

Amherst County Economic Development Business Friendliness Initiative

Draft Results May 2018

“Development is like water, it follows the
path of least resistance.”



The Board of Supervisors requested the EDA & Planning Commission examine the County's reputation for being unfriendly to business and suggest changes to County ordinances, processes, policies or procedures to improve the business environment for both existing and new businesses in Amherst County. The request also asked for proposals that will have the greatest and quickest impact that are fully coordinated with stakeholders and staff and be presented in a final form.

Goal

Perceptions take time to change, but the results from this examination of business unfriendliness issues should have a major long-term impact on the health of our existing businesses and demonstrate to new businesses that Amherst County is open for business.

Information Gathering

- Steering Committee of business owners
- One-on-one Business Interviews (Developers, Builders, Surveyors, New Business Owners, Current Business Owners, Retail, etc.)
- Business Survey (Sent to 150 businesses with 79 responses)
- Interviewed County & Constitutional employees who regularly interact with businesses
- ACSA working group led by EDA Consultant Lee Cobb
- Focus Group
- Data from 2016 Economic Development Strategic Plan
- List of comments from Board of Supervisors 2017 Retreat

Overview

- Perceptions are not always reality. Some comments made by businesses are not correct, but as the EDA was asked to examine the County's reputation - which includes perceptions (whether they are correct or incorrect) - these types of comments are included
- There were many positive comments about Amherst County, staff, & Departments.
- Many businesses had no issues to report, "Amherst County has been good to us!"
- Established businesses sometimes brought up issues that had already been resolved (submitting permits online, sign ordinances that have been updated, etc.)
- Despite asking for detailed comments, some respondents made broad comments that could not be addressed, i.e. "Amherst County doesn't want business."
- Many departments are understaffed, which affects customer service

Overview Continued

- Although reducing development obstacles helps stimulate new development, Fairfax County is a highly regulated County but it is also an economic engine in Virginia. Conversely, Floyd County is a locality without zoning regulations and is less of an economic engine for the State. Regulations should be minimal when possible, but should also reflect a locality's values and desire for outcomes (Beautification of Business 29 for example.) Regulations should be carefully reviewed for need and usefulness and removed if they don't comply with the locality's goals and objectives.

County-wide Comments

- “Understanding that businesses are dependent on growth in the county. The governing bodies have had anti-growth thoughts for too long, and the small businesses have to look for work outside of the county. We like the beauty of Amherst County, but if it's not growing, it's dying. Our technology with cell phones and internet has led to a depressed real estate market and led to a loss in population in the county.”
- The Amherst County website is not user friendly.
- “They acted as if I was a bother when I went in”
- “You have got to do something to improve Amherst County's perception as a backward locality.”
- “I would like to thank the Board of Supervisors for recognizing a problem. Now let's work together and fix this so we can all benefit.”

- "County government needs to stand up for businesses and not cower when one person in the county whines about something"
- "Too much red tape"
- "The fear of growth in the county has hurt our building industry hard! That needs to change"
- Need better internet & cell coverage "Cell phone and internet towers should be allowed in all areas!"
- "I feel they are ready to say no to anything new. They should take time to review options & encourage new businesses to relocate to Amherst."
- "A group of decision makers that will make decisions for the whole county not just the squeaky wheel! Things that are good for the county today & in the future!!"
- "The clerk was very standoffish & not helpful. Like...you should know this already."
- "We are getting left behind. Cell towers and internet should be going up all over the county along with growing the sewer and water line system"

Top 7 Business Friendly Strategies in order of Importance to Businesses

1. Changes in County Code/Ordinances
2. Tax breaks, grants or incentives
3. A step-by-step manual on how to start a business
4. A Facilitator who would assist you through the process
5. Monthly pre-development meeting with key County departments
6. Additional Financing resources
7. Change in Tax Structure

County Policies & Ordinances

Rated 3.3 out of 5

Comments:

- "There are so many old guidelines that it takes too much time for the average person to make things happen - even when there is help from the county"
- "They just need to be clear and easy to understand. Very objective."
- "Appears to take longer than normal to get issues heard or resolved based on the slow growth we have encountered in the last 3 decades."

