



**VILLAGE COUNCIL
AGENDA FOR WORK SESSION OF OCTOBER 8, 2019
ASSEMBLY HALL
395 MAGNOLIA RD.
PINEHURST, NORTH CAROLINA**

IMMEDIATELY FOLLOWING THE REGULAR MEETING

1. Call to Order.
2. Discuss Public Input on the Adoption Draft of the 2019 Comprehensive Plan Received to Date.
3. Adjournment.

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.

Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.

Values: Service, Initiative, Teamwork, and Improvement.



DISCUSS PUBLIC INPUT ON THE ADOPTION DRAFT OF THE 2019 COMPREHENSIVE PLAN RECEIVED TO DATE.

ADDITIONAL AGENDA DETAILS:

FROM:

Natalie Hawkins

CC:

Jeff Sanborn and Darryn Burich

DATE OF MEMO:

10/2/2019

MEMO DETAILS:

This agenda item is for the Village Council to receive and discuss the feedback received to date on the Adoption Draft of the 2019 Comprehensive Plan. Residents will have one more opportunity to express their thoughts on the Plan at the Council's Special Meeting scheduled for Wednesday, October 9, 2019 at 4:30 pm in Assembly Hall.

The intent of this agenda item is for the staff to present the input received thus far to the Village Council so at the conclusion of the October 9th meeting, the Village Council will have all of the public input collected on the Plan and can use the feedback to inform their decision making process.

The feedback that will be shared has come from a variety of sources such as the Think Tank, the Planning & Zoning Board, the Neighborhood Advisory Committee, the Envision the Village (ETV) website, etc. ETV reports through October 2nd are attached to this agenda item and staff will provide updated reports through October 8th at the work session.

On September 23, 2019, the P&Z Board took public comment and there were ten residents who spoke on the Plan. After hearing public comment and a discussion among the Board, the P&Z Board approved a motion recommending the Village Council adopt the 2019 Comprehensive Plan with a few modifications. The public comments and the P&Z Board's recommendation are included in the attached minutes of the September 23, 2019 P&Z meeting.

Village staff also have three items related to the Plan we would like for the Council to discuss:

1. How to handle the illustrations included in the Plan - A common theme emerging is the lack of context for some of the illustrations and inconsistencies between the illustrations and the text of the Plan.
2. Focus Area 2 (Page 82) - Discuss potential changes to the land uses west of Highway 5 to suburban center and suburban neighborhood to make it more in line with what was originally presented in the 1st draft.
3. Focus Area 4 - (page 99/100) - Review the land uses in this area, especially those around Village Hall and the Police Station to clarify the uses shown on Page 99 that are inconsistent with the illustration on Page 100.

As previously mentioned, on October 9th, residents will have an additional opportunity to provide input to the Village Council in person at the Council's Special Meeting. Immediately following the public comments,

staff will be available to answer any Council questions and to take direction from the Council on any final changes the Council may want to make to the Plan.

If you have any questions, please feel free to give me a call.

ATTACHMENTS:

Description

- ▢ Staff Memo
- ▢ 09-23 P&Z Minutes
- ▢ ETV Feeback Report through 10/2/19
- ▢ ETV Analytics and Q&A through 10/2/19
- ▢ Feedback from Bartley Reuter
- ▢ Feedback from Bert Higgins
- ▢ Feedback from John Webster
- ▢ Feedback from Kaye Pierson



MEMORANDUM

To: Village Council
From: Natalie Hawkins
Date: October 3, 2019
Subject: Public Input on the Adoption Draft of the 2019 Comprehensive Plan
Received Through 10-2-19

This memo is in support of the agenda item for the Village Council to discuss the public input and feedback received to date on the Adoption Draft of the 2019 Comprehensive Plan in their work session on Tuesday, October 8, 2019.

On October 9th, residents will have another opportunity to provide input to the Village Council in person at the Council's Special Meeting scheduled for October 9th at 4:30 pm in Assembly Hall.

Feedback received to date on the Adoption Draft of the 2019 Comprehensive Plan has come from a few different sources as described below and in the other attachments to this agenda item.

Think Tank Members

On 9/23/19, Village staff hosted the final Think Tank meeting to obtain their input on the Adoption Draft of the Plan. Two Village Council members, Kevin Drum and Judy Davis, attended the Think Tank meeting. Seven of the 12 Think Tank members were present and 2 members who could not attend the meeting provided their feedback directly to staff.

The consensus of the Think Tank was that the Plan adequately reflected the extensive public input received and that the Plan strikes a good balance of identifying how the Village can be preserved while also allowing for some growth to meet the needs of residents. The Think Tank also recommended the Village Council not delay a vote on the Plan if the Council is satisfied with the Plan contents.

Each Think Tank member was given an opportunity to voice any individual concerns, which were then discussed by the group. While there were several items discussed and questions answered, below is a list of the key items discussed that could potentially cause the Council to consider modifying the Adoption Draft:

- There was some frustration with the illustrations included in the Plan as being not “representative” of Pinehurst and hard to understand at times.
- There were questions about how the Village might address the impacts of short term

rentals on neighborhoods and if any stronger language might be appropriate for Page 131 and Implementation Strategy 3.9.

- There was a recommendation made that was supported by the group to look at the wording of Guiding Principle 7 and possibly amend it by stronger adding language to the effect that the Village should be a leader in environmental sustainability and alternative energy use.

The Think Tank also suggested the Village consider holding additional meetings after the adoption of the Plan to help manage resident expectations on implementation, especially since it could likely take multiple years to implement some of the strategies.

Neighborhood Advisory Committee (NAC) Meeting

On 9/16/19, Planning Director, Darryn Burich, and I delivered a presentation providing an overview of the key components of the Plan to the Neighborhood Advisory Committee. Councilmember Jack Ferrell attended the NAC meeting. There were several questions, but no major concerns with the Plan were expressed.

Planning & Zoning (P&Z) Board Meeting

On 9/23/19, the Planning & Zoning Board accepted public comment on the Plan at their special meeting. Ten attendees provided comments that are included in the 09-23-19 P&Z Minutes attached to this agenda item.

Residents on the Envision the Village website

Overall, nine residents have provided feedback on the Plan using the electronic feedback tools on the Envision the Village website. A report of the five individual feedback comments received is attached to this agenda item. In addition, there were four questions posed on the site which are also included in the attached report.

As the Council considers adoption of the 2019 Comprehensive Plan, it is important to consider this public input, along with the public input that will be received during the October 9th Special Meeting.



**PLANNING AND ZONING BOARD
REGULAR MEETING
SEPTEMBER 23, 2019
ASSEMBLY HALL
395 MAGNOLIA RD.
PINEHURST, NORTH CAROLINA
4:00 PM**

The Pinehurst Planning and Zoning Board held a Special Meeting at 4:00 p.m., Monday, September 23, 2019 in the Assembly Hall, at 395 Magnolia Road, Pinehurst, North Carolina.

Board Members in Attendance:

Leo Santowasso, Chair
Joel Shriberg, Board Member
Julia Latham, Board Member
Jeramy Hooper, Board Member
Sonja Rothstein, Board Member
Cyndie Burnett, Board Member

Board Members with Excused Absences:

David Kelley, Vice-Chair
Paul Roberts, Board Member

Staff in Attendance:

Natalie Hawkins, Assistant Village Manager
Darryn Burich, Planning and Inspections Director
Kelly Brown, Administrative Specialist

There were approximately 27 members of the public, six staff and one press in attendance.

I. Call to Order

Chair Leo Santowasso confirmed that a quorum was present and called the meeting to order.

II. General Business

Planning and Inspections Director Darryn Burich stated the purpose of this meeting was to receive public comment on the 2019 Comprehensive Plan. He gave a brief presentation on the Comprehensive Plan, which included a timeline of the adoption process, a review of the Top 10 Strategic Opportunities and Seven Guiding Principles, a review of the Five Focus Areas and Key Themes, and an overview of the implementation and updating process.

A. Receive Public Comments on the Comprehensive Plan

Mr. Santowasso stated the Board would receive public comment. The following members of the public provided comments:

Bart Reuter of 3 Sodberry Court supported enforcing a maximum of one single residence per five acres of development in the ETJ.

Jim Fisher of 15 Carolina Vista Drive read a letter on behalf of Kaye Pierson of 45 Brandon Trail. Ms. Pierson recommended delaying the approval of the Comprehensive Plan until after the mayor and Council elections in November 2019. Ms. Pierson stated the draft Comprehensive Plan fails to accurately represent citizens' preferences based on voting at the Open House.

Jackie Curley of 915 St. Andrews Drive supported waiting until after the new Council is elected to adopt the Comprehensive Plan. She expressed concern over the traffic issues on Route 5. She recommended being better partners with the County, State and Resort.

