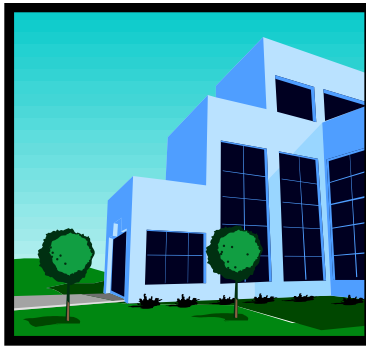


CITY OF PLEASANTON



2015 SURVEY OF BUSINESS EXECUTIVES

FINAL REPORT

JD FRANZ RESEARCH, INC.
Public Opinion and Marketing Research



Questions. Answers. Results.

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I. INTRODUCTION

The research findings presented in this report derive from a telephone survey of business executives in the City of Pleasanton that was commissioned by the City and conducted by JD Franz Research, Inc. of Sacramento. Encompassing 352 completed interviews, the survey, was implemented between May 14 and June 5, 2015.

The primary purposes of the survey were to measure the extent to which businesses are satisfied with their presence in the city and the services the City provides, to assess their expectations for the future, and to explore their perceptions and expectations relative to Internet and cell phone service in the community. Specific areas of inquiry for the survey were as follows:

- Assessments of Pleasanton as a place to do business
- Reasons for these assessments
- Assessments of Pleasanton's location
- Evaluations of Pleasanton's infrastructure
- Assessments of the amenities in Pleasanton
- Importance of selected services the City provides
- Evaluations of the job the City is doing in providing these services
- Involvement in the building permitting process
- Evaluations of the City staff involved in that process
- Assessments of the ease of the process
- Contacts with City staff
- Evaluations of the staff
- Probability of being in Pleasanton in the future
- Predictions relative to future revenue, space use, and employment
- Importance of Internet and cell phone service

- Extent to which obtaining Internet and cell phone service has been a problem
- Extent to which the City should play a role in the development of Internet and cell phone service
- Role or roles the City should play
- Other comments
- Length of tenure in Pleasanton
- Service area
- Square feet occupied
- Number of employees in Pleasanton
- Number of employees outside of Pleasanton

Following this Introduction, the report is divided into three additional sections.

Section II contains a detailed discussion of the **Research Methods** used in conducting the survey, while **Section III** presents and discusses the **Findings**. Finally, **Section IV** contains the research firm's **Conclusions and Recommendations**.

For reference, **Appendix A** contains a copy of the **Survey Instrument** that was used in conducting the research.

II. RESEARCH METHODS

Instrument Design

The survey instrument that was used in conducting this research was designed by the President of JD Franz Research in consultation with the City's Economic Development Director and Economic Vitality Committee. In large measure, it was based on the instrument used in the first such business survey in 2012.

A few questions from the 2012 survey were deleted as being no longer pertinent or particularly important, and a section on Internet and cell phone connectivity was added. A further question about the responding business' service area was also added.

This design and redesign process took place over two meetings, numerous conversations, and several drafts in order to ensure that the information collected would be useful and actionable. Two focus groups with small and medium-sized businesses that were held prior to discussions about the survey also facilitated instrument design and revision.

Sample Selection

The sample for the survey, which was provided by the City, represented its in-town commercial business license file. Businesses selected for an interview were randomly sampled from this list.

Interviewer Training

All of the interviewers who conducted the survey had undergone intensive training and briefing prior to conducting any actual interviews. Training includes instruction in interviewing techniques, the mechanics of sample selection and recording, a systematic approach to answering respondents' inquiries, and use

of the computer-assisted telephone interviewing (CATI) system as well as extensive practice with actual survey instruments.

Survey Implementation

Interviewing for the survey was conducted from the centralized, CATI-equipped, and fully monitored call center at Pacific Market Research under the ongoing oversight of full-time supervisors. Immediately upon completion of each interview, a supervisor checked it for accuracy, clarity, and completeness. When problems arose that could not be resolved in-house, businesses were called back for clarification or amplification. All calling took place during regular business hours unless a business representative requested otherwise.

Given a total population of 3,516 businesses and a sample size of 352, the margin of error for the overall survey at the 95 percent confidence level is ± 5.0 percent. The cooperation rate for the survey was 74 percent, which is generally viewed as being very good.

Data Coding, Tabulation, and Analysis

Coding of the survey's closed-ended questions was accomplished by the interviewers as they conducted the interviews. Coding of the survey's open-ended questions was then undertaken in part by utilizing the codebooks that had been developed in 2012 and in part by developing a new codebook for 2015.

For the two open-ended questions that were asked in 2012, the Data Analysis Associate at JD Franz Research used the existing codebooks to the extent possible. Responses that failed to conform to the previously-established coding scheme were set aside for the possible addition of new codes.

For the question that was added in 2015, the Associate reviewed all of the responses in order to develop a new codebook. She then used this codebook to code the question to the extent feasible, again setting aside any responses that failed to conform to the coding scheme for the possible addition of new codes.

Once all of the interviews that did not conform to the existing coding schemes had been identified, the Associate reviewed the uncoded answers and added new codes as appropriate. This approach ensures that there are minimal percentages of "other" responses to the open-ended questions. Finally, as a check on the integrity of the coding as a whole, the Vice President and Data Analysis Manager checked and validated ten percent of the coding.

The resulting data were then exported into the data analytic software SPSS for Windows and checked for accuracy, adherence to the pre-established coding scheme, and internal logic. In addition, preliminary tabulations were reviewed manually to check for errors. Finally, tabulations, means, and other analyses were prepared using SPSS for Windows.

Because the 2015 survey included a number of questions that were first asked in 2012, it appeared that it would be both important and potentially useful to compare the two years' results. Accordingly, all of these questions were tested for statistically significant differences ($p < .05$) between 2012 and 2015. Only four items in two questions exhibited such differences, and these are discussed in the appropriate context in the next section.

III. FINDINGS

Findings from the survey are presented here in the same order as the questions were posed to respondents. Readers who are interested in the precise phrasing of the inquiries are invited to consult the copy of the survey instrument that can be found in Appendix A.

Assessments of Pleasanton as a Place to Do Business

As shown in **Figure 1**, the majority of business executives are of the opinion that Pleasanton is an excellent place to do business. In addition, two in five view it as being a good place to do business. When summed, these figures total about nine in ten (91 percent). This is identical to the 2012 result.

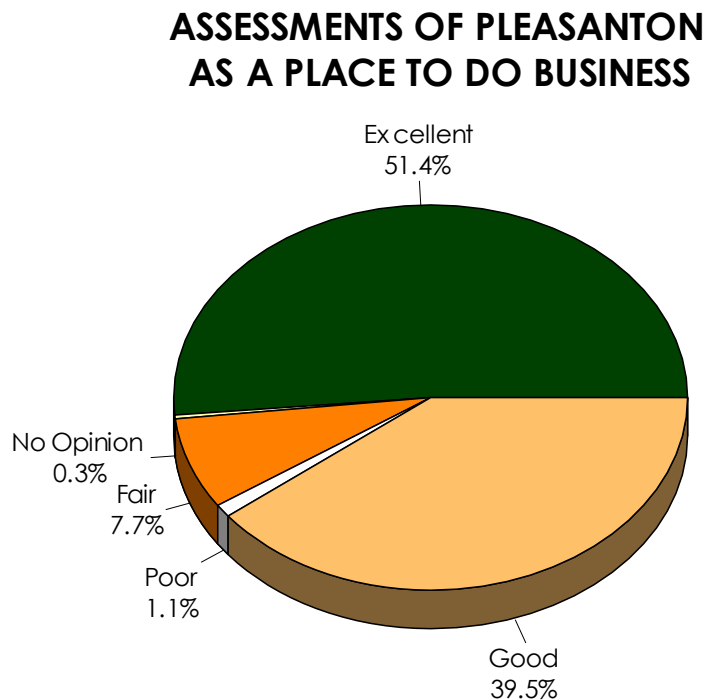


Figure 1

Reasons for positive (excellent or good) assessments of Pleasanton as a place to do business are depicted in **Table 1**. Chief among these reasons are a positive environment, a convenient location, and friendly people, including customers. These answers are somewhat different from those found in 2012, but the differences cannot be tested for statistical significance because of the multiple response nature of the question. The top three answers that year were having a centrally located business, friendly people, and businesses that are doing well.

REASONS FOR THESE POSITIVE ASSESSMENTS		
	Frequency	Percent
Positive Environment/Positive Business Environment	52	16.3
Convenient Location/Location Is Good	52	16.3
Friendly Customers/Friendly People	51	15.9
Safe/Low Crime Rate	44	13.8
Close-Knit Community	39	12.2
The City Is Maintained/City Officials Care About How The City Looks/The City Is Clean	38	11.9
The Clientele For My Business Is Here/My Clientele Demographic Is Here	35	10.9
The City Is Easy To Work With	34	10.6
Our Business Is Close To A Lot Of Other Shops, Restaurants	24	7.5
Our Business Is Centrally Located	18	5.6
I Live Here	18	5.6
We Have Had No Issues Here	18	5.6
Businesses Are Doing Well In This Economy/Sales Are Up	17	5.3
The Average Household Income Level Is High	16	5.0
We Have Been Here For A Long Time/We Have Been Here For More Than 20 Years	15	4.7
Diverse City	15	4.7
Family-Friendly	14	4.4
Everyone Is Supportive	14	4.4
Not A Lot Of Traffic	14	4.4
Close To Freeway/Easy Highway Access	10	3.1
The People Here Are Educated	8	2.5
The City Is Helpful	8	2.5
Great Schools	8	2.5
Nice Amenities (General)	8	2.5

Table 1

REASONS FOR THESE POSITIVE ASSESSMENTS

	Frequency	Percent
Customers Are Loyal	5	1.6
I Work Here	5	1.6
City Is Very Organized (General)	5	1.6
Quiet City	3	.9
There Is Lots Of Shopping Available	3	.9
None/Nothing	6	1.9
Other	104	32.5

Reasons for negative (fair or poor) assessments of the city as a place to do business were transcribed verbatim due to a lack of sufficient clustering and are presented below. Themes that appear to emerge from these remarks include rules, regulations, and processes that make it hard to start a business or get things done and a lack of parking. The first of these was a theme in 2012 as well. Interestingly, there were also a number of positive remarks in answer to this question in 2015.

