

**City of Derby  
Economic Development Survey**

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## **EXECUTIVE SUMMARY**

### **INTRODUCTION**

This summary includes highlights from the complete survey analysis of the City of Derby Economic Development Survey report.

The survey was distributed by mail on November 5, 2004 to 465 registered Derby businesses. The recipients of this original survey received a follow-up reminder in the form of a postcard on November 15, 2004. By December 20, 2004, 131 usable surveys were returned, resulting in a response rate of 28.2%.

### **WHO RESPONDED TO THE SURVEY**

Responding business owners represent a variety of business operations from the City of Derby including those involved in retail trade, financial activities, education and health services, professional or business services, durable goods manufacturing, natural resources and mining, construction, wholesale trade, transportation and utilities, information and leisure and hospitality. Responding businesses ranged in size from no full-time employees to more than 95 full-time employees. Businesses were scattered throughout Derby, with heavy concentration on seven streets. A vast majority of the responding businesses were locally owned and have been operating in Derby an average of 13.4 years. Nearly 40% of respondents are members of the Derby Chamber of Commerce.

### **INFRASTRUCTURE**

#### **Transportation**

Transportation, as a general area of analysis, is a matter of significant importance to the business owners of Derby. The analysis of answers broke down into two issue categories: access and quality of streets. The category most important in terms of transportation was customer access to the business, cited by over 80% of respondents as being at least *somewhat important*. It is encouraging to recognize that nearly 90% of responding businesses currently feel customer access to their business is good. Approximately 90% of respondents also found the quality of local streets to be an important factor in their business. Just as with the access issues, a majority of respondents felt the quality of streets in the immediate area of their business and the overall quality of streets in Derby was good.

#### **City Investments**

Responding business owners indicated that areas of city investment that would generate the greatest impact on their businesses are: city streets and police and fire protection. Surprisingly, well over half the businesses indicated widening 63<sup>rd</sup> Street would have *no impact* on their business, while 40% felt it would have at least a *small positive impact*. The question involving the widening of Rock Road yielded similar results with over half of respondents indicating this construction would have *no impact* on their business and approximately 40% indicating the change would bring at least a *small positive impact*.

## **COST OF DOING BUSINESS**

### **Taxes**

While the distribution and assessment of taxes appeared to follow a fairly normal pattern, the analysis gauging the impact of various tax exemptions and monetary incentives showed business owners' overwhelming desire for such offers. Suggested exemptions included: property tax on equipment, raw materials and inventory, corporate income tax credits and a sales tax exemption on new equipment. In each instance, the percentage of businesses that considered tax exemptions at least *somewhat important* drastically outweighed those that did not consider such aid important. The most prominent result concerned a possible sales tax exemption on new equipment. Over three-quarters of the respondents indicated that this type of exemptions would be at least *somewhat important* to the future development of their business.

### **Utilities**

Another area with surprisingly concentrated results was that of utilities. Questions concerned the impact and cost of utilities such as water, wastewater, gas and electricity. In each instance, approximately 70% of businesses indicated that these items had at least *some impact* on their overall cost of doing business.

### **Labor**

The issue of labor proved to be somewhat of an analytical paradox, with a majority of businesses being nearly evenly divided in terms of satisfaction with the skills, education and cost of local labor. In terms of possession of necessary skills, the concentration of answers fell within the *disagree* or *strongly disagree* categories although those that agreed were not far behind with a total of 47 responses

When asked whether or not they felt graduates of Derby High School were prepared to enter the local workforce, over half the business owners again tended to either *disagree* or *strongly disagree*. The only question involving preparedness that did not yield a negative response dealt with graduates of area vocational/technical programs. However, the positive result did not hold on with a large margin. A total of 53.6% of respondents felt that these graduates were prepared to enter their business while 46.4% disagreed.

