



SELECT
SOUTHLAKE

2023 BUSINESS CLIMATE SURVEY REPORT

City of Southlake - Department of Economic Development & Tourism

Published December 2023

The Southlake Economic Development and Tourism Department's mission is to sustain and grow Southlake's vibrant economy and outstanding quality of life by providing leadership and resources for the creation, expansion and retention of businesses and visitors.



**BUSINESS
CLIMATE
SURVEY**



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Introduction

BACKGROUND

The City of Southlake strives to maintain a strong and healthy economy and has dedicated time and resources to economic development, identified as a vital city function, in order to do so. There are various economic indicators that can give the City a better sense of the economic conditions in the community, however, these indicators can be limited in their ability to give local leaders insight as to what the City does effectively to stimulate and support business activity in the community.

To address this need, the Economic Development Master Plan, adopted in 2016, identified evaluating the city's economic programs by conducting an annual business climate & satisfaction survey as a policy recommendation for its business retention efforts. In order to fulfill this requirement, the master plan recommended conducting an annual business climate survey that collects information from Southlake employers about their outlook and needs and to determine if the City's programs are meeting those needs.

WHY A BUSINESS SURVEY?

Business climate indicates how state, regional and local policies, relationships and local communities support business development. Ultimately, a good business climate allows businesses to conduct their affairs with minimal interference while accessing high quality inputs and customers at low costs. While no business climate is perfect for every kind of company, certain attributes of the regional or local economy allow investors to find fewer risks and higher returns when compared to other places. Business opinion/satisfaction surveys enable businesses to share their perceptions and suggestions about local government, specific public issues, and the various services provided to them by their governing body including the mayor, city council, other elected & appointed officials, city staff. These local decision-makers often

have to make important decisions with limited information and input from residents and businesses. Business surveys can assist in bridging this gap and ensure decision-makers have the most accurate information.

By conducting a business climate survey, the City will obtain the most current information about local businesses and have a better understanding of local challenges and perceptions of the business community. This type of survey also demonstrates the City's support for the local business community, uncovers opportunities to improve the local business climate, finds benefits for existing businesses and provides a means for the City to evaluate its current and future programs to provide more effective programs to businesses.

Ultimately, the survey results and analyses presented in this report will provide the City Council, Community Enhancement & Development Corporation, and City staff with information that can be used to make sound, strategic decisions in a variety of areas, including service improvements and enhancements, measuring and tracking internal performance, budgeting, policy, and planning not just through Economic Development initiatives but through City-wide decision making. This report is the fourth of its kind since the first business climate survey was conducted in 2019.

GOALS & OBJECTIVES

Quality of Life is the economic well being, life style, and environment that an area offers. Improving the quality of life is the ultimate aim of economic development programs and initiatives. A balance has to be maintained between encouraging the growth of the local economy, while limiting impacts upon the quality of life. In order to achieve the best quality of life possible, tools such as this Business Climate Survey are used to obtain

2023 BUSINESS CLIMATE SURVEY

a better understanding of local economic conditions.

Understanding labor challenges, labor demographics, struggling local industries, business trends, upcoming challenges and how to effectively use technology all contribute to the local business climate, and pro-actively obtaining this information keeps the City “on-the-pulse” of the local environment.

Working with the Community Enhancement & Development Corporation (CEDC), City staff developed goals for the survey understanding that upon getting results and conducting future surveys, goals will be adjusted accordingly.



SURVEY STRUCTURE

City of Southlake Economic Development staff worked closely with the CEDC to develop a questionnaire that covered the topic areas that would be of most value to the City. Upon evaluation, it was determined that obtaining core business data, perceptions/sentiment about the business environment and evaluating the City’s service performance should be the focus. This strategy has continued into 2023.

Additionally, the CEDC discussed strategies to encourage participation since time is extremely valuable for businesses. For this reason the survey was divided in two; a short-form survey consisting of approximately 10-questions and a long-form survey that includes an additional 28-questions for those businesses that chose to contribute more of their time.

The development of the questions for the survey consisted of three focus areas: 1) Business Data, focused on obtaining data associated with the specific business such as sales trends, number of employees and years in operation; 2) Business Environment focused on getting the business perspective and opinions on labor availability, taxes and local to national economy; and 3) Community Environment which focused on level/quality of service that the City provides to the local business community.

OVERVIEW OF METHODOLOGY

Data for the 2023 survey was collected through an on-line survey developed in-house by City staff. The survey was open between July 24 to September 10, 2023, a total of 50-days. The City used its business contact database, consisting of over 1,400 businesses, to communicate with local businesses about the survey. Numerous emails, social media posts and an article through My Southlake News were drafted in an effort to get maximum participation from Southlake businesses.

The City also partnered with the Southlake Chamber of Commerce to distribute information about the survey through their various communication channels and during their public events.

City staff and volunteers also personally visited all major commercial centers and discussed the survey in each business that would allow.

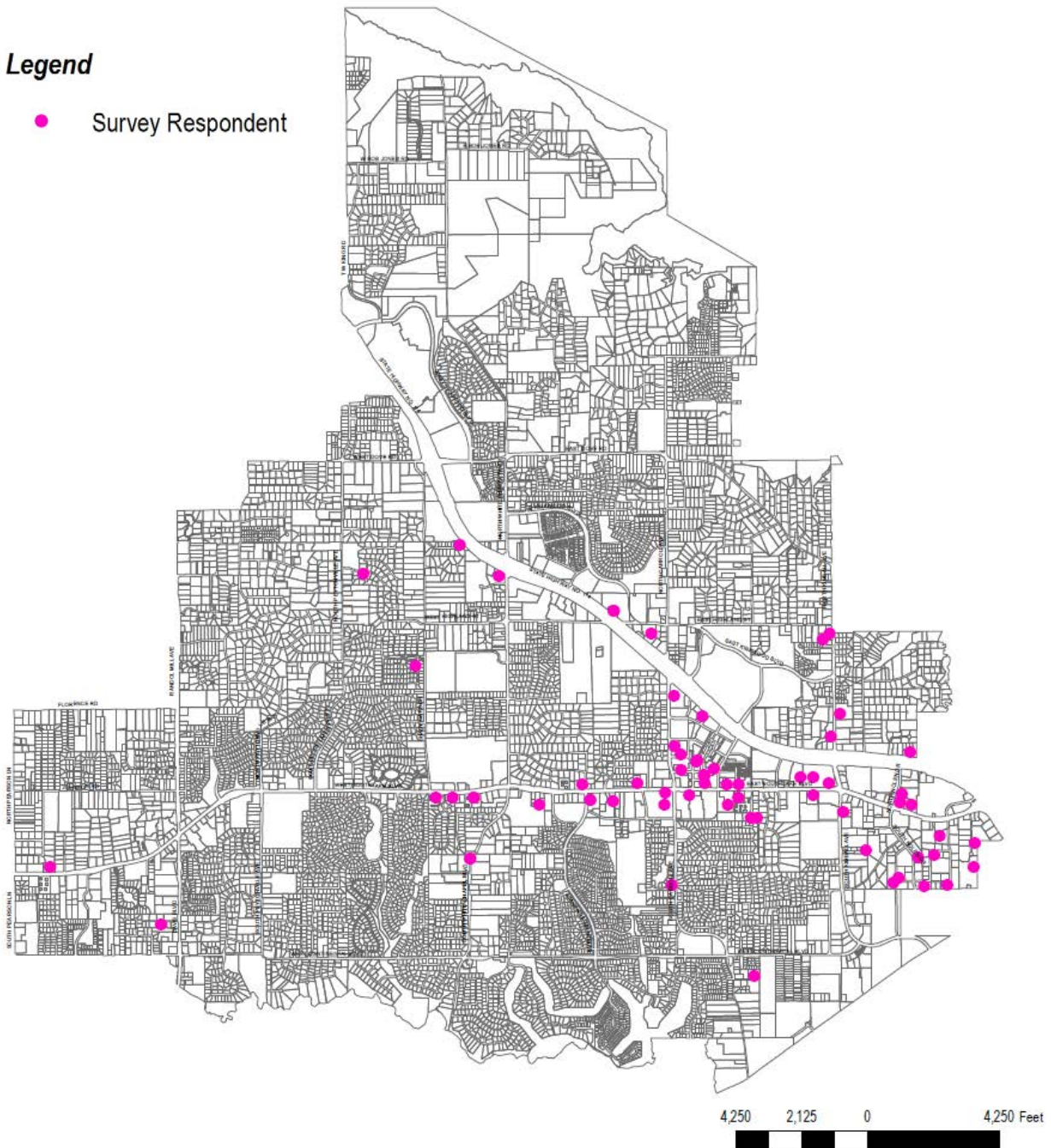
Introduction

During this survey period, 70 businesses completed the short-form version of the survey. These responses were largely concentrated throughout the City's commercial centers (see Business Response Distribution Map shown below). Additionally, 60 businesses volunteered to complete the optional long-form version of the survey.

BUSINESS RESPONSE DISTRIBUTION MAP

Legend

- Survey Respondent



REPORT ORGANIZATION

This report has been drafted to separate the short-form and long-form portion of the business climate survey. Both forms of the survey have questions related to the focus areas of the survey consisting of Business Data, Business Environment and Community Environment.

In addition to the responses from the 2022 survey, responses from the 2020 and 2019 surveys are also shown so trend information can be shown. This information will be important so the City can understand where improvements are being made or what areas are lacking in the business environment.

The sections below lists the questions that were asked in the short form and long form of the business climate survey.

SHORT FORM SURVEY QUESTIONS

1. How many employees work at your business location in Southlake?
2. What would you say is the greatest benefit of being located in Southlake?
3. How long has your business been located in Southlake?
4. What is your primary source of customers/sales for your business?
5. How would you best describe your sales/revenue of your business over the last year?
6. How would you best describe the local business climate in Southlake?
7. What would you say is the greatest challenge to being located in Southlake?
8. Overall, how would you best describe the level of service provided by the City?
9. Would you like to let the City know anything else?
10. How did you hear about this survey?

LONG FORM SURVEY - Business Data

1. What best describes your business?
2. What industry best describes the services/work your business does?
3. What is your forecast for sales/revenue trend in the next 12 months?
4. What best describes most of your employees status?
5. Over the last 12-months, how would you best describe your employment needs?
6. What is the highest level of education your employees need to begin working at your place of business?
7. In the next 12-months, what do you anticipate your employment needs to be?
8. Where is most of your customer/client base coming from?
9. How far would you say most of your employees/workforce are commuting from?
10. Is your business a member of the Southlake Chamber of Commerce or other Chamber of Commerce?
11. Does your business sell goods/services online through a website or app?

LONG FORM SURVEY - Business Environment

1. Do you feel your business is set to grow/expand in the next year?
2. To what extent do state and local taxes prevent your business from growing?
3. How would you best describe the regional economy in North Texas (DFW)?
4. How would you best describe the state economy in Texas?
5. How would you best describe the national

Introduction

economy?

6. How would you rate Southlake as a place to do business?
7. How would you describe Southlake as a place to do business versus other communities?
8. How would you define your business ability to hire employees/labor?
9. What is one thing you would change about the location your business is at?
10. What do you feel is greatest challenge facing the Southlake business environment?
11. What do you feel is the greatest benefit to being a business in Southlake?

LONG FORM SURVEY - Community Environment

1. How would you rate the quality of water service in Southlake?
2. How would you rate your most recent interaction with a City employee?
3. Do you believe Southlake is as attractive a place to work as it was 5 years ago?
4. How would you rate the appearance of where you do business in Southlake?
5. How would you rate the quality of streets/roads in Southlake?



BUSINESS CLIMATE SURVEY

FOR NEW
BUSINESS
OPPORTUNITIES,
IT HELPS BEING
AROUND NEW
BUSINESSES.

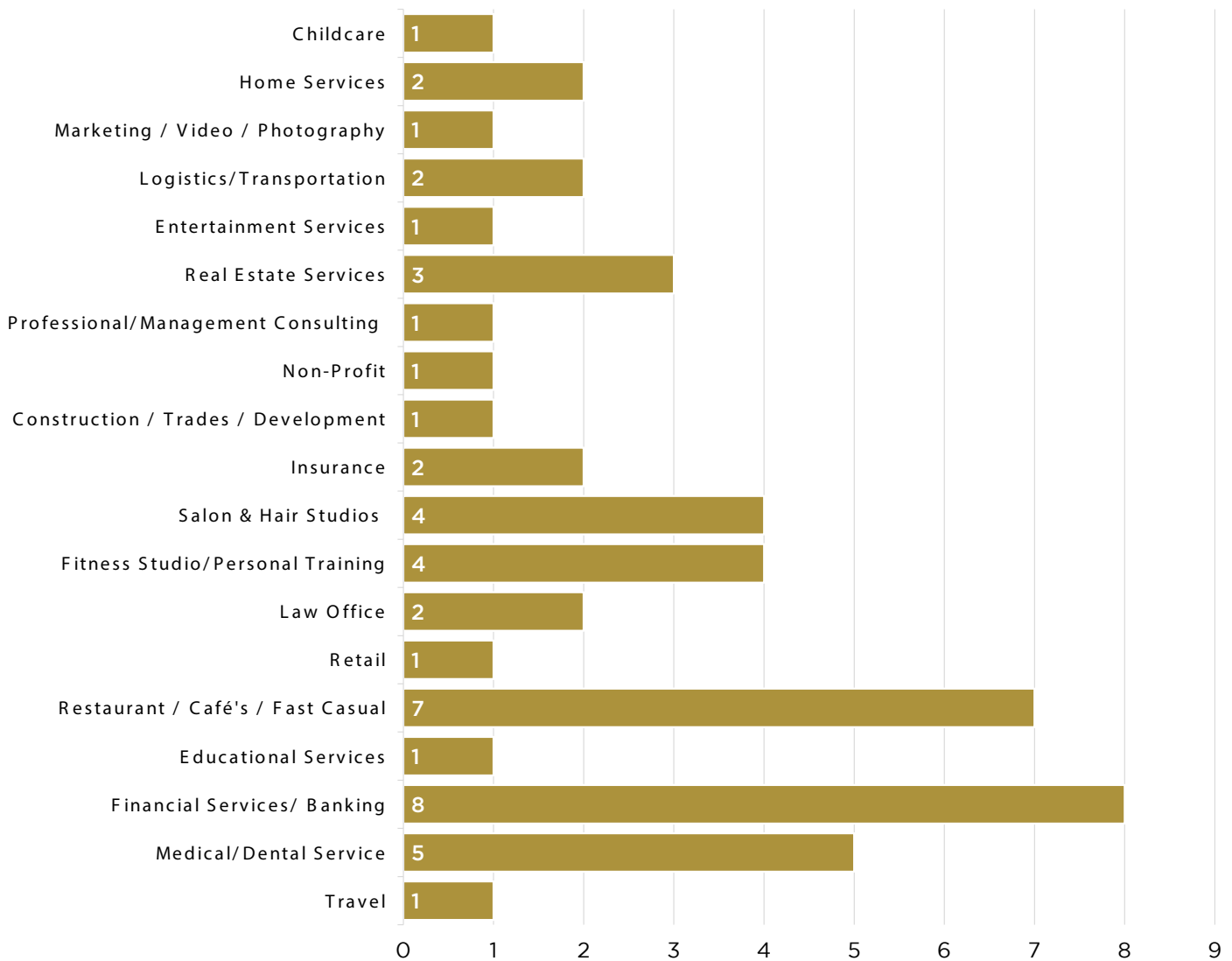


Short Form Survey

The Short Form portion of the Business Climate Survey received about the same participation as the 2022 with 70 business respondents. There are a total of 2,569 businesses in Southlake, however, many of these represent web-based, home-based, P.O. Box registered businesses in Southlake which in most cases the City does not get an opportunity to interact or obtain the necessary information from such businesses.