Reasons for Assessments of Fair:

- It is not the best, but it is not terrible. Not a whole lot of people.
- Most of my customers are in San Jose. The location, it's far from San Jose.
- I don't require too much support from the City. They do seem like they have good resources. They take care of the city. They are clean and organized.
- I guess it depends on the field of business you are in. There is not enough parking in the city for business customers. And the road that we are on has a weight limit, so it makes it to where the delivery trucks have to travel on the roads illegally. A lot of the officers will ticket the people that are parked illegally, even if it is temporary. They will watch just to catch them. So they need to re-survey the roads.
- Some government regulations, the cost of running is not competitive. Taxes, regulations, and in general. It's not bad, but not excellent.
- I own a machine shop, and the hazmat regulators and fire department hassle my business operating. They show up randomly and expect

everything to be dropped for their inspections. They create extra work for insignificant issues.

- No strong feelings as to why.
- I don't feel like Pleasanton is very business-friendly. The experience I had when I was opening a business, it's very hard on applications and permits, and stuff like that.
- I think the customer base is good for me for the product that I sell.
- I think that it is a fair place to do business because the rates are affordable. The documentation that is required is standard. The filing process and stuff is simple.
- You have the quality of people. They have money.
- Easy access to international airport.
- It could improve.
- It's expensive.
- If we have any issues that pertain to our city, we call and it's handled.
- The surrounding cities are growing faster.
- It took me eight months to open up and was just not the most pleasant experience starting up.
- Too much red tape.
- It's mostly a bedroom community. My particular line of work is not real congruent with a bedroom community. There's no demand for my service, architecture.
- I don't see too much interaction with the City people.
- It is the same as any other place, I never had a bad experience.
- Having to go through permit processing takes too long. Too many problems, the first is parking.
- The cost of getting updated infrastructure, like fast cable and Internet. It is impossible because there are too much taxes for that in my area. The City wants to charge a high tax, business is slow due to infrastructure. I can't run my business as fast as I would like.
- It is not too progressive in the downtown area, and the city has no parking.
- There's a delay in approvals.
- They don't add new shops. Everything closes at 9 p.m.
- Great community.

Reasons for Assessments of Poor:

- The city does not help you to grow.
- There is no support from Pleasanton police.

- Because I have an industrial company and they don't understand manufacturing.
- Too many taxes to pay.

Assessments of Pleasanton's Location

Figure 2 portrays mean ratings of Pleasanton's location on a scale of one to four where one equals poor and four equals excellent. Here, because this is one of the areas in which there are statistically significant differences between 2012 and 2015, we present the data from both years.

As the graphic indicates, almost all of the assessments are around the level of "good," and there is little differentiation among them. The only substantially lower rating is for finding appropriate business space. This was also true in 2012, although the rating that year was not as low. The difference on this measure is statistically significant.

Ratings of Pleasanton's location in terms of attracting qualified employees and retaining qualified employees are also lower this year than they were last year. These differences are also statistically significant.

ASSESSMENTS OF PLEASANTON'S LOCATION

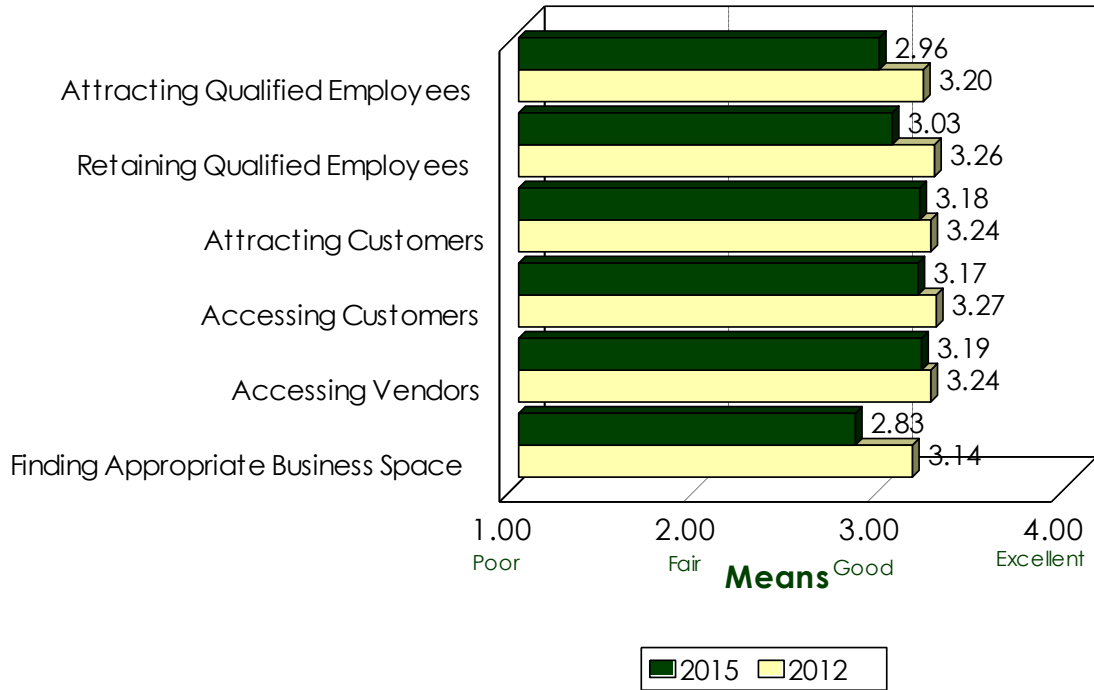


Figure 2

Assessments of Pleasanton's Infrastructure

Figure 3 displays mean ratings of Pleasanton's infrastructure on the same four-point scale. Here, the assessments range from slightly below the level of good to somewhat above that level. Achieving the highest ratings are sewer and electric utility services; the lowest ratings are accorded to public transportation options and telecommunications services.

Although these findings are highly similar to those from 2012, the difference between the two years on public transportation options is statistically significant, which leads to the inclusion of the 2012 data in this illustration. From a practical point of view, however, we would not consider the small difference between the two years on this measure (0.11 points) of import.

EVALUATIONS OF PLEASANTON'S INFRASTRUCTURE

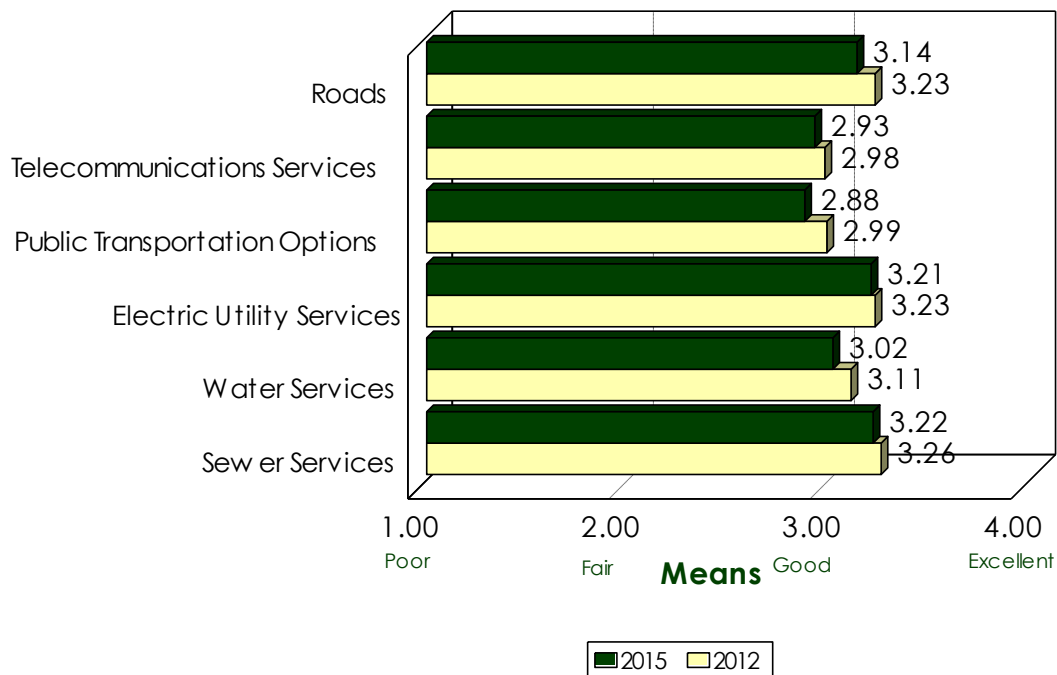


Figure 3

Assessments of the Amenities in Pleasanton

Figure 4 depicts mean ratings of the amenities or quality of life elements Pleasanton has to offer on the same scale. Here, the values range considerably, from a low of less than good for entertainment options to a high of closer to excellent than to good for the public schools.