## **QUALITY OF LIFE**

### **Factors**

Variables examined in the measurement of quality of life included aspects such as: culture, entertainment, cost of living, the public school system, the appearance, image and spirit of Derby, the park system, city services, medical care and lodging. Taken as a whole, the responses from a majority of the tested variables yielded favorable results, with the highest concentration of answers falling into the *somewhat satisfied* to *very satisfied* categories.

### **Lodging**

One area that did receive a negative response, however, was hotels/lodging options. In contrast to the other tested variables, this item had its heaviest concentration of responses, over 70% in the *somewhat dissatisfied* to *very dissatisfied* categories.

## **GROWTH AND DEVELOPMENT OUTLOOK**

### **Growth Policy**

Components of this category include employment, investment of additional capital, and likeliness to maintain operations within the city. Analysis of the responses indicates that growth in the Derby business community has a generally positive outlook.

### **Employment**

Approximately 96% of businesses indicated that employment in their company would at least stay the same over the course of the next two years. Of those responses, 46% indicated their employment was likely to experience a small increase.

### **Investment of Additional Capital**

A little over two-thirds of respondents indicated that they were at least *likely* to invest additional capital into their business within the next two years.

### **Likelihood to Maintain Operations**

The responses on this issue were overwhelmingly positive, with over 90% of businesses indicating that they were at least *likely* to continue operation in Derby. Even more encouraging is that a majority of those positive responses indicated that they were *very likely* to remain in the city during the next five years.

### **Encouraging Derby's Growth**

When asked to determine the necessary level of promotion the city should undertake on a scale ranging from promoting growth aggressively to discouraging growth, a majority of responses indicated the city should do something to promote growth. Over 95% of the businesses indicated that Derby should at least *promote growth moderately*. This moderate approach contained the heaviest concentration of answers as compared to the smaller percentage of respondents who suggested that Derby promote growth aggressively.

## **INTRODUCTION**

The 2004 Derby Economic Development Survey was developed by Dr. Sam Yeager of the Hugo Wall School of Urban and Public Affairs, Wichita State University and the City of Derby. A copy of the original survey and cover letter are attached to this report, labeled Appendix A. The survey was distributed by mail on November 5, 2004 to 465 registered Derby businesses. The recipients of this original survey received a follow-up reminder in the form of a postcard on November 15, 2004. By December 20, 2004, 131 usable surveys were returned, resulting in a response rate of 28.2%.

The survey results have been compiled in a manner to protect the anonymity of each respondent. Participants were informed of this confidentiality in the attached cover letter. This was done to generate the greatest number of responses as well as ensure accuracy and comprehensive understanding.

## **RESPONSE RATE:**

### **Types of Businesses**

While the response rate of participants was fairly normal for a survey of this type and magnitude, the distribution of varying types of businesses was quite concentrated around a few key areas (Appendix B). It should be noted that this lack of variance could contribute to some response bias, but this trend was not detectable throughout analysis of the survey responses. Responses were coded and recorded for data processing in accordance with a chart used by the State of Kansas in analyzing budgetary matters (Appendix B). The original chart copy was provided by the U.S. Department of Labor, Bureau of Labor Statistics. The majority of respondents, 40 out of a possible 131 responses, were from the area of retail trade (33.1%). Within this broad category, the predominant types of businesses included: general merchandise (n=11), health and personal care (n=9) non-store retailers (n=5) and motor vehicles and parts (n=4). The differentiation between businesses took a significant drop after the category of retail trade, with the areas of financial activities and education and health services each maintaining 20 businesses (16.5%) There were 10 or more businesses that provide professional or business services (8.3%) and 7 or more durable goods manufacturers (5.8%). Areas that received a response rate of less than 5 included: natural resources and mining, construction, wholesale trade, transportation and utilities, information, and leisure and hospitality.

### **Size of businesses**

Responding businesses ranged in size from no full-time employees to more than 95. The average number of full-time employees was 5.3. The most frequent response (mode) was 1 and the median or middle response in the range of responses was 1 employee. Part-time employee numbers ranged from 0 to 70. The average number of part-time employees was 2.2, with a median of 1 and a mode of 0.