The City of Southlake follows the North American Industry Classification System (NAICS) for classifying businesses. The NAICS is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. For the purposes of this survey however, categories that are more familiar with the general public have been utilized so a good understanding of the industries the businesses represent are shown.

BUSINESS CLIMATE SURVEY INDUSTRY REPRESENTATION CHART

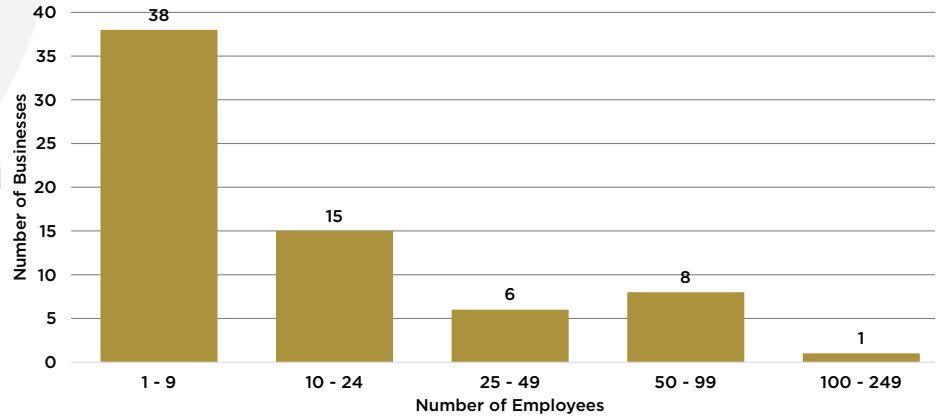


2023 BUSINESS CLIMATE SURVEY

HOW MANY EMPLOYEES WORK AT YOUR BUSINESS LOCATION IN SOUTHLAKE?

Number of Employees

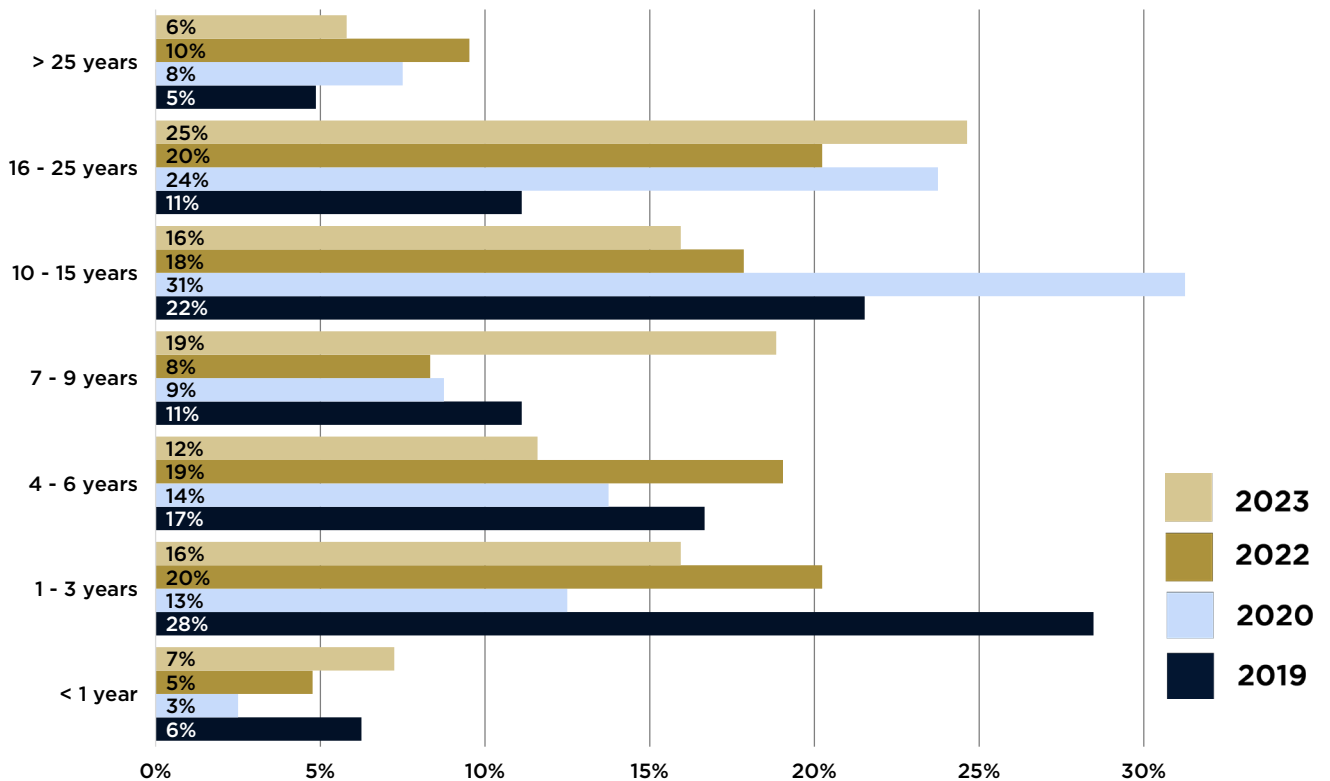
The employees that work at a local business contribute in significant ways to the local economy beyond the employment itself. People employed in a community contribute by sustaining other businesses within that community and creating demand for services that may or may not already exist.



HOW LONG HAS YOUR BUSINESS BEEN LOCATED IN SOUTHLAKE?

Years in Operation

The number of years a business has been located in a community can indicate a variety of things. The customer base and relationships the business has established with customers, the geographic location within North Texas, relationship with the City, loyalty and performance of its employees and cost of doing business are all factors that can influence a business to remain in a community. In 2023, Southlake had almost half (47%) of businesses respond that they have been in operation for 10-years or more.

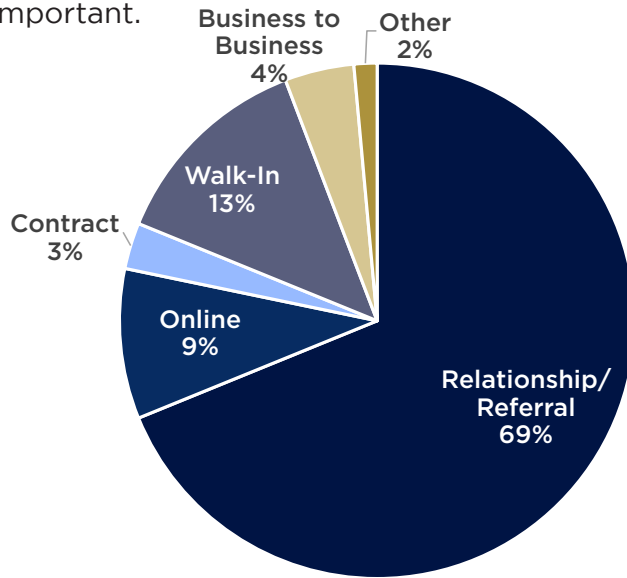


Short Form Survey

WHAT IS YOUR PRIMARY SOURCE OF CUSTOMERS/SALES FOR YOUR BUSINESS?

Source of Business

How a business primarily conducts its business can help the City understand and target its efforts on marketing the community. The majority of businesses in 2023 that took the survey in Southlake (69%) depend on relationships & referrals as their primary source of business. This tells us that networking and opportunities to build relationships with other business owners in the community is important.



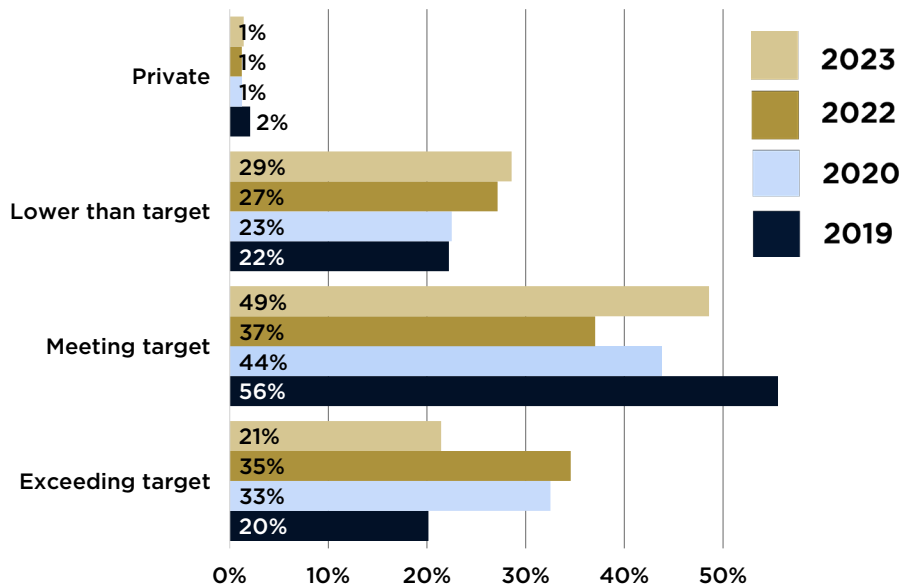
OTHER COMMENTS:

Exhibitions
Lectures

HOW WOULD YOU BEST DESCRIBE YOUR SALES/REVENUE OF YOUR BUSINESS?

Sales Targets

While the actual sales of a business can ultimately tell us whether or not it's profitable, the sales target can be more indicative of its sales expectations for the future. By learning whether businesses are meeting their sales target or not, we can learn if the City of Southlake's business climate is conducive for growth. Of all the businesses surveyed, 70% indicated they are either meeting or exceeding their sales target in 2023.

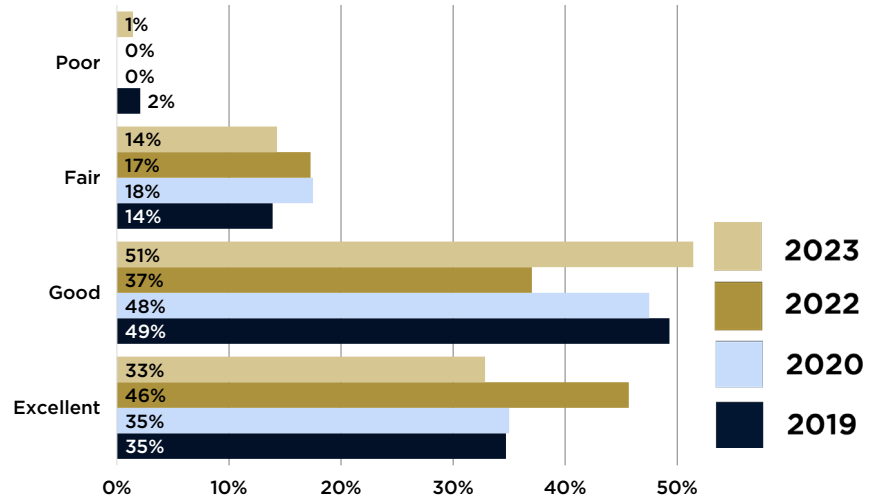


2023 BUSINESS CLIMATE SURVEY

HOW WOULD YOU BEST DESCRIBE THE LOCAL BUSINESS CLIMATE IN SOUTHLAKE?

Local Business Climate

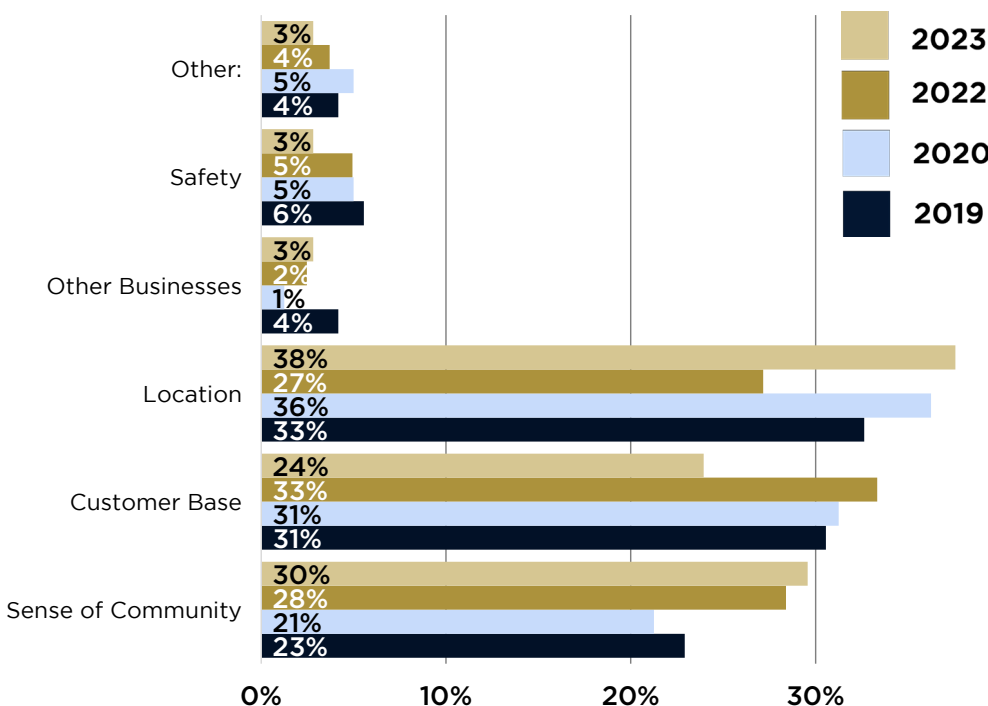
Having the “pulse” of the business community is at the heart of the goals of this survey. Assessing the local business climate tells us if businesses feel this is a good environment to conduct their business. Of all the businesses surveyed in 2023, 84% believe the business climate in Southlake is either excellent or good.



