

## **Q&A: CMP Public Meeting – Tuesday, March 6, 2018**

### **What does the term “incentivize” mean and what are the ramifications?**

It's a way of leveraging development. For example, if you want to attract or recruit a developer to construct the town center or a new grocery store, you might consider offering land for sale at a lower cost than you would normally charge. Another example would be to share in the cost of infrastructure (roads, water, sewer) to incentivize a developer to choose Hot Springs Village over another area to invest.

### **What do we do with the large amount of vacant retail space in the Village? How could we incentivize people to check out the Village?**

There are several reasons Hot Springs Village's existing retail is not performing. Not having the density of people (homes) in close proximity is one, but there is also the design of the spaces and the lease terms and maintenance of those buildings. Visibility from Desoto and signage are another deterrent to successful retail. Most retail spaces have a 20-25-year life span before they need renovation. Ours have far surpassed that time span with little or no investment from some owners. We have identified the area at Carmona and Desoto as an opportunity, but redevelopment of the area will need to occur in order to fill the gaps that exist and are hindering success.

There are sections within the CMP that address neighborhood revitalization or retail revitalization.

### **What are the plans to attract major developers to HSV?**

The completion of the Comprehensive Master Plan and Zoning Document is step one. Both are critical for providing predictability needed for a developer to have confidence in Hot Springs Village before deciding to invest. The plan also provides tools that will help us recruit and identify what developers to approach.

### **Assuming the plan is implemented, who will take responsibility and be held accountable if this all fails? How are you going to “redefine” areas such as Carmona that are owned and controlled by others, such as Cooper.**

Leadership is ultimately responsible, and your CEO and Board are committed to creating and protecting value through sustainable growth. However, the entire community shares responsibility for ensuring the plan continually moves forward. If we embark on this as a shared vision, it won't fail. Dave Roberts Crafton Tull “If you don't do this, your community will fail. You have maintenance of roads and utilities over 40 years old, spread out over 26,000 acres, and you don't want to increase assessments repeatedly to pay for all of it, so you really can't afford not to do it.”

### **What kind of outside support will the POA need to implement the CMP and how much will that cost?**

We'll need investors, developers, and community partners. The cost will depend on our priorities. This is a long-term plan, and ultimately our goals are to recoup any investment and protect overall property value.

**Don't we already have signs designating various HSV amenities, including mileage signs?**

We do have some, but our Wayfinding system is incomplete. A good Wayfinding system provides guests and visitors with direction to amenities and locations they didn't know existed. Lighting and aesthetics are also important considerations in designing signage systems.

**What services and / or facilities will the CMP suspend?**

For the most part, suspension is aimed at infrastructure, such as roads, water and sewer systems, to minimize our growing maintenance liabilities. The Balboa Club is a facility specifically discussed in the plan in terms of renovation or razing. Additional structural considerations are needed before making a final recommendation.

**What do studies show for working families that would entice them to live in the Village and commute to communities outside the Village?**

Randall Gross, Development Economics "Recommendations specific to workforce development include housing." Hot Springs Village is safe, affordable and commute times are not excessive compared to other cities.

**It appears that "explorethevillage.com" will be easily confused with Villages in Florida.**

We've considered just that in the development of [explorethevillage.com](http://explorethevillage.com). However, we'll continue to monitor, keeping in mind there are certain website features that are common and expected by visitors and residents alike for communities such as ours.

**Were the marketing studies you used based on families in the Midwest, or were they coast to coast?**

There were three market studies done prior to this plan by three different consultants: a hotel study, a retail study, and a housing study. They looked specifically at the market here, in this location.

Matt Lambert, DPZ, "Recently the state of Michigan completed a study for the entire state with relatively similar results to the study done here in 2014. The percentages don't exactly match in some places, but in general the supply for certain types of products is far above the demand for that type of product, and there are other housing products that are not being provided for. In essence the result of the study done here in 2014, was comparable not only to the Michigan study but also trending in our work across the country."

**The CMP stresses the need for financial centers to support HSV. It seems that they will need more support from people living outside of HSV. Does the CMP include opening these centers to non-residents? If so, how is this being addressed?**

The economic impact study of 2016 revealed that Hot Springs Village residents contribute in excess of \$370,000,000 to local economies. Most of you are driving out of HSV every day to fulfill your daily needs. With approximately 15,000 residents, and the mix of existing retail, the market study indicates that we can support the types of retail being considered. Having said that, one of the considerations you'll see in the plan is to create a gate at Danville, allowing access to the proposed Town Center.