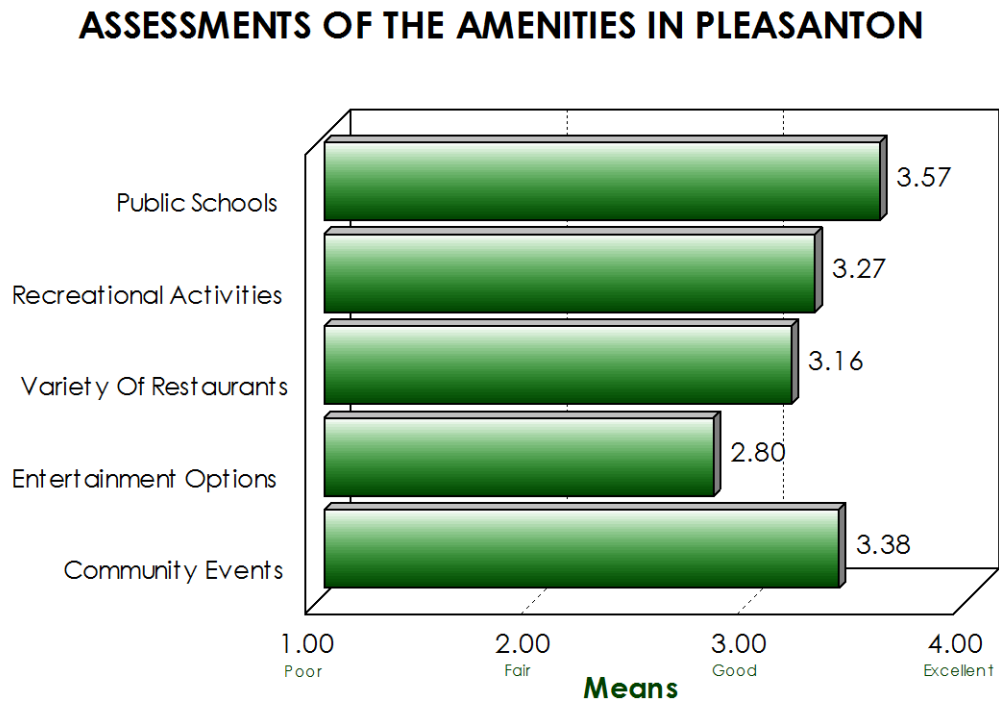


Figure 4

Importance and Evaluations of City Services

Figure 5 presents mean ratings of the importance of selected City services on a scale of one to four where one equals not at all important and four equals very important. In this instance, all of the ratings are closer to the level of very important than to the level of somewhat important, and there is relatively little differentiation among them. Noticeably the most important is public safety.

IMPORTANCE OF SELECTED SERVICES THE CITY PROVIDES

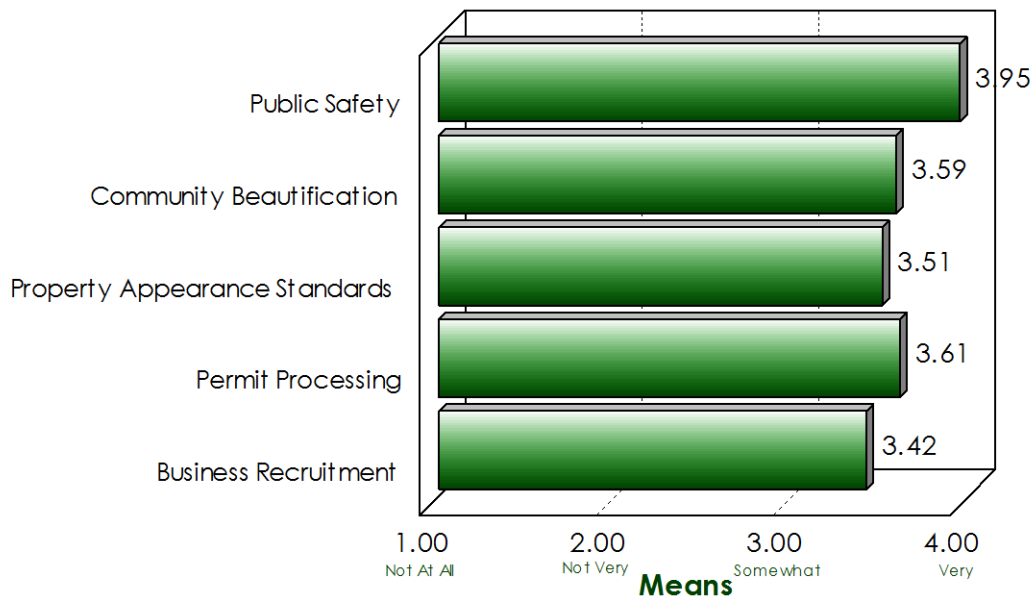


Figure 5

Figure 6 portrays mean assessments of the job the City is doing of providing the same services on a four-point scale where one equals poor and four equals excellent. Here, there is a considerable range of assessments, from a low of less than good for business recruitment to a high of almost midway between good and excellent for public safety.

JOB THE CITY IS DOING IN PROVIDING THESE SERVICES

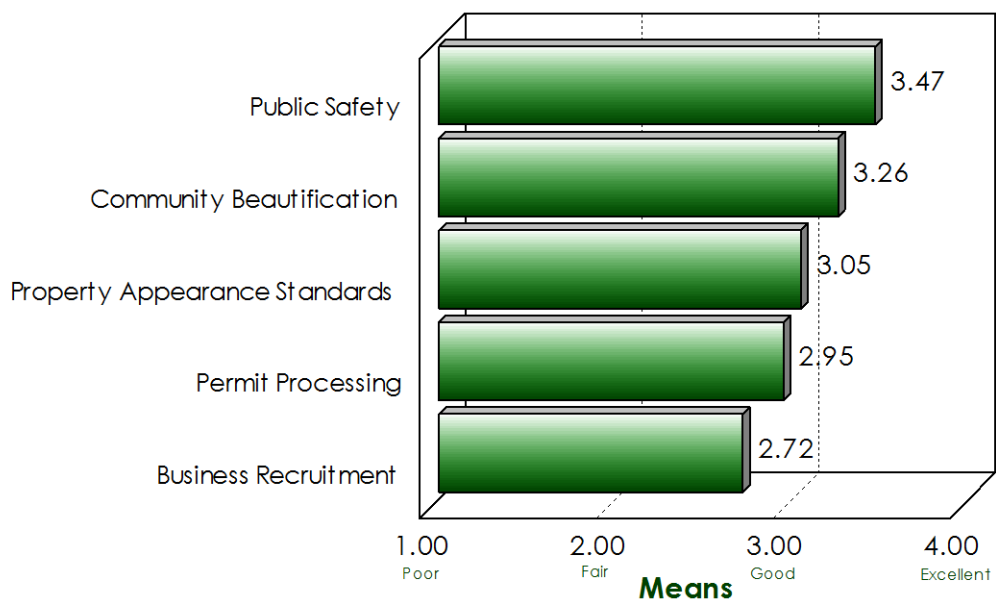


Figure 6

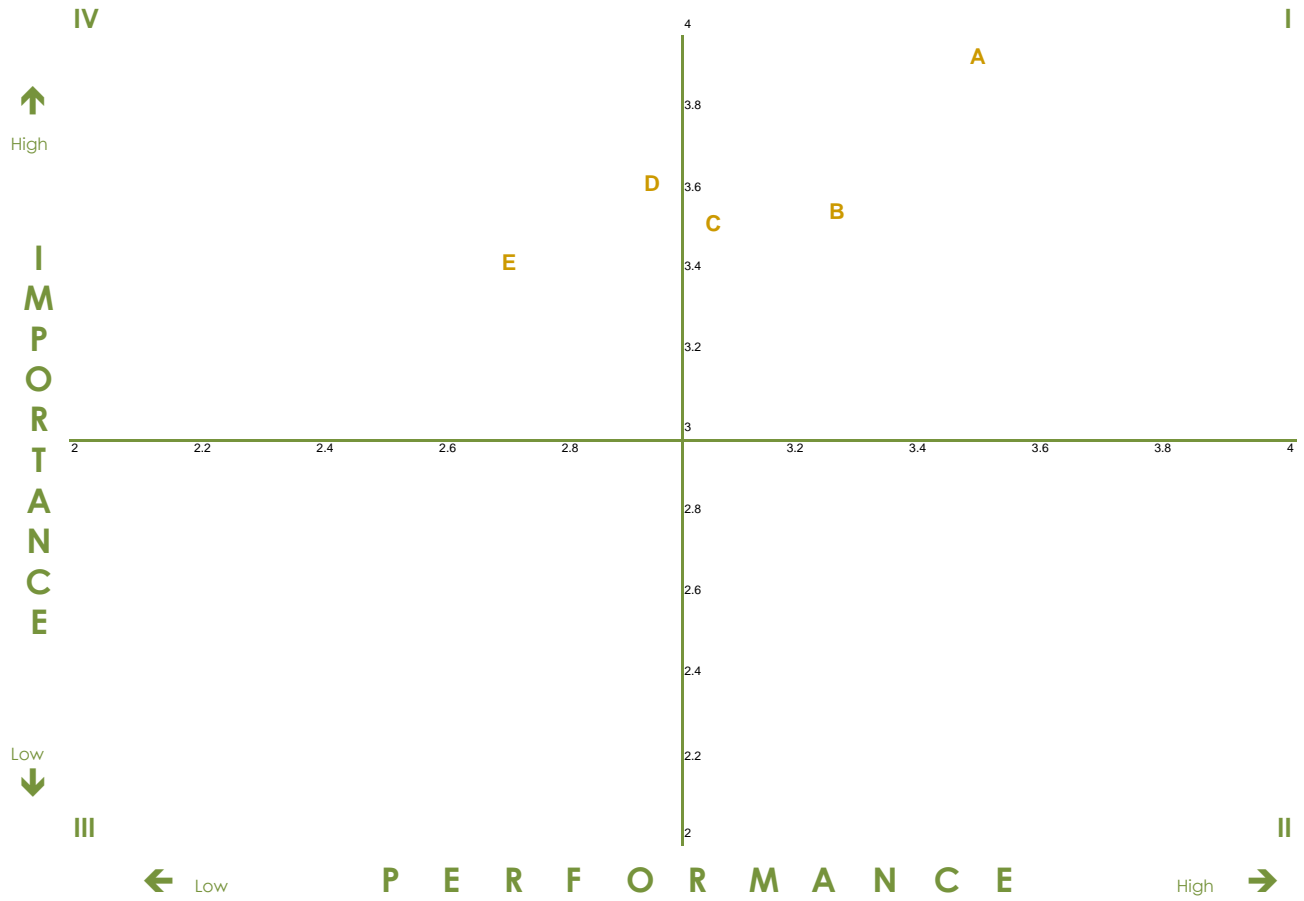
Figure 7 is an importance/performance matrix showing the relationship between the importance of the activities listed on the questionnaire and the job the City is doing in providing them. This matrix can be interpreted as follows.

