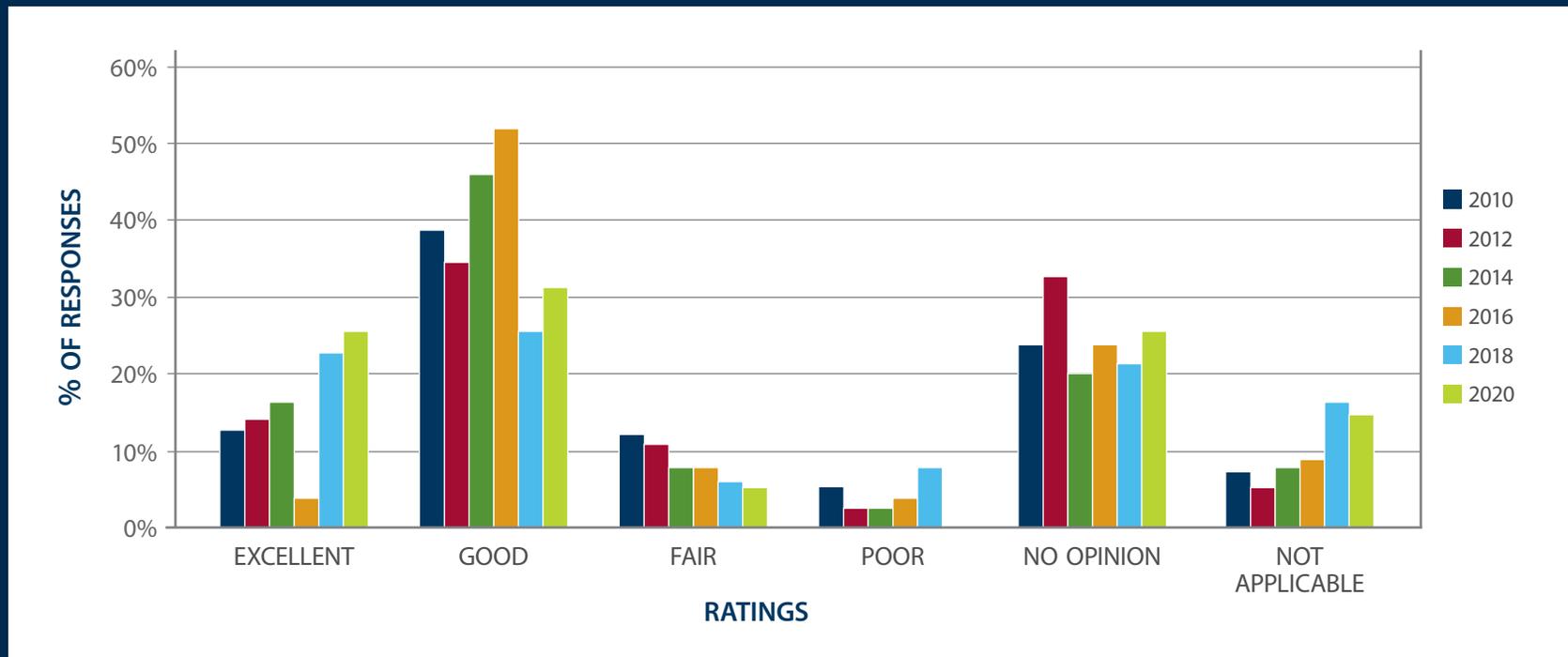
THE FOLLOWING GRAPHS depict results for two of the survey questions that provide insight into the business owners' perceptions of York County and how these opinions have changed since 2010.

QUESTION:

HOW DO YOU RATE THE COUNTY'S ECONOMIC DEVELOPMENT EFFORTS?

The overall opinion regarding the County's economic development efforts is good. In 2020, **56% of the respondents** rated the County's economic development efforts as good or excellent, which represented a slight increase from the 2018 ratings (**48%**).

