



## POTENTIAL ZIP CODE MODIFICATIONS:

An Amended Proposal – January 2011

PROVIDING A FIRST CHOICE COMMUNITY THROUGH EXCELLENCE IN PUBLIC SERVICE



## PROPOSAL SUMMARY

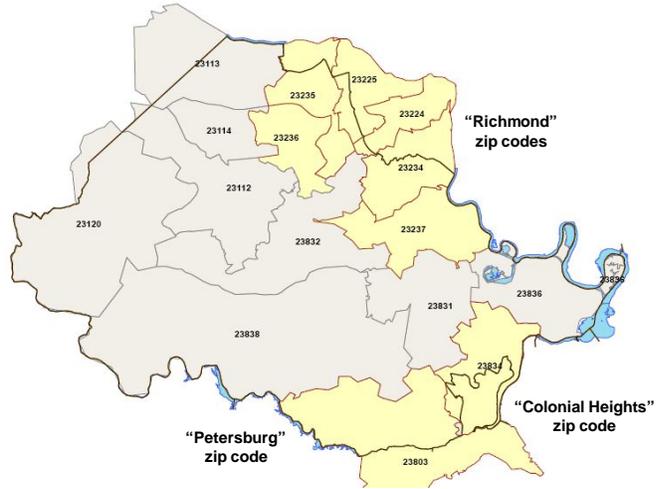
- 1) Aligned with community sentiment**
- 2) Provides every resident and business the OPTION to use a Chesterfield-specific name, but does not require it**
- 3) Preserves ability to use existing mailing address names**

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## ZIP CODE RECAP

- 1) 8 zip codes with names more closely associated with communities outside of the County
- 2) 50,000 residential and over 4,200 commercial addresses
- 3) Estimates of between \$1.5 and \$2 million in misallocated revenue



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## PUBLIC PROCESS

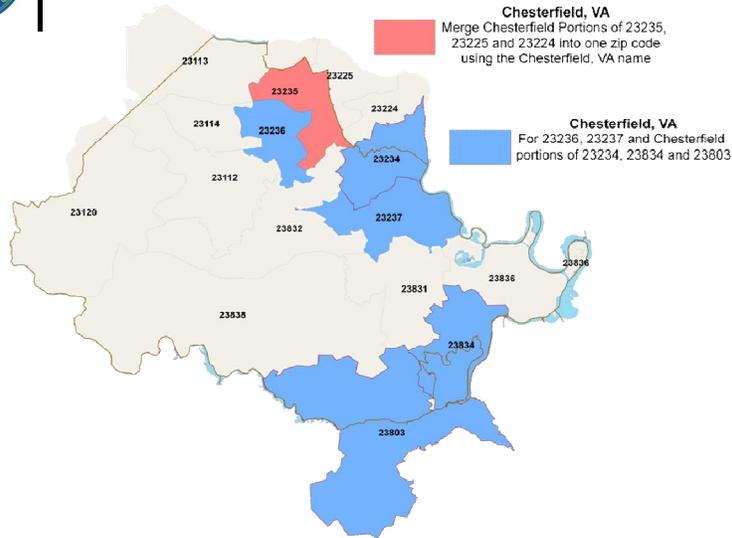
- 1) Held two rounds of community meetings
- 2) Public expressed overwhelming desire to use Chesterfield



