

◆ Hot Springs Village Conceptual Marketing and Development Plan

By Phil Lemler

The purpose of this document is to provide the general outline of a plan for the future of Hot Springs Village (HSV).

The following observations, opinions and ideas are designed to be the framework of a business and marketing strategy, with some additional recommendations, for Hot Springs Village (HSV). This framework provides a wide platform for a POA Board, committees, Village marketing groups, and business advisors to add their ideas for enhancing and/or implementing this HSV strategy. This feature makes the plan somewhat modular and flexible for various possibilities.

The central theme of this plan is to re-position Hot Springs Village (HSV) as a “retirement community“, develop streams of revenue from existing HSV assets, and return the Village to fiscal responsibility.

The *unfortunate news* is that we cannot build our way to prosperity. There is no way we can pay for our current financial responsibilities by building more homes, apartment buildings, commercial centers, etc. Do the math! Aggressive development plans, like the CMP, do not solve our financial problems and actually push us farther away from prosperity. Unless, we all want substantially higher POA fees and special assessments, we need to find a way to generate more revenues from our existing assets. The *good news* is that we have some wonderful assets to use, especially golf. Using our assets to generate revenues decreases the amount we have to rely on from POA fees. Why would we (Villagers) want to pay for amenities and maintenance if we can get someone else to pay for it? We do need new home construction and other development, but it will not alone solve our financial problems.

Above all, we must remember that we are first a business. We will live and die based on the basic laws of business. We have to bring in more money than we pay out. We must conduct ourselves like a business.

What is Marketing

When most people talk about marketing, they are referring to the advertising, public relations and promotional elements of a business. TV ads, magazine ads and Facebook ads are just a small part of the marketing strategy. These ads are all part of marketing but, in reality, cover only about 25% of the marketing foundation. Marketing also covers the messaging and positioning of your product, its pricing and getting the it to the customer.

However, the roots of marketing theory actually live in the psychological reasons that we buy products and services. Excellent marketing campaigns attempt to get people to buy their products but they do so by trying to manage how we *feel* about their products.

What a wonderful product we have to sell!

One of the most exciting advantages we have is that the Village is a beautiful place to live. It has all of the components of an ideal retirement community for almost anyone in the retiring population ... there is something here for every retiree. Numerous activities, events, performances, a low cost of living and a variety of amenities for all interests. A beautiful and well kept environment, all nestled in a gated, and private community. When visitors come here, they just “feel” like this is the ideal retirement destination. This place is intoxicating for the first time visitor. This is an objective companies spend \$millions to achieve ... yet, we have it here already. Our Village provides us with a very powerful and unique marketing opportunity.

Many of the people living here in the Village made their decision to move here on their *first* visit ... the Village sells itself.

Our marketing challenge is quite simple; ***“Just get them to come here for a visit!”***

We should develop methods of getting retirees (or those contemplating retirement) to visit here, give them a Class A tour and a substantial number will become property owners. *History shows us this!*

Highlights of the Marketing Program

◆ Get the right target market and project the right image!

We will never convince 20 and 30 year olds to move here in any volume. We are a retirement community with an active lifestyle and we should be targeting retirees and near retirees. There are 10,000 people retiring every day so we have a built in pipeline of growing, and never-ending, prospects for our marketing program. Through marketing and advertising, we need to position HSV as ***“the #1 Retirement Community in America for the active lifestyle!”***

◆ Locate and employ a national ad agency to develop an advertising strategy.

We need to connect with a national prospect base of age specific persons. Targeting a 300 mile radius (old marketing campaign) of the Village is short-sighted and substantially under serves the opportunity. A reputable ad agency will have access to the data that will tell us how to best reach the largest amount of retirees/near retirees for the least amount of money. Our goal is to get retirees to visit.

◆ **Design and implement a visitor management program.**

Common sense tells us that if we invest money into a national advertising program we need to be prepared to deal with responses to those ads. We need a complete and integrated process of working with those interested in the Village. This means specially trained personnel to take the first phone call, complete data questionnaires, to demonstrate the benefits of living in the Village (tours), outline the pathway to becoming a property owner and other methods for follow up once they have returned home.

◆ **Committee System**

We have a tremendous amount of human capital here in the Village. We have retired expertise from probably every industry, from every executive management and operational level and across a spectrum of specialties that offer substantial benefits to the Village. Committees would be a valued POA resource for decision-making and problem solving. These committees can serve as “brain storming” centers used to develop ideas and generate programs for meeting the Village’s marketing and other business/engineering goals.

