

MEMORANDUM

To: Pinehurst Council & Administration

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Date: 11/16/22

From: Jim Nash, Village Retailer

Re: 2022 Business Survey and Downtown Parking

I am writing to state some of my concerns with the 2022 Business Survey and the recent parking initiative.

The Survey recap states there were 75 respondents to the annual survey which seems like an extremely low number for a statistically valid survey of the Pinehurst Business Community.

On October 4th I addressed my concern to Jeff Sanborn about the past sample size for the annual business surveys, as I had heard it only went out to a random sampling of businesses. Mr. Sanborn's reply was: "This question about Business Survey sample size has only come up in discussions with Council a couple of times over the years...our Annual Business Survey is mailed to **ALL** businesses." Slide 5 of the ETC Survey Recap states "By mail and online to **ALL** businesses in the Village of Pinehurst. Even the President of Pinehurst Business Partners states to this day she hasn't received a Survey notice this year nor for the last several years. I had to request the survey be sent to me, and it came as a text message not "By mail and online."

Matt McKirahan, in presenting the 2022 Business Survey results at the 11/15/22 Council meeting stated it had been sent out to **ALL** Village of Pinehurst businesses, which totaled 420. The B-to-B Yellow Pages for Pinehurst lists between 1133 and 1048 businesses (so an average 1090). There appears to be a discrepancy of 670 Pinehurst businesses that were not included in the ETC 2022 Business Survey.

75 responses out of 420 represents a 17.9% return

75 responses out of 1090 (All the businesses) represents only a 6.9% return or sampling.

Why were 670 Pinehurst businesses left out of the Survey? What is the disconnect between 1090 Pinehurst businesses and 420 businesses?

CheckMarket by Medallia is a major online survey platform with a prestigious client list of some of the largest corporations in the world: Mercedes-Benz, Toyota, ING, Cigna, BP, Shell, Deloitte, KPMG, Sony, Coca-Cola to name a few. They have a very good explanation on their website of what's statistically

valid for survey results. Many factors come into play, however a baseline metric is the smaller the sample segment the larger the percent participation required to be statistically valid. They have an on-line calculator tool for sample size which shows you the amount of respondents you need to obtain statistically significant results for a specific population (in our case a business population).

As an example, using the 420 demographic of business population, and a 5% margin of error with a 95% confidence level, the required sample size would need to be 201 respondents to be statistically valid...not 75.

Using the 1090 demographic of business population, and a 5% margin of error with a 95% confidence level, the required sample size would need to be 285 respondents to be statistically valid...again not 75.

75 respondents out of 420 or 1090 does not add up to a statistical confidence for outcomes. Why should we accept anything more than a 5% margin of error and anything less than a 95% confidence level? If ETC is trying to “sell” less is normal and acceptable it’s because they failed to achieve reasonable statistically valid numbers – test that with other reputable survey providers...please do the research!

Source: <https://www.checkmarket.com/sample-size-calculator/>

Furthermore, of the 75 respondents only 25.7% were in the Village Center (downtown) which calculates to 19 respondents (of which 9 were Realtor related) – so the outcomes are very skewed to the views of the other 75% outside of downtown. In a search of the listed businesses in the VOPNC Business Directory, which have a Central District business address I find +/- 90, thus the Survey respondents of 19 out of 90 represents only a 21% downtown sampling – a required sample size would be 74 to be statistically valid per Checkmarket standards and calculation. Additionally, the views and issues of downtown (non-realtor related) businesses are very different than views of the outside of downtown business sector. I would like to see the statical results of the business survey for just the village central (downtown) segment – I assure you the results will be dramatically different. The largest segment of respondents to the survey (27%) came from Health Care and Social Assistance sector, which are in their own Pinehurst bubble location and the environment is completely different than say downtown. Most of the Financial and Insurance (8%) the same. For more relevant results, maybe, at least the Health Care and Social Assistance pocket of Pinehurst should be broken out for their own survey results, because being such a significant percentage of respondents it skews the results of the whole. Certainly, the Central District (downtown) results should be isolated for separate analysis.