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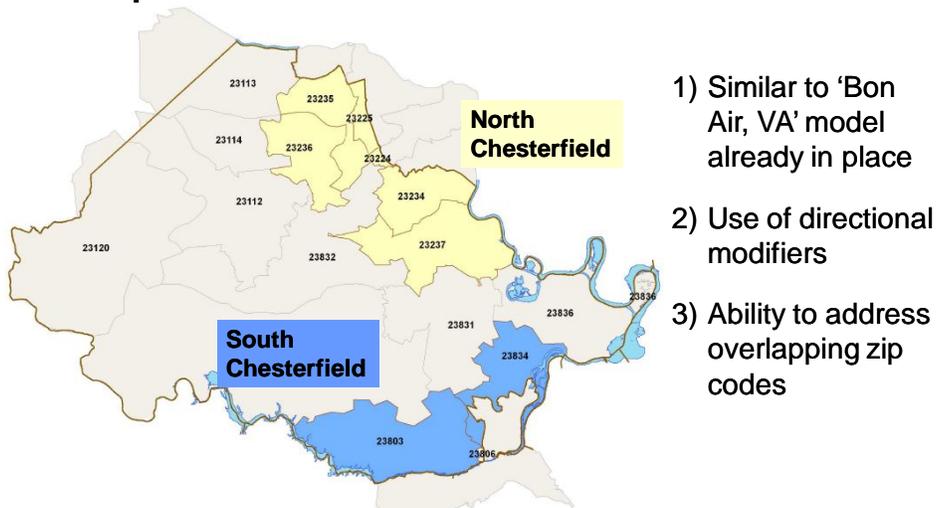
# OFFICIAL COUNTY REQUEST



PROVIDING A FIRST CHOICE COMMUNITY THROUGH EXCELLENCE IN PUBLIC SERVICE



# COUNTER PROPOSAL



- 1) Similar to 'Bon Air, VA' model already in place
- 2) Use of directional modifiers
- 3) Ability to address overlapping zip codes

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## BOTTOM LINE FOR CHESTERFIELD

- 1) **Every Chesterfield resident and business would have ability to use a Chesterfield-specific mailing address name**
- 2) **However, no one would be required to adopt the new names, change letterhead, etc.**
- 3) **Accordingly, one could continue to use Richmond, Petersburg, or Colonial Heights**
- 4) **NO numerical zip code changes**
- 5) **NO service disruption, change in post office assignment, etc.**

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## ADDITIONAL PUBLIC INPUT

- 1) **A third round of public meetings is anticipated**
- 2) **Have established a dedicated point of contact at County to field questions about the proposal: 748-1211**
- 3) **Materials will be posted on the web site**

PROVIDING A FIRST CHOICE COMMUNITY THROUGH EXCELLENCE IN PUBLIC SERVICE

# ZIP Code Information Update

## Frequently Asked Questions

### 1. What is this issue all about?

There are three overriding issues that Chesterfield County wishes to address:

**Community Identity** — Residents and a significant portion of the business community are concerned that Chesterfield County's identity is often confused with neighboring jurisdictions. Eight ZIP codes in Chesterfield County have mailing address names that are more closely associated with communities outside of the county:

- Richmond: 23224, 23225, 23234, 23235, 23236, 23237
- Petersburg: 23803
- Colonial Heights: 23834

**Citizen Confusion** — County administration and staff receive routine feedback from residents — especially new arrivals to Chesterfield County — regarding confusion and frustration about where to pay taxes, register cars, etc., because of misleading mailing addresses.

**Loss of Revenues** — Each year, many Chesterfield County residents and businesses inadvertently pay their taxes to the city of Richmond, and to a lesser extent the cities of Colonial Heights and Petersburg, because their mailing addresses, under the current U.S. Postal Service system, is listed as "Richmond, VA," "Colonial Heights, VA," or "Petersburg, VA" instead of Chesterfield, VA or some other mailing address name that clearly identifies with Chesterfield County. This results in estimated revenue loss of between \$1.5 million and \$2 million per year.

### 2. Why can't every ZIP code in Chesterfield County have a "Chesterfield, VA" mailing address name?

For each main post office in the U.S. Postal Service, there is a postmaster. There may be only one building which that Postmaster oversees, or there may be multiple buildings (stations/branches) under his, or her, authority.

For each main post office, there is a "preferred" last line used as the mailing name. No two main post offices in the same state are allowed to have the same preferred last line. There is allowance for an "alternate preferred" last line used as the mailing name (other than the preferred name of the main post office) to be used by customers served by these stations or branches of a main post office. But these alternate mailing names still cannot duplicate a preferred, or alternate, mailing name used by another main post office or its branches.