Randall Gross, Development Economics, "As you build more housing in these centers, especially in the town center, you add to the number of rooftops supporting those centers and income available to

support retailers, such as visitors attending a conference. So those additional householders or visitors help generate demand. It's all part of a package—it's not just about retail. It's about the housing and the mixed use as one big package."

**How does the CMP address transportation of the aging population when they can't drive for day to day activities?** Section 3, element 9 of the plan addresses transportation and opportunities to further our relationship with Uber and other public transportation entities.

**From Facebook Live: What assurance do we as property owners have that future POA Boards will continue to adhere to the CMP and use the tools, policies, and procedures?**

Matt Lambert, DPZ, "On the zoning side, once the new code document has been adopted you have to use them. Procedure have also been established for making modifications to the code."

Lesley Nalley, CEO, "Typically with plans, once they're adopted, the community pushes the plan forward because they're invested in the plan. Although it may ebb and flow over time."

Dave Roberts, Crafton Tull, "The members of this community will hold your leaders' feet to the fire. When communities are vested in their future and participate in the process, those communities tend to move it forward. Participation is commendable on your side. We don't generally see this number of attendees at such events. Even if Lesley retires tomorrow, the plan serves as a roadmap for everyone."

**How will property owners near areas to be developed be engaged in the process in a way that allows them to protect their investment?**

A process and procedures section has been put in the zoning code. There are three levels of review and approval, one is the minor things that staff can handle, level two would be things that will need to go before ACC. Anything that deals with re-platting, or new pocket neighborhoods, or an activity center would be level three which is board approval.

**When will Desoto be widened to 4 lanes? None of this is feasible until this is done.**

The plan makes recommendations that would only recommend widening Desoto at the Town Center. Matt Lambert, DPZ "The topography of HSV will restrict the widening of Desoto in most cases". Traffic patterns and trip capture are also techniques recommended to improve automobile flow without the need to widen road ways.

**We have a new generation coming up behind us who are not the golfers that we are. What is included in the new plan that will attract them?**

The trail systems, hiking and biking. In the plan, we have identified cycling, both on-road and off-road cycling. Plus, there are 2 epic mountain bike trails in Hot Springs. In the section on the Town Center there is a long list of outdoor activities and events that can be undertaken. There are tools in the plan that will allow you to evaluate new trends.

Lesley Nalley, CEO "And don't count out next generation golfers just yet. We are actually seeing increased interest among the younger generations as the game itself pivots to re-earn their interest".

**Will CMP on website have built-in links within the document to facilitate ease of use?**

There are 7 sections in the CMP as well as the Zoning Document. Each are listed separately on our website.

**What is projected cost for wayfinding signage (as shown on the slide) based on real-time development estimates in development cost benefit tool?**

John Kelsh, Great Destination Strategies “The cost is typically phased in, so you don’t have the full cost in any one year. For a community the size of HSV you could anticipate spending \$80,000 on the specifications and designs. Sign construction can run anywhere from \$4000 to \$7000 a piece”.

**Is the CMP feedback the reason for paid employees replacing volunteers, or why are we doing it, i.e. ACC Committee?**

We actually have fewer employees and more volunteers than in the past 12 years. What we have done, is redistribute our resources to align with our CMP. That is what we should do, as all companies and communities do every year to remain competitive and moving forward.

**Comment more than question to Lesley referencing roadmaps and opinions. When you give us 5 buckets and we “vote” by a show of hands, is too high-level. For example, do culverts repair fit under water or roads? Similarly, much of Charrette and Town Hall meetings is so high-level, almost canned or boiler plate. We can’t make choices based on show of hands.**

I would agree about this presentation being a high-level overview. The informal survey questions are a tool used to gauge the consensus in the room. We are going to use lots of tools, and I can assure you that when you read through this 500-page document you will find that it is anything but boilerplate. We will continue to fine tune and boil down to of these complex questions.

**Not enough time for “Deep Dive” need public input. Why wasn’t there enough time?**

The plan is a culmination of public input over the past 5 months. Also, the plan was presented March 6<sup>th</sup>, will be presented to the Board during their regular meeting March 21, and adopted during the April 18 Board Meeting. That gives the public 43 days, following an interactive 5 month process that helped shape the plan, to review it and comment.

