



## **The Problems and Promises of the CMP**

### **Presenter: Phil Lemler**

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The forum on Aug. 23 seeks to answer two questions: What is the Comprehensive Master Plan (CMP), and what are its problems?

### **What is the CMP?**

The CMP is a complete redevelopment of Hot Springs Village for the purpose of trying to solve our revenue problems. Every year, we fall short of meeting our basic maintenance needs by \$5- to \$7 million (\$35 million over five years). As opposed to using better marketing methods to generate revenues, the CMP hopes that by aggressively developing Village lots with commercial, retail, industrial and apartments/condos (including 10+ new restaurants), we can increase the POA revenue enough to pay for our annual maintenance needs. The numbers simply don't work.

### **What are the problems with the CMP?**

The foremost problem is the CMP does not solve our revenue issues. In fact, even after 20 years (using the CMP's own figures) of development that causes on-going traffic problems, potentially empty and partially complete buildings, retail stores and restaurants no one patronizes, substantial legal exposure and many other problems, we'll still be more than \$5 million short each and every year (see page 83) of making ends meet.

The most glaring strategic problem is the CMP is based entirely on our ability to attract 20-, 30- and 40-year-olds to move here. The apartments/condos we are building, the retail development, the roadway reconstruction and most of the other amenities are designed for the coming of this age group (millennials and gen-Xers).

They will not come because there are no jobs for them. They have no friends here. Market statistics (a recent Harvard Study) show they aren't interested in moving here. And, they don't want to live in a community where the predominant age is over 60.

The CMP is confusing and contradictory. It is filled with inconsistencies which question the credibility of those who created it. In one section, the Town Center is to be built first. Yet its vision is blurred by an inability to get it financed. Then it says we should build a plaza first at the cost of \$4 million. Where will this money come from? Another section promotes building

the Coronado Center area first. One section calls for bringing in outside developers. Another suggests the POA may want to become the developer.

The authors of the CMP tell you it is a living/breathing document to be implemented and budgeted in three-year segments. Even a small incremental implementation of the CMP could obligate us to agreements with developers, retailers and financial institutions – commitments we can't fulfill.

In my opinion, the POA Board has a propensity to approve unreasonable and over-budgeted plans. It has demonstrated a weakness for managing small (compared to the CMP) projects and basic Village tasks. Large projects like the CMP are simply too complex for our managerial capacity and experience. We don't have the talent to pull this off.

Incremental implementation of the CMP is like going out in a boat with a hole in it.

The CMP spends a great deal of time discussing how to get more revenue from existing property owners. It increases the annual cap on POA fees (up to 5 percent) and introduces the possibility of special assessments. In the end, it is the property owners who will pay for the failures of the CMP and our POA's commitment to its implementation.

Finally, the CMP promotes some good things. We need better internet service and cell phone reception. However, we do not need the CMP for this. These viable projects can be tackled as stand-alone projects. We don't need to tear up the entire Village to get better cell phone service.

These are just some of the problems in the 540 page Comprehensive Master Plan.

The POA Board should delay implementation of the CMP until all property owners have a chance to study and vote on it. Anything this transformative, and potentially damaging, demands a vote by the property owners.

If the CMP is really good, and there are consultants and marketing firms praising its virtues, the POA should not be afraid or hesitant to debate this for all to see.

### **What property owners should do next:**

- Sign a petition opposing the Town Center idea. The petition can be found on the 'We the People, For the People' website – [wetheHSVpeople.com](http://wetheHSVpeople.com). The Website and new Facebook page are full of information and ideas. Share your views there with others.
- Write letters to the editor of the Voice expressing your concerns with the CMP.
- Send emails to the POA board ([boardmembers@hsvpoa.org](mailto:boardmembers@hsvpoa.org)) saying what you think
- Attend board and committee meetings and speak out against the parts of the CMP you don't like.
- Form groups who share your views and help others urge the POA board to change its direction.

***Website: [wetheHSVpeople.com](http://wetheHSVpeople.com) FaceBook: We the HSV People***