In Chesterfield County, residents served by the Chesterfield Post Office and using ZIP codes 23832 and 23838 are the only postal customers who can use the mailing name "Chesterfield, VA." There are no separate postal branches under the authority of the Chesterfield postmaster. Because all other residents in the county are served by other main post offices (Richmond, Chester, Midlothian, Moseley, Colonial Heights, Petersburg) the name "Chesterfield" cannot be used as an alternate mailing name by them because it would duplicate the mailing name used by another main post office.

## **ZIP Code Information Update Frequently Asked Questions**

### **3. What are the proposed changes from the Postal Service?**

There are four ZIP codes (23235, 23225, 23224 and 23234) that straddle the border between Chesterfield County and the city of Richmond and currently have a default (“Preferred”) last-line mailing address of Richmond. For those ZIP codes, the Postal Service will enter into its Address Management System an “Alternate Preferred” last-line location name, e.g., “North Chesterfield,” for those addresses that are in Chesterfield County. This change will enable residents to use either “Richmond” or “North Chesterfield” in their correspondence. However, the alternate name of “North Chesterfield” will override the preferred name of Richmond when commercial mailings are prepared using CASS certified mailing list software. The effect will be that, over time, residents can expect the common use of the alternate name of “North Chesterfield.”

There are two ZIP codes that have a default (“Preferred”) last line of Richmond but lie entirely within Chesterfield County (23236 and 23237). The Postal Service proposes the same “Alternate Preferred” last-line mailing address solution to resolve the addressing issues in those ZIP codes, using “North Chesterfield” as the proposed alternate name. Richmond will continue to be recognized as an acceptable mailing name for these ZIP codes.

There are two ZIP Codes that straddle the borders between Chesterfield County and the cities of Colonial Heights (23834) and Petersburg (23803). The Postal Service proposes the same solution to resolve the addressing issues in those ZIP codes, using “South Chesterfield” as the proposed “Alternate Preferred” last-line mailing name. Respectively, Colonial Heights and Petersburg will be acceptable for use for the Chesterfield postal customers within 23834 and 23803.

### **4. Has the name Bon Air been considered for the 23235 Zip code?**

Yes, it is being considered as an “Alternate Preferred” last-line mailing name instead of “North Chesterfield” due to it currently being a commonly used mailing address.

### **5. What is the difference between a “preferred last-line” mailing address name and an “alternate preferred last line”?**

The “preferred last line” for a ZIP code is the single place name that can be used for most or all addresses in a five-digit ZIP code. Every ZIP code has a default or preferred last line. This is the city name or place name that will appear in the last line of addresses in the ZIP. An “alternate preferred last line” is used in situations where a single ZIP code is used for delivery in multiple cities or places. An alternative preferred last line can be linked to specific blocks of a street.

## **ZIP Code Information Update Frequently Asked Questions**

**6. What if I don't want my mailing address name to change, and wish to continue using my current mailing address name? Will I be able to do that?**

Yes. These proposed recommendations will allow postal customers to continue to permanently use their current mailing address names if they choose to do so, as it will be recognized by the Postal Service as an acceptable mailing address name. However, major commercial companies and mailers, such as mortgage companies, banks, utilities, mail-order houses, etc., will use the "alternate preferred" mailing address name in correspondence, billings or statements sent to customers.

**7. Will any of these proposed recommendations affect my mail delivery? Will I have to pick up my mail at a different post office?**

These proposed changes will not affect anyone's mail service delivery. The Postal Service will not approve any recommendation that would negatively affect mail delivery or customer service.

**8. If I can continue to use my current mailing address name, how does that change anything?**

With respect to community identity, the county believes that a majority of postal customers will choose to use a mailing address name that is more closely identified with Chesterfield County. With respect to lost revenue, the county believes that replacing the default preferred mailing address names for those ZIP codes that currently have names associated with other localities will result in fewer instances of misallocated sales tax revenue.