Recommendations

1. Policy instead of ordinances for decision making offers flexibility
2. Customer Service training for frontline personnel "We are excited you want to do business in Amherst County!"
3. County website review for business user friendliness: Information & forms available and easily found, downloadable & fillable PDFs, easy online payments
4. When people enter the County Administration building, there is no person or sign to direct them. It is only when you go down the hall that signs direct them to the appropriate office. An employee or trained volunteer at the entrance of the County Administration Building to assist & direct visitors. One option would be to move the information officer to the entrance. A second option would be to have an information kiosk or sign at the entrance.

Planning & Zoning

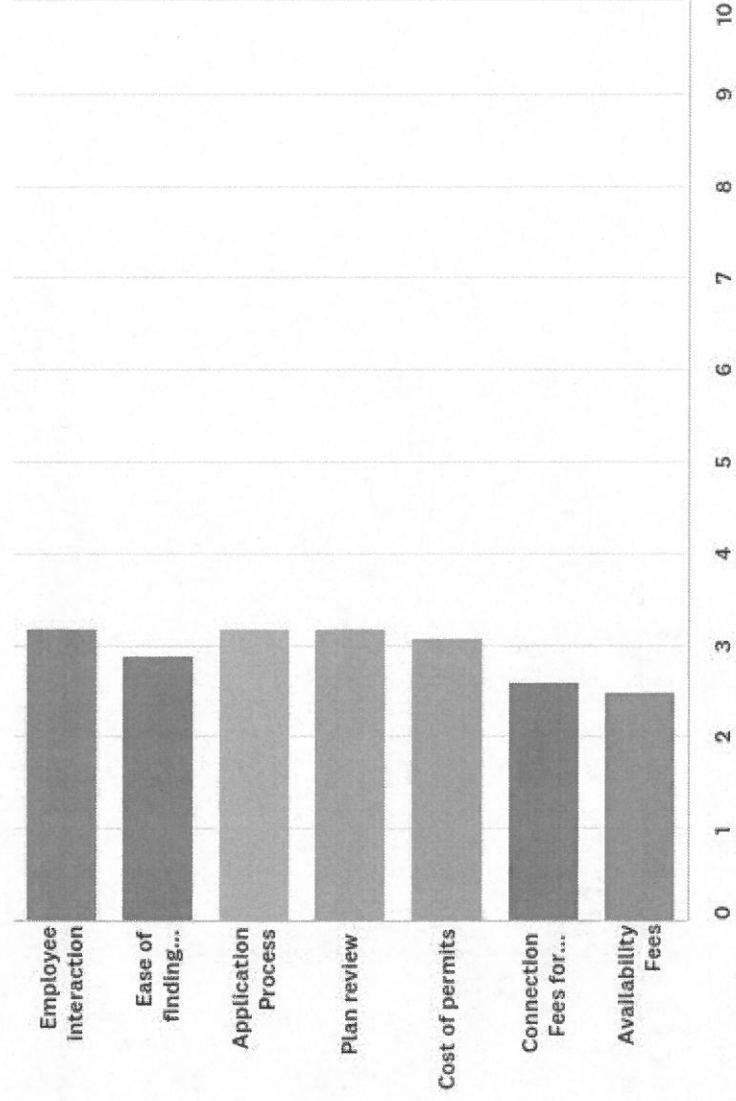
Comments:

- “More leeway for Zoning Director in decision making”
- “Make the site plan approval process smooth and as fast as possible. I think the staff works very hard to work things out but can’t deliver due to all unnecessary guidelines that could use an update.”
- “I was directed to the Health Department, they said they weren’t responsible for what I was doing, then directed somewhere else. Still not 100% sure I have everything.”
- “100% reserves for the septic systems is a horrible concept and is not done in any of our neighboring counties!! This requires larger lot size.”
- “Sign ordinance is way too strict”

Suggestions: Planning & Zoning

1. Planning Commission begin a review process of ordinances that are over-regulatory and make recommendations of modifications to the Board of Supervisors.
2. Review all special exceptions and consider if they should be a by right use
3. More flexible zoning and allow the Planning & Zoning director more leeway to make zoning decisions
4. Reserve drainfields required at 100% when the State only requires 50% reserve. Consider reducing the drainfield requirement to match the State.
5. Modify cell phone tower ordinances to encourage improved cell coverage
6. Monthly pre-development meetings with key departments & organizations
7. Configure website to be sure information is clear and easily accessible.