Services in Quadrant I (High Importance, High Performance) are important and are being performed well. No attention would appear to be needed relative to these services. In the case of the City of Pleasanton, Quadrant I services include public safety, community beautification, and enforcement of property appearance standards.

Services in Quadrant II (Low Importance, High Performance) are not very important but are being performed well. It may well be the case that the delivery of these services should be de-emphasized. Services in Quadrant III (Low Importance, Low Performance) are not very important and are not being performed very well. Consideration might be given to discontinuing or de-emphasizing these services. For the City of Pleasanton, however, no services appear in either of these quadrants.

Finally, services in Quadrant IV (High Importance, Low Performance) are important but are not being performed very well. These activities appear to merit improvement. In the City of Pleasanton's case, this quadrant includes permit processing and business recruitment.

IMPORTANCE/PERFORMANCE MATRIX



- A = Public Safety
- B = Community Beautification
- C = Enforcement Of Property Appearance Standards
- D = Permit Processing
- E = Business Recruitment

Figure 7

The Permitting Process

Figure 8 shows that more than one in five business executives were involved in the City's building permitting process in the year preceding the survey. These executives' assessments of various aspects of the process are displayed in **Figure 9**. In this case, all of the ratings are well above the level of good, and there is little differentiation among them.

INVOLVEMENT IN THE BUILDING PERMITTING PROCESS

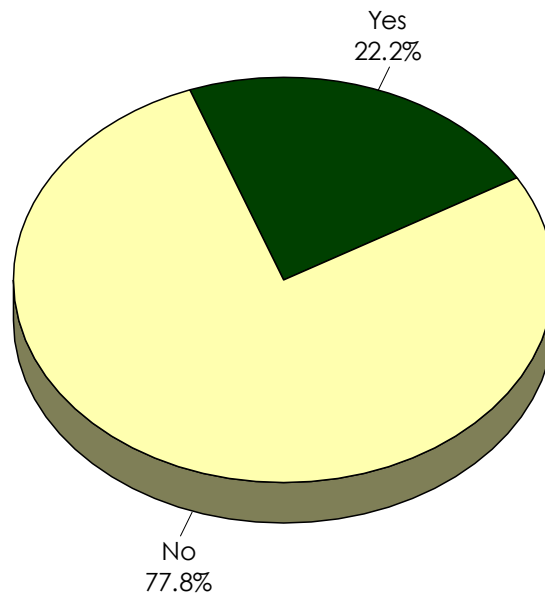


Figure 8

EVALUATIONS OF THE CITY STAFF INVOLVED IN THAT PROCESS

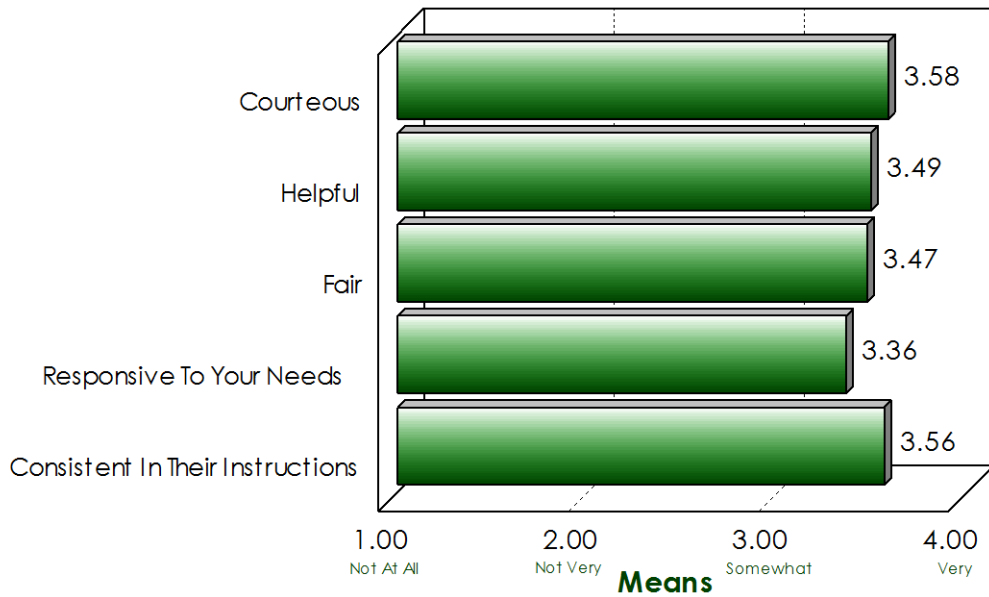


Figure 9

It may also be worth noting in this regard that although differences on this measure between the two survey years are not statistically significant, in all likelihood because of the small numbers of respondents involved in the calculation, all but one of the ratings (for “responsive to your needs”) increased between 2012 and 2015. If this trend continues, differences meriting consideration may emerge.

As **Figure 10** demonstrates, the largest group of executives view the permitting process as being somewhat easy. In addition, close to a third find it very easy. These figures total close to two-thirds (63 percent). Responses of very or somewhat difficult sum to about a third (35 percent). Although the difference is not statistically significant, in all probability because of the relatively small numbers of respondents involved, responses of very or somewhat easy have increased substantially from the 51 percent found in 2012.

ASSESSMENTS OF THE EASE OF THE PROCESS

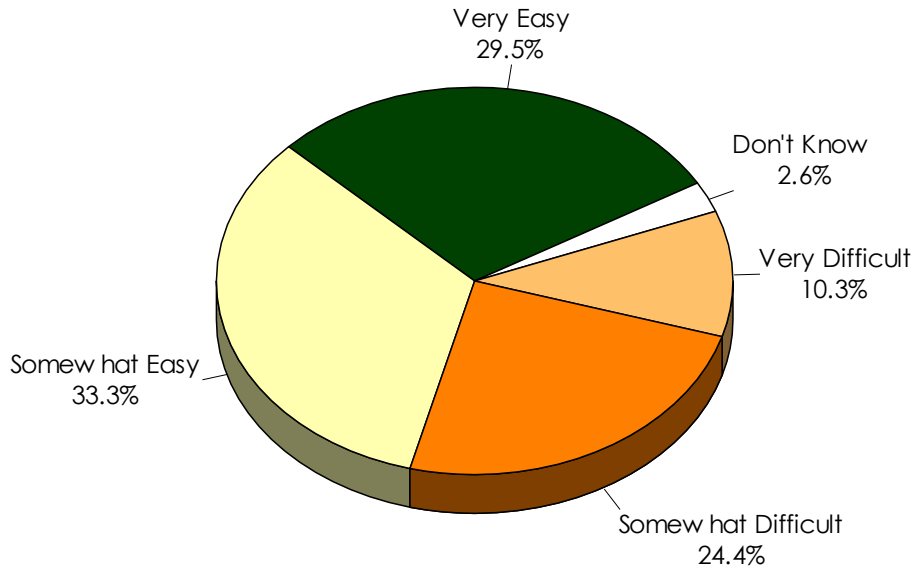


Figure 10

As **Figure 11** illustrates, about a third of business executives contacted members of the City staff other than those involved in the building permitting process during the year preceding the survey. These executives' mean assessments of the presence of various characteristics among the staff on a scale of one to four, where one equals not at all and four equals very, are presented in **Figure 12**. As this graphic indicates, all of the characteristics rate highly to very highly, with courtesy achieving the highest score.