RATING YORK COUNTY'S ECONOMIC DEVELOPMENT EFFORTS

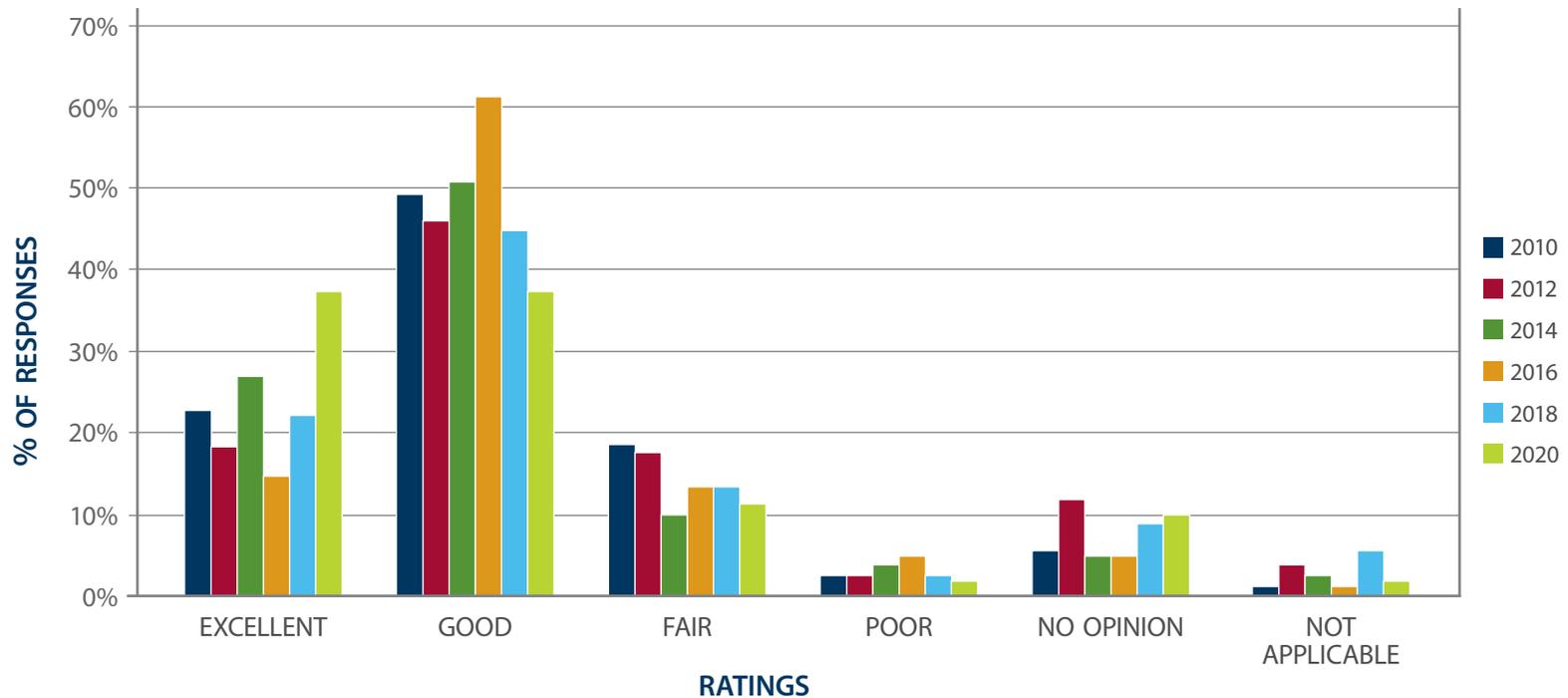


QUESTION:

WHAT IS YOUR OVERALL OPINION OF THE COUNTY AS A PLACE OF BUSINESS?

The overall opinion regarding the County's business environment is positive. In 2020, **59 respondents (75%)** believed that the County was a good or excellent place to operate a business.

RATING YORK COUNTY AS A PLACE TO DO BUSINESS



CONCLUSION

IN MARCH 2020, the world as we knew it changed in an instant with the sudden onset of the COVID-19 pandemic. York County's economic development focus pivoted immediately to provide emergency business assistance by providing timely and comprehensive information about available resources, promoting existing business operations, distributing over 1,000 free masks to businesses, and administering two pandemic-related grant programs. County-led COVID-19 relief efforts included:

- ➔ **York CARES Grant Program:** Utilizing \$250,000 of CARES Act funds appropriated to York County, the Office of Economic Development and Finance Department implemented the York CARES Grant Program in June 2020 to assist businesses with pandemic-related PPE expenses and rent/mortgage relief.
- ➔ **COVID-19 Small Business Assistance Grant Program:** Led by the county's Housing and Neighborhood Revitalization Division, with assistance from OED staff, \$550,000 in grant funds were obtained from the Virginia Department of Housing and Community Development (DHCD) to support business recovery efforts.
- ➔ OED staff, in partnership with county Public Information Division staff, created and maintained an "Open for Business" website to bring exposure to those businesses still serving customers throughout the pandemic.
- ➔ OED Staff continuously monitored, compiled, and distributed information related to local, state, and federal pandemic and related business recovery efforts and programs.

In response to these survey results and feedback received throughout the past two years, the OED has taken several steps to improve the economic environment in York County and to address the recurring suggestion that we need to offer even more marketing assistance.

THE OED CONSTANTLY WORKS TO IMPROVE AND INCREASE COMMUNICATION with our existing business community to make them more aware of the programs and services currently being offered. The OED accomplishes this in several ways:

- ➔ Regularly utilizing **email marketing programs** to deliver important information and announcements to our new and existing businesses. To sign up for these emails, visit www.YesYorkCounty.com.
- ➔ Conducting **new business welcome calls** to all new business license applicants, to introduce our services and programs. Additionally, OED senior staff continues to conduct regular business retention visits throughout the year.

