

Peoria, Arizona: Business Retention Program

Healthy communities have strong, healthy businesses, and business retention programs have become a popular economic development tool of communities nationwide. While retention programs emerged in response to business defections and the negative impacts those defections have on the local economy, they have increased in importance as communities recognized that real job growth over time comes from local business expansion. Surveys of U.S. economic development organizations rank business retention programs as the number one economic development activity primarily because local businesses have strong community ties, reducing the risk of leaving. In addition, such programs are often less expensive than business attraction, yielding more jobs on average.

Goal: The goal of Peoria's Business Retention Program is to retain and expand existing businesses by learning about issues business owners are facing and addressing those issues in a timely manner.

Program Objectives:

1. Meet face to face with business owners and survey their businesses on a regular basis, conducting the Building Bridges to Business (see attached) interview if applicable.
2. Analyze survey results to determine trends
3. Develop programs and opportunities to better meet the needs of the business community in order to retain and expand businesses.

Program Activities:

1. Attend one-on-one meetings with businesses in the city (manufacturers, clusters in targeted industries, top 25 private employers, and top 20 sales tax generators) on an annual basis and assess their ability to expand, their risk factor for leaving, and their feeling toward the community.
2. Identify any potential issues that could be addressed through the community program.
3. Conduct site visits with all new businesses to introduce the department and deliver a welcome packet that includes information about the community including necessary contact info, details on free small business seminars, business assistance programs, and demographic and site analysis data.
4. Create an annual event to recognize new businesses to the city and have the mayor present certificates of appreciation.
5. Communicate in a timely manner with all businesses affected by road closures or traffic changes as a result of construction or events.
6. Calculate results of interviews to identify trends in existing businesses (such as growth in particular clusters, space requirements, training needs, or permitting issues).
7. Maintain updated commercial directory.

Program Metrics:

- Total number of businesses visited

BUILDING BRIDGES TO BUSINESS

Many of the efforts in building a community are centered on bringing in new business. But just as important to community betterment is the ability to keep existing business healthy and strong. It has been estimated that as much as 80 percent of the opportunities for new jobs comes from businesses already in the community. The B3 program is an innovative retention and expansion tool that addresses the needs of existing businesses and the communities in which they reside.

The B3 Program

The B3 program gives economic development organizations control over policy and business retention. The program will provide the City of Peoria with a much needed tool to help define, analyze and report community specific company information.

Using a combination of survey instruments and customized computer software, the program evaluates each company's:

- Value to the community
- Growth potential
- Risk of relocation or downsizing
- Overall satisfaction
- Employment trends

How it works

The B3 program utilizes periodic surveys and interviews along with the technology of the Synchronist System with Matrix Analysis to devise a rating of companies in the community.

The program findings can be exported instantly into a wide variety of useful, pre-formatted company and group analyses, reports directories and management tools. This information can then be used to:

- Keep local businesses from locating to other areas
- Help local businesses survive economic difficulties
- Assist local businesses with expansions that add new jobs

Benefits to the economic development staff

The B3 program provides economic development professionals with:

An exceptional survey tool:

B3 helps identify and evaluate the perceptions of local organizations.

Information at a glance:

B3 helps assess the existing business base and the physical, financial, technological and location needs of existing companies.

An early warning system:

B3 helps economic development professionals identify at-risk companies.

Flexibility:

B3 generates quantifiable facts from more than 40 formatted reports and allows the user to add up to 10 questions to the survey.

Benefits to local communities

The B3 program is designed to strengthen communities by retaining and expanding existing businesses.

The communities benefit in the following ways:

- B3 helps Arizona communities retain jobs and tax revenues
- B3 fosters the development of local firms, and in doing so, creates new jobs
- B3 enhances a community's reputation as a good place to do business
- B3 helps increase local property values

MISSION

To provide data and analysis to community leadership to effectively retain and expand their existing businesses.

Goal

To gather information about companies in Peoria that will allow city officials to make policy, program, and resources allocation decisions

Peoria has worked to position itself as a new business destination for generations to come. While business attraction will be a major factor, and one that will get much of the attention and funding, our existing businesses cannot be left behind. The B3 existing business program works quietly to:

- Keep companies from relocating to another city, or state
- Help companies survive economic difficulties
- Help companies expand

Process

- Local businesses are targeted each week as potential site visits.
- A letter is mailed to the executive explaining the visit, program and objectives.
- Four or five days after the letter is mailed, a call is placed to the executive to schedule a meeting at the executive's office.
- Data from the questionnaire is entered into the B3 software, and any necessary follow-up is handled.

Survey

The on-site survey focuses on information designed to draw conclusions in six specific areas:

- Company's value to Peoria
- Growth potential of Peoria
- Risk of downsizing or relocating
- Company satisfaction with Peoria and city services
- Existing or emerging problems that pose a threat to business
- Untapped marketing opportunities that can be leveraged for marketing Peoria to new business opportunities

Company's Benefit

- The opportunity to provide input and help make a difference in how the City of Peoria addresses local issues impacting business.
- The ability to connect to a network of potentially valuable support resources.