CONTACT WITH CITY STAFF

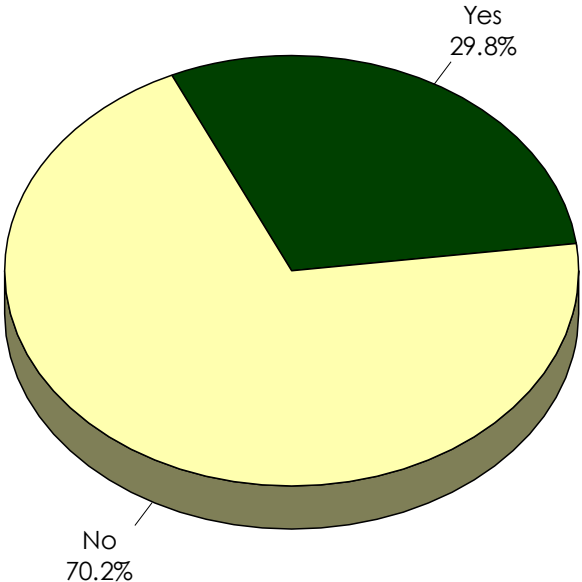


Figure 11

EVALUATIONS OF THE STAFF

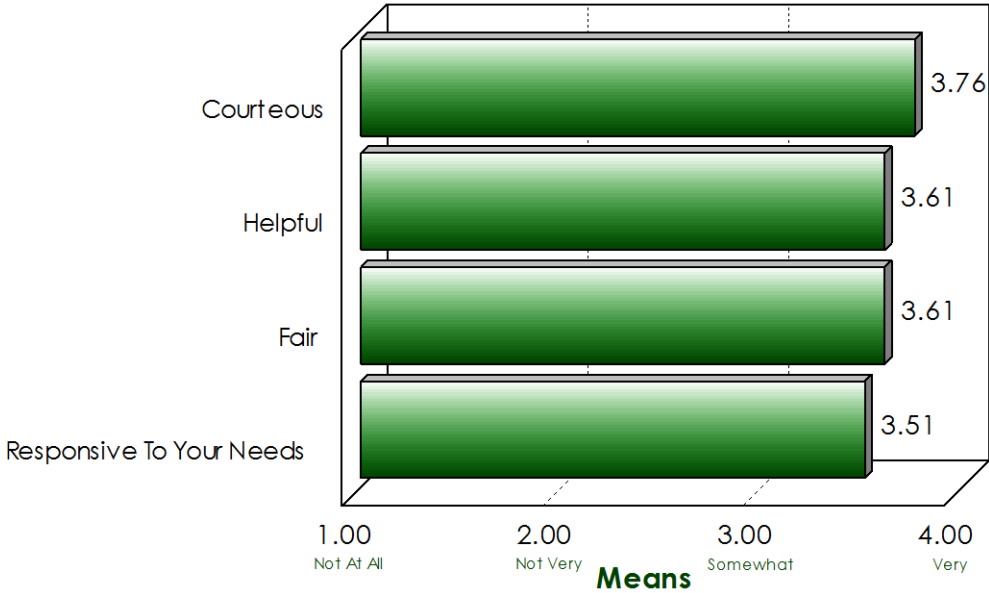


Figure 12

Future Predictions

As shown in **Figure 13**, about two-thirds of business executives definitely expect their businesses to be in Pleasanton two years from now, and about a quarter expect this probably to be the case. When summed, these figures total 92 percent, which is a somewhat greater proportion than the 87 percent who replied in the affirmative in 2012 that they expected their business still to be in the community in two years.

PROBABILITY OF BEING IN PLEASANTON IN TWO YEARS

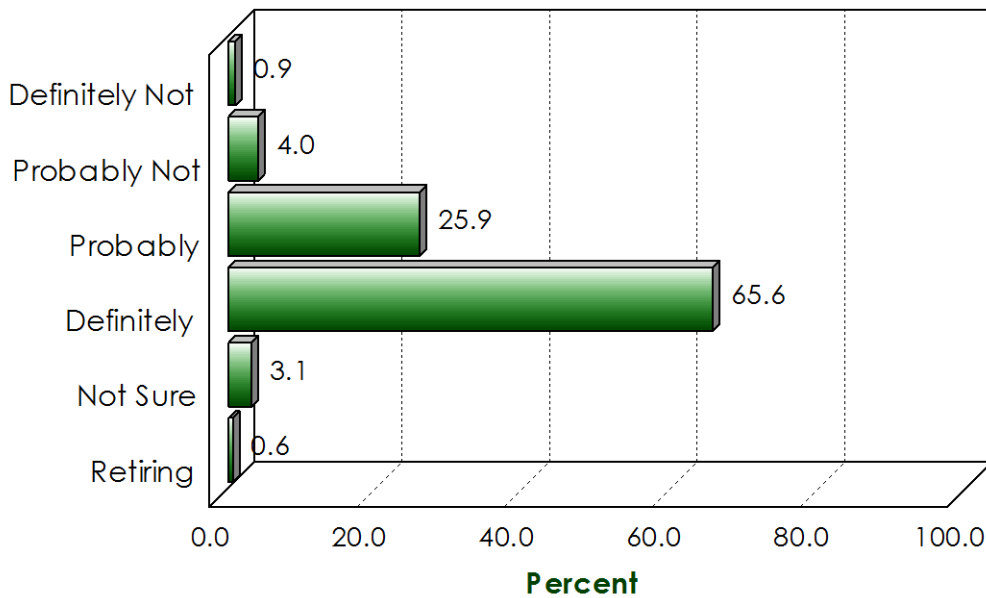


Figure 13

Figure 14 displays business executives' expectations about the amounts of revenue, square feet of space, and employees their businesses will have two years from now. The figures in this graphic are calculated on a three-point scale where one equals less, two equals the same, and three equals more. As these data indicate, business executives are uniformly optimistic in all three areas, although they are less optimistic about growth in square footage and more optimistic about growth in revenues.

EXPECTATIONS FOR TWO YEARS FROM NOW

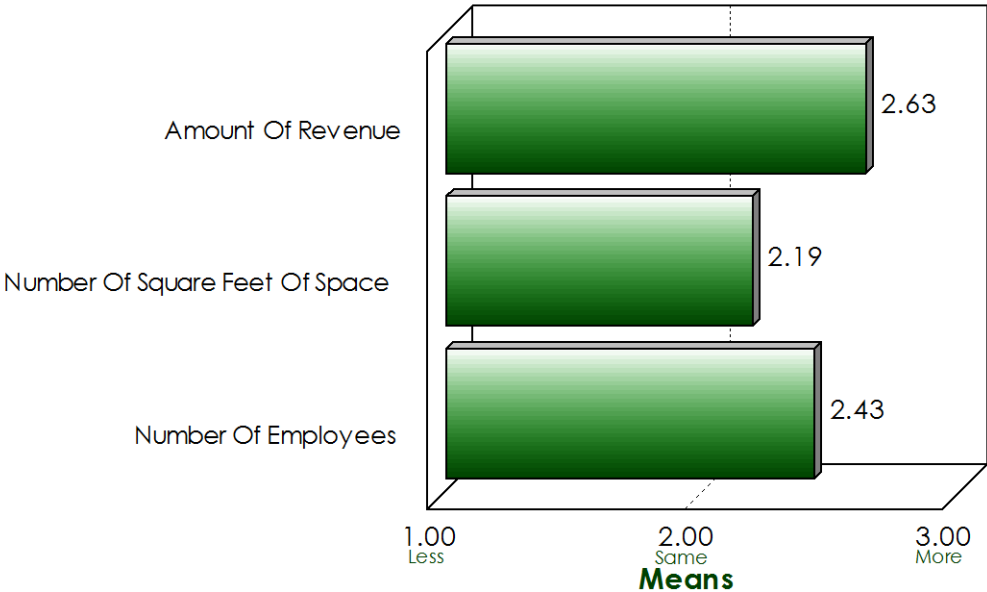


Figure 14

Importance and Quality of Internet and Cell Phone Connectivity

Figure 15 portrays the extent to which business executives view various aspects of connectivity as being important on a scale of one to four where one equals not at all important and four equals very important. As this figure quite strikingly demonstrates, reliable Internet service, high-speed Internet service, and reliable cell phone service are all of extremely high importance.

IMPORTANCE OF INTERNET AND CELL PHONE SERVICE

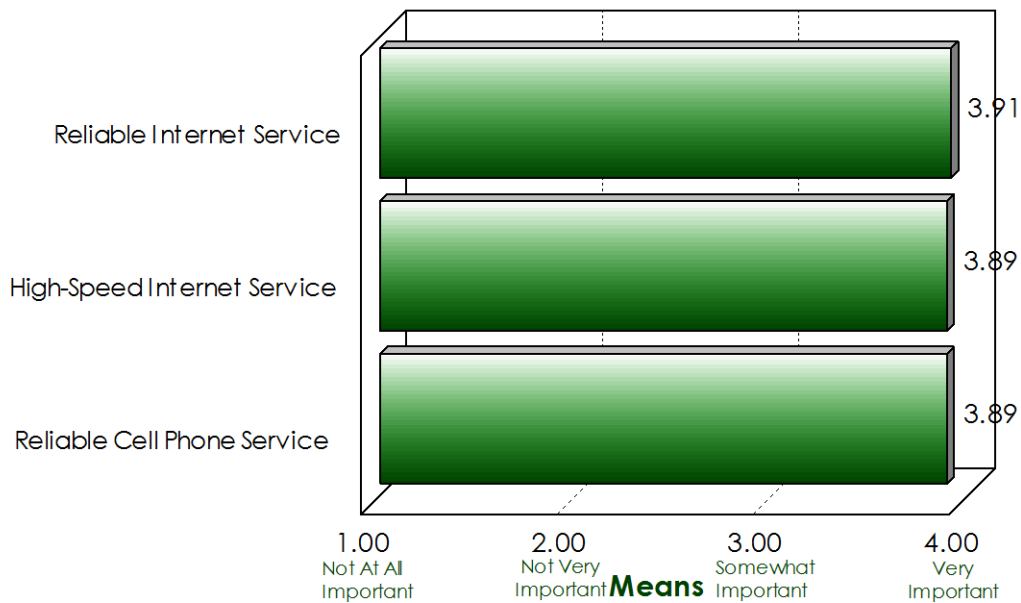


Figure 15

Figure 16 depicts the degree to which business executives find it problematic to obtain Internet and cell phone service in Pleasanton. The mean numbers in this graphic are calculated on a three-point scale where one equals not a problem and three equals a major problem. In all three areas of connectivity, the response lies approximately midway between not a problem and a minor problem.