With 420 Surveys sent and 75 responding, 345 or 82.1% did not respond – this number potentially represents a considerable percentage of businesses that are just too apathic to respond any longer (I would estimate it could be as high as 50%). They have been rolled over by administration and council so many times in past years that they just don’t bother giving their opinion anymore...I know this to be a fact with many.

Bob Mirman that spoke after my comments so appropriately and accurately pointed out survey inconsistencies and data manipulation (e.g. counting neutral or average responses on the favorable side of the data results) ...it has the appearance of trying to pull the pervertible wool over the eyes of the constituency that everything is fine and everyone is happy...pats on the backs all around for VOP Admin and Council! Bob corroborated my comments of questioning a Statistically Valid Survey...**and this same concern flows through to the results of the 2022 Community Survey as well...**neither provide us credible statistically significant results or valid data that we can have any reasonable level of confidence. In speaking with Bob after the meeting, I found out he is a professional statistician – conducting statistically valid surveys is what he does for his living. **Both survey results should be taken off-line from the VOP website.** VOP should not be patting themselves on the back for yet another year of exceptional results and a highly satisfied community and business constituency -I believe some of the comments from Pat Pizzella and Lydia Boesch echoed similar thoughts and concerns about the surveys.

Let me segue to Central Village Parking and then tie it back to the Survey. Owning two businesses downtown (and being a resident), my main concern is the health, condition, vibrancy, and functionality of the Central Village (downtown) and this business survey does not provide the true data for that sector of Pinehurst businesses. I am sure all of you have reviewed my [In Celebration of Pinehurst](#) website and the [Operation Village Priority Initiative](#) PowerPoint of the condition of the Central Village. Very little has changed downtown since that was posted – trash receptacle tops were cleaned, and a leaning stop sign was straightened. I stated in my preamble to the PowerPoint, The Village of Pinehurst has two undeniable crown jewels. **1) Pinehurst Resort and its famed Pinehurst #2** which is an ongoing living memorial to the founding of Pinehurst and the current main attraction as a destination; and **2) our Central Village which is a National Historic Landmark District.** Its incomprehensible that this administration and Council does not put more focus, time, and capital into the area of Pinehurst that most visitors get their lasting impression of the Village of Pinehurst! Small business is also negatively impacted.

My view is also supported by the fact that in the **2022 Community Survey**, the question “Do you shop regularly in the Village Center (downtown) returned results of 61% NO – To the question “Do you dine regularly downtown?” 45% responded NO. Although varied reasons were cited, the third most stated at 27% was lack of Parking. The recent Admin and Council initiative of new permanent Shop, Dine, Visit signs and the letter from the Mayor that went to downtown businesses et., al. has been a total failure. Absolutely nothing has changed, except the misperception of administration and Council that things are somehow much better. **NOTHING HAS CHANGED**, and several of us can prove that with photos, that we don’t bother sending in anymore because there is no response or further action from this administration and Council. As I stated in a Memorandum to Council March 15, 2022, and in my verbal comments in the March 22 Council Meeting – without an enforcement plan, spending \$16K of taxpayer money on permanent signs was a waste of money, and thus far it has been exactly that. As an aside, the permanent signs that were installed, I assume by a third-party contractor, have a variance of 5 ½” from edge of curb to center of post, so the contractor did a very sloppy job of the install - two posts on the same street within 8 feet of each other have an offset variance of 3” from each other. Whoever from administration was supervising this install must have been out of town that day, because I am sure they would not have let a sloppy install go uncorrected. This may seem petty, but

it's the little things that count. We are the ones (Pinehurst residents) paying for things like this and we expect and deserve better – this is just a micro example of other similar things that were addressed in my Operation Village Priority PowerPoint.