Although this change will allow residents to use either the preferred or alternate last-line mailing address names in their correspondence, the alternate name will override the preferred name when commercial mailings are prepared, e.g., bank statements, utility bills, etc.).

**9. What taxes and taxpayers are affected?**

Chesterfield County believes that approximately \$1.5 million to \$2 million annually in local option sales tax revenue is mistakenly misallocated by the Virginia Department of Taxation to the city of Richmond, and to a lesser extent, the cities of Colonial Heights and Petersburg.

**10. What is a "local option sales tax"? How does it impact Chesterfield County?**

In Virginia, a 5 percent sales tax is collected at the point of sale and submitted to the state. Then, on a monthly basis, the 1 percent local option tax is remitted to localities where the sale took place.

## **ZIP Code Information Update Frequently Asked Questions**

**11. How would changing the mailing address name of the ZIP code help bring in more tax revenue to the county?**

**Example No. 1: Internet sales** — A Chesterfield County resident with a Richmond, VA mailing address buys a computer on the Internet from an out-of-state company. That company collects the sales tax and sends the tax to the Virginia Department of Taxation and labels the sale as having occurred in Richmond. Consequently, the wrong locality receives the money.

**Example No. 2: Catalog Sales** — A Chesterfield County resident purchases some sporting goods from a catalog company with an out-of-state headquarters. The resident's address is Richmond, VA. After the sale, the out-of-state catalog company sends the sales tax that it has collected to the Virginia Department of Taxation. The sale is depicted as having occurred in Richmond, VA and, again, the wrong locality receives the money.

**Example No. 3: National Retailers** — A national department store chain has multiple locations within the Central Virginia area. Some are in the county, and some are in the city. The retailer collects the sales taxes paid by county residents and remits one payment for all of their locations to the Virginia Department of Taxation for sales having occurred in Richmond, VA.

**12. Will these proposed changes result in county taxpayers having to pay additional taxes?**

No. The county's main concern is to ensure that all tax dollars are correctly recovered in order to provide services for the benefit of county taxpayers.

**13. I just ordered new stationery and office supplies. Will I have to throw it all out and order new supplies if these changes are made?**

No. You do not need to throw out your current supply of stationery, personal checks, business cards or other supplies. Chesterfield County postal customers will have the option of using the preferred or alternate mailing address names on their correspondence. However, when a new supply of checks or stationery is ordered, the new supplies may reflect the alternate preferred mailing address name.

**14. Will I have to send out change-of-address notices?**

No. Postal customers will not have to send out change-of-address notices as they will be able to use either the preferred or alternate last-line mailing address names. However, utility companies, cable companies, banks, and other commercial companies and mailers will use the alternate mailing address names in their mailings.

## **ZIP Code Information Update Frequently Asked Questions**

**15. What could \$2 million buy for Chesterfield County residents?**

Two million dollars potentially could fund one of the following:

- 30 new school buses
- four new fire engines
- eight new ambulances
- salaries and benefits for 35 new teachers
- salaries, benefits, training and related equipment for 15 new police officers

**16. Is a survey of postal customers required in order to implement these proposed changes?**

No. Since the proposed new mailing address names will be “alternate preferred” mailing address names, no survey is required.

**17. Will my ZIP code change?**

The Postal Service has said that ZIP codes will NOT change for this reason. However, future growth within a ZIP code could require the Postal Service to change a ZIP code for operational reasons. If this process moves forward, the changes would be to the mailing address designations.

**18. What are the next steps in this process?**

The Board of Supervisors will be hosting a series of community meetings across the county to inform residents about these proposed changes and to solicit their feedback. Once these meetings are held, the Chesterfield County Board of Supervisors will determine whether an official request to implement these changes will be sent to the Postal Service.

**19. How may I continue to be updated on this process?**

For the latest information about this issue, visit [www.chesterfield.gov](http://www.chesterfield.gov). If you have any comments or concerns you may also call 748-1211.