Businesses responding to the survey have a total of 661 full-time employees and 273 part-time employees.

### **Location of Businesses**

Responding businesses were located in a wide variety of locations throughout the City of Derby. Streets with major business concentrations include: Baltimore (n=21), Nelson (n=10), Madison (n=9), Rock Road (n=8), Osage (n=7), Buckner (n=6) and Woodlawn (n=6). Other businesses operate on 35 streets throughout Derby. It should be noted that 21 surveys had no response on this question.

### **Years of Operation**

Responding businesses have been in Derby an average of 13.4 years, with the most frequent number (mode) of years being one (1). A majority of responding businesses (n=61, 46.6%) have operated in Derby more than eleven (11) years. Surprisingly, the category with the second largest response rate included those who have been in business less than five (5) years. The total number of answers in this category was 40 (30.5%). These answers tend to lend themselves to the thought that maintenance of operation as well as new growth are prominent features of the Derby Business community.

### **Ownership**

A majority of the respondents indicated their business was locally owned (n=110, 89.4%). Businesses not locally owned broke down into three categories: company owned (n=20), franchise (n=2) and subsidiary (n=2).

### **Maintain Location**

Of the 131 responses, 112 businesses (91%) indicated they were likely to continue operating in Derby over the course of the next five years. A large majority of that response rate (n=71, 57.7%) indicated that they were *very likely* to continue operations in Derby. This is a stark contrast to those businesses indicating they were unlikely (n=6, 4.9%) or very unlikely (n=5, 4.1%) to remain in Derby in the coming years.

### **Willingness to Invest**

Although maintenance of location is a strong source of community attachment, another key element to examine is the willingness of a business to invest additional capital into the company. Only 32 establishments (26.4%) reported being very likely to engage in additional business investments in the next two years. The greatest number of respondents fell into the *likely* category (n=50, 41.3%). Interestingly, the same number of businesses were *unlikely* to invest additional capital as were *very likely* to invest additional capital into their Derby business (n=32, 26.4%).

### **Chamber of Commerce Members**

A total of 52 respondents (43.3%) indicated they were members of the Derby Chamber of Commerce. A vast majority (55.8%) are not currently members of the organization.

**FACTORS OF ECONOMIC DEVELOPMENT  
PART I: INFRASTRUCTURE**

**Transportation**

Transportation, as a general area of analysis, is a matter of significant importance to the business owners of Derby. The analysis of answers broke down into two issue categories: access and quality of streets.

The category most important in terms of transportation was customer access to the business. A total of 89 respondents (71.2%) indicated this factor was *very important* to their business. An additional 13 respondents indicated customer access was only *somewhat important*. It is encouraging to recognize that nearly 90% of responding businesses currently feel customer access to their business is good.

Additional factors that rated high in terms of importance to business included access to transportation and improved access to the Kansas Turnpike/I-35. A total of 65.9% of respondents felt access to transportation was at least *somewhat important* to their business. Similarly, 57.9% of responses indicated access to the Kansas Turnpike/I-35 was an important transportation issue. It should be noted, however, that a substantial portion of respondents (42.1%) did not feel this highway access was necessarily important.

**Question: How important are the following transportation issues to your business?**

**Table 1-1: Access**

	Very Important	Somewhat Important	Not Important
	(Percentages)		
Customer Access	71.2	10.4	18.4
Access to Services	28.6	37.3	34.1
Access to I-35	23.0	34.9	42.1

n=125-126

**Quality of Streets**

In addition to various transportation access issues, a majority of respondents also found the quality of local streets to be an important factor in their business. A total 90.5% of responding businesses indicated the quality of local streets was at least *somewhat important* to the operation of their business.