◆ **Develop marketing partnerships with other organizations**

We can squeeze more out of our marketing dollar if we seek to develop joint partnership agreements with others where we can create and promote a common interest. There are numerous organizations open to a variety of marketing opportunities and there are hundreds of ideas waiting to be evaluated.

Joint marketing can help us create long term revenue from outside sources where we don’t have to rely on POA fees to pay our bills.

◆ **Closing the Maintenance Gap**

As stated in the CMP, we are \$5 - \$7 million short every year on revenue. It is impossible to know specifically how to address this because most of the answer is buried in the financials of the Village. However, I have reason to believe there is a substantial amount of fat in the POA budget that can be trimmed. We need to terminate all CMP related spending, get a firm grip on the next three year maintenance requirements and begin implementing revenue generation programs to cover the variance. We need to develop a revenue strategy that has the right targeted mix to meet our long term goals and begin a process of managing the POA more effectively.

◆ **Development Plan**

The Village needs a short term development plan for items like WiFi, internet, Balboa and other projects. We also need a long term development plan that meets the needs of the property owners but is financially responsible and contributes to the overall financial health of the Village, while preserving our existing lifestyles.

DETAILED INFORMATION

◆ Targeting Retirees and Re-Packaging Our Image

This marketing plan begins by emphatically stating “**retirees/near retirees**” are our target market!

It is a huge mistake to try and become an “active lifestyle community” for all ages. We are a retirement community ... we will always be a retirement community. We could spend millions trying to convince the world we are NOT a retirement community but the market would still perceive us as a retirement community. Plus, being a retirement community is substantially to our advantage.

Retirees and baby boomers are a huge part of the market. There are 10,000 people per day retiring. There are twelve more years of baby boomers moving towards retirement and the next generation is right behind them. It should be fairly easy to attract this market. We will need to identify at what age do we begin marketing to potential retirees and then how to best reach them. We would want to target our advertising/promotions to people in this age group range.

Hot Springs Village is the kind of place people envision when they contemplate retirement. Nice homes with tailored landscaping. Gates for security. Lots of things to do and see. Access to good healthcare. Low cost of living. Beautiful setting and serene, yet an active lifestyle. It is the true marketing geek’s idea of nirvana for targeting retirees.

And, especially if one spouse plays golf. HSV is like no place in the world for retired golfers. There is not another community in the United States, or possibly the world, where you can live peacefully, in a beautiful setting, and yet be only minutes from the first tee at 9 different and unique championship golf courses! This is a huge marketing advantage and differentiates our community from all others.

Our advertising should suggest the Village is a wonderful place to retire; “Comfortable Retirement“, in an active lifestyle community: 9 championship golf courses, 10 lakes, walking trails, fitness center, low cost of living, etc.

If we position ourselves as “an active lifestyle community for all age groups”, we have lots of competition. If we position ourselves as an “active lifestyle retirement

community” that specializes in golf, we have little competition and we rise to the very top!

◆ **Employ Qualified Ad Agency and Promote Effectively**

We need a nationally experienced advertising agency to help formulate and execute this strategy. They will have the data we need to make firm advertising decisions, the experience to work on the national stage and the creativity needed to effectively craft our messages.

Our advertising and promotional messages should concentrate on getting people to come here. Remember: a high number of current Village residents made the decision to move here ... *on their first visit!*

I believe we should remove any obstacles to bringing people here. “Discovery Packages” that charge people to visit are counter-productive and actually dissuade potential buyers from visiting. Would you pay a car dealer to test drive a new car?

We should be willing to give a couple of rounds of golf (or other incentives) away to highly qualified HSV candidates. A round of golf costs us nothing (out of pocket) yet it may serve to entice people to come here. 1,000 of those 10,000 daily retirees are golfers. It would be inexpensive, productive and revenue generating to create packages for visitors that included free golf or other incentives. Remember; we just want to get them here ... one time!

Companies give products and services away all the time. It is a great marketing tool and works terrifically. Especially in a scenario like HSV. Those who are confident in their product know that if you try it, you will become a customer. Many companies offer free product sampling. This marketing strategy is custom made for HSV.

We should formalize any marketing strategy into an actual plan that is detailed and easy to communicate. Along with advertising, we should employ all of the elements of marketing including branding, public relations, customer relations, market and internal communications. In conjunction with our advertising agency and other advisors, we should come up with an agreed upon message that states who we are and what we offer. This message would carry through all of our advertising, marketing materials and Village communiqués.