Q11 Rate how customer-friendly Amherst County Service Authority (water & sewer) is on a scale of 1 to 5 where 5 is the highest.



Amherst County Service Authority (ACSA)

Comments:

- Complicated fee structure for businesses
- Tap/connection Fees too high
- "Availability fees should be eliminated to encourage new construction. The average age of the housing and commercial building stock in the County is probably 50 years old, dating to the building boom of the 60s"
- "The availability fees and connection fees should be waived if the developer is willing to run the lines for the county. You are stunting the growth or increasing the lines along side potential income for the county through monthly fees and how it affects real estate value."

- “Lack of foresight with extension projects for future development” (water line was near a new development but ACSA wouldn’t extend the line, only to extend it a few years later - loss of customers and availability for project)”
- “Working with everyone is awesome except the water department. VERY DIFFICULT”
- “Archaic contractor selection for new work- must be on an Approved Contractor list”
- “Very difficult to work with”
- “Can’t find sewer lines online”
- Bills don’t get to customers in time to pay the bill on time
- Outdated water lines

Recommendations: Service Authority

1. Undertake a complete evaluation of water & sewer availability charges with the objective of making the fee structure uncomplicated and far less costly
2. Publicize the option of calculating availability fees on the calculations of a private sector project engineer rather than using the more rigid Amherst County code requirements. Do this prior to restructuring the code (#1 above.)
3. Reorganize ACSA Board of Directors to include private sector representation 3 Options: new Board with all private sector appointees, combination public-private sectors appointees, or current public sector Board with non-voting private sector representatives.
4. Charge the newly reorganized ACSA with development of a strategic plan for aggressive development and services initiatives i.e., how to lower availability fees without damaging financial integrity of ACSA

Recommendations Cont.

5. ACSA public information initiative with new website and two annual round-table discussions with developers and customers (organization assistance from EDA)
6. Adopt a new policy allowing payment of high availability fees to be stretched over multiple years for major projects
7. Convey a clear, specific policy to builders, contractors, etc. as to the circumstances when County crews will be used to construct public water and sewer lines
8. Grant substantial availability fee reductions for any project using federal, state, or local grants to pay for the extension or replacement of public water & sewer lines
9. Update ACSA administrative office and provide for online bill pay.

Commissioner of the Revenue

Comments:

- "It was an easy process once I figured out what I needed to do"
- "Should take credit cards with lower added fees" (Treasurer)
- Tax on business equipment - "No depreciation for eternity"
- "Fees and taxes too high"
- Merchants Capital tax "an inventory inhibitor"
- "Need options to pay online"
- "Create a flat rate tax for small 1 person businesses like those operated from home"

Comments Continued

- "Real Estate Assessments are unrealistic"
- "Business license tax on independent contractors unfair - Gross receipts vs. income" (pay on the full \$30,000 job = \$27,000 in parts and \$3,000 in labor)
- "Tax car dealers in a manner in which they pay a tax to operate and is a fair tax based on other categories of business with similar net receipts"

Recommendations: Comm. of the Revenue

1. Hire a consultant to assess the County tax structure and recommend changes, as well as recommend what local, state, or federal tax programs/designations Amherst County should create or pursue special reduced tax districts or zones that receive grant funds to encourage development
2. Update Information available on County Website & show examples of tax valuations
3. EDA to have key business information in Commissioner's office
4. Commissioner e-mail EDA monthly with new business contact information.
5. EDA include relevant business information in the semi-annual tax mailings to business licensees

EDA Relevant Comments

- Need for guide/checklist for permitting, zoning permits, projects
- Lack of resources for small and startup businesses
- More business financing
- Easier to access incentives
- One person to help guide businesses through County processes
- Classes on starting a business
- Real estate tax credits
- Tax Incentives and other means of reducing the cost of owning/operating businesses in Amherst County. "Any break helps. I've never understood why Brockman Park never took off. Maybe good startup incentives to come here would help."