**There is no future without WIFI capability and cell phone coverage. They have declined miserably as AT&T develops new products and refuses to upgrade and maintain towers so that making and receiving and answering a cell phone call to get ambulance, etc. The governmental affairs committee has not followed through, and Mrs. Nalley is now on a board with the entities that make up the public service commission.**

Lesley Nalley, CEO: First I am not on the public service commission board. Second, I have to give it to our governmental affairs committee. That is a difficult and complex conversation requiring that investment I mentioned earlier, either by us or by the provider. Unfortunately, if there is not enough return on the investment the provider will not make that investment. So, we have to make the choice, this may be a service or an amenity that we want to subsidize or staff in house. Solving this gap is not fully within in our control and unless we are willing to take a few steps. Greg Jones, who is on our government affairs committee has been meeting with all the executives and stakeholders that can make that happen, and

bottom line, it comes down to a return to the providers. We will continue to work with them and encourage them to invest here. That's why I like the CMP, we can put this document in front of them and we can say we are taking charge of our future, and we are taking charge of our growth, and yes you should invest in HSV. I know it's important, so we will keep moving forward.

**Why was solar power and representing the Village to sell to a younger demographic as a "green community" via pitching solar panels, "green consciousness" for the future with a focus on natural environment not a consideration?** Alternative energy and green initiatives has been identified as a service gap in the plan and will continue to be discussed as the community works toward bridging these gaps. Please see Section Seven for the service gap discussion.

**What is the process for managing issues that the "new" board may have with the CMP if approved at 3/21/18 meeting?** This document is a 25 to 30 year road map for our future. There will be many boards members, stakeholders and leadership changes during that time. The document will be continually reviewed and adjusted based on priorities and market trends and should be protected from the types of personal agendas that threaten long-term community value.

**Why upgrade golf courses when there isn't full utilization today?** Golf remains an important amenity in Hot Springs Village and many of our members have invested to live in neighborhoods adjacent to Golf Courses. The plan provides a planning tool that will be used as we make decisions on what facilities and amenities we should prioritize for renovation or discontinuation.

**I think based on the recent emails I have seen, that there are only 2 restaurants open within the Village limits at the time this meeting ends. How do we solve that?** More people patronizing HSV restaurants and those facilities meeting the service and offering expectations will improve operational hours, as each are then able to make a business case for the additional costs associated with expanded hours. In other words, when the demand is there, restaurant operators will stay open.

**With the general decline in people who play golf, did you consider alternative uses of any of the golf courses?** Golf is seeing a slight uptick, Not just in Hot Springs Village, but across the country. While some other communities have identified innovative ways to transform golf courses, HSV believes we continue to offer a unique experience. Our CMP tools will help us continue evaluating such decisions.

**Are you recommending that we not move forward with pickleball court improvements?** No. This project is already in the budget and is on the March Board Meeting agenda for consideration.

**Does the POA see the future here as golf and lakes only?** No. We have beautiful trails, tennis, pickleball, as well as dozens of clubs and organizations with interests that will appeal to a diverse demographic. We should use all our assets as we market Hot Springs Village.

**What did this CMP cost HSV?** The total cost was \$500,000, with half of that amount relating to the public input and charrette phases of the project.

**Was any consideration given to our somewhat remote geographical location relative to larger municipalities and medical facilities, and if the location is a positive or negative factor?** Hot Springs Village is located in the beautiful Ouachita Mountains, a short drive from our Nation's first National Park, Hot Springs, and 45 minutes from the State Capital. Such a commute is not unusual even in larger

cities, which experience greater traffic congestion. We have a lot to offer and will focus on our assets as well continue to sell Hot Springs Village.

**My concern is, as a gated community, how can we hope to support businesses in a town center?** See previous question

**Why are we looking at Carmona Center and Cortez Lake Pavilion area for a new center when this is a major flood plain and spillway of lake Desoto? This area floods.** Both areas have existing residential and retail. The plan here is to revitalize both areas with added housing and amenities. Any waterway or flood plain issues will be addressed prior to new development.

**How do you propose to pay for this proposal? Do you plan on using bonds?** There is no one funding mechanism. All options will be explored and evaluated based on the type of project being considered. Please see the discussion starting on page 287, Development Options.

**Previously there was a recycling program here. With the CMP, is there any chance of bringing one back?** Recycling has been identified as a service gap in the plan and will be prioritized along with the other needs of the community.

**Many are concerned that the CMP will be implemented as written. What are the forums that owners can communicate desired changes to the specific recommendations?** Again, the plan is a living document that will span decades. All projects will be considered on their merits by current property owners, leadership and Boards of Directors.

**Does complete transition from hsvpoa.org to explorethevillage.com mean that hsvpoa.org will eventually be shut down or does this mean moving all marketing functions off hsvpoa.org and focus hsvpoa.org on communications will all property owners, without the marketing clutter?** Once complete, hsvpoa.org will be merged with explorethevillage.com and the new webpage will serve to communicate with current residents, visitors, and potential buyers.