◆ **Visitor Management Program**

An effective advertising program (and other promotional programs) will generate leads and bring people and families into the Village. We will have an investment in each individual who visits as a result of our advertising and promotion. We need to make sure we give them the best opportunity possible to understand our Village and everything we have to offer. And then, we want to make sure we maximize our advertising investment.

We need to create a defined and systematic process of how we handle visitations to the Village. We want them to enjoy the amenities, and have a relaxing time, including experiencing our friendly ambiance. We also want to make sure we introduce all the Village has to offer. If they come, most will buy! This is best accomplished by a defined “visitor management program”.

I am not talking about arm-twisting in smoke filled rooms. I am referring to a professional, low key, structured process that visitors go through when they first come to HSV. It might start out with a group presentation on HSV and then one group goes to play golf while the other is shown the Village amenities. These Village tours could be segmented by interest. For example, one group might want to see the Woodlands whereas another might want to visit the tennis center. This entire process needs to be professional, well-organized and seamless. Most of the “visitor management” tasks would be completed by volunteers.

These tours, and the entire visitation, would include involvement by a POA sales associate (and a sales team) and coordinated with representatives from local real estate offices to make sure visitors see all and learn about HSV. Some visitors may want to peruse available builders while another may want to speak with local realtors. Every process, and every scenario, would have its place in the schedule where everyone got to see what they (visitors) wanted and they were provided a solid picture of HSV.

This concierge-like approach means someone is always in contact with the visitation group and making sure their needs are met and questions answered. At the end of their stay, we are sure they have seen everything and we know we have left no stones unturned. Many of these people will invest in HSV.

We have to make sure we get them information pertinent to their interests. In every visitation, we need to obtain contact information and make sure we follow up with them after they are back home. We also want to ask them if they have any friends who would like an info pack about the Village? Or some golfing friends?

◆ Committee System

As mentioned earlier, we have a massive amount of human capital here in HSV. Every problem the POA faces and in every strategy they contemplate implementing, someone here in the Village has already done “that“.

I am proposing we establish a committee system of advisors to the POA and HSV management. We have many experts, all across the Village, who are willing to step up and lend their years of experience as advisors to the POA Board and POA management. Their collective expertise is enormous and should be a significant part of how we manage the Village. These advisory committees should be structured so they include qualified volunteers with a segmentation by committee type/need (ex. engineering, planning, marketing, etc.).

Seasoned advisory committees that are accessible for help with a variety of potential issues would be a great resource for the POA. We could use these committees as think tanks for Village effectiveness, solving marketing problems, developing engineering expertise, long term planning and general management issues.

We have numerous Village residents who have faced every challenge we as a community face, at some point in their successful careers. Why wouldn't we use their expertise? We have several Villagers who have executive management experience in property owner associations, etc.. Why wouldn't we solicit their expertise? These committees would be passive, in nature, but a great resource for helping the executives manage the Village.

I believe if we would have employed similar committees a couple of years ago, we would not have developed the CMP and wasted \$500,000+. We could probably use some engineering expertise in solving our culvert and building problems. And, I'll bet we have some internet and cell phone expertise here that would give us significant insight into solving our internet and cell phone problems.

There are lots of options for delivering these kind of advisory resources to the POA Board. A committee system would lighten the load on board members/management, encourage other qualified people to get interested in involvement with the board/committees, provide a training ground for future POA Board members and produce better management of the Village.

◆ **Marketing Partnerships**

Marketing partnerships give us a way to leverage our marketing dollar. We can build joint marketing campaigns and implement other promotional partnerships that let our advertising dollar spread further. We can also access larger prospect communities and associate ourselves with the image and quasi-endorsement of highly successful organizations, when we join them in marketing.

The numerous tournaments we currently host in HSV for various local groups are good and should continue. However, we need more exposure and larger, and more

geographically diverse, groups.

As a hypothetical (but realistic) example ... suppose we entered a joint marketing campaign with Calloway and other companies to promote golf events here in the Village. We benefit as our name is associated with the sponsors plus we get to have large groups of prospects tour the Village. Remember; if they come here ... we generate revenue that helps us pay maintenance costs.

We will need to hire a marketing manager (which will grow into a marketing department), with a substantial sales and negotiating background, who should oversee the advertising agency, actively solicit relationships with national clients for joint marketing efforts and marketing partnerships; and promote/generate golf and other events here in HSV. The advertising agency should help us develop marketing materials to promote our event opportunities.