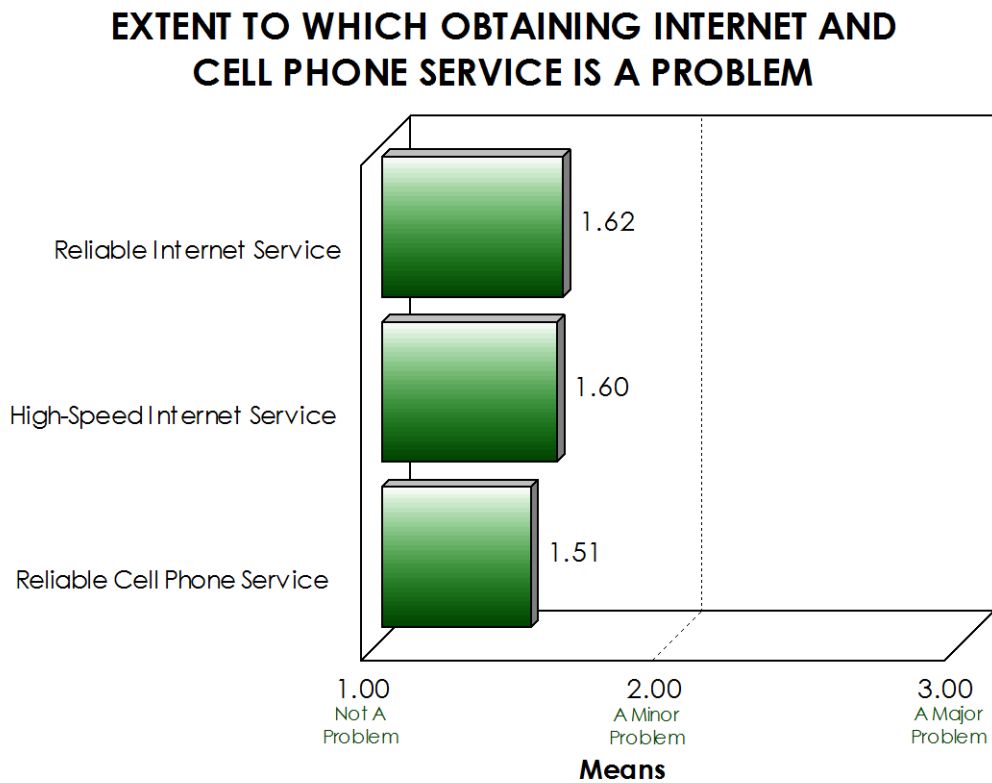


Figure 16

The absolute proportions of those who find these aspects of connectivity a major problem are not necessarily trivial, however. More specifically, they are 17 percent for reliable Internet service, 14 percent for high-speed Internet service, and 13 percent for reliable cell phone service. Full data reflecting this approach to viewing the responses about problematic service are shown in **Figure 17**.

EXTENT TO WHICH OBTAINING INTERNET AND CELL PHONE SERVICE IS A PROBLEM

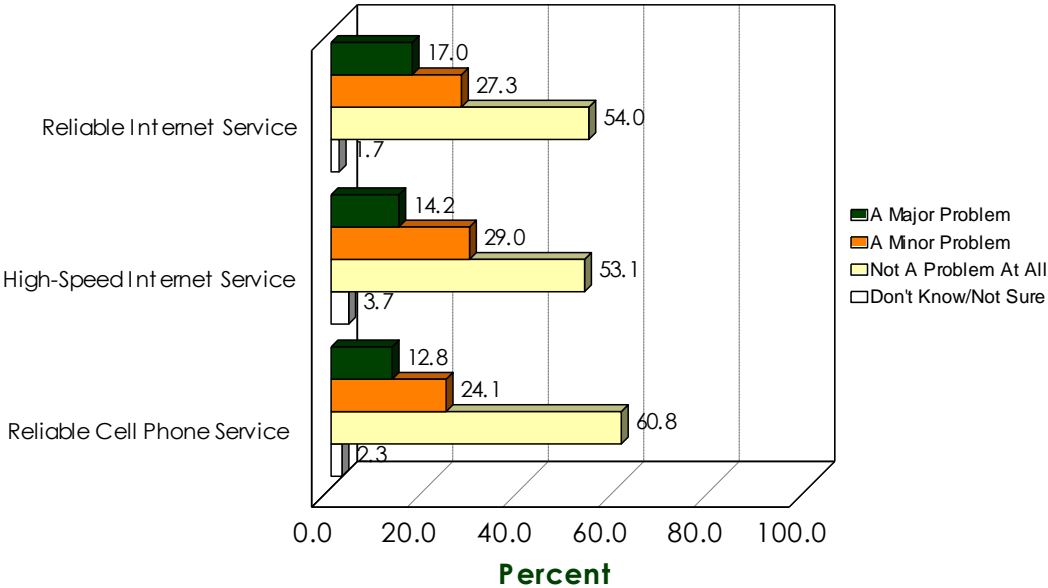


Figure 17

Potential Role of the City in Developing Connectivity

Figure 18 indicates that the largest group of business executives believe the City should definitely play a role in the development of Internet and cell phone service in Pleasanton. In addition, about one in five feel the City should probably do so. These figures total the majority (57 percent).

EXTENT TO WHICH BUSINESSES BELIEVE THE CITY SHOULD PLAY A ROLE IN DEVELOPING INTERNET AND CELL PHONE SERVICE

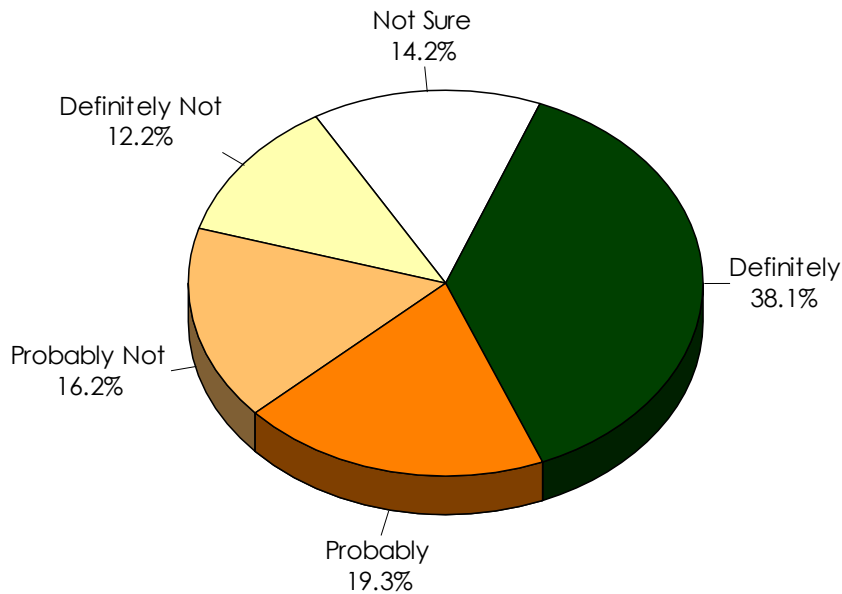


Figure 18

Roles business executives believe the City should play in this regard are presented in **Table 2**. Areas on which these executives believe the City should focus its efforts are obtaining better or more consistent service throughout the city, providing high-speed Internet service, and taking a leadership role. There is also a substantial proportion of those who feel the City should play a role who are not certain what that role should be.

Table 2		
ROLE OR ROLES THE CITY SHOULD PLAY		
	Frequency	Percent
Better/More Consistent Service Throughout The City	44	21.8
Provide High-Speed Internet Service	33	16.3
Leadership Role/Proactive Role	30	14.9
I'm Not Certain What Role The City Should Play/Don't Know	30	14.9
Additional Cell Phone Towers	28	13.9
Encourage More Competition Among The Providers	27	13.4
Making Certain That The Infrastructure Is In Proper Order	13	6.4
Provide Additional Fiber Optics	9	4.5
Provide Free Wi-Fi	6	3.0
Allow Us To Get Comcast	5	2.5
Lower Costs/Rates	4	2.0
Other	44	21.8
Refused/No Comment	1	.5

Other Comments

The final non-demographic question in the survey was, “Now thinking about everything we have been discussing, plus anything else that may be important to you, what else would you like to tell the City about doing business in Pleasanton?” Responses to this question are displayed in **Table 3**. By far the most prominent sentiment is to keep things as they are because the City is doing a good job. No other substantive category of answers even approaches the magnitude of this response.