Bill Colmer of 34 Pomeroy Drive stated there are three areas that need to be worked on before adopting the Comprehensive Plan: whether the principle of new urbanism is appropriate for the Village, the Plan lacking the rigor needed to provide guidance to future planning boards and councils, and the lack of appropriate financial guidance. He suggested removing concept drawings, particularly in Focus Area 5.

Jane Hogeman of 18 Lochdon Court suggested prioritizing the rural nature of the ETJ, taking a look at the impact on the existing Monticello neighborhood before designing a major employment center on Route 5, and removing all of the renderings from the Comprehensive Plan, and address highways leading into the Village.

Bruce Geddes of 232 Bowman Road stated he was an opponent of Western Connector. He stated that the Plan does not accurately reflect public input. Mr. Geddes recommended delaying adoption of the Comprehensive Plan until people get a chance to review it, or take the opinions from the last public meeting and integrate them into the Comprehensive Plan. Mr. Geddes stated that the map on page 69 of the draft Comprehensive Plan incorrectly shows his property and others as undeveloped instead of developed.

Mr. Campbell of Saddle Place supported removing the renderings from the Comprehensive Plan. He remarked on high density housing in the ETJ.

John Webster stated that the projected population growth used to justify ETJ annexation and high density multi-family housing has decreased, however the draft Comprehensive Plan continues to reflect a high density bias. Mr. Webster stated that municipal expenditure is growing faster than inflation and that adding lower than average value housing will put further downward pressure on existing property values and spur the need for rising tax rates. Mr. Webster stated the Comprehensive Plan needs further revision before adoption.

Stuart Mills of 75 Shaw Road stated the Comprehensive Plan should be amended to add a stated objective to reduce traffic congestion in the Village of Pinehurst.

Bob Hanson of 120 Midland Road expressed concern over multi-family housing and stated that it is not needed for a quaint village. He stated that the greatest restraint on leadership is to do nothing.

B. Discuss and Consider a Recommendation on the 2019 Comprehensive Plan

Mr. Santowasso stated the public comment session was over. He explained the Board could now come to a resolution to vote on the recommendation to adopt Comprehensive Plan, add conditions

to the recommendation, or make no recommendation and study the problems before coming together at special meeting to finalize what is to be sent to Village Council.

Board Member Jeramy Hooper suggested starting a discussion on the comments heard by the Board. He stated he heard a lot of passion around the ETJ, having the renderings removed, the lack of citizen input, and concern over multi-family housing and being driven toward growth.

Board Member Julia Latham stated her greatest concern was for the ETJ. She stated that she understood growth is going to occur in the ETJ in order to relieve pressure in Village Center; however, she expressed concern over the lack of specificity in the Comprehensive Plan leading to a potential open door for something different than what residents wanted, specifically in the ETJ.

Board Member Joel Shriberg stated that Strategic Opportunity #2 directly addresses the traffic concerns in the Village. He stated he understood that people want to retain the heart and soul of the Village and not see apartments or multi-family housing, however there is not much open space in the Village proper.

Board Member Sonja Rothstein supported the idea of keeping Village the way it is and stated that progress has to be controlled.

Board Member Cyndie Burnett supported keeping 50% open space in the ETJ. She stated that moving development out on Highway 5 where there is already development would not be out of character. Ms. Burnett stated she would like to take the public comments and go back through the document.

Mr. Santowasso suggested reviewing the Comprehensive Plan every five years. Mr. Santowasso stated that he does not agree that action should be delayed until after the election. He stated that the Western Connector is a necessary evil in order alleviate pressure on Highway 5. Mr. Santowasso recommended removing the renderings. Mr. Santowasso recommended a more definitive description of what form based zoning is.

Mr. Shriberg suggested allowing six story buildings on the side of Page Road across from the Medical District, specifically the property bound by Page Road N, Aviemore Drive, Memorial Drive and Highway 211, as shown on page 91 of the Comprehensive Plan. The Board discussed the proposal and conducted a straw poll. When asked if they supported the suggestion, the Board stated the following:

Julia Latham	Do Not Support
Jeramy Hooper	Do Not Support
Joel Shriberg	Support
Sonja Rothstein	Do Not Support
Cyndie Burnett	Do Not Support

Mr. Santowasso stated the suggestion was defeated.

The Board discussed strengthening language in the Comprehensive Plan to provide a backstop to development and protect open space the ETJ. The Board agreed to modify the Comprehensive Plan to add language stating there be a minimum of 40% open space for conservation neighborhoods in the ETJ. The Board recommended modifying the language of the Implementation Strategy 2.1 to not consider allowing conservation neighborhoods until there are agreed upon standards that have gone through the public input process.

The Board discussed modifying and/or removing the visual renderings in the Comprehensive Plan. The Board recommended modifying the Comprehensive Plan to add more descriptive verbiage to the Focus Area 5 rendering, if it were to be removed. The Board recommended adding American Planning Association approved examples of suburban standard development or subdivisions versus conservation neighborhoods, in reference to Focus Area 1: ETJ. Ms. Latham stated the renderings on pages 72, 75 and 76 of the Comprehensive Plan needed context.

The Board and Mr. Burich discussed character-based zoning. The Board recommended adding form-based zoning, character-based zoning and pattern book to the glossary.

Ms. Latham was excused from the meeting by Mr. Santowasso without a vote.

Mr. Santowasso called a five minute recess.

Upon a motion by Mr. Shriberg and seconded by Mr. Hooper, the Board unanimously approved the motion to allow Chair Leo Santowasso to vote by a vote of 4-0.

Upon motion by Ms. Burnett and seconded by Mr. Hooper, the Board unanimously approved to recommend to Village Council to adopt the 2019 Comprehensive Plan by a vote of 5-0, subject to minor editorial and formatting changes and the following modifications:

- Use more appropriate illustrations and/or more descriptive verbiage for Focus Areas.
- Update Strategy 2.1 to include standards for conservation neighborhoods.
- Update text for Focus Area 1: ETJ to limit conservation open space at a minimum of 40 percent.
- More clearly define character-based zoning or form-based zoning and pattern books.

III. Next Meeting Date

Regular Meeting on October 3, 2019 at 4:00 pm.

IV. Motion to Adjourn

Upon a motion by Ms. Rothstein and seconded by Ms. Burnett, the Board unanimously approved the motion to adjourn the special meeting by a vote of 5-0 at 6:14 pm.

Respectfully Submitted,



Kelly Brown
Administrative Specialist
Village of Pinehurst

A videotape of this meeting is located on the Village website: www.vopnc.org.

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Survey Responses

03 September 2019 - 02 October 2019

Feedback

Envision the Village

Project: Adoption Draft of the 2019 Comprehensive Plan



VISITORS

43

CONTRIBUTORS

5

5

Registered

0

Unverified

0

Anonymous

RESPONSES

5

5

Registered

0

Unverified

0

Anonymous



Respondent No: 1
Login: jfcompplan
Email: goboy123@sc.rr.com

Responded At: Sep 16, 2019 06:26:29 am
Last Seen: Sep 16, 2019 12:58:29 pm
IP Address: 65.191.250.40

Q1. Please provide your feedback on the Adoption Draft of the 2019 Comprehensive Plan.

Not all bad but some minor adjustments should be made before approving. Not sure the Village can afford to do 115 projects. Should cut out about half of the projects. Some of the projects seemed to be added at the last minute. Do not recall them in the Fair Barn expo, or the wording has been changed a great deal. Way too much stuff about the process in the beginning. Turns one off before getting to the actual content. Very concerned about changing the development ordinance. Many suggestions seem to be consultant advice and not rooted in what the community really needs. The "Concept Drawings" of the development scenarios in the Focus Area sections are totally misleading and no more than an urban planners dream. They are not consistent with today's reality for these areas and in many cases show development scenarios that are directly opposite with what we expressed as preferred development for the focus areas. Could be approved but only with some items cleaned up before approval.



Respondent No: 2

Login: jaow

Email: jaow@jwebster.org

Responded At: Sep 23, 2019 09:03:06 am

Last Seen: Sep 23, 2019 15:25:54 pm

IP Address: 65.191.192.59

Q1. Please provide your feedback on the Adoption Draft of the 2019 Comprehensive Plan.

This plan is fundamentally contrary to the expressed wishes of the residents: it is pro-growth and uncaring about our rural environments. There isn't one meaningful initiative in it to protect our rural surroundings, much the contrary, let's fill it with apartments. Time to accept Pinehurst's footprint: we do not need to continue annexing adjacent areas, growing bigger will only cause us more tax hikes and more traffic. We do not need more consultant projects to redo the PDO.



Respondent No: 3
Login: wcolmer
Email: bill.colmer@nc.rr.com

Responded At: Sep 23, 2019 11:54:45 am
Last Seen: Sep 23, 2019 17:36:01 pm
IP Address: 65.191.251.142

Q1. Please provide your feedback on the Adoption Draft of the 2019 Comprehensive Plan.