Recommendations: EDA

1. Industry specific business start up kits
2. Guide/Checklist with a map for permits, projects
3. Provide personal guidance to businesses through permitting/project processes
4. Provide business resource & financing information to small and start up businesses through information at key County locations., including the Commissioner of the Revenue, Treasurer, Planning & Zoning, Inspections, Libraries, Clerk of Courts, etc.
5. EDA provide business information for Commissioner of Revenue's semi-annual mailings to business licensees

Recommendations Continued

6. Hire a consultant to analyze Amherst County's current incentives, tax structure, and fees and recommend new incentives and grants for start-up businesses and existing businesses (may be in conjunction with the tax structure review)
7. Inform business community of County updates and initiatives
8. Offer classes on starting a business (based on demand)

Chamber of Commerce

Comments:

- Lack of advertising and marketing support
- Not being included in Greater Lynchburg promotions
- "Chamber of commerce is top notch!"
- Not visiting new businesses and welcoming them to Amherst County
- Perception that Amherst/Mad. Heights is a long way away from Lynchburg & Forest

Recommendations: Chamber of Commerce

1. Local business to local business campaign
2. Buy local campaign
3. EDA share new business license list with Chamber and coordinate visit to new businesses
4. Chamber work with entities to be included in Greater Lynchburg promotions
5. Digital Sign at Madison Heights entryways for positive news/events and highlighting Amherst County businesses
6. Market that Amherst is a short drive from Lynchburg, Forest, Campbell, etc.

Business License

Comments:

- Simplify business license process
- "We usually get an extension on our taxes but the business license requires a copy of a page from the taxes so I can't get my license until fall yet they are due in May"

Recommendation:

1. Update language on business license permit and on website
2. Business license & personal property easily found online & downloadable

Business Name Registration (Clerk of Courts)

Comments:

- "Need to convert to an online system"
- "Staff is rude"
- Hard to find information online
- Businesses are served by the same staff as court cases and there is a lot of discord stemming from the court cases

Recommendations

1. Information & forms available online & easily found on the County website.
2. Customer service training for personnel
3. Partition a new office for business name registration, marriage licenses, wills

Virginia Dept. of Transportation (VDOT)

Rated 3 out of 5 (one of the lowest ratings in the survey)

Comments:

- "VDOT issues kill projects"
- "Cumbersome, expensive, demanding"
- "Incredibly slow and over regulating. They often stand in the way of new businesses making progress."
- "Amherst VDOT representative more strict than other localities"
- "Inflexible. Imposing rules applicable to northern Virginia to rural Amherst County. Ride around and look at vacant properties along Rt 29 in Madison Heights. Most cannot afford commercial entrances so they remain vacant"
- Doesn't return calls or respond to general public

Comments Continued

- “Hard to get a response to plan submittals and no willingness to find a way to move forward as opposed to finding all of the reasons to deny approval”
- “They don't mind talking with you but takes forever for anything to be done and they spend a lot of their time sending you to someone else”
- “Awful to deal with. The paperwork is crazy!”
- “VDOT employees changed over and over again during a housing development, there was never consistency from one employee to the next. We had to make constant changes because the next employee would give us new requirements. The driveway entrance permit process is ridiculous. The engineers will come out to inspect and look at it from the car and not get out to talk to you so you don't know if it met their requirements or not.”

Recommendations: VDOT

1. Land use issues commonly require permits and review from VDOT. Often times, the regulations and policies of the Department can be difficult for professionals and citizens alike. County staff is willing to hold a monthly roundtable to help foster a climate of partnership and open communication.
2. Planning & Zoning liaison who assists business owners with VDOT issues
3. Discussion with Amherst VDOT representative about willingness to be creative and flexible in approach to projects

Countywide Recommendations

1. EDA work with County Departments and Constitutionals on business friendly website information (requires participation with IT)
2. Forms/Permits on website and downloadable with fillable pdf
3. Unify merchant services for lowest credit card processing fee (when updated financial software is purchased and implemented) and have a uniform County credit card fee. Eliminate transaction fees.
4. When people enter the County Administration building, there is no person or sign to tell them where to go. Have an employee or trained volunteer at the entrance of the County Administration Building to assist & direct visitors. One option would be to move the information officer to the entrance. A second option would be to have an information kiosk or sign at the entrance.

Countywide Recommendations Continued

5. Quarterly meeting of EDA, County Departments, Clerk of Courts, Treasurer, and Commissioner of the Revenue to get a better understanding of each other's departments and procedures regarding business interaction or issues.
6. Market that Amherst is a short drive from Lynchburg

ECONOMIC

DEVELOPMENT

AMHERST, VIRGINIA



Questions or Comments?

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