In August of 2021 the Administration sent out my **Park and Ride Survey** to a sampling of Residents, and there were 540 respondents. The Survey response of 540 was deemed by Administration not statistically valid, yet 75 responses to the current business survey is considered statistically valid. Maybe I'm somehow not comparing apples to apples, idk. That aside, the Park and Ride Survey asked the question "Is parking a deterrent for you to shop downtown? 47.7% responded yes.

The 61% of residents who don't shop downtown and/or the 27% to 47.7% who cite parking as the reason represents a VERY significant amount of lost business each year for retailers and restaurants. The downtown small business community deserves better from this administration and council.

To continue to allow and even condone those who work in the Central Village to freely park in all the prime parking spaces in the three-block downtown area is continued irresponsible governance in this area. You now need to step up, as promised, and incorporate a viable enforcement plan if the current plan did not work.

It was mind-numbing for Katrin Franklin (President Pinehurst Business Partners) and myself to listen to a half hour of discussion (11/15/22 Council meeting) and possible introduction of a new (or re-written) ordinance concerning a one-off complaint about lighting in the residential village (possibly an amendment to Ordinance #22-23). One complaint from a citizen of Pinehurst (valid and justified as it was) got this much attention and time of Council!! Ms. Franklin, I and others like Bob Hansen have been addressing the irresponsible and inequitable parking situation in the Central Village (downtown) for years and continue to do so to this day! We have never gotten the same concern, attention and action that was displayed in the 11/15/22 meeting! What sense does this make? With no other alternative, we are now resolved to ramp this issue up to become another drawn-out 10/month STR-like debate and make it a subject of every Council meeting going forward if appropriate action and resolution is not taken immediately...we have had enough of the stonewalling!

Lastly, back to the Survey and results. I challenge this Administration and Council to do better going forward and to press your Survey provider to do a much-improved job of producing more pointed and relevant questions, and in tabulating more statistically accurate results by business districts or by business sector. This Survey would also have been an ideal opportunity to gather information and data on the parking matter, it was glaringly absent...don't ask questions you don't want answers to.

Additionally, I sent a [memorandum Oct 3, 2022](#), to Administration and Council questioning the credibility of ETC as my invitation to take the business survey came in the form of a text message from some unidentified and nondescript click-through link. In investigating the source address this message came from, and tracing the phone number connected with it, resulted in reviewing a couple Google pages of derogatory comments by others who had received texted invitations – some stated the number was associated with a scam. Legitimate Surveys from credible sources are mailed or emailed by recognizable sources, period. If the credibility of the survey facilitators or their methods are suspect

in any way, I will again question the validity of both 2022 Surveys. I received a response back from VOP Administration who presented my findings and experience to ETC, and they assured me the texting sub-contractor was legitimate and they had in fact used them for many years. If a third-party contractor allows its sub-contractors with a trail of bad comments in search engines to continue to be a part of their business, it's time to change that Survey facilitator relationship...Best practices indicate that changing things up with certain third-party providers every five years might be smart business practice for any organization.

An accurate, with high confidence level Pinehurst Business Survey is very important because the largest employment sector in Pinehurst is not the Resort or the Hospital, its Independent small business – the 1090 small business employers have a very significant impact in making Pinehurst the attractive and viable village it has become...see below.

Pinehurst Small Business dominates as the largest sector employer within Pinehurst			
16,620		2019 Population	
40.40%	Est. Employed	https://www.census.gov/quickfacts/fact/table/pinehurstvillagenorthcarolina/INC110219	
47.10%	Est. Employed that work in small business	https://smallbiztrends.com/small-business-statistics	
6,714	Est. Employed		
3,163	Est. Employed by Small Business		
1,300	Employed by Resort	https://www.pinehurst.com/career-opportunities-pinehurst-resort/	
2,670	Employed locally by Hospital	https://www.buzzfile.com/business/MOORE-REGIONAL-HOSPITAL-910-715-1000	
2.43	Times more employed in Small Business than Employed by Resort		
1.18	Times more employed in Small Business than Employed by Hospital		

Accuracy matters, transparency matters, honest communication matters, and timely action matters. **The resident constituency and small businesses of Pinehurst deserve better.**