I appreciate the work that has gone into preparing this Draft Plan and recognize the inclusion of previous public comments. In my opinion There are 3-4 areas in which the plan needs further work prior to adoption. These are: 1. The plan appears to be philosophically driven by the principles of "New Urbanism" without regard to the fundamentally rural character and setting of Pinehurst. According to the "Charter of the New Urbanism" from the Congress for the New Urbanism, "We advocate the restructuring of public policy and development practices to support the following principles: neighborhoods should be diverse in use and population; communities should be designed for the pedestrian and transit as well as the car; cities and towns should be shaped by physically defined and universally accessible public spaces and community institutions; urban places should be framed by architecture and landscape design that celebrate local history, climate, ecology, and building practice." However, its focus is on development within an urban setting and has engendered significant criticism when applied outside that setting. New Urbanism has been criticized for being a form of centrally planned, large-scale development, "instead of allowing the initiative for construction to be taken by the final users themselves".[brief history of Peer-to-peer Urbanism", Nikos Salingaros and Federico Mena-Quintero, October 2010] It has been criticized for asserting universal principles of design instead of attending to local conditions.[Boeing; et al. (2014). "LEED-ND and Livability Revisited". Berkeley Planning Journal. 27: 31–55. Retrieved 2015-04-15.][Grant, J. (2006) Planning the Good Community: New Urbanism in Theory and Practice. London: Routledge]. I believe this reliance on an inappropriate planning model invalidates many of this plan's conclusions. 2. The plan, as presented, lacks the rigor one should expect for a professionally produced and vetted plan. a. Throughout the document the concepts of "character based development or zoning" and "pattern books" appear as tools to drive future development and zoning. However, these terms are not defined anywhere in document. This leaves the interpretation and the determination of the context in which the terms may apply to the reader. This omission should be corrected prior to adoption, especially considering the multi-year planned duration for the document. b. The document lacks effective financial data on the potential impact of the numerous implementation recommendations. I acknowledge the inclusion of the "\$" icons along with the suggested time frames (which are a good improvement over previous drafts). However, in many cases these only reflect the financial impact of considering an option. The ultimate impact on taxpayers is left for some future determination. I believe this approach should be changed prior to adoption if this document is to be a useful planning tool for future Planning Boards and Village Councils. 3. Focus Area 5, NC 211 Commercial Area: In April 2016, Mayor Fiorillo established a citizen committee to look at options for the development of this parcel in concert with the Village Planning staff. I was a part of that committee and we worked this issue for about a year and ultimately provided the Village a report containing our findings and recommendations. This report was provided to the drafters of this plan. While I agree with the statement contained on page 105 of the current draft - "General office uses targeted for the site would be similar in style and intensity to Turnberry Woods on Morganton Road", I believe the illustrations contained on pages 107-110 are so out of keeping with the Turnberry Woods concept that they must be removed prior to the adoption of the plan. These illustrations show a high-density development of 44 buildings, many of which are multistory and directly abut a low-density residential area which cannot be effectively screened or buffered due to the topography of that parcel. Despite the disclaimers regarding the conceptual nature of the renderings, they are so far off the mark that they must be redrawn to actually depict the Turnberry Wood development, or they must be removed. The plan has definitely improved and much work has been done. With just a little more effort this can be a document of which we all can be proud.



Respondent No: 4
Login: jhtaylor52
Email: jhtaylor52@gmail.com

Responded At: Sep 23, 2019 15:13:34 pm
Last Seen: Sep 23, 2019 22:00:46 pm
IP Address: 38.142.128.67

Q1. Please provide your feedback on the Adoption Draft of the 2019 Comprehensive Plan.

1 - The Comprehensive Plan is designed to be a 20-30 year road map; accordingly, the current Council should leave adoption or modification of the plan the incoming Council post our coming elections; there is no need to rush a 20-30 year plan into the last 2-3 weeks that 60% of the current Council will serve; 2 - Item #2 of the Strategic Objectives speaks clearly to the concern residents of all areas of Pinehurst have about traffic, particularly on Rt 5 and the Traffic Circle; the 100% pro-growth plans listed for the 5 "future development areas" all entail significant increases in traffic, and for this reason alone are not consistent with Objective #2. 3 - Assumption of the construction of a "Western Connector" is a bad premise; as we have seen with the multi-year postponement of the DOT plans for 15/501, it will be after 2030 before such a road can possibly be built; 4 - we need to work at the Zoning Board level w/ Southern Pines and Aberdeen; the Aberdeen approval of a Zoning Change to the parcel south of Blake Boulevard will already add to the traffic on Rt 5. Just imagine if a proposal surfaces for the Development Area #2 in Pinehurst; 5 - High density housing and no consideration of low growth development will fundamentally alter life in Pinehurst in ways that are totally inconsistent with the Opening Statement of the Strategic Objectives, which I will abbreviate as : "Protecting the character and small-town feel of Pinehurst."



Respondent No: 5

Login: mlw

Email: margewhite6@bellsouth.net

Responded At: Oct 02, 2019 12:47:41 pm

Last Seen: Oct 02, 2019 19:39:19 pm

IP Address: 65.191.198.158

Q1. Please provide your feedback on the Adoption Draft of the 2019 Comprehensive Plan.

I don't believe that this priority list is a fair representation of the priorities of the Pinehurst residents. How does this compare with the survey results? Do we really want to become another Southern Pines? The priority list is too pro development, and doesn't seem at all geared to preserving our culture.

Project Report

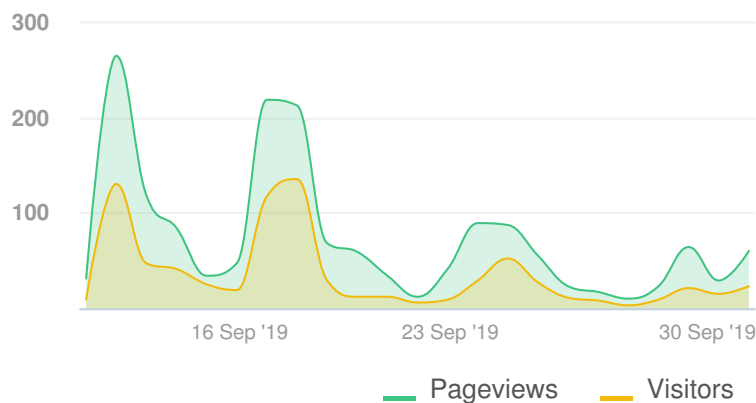
03 September 2019 - 02 October 2019

Envision the Village

Adoption Draft of the 2019 Comprehensive Plan



Visitors Summary

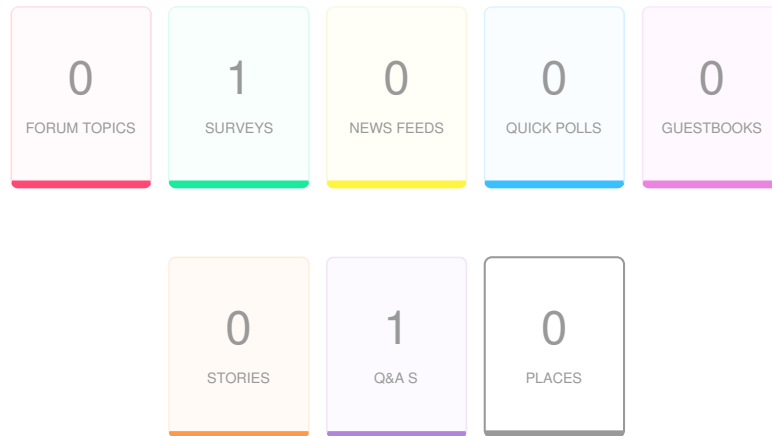


Highlights

TOTAL VISITS	887	MAX VISITORS PER DAY	135
NEW REGISTRATIONS	5	ENGAGED VISITORS	9
		INFORMED VISITORS	267
		AWARE VISITORS	695

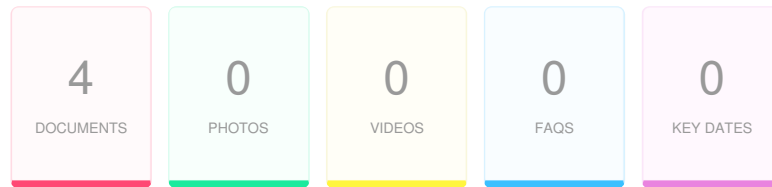
Aware Participants		695		Engaged Participants		9					
Aware Actions Performed		Participants		Engaged Actions Performed		Registered		Unverified		Anonymous	
Visited a Project or Tool Page		695									
Informed Participants		267		Contributed on Forums		0		0		0	
Informed Actions Performed		Participants		Participated in Surveys		5		0		0	
Viewed a video		0		Contributed to Newsfeeds		0		0		0	
Viewed a photo		0		Participated in Quick Polls		0		0		0	
Downloaded a document		230		Posted on Guestbooks		0		0		0	
Visited the Key Dates page		0		Contributed to Stories		0		0		0	
Visited an FAQ list Page		0		Asked Questions		1		3		0	
Visited Instagram Page		0		Placed Pins on Places		0		0		0	
Visited Multiple Project Pages		226		Contributed to Ideas		0		0		0	
Contributed to a tool (engaged)		9									

ENGAGEMENT TOOLS SUMMARY



Tool Type	Engagement Tool Name	Tool Status	Visitors	Contributors		
				Registered	Unverified	Anonymous
Qanda	Q&A	Published	40	1	3	0
Survey Tool	Feedback	Published	43	5	0	0

INFORMATION WIDGET SUMMARY



Widget Type	Engagement Tool Name	Visitors	Views/Downloads
Document	Adoption Draft Comp Plan - September 2019	177	233
Document	Consultant Presentation of the Adoption Draft	38	40
Document	Vision and Guiding Principles	25	29
Document	Top 10 Strategic Opportunities	23	31

QANDA

Q&A

VISITORS	40	CONTRIBUTORS	4	CONTRIBUTIONS	4
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Q

Katy S.