**Table 1-2: Quality**

	Very Important	Somewhat Important	Not Important
	(Percentages)		
Quality of Local Streets	68.3	22.2	9.5

n=126

Just as with the access issues, a majority of respondents felt the quality of streets in the immediate area of their business (91.7%) and the overall quality of streets in Derby (97.6%) was good. The majority of respondents also seemed satisfied with the issue of customer parking. A total 79.3% of businesses responded that customer parking at their business was good.

**Table 1-3: Judgment of Quality**

	<b>Excellent</b>	<b>Good</b>	<b>Poor</b>
		(Percentages)	
Quality of Streets in Immediate Area	25.6	66.1	8.3
Quality of Streets in Derby	6.0	81.6	2.4
Customer Parking	27.3	52.1	20.7

n=121-125

**Specific Transportation Problems**

While responding business owners generally felt positive about transportation issues in Derby, there were several constructive comments on how the system could be improved in order to better suit business needs.

**Question: “Is there a specific transportation issue that affects your business?”**

Only 16 business owners (15.4 %) felt there was a specific transportation problem which impacted their business.

**Parking:** 2 responses

**Traffic/Streets:** 9 responses

**Other:** 4 responses

Responses to this prompt included the desire for better access to shopping centers, faster access to the east and south sides of Wichita and surrounding communities, and the concern that constant construction is hurting local business.

## City Investments

**Question: “What impact would investment in the following projects have on your business?”**

**Table 1-4: Impact of Additional City Investments**

	Large Positive Impact	Small Positive Impact	No Impact	Small Negative Impact	Large Negative Impact
	(Percentages)				
Beautification	14.8	38.5	37.7	4.1	4.9
Police Protection	35.2	38.3	24.2	0.8	1.6
Fire Protection	32.0	39.8	27.3	0.8	0.0
EMS Service	30.2	31.7	37.3	0.8	0.0
City Streets	34.9	42.1	17.5	4.0	1.6
63 <sup>rd</sup> Street	15.9	22.2	58.7	3.2	0.0
Rock Road	17.5	22.2	54.8	4.8	0.8
Hike/Bike Paths	6.3	17.2	69.5	1.6	5.5
Hotel/Lodging	8.6	29.7	56.3	3.9	1.6
n=122-128					

Over three quarters (77%) of the businesses felt investments to city streets would have at least a *small positive impact* on their business. Similarly, nearly three-quarters of respondents felt additional investments in both police (73.4%) and fire (71.9%) protection would have a positive impact on their business. Over half of the businesses (58.7%) felt that widening 63<sup>rd</sup> Street would have *no impact* on their business, while 38.1 percent felt it would have at least a *small positive impact*. The question involving the widening of Rock Road yielded similar results, with over half (54.8%) of respondents indicating this construction would have *no impact* on their business, and a total of 39.7% indicating the change would bring at least a *small positive impact*.

## PART II: COST OF DOING BUSINESS

### Taxes

There are several factors affecting business ownership and economic development within the City of Derby. Key issues for citizens and business owners of the area center around the delineation and distribution of taxes including local, state and federal taxes and fees as well as the cost of gas and electric utilities, water and wastewater utilities and leasing payments or mortgages. If citizens are not satisfied with the rate at which they are assessed fees and taxes, it is unlikely their satisfaction with the environment in which their business operates will be high. If current tax environments and the cost of doing business are unfavorable, most business owners only see that problem as one that is continually worsening. In the case of the City of Derby, satisfaction with federal, state and local taxes distributed in a fairly normal pattern, with the concentration of responses falling within the *some impact* and *little impact* categories.

**Question: How have costs for the following items impacted your business THIS YEAR?**

**Table 2-1: Taxes and Fees**

	<b>Great Impact</b>	<b>Some Impact</b>	<b>Little Impact</b>	<b>No Impact</b>
	(Percentages)			
Local Taxes	17.2	36.7	35.9	10.2
State Taxes	24.2	29.7	30.5	10.2
Federal Taxes	22.0	30.7	32.3	15.0

n=127-128

From these results, it does not appear business owners are any more or less disgruntled with taxes at the local level as they are with taxes at the larger state and federal levels. This indicates a sort of general discontent with taxes in terms of the impact they have on local business in Derby.

