

September 22, 2010

Mayor James Addy
Recorder Kevin Carden
Councilman Joe Anderson
Councilwoman Elayne Edel
Councilwoman Patricia Morse
Councilman Dan Riss
Councilwoman Charlotte Thompson
Planning Commission Chairman Jeremy Hutton
Historic Landmarks Commission Chairwoman Linda Rago

**Re: Withdrawal from Hilltop House Facilitation Process &
Concerns about the Potential for Good Government in Harpers Ferry**

Ladies and Gentlemen of Harpers Ferry:

I write to officially withdraw from my role as a facilitator of the Hilltop House revitalization project, to terminate The Ferguson Group's relationship with the Town of Harpers Ferry, and to convey my genuine concerns that certain local officials in Harpers Ferry have operated so inappropriately that it could cause substantial and lasting harm to the community.

I withdraw because I have simply been unable to conduct any activities or perform any useful role during 2010, as I have been barred from working by the actions of a small group. The Town process has been wildly uncertain, and the prospect for collaboration and consensus with the Hilltop developer has been unachievable.

The Hilltop House project had the potential to be successful and beneficial to the Town of Harpers Ferry. On July 13, 2009 the Town Council unanimously approved a "Hilltop House Approval Process", which was refined and again unanimously adopted by the Town Council on September 14, 2009. At that time, the Mayor and Town Council agreed that Harpers Ferry would seek to reach final agreement with the Hilltop developer and have Council votes on the Hilltop master development plan, overall legal agreement, rezoning, site plan, demolition permit, construction use permit, and building permit – by July 2010. In the months that followed, much progress was made on ordinance changes, developer concessions, negotiated agreements, public input, and other important steps.

My ability to facilitate the Hilltop revitalization process really ended on New Years Eve at the beginning of 2010. After one Councilmember and another key public official repeatedly and publicly critiqued the Hilltop and demanded that the proposed facility be shrunk by up to 50 percent in size and capacity, I became concerned that the process was becoming too adversarial. On 12/31/09, I sent a memorandum to Town officials that said, in part:

The approval of the Hilltop project is critical to the interests of the community, as it will create a premier tourism and economic development opportunity for the struggling Town and address the major deterioration of the Hilltop property. . . . If the project is not

approved or if the investor pulls out because of unacceptable conditions or process delays, it is highly unlikely that an equal or superior prospect for the Hilltop will emerge in the foreseeable future. The Hilltop project is now at a critical juncture: the Town can proceed toward a needed approval of a Master Plan and associated Master Agreement by mid-year, or the process could degenerate into delays and a mass of critiques on the basic hotel plan and likely derail the revitalization. Harpers Ferry leadership should be doing all that it can to achieve the former result.

In that 12/31/09 letter and at a public presentation to Council on January 11, 2010, I made clear that a functional approval process did not mean that the developer's proposal for the Hotel must be accepted, but instead that the process should involve additional analysis and negotiation on the size of the future hotel and the mitigation of its public impacts:

If the Town decides to proceed with the Hotel proposal, it does not mean that all aspects of the proposal must be accepted. The process can and should allow for changes/improvements to the hotel layout, land use plan, master agreement, and approach within the parameters of the basic size/scope/approach already proposed, in order to mitigate negative impacts. The review and recommendations of the Site Plan/Traffic/Transportation consultant(s) that the Town is now procuring, and the recommendations from me as facilitator, are likely to lead to improvements, changes, and compromises between the Town and SWaN. If the proposed hotel approach is deemed acceptable, the Town Council should establish and commit to an approval process schedule that gives certainty to the approval process.

Unfortunately, that letter led a minority group to declare that I was too "pro-hotel." Sadly, it is now months past the agreed upon July target for agreement and approvals, and the Hilltop process remains mired in the muck of petty politics, personal attacks, thuggish tactics, and unprofessional behavior. For example, one councilmember recently confessed to me that that member had forgotten and was completely unaware of the Town's agreed-upon deadline for decisions on the Hilltop by July 2010, although that official was fully part of the establishment of that process and that deadline. Most folks in Harpers Ferry are aware of the other examples of unprofessionalism by a small but vocal minority who have derailed the Hilltop process.

I wish to convey that I admire the dedication and competence of so many citizen volunteers in Harpers Ferry. Mayor Addy has provided important and honest leadership on the Hilltop House effort, several Council members have provided skilled and earnest service on the project, and the members of the Historic Landmarks and Planning Commissions have made important and meaningful contributions to the process. I am confident that, if the unreasonable tactics of a handful can be overcome, that the smart and hard-working people of Harpers Ferry have the ability to bring this project to a successful fruition. If there is an appropriate way for me to support such efforts in the future, I stand ready to assist.

However, the unprofessional approach of a few in Town has appeared to defeat the earnest efforts of the rest of the citizenry. Among the 250 local governments represented by The Ferguson Group, I have worked with dozens of localities across the nation on economic development, historic preservation, and community revitalization projects. I have seldom seen

such a dysfunctional local process as the one that is present here, which has resulted from the shenanigans of a few and the apparent unwillingness of the community to reject those tactics.

No business can make a major investment in a community unless there is a process that works, where deadlines are met, where there is some level of business certainty, and where people are willing to discuss and collaborate in a reasonable and straightforward manner. I am very strongly concerned that Harpers Ferry is not providing such an opportunity for any project to succeed in your community, that you are likely to drive away this major investor, and that the Hilltop House will continue to fall apart.

Losing SWaN Investors and its \$76 million plan for revitalization of this critical yet deteriorating Harpers Ferry landmark would be tragic for Harpers Ferry. This project could create a premier tourist destination for Harpers Ferry and the region, triple the tax base of the Town, inject millions of dollars in annual tourist spending into the small businesses of the lower town, and prevent the crown jewel Hilltop Hotel from crumbling into the ground. A dedicated effort to reach compromise on important issues of the future hotel's size, shape, parking and traffic are worth pursuing, if the improper tactics of the handful can be avoided.

Like the well-known Aesop fable about the pair that ripped apart and killed the goose that laid golden eggs, it appears that a small group in Harpers Ferry are on the verge of killing one of the most important heritage tourism and economic development projects that the Town – and the region – has ever seen.

It is with regret and sadness that I withdraw from this broken process.

My firm also requests that you promptly provide payment on an outstanding invoice for \$5,126.79 for 14.50 hours of approved activities that I conducted between January 5 and January 29, which is now more than 200 days in arrears.

Sincerely,

A handwritten signature in cursive script that reads "Matt Ward".

Matt Ward

MWW/jd