22 September 19

Hello, I was wondering what the plans are for the Beach access area?

A

Publicly Answered

Katy, Pinehurst Resort has submitted plans to the Village to renovate the marina at Lake Pinehurst. You can come by Village Hall at 395 Magnolia Road between 8:30 am and 5:00 pm to review them if you'd like. You may also call 910-295-1900 and they front desk staff will refer to a member of our Planning Staff who can describe the improvements planned. Natalie Hawkins, Assistant Village Manager

QANDA

Q&A

Q

Jim Fisher

23 September 19

1. It seemed very apparent to me that the ideas proposed by the consultants regarding Area 2 were overwhelmingly rejected by the public. Why is this still in the plan? 2. Developing along Hwy 211 will ruin the approach to Pinehurst, as has been shown with previous efforts further west. Why keep pursuing this when there is obvious dislike for it, especially from Pinewild residents?

A

Publicly Answered

Dear Jim, Thank you for your feedback. The Comprehensive Plan evaluated how the area along Hwy 211 north of Pinewild could possibly be developed in the future and residents provided their input at the Community Open House in June and online afterwards. Based on public support, the Village Council decided to not make any changes to the future land use of this area and to keep it in the Plan as it is currently zoned today for office & professional uses. It is included in the Plan because it is an area the Village Council agreed to evaluate during Envision the Village. It remaining in the Plan is a reflection of the planning process undertaken and an indication to any future developers that office & professional uses are appropriate in this area. Staff will forward your feedback to the Village Council prior to their October 9th Special Meeting to receive public comments on the Comprehensive Plan. Natalie Hawkins, Assistant Village Manager

QANDA

Q&A

Q

Jim

29 September 19

All the feedback and comments I have heard is that the citizens of Pinehurst are not for growth and want the village to remain relatively the same as it is at the present. With the elections a month away, it seems prudent to postpone the adoption of this plan and let the new mayor and council deal with this issue.

A

Publicly Answered

Dear Jim, Thank you for your feedback. Village staff will forward your comment to the Village Council prior to their October 9th Special Meeting to receive public comment on the Comprehensive Plan. Natalie Hawkins, Assistant Village Manager

Q

Oxly

24 September 19

The current council and Mayor have no skin in the game because they will soon be leaving. Approving this plan now, (which is far more complex and questionable in terms of out of control growth and rezoning goals than the ambiguous and generalized wording used in this email alludes) is ridiculous. Lame Duck government administrations have no business pushing through a strategic plan a month before an election. It is pure egocentrism that the "legacy" of a few elected officials is more important than the future of this community.

A

Publicly Answered

Dear Oxly, Thank you for your feedback. Village staff will forward your comment to the Village Council prior to their October 9th Special Meeting to receive public comment on the Comprehensive Plan. Natalie Hawkins, Assistant Village Manager

ENGAGEMENT TOOL: SURVEY TOOL

Feedback

VISITORS 43	CONTRIBUTORS 5	CONTRIBUTIONS 5
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No Graphs to show

Pro Tip:

The following types of questions are shown here as graphs.

Dropdown Type Question

Checkbox Type Question

Radio Type Question

Region Type Question

Number Type Question

Text based responses are not shown in this report.

My wife and I have lived in the Pinehurst area since December 1995, seventeen years in the ETJ area off Linden Rd., and since April 2017 in the Cotswold Townhouses. Like many people here, we were attracted by the mostly moderate weather, relatively low taxes, the small town charm, and the convenience of nearness to cities such as Raleigh, Greensboro and Charlotte. While we recognize that it is not possible to stop growth, it is possible to control it. Pinehurst does an excellent job of enforcing its stringent zoning regulations in town, but less so in the ETJ. This area restricts building to one private house per 5 acres or more. The purpose of such zoning is to restrict the density of these areas, thereby protecting and preserving the charm, serenity, and appeal of the Village proper. Instead the board buys into the petitions of builders who want to place 7-9 homes on a property zoned for 1. Some even want multi-level apartments. In exchange they offer cluster houses with park areas, convenience stores, and paved roads and walks.

This requires huge increases in costs for Schools (60% of Pinehurst Budget), Police Protection, Parks and Recreation, Road Maintenance, Library Services, Water & Sewage, Trash & Garbage, and others I may have forgotten. People in the ETJ pay NO Taxes to The Village of Pinehurst although they do to Moore County. Guess who will pay the necessary tax increases? People residing in the Village of Pinehurst! Perhaps you could get the builders to pay some of this, or devise a way to increase your tax base, but Good Luck with getting that through Raleigh.

The point I wish to make is that while it may be nice to enlarge the ETJ with an eye toward controlling the surrounding territory, it will do no good if you continue to yield to the money hungry developers. You Must Enforce maximum single residence per five acre development in the ETJ!



Bartley C. Reuter

From: [Natalie Dean Hawkins](#)
To: [Kelly Brown](#); [Darryn Burich](#)
Subject: Fwd: Guiding Principle #7
Date: Thursday, September 26, 2019 9:42:43 AM

Please file this email with Comp Plan Feedback.

Sent from my iPhone

Natalie Dean Hawkins
Assistant Village Manager for Administration

Begin forwarded message:

From: Bert Higgins <bhiggins1971c3@gmail.com>
Date: September 26, 2019 at 8:33:36 AM EDT
To: Natalie Dean Hawkins <nhawkins@vopnc.org>
Subject: Guiding Principle #7

Natalie, as mentioned at the meeting, I'd like to see a more proactive statement on what the VOP will do for the environment including greenhouse gas emissions. Here is an example of what might be added.

"Preserve, conserve, and feature Pinehurst's natural resources with expanded parks, open spaces, and events that enhance the health and well-being of the community and the environment "

and actively commit to manage environmental impacts on VOP provided services and initiatives by continually improving and monitoring environmental performance. Promote environmental friendly alternatives for citizens, businesses and service providers to Pinehurst.

Bert

Population Growth in the Pinehurst Context

August 20th, 2019

Disclaimer: written in this paper are my own opinions, but where possible based upon facts. Neither my opinions nor my analyses are necessarily correct.

Population Growth in the Pinehurst Context

Summary

- **Population growth.** A reasonable Village of Pinehurst (VOP) population growth estimate for the 2020-2030 period is 18% 3,000 new residents), not the 41% (6,900 new residents) assumed in the VOP's draft Comprehensive Plan (DCP).
- **Population Growth and Local Taxes.** VOP's Ad Valorem tax (property tax) revenue per capita is dropping in nominal and deflated (11.3% drop in the period 2015-2020) terms. The growing deficit between Ad Valorem tax per capita and municipal services cost per capita has to be financed by other revenues and higher Ad Valorem tax rates.
- **Population Growth and Municipal Expenditure.** Municipal expenditure would seem highly correlated with population increase and directly affected by inflation. However, municipal expenditure per capita is actually rising ahead of inflation. More worrying is that day to day expenditure seems to be crowding out capital expenditure.
- **VOP's FY 2017 Fiscal Land Use Analysis (FLUA).** The VOP conducted a study to calculate which is the most profitable use of land for the VOP and concluded that it is Multi-Family housing. My opinion is that the study is flawed in its use of a critical observation/assumption about Multi-Family reported occupancy and also that urban planning cannot, in any case, be dictated by VOP profitability of land use. Interestingly, it also concludes that residential property is heavily subsidizing non-residential property.
- **Population Growth Pros and Cons.** The arguments in favor are generally driven by a business and municipal interest in maximizing revenue. I believe this reduces Pinehurst's residents' quality of life and, in the long run, is actually a mistake for municipal finances.
- **Population Growth and the Draft Comprehensive Plan (DCP).** In my opinion, the DCP is the fruit of the personal preferences of some, including the DCP consultants, for the recipes of New Urbanism and build-to-rent development. The 41% 10 years population growth assumption is not credible and the FLUA's flawed conclusion is suspiciously conducive to supporting the Multi-family housing model. I propose that the VOP establish an urban boundary and that the ETJ be kept as green as possible by enlisting county support and/or progressively financing the acquisition of building rights through a land trust, not by "conserving" land to be used for a by-pass.
- **Conclusion.** Relatively rapid population growth is probable in the next 10 years. The questions are how fast and are the VOP's residents willing to accommodate the negative consequences of population growth in order to satisfy the wishes of a few outside developers and the misguided belief at the municipal level that maximizing revenue is an answer to financing services going forward. Too rapid growth will, in my opinion, impoverish the VOP's public finances and the quality of life and real estate investment of current residents. I, therefore, advocate physical limits to our growth, enhanced quality building requirements, charging users the true cost of municipal services/investments, investing in preserving our rural surroundings, resisting a conversion to a rental community and making our municipality's government function with fixed tax rates.