WHAT WOULD YOU SAY IS THE GREATEST BENEFIT OF BEING LOCATED IN SOUTHLAKE?

Local Benefits

Understanding the local benefits of the community can help the City focus its efforts on maintaining and improving those benefits. Survey respondents in 2023 said they felt location and sense of community were the greatest benefits of being located in Southlake, accounting for 68% of responses. Customer base as a benefit received a 9% drop from 2022.



OTHER COMMENTS:

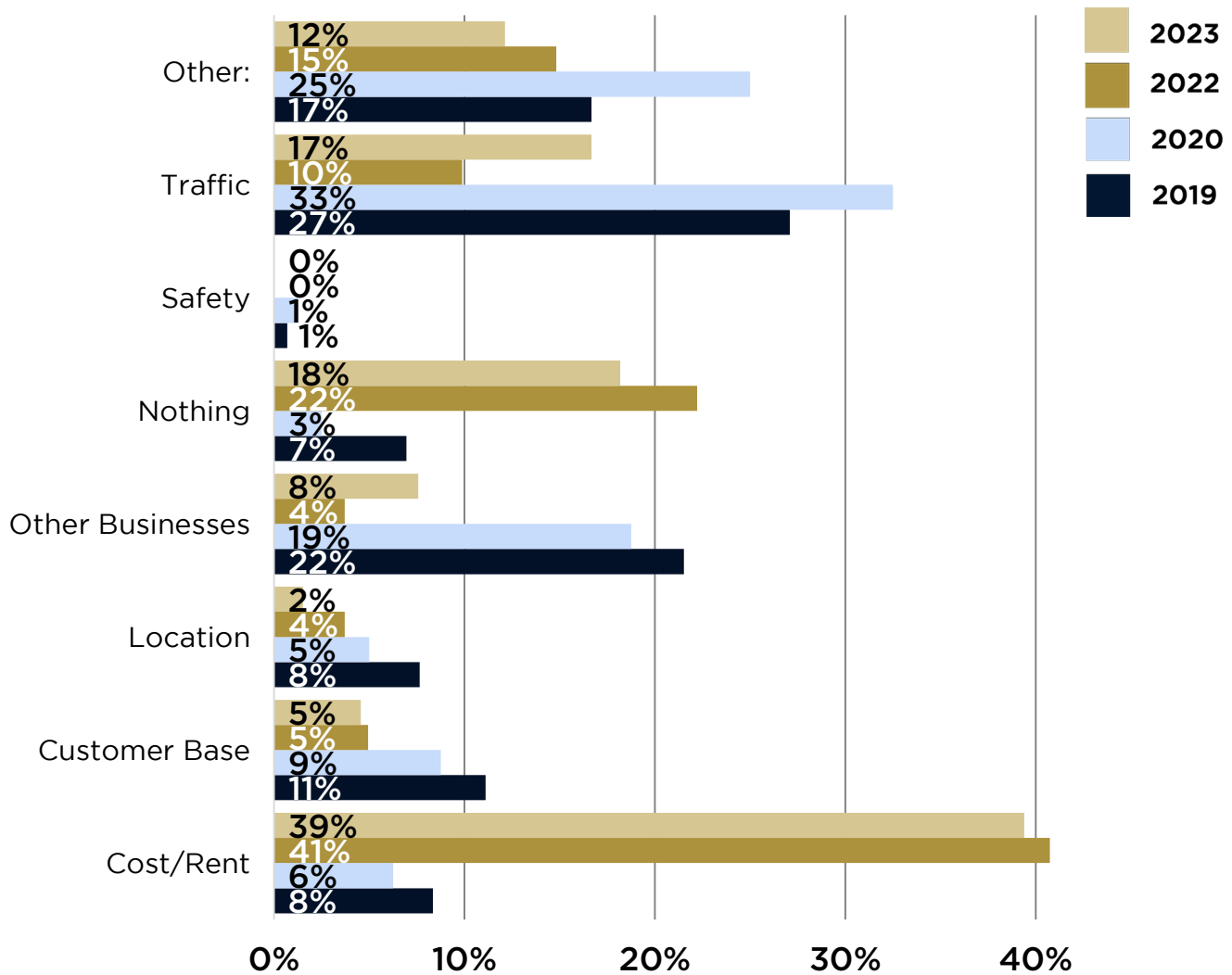
No benefit
Service of Community

Short Form Survey

WHAT WOULD YOU SAY IS THE GREATEST CHALLENGE OF BEING LOCATED IN SOUTHLAKE?

Local Challenges

Understanding the community's challenges can help the City understand where its efforts should be spent to support the business environment. Most businesses (39%) indicated that cost/rent remain the main challenge in Southlake. Traffic is also of concern and saw an increase over 2022.



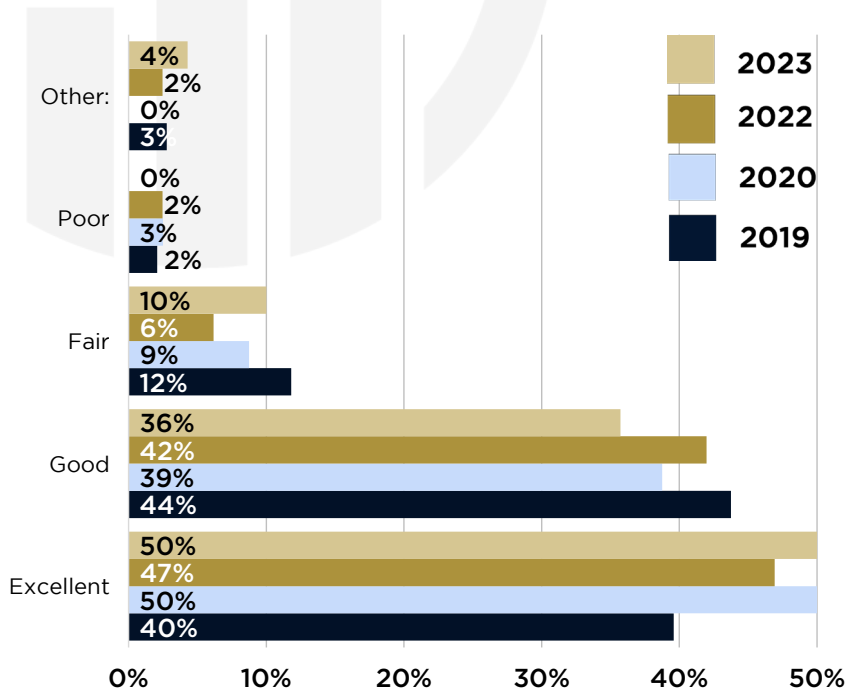
OTHER COMMENTS:

Branding
 Hiring outside Southlake
 Labor Pool
 Lack of population density
 Requirement to be open until 9
 instead of 7 like nearby stores

Racial Challenges
 Visibility
 Reputation as wealthy
 Parking, Square specifically
 40% of business is Dallas County
 No effective local resource for reaching
 new customers

2023 BUSINESS CLIMATE SURVEY

OVERALL, HOW WOULD YOU BEST DESCRIBE THE LEVEL OF SERVICE PROVIDED BY THE CITY OF SOUTHLAKE?



Quality of City Services

The City of Southlake, as a local municipality, is primarily tasked with providing services to those that reside and conduct business in the community. Knowing how well the City performs and provides these services is key in its performance management. Of all the businesses that responded, 86% of businesses felt that the City provides an excellent or good level of service. All respondents felt services are fair or better, an increase over all previous years.

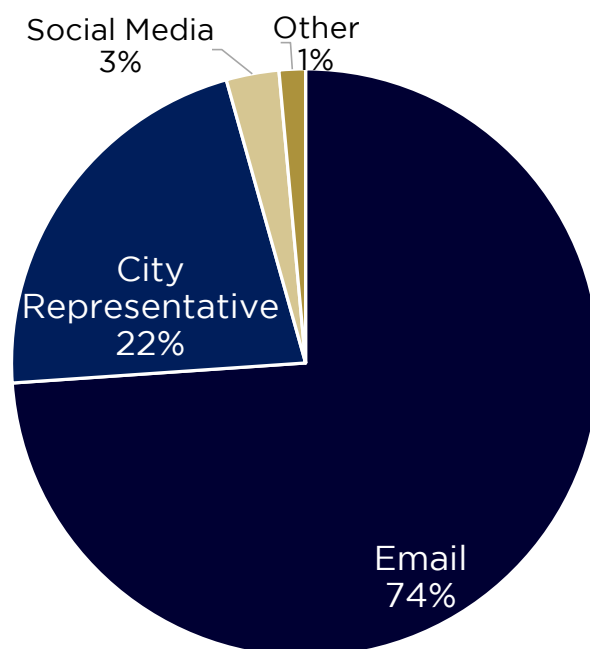
OTHER COMMENTS:

Home Based- limited experience
 No experience
 Responded to our flood

HOW DID YOU HEAR ABOUT THIS SURVEY?

Effective Communication

Having a good understanding of the communication methods which businesses find most useful can help the city allocate its efforts to those channels. In the most recent survey, about 74% of businesses became informed about the business climate survey primarily through email communication the City sent. This was followed by a City Representative at 22% and Social media at 3%. The 1% representing "Other," listed the Southlake Chamber of Commerce.



Short Form Survey

DO YOU HAVE ANY ADDITIONAL COMMENTS?

Involve the Commander (John Kirby) in all Veteran's issues so he can get his Post 14 Legionnaires involved

Been here since 1974 and love the place

Bring in trash service competitors you are getting taken advantage of by Republic, your trash rates are amount the highest in the state and as high as California. Bring back the free market. Landlords are passing the cost of trash to tenants and it is three to four times more than other municipalities

Every city employee that we have interacted with has been fantastic from the building permits office, all the way to the Mayors office.

Fire department keeps moving the target for what's acceptable. Seems crazy they would find something new after decades of inspecting the same building.

Home prices have moved up where Southlake is not affordable for most.

I am happy to be in Southlake. We are going on our 31st year in the community.

I wish I knew more about the grants and opportunities for solo businesses .,

If this whole racial climate issue does not change, I am moving my business. It seems to be what the city is best known for these days

I've tried many times to get the city for synchronize the traffic signals on 1709 but its never happened. They blame is on TXDOT. We MUST get this done!!!!

My answers are based largely on high number of vacancies in the center I am located.

Our business was forced to permanently close after frozen sprinkler pipes flooded us in Dec 2022. We did not reopen.

Since we are new business trying to get our operations smoothed out I haven't time to reach out to the community, but I do hope to do so soon.

Southlake is a great place to live and I am fortunate to be able to work here as well.

The efforts to support local businesses makes it a great environment for small business. Would love a way to easily connect with more mid-size businesses in Southlake that need childcare.

We need more businesses moving here. Too many have gone to Frisco

We also live here and moved here from Colleyville many years ago for the school system.

We haven't been contacted or informed when events on the square are taking place, like the Celebrate Southlake. It greatly impacts my business / traffic pattern and knowing ahead would change how I schedule my staff.

We are new to the town square so it would help the business if we were advertised a little more.

Southlake is an excellent community to serve my clientele



Garden of Eatin'

MORE LIKE
OKTOBERFEAST
WINE AND ARTS

MORE LIKE
OKTOBERFEAST
WINE AND ARTS

MORE LIKE
OKTOBERFEAST
WINE AND ARTS

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BUSINESS
CLIMATE
SURVEY

Long Form Survey

LONG FORM SURVEY

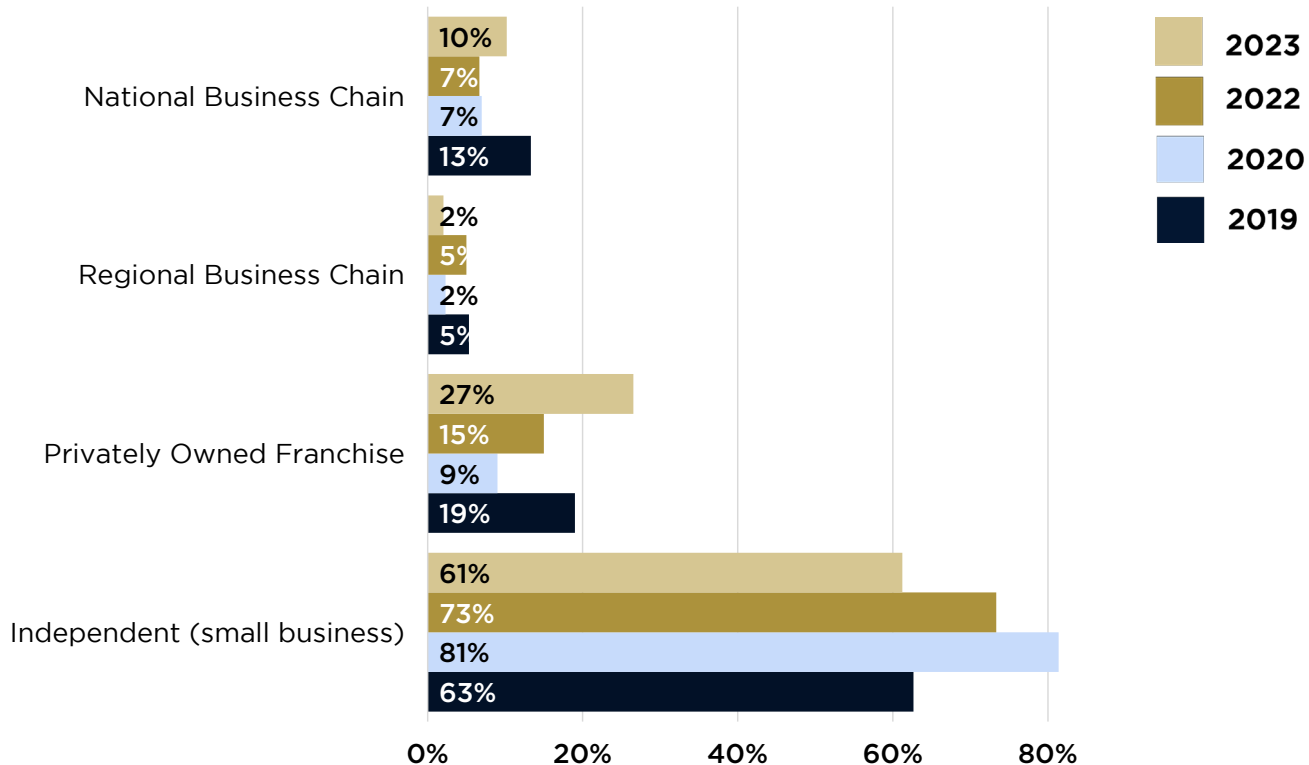
As mentioned in the previous section, businesses had the option upon completing the Short Form version of the survey to provide more information about their operations and opinions in the Full Form version. Of the 70 businesses that took the Short Form, 49 of them agreed to take the Full Form representing about 70% of the total respondents.