	Frequency	Percent
Everything Is Fine/Good Job/I'm Satisfied/Everything Is Great/I'm Happy Here/I Love It Here/Do Not Change Anything	47	13.4
The Cost Of Doing Business Is Too High/Reduce Fees	15	4.3
The City Needs To Support Local Businesses	14	4.0
More Entertainment Options	13	3.7
Too Many Restrictions/The City Needs To Be Less Strict/Lower Regulations	11	3.1
The City Needs More Parking, Especially Downtown	9	2.6
Streamline Permit Process/Faster Permit Process	7	2.0
Promote Businesses In Pleasanton With More Advertising On Billboards And In The Yellow Pages	6	1.7
More Public Transportation	6	1.7
Make The City Safer/More Police Control	5	1.4
Faster Internet	5	1.4
Allow Businesses To Come To Pleasanton/Allow Small Businesses To Come Here/Bring Small Businesses To Pleasanton	4	1.1
Need To Improve Traffic Circulation/Flow	4	1.1
Keep The Competition Down	2	.6
More Bike Trails	2	.6
Other	43	12.2
None/Nothing	200	56.8
Don't Know	2	.6
Refused/No Comment	2	.6

Importantly, however, the most prevalent response overall is “nothing.” When this category is added to those who said the City should keep things the same (which can be done because “nothing” is a non-duplicative code by design), the total represents seven in ten businesses (70 percent).

Respondent Characteristics

Tables 4 through **7** and **Figure 19** display the characteristics of responding businesses. These graphics indicate the following.

- The tenures of responding businesses are relatively evenly spread across all of the categories up to 30 years; there is then a substantial drop to over 30 years. Almost half, however (47 percent), have been in the city more than ten years; less than a third (29 percent) have been there five years or less. This is highly similar to the composition of the 2012 sample.

Table 4		
LENGTH OF TENURE IN PLEASANTON		
	Frequency	Percent
Less Than 3 Years	51	14.5
3 To 5 Years	51	14.5
6 To 10 Years	72	20.5
11 To 20 Years	76	21.6
21 To 30 Years	64	18.2
Over 30 Years	26	7.4
Don't Know/Refused	12	3.4

- The largest group of responding businesses serves the Tri-Valley area; this is followed by the Bay Area. This question was not asked in 2012.

AREAS SERVED BY RESPONDING BUSINESSES

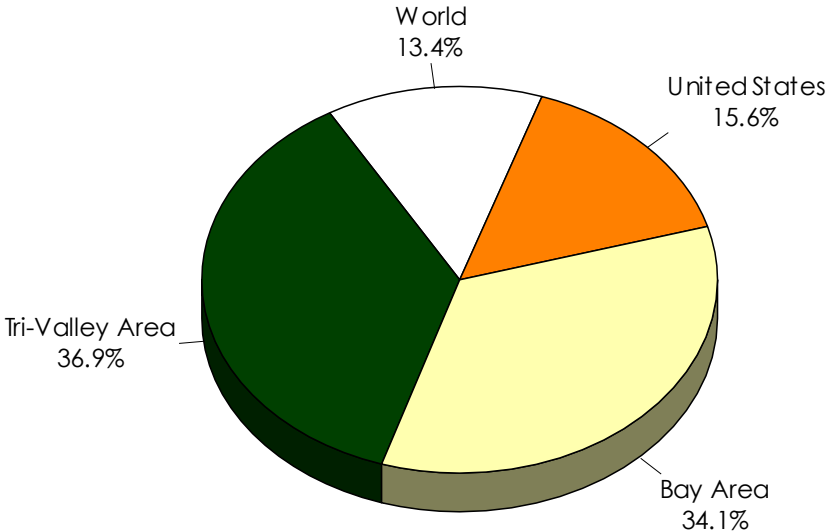


Figure 19

- The largest group of responding businesses occupy between 1,000 and 1,999 square feet; the second largest group occupy between 2,000 and 2,999 square feet. Those with less than 5,000 square feet represent the majority (63 percent). This is similar to the composition of the 2012 sample.

Table 5

SQUARE FEET OCCUPIED

	Frequency	Percent
Less Than 500	30	8.5
500 To 999	32	9.1
1,000 To 1,999	77	21.9
2,000 To 2,999	58	16.5
3,000 To 4,999	25	7.1
5,000 to 9,999	27	7.7
10,000 Or More	45	12.8
Don't Know/Refused	58	16.5

- The largest group of responding businesses have between three and five employees; the second largest group have one. Those with five or fewer employees constitute the majority (58 percent).

Table 6

NUMBER OF EMPLOYEES IN PLEASANTON

	Frequency	Percent of Respondents
1	78	22.2
2	36	10.2
3 To 5	91	25.9
6 To 10	53	15.1
11 To 20	37	10.5
21 To 50	26	7.4
51 To 99	7	2.0
100 or More	8	2.3
Don't Know/Refused	16	4.5

- The majority of responding businesses have no employees outside of Pleasanton. This was also the case with the 2012 sample.

Table 7

NUMBER OF EMPLOYEES OUTSIDE OF PLEASANTON

	Frequency	Percent
0	194	55.1
1	11	3.1
2	11	3.1
3 To 5	24	6.8
6 To 10	17	4.8
11 To 20	17	4.8
21 To 50	15	4.3
Over 50	41	11.6
Don't Know/Refused	22	6.3

IV. CONCLUSIONS AND RECOMMENDATIONS

How Do Local Businesses Feel About Their Community?

From the results of this research, it would appear that businesses in the city of Pleasanton are generally very to extremely happy with their location. Nine in ten find the community an excellent or good place to do business, in large part due to its positive business environment, convenient location, and friendly people. Underscoring these data, commentary in the focus groups about Pleasanton as a business location was almost universally complimentary.

Also of note in this regard is the fact that 74 percent of those who were asked to complete the survey cooperated, an increase from 64 percent in 2012. A cooperation rate of such magnitude for a survey of this nature is very good, and it likely reflects a considerable amount of support among members of the business community.

In terms of specific characteristics of the city, most of the ratings of Pleasanton as a business location are above the level of good, and ratings of the city's infrastructure are also generally around the level of good. With the sole exception of entertainment options, city amenities rate quite highly as well, with local schools and community events achieving particularly high scores.

That said, the 2015 survey found noticeable and statistically significant decreases in ratings of Pleasanton's location in terms of attracting qualified employees, retaining qualified employees, and finding appropriate business space. While the first two of these may reflect either the improving economy or the simple fact that Pleasanton is an affluent community with relatively few residents who are well-suited to entry-level jobs, the latter suggests an area in which the City may need to consider taking action.

Finally, it seems perhaps particularly important to note that more than nine in ten businesses anticipate they will still be in Pleasanton two years from now. Complaints and concerns notwithstanding, there is clearly almost no tendency to want to flee.

What About Doing Business With the City?

Another concern that emerges from the survey and was also a topic of considerable discussion during the focus groups is the perception that the City has rules and regulations that can make it challenging either to develop a new business or to accomplish things as established business. A secondary issue is a lack of parking, particularly downtown.

The former sentiment was far from universal in the focus groups, however, and the majority of businesses responding to the survey found the permitting process in particular very or somewhat easy. Moreover, this proportion has increased by twelve percentage points in the past three years. While this increase is not statistically significant, that outcome is likely due to the fairly small size of the subsample involved. The increase itself is almost surely worthy of note; commendation of the appropriate staff may also be in order.

This suggestion is reinforced by the strongly positive ratings achieved by the permitting staff themselves. If the process is challenging, probably due at least in part to the fact that the City has exceptionally high standards, the City would appear to be making progress in doing what it can to ease the path.

What About the City's Infrastructure?

All but two of the ratings of the City's infrastructure are above the level of good; those that fail to meet this mark are telecommunications services and public transportation options. The former are the subject of an entire series of questions

in the survey that is discussed in a subsequent section; the latter is unfortunately unilluminated either by the survey or by the focus groups. If the City does not already know why intra-community public transportation is an issue, this topic may merit further investigation in the next cycle of research.

How Is the City Doing in Providing General Services?

Almost all of the general services considered in the survey are perceived as being very important, with public safety predictably leading the way. Job performance, however, is viewed quite differently, with ratings being lower overall and assessments of both permit processing and business recruitment falling below the level of good.

Inasmuch as the importance-performance matrix continues to show that these two services are underperforming relative to their importance in the business community, the City may wish to consider how they could be improved. Insofar as the former is concerned, however, it would appear that the City is already making progress; a twelve-point increase in ratings is a noteworthy achievement.

What About City Staff?

Those who have had occasion to contact City staff for reasons other than permitting appear to be extremely pleased; ratings of the staff are exceptionally high. Here, we believe it would be clearly appropriate to commend staff for their interactions with the business community.

How About Connectivity?

Plainly, connectivity is of extreme importance to local businesses; although the context is admittedly different, it rates almost as high as public safety. Whether

connectivity in Pleasanton is a problem, however, depends to some degree on one's perspective.

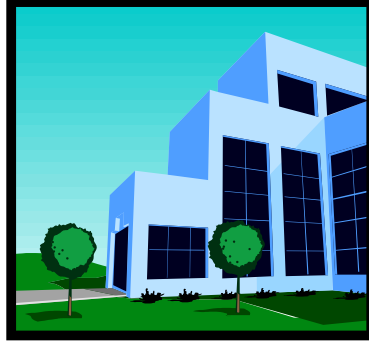
Certainly, connectivity problems were an issue during the focus groups, although they were far from universal. The mean numeric ratings of such problems, however, are about midway between “not a problem” and “a minor problem.” Yet when we look at the absolute proportions of business executives who say they encounter major problems, we view the magnitude of the response as being far from trivial. From our perspective, Pleasanton has a connectivity problem with respect to both Internet and cell phone service.

Also apparent from the survey results is that most businesses would like the City to do something about the problem. Not much more than a quarter feel the City should not play a role.

What this role or these roles should be is not entirely clear, but it would appear that ensuring consistency in service quality community-wide is central. Other relatively strong opinions include taking on a leadership role and providing or facilitating the provision of actual Internet and cell phone services. As the focus groups were ambiguous on this point as well, we are forced to conclude that the City is largely on its own in deciding what to do – which could either be a burden or prove to be an advantage. Irrespective of specific actions, however, most of the business community would appear to want the City to do *something*.