Population Growth in Pinehurst

There are currently some 9,000 houses of which some 80% are occupied and 120-150 new units are built annually. The basic population numbers for the Village of Pinehurst (VOP) are as follows:

							% Chg	% Chg					% Chg	Comp Plan	% Chg
USD	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	20E vs 10A	20B vs 15A	FY 2021	FY 2022	FY 2023	FY 2024	24P vs 14A	2030	30P vs 20E
Population	2010 pop. 13,124	15,525	15,763	16,123	16,452	16,754	29.5%	9.5%	17,283	17,573	17,862	18,152	20.6%	23,894	40.6%
Population growth rate		3.1%	1.5%	2.3%	2.0%	1.8%	29.5%	9.5%	1.7%	1.7%	1.6%	1.6%	20.6%		

Source: own table from VOP and US Census data

This shows the VOP's population growing almost 30% in the 10 year period between FY2010A and FY2020E (VOP's financial year runs from July 1 to June 30), but only 19% (if we convert 5 year data to a 10 year series for comparison purposes) in the period FY2015 to FY2020, i.e., the population growth rate has dropped in the last 5 years as compared to the previous lustrum and, additionally, the trend is down over these last 5 years.

Looking forward, for the next 10 years, surfaced indicators are NC Gov projected population growth (2019-2029) for Moore County of 16.1%, the last 5 year's growth figures and the remaining 4 years of the current VOP 5 year Strategic Plan projection (see table below).

		% Chg	% Chg					% Chg	Comp Plan	% Chg							% Chg
USD	FY 2020	20E vs 10A	20B vs 15A	FY 2021	FY 2022	FY 2023	FY 2024	24P vs 14A	2030	30P vs 20B	2025E	2026E	2027E	2028E	2029E	2030E	30E vs 20B
Population	16,994	29.5%	9.5%	17,283	17,573	17,862	18,152	20.6%	23,894	40.6%	18,452	18,757	19,067	19,382	19,702	20,028	18%
Population growth rate	1.4%	29.5%	9.5%	1.7%	1.7%	1.6%	1.6%	20.6%			1.7%	1.7%	1.7%	1.7%	1.7%	1.7%	18%

Source: own table from VOP and US Census data and own projection

With this, it seems reasonable to use the VOP estimate to 2024 and extrapolate 2025-2030 using the prior 6 years' estimated growth, for an average **population growth rate of 18%, or some 3,000 new VOP residents to 2030, not the 6,900 envisaged in the VOP's Draft Comprehensive Plan (DCP).**

Population Growth and Local Taxes

VOP taxes property owners on the basis of the value of their real estate and vehicles. Property is typically revalued every 4 years. In this 4 year interval, property values can vary resulting from additions and subtractions and improvements. The table above shows this progression with the 2016 (revaluation year) Ad Valorem tax base still affected by the depressed real estate market resulting from the 2009 recession, slowly increasing until 2020 when the revaluation year unlocked the real estate market improvement. The next revaluation will probably be in 2023 and affect the 2024 FY and, in my opinion, may be negatively affected by a downward stage in the real estate cycle.

The unhappy realization of the last 5 years' numbers is that Pinehurst's Ad Valorem tax base, even in an upward real estate cycle, has not kept up with inflation, 6.8% vs 8.9%, in spite of adding new homes and cars every year to the base. When we look at the Ad Valorem tax base **per capita** we see that this progressively drops (\$225M to \$208M) from 2015 to 2019, as new residents are added to the equation, returning in 2020 to a nominal value (\$220M) closer but still below that of 2015, for an overall decrease in the 2015-2020 period of 2.4%. See table below. If we add the 8.9% same period inflation into this measure, we realize that **the 2020 per capita Ad Valorem tax base is, in deflated or real terms, 11.3% (8.9% + 2.4%) lower than that of 2015** which was already a depressed figure resulting from the 2009 recession. In other words, this seems to mean that **the VOP is adding residents with a lower than average Ad Valorem asset base and the existing housing stock is not revaluing in line with inflation.**

							% Chg					% Chg
USD	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	20B vs 15A	FY 2021	FY 2022	FY 2023	FY 2024	24P vs 14A
Population 2010 pop. 13,124	15,525	15,763	16,123	16,452	16,754	16,994	9.5%	17,283	17,573	17,862	18,152	20.6%
New houses	107	106	161	144	120	120	12.1%					
Inflation	0.76%	0.73%	2.07%	2.11%	1.91%	1.80%	8.9%					
Ad Valorem Tax base (prop + veh) \$M	3,492,000	3,312,000	3,369,000	3,410,000	3,477,000	3,731,000	6.8%					
Ad valorem base per capita \$M	225	210	209	207	208	220	-2.4%					
Tax Rate	0.00280	0.00290	0.00295	0.00295	0.00295	0.00300	7.1%	0.00305	0.00310	0.00315	0.00320	14.3%
Ad Valorem tax take \$M	9,792	9,698	9,996	10,143	10,295	11,186	14.2%					
Ad Valorem tax take per capita	631	615	620	616	614	658	4.4%					

Source: own table from VOP and BLS data

As the real Ad Valorem tax take has dropped, **VOP has been forced to increase its Ad Valorem tax rates and its 5 year operating plan clearly shows its intention to do so every year going forward.** But even this increased tax rate is resulting insufficient to keep the Ad Valorem tax take per capita in line with inflation (4.4% vs 8.9% for the 2015-2020 period). VOP also receives revenue in the form of a share of various consumption taxes (some are related to the VOP area tax take specifically, but most result from the VOP population as a percent of the Moore county total). The following table shows the evolution of revenue components.

Growth in the Pinehurst Context

USD Revenues by Type	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Budgeted	% Change 20B vs 19B	% Change 20B vs 19E	% Change 20B vs 15A	% Change 19E vs 15A
Ad Valorem Taxes	9,792,365	9,697,697	9,996,412	10,142,650	10,250,000	10,295,000	11,186,000	9.1%	8.7%	14.2%	5.1%
Unrestricted Intergov Rev	4,979,172	5,328,610	5,478,926	5,641,380	5,711,000	5,805,000	6,023,000	5.5%	3.8%	21.0%	16.6%
Restricted Intergov Rev	554,299	509,245	603,437	517,964	736,300	752,974	511,100	-30.6%	-32.1%	-7.8%	35.8%
Permits & Fees	578,554	632,033	801,574	761,918	714,500	715,135	925,700	29.6%	29.4%	60.0%	23.6%
Sales & Services	629,899	729,626	719,515	709,419	732,600	657,100	720,700	-1.6%	9.7%	14.4%	4.3%
Other Revenues (incl invest inc)	229,597	333,672	380,117	442,094	392,365	489,165	455,580	16.1%	-6.9%	98.4%	113.1%
Operating Revenues prior to Library	16,763,886	17,230,883	17,979,981	18,215,425	18,536,765	18,714,374	19,822,080	6.9%	5.9%	18.2%	11.6%
Library	0	0	0	0	0	0	1,000,000				
Operating Revenues	16,763,886	17,230,883	17,979,981	18,215,425	18,536,765	18,714,374	20,822,080				
Fund Balance Appropriations	2,897	0	0	0	5,018,685	0	755,967				
Total Revenues	16,766,783	17,230,883	17,979,981	18,215,425	23,555,450	18,714,374	20,578,047				

Source: own table from VOP data

Notes: The \$1MM Library revenue is the return of \$1MM from the Given Memorial Library capital campaign. Other Revenues include almost 0.2MM of investment income