We have a unique offering to package and market to golf-oriented groups. We can offer tournaments, corporate golf outings, and other golfing types of events with an ability to play different golf courses everyday they are here. A group could play Granada one day, Isabella the next, and Ponce de Leon their final day. This cannot be accomplished anywhere in the world in a controlled, intimate environment. And, especially to golfing advocates, this variety is intoxicating. We can leverage this and build an event image around it.

These joint promotional programs are very feasible and are done all the time. It is all about creating a win-win scenario and the bottom line is when we have large events here it generate revenues from golf fees, from restaurants, from advertising space we can sell at the events, from vendor permits and other revenue producing opportunities. Plus, *we get people touring the Village*. And this benefits our marketing program.

◆ Closing the revenue gap.

If you look at our financial needs for the near future, we need more revenue to cover the delayed maintenance costs that are building up. We also need to make all of our amenities profitable and self sustaining.

The only thing keeping us from reaching a point where the amenities are self funded is management. Years of kicking the can down the road and the lack of creative solutions has engendered this subsidy crutch. And because it is that way everyone thinks it has to be that way. It doesn't. A business with money losing divisions will either fix them or get rid of them. We need to fix ours.

Make everything pay its own way. I would recommend an analysis of each subsidized entity in the Village (including the restaurants) and treat each one as a separate business. Each would need an individual business plan and someone to oversee it. The Committee System could create the business plan and help oversee its implementation. Once we get

the restaurants profitable, I would recommend selling them and getting out of the restaurant business.

Revenue Challenge. We do have a revenue generating challenge which is really a decision on revenue mix. In other words, we cannot solve all of our revenue problems by selling/developing more lots. This was/is the premise of the CMP and one of the many reasons it is destined to fail. This “develop it and it will solve our financial problems” strategy will not work. The numbers simply don’t pan out. The more you develop, the higher your maintenance costs increase. This creates a spiral where revenues never catch up with maintenance costs. And, since we live in a relatively fixed environment, there is only so much building that can occur. Eventually, you end up with a very crowded Village and still unfunded maintenance costs.

We must face the long term fact that we need to develop long term and consistent revenues from sources where we use our amenities to help generate funds. Without finding other ways to generate revenues, one day, we will run out of property to develop. If we can start today with a sensible plan of developing these amenity driven revenue streams, it will preserve the financial future of the Village.

Therefore, we need a revenue strategy. This strategy must have a targeted mix of revenues. This mix should include new property owner revenues and revenues from our resources/assets. Some revenues will come from new property owners who build homes. This is critical to understand. We (POA) earn the most revenue from new houses that are constructed. Someone who buys an existing home is simply paying his POA fee replacing the fee from the previous resident. If the previous owner has moved from the Village (which is what happens in most cases), it is a zero sum game for HSV. We gain little on this transaction.

We do want people buying existing houses for sale. This keeps home values up, keeps moving real estate traffic through, provides an income for various HSV residents and is good for the Village. However, it is important to note, we gain the most revenue from new home construction. However, even if we built every lot in the Village (with a new home), our maintenance costs will still outweigh POA fees. Even twenty years from now.

For those interested in building a home, we should offer a professional set of marketing materials that showcase potential and approved building contractors. Our literature should answer the home construction questions of potential property owners. We should make it easy to build and relatively painless to get through the process.

Our financial solutions will come from an overall increase in POA fees from new home construction, increased revenues from a variety of joint marketing endeavors (asset generated revenues) and better overall management of the POA.

Village Revenues

Generating revenues from events is highly feasible as a part of our revenue mix. There are many possibilities and most can be structured as annual events that grow and produce revenue for many years to come.

- Local, regional and national golf tournaments.
- Corporate golf outings
- Church and Religious Outings
- Sporting Organizations
- Corporate and large association events for customers, sales, investor meetings.
- Clubs and Organizations
- Jointly marketed events for national causes
- Political and other types of retreats
- Pickleball, tennis and other sporting assets
- Lake/Water events
- Countless possibilities

Remember, the more revenue we can generate from these type of activities, the more stable our POA fees become.

It will be necessary to construct some kind of lodging facility here in the Village. There are many options here to consider and too complex for this discussion. However, lodging is one of the pieces of the puzzle we must fix. My recommendation is to make it a high priority.

❖ **Longer Term Development**

Our business model is inefficient as we are allowing revenue to leave the Village.