**Incentives**

A secondary area of taxes that carried considerable weight was the idea and offer of various monetary incentives. In order to offset large fees or a disgruntled tax base, cities often have the means and opportunity to offer various tax credits and incentives, especially to local businesses. It is clear from the results of this survey the business owners of Derby are strongly in favor of introducing some type of exemptions and that, on both the local and state level, these exemptions are a key ingredient for business development and expansion. Categories being considered for exemption include: property tax equipment, property tax raw materials, property tax inventory, corporate income and sales tax equipment. In *each* of the following instances, the percentage of businesses that considered tax exemptions at least *somewhat important* drastically outweighed those that did not consider such aid important.

**Question: “Suppose you were considering new business development or expansion of your present business. How important would the following issues or incentives be to your decision”?**

**Table 2-2: Exemptions**

	<b>Very Important</b>	<b>Somewhat Important</b>	<b>Not Important</b>
	(Percentages)		
Property Tax on Equip.	43.4	31.1	25.4
Property Tax on Raw Materials	29.2	31.7	39.2
Property Tax on Inventory	39.3	30.3	30.3
Corporate Income Tax Credit	32.8	32.8	24.4
Sales Tax on Equipment	58.3	20.0	21.7

n=118-122

Nearly three-quarters of respondents (n=91, 74.5%) found a property tax exemption on equipment to be at least *somewhat important* to the development and expansion of their

business. While the numbers were not as drastic for property tax exemptions on raw materials, a large portion of respondents (n=73, 60.9%) found these exemptions to be at least *somewhat important* to them. Businesses were predominantly, although by only a slight margin, in favor of a property tax exemption on inventory. A total of 48 (39.3%) respondents indicated they would be in favor of this type of incentive while 37 (30.3%) indicated the exemption was *somewhat or not important* to their business.

Corporate income tax credits were also an area of strong consensus. A total of 86 respondents indicated these credits were at least of *some importance* to their business. Of the types of responding businesses, retail trade was the strongest category to signify importance with a total of 27 out of possible 39 businesses responding that income tax credits had at least *some importance* to them. Another area of strong agreement was financial activities, with 17 out of 19 respondents indicating credits were important to the expansion and development of their business.

The final and most pronounced category of incentives was a possible sales tax equipment exemption. Over three-quarters of the respondents (n=94, 78.3%) indicated exemptions on the sales tax of equipment was at least *somewhat important* to the future development of their business. Of the individual business category respondents, retail trade carried by far the heaviest concentration of agreement with 31 out of a possible 39 respondents agreeing an exemption was at least *somewhat important* to their business. Close seconds on this question included financial activities (n=15 out of 19) and education and health services (n=14 out of 19) indicating at least *some importance*.

### **Utilities**

While the satisfaction and impact of local, state and federal taxes appears to concentrate itself along a fairly normal distribution pattern, the results concerning satisfaction and impact of the cost of utilities, water and wastewater contains slightly more skewed results. Responses were heavily concentrated in the *great impact* and *some impact* categories, indicating a great majority of businesses find these aspects of the City of Derby to influence, in some way, their cost of doing business. Due to the nature of responding businesses, it is not quite clear if the sentiments of the respondents are exclusive or whether they mirror the feelings of the rest of the Derby business community.

### **Question: “How have costs for the following items impacted your business THIS YEAR”?**

A majority of responding businesses (n=87, 69.6%) indicated the cost of gas and electric utilities had at least *some impact* on their cost of doing business. This is compared to only 30.4% of respondents who reported the cost of these utilities had, at most, little impact on their overall operation.