The table above shows the VOP has been fortunate in the last few years to benefit from the mostly consumption taxes increase (budgeted 21% in the 2015-2020 period vs 18% (the sum of inflation and population growth for the same period) resulting from the upward cycle in the economy and the Moore County and Pinehurst population increase. This has helped to shield the VOP from the lagging Ad Valorem tax take, but it is also exposing the VOP to more potential revenue volatility as the effects of economic cycles on consumption tax revenues are felt more rapidly than that of Ad Valorem tax and it is not in the Pinehurst remit to alter the consumption related tax rates. The VOP has substantially increased its Permits & Fees rates in line with its calculated actual costs which is boosting that budgeted source of revenue. Investment income has shown a marked increase in the last 5 years, accounting for some \$0.2MM in the 2020 budget. **Overall, operating revenues are keeping in line with the sum of inflation and population growth, but to do so have necessitated Ad Valorem tax rate increases together with an upward economic cycle.**

Population Growth and Municipal Expenditure

As municipal services are presumably most closely correlated with the number of residents, the growth rate of population should be a reasonable indicator of the real (inflation-adjusted) expenditure of a municipality. Inflation is a driving factor in municipal expenses as some 60% of municipal expenses are Salaries and Benefits which automatically increase in line with or above inflation. VOP operating expenditures are generally budgeted some 5% over estimated, so I have inserted a column in the table below showing 5 year expenditures growth which is 5% deflated for a better comparison. The period 2015-2020 thus shows operating expenditures growing at some 20%, which is marginally higher than the combined 18% sum of inflation and population growth for this same period, and where Public Safety and Transportation are showing the highest growth, as well as being the highest expenditure functions. The same is shown in the 9.9% operating expenditure per capita as compared to the 8.9% inflation.

USD Expenditures by Function	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Budgeted	% Change 20B vs 19B	% Change 20B vs 19E	% Change 20B vs 15A	% Change 19E vs 15A	5% Defltd 20B vs 15A
General Government	2,133,736	2,142,750	2,164,459	2,288,439	2,685,032	2,459,368	2,759,362	2.8%	12.2%	29.3%	15.3%	23.2%
Public Safety	5,543,489	5,443,314	5,564,978	6,404,852	6,491,171	6,298,157	7,512,012	15.7%	19.3%	35.5%	13.6%	29.1%
Transportation	2,789,063	2,774,071	3,276,715	3,590,268	3,779,269	3,740,030	3,724,845	-1.4%	-0.4%	33.6%	34.1%	27.2%
Environmental Protection	1,586,800	1,576,998	1,312,900	1,639,563	1,548,253	1,520,313	1,931,473	24.8%	27.0%	21.7%	-4.2%	15.9%
Economic & Physical Dev	1,109,520	874,566	764,595	700,150	1,167,578	1,101,485	1,170,688	0.3%	6.3%	5.5%	-0.7%	0.5%
Cultural & Recreation	2,633,383	2,854,719	3,176,328	2,878,036	3,059,822	2,955,396	3,167,840	3.5%	7.2%	20.3%	12.2%	14.6%
Debt Service	494,533	464,223	412,248	361,383	320,160	320,160	312,127	-2.5%	-2.5%	-36.9%	-35.3%	-39.9%
Expenditures prior to Contingency	16,290,524	16,130,641	16,672,223	17,862,691	19,051,285	18,394,909	20,578,347	8.0%	11.9%	26.3%	16.9%	20.3%
Expenditures prior to Contingency increase		-1.0%	3.4%	7.1%	6.7%	-3.4%	11.9%		11.9%	26.3%	16.9%	20.3%
Inflation	0.8%	0.7%	2.1%	2.1%	1.9%	1.9%	1.8%	1.8%	1.8%	8.9%	6.8%	8.9%
Expenditures prior to Contingency per capita	1,049	1,023	1,034	1,086	1,137	1,098	1,211	6.5%	10.3%	15.4%	4.6%	9.9%
Contingency	0	0	0	0	100,000	50,000	1,000,000					
Expenditures	16,291,573	16,131,664	16,673,257	17,863,777	19,152,422	18,446,007	21,579,558					
Other Financing Uses	0	0	0	344,000	4,404,165	4,404,165	0					
Total Expenditures	16,291,573	16,131,664	16,673,257	18,207,777	23,556,587	22,850,172	21,579,558					
Total Expenditures per capita	1,049	1,023	1,034	1,107	1,406	1,364	1,270					

Source: own table from VOP and BLS data

Another way of looking at municipal expenditure is in the following table which separates capital and finance expenditure. It shows day to day operating expenditure (deflated 5% to get a better comparison, as explained above) before capital and finance growing faster than combined population growth and inflation, 23% vs 18% and capital expenditure only growing 13%. This is especially worrying as **it might indicate that capital spending is being crowded out by day to day operating expenditure**. Headcount has exceeded population growth but not by much, so the real cost of headcount is increasing faster than the headcount itself. Operating expenses (I have separated the Library effect in the 2020

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budgeted operating expense in the table), which in 2020 first incorporate the Community Center running expense, include a number of consulting engagements which has become a way to control headcount but which does not finally mask the increasing labor-intensive character and cost of municipal government.

USD Expenditures by Type	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2019 Estimated	FY 2020 Budgeted	% Change 20B vs 19B	% Change 20B vs 19E	% Change 20B vs 15A	5% Defltd 20B vs 15A
Salaries & Benefits	8,777,922	8,885,661	9,174,340	9,535,836	10,454,400	10,072,435	11,401,570	9.1%	13.2%	29.9%	23.7%
Operating (without Library \$1MM)	5,460,049	4,782,803	5,166,691	5,537,968	7,105,934	6,782,050	7,016,750	12.8%	3.5%	28.5%	22.4%
Expenditures before Capital and Finance	14,237,971	13,668,464	14,341,031	15,073,804	17,560,334	16,854,485	18,418,320	4.9%	9.3%	29.4%	23.2%
Library	0	0	0	0	0	0	1,000,000				
Capital	1,558,020	1,997,954	1,918,944	2,427,504	1,270,791	1,270,264	1,847,900	45.4%	45.5%	18.6%	13.0%
Debt Service	494,533	464,223	412,248	361,383	320,160	320,160	312,127	-2.5%	-2.5%	-36.9%	-39.9%
Expenditures before Financing Uses	16,290,524	16,130,641	16,672,223	17,862,691	19,151,285	18,444,909	21,578,347	12.7%	17.0%	32.5%	26.2%
Other Financing Uses	0	0	0	344,000	4,404,165	4,404,165	0	-100.0%	-100.0%	n/a	n/a
Total Expenditures	16,290,524	16,130,641	16,672,223	18,206,691	23,555,450	22,849,074	21,578,347	-8.4%	-5.6%	32.5%	26.2%
Municipal Personnel (budgeted)	132	133	136	139	141	145	145			10.2%	

Source: own table from VOP data

Whichever way you look at it, **population growth is not leading to municipal expenditure per capita dropping below inflation as a result of envisaged economies of scale** in municipal costs. Whether the growth in day to day expenditure, above population growth and inflation, is in any way linked to population growth is hard to ascertain, but it does point to a preoccupying trend in day to day municipal expenditure and the concomitant **doubt about the VOP's capacity to undertake increased capital expenditures going forward without further increasing property tax rates and/or taking on debt.**

VOP's FY 2017 Fiscal Land Use Analysis (FLUA)

The VOP conducted a 2017 fiscal land use analysis (FLUA) of the revenues and expenditures of different land uses in the VOP.

The study readily demonstrates that non-residential land uses in the VOP produce a fiscal deficit, the worst offenders being retail, medical and institutional, i.e., the **VOP owner residents are subsidizing the non-residential land users**. This is justified by stating that it is "... easy to make the case that having places to work, shop and dine around the Village is important ..." and that an economic impact analysis "... indicates the impact of development on the private sector, which is typically measured in income, jobs, etc." In other words, VOP residents subsidize non-residential users of land because these providers enhance our quality of life and anchor jobs. Subsidies are almost always an erroneous way of conducting economic affairs; if these non-residential users paid the full impact of the services received in Pinehurst, they would pass on these full costs to their specific clients (who may be tourists, Aberdeen residents or whomever), rather than having all Pinehurst residents pay for them. It is interesting to note that the VOP 2020 Strategic Operating Plan page 172 has a list of the VOP's principal property tax payers and compares the tax values of these payers for 2018 and 2009; in half of the cases the taxable property value had actually dropped in the intervening 9 years, in spite of whatever investments have occurred in this period.

The FLUA's main conclusion to the question "What type of development pays for itself" was that high density multi-family residential development produces the highest surplus in net revenue accruing to the VOP.