In the Full Form version of the Business Climate Survey, additional questions were asked regarding their business operations, opinions on the business environment and their opinions on the City's services that are provided to them and their customers. These questions were broken up into three sections beginning on this page and titled in the upper right as Business Data, Business Environment and Community Environment.

WHAT BEST DESCRIBES YOUR BUSINESS?

Business Type

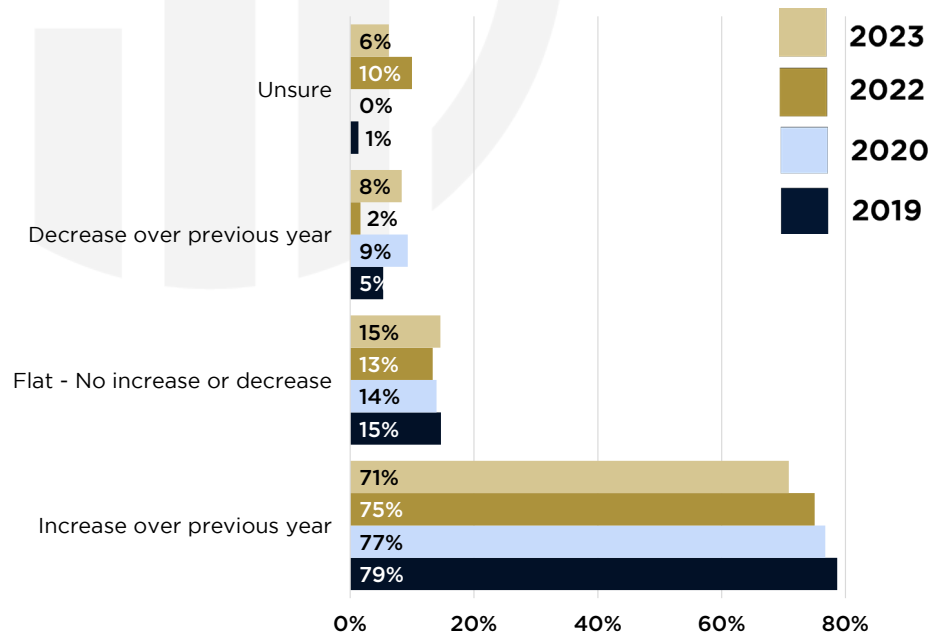
Determining the type of businesses in the can help the City understand the representation and make-up of the businesses that are taking this survey. Efforts should then be made to target areas where business types are under represented. In 2023, the majority of respondents (61%) were, independent (small) businesses or privately owned franchises (27%).



2023 BUSINESS CLIMATE SURVEY

BUSINESS DATA

WHAT IS YOUR FORECAST FOR SALES/REVENUE TREND IN THE NEXT 12 MONTHS?



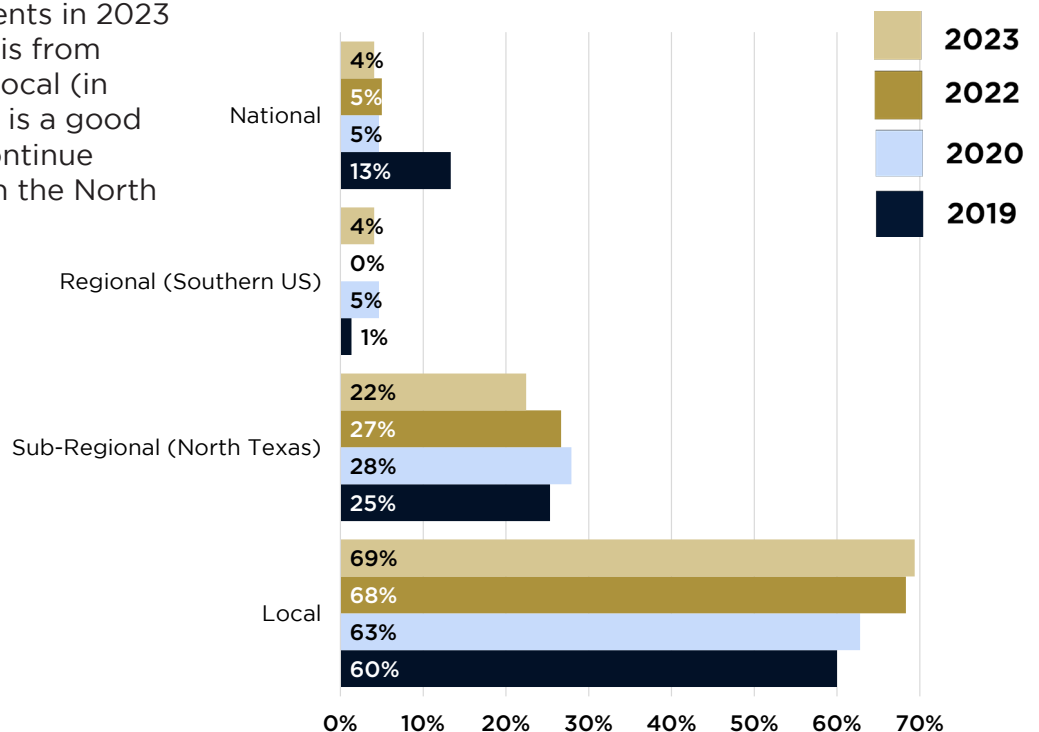
Sales & Revenue Forecast

The sales and revenue forecast is helpful in assessing sales trends expected by local businesses. This is a key indicator to for the City to determine the business climate expected by the business community. The vast majority of respondents (71%) expect their sales to increase over the next year, while 8% expect to see a reduction in revenue, and 6% of businesses are unsure. Note that this survey was done with rising inflation in the economy.

WHERE IS MOST OF YOUR CUSTOMER/CLIENT BASE COMING FROM?

Customer Base Location

Having a good understanding of a businesses customer bases can help the City in it's marketing efforts. The majority (91%) of respondents in 2023 indicated their client base is from the North Texas area and local (in or around Southlake). This is a good indicator for the City to continue concentrating it's efforts in the North Texas region.

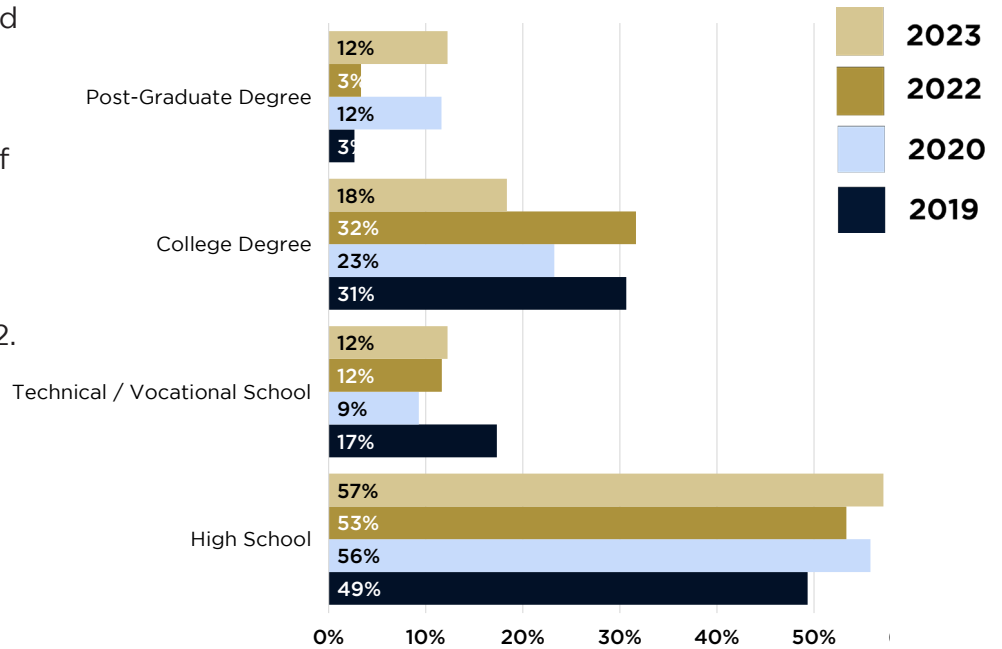


Long Form Survey

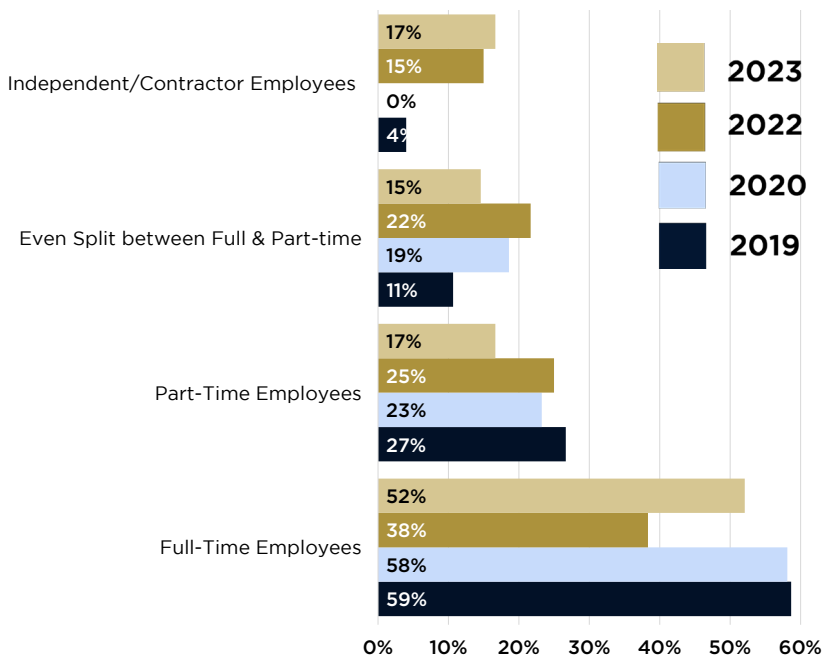
WHAT IS THE HIGHEST LEVEL OF EDUCATION YOUR EMPLOYEES NEED TO BEGIN WORKING AT YOUR PLACE OF BUSINESS?

Level of Education

The level of education required by businesses can help the City understand what the employment needs are within the community. More than half (57%) of businesses indicated through the survey that additional education beyond a high-school diploma is not needed, an increase over 2022. This is likely an indication of service-oriented positions representing the greatest availability.



WHAT DESCRIBES MOST OF YOUR EMPLOYEES STATUS?



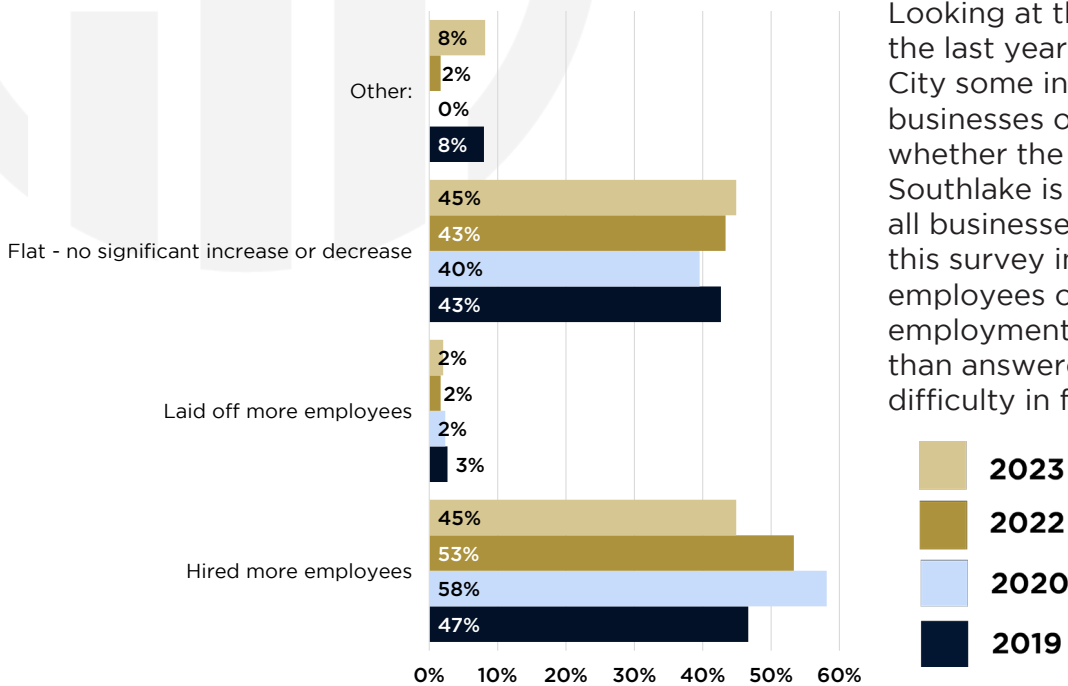
Local Employee Status

While the City does have a high number of retail and dining establishments that are often part-time employment positions, this only accounts for about one quarter of the employees in Southlake. In the 2023 survey, there was a reduction in the percentage of businesses supplying Part-Time and Even Split Part-time/full-time employment and growth in the percentage of businesses offering Full-Time employment as well as Independent/Contractor employment.