As people begin to contemplate moving from their homes in the Village, either for lower home maintenance reasons or needing assistance with living needs, most move out of the Village. From a numbers standpoint, we lose the resident's \$67.50 per month but we gain it back when someone new buys the house. If there was somewhere in the Village, where people could live independently and/or receive any level of home care service when necessary, people could stay in the Village. And, we would gain \$67.50 per month, every time this happens.

It may make sense to consider the development of an independent and assisted living community. Housing for different needs levels could be built around a central commercial complex with a home health care company, an urgent care clinic, doctor's offices, and other community beneficial establishments. This is just one of many ideas, however, we need build/develop that next level/stage of living here. This would add another living destination option here in the Village, plus be a marketing advantage to those wanted to move here but had to care for an aging loved one.

Providing communities and facilities for the next step in aging residents' lives will keep

POA revenues here, in the Village, and it will allow Villagers to remain in a place they love.

❖ **HSV Management Recommendations**

To help with the implementation of the new marketing plan and help offset some of the financial burdens we face, we list a few areas of HSV management that need analysis and attention (and will help us manage our money more effectively). These are some general recommendations.

- Impanel the POA Board with capable people who are committed to stopping the CMP and implementing a new strategy.
- We need a CEO who is under the management and direction of the POA Board. One who is assigned specific goals and objectives and is committed to the primary responsibility of the POA mandate which is managing the Village infrastructure.
- Better POA fee collection process.

It is inexcusable to have as many delinquencies as we have. This is simply a management problem (or lack thereof). We need to develop an entirely new accounts receivable collection process. If we can do a better job collecting our dues, it will lighten the load on our maintenance costs and finances.

- Reevaluate past and present opportunities.

Past opportunities and existing contractual commitments all need to be re-evaluated. This will allow us to re-visit viable projects that were inappropriately neglected by the POA Board. We need to eliminate or refresh agreements we have ... all across the board!

- Eliminate waste and useless expenditures

Every POA agreement and every relationship needs to be thoroughly analyzed. There are no doubt large sums of money being wasted on CMP expenditures, mismanagement of maintenance projects, payments to advertising/public relations and other companies that are simply not doing their job. The POA probably needs some belt tightening. We need a detailed audit.

- Shut Down Real Estate Business

There is no reason for HSV to be in the real estate or construction business. We have a Village full of capable realtors and builders who are HSV Residents. We should not

compete with them.

- Get out of the restaurant business

We need to bring our Village restaurants to profitability and then sell them. We should not be in the restaurant business.

- Repair our relationship with CCI.

CCI should still be a long term development partner of HSV. They understand the Village; their development perspective will be on the long term viability of HSV (versus a new or project-by-project developer who will only be interested in the profitability of each project) and they can help us with development as well as building the “marketing partnerships” discussed earlier. Our future is aligned with CCI’s future!

We cannot negotiate by arm twisting and bullying, Our Village can be enhanced by working with CCI.

I believe that these, and other management recommendations, if followed, will free up some cash (and begin to return us to fiscal responsibility) to apply to the overdue maintenance issues and may serve as a partial financial buffer as we implement the new marketing program and begin to right our course.

We are in a financial crisis and need to act accordingly! With the right approach, we may be able to retrieve some of the funds spent on the CMP, monies provided where we did not receive what we were paying for and other reckless allocations of funds. At minimum, we need to eliminate all discretionary spending from all POA employees. We need a process to evaluate and monitor spending on all purchases.

Bottom line is ***we can never build enough homes or commercial developments that will allow us to pay our bills.*** We need a mix of new home building, externally generated revenues and tight fiscal management at the POA to meet our long term needs.

◆ Development Plan

There are numerous immediate projects and longer term projects that need attention.

I believe that each one can be addressed individually and assigned to the “Committee

System” we discussed previously. These committees can provide a menu of options and their opinions for a strategy to move forward for each project. And, most importantly, each would be developed with years of expertise and based on familiarity with similar issues. An action plan generated with the help of an advisory committee would be a great place to begin for POA Board actions.

Similar committees can create and assess the strategies for projects like the Balboa Club and its golf course. Its renovation and planning can be coordinated within the new marketing plan and under the auspices (initially) of a highly experienced advisory committee who specializes in the required areas.

And, as stated earlier, CCI needs to be at the table.

C O N C L U S I O N

It is difficult to predict how long it would take to implement this plan. The POA most certainly has agreements in place of unknown duration and commitment. A POA Board and management regime who implement this plan (or a similar plan) would need to extricate themselves from any incompatible agreements and provide a clean slate for the new marketing initiatives. Of course we will most likely need all new marketing materials.

