

Fierce family secrets

Friday night brings the debut of the Old Opera House's latest drama, "Unbroken Circle." The play starring Sandra DeRoche, Lee Hebb, Katie Wilson, Claire Mason, Caroline Brewer, Terri Campbell and Melissa Powell takes place on a warm Texas afternoon right after a grandfather's memorial service. Three performances of the play will be staged this week with three more next weekend.



ROBERT SNYDER

DOES SWAN WANT TO PARTNER WITH HARPERS FERRY ON A STREET USE AGREEMENT?



ABOVE: An artist's rendering of SWaN Investor's proposed redevelopment of the Hill Top House Hotel in Harpers Ferry. BELOW: An aerial view of the present Hilltop House ruins.

We view the redevelopment of the Hill Top House Hotel as a "double-bottom-line" enterprise, which has never been a purely profit-motivated endeavor.

SWaN has provided the Town Council a historical catalog of area comparable transactions of purchases, swaps and abandonments of paved, unpaved and paper streets. In the two transactions where dollar values have been specified, both related to the Hill Top House Hotel, the amount of \$999 was used. We assume this is because of the administrative necessity to stay below the threshold requiring an auction. This is, we surmise, because these transactions had a specific purpose in mind and were never treated as independent sales of fungible inventory.

Valuing these streets is not like valuing building lots. We are not buying the streets in a classic sense. Rather, we are attempting to create a cooperative arrangement — which puts restrictions and requirements on both parties — to make possible the hotel and its benefits to the town.

Certain street covenants are required for us and our partners to invest more than \$120 million into Harpers Ferry.

Changes in street status allow for practical resort hotel operations and parking; and,

importantly, remove most hotel traffic from surrounding residential areas. The changes also create pedestrian and green spaces that we originally proposed would be open to the general public dawn to dusk and around the clock to town residents. Subsequent to a meeting with a number of town residents, we are no longer requesting time restrictions to non-residents. In other words, we will grant 24/7 access to all — provided these areas are subject to agreed-upon noise and safety ordinances and may occasionally be restricted by agreed upon event-based security concerns.

For more than a decade, SWaN has maintained the flagpole and the overlook, which is located on hotel property, for the benefit of the public. Even where we are proposing to curve the streets to reduce the steepness, the extra land required is coming from hotel property, and we are proposing no structures—only landscaping—above the historic paper and paved streets.

While the Town Council indicated to us that there is a dispute between surveyor boundary lines, which must be resolved either through agreement or litigation, the final adjustment should be nearly irrelevant to both parties based on the above.

The viable renewal of the Hill Top House Hotel, and the



tourism it will spur, will provide economic value for the residents and businesses of the county and town in many ways, including a direct increase in the tax base.

In the spirit of partnership:

1. We have, at the Town Council's request, contracted Ernst & Young, a respected international firm, to again help estimate the size of this tax benefit. This updated study will take approximately four weeks and cost us in excess of \$20,000 to perform.
2. We previously hired Ernst & Young to study this same issue, at a cost to us of \$75,000.
3. We, at the Town Council's request, will pay \$11,000 so the town also may hire TischlerBise to review Ernst & Young's work.

4. We, at the Town Council's request, plan to contract Kent Kesecker to perform a formal appraisal of the streets. We are told this appraisal will take approximately six-to-eight weeks. We are awaiting a price quote.

Let us be clear, however, these studies not only are expensive, they are academic. The real value of any contract can only be determined by the specific parties to the agreement under the specific circumstances contemplated. We do view our relationship with the town as a partnership. But in light of the magnitude of our holistic contemplated investment and the value that investment will create, we can't afford to have our partner segment our project and increase our costs for what is a fundamental, but not free

standing, element of the project beyond a nominal allocated amount designed to pass legal muster.

That notwithstanding, we are moving forward under the assumption that all of these requests are in good faith and are not tactics designed to delay or unnecessarily financially burden the Hill Top House Hotel project.

But, in case it has gone unnoticed, a 2021 delivery of the project is no longer possible and 2022 is at risk. When all of these studies are completed, you must then make a judgment whether the agreements we seek, in light of the investments we propose to make and the holistic benefit we expect to create that will last for decades into the future, is in fact valued by the residents of Harpers Ferry.

Please sign up to learn more about the Hill Top House Hotel and the site plans at www.hilltophousehotel.com



HILL TOP HOUSE HOTEL
HARPERS FERRY, WV