2023 BUSINESS CLIMATE SURVEY

BUSINESS DATA

OVER THE LAST 12 MONTHS, HOW WOULD YOU BEST DESCRIBE YOUR EMPLOYMENT NEEDS?



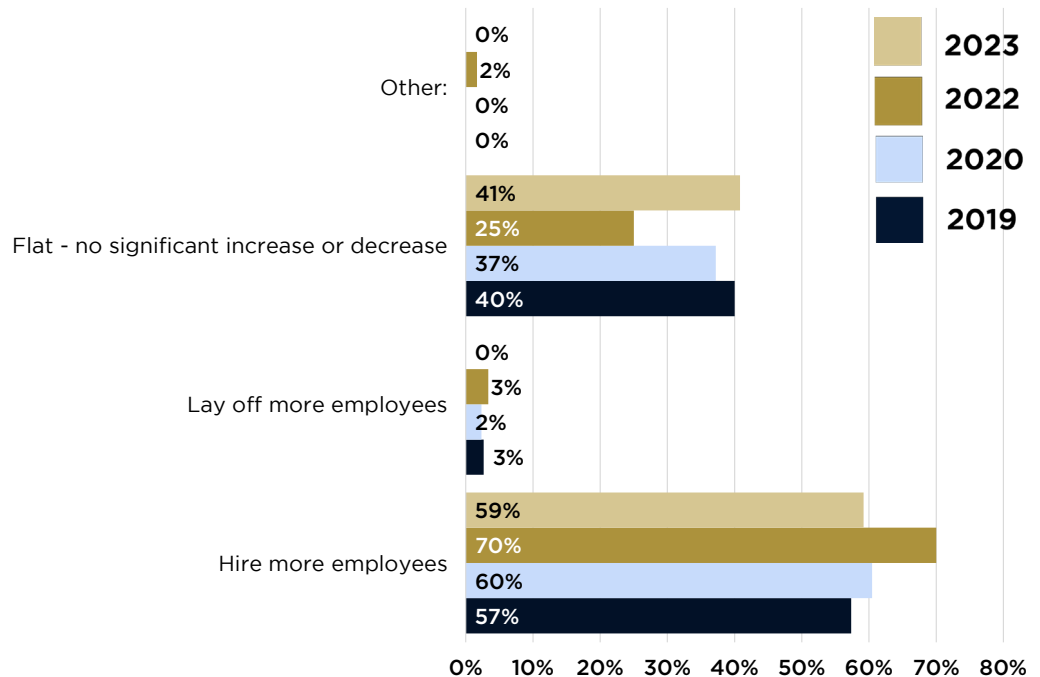
Historical Employment Needs

Looking at the employment needs over the last year for businesses can give the City some insight as to the growth of businesses over the last 12-months and whether the business environment in Southlake is sustaining growth. Almost all businesses (90%) that replied to this survey in 2023 either hired more employees or remained flat in their employment needs. All respondents that answered "Other" (8%) mentioned difficulty in finding employees.

IN THE NEXT 12 MONTHS, WHAT DO YOU ANTICIPATE YOUR EMPLOYMENT NEEDS TO BE?

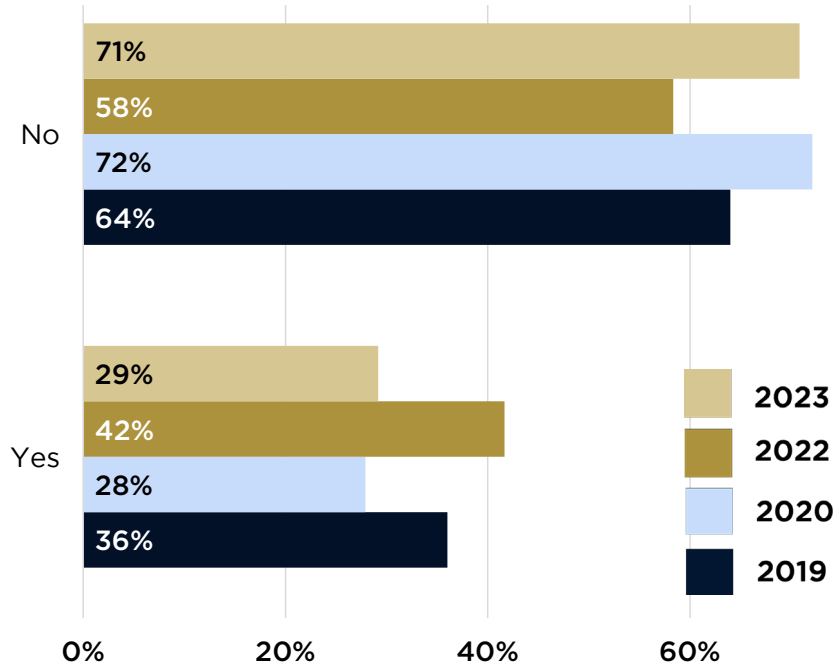
Future Employment Needs

Looking at the historical employment needs, in addition to the future employment needs, can provide the City a sense of the level of optimism that businesses have regarding their growth. Prior to the pandemic, over half (60%) of the businesses indicated that they anticipate hiring more employees in the next 12-months. This challenge has maintained in the post pandemic environment with almost 60% saying they need to hire more employees.



Long Form Survey

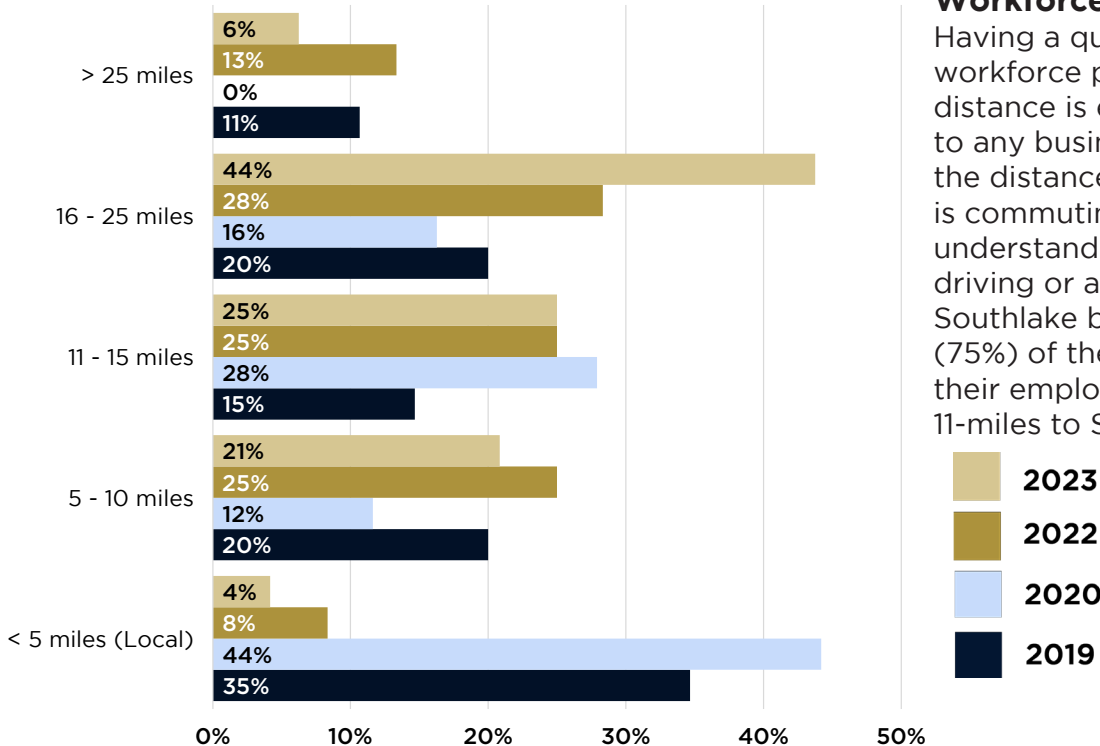
DOES YOUR BUSINESS SELL GOODS/SERVICES ONLINE THROUGH A WEBSITE OR APP?



Business Reach

As the shopping habits of the upcoming generations changes, understanding who has adopted the Internet as a means to conduct business is important. While many businesses still operate very well under traditional means, more and more services such as legal, architectural and accounting are moving to a hybrid and/or web-based option to obtain services. Responses to the 2023 survey indicate a resurgence of more traditional, face to face, means of business.

HOW FAR WOULD YOU SAY MOST OF YOUR EMPLOYEES/WORKFORCE ARE COMMUTING FROM?



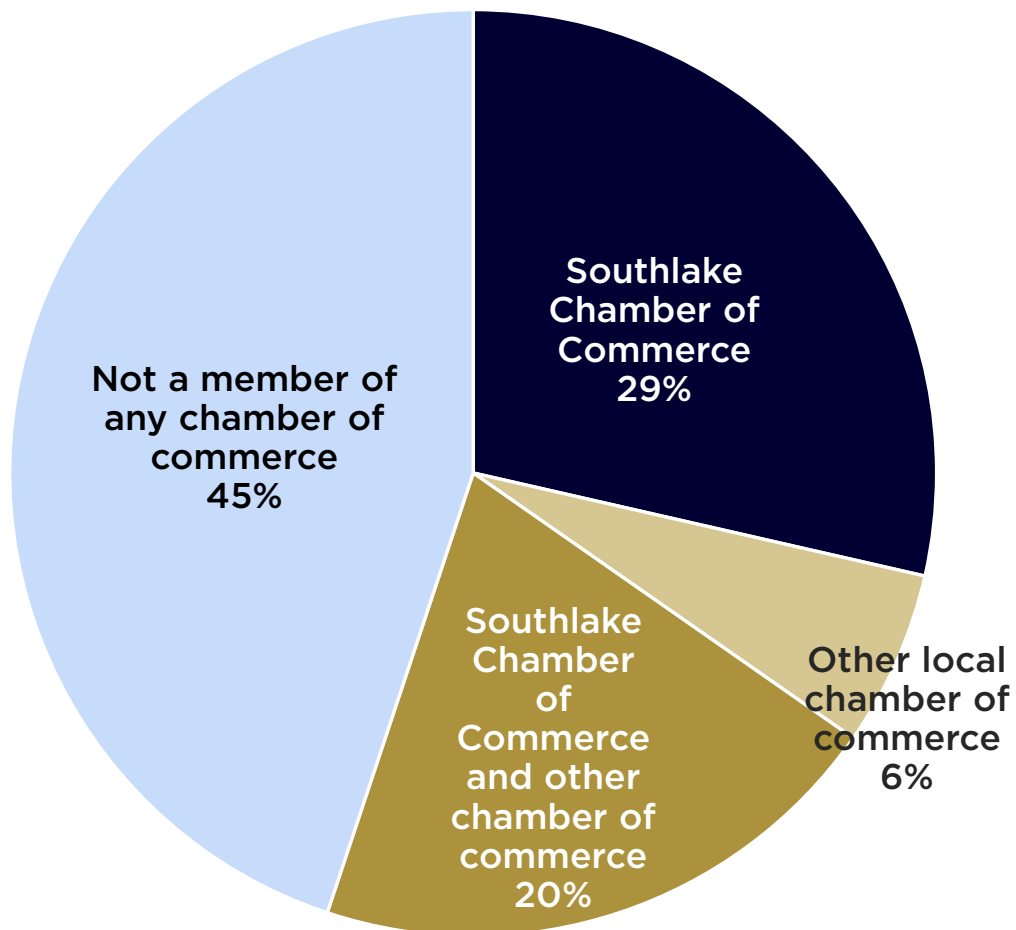
Workforce Origination

Having a qualified and large workforce pool within a reasonable distance is extremely important to any business. Understanding the distance the local workforce is commuting from is important to understand how far employees are driving or are willing to drive for Southlake businesses. The majority (75%) of the respondents indicated their employees commute over 11-miles to Southlake.

IS YOUR BUSINESS A MEMBER OF THE SOUTHLAKE CHAMBER OF COMMERCE OR OTHER CHAMBER OF COMMERCE?

Organizational Community Involvement

As mentioned in the beginning of the section, community involvement/engagement can often help a business succeed in a community. Just over half (55%) of all respondents indicated they were either part of the Southlake Chamber of Commerce, other local chamber of commerce or part of both.





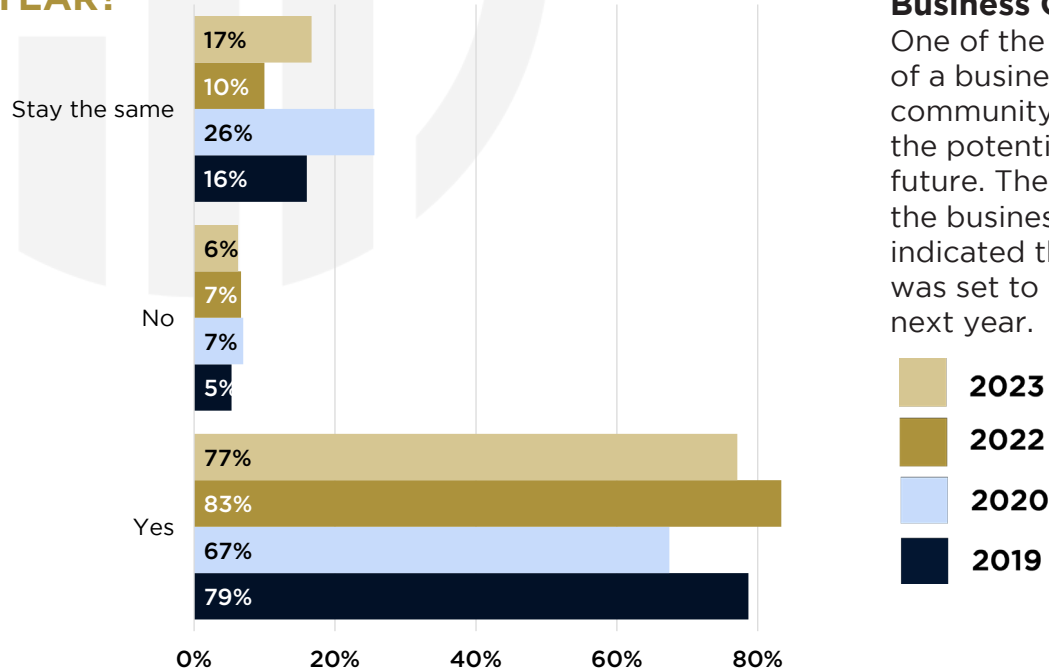
BUSINESS CLIMATE SURVEY



2023 BUSINESS CLIMATE SURVEY

BUSINESS ENVIRONMENT

DO YOU FEEL YOUR BUSINESS IS SET TO GROW/EXPAND IN THE NEXT YEAR?