**Table 2-3: Utilities**

	<b>Great Impact</b>	<b>Some Impact</b>	<b>Little Impact</b>	<b>No Impact</b>
		(Percentages)		
Gas/Electric	28.8	40.8	23.2	7.2
Water/Wastewater	33.9	34.6	18.9	12.6

n=125-127

Again, in the instance of the cost of water and wastewater utilities, a majority of responding businesses (n=87, 68.5%) indicated these items had at least *some impact* on their cost of doing business. This is compared to only 31.5% responding the cost of these utilities had, at most, little impact on their overall operation.

**Labor**

Another key element of any business is the issue of labor. It is essential for businesses to have adequate access to potential employees who possess the necessary skills, education and experience to be successful within the company. Frustration compounds when employers are unable to locally find the help they need, and, even if they do, for that labor to come at a high price. Business owners are then forced to look outside the local arena, subsequently disengaging local citizens and detaching from the immediate community. It is difficult to keep local business truly local if the employees are not located in the close population. This survey measured several concepts of labor issues including: the ability to find employees with necessary skills, the capability of local academic institutions to prepare potential employees for local employment and the overall cost of labor. While the respondents of these questions tended to disagree with the prompted statement, the results did not indicate vast differences of opinion. It is perhaps this lack of discrepancy that is most interesting.

**Question: “It is easy to find employees with the skills needed for my business” (circle one).**

While at least 58.4% (n=66) *disagreed* with this statement, this is compared to a surprising 41.6% (n=47) who *agreed* with the statement. This close distribution of numbers leaves room for consideration as to why, if each local business, especially those within the same business category, is able to draw from the same pool of employees, there is such marked contrast in the answer to this question.

**Table 2-4: Employee Skills**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
		(Percentages)		
Employee Skills	4.4	37.2	47.8	10.6

n=113

When further analyzed and cross-tabbed to separate individual business types, the results become even more outstanding, accented in the areas of retail trade and financial activities.

**Table 2-5: Cross-Tab of Types of Businesses and Employee Skills**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>	<b>Total</b>
Durable Goods	1	0	6	0	7
<b>Retail Trade</b>	<b>1</b>	<b>15</b>	<b>15</b>	<b>6</b>	<b>37</b>
Information	0	1	3	0	4
<b>Financial Activities</b>	<b>2</b>	<b>9</b>	<b>9</b>	<b>0</b>	<b>20</b>
Prof. & Bus. Services	0	3	4	0	7
Ed. & Health Services	0	6	7	3	16
Leisure & Hospitality	0	2	2	0	4
Other	0	2	5	3	10

Not only did these two categories have the greatest number of respondents, but the answer to the question was evenly divided between the *agree* and *disagree* options. Again, this finding begs the question of why there is such a marked contrast within an individual business category. Due to its contradicting results, employee skills is an area that could merit future consideration, perhaps involving a more detailed, area-specific analysis.

Also in terms of preparedness is the concern of whether graduates of local academic institutions, namely Derby High School and area vocational/technical schools are delivering graduates who are adequately prepared to enter the local business community in Derby.

**Question: “Graduates of Derby High School are adequately prepared for employment in my business”.**

The tendency of responses in DHS category mirror that of the previous question concerning employee skills in that responses split rather evenly between the *agree* and *disagree* categories. This concentration of answers also centered on the categories of retail trade and financial activities, with the latter category falling into a fairly even split (agree=8, disagree=9). Retail trade, however, was slightly off-balance with 9 respondents agreeing with the statement and 14 disagreeing. Due to its similar split distribution, further analysis may be warranted.

**Table 2-6: Graduate Preparedness**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
		(Percentages)		
Derby High	5.3	36.0	37.7	21.1
Vo-Tech	6.3	47.3	34.8	11.6
n=114				

**Question: “Graduates of area vocational/technical schools are adequately prepared for employment in my business”.**

The nature of answers in the vocational/technical preparedness category were even closer than the previous two, although, in contrast to prior analysis, answers tended slightly more to the *agree* category. Cross tabs showed a healthy agreement that graduates were indeed prepared to enter local business within the categories of financial activities (n=10 out of 20) and educational and health services (n=12 out of 17). The category of retail trade had the largest amount of responses and, surprisingly, had the largest number of responses *disagree* with the statement. A total of 20 out of possible 36 respondents reported they at least *disagreed* with the prompted statement.