APPENDIX A
Survey Instrument

CITY OF PLEASANTON SURVEY OF BUSINESS EXECUTIVES



QUESTIONNAIRE

Introduction and Screening

ASK FOR RESPONDENT BY NAME. Mr./Ms. _____, my name is YOUR FULL NAME and I am calling on behalf of the City of Pleasanton. We are conducting a survey of businesses in the City and would like to include your organization. I would like to interview the owner or a manager who is authorized to make decisions on behalf of the organization. Would that be you?

IF YES - CONTINUE TO INTERVIEW

IF NO - ASK FOR SUCH A PERSON, SCHEDULE CALLBACK AS NEEDED

IF NO OWNER OR DECISION-MAKER IN PLEASANTON, THANK AND TERMINATE. CODE AS NOT IN TARGET POPULATION.

IF ASKED HOW WE GOT THEIR INFORMATION OR NAME, SAY: The City of Pleasanton provided us with a list of all business license holders in the City, and yours was selected at random. (Your name is on the business license record.)

Interview

1. First ... In general, would you say that Pleasanton is an excellent, good, fair, or poor place to do business?

- 4 EXCELLENT
- 3 GOOD
- 2 FAIR
- 1 POOR
- 5 DON'T KNOW/NO OPINION (SKIP TO Q3)

•IF EXCELLENT, GOOD, FAIR, OR POOR, ASK:

2. And why would you say that it is (a) (an) _____ place to do business? PROBE FOR CLARITY AND SPECIFICS. PROBE FOR OTHER REASONS: Why else? RECORD VERBATIM.

3. Now thinking more specifically about Pleasanton's location ... Would you say the city's location is excellent, good, fair, or poor in terms of _____? How about _____? RANDOMIZE LIST.

	EXCELLENT	GOOD	FAIR	POOR	DON'T KNOW/NO OPINION
a. attracting qualified employees	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
b. retaining qualified employees	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
c. attracting customers	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
d. accessing customers	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
e. accessing vendors	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
f. finding appropriate business space	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5

4. And thinking about the infrastructure in Pleasanton ... Would you say that the quality of the _____ in Pleasanton is excellent, good, fair, or poor? How about the _____? RANDOMIZE LIST.

	EXCELLENT	GOOD	FAIR	POOR	DON'T KNOW/NO OPINION
a. roads	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
b. telecommunications services	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
c. public transportation options	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
d. electric utility services	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
e. water services	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
f. sewer services	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5

5. Now thinking about the amenities or quality of life elements Pleasanton has to offer ... Would you say that the _____ in Pleasanton (is) (are) excellent, good, fair, or poor? How about the _____? RANDOMIZE LIST.

	EXCELLENT	GOOD	FAIR	POOR	DON'T KNOW/NO OPINION
a. public schools	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
b. recreational activities	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
c. variety of restaurants	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
d. entertainment options	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
e. community events such as parades and fairs	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5

6. Now I would like to ask you about some of the services the City of Pleasanton provides. I am going to read you a list of five of these services. As I read each one, please tell me **first** whether you think it is a very, somewhat, not very, or not at all **important** service for the City to provide. Then please tell me **second** whether the City is doing an excellent, good, fair, or poor **job** of providing it. Here's the first one ... RANDOMIZE LIST.

	IMPORTANCE					RATING				
	VERY	SOME-WHAT	NOT VERY	NOT AT ALL	DON'T KNOW/ NO OPINION	EXCELLENT	GOOD	FAIR	POOR	DON'T KNOW/ NO OPINION
a. public safety	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
b. community beautification	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
c. enforcement of property appearance standards	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
d. permit processing	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
e. business recruitment	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5

7. Now turning to interactions with the City ... In the past year, have you been involved in the City's building permitting process?

- 1 YES (CONTINUE)
- 2 NO (SKIP TO Q10)

8. In general, would you say that the City staff involved in that process were very, somewhat, not very, or not at all _____? How about _____? IF MORE THAN ONE PERSON, ASK FOR EITHER THE PERSON THEY SPOKE WITH MOST RECENTLY OR A GENERAL OPINION ACROSS ALL PEOPLE THEY SPOKE WITH.

	VERY	SOMEWHAT	NOT VERY	NOT AT ALL	INSISTS ON VARIES	DON'T KNOW/NO OPINION
a. courteous	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
b. helpful	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
c. fair	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
d. responsive to your needs	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
e. consistent in their instructions	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆

9. Overall, would you say that the permitting process was very easy, somewhat easy, somewhat difficult, or very difficult?

- 1 VERY EASY
- 2 SOMEWHAT EASY
- 3 SOMEWHAT DIFFICULT
- 4 VERY DIFFICULT
- 5 DON'T KNOW/NO OPINION

10. Also In the past year, have you contacted any (IF YES TO Q7: other) member of the City staff for information or assistance?

- 1 YES (CONTINUE)
- 2 NO (SKIP TO Q12)

11. And would you say that the person you spoke with was very, somewhat, not very, or not at all _____? How about _____? IF MORE THAN ONE PERSON, ASK FOR EITHER THE PERSON THEY SPOKE WITH MOST RECENTLY OR A GENERAL OPINION ACROSS ALL PEOPLE THEY SPOKE WITH.

	VERY	SOMEWHAT	NOT VERY	NOT AT ALL	INSISTS ON VARIES	DON'T KNOW/NO OPINION
a. courteous	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
b. helpful	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
c. fair	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆
d. responsive to your needs	<input type="checkbox"/> ₄	<input type="checkbox"/> ₃	<input type="checkbox"/> ₂	<input type="checkbox"/> ₁	<input type="checkbox"/> ₅	<input type="checkbox"/> ₆

12. And turning toward the future ... Do you feel your business will definitely, probably, probably not, or definitely not be in Pleasanton two years from now?

- 4 DEFINITELY
- 3 PROBABLY
- 2 PROBABLY NOT
- 1 DEFINITELY NOT
- 5 NOT SURE
- 6 WILL NOT BE IN BUSINESS THEN/RETIRING (SKIP TO Q14)

13. Also two years from now, do you feel your business will have more, less, or about the same _____? How about _____? RANDOMIZE ORDER.

	MORE	LESS	SAME	NOT SURE
a. amount of revenue	<input type="checkbox"/> ₃	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₉
b. number of square feet of space	<input type="checkbox"/> ₃	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₉
c. number of employees	<input type="checkbox"/> ₃	<input type="checkbox"/> ₁	<input type="checkbox"/> ₂	<input type="checkbox"/> ₉

14. Now thinking about Internet and cell phone service ... Would you say that _____ is very important, somewhat important, not very important, or not at all important to your **business**? How about _____?

	VERY IMPORTANT	SOMEWHAT IMPORTANT	NOT VERY IMPORTANT	NOT AT ALL IMPORTANT	DON'T KNOW
a. reliable Internet service	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
b. high-speed Internet service	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5
c. reliable cell phone service	<input type="checkbox"/> 4	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 5

15. Have you found that obtaining _____ is RANDOMIZE STARTING POINT BETWEEN "MAJOR" AND "NOT" in Pleasanton? How about _____?

- a major problem **READ DOWN**
a minor problem or
- not a problem at all **READ UP**

	A MAJOR PROBLEM	A MINOR PROBLEM	NOT A PROBLEM	DON'T KNOW/ NOT SURE
a. reliable Internet service	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 4
b. high-speed Internet service	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 4
c. reliable cell phone service	<input type="checkbox"/> 3	<input type="checkbox"/> 2	<input type="checkbox"/> 1	<input type="checkbox"/> 4

16. Do you feel the City of Pleasanton should definitely, probably, probably not, or definitely not play a role in the development of internet and cell phone service in Pleasanton?

- 4 DEFINITELY (CONTINUE)
- 3 PROBABLY (CONTINUE)
- 2 PROBABLY NOT (SKIP TO Q18)
- 1 DEFINITELY NOT (SKIP TO Q18)
- 5 NOT SURE (SKIP TO Q18)

•IF DEFINITELY OR PROBABLY, ASK:

17. And what role or roles do you feel the City should play? PROBE FOR CLARITY AND SPECIFICS. PROBE FOR OTHER THINGS: What else? RECORD VERBATIM.

18. Now thinking about everything we have been discussing, plus anything else that may be important to you, what else would you like tell the City about doing business in Pleasanton? PROBE FOR CLARITY AND SPECIFICS. PROBE FOR OTHER THINGS: What else? RECORD VERBATIM.

19. Now in order to classify your responses along with others, I need to ask just a few questions about your business ... First, how many years has your business been in Pleasanton? ____ ____

- 0 LESS THAN A YEAR
- 98 DON'T KNOW
- 99 REFUSED

20. In general, would you say that your business serves the Tri-Valley area, the Bay Area, the United States, or the world?

- 1 TRI-VALLEY AREA
- 2 BAY AREA
- 3 UNITED STATES
- 4 WORLD

21. Approximately how many square feet does your business have in Pleasanton?

22. And how many employees do you have in Pleasanton? _____
23. How many employees do you have outside of Pleasanton?

THANK RESPONDENT!

24. RECORD NAME OF RESPONDENT: _____
25. RECORD COMPANY NAME: _____
26. RECORD BUSINESS TYPE FROM SAMPLE: _____
27. RECORD NUMBER OF EMPLOYEES FROM SAMPLE: _____