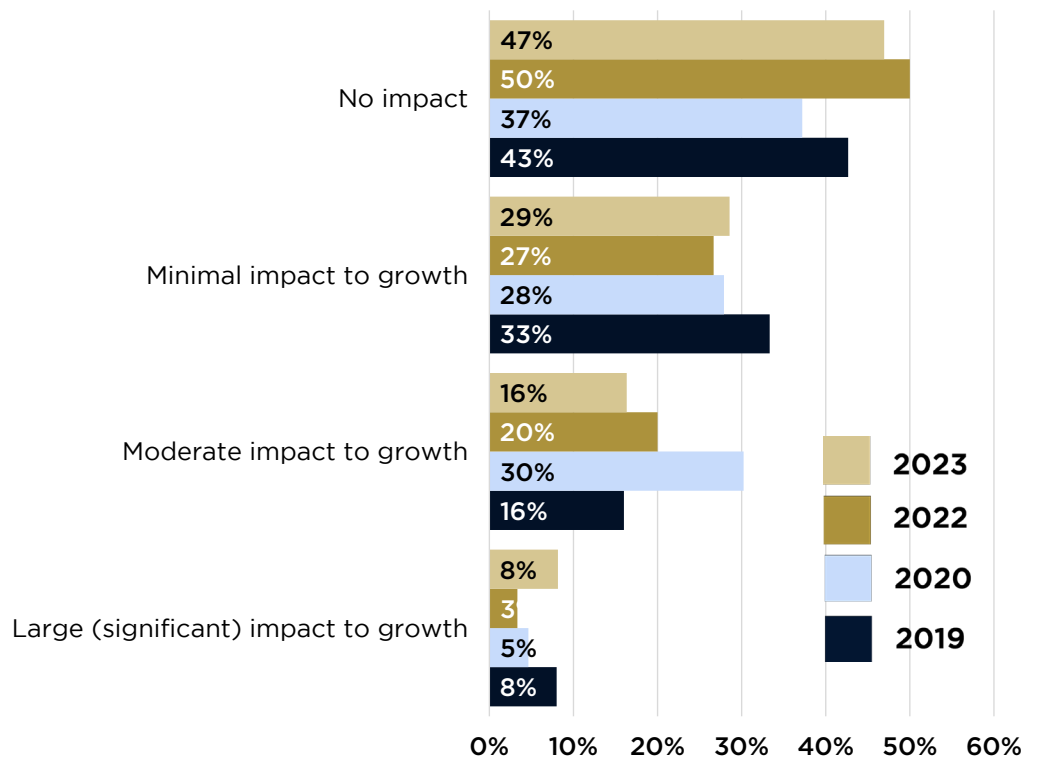
Business Outlook & Sentiment

One of the most direct indicators of a businesses sentiment in the community is whether it feels the potential for growth in the future. The majority (77%) of the businesses surveyed in 2023 indicated they felt their business was set to grow/expand over the next year.

TO WHAT EXTENT DO STATE AND LOCAL TAXES PREVENT YOUR BUSINESS FROM GROWING?

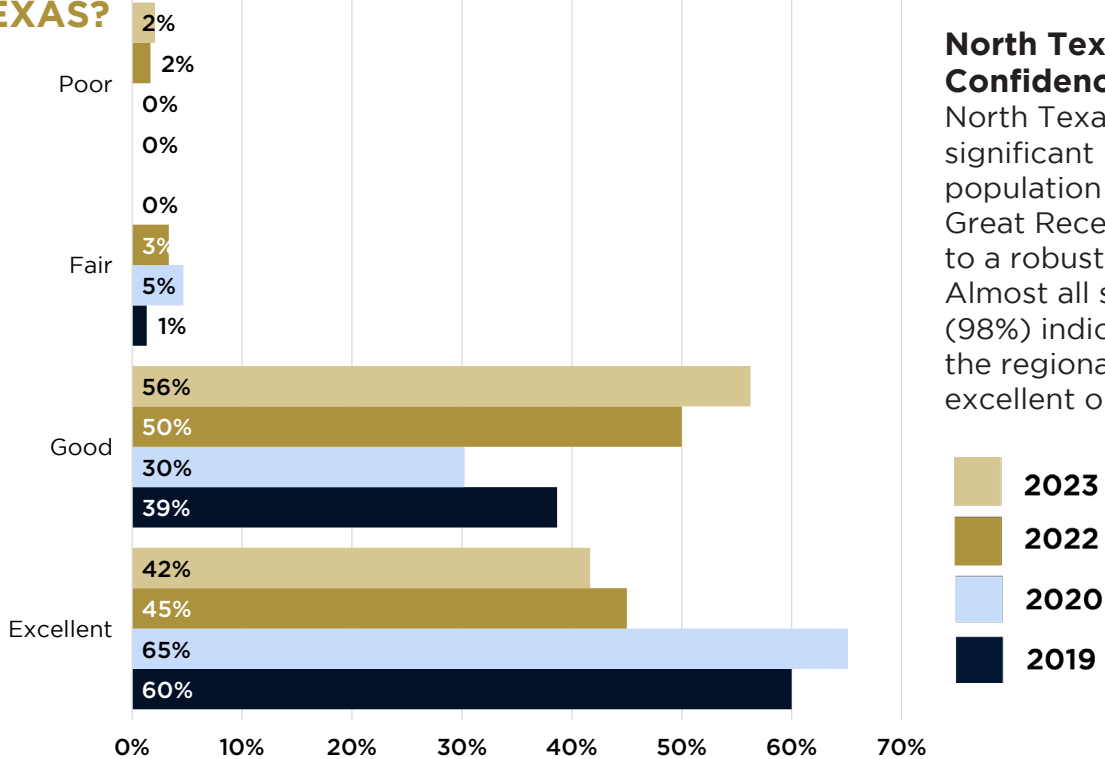
Taxes & Growth

Southlake, and Texas in general, is well known to be a business friendly (low tax) state. Understanding whether this is in fact consistent in Southlake is important. The vast majority (76%) of businesses that responded indicated that state and local taxes either had no impact or minimal impact to their growth.



Long Form Survey

HOW WOULD YOU BEST DESCRIBE THE REGIONAL ECONOMY IN NORTH TEXAS?



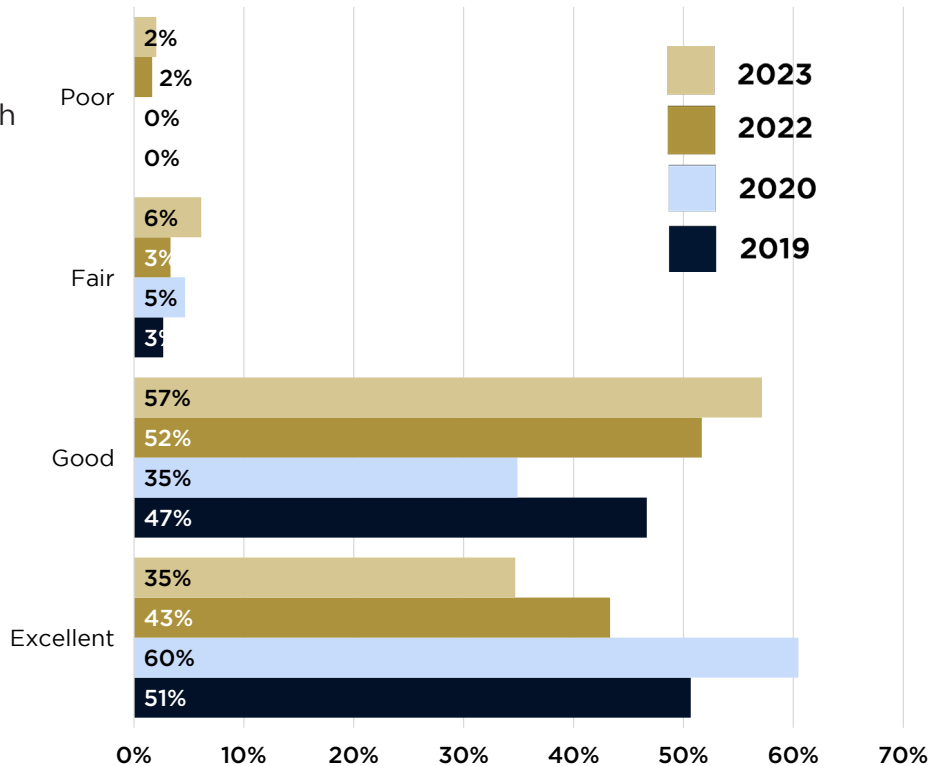
North Texas Business Confidence

North Texas has experienced significant investment and population growth since the Great Recession. This has led to a robust regional economy. Almost all survey respondents (98%) indicated they felt that the regional economy is either excellent or good.

HOW WOULD YOU BEST DESCRIBE THE STATE ECONOMY IN TEXAS?

Texas Business Confidence

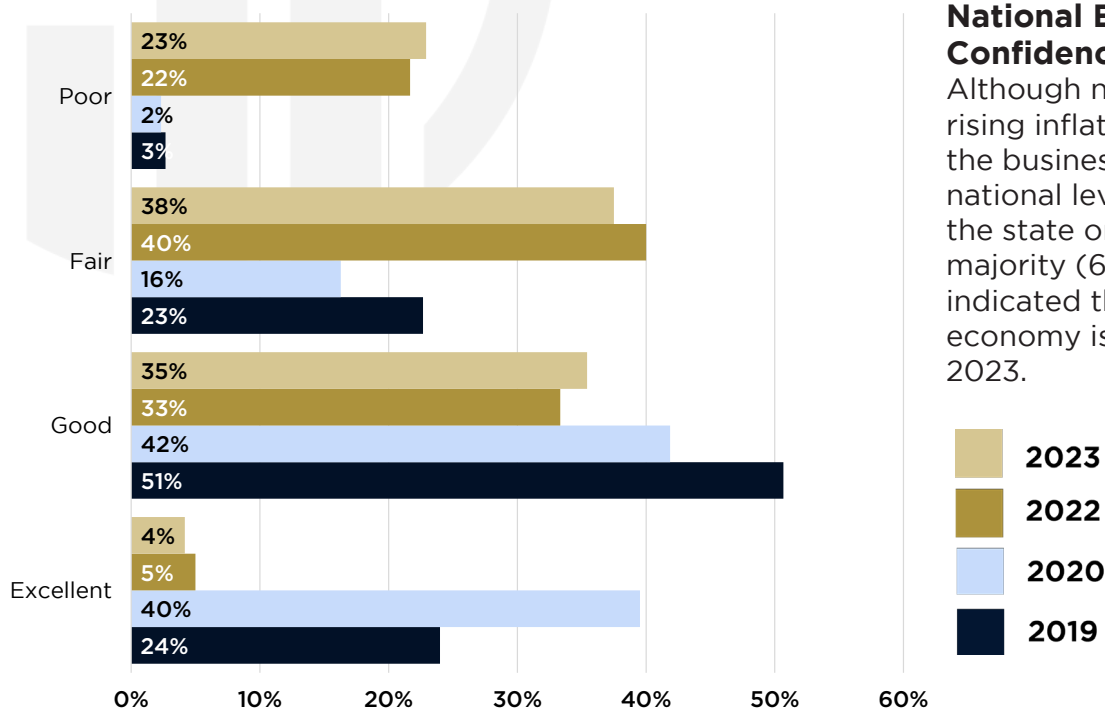
In addition to a robust North Texas economy, Texas in general has benefited from a growing economy over most of the last decade. Approximately 92% of the businesses surveyed indicated they felt Texas had a excellent or good economy.



2023 BUSINESS CLIMATE SURVEY

BUSINESS ENVIRONMENT

HOW WOULD YOU BEST DESCRIBE NATIONAL ECONOMY?



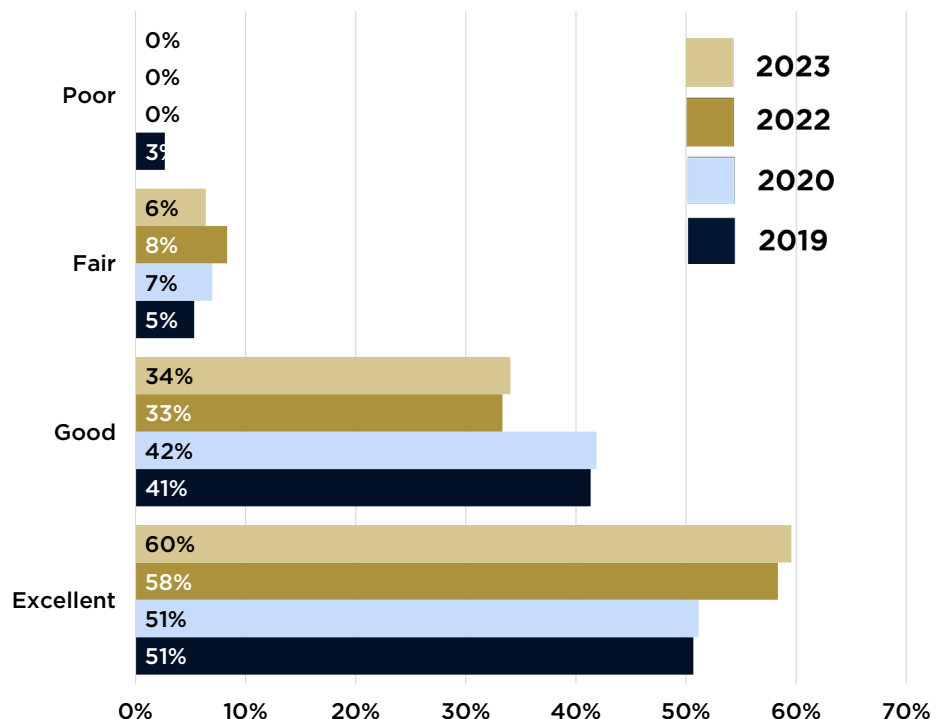
National Business Confidence

Although not surprising due to rising inflation, confidence in the business environment on a national level is lower than at the state or regional level. The majority (61%) of respondents indicated they felt the national economy is Poor or Fair in 2023.