This split phenomenon did not seem to be restricted to just those questions dealing with the qualities of employees; it was a factor in the cost of labor equation as well. When asked whether they thought labor costs were too high, a total of 54 respondents *agreed* with the statement while a slightly higher number (n=58) *disagreed* with the statement.

**Question: “My labor costs are too high”.**

**Table 2-7: Cost of Labor**

	<b>Strongly Agree</b>	<b>Agree</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
		(Percentages)		
Cost too high	5.4	42.9	44.6	7.1
n=112				

When individual business types were examined, the strongest source for this split occurred in the category of retail trade. Within a total of 37 responses, 17 respondents *agreed* with the statement while 16 respondents *disagreed* with the statement.

**PART III: QUALITY OF LIFE**

**Factors**

Quality of life in the city of Derby was measured using dynamics such as the public school system, entertainment accessibility, cost of living, appearance, climate, image, city parks, community spirit, city services, medical accessibility and lodging. Overall, the results of most of these factors were strongly favorable with the majority of respondents being at least somewhat satisfied. The responses with the highest favorable majority which are directly or indirectly impacted by the actions of local government leadership are shown in the following chart.

**Question: “How satisfied are you with each of the following general “quality of life” factors in Derby”?**

**Table 3-1: Quality of Life**

	Very Satisfied	Somewhat Satisfied	Somewhat Dissatisfied	Very Dissatisfied
	(Percentages)			
Public Schools	41.2	48.0	6.1	10.2
City Appearance	35.1	52.7	7.6	0.8
Community Spirit	35.1	51.1	6.9	2.3
Image of Derby	33.6	55.0	5.3	2.3
City Services	28.2	59.5	3.8	3.8
Lodging	4.6	17.6	42.0	30.5
n=124-126				

### **Lodging**

The issue of lodging and its affect on the quality of life measured the highest negative response in terms of quality of life issues. A majority of the businesses that responded to the survey responded either *somewhat* or *very dissatisfied*.

## **PART IV: GROWTH & DEVELOPMENT OUTLOOK**

Taken as a whole, businesses within the City of Derby are generally content with the city provided services and presentation of the city. All of the discussed factors in this survey report contribute to the maintenance, growth and expansion of local business. The needs and wants of local business owners in this community do not appear to be significantly different from the needs and wants of local businesses in any area. Citizens and business owners want to know the local government cares about the happenings of its city and that officials are concerned about maintaining positive relationships and continuously working towards growth.

### **Growth Policy**

According to the survey responses, a majority of businesses speculated that, during the course of the next two years, employment in their business is, at the very least, likely to stay the same, if not show some type of increase. A total of 119 (95.9%) businesses indicated that employment in their company would at least stay the same. Of these responses, 57 (45.9%) indicated that employment was likely to experience at least a small increase. Only a total of 5 (4.0%) responses speculated that their business was likely to encounter a decrease in employment during the next two years.

**Question: “In the next two (2) years, employment in your business in Derby is most likely to:”**

**Table 4-1: Employment Growth**

	Large Increase	Small Increase	Stay the Same	Small Decrease	Large Increase
	(Percentages)				
Expected Growth	4.8	41.1	50.0	3.2	0.8
n=124					

Business owners were also asked to rate their likelihood of investing additional capital into their Derby business within the next two years. Answers were measured on a four-point scale ranging from *very likely* to *very unlikely*.