The use of a 68% vacancy rate for multi-family housing is immediately suspicious. When I go to the source of information provided by the study, i.e., the American Community Survey and recalculate the numbers with more up to date (2017) figures, **I see that the vacancy rate is now 74.1% (1-25.9%)** per the table below. I think we will all agree that there is something nonsensical about this multi-family housing vacancy number, if this is going to be what underpins the VOP's conclusion that this type of housing is the solution to the hordes of new residents wishing to locate here. Numbers for wider areas show comparative figures in single digits. So, it occurs to me that this high vacancy rate is due to one or more of:

1. multi-family units in Pinehurst are really not used or demanded as residences, either because they are badly placed, wrong quality, the non-resident golfers own them and don't want to let them go, or, Heaven forbid, nobody really wants to live in them.
2. many of them really are being rented out (mostly short term rentals is my guess and so the occupants are not strictly residents) but the owners are not owning up to this either. The higher the numbers of units in a building, the lower the reported occupancy.

I think there is clearly an informational breakdown with regard to the occupancy rate of these apartments and, therefore:

- a. VOP is either disingenuous in its use of a nonsensical number to conclude an analysis that depends on this assumption/observation, or they have used this "statistic" to lead to a desired conclusion, and/or

- b. ironically, this is clearly a terrible choice of housing as, when these apartments were to be built, nobody would want to occupy them. How does this poor housing model resolve the supposed demand of the many thousands who want to move here?

Housing Occupancy (estimated)							
				Total Owner	% Total	Total Rental	% Total
	Total	Occupied	Occupancy	Occupied	Occupancy	Occupied	Occupancy
Total	8,992	7,056	78.5%	5,856	83.0%	1,200	17.0%
occupied	7,056						
vacant	1,936						
homeowner vacancy	6.3%						
rental vacancy	9.7%						
Units in structure							
Total	8,992	7,056	78.5%	5,856		1,200	
1 unit detached	7,714	6,474	83.9%	5,419		1,055	
1 unit attached	328	328	100.0%	288		40	
2 units	64	40	62.5%	40		-	
3-4 units	519	150	28.9%	86		64	
5-9 units	270	45	16.7%	12		33	
10-19 units	8						
20+ units	78	8	9.3%	-		8	
Multi-family	939	243	25.9%	138		105	
Mobile	11						
other	-	11	100.0%	11		-	

Source: factfinder.census.gov

In any case, as the rate is so absurd, we must conclude that the truth is different and, thus, the study does not take into account the true occupancy of these units. Short term vacationers also use roads, probably more than the average. Also, this study does not support the affirmation that multi-family units are being demanded by lower income families in Pinehurst and by down-sizing seniors as they are being used by others. It is, therefore, very difficult to accept the VOP's contention that this is the most profitable use (for the VOP municipal government) of land, even as if municipal land use profitability should be a leading determinant of urban policy.

In addition:

- Revenues, other than property tax are allocated among different housing types without acknowledging that it is highly probable that some housing types (if not inhabited by short-term vacationers) are correlated with socioeconomic groups and that the most affluent

have more highly taxed cars and proportionally spend more and, thus, accrue higher amounts of consumption taxes. This probably underestimates revenue attributed to the lower and medium density housing.

- Utilities Franchise tax revenues are shared according to the square footage of buildings, but aren't two thirds of the multi-family units supposedly empty? So, they would then hardly consume utilities. Actually, I think the method is correct, if illogical in this plan considering the occupancy premise.
- Attempting to share revenues and expenditures to do with roads as a proportion of the road frontage of each housing type is questionable, as if a medium density resident utilizes more road mileage every day just because his/her property has more street frontage. You might argue that the VOP will in due course have to maintain more road length with any new medium density housing, but it is hard to argue that a resident of a high density unit drives any less than other drivers.
- Permit and Fee revenue is allocated on the basis of 2017's log, and Multi-Family accounts for 34% of the fees although it only represents 17% of the VOP total units and 10% of the total building surface. Was this the year of The Greens at Arboretum apartments? Why wasn't an average of years used?

I do not have a way to calculate a normalized occupancy rate for occupants, residents and vacationers, inhabiting multi-family housing in Pinehurst. However, the internet is full **of country-wide statistics for multi-family occupancy (currently 94%)** and belies the realization that much of it is rental-based. If this is the foundation for a significant change in urban policy for the VOP, it is clearly deficient in its basic occupancy assumption as this does not make sense in a context of full time residency of substantial numbers of younger lower income and of downsizing seniors (nowhere is the DCP advocating smaller housing units to accommodate temporary vacationers).

This study seems designed to promote a specific type of housing development and would seem part of a campaign leading up to the strategies inherent in the DCP. Adopting this type of housing is a move towards lower owner-occupancy and an enhanced rental market (build to rent or B2R), along the lines of The Greens at Arboretum. The move to reduce or eliminate minimum square footage in housing units runs in the same direction.

Short term vacation rentals have become an increasing issue in Pinehurst, where these rentals clash with the established hotel interests in the area, who may well feel that this is unregulated and unfair competition. It changes the nature of our residential communities when some neighbors change weekly and have no real involvement in the community.

Population Growth Pros and Cons

The arguments in **favor of population growth** in Pinehurst would seem to be:

1. **There is demand for housing in Pinehurst and we need to accommodate this demand.** If population growth continues at its current rate, there will be some 3,000 new residents in Pinehurst in 10 years' time. It is arguable whether or not a municipality is obliged to meet whatever demand there is, especially if the real estate market is not protecting existing property owners' values and there is an excess stock of existing properties which take a long time to sell. In any case, **Pinehurst has sufficient zoned lots (1,400 lots x 2.17 average occupancy) to accommodate the expected 3,000 new residents** without having to rezone these lots or annex the ETJ. The laws of supply and demand would indicate that restricting growth through restrictive building quality requirements would help protect existing values and raise the average asset value of new construction and with it their tax value.
2. **You have to grow in order to keep on providing quality services and avoiding tax hikes.** Simply, **not true**, Pinehurst is evidence that in spite of growing our population, our property tax rates actually increase. More worrying is the probability that, as Pinehurst expands into the ETJ, major infrastructure investments will be needed to accommodate the new residents. There are authors that contend that investments in infrastructure often make towns poorer as the real costs of these infrastructure investments going forward, in terms of initial investment, annual servicing and maintenance and long term replacement, are not recouped from developers. The analyses in the sections above demonstrate that, in Pinehurst's case, population growth is not providing municipal expenditure economies and the marginal revenue resulting from new residents is below the average for the existing residents and this difference is resulting in higher property taxes for all.
3. **If developers can sell what they make, then there is demand.** Developers are a special interest group and most of them do not live in Pinehurst, so we have no duty to accommodate their interests. Pinehurst residents are more worried about their community remaining a quality place to live in and have no monetary interest in molding urban policy, other than protecting their properties' value and minimizing property tax pressure. Developers generally function by offering a product at a lower price/quality in a desirable neighborhood, thus depressing the property values of existing residents, in what is an effective transfer of value from existing residents to the developers. The Pilot recently advocated for a meeting of the minds with developers in order to avoid their special interest representatives in Raleigh punishing Pinehurst (and presumably all other NC municipalities) with legislation to limit our capacity to protect and enhance our community. Sounds like a protection racket.
4. **Pinehurst's housing stock does not contain the type of housing mix that everyone is demanding: low cost high density residential for low income families and senior residents seeking to down-size.** In fact, the FLUA details that 74% of Pinehurst's residences are Single Family High Density and Multi-Family, with Multi-Family alone being 17%, not much less than the 26% comprised by low and medium density single family, so this supposed pent-up demand is somewhat surprising. The median value of a housing unit in Pinehurst is

\$289,800 vs \$283,500 for Southern Pines (\$207,300 for the whole of Moore County) and average income is \$46,073 (was \$ 50,697 in 2010) vs \$44,282 for Southern Pines. Not exactly an elitist enclave and becoming steadily less so, in any case. Pinehurst is in the top quartile of population density for NC urban areas in spite of 30% of the land occupied by recreational facilities, mostly golf courses; its median age remains a relatively constant 60 and its 60+ age group also a constant 50%, which belies the claims of changing demographics. According to the US Census, Pinehurst has 7,056 (2018) occupied households (out of 8,754 according to the FLUA (2017), so I have added the 144 units the VOP reported for 2018, for a total of 8,898), which means there are 1,842 unoccupied housing units, or 20.7% of the total, many of them held by non-residents for vacations, etc. purposes, others for rent or sale. Thus, 1/5 of the housing stock is reportedly empty, realtors signal Pinehurst as a buyers' market and, yet, we are to believe there is all this demand for even more high density housing.

5. **We have to grow to provide jobs.** Pinehurst is, principally, a retiree community, most of whom have incomes that are not based upon local employment. Of those residents of working age, many of them work in other locations and the unemployment rate is 3.9%. So, by promoting new housing, we will probably add a few more jobs, but most of these new job holders will come from elsewhere in search of the jobs. What did we accomplish apart from more population?
6. **We have to grow or die.** Not very clear but I guess it follows the argument in favor of growing to keep taxes down. The US is full of high growth urban locations investing heavily in new infrastructure, but their tax rates are much higher, the larger the urban location, the higher the taxes. The more we invest in infrastructure, the poorer we will become.