HOW WOULD YOU RATE SOUTHLAKE AS A PLACE TO DO BUSINESS?

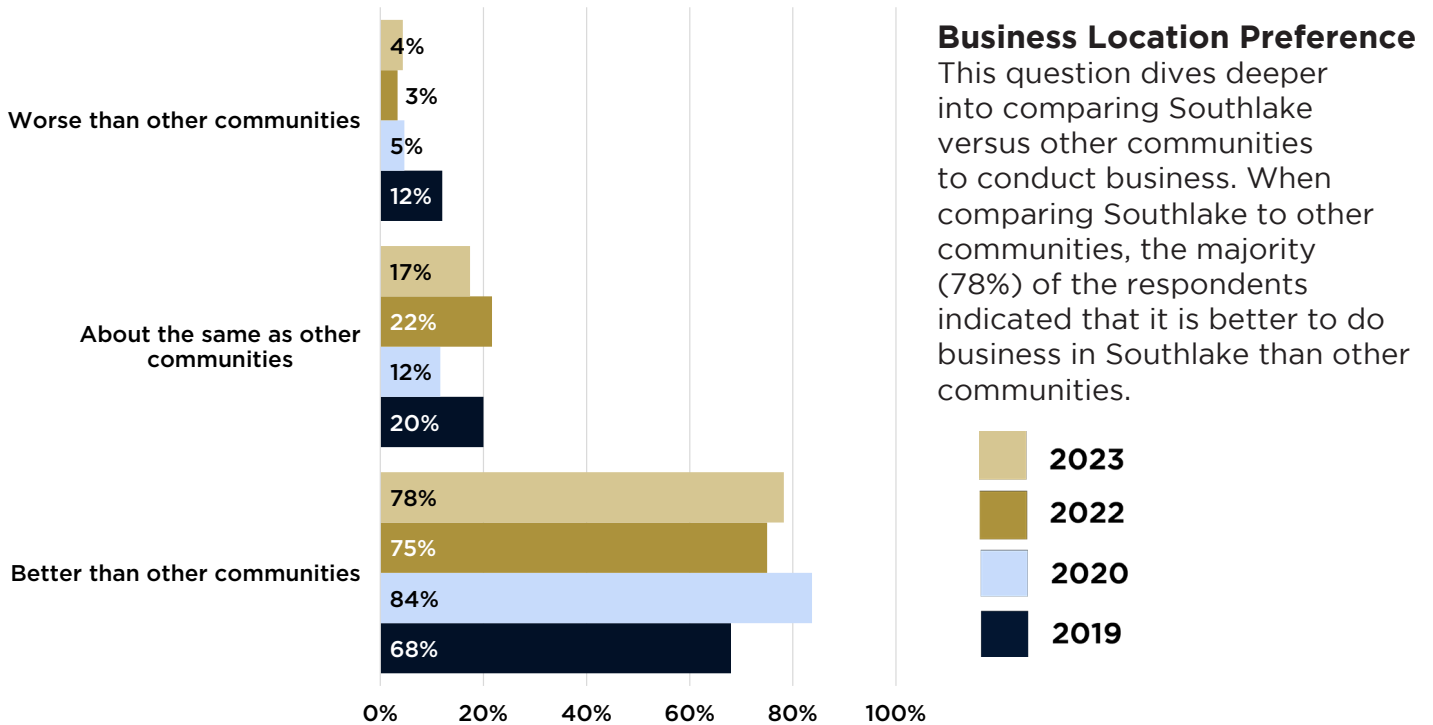
Conducting Business Locally

The ability and ease to conduct business locally is important because it can facilitate growth and expansion of existing businesses or the addition of new businesses into the community. Of the businesses surveyed, the vast majority (94%) rated Southlake as excellent or good as a place to conduct business.

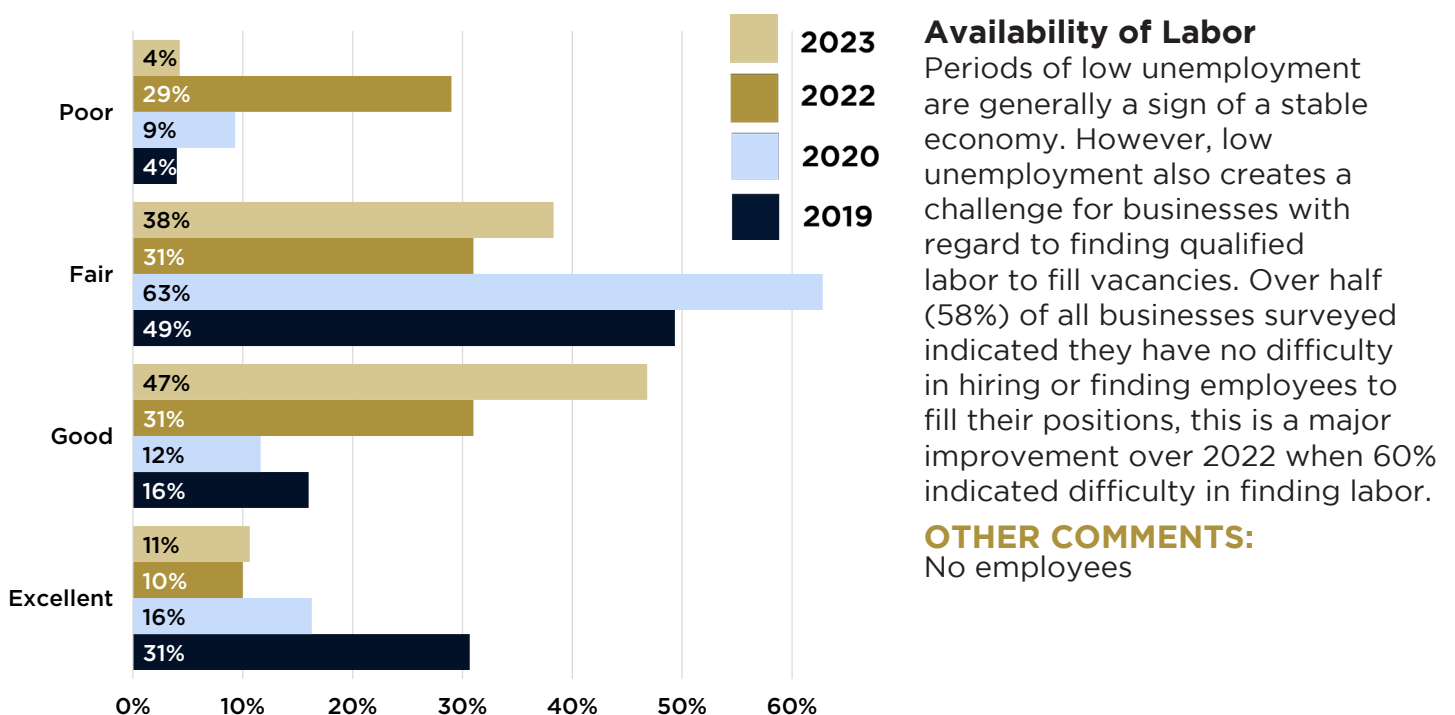


Long Form Survey

HOW WOULD YOU RATE SOUTHLAKE AS A PLACE TO DO BUSINESS VERSUS OTHER COMMUNITIES?



HOW WOULD YOU DEFINE YOUR BUSINESS ABILITY TO HIRE EMPLOYEES/LABOR?



2023 BUSINESS CLIMATE SURVEY

BUSINESS ENVIRONMENT

WHAT IS ONE THING YOU WOULD CHANGE ABOUT THE BUSINESS ENVIRONMENT IN SOUTHLAKE?

Property taxes are high for county. Rent is high. High vacancy rate of other units in center.

Advertising of Veteran Friendly

Cost of rent

Reasonable office rental

Nothing

Get more here

Traffic - especially on 1709. Also, would like to have more chef-owned restaurants

More inclusive

Nothing

Cost

There is too much! Too many choices takes away from everything. Traffic is horrible.

Allow more senior living options, not only large houses but high end apartment's in Southlake Town Square

More affordable commercial rent

Need to support more solo women owned small business in healthcare as opposed to hospitals (too expensive)

Nothing

Better internet services

Difficult to get noticed as a new business

Access to public transportation for service workers

More physical land for real estate growth- especially residential

There is no resource or organization offering any help to local businesses.

More proactive safety programs

More population density

Rent is high here so the margins are slim, you really need to be in the utmost ideal location or its not worth opening a store here.

To be notified of events in the Square

Long Form Survey

WHAT DO YOU FEEL IS THE GREATEST CHALLENGE FACING THE SOUTHLAKE BUSINESS ENVIRONMENT?

New customers	Taxes are too high for people who own brick and mortar !!
No open land to expand/grow -- already developed	traffic
Older people that are empty nesters and young professionals with no kids are not welcome in Southlake	Traffic
Population growth	Traffic - we desperately need to synchronize the traffic signals on 1709
Property taxes and prices per square foot	Traffic/Space
Congestion/traffic	Very I'm right knit
Cost of office expenses in Southlake	Staffing, Southlake isn't an affordable place to live for most workers who have to commute in from other communities
Lawsuits within school district	Rising costs
Hiring help and traffic	Rising rents and real estate costs.
Flat economy and competitive landscape. High cost of doing business.	Real Estate pricing
We have 22 employees in our SL location and 0 live in SL. It has become more and more difficult to hire professionals. Even with a master's degree, they cannot afford to live in Southlake.	Raising rents, I saw there is a zoning meeting soon if things change to disadvantage towards businesses.
There are a ton of options for southlake residents, and they are very supportive but there are only so many of them and they can only support so many businesses	Racial challenges
Economy	Population growth
National Economy	Maintaining the unique charm and unity that makes SL special while growing.
the national economy	Cost of rent

Hilton

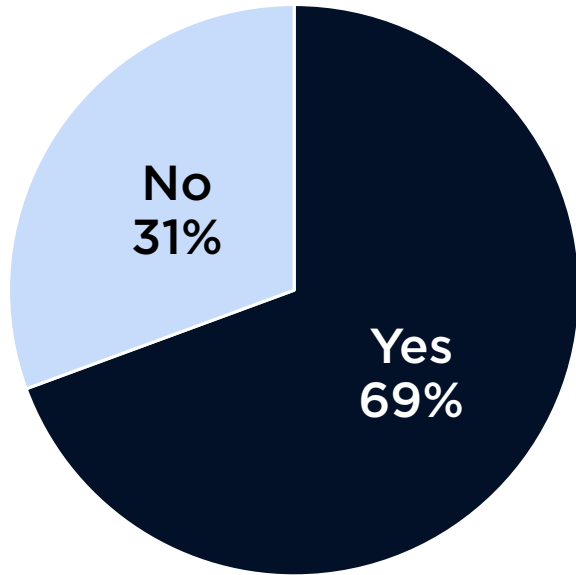
1400



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SURVEY

Long Form Survey

HAS YOUR BUSINESS HAD ANY INTERACTION WITH A CITY EMPLOYEE OVER THE LAST YEAR?



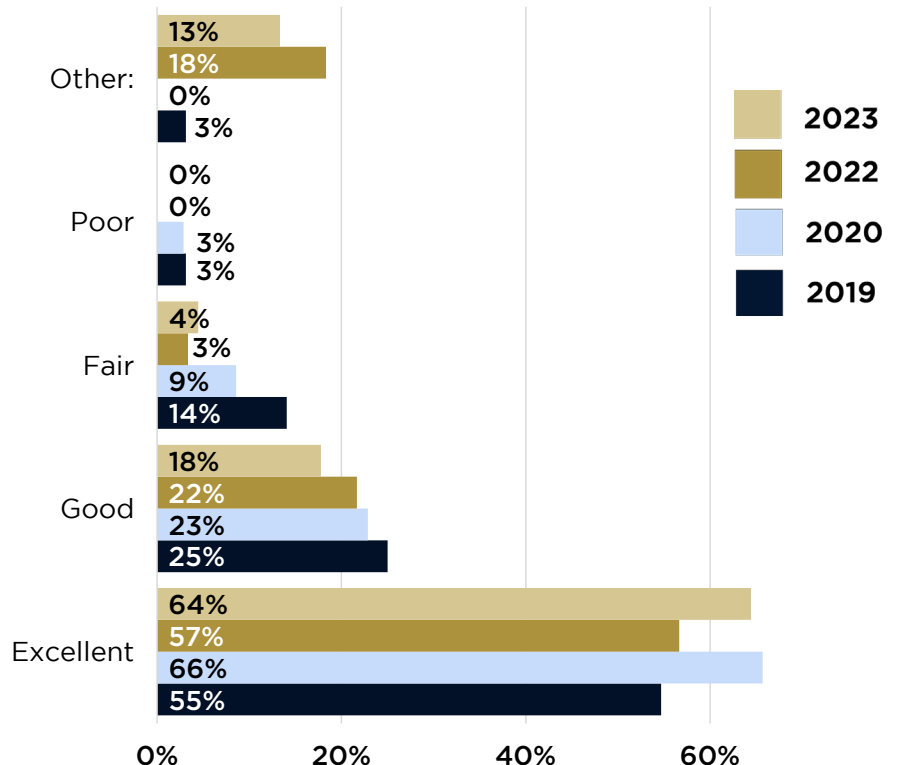
City Interaction

The City of Southlake strives to maintain a good relationship and positive interactions with both residents and businesses. It is challenging for the City to establish an on-going relationship with over 1,800 businesses. Any interaction, even brief interactions, are particularly valuable and should represent the City's appreciation and support for local businesses. The majority (69%) of businesses surveyed indicated they have had some interaction with a City employee over the last year. The rating of those interactions are shown on the remaining questions.

HOW WOULD YOU RATE YOUR MOST RECENT INTERACTION WITH A CITY EMPLOYEE?