**Question: In the next two years, how likely are you to invest additional capital in your business in Derby?**

A total of 82 (67.7%) respondents indicated they were at least *likely* to invest additional capital into their business within the next two years. However, that still leaves 32.2% of respondents who are, at the very least, *unlikely* to invest additional capital into their business within the next two years. We are unable to determine, whether this has anything to do with their location in the City of Derby or whether it concerns a private business matter.

**Question: During the next five (5) years, how likely is your business to remain in Derby?**

Lastly, it is important to know if, regardless of the sentiments of local business owners towards Derby, businesses are likely to remain in and continue operation in the city. The responses on this issue were overwhelmingly positive, with 112 (91%) businesses indicating they were at least *likely* to continue operation in Derby. Even more encouraging is that 71 of those 112 positive responses indicated they were *very likely* to remain in the city during the next five years.

**Table 4-2: Investment and Operation**

	<b>Very Likely</b>	<b>Likely</b>	<b>Unlikely</b>	<b>Very Unlikely</b>
		(Percentages)		
Likelihood to Invest	26.4	41.3	26.4	5.8
Likelihood to Stay in Derby	57.7	33.3	4.9	4.1

n=121-123

**Promotion of Derby**

A final thought to consider is the promotion of Derby. In order to continue to grow the idea that Derby is a desirable place to not only live and work but to operate a business, the city must develop a plan to promote the growth and expansion of the community. Surveyed business owners seemed to echo this sentiment in their responses. When asked to determine the necessary level of promotion the city should undertake on a scale ranging from promoting growth aggressively to discouraging growth, a majority of responses indicated the city should do something to promote growth. A total of 119 (97.5%) of the businesses indicated Derby should at least *promote growth moderately*. This moderate approach contained the heaviest concentration of answers with 81 (66.4%) indicative responses as compared to the 31.1% of answers suggesting that Derby *promote growth aggressively*.

**Table 4-3: Promotion of Derby**

	<b>Promote Growth Aggressively</b>	<b>Promote Growth Moderately</b>	<b>Do Nothing</b>	<b>Discourage Growth</b>
		(Percentages)		
Derby should...	31.1	66.4	0.8	1.6

n=122

It is encouraging to note only one answer indicated Derby should *do nothing* to promote growth and only two answers suggested the city *discourage* growth.

<b>Appendix B: Breakdown of Businesses</b>		
<b>Type</b>	<b>Count</b>	<b>Percentage</b>
<b>Natural Resources &amp; Mining</b>	1	.8
<b>Construction</b>		.8
Specialty trade contractors	1	
<b>Manufacturing-Durable Goods</b>		5.8
Fabricated Metal Products	4	
Elec. Equip., App.	2	
Aerospace products & parts	1	
<b>Wholesale Trade</b>	1	.8
<b>Retail Trade</b>		33.1
Motor Vehicles & Parts	4	
Grocery stores	1	
Electronics & Appliance	1	
Building material & Garden	2	
Health and Personal Care	9	
Gasoline Stations	1	
Clothing & Accessories	2	
Sporting goods, hobby, book & music stores	3	
General Merchandise	11	
Non-store retailers	5	
<b>Transportation &amp; Utilities</b>		.8
Transportation & Warehousing	1	
<b>Information</b>		4.1
Publishing industries	11	
Broadcasting	1	
Internet Publishing & Broadcasting	1	
Internet Service Providers	1	
<b>Financial Activities</b>		16.5
Finance & Insurance	9	
Real Estate & Rentals & Leasing	9	
Monetary Authorities	5	
<b>Professional &amp; Business Services</b>	10	8.3
<b>Educational and Health Services</b>		16.5
Education	1	
Health Care & Social Assistance	17	
Nursing & Residential Care	2	
<b>Leisure &amp; Hospitality</b>		3.3
Arts, Entertainment & Recreation	1	
Food Services & Drinking Places	2	
Museums & historical sites	1	
<b>Other</b>		9.1
Repair & Maintenance	10	
Religious, grant making, civic, professional & similar organizations	1	