- Proactively **marketing our programs and services** via speaking engagements, attendance at local business networking events and trade shows, the placement of ads in local publications, and by increasing direct communications with the business community.

Each year the number one request has been for the OED to offer more marketing assistance to our existing businesses. Staff has created a **summary document** that describes the many ways in which the OED can help promote businesses. The *New Business Promotion* document provides guidance and resources for businesses to improve their marketing program.

NEW EFFORTS TO HELP PROMOTE LOCAL BUSINESSES focus on highlighting various businesses in the community and helping them to gain additional exposure via the County's website, TV Channel 46, and social media pages.

- **Featured Business Stories** – In an effort to help our businesses gain exposure in the local community, the OED has begun contracting with a local content creator to write feature stories about long-standing businesses that have been in York County for more than 20 years to new and unique businesses just coming onto the York County scene. Professional photos are also taken of the businesses for the story, and are provided to them for their own promotional use.
- **Featured Business Images** – Staff has contracted with local photographer, Alexander Kravets, and staff photographer, Jenn Armstrong, to have a series of photos taken of various local businesses. This allows us to provide additional exposure for our businesses, by featuring the high-quality images on our electronic and print materials, rather than relying on stock images. The edited images are provided to the businesses for their own promotional use.

ADDITIONAL MARKETING AND PROMOTION is also being given to the County's seven business assistance grant programs, three of which are new and meant to provide direct assistance for business exposure and growth:

1. The **Business Growth Grant** is the County's latest business assistance program designed to help businesses grow in the ways that fit their business model most. The program offers up to \$2,500 in matching grant funds for the purchase of new equipment or supplies.
2. The **Google Street View for Business Grant Program** offers matching funds up to \$500 per business towards having interior panoramic photos taken and made into an interactive tour to be posted on Google.
3. The **LoveVA Grant Program** was designed in response to the growing need for affordable business marketing to the local community. The OED partnered with the Retail Alliance, who designed the LoveVA buy local online platform, to help more businesses obtain listings on the site, which gives them more exposure to local customers.
4. The **Home-based Business Transition Grant Program** offers funds up to \$2,000 to existing home-based York County businesses moving to commercial space in the County, thus giving the company better exposure and opportunities.

5. The **Center for Retail Excellence (CRE) Course Scholarship Program** encourages York County's business owners and entrepreneurs to attend the CRE course, a 42-week retail training program that offers classes and mentoring to assist aspiring and existing retailers in operating their business successfully.
6. The **E-commerce Grant Program** encourages website development for York County's businesses, helping them to increase their online presence and capabilities and to better promote themselves. The EDA modified this program to allow funds to also now cover social media marketing campaigns and search engine optimization costs.

THE FOLLOWING PROGRAMS are some of the most important and visible ways businesses can gain exposure and education.

- ➔ **E-Newsletters:** Each month OED staff composes and distributes an emailed newsletter to over 3400 local contacts. The **OED e-newsletter** features upcoming business events, recent EDA actions, relevant business announcements, stories about local businesses in the news, and the list of new businesses for the past month, all of which provides local businesses with additional free exposure.
- ➔ **Grand Opening/Ribbon Cutting Program:** The OED offers free Grand Opening and Ribbon Cutting Assistance to all York County businesses. These services include planning assistance, scheduling speakers, providing the ribbon and large ceremonial scissors, taking event photos, and drafting and distributing a media release announcing the event. OED staff recently updated the related brochure that details the process and best practices for these types of celebrations. The brochure is available online at www.YesYorkCounty.com or at the OED office, located at 224 Ballard Street in Historic Yorktown.
- ➔ **OED Website:** In addition to publishing the new business list monthly, the OED website also features recent news stories about local businesses, including any recent awards or accomplishments received. Any York County business is welcome to submit news articles for publication on the site. This opportunity not only provides free advertising to new companies, but also promotes the 'Keep it in York County' theme.
- ➔ **Education Courses:** Each year the EDA, in partnership with the Hampton Roads Small Business Development Center, the Williamsburg SCORE Chapter, James City County, and the City of Williamsburg, sponsors several education courses for local businesses to teach them how to better promote and market themselves. In recent years, with the creation and enhancement of the Home-based Business Assistance Program, the focus was expanded to include better assistance to home-based businesses, in addition to traditional brick-and-mortar companies. A series of Lunch & Learns is being held monthly to help attendees in important areas, such as legal, marketing, accounting, cyber security, etc. Please visit our website at www.YesYorkCounty.com for detailed information on all available educational programs and to sign up for event notifications via email.

CONTACT INFORMATION

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