City Satisfaction

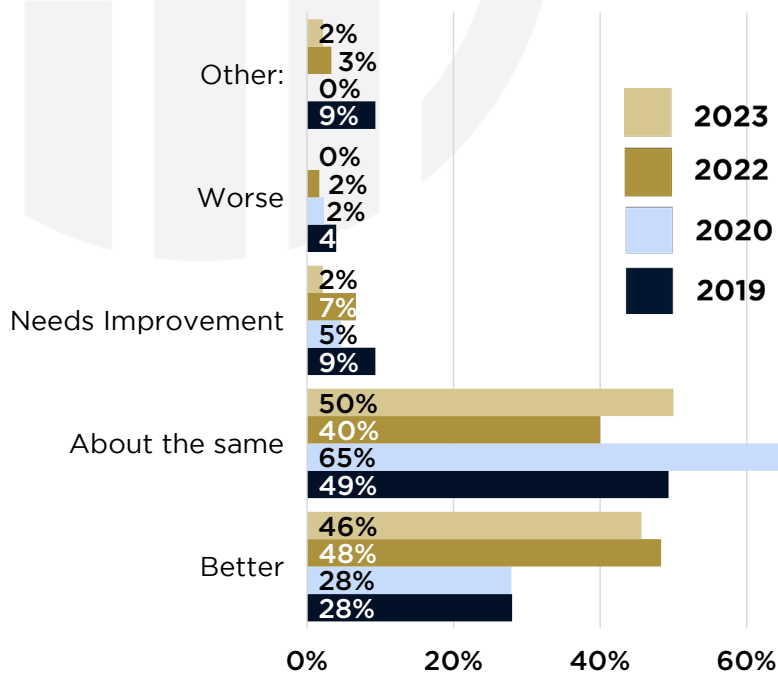
Of those respondents that had an interaction with a City employee, the majority (82%) indicated they had either a excellent or good interaction with them. The "Other" choice category represents businesses indicating they had no interaction with a City employee.



2023 BUSINESS CLIMATE SURVEY

COMMUNITY ENVIRONMENT

DO YOU BELIEVE SOUTHLAKE IS AS ATTRACTIVE A PLACE TO WORK AS IT WAS 5 YEARS AGO?



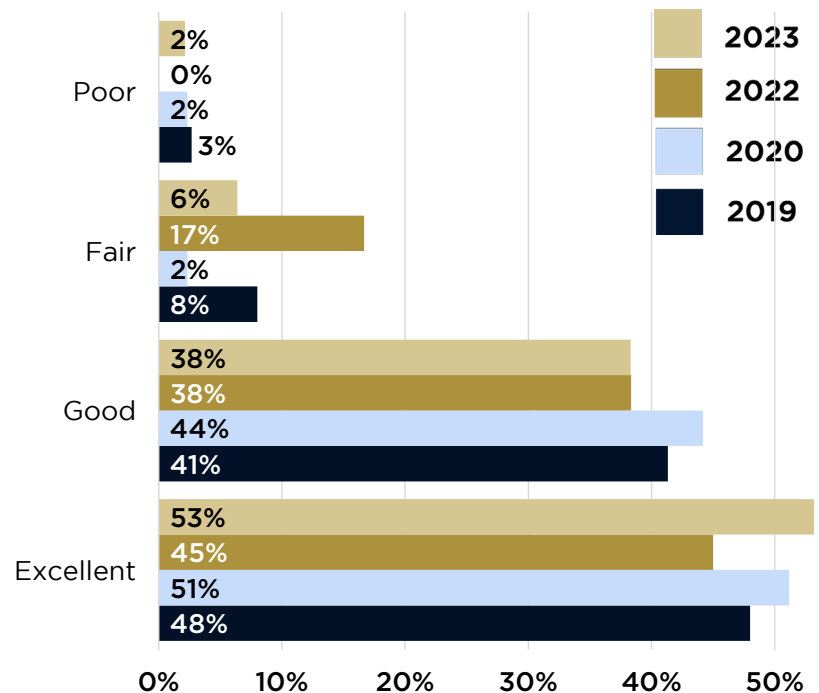
City Aesthetic Improvements

The City of Southlake has long been recognized as an attractive place to live and work. While it is a challenge to create such an environment, how that environment is sustained in the longterm is just as important. Just under half (46%) of respondents felt that Southlake was a more attractive place to work than it was 5-years ago and half (50%) respondents indicated it was about the same. This represents a positive move in the right direction for the City.

HOW WOULD YOU RATE THE APPEARANCE OF WHERE YOU DO BUSINESS IN SOUTHLAKE?

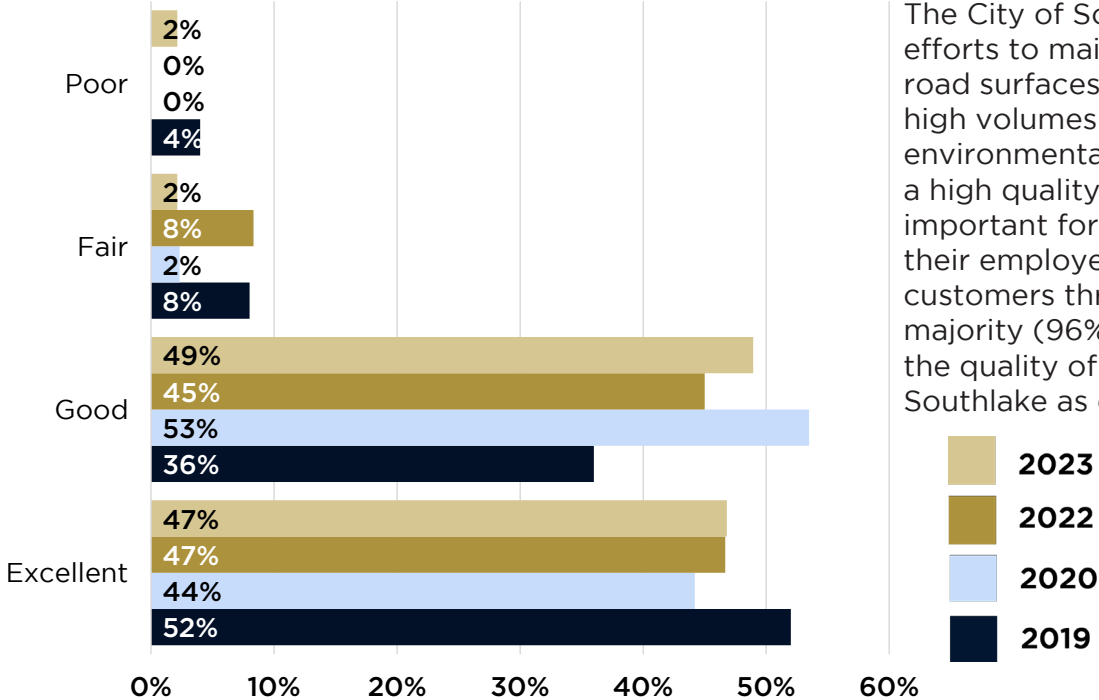
Business Location Aesthetics

Where a business is located and the appearance of its surroundings can impact the overall performance of a business. The business typically knows where to best locate their business based on its business type and surroundings. The majority (91%) of businesses in Southlake felt the appearance of where they do business was either excellent or good, an 8% decrease from 2022.



Long Form Survey

HOW WOULD YOU RATE THE QUALITY OF STREETS/ROADS IN SOUTHLAKE?



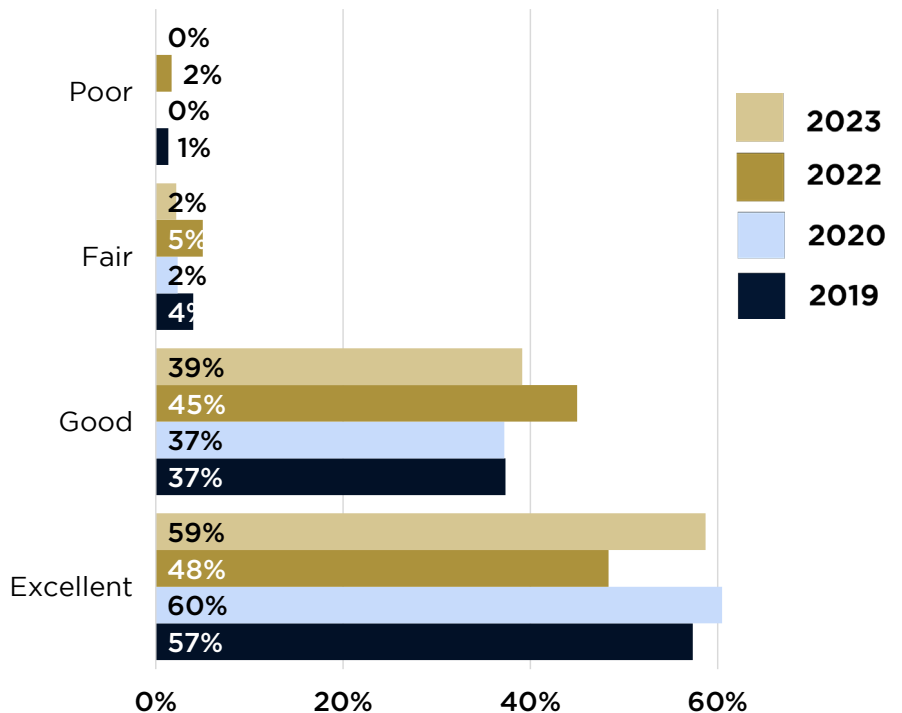
Street Service Quality

The City of Southlake maximizes its efforts to maintain a high quality of road surfaces that are impacted by high volumes of traffic and adverse environmental conditions. Maintaining a high quality of road surfaces is important for businesses as it gets their employees to work and their customers through the door. The majority (96%) of respondents rated the quality of the streets/roads in Southlake as excellent or good.

HOW WOULD YOU RATE THE QUALITY OF WATER SERVICE IN SOUTHLAKE?

Water Service Quality

Businesses in many instances can be the highest consumers of water, and therefore are impacted most by water services in the community. Ensuring that water consumption and payments are handled error-free is an important service to many businesses so they can dedicate time to serving their customers and clients. The majority (98%) of respondents rated the quality of water service in Southlake as excellent or good.



2023 BUSINESS CLIMATE SURVEY

COMMUNITY ENVIRONMENT

WHAT DO YOU FEEL IS THE GREATEST BENEFIT TO BEING A BUSINESS IN SOUTHLAKE?

The City of Southlake has historically had the benefit of enjoying a thriving economy, engaged community and an attractive environment. However, environmental factors that attract one business can be vastly different than what attracts other businesses. With this survey we hope to develop a better understanding of what makes Southlake an attractive place so we can continue to make a business environment where our businesses can prosper and make this community theirs.

A diverse enriched community	Best community in North Texas
Ability for shoppers to spend money	Central location, and a giving community
Client Base's disposable income	Customers are appreciative of our services and tell others.
Customers are appreciative of our services and tell others.	Being Close to my Southlake residence
Demographics & Schools	Address
Close location to airport	Feels like home
Close to DFW	The community
Community	Status - Southlake is a well known and respected community
Community	Southlake's reputation
Community	Since we are on southlake blvd the street is a main street where alot of people within the city but also outside the city come to visit
Community support	Southlake
Exceptionally well organized grouping of local businesses via Chamber of Commerce	Proximity to affluent clients
Family oriented	Positive reputation in the greater community.
Great Residents	Very safe place. We are right next door to fire/police/courthouse and they are always available and helpful for us.
It is a thriving community that is always attracting new families and has a fabulous Sports history.	The location is very important and the ease of access to surrounding areas is a big benefit.
It's Southlake that says it all	
High income customer base	

Long Form Survey

WHAT DO YOU FEEL IS THE GREATEST BENEFIT TO BEING A BUSINESS IN SOUTHLAKE? (continued)

The local economy is strong

Sense of community

It is a thriving community that is always attracting new families and has a fabulous Sports history.

It's Southlake that says it all

Location in the metroplex

Location

Location between Dallas and Fort Worth

People are attracted to this area- and also being in same location for more than 24 years

Since we are on southlake blvd the street is a main street where a lot of people within the city but also outside the city come to visit

Sense of community and local support

WOULD YOU LIKE THE CITY TO KNOW ANYTHING ELSE?

Love all y'all

Love your economic forums and emails regarding important news in Southlake

The Square needs a more active security / police presence to deter theft. In the past 3 months my business has had over \$3000 in merchandise stolen by shop lifters.

PLEASE get the traffic signals on 1709 synchronized!!!!

Cost of living is higher

Happy to be a part of Southlake.

Our office in SOUTHLAKE has over 80 employees but I answered this for my group of 3 people

Love this community and this city!

Safety of businesses and residents is top priority.

We would appreciate having Bank St properly repaired.

Please promote American Legion Post 14 in local E-Mails, fliers, magazines, etc.

Keep up the amazing work.

Love y'all

I was in Louisiana a few years back to help out after the hurricane and when I went out to eat - I met the locals who stated that they each need to support local small businesses. They literally meant it . I was so impressed- every other person said it and did what they said . Small businesses flourished - so we need to put that on the tips of every person to make this business area flourish like Lafayette Louisiana!

RA Sushi Bar Restaurant



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SURVEY

Conclusion

The results of the 2023 Business Climate Survey remained largely positive about the City of Southlake's services, business outlooks, and both the business and community environments. The survey demonstrated that most businesses felt confident and prefer conducting their business here versus other local communities. Based on the responses we consider the Southlake Business Environment to be recovered from the effects of the COVID-19 pandemic and businesses have established normal operating conditions. Currently, businesses feel traffic, finding qualified employees in the local labor pool, and cost of rent are impacting business performance at a local level.

KEY FINDINGS

- Businesses generally have a positive outlook as it pertains to the local and state economies, less so with the national economy.
- The City does an excellent/good job providing services to businesses.
- Traffic is an increasing issue.
- Cost of rent remains the greatest financial challenge and there is concern the City reaching build-out will exacerbate this issue.

Priorities Moving Forward

The results of the survey will prove to be invaluable as the City develops strategies and plans for the future. While many aspects of the business environment are out of the City's control, there are several that can be addressed moving forward. These areas will be incorporated into the City's processes and addressed through the City's strategic planning processes, policy considerations and development assessments. The Community Enhancement and Development Corporation has recommended these priorities and potential strategies for City staff moving forward:

Continue to assist with identified challenges within the survey

- Dive deeper into survey responses to gain a better understanding of employer needs and adapt programs accordingly.
- Continue the development of a Job Board web page as a resource for smaller businesses to compete for labor.
- Develop programs to mitigate the effects of inflation and rising business costs.

Continue building strong relationships with the business community

- Work with property management and other business community stakeholders to ensure comprehensive communication efforts of events and other opportunities for businesses throughout the City.

Shift survey to biannual occurrence

- Offer the survey biannually to allow for more substantial responses from businesses and to give staff time to produce actionable items.



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BUSINESS CLIMATE SURVEY

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