The list of those in **favor of limiting growth** is as follows:

7. **Protecting the nature of Pinehurst**, its history, its small town charm. More traffic on our limited roads, more parking problems, more big box retail establishments will all negatively alter the tempo and small town appeal that is required if we are to periodically renovate the retiree population that moves on. An on-going campaign to ridicule this age group and those who live in gated communities will do nothing to help Pinehurst's future. Most small towns exist because of an economic reason in their early days and most of them have since lost that reason, after which they exist because they do, but exposed to increasing economic uncertainty. Pinehurst exists because it was envisaged as a seasonal recreational destination for winter-weary Northerners, after which it became a retiree and tourist destination for the same Northerners interested in playing golf, but the main reason for its continued existence has not changed that much. Change the nature of the place and the economic basis of the retiree and vacationer community will begin to move away and the vicious circle of depressed real estate and progressively higher taxes will take its toll.
8. **Avoiding the deterioration of the VOP's finances.** Infrastructure investment required by an ever expanding geography will have negative consequences for the long term financial viability of Pinehurst. An increased infrastructure base means more future expenditure to maintain and replace this initial investment. Experience has demonstrated that Pinehurst's municipal expenditure per

capita increases faster than inflation, whereas the required revenue to pay for this precipitates tax rate increases. There is a limit to this tax rate progression before real estate values are further prejudiced. Pinehurst's increase in day to day expenditure looks like it is crowding out a proportional level of capital expenditure.

9. **Protecting the area's environment.** Residents have in the DCP process voiced an interest in protecting the area's long leaf pine ecosystem, yet the DCP attaches minimal practical importance to this. Instead it seeks to progressively build out Pinehurst's borders into a series of ETJs. This will not only affect the pines and the watershed we depend upon, but will lower the long term allure of Pinehurst. Once the rural boundary is spoilt, it cannot be recovered. Writers have expressed the opinion that undeveloped land actually enhances the value of the built properties. The VOP strives to make us accept the New Urbanism precepts, but where is the Smart Growth Urban Boundary initiative? We have to stop at the ETJ and either convince the county to define a green belt on our outskirts or build one ourselves through partnerships with rural land owners and the acquisition of building rights.
10. **Population growth is not the measure of success.** Growth in quality of life is the correct measure, you can thrive without growing. We need to invest primarily in improving the lives of those that are here and thus attract those who easily fit into this community, instead of building more basic infrastructure and accepting whoever comes for the sake of short term growth in municipal revenue. Rapid population growth puts strains on community relations as well as on public infrastructure; a measure of this is seen in the opposition to the DCP and in municipal elections. Quality of life measures include traffic accidents per 1,000 and fire service response times through to time spent driving, and these are all up as population growth affects us. Income per capita and property assets per capita, on the other hand, are down.

It is becoming increasingly questionable if the pursuit of growth in everything is the appropriate mind set. For municipalities, success is finding the financial equilibrium that allows residents to live their lives in relative harmony within the community and without constant fear of change for the worse.

In 2017, JB Wogan wrote: "In 2012, Eben Fodor, a land use planner and urban consultant, ran a similar analysis with more recent data. In an article in Economic Development Quarterly, Fodor compared annual population growth with three economic indicators: per capita income, poverty and unemployment. Among the 100 largest metro areas, faster growth rates were associated with lower incomes, greater income declines and more people in poverty. The 25 slowest-growing areas outperformed the 25 fastest-growing areas across all three measures."

Population Growth and the Draft Comprehensive Plan (DCP)

In my opinion, the DCP is the fruit of the VOP's FLUA study's flawed conclusion and the personal preferences of some, including the consultants, for the recipes of New Urbanism. **The 41% 10 year population growth assumption is not credible and with it the need to fill the ETJ with multi-family occupancy** which, I fear, would lead to infrastructure investment that would never repay itself in the long term and would negatively change the character and quality of life of the VOP. I believe the current limits of the VOP have sufficient unbuilt and largely zoned residential property to accommodate the next decade's reasonably expected population growth of 18%, as detailed in the sections above.

Residents have in the DCP process voiced an interest in protecting the area's long leaf pine ecosystem, yet the VOP attaches minimal practical importance to this. Annexing and building out the ETJ will not only affect the pines and the watershed we depend upon, but will also lower the long term allure of Pinehurst. Once the rural boundary is spoilt, it cannot be recovered. Writers have expressed the opinion that undeveloped land actually enhances the value of the built properties. The VOP strives to make us accept the New Urbanism precepts, but where is the Smart Growth Urban Boundary initiative? **We have to stop at the ETJ and either convince the county to define a green belt on our outskirts or build one ourselves through partnerships with rural land owners and the acquisition of building rights.** Interestingly, the VOP believe they can affect the use (and thus value) of property in the Western Connector's path through the ETJ, but feel they cannot rezone this same area to decrease the existing planning density.

We all believe in a revitalized village center, walkable and bike able communities and leaving our car at home when unneeded, yet Pinehurst and its roads have already been mostly built and the communities we have are mostly liked by those who live in them, so pretending we are going to change this is unreasonable. There is probably an argument to be made in favor of some long term higher density multi-use development or redevelopment closer to the village center, but I am honestly ignorant of where this should be apart from Village Place/ Rattlesnake Trail and would readily be a NIMBY if it is anywhere near where I live, so I imagine there are many like me.

One of the consequences of the DCP process is a long wish list of objectives and implementation strategies that will require further investment, further expense, further headcount and more consulting projects. Pinehurst residents need to be told what this all costs and where this leads us financially. Increasing the tax rate annually is not an acceptable policy for many residents. **The equation whereby taxes shall meet growing expenditures has to be overturned in favor of one where expenditures have to fit an established tax rate.** We do not have to own one of everything any town might have and should concentrate further on seeing ourselves as part of a wider metro area sharing facilities. Here is an opportunity for economies of scale.

Conclusion

The VOP will continue to receive the attention of potential new residents as Fayetteville continues to export military families, baby boomers visit and retire and in larger numbers and the medical community continues to grow, so relatively rapid growth is probable. The questions are how fast and are the VOP's residents willing to accommodate the negative consequences of any rate of population growth in order to satisfy the wishes of a few outside developers and the misguided belief at the municipal level that maximizing revenue is an answer to financing services going forward. The analyses above show the VOP municipal expenditure per capita growing faster than inflation and the DCP envisages major infrastructure investments. The combination of the two is steady upward pressure on property taxes.

Too rapid growth will, in my opinion, impoverish the VOP's public finances and the quality of life and real estate investment of current residents and deteriorate Pinehurst's attractiveness for potential new residents. **I, therefore, advocate physical limits to our growth, enhanced quality building requirements, regulating and taxing short term rental properties, charging users the true cost of municipal services/investments, investing in keeping our rural surroundings and making our municipality's government live with fixed tax rates.**

Who: Village Of Pinehurst Planning & Zoning Board

What: Special Meeting today

When: September 23, 2019 at 4pm

Where: Village Hall

Why: Public Hearing to discuss VOP Comprehensive Long Range Plan

Dear Planning & Zoning Board members:

First and foremost, I recommend the process of approving the Comprehensive Long Range Plan be delayed for approval until **AFTER** the Mayor and Council elections this November. I believe the newly elected Council and Mayor should "own" this important guiding document as they review the draft comprehensive plan for the Villages' future.

Secondly and I quote:

"For the plan to be a success, it must be supported by the active engagement of citizens because communities that work together succeed." 2019 Comprehensive Plan pg 10

I believe the process of developing the final draft of the comprehensive plan has become a flawed representation for the voice of Pinehurst citizens. From the lack of citizen input via Think Tank Committee representatives to perceived manipulation of the "dot totals" that were calculated to indicate and prioritize citizens' wishes, this draft Comprehensive Plan fails to accurately represent its citizens.

As an example, review **Guiding Principle 2: Balancing Conservation and Growth**. Are you familiar with character-based development or Pattern Books? Hopefully you, the P&Z Board, and our Council can accurately, with clear insight, describe to its citizens exactly how these terms relate to our historic Village and will benefit our vision. (Maybe we should step back and update our Vision Statement??)

Strategies 2.14 through 2.19 are included in this Guiding Principle yet each one received single digit totals of the recommended 80 "dots" to make the priority cut (indicating the **citizens'** priorities and wishes). Even strategy 2.21, which states "consider to re-write our PDO (development ordinances) to support new-urbanism" received only 57 dots, yet it is included! If the citizens didn't ask for this strategy, who did?

I realize many, many hours went into drafting this plan and I appreciate this enormous effort. However, We have waited 10 plus years to update our Long Range Comprehensive Plan.....let's step back and get it right.

Sincerely with thanks,

Kaye M. Pierson

45 Brandon Trail