In my opinion, this strategy solves several problems.

1. It puts HSV on a smart and solid marketing foundation.
2. It closes the revenue gap between income and maintenance costs, makes amenities (and restaurants) pay for themselves and establishes long term revenue streams for the Village.
3. It helps improve property values by improving the environment and through the financial health of the Village.

- **We cannot build or grow our way to financial health! The numbers just don't work.**
- **We need to smartly generate revenues from assets we have!**
- **We need to tighten our financial belts until we turn this around!**

Synopsis/Overview (in a nutshell):

My suggestion would be to reduce costs of the POA through belt tightening measures. That savings, plus the new revenue from village events, will help pay for some of the maintenance cost deficits of HSV.

Improving our ability to collect outstanding debt will provide even more funds to pay towards maintenance. A thorough analysis of our three (3) year maintenance needs will be needed to formalize a definite maintenance/plan schedule.

We must implement a marketing plan that has, at least, the essential components (or similar ones) that I have mentioned here. Retirees and near retirees would be my recommended target market (with ANY plan).

We should acquire the services of a national ad agency, we need to learn how to use our existing resources better (assets and retirees) and we need to figure out how to best derive revenue from our assets (golf courses and others).

Finally, we need to develop a short term and long term development plan that meets the needs of Villagers and produces projects that pay for themselves; and serve to enhance the Village lifestyle.

Our new marketing focus should mitigate the fact that we are the **“best kept secret”** in America.

Retirees and golfers, nationwide, need to know about HSV!

What makes this different than the CMP?

1. This plan targets only retirees and near retirees. The CMP targets retirees, GenXers and millennials. This is a significant advertising mistake.

Advertising dollars are hard to come by and we need to focus them on the best opportunities possible. This means retirees! Advertising simultaneously to GenXers and millennials dilutes our advertising dollars and wastes money. A marketing plan that has

multiple target markets suggests the authors do not understand marketing/advertising.

2. This plan builds housing (long term) for the next phase of the retiree lifestyle. The CMP was building apartments for millennials, GenXers, workers and others that there is no demand for and they surrounded these new living establishments with retail and commercial development for which there is also no demand, and is destined to fail.

3. This plan uses the human capital and the deep bench experience we have here in HSV to help manage, guide and solve problems. The CMP ignores this potential.

4. This plan employs advertising resources that make sense, give us a national footprint and allows us to craft a unified message. The CMP is confusing, lacks any marketing expertise and relies on marketing/advertising relationships that have not worked for the last ten+ years.

5. Herein, we have a strategy and revenue mix designed to fulfill our maintenance needs and get HSV back on a financially healthy track. We target creating revenues from existing assets. The CMP just builds without financial discipline and seeks to charge property owners more.

6. This document recommends that HSV tighten spending controls and get our financial affairs in order. The CMP just spends with the hope something will happen.

7. This plan stops wasteful spending, shuts down ineffective businesses (real estate/construction) and puts a strategy in place to build up and sell the restaurants. The CMP continues wasteful spending, adds more restaurants to the problem list and pours more money into failing projects.

8. This strategy makes amenities and most Village programs re-invent themselves so they are self funding and profitable. The CMP doesn't even discuss this.

9. Here we develop solutions for projects and HSV development using the brain trust of Village residents and a sensible, needs-based approach to growth.

For a strategy like this (or one similar) to be implemented and successful, we need a POA Board and management team that supports it. We cannot just do the good parts of the CMP. Anyone who suggest this "do the good parts" of the CMP, does not understand business or the CMP. It is too intertwined with too many bad and damaging areas. The "good parts" cannot be extracted.

The CMP has already done damage to the long term governing documents of the Village. The protective covenants are now all geared to towards the implementation of the CMP. We are preparing to change our Declarations which further cements the destructive CMP to our future.

POA Board actions:

1. Elect a POA Board who is willing to change HSV direction.
2. Eliminate any management (at any level) who is unwilling to divorce themselves from the CMP.
3. Re-do our governing documents to reflect the termination of the CMP (ie., protective covenants).

These governing documents should also be changed to reflect:

- a. We need an impeachment clause that allows property owners a way to deal with rogue or ineffective boards, managers or directors.
- b. We need to vote on all “transformative” plans like the CMP. The CMP and any large undertaking should be decided by property owners.
- c. The POA Board and POA management must be more transparent.

Most importantly, a sensible HSV development and marketing plan will begin to re-establish trust in the POA and the POA Board/management.