



PLAN PUNTA GORDA

GILCHRIST PARK ACTIVITY CENTER FEASIBILITY REPORT

AUGUST 28, 2019





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ACKNOWLEDGEMENTS

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Finance Department

Police & Fire Department

Public Works Department

Urban Design Department

Utilities Department

Community Partners & Stakeholders

Downtown Historic HOA

Fishermen's Village

Learn-to-Sail

Local Developers & Property Owners

Local Real-Estate Professionals

Punta Gorda Boat Club

Punta Gorda Boaters Alliance

TEAM Punta Gorda

Punta Gorda YMCA

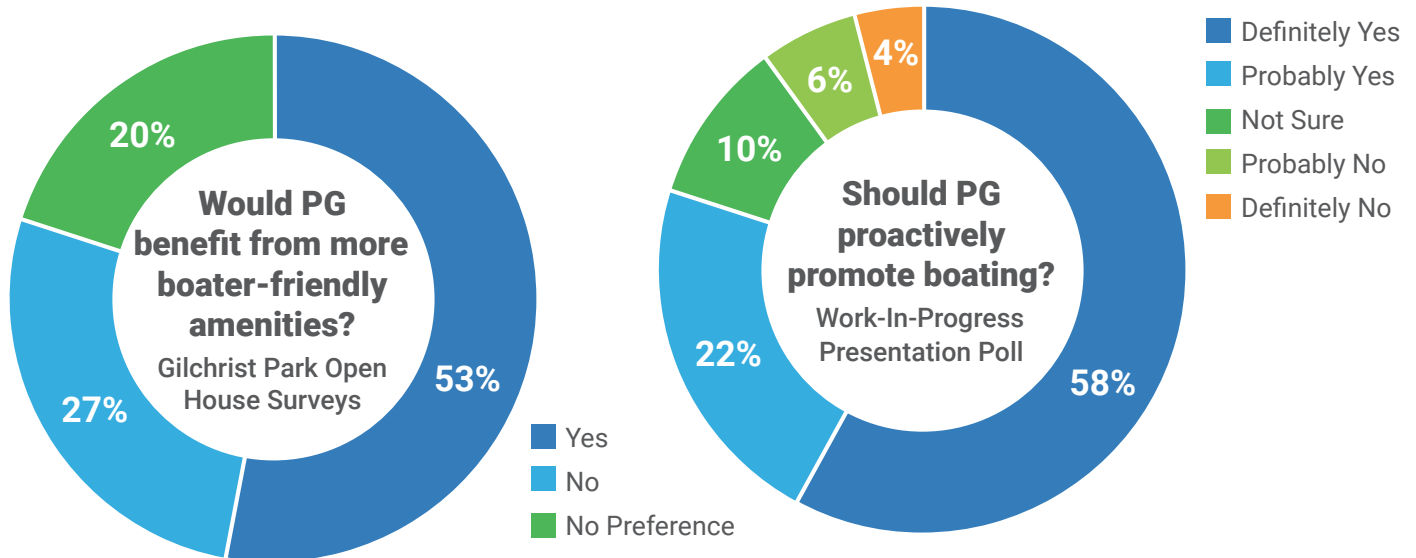
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Gilchrist Park Activity Center Input

On Wednesday evening, March 13, 2019, the consultant team and city staff gathered at Charlotte High School to present the four initial design concepts for the Bayfront Center and Boat Club sites at an open house meeting. These four options were selected based on previously gathered community input. Attendees provided written comments on presentation boards and in exit surveys which were gathered and synthesized, results of which are shown on these two pages. Dover, Kohl & Partners worked over the next day and the half to address the communities feedback before presenting the options again at the Work-In-Progress Presentation on Friday, March 15, 2019. The two pairs of pie charts below compare responses regarding the Gilchrist Park Activity Center, and boating in general from both of these meetings.

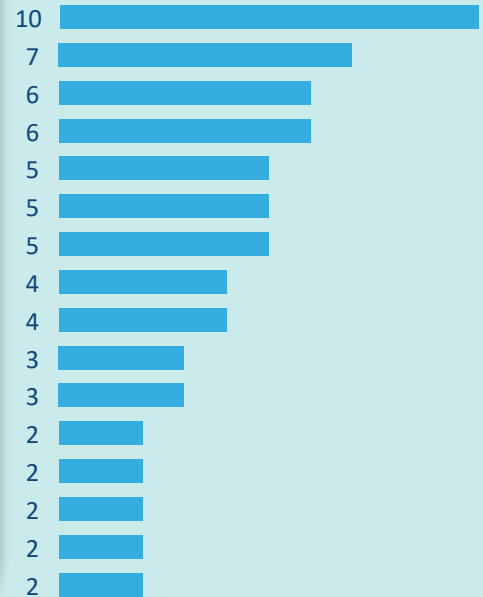


GILCHRIST PARK ACTIVITY CENTER OPEN HOUSE - SUGGESTIONS

The following chart summarizes input from the Gilchrist Park Activity Center’s Open House Exit Survey. Respondents were asked if they had suggestions to improve the designs presented, what kinds of amenities they would like to see, and if they had any other recommendations or issues related to the park and harbor. Similar suggestions or concerns were grouped and counted to produce the graphic below.

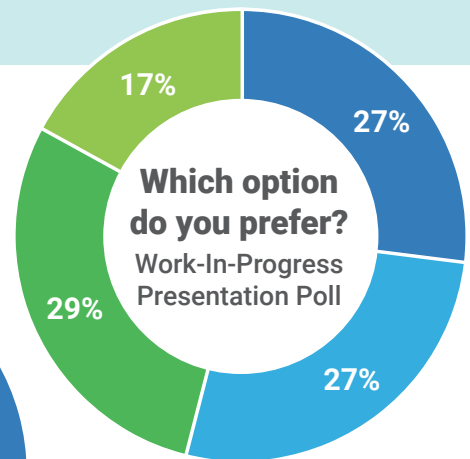
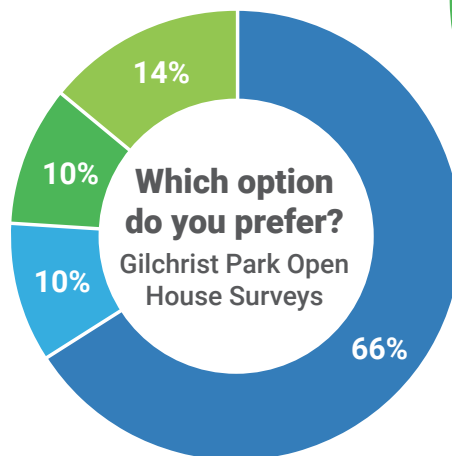
What additional suggestions do you have?

- Renovate the buildings and preserve the “Old Florida” character
- More focus on water-based activities (sailing, kayaking, training, etc.)
- Provide additional facts & information so we can make a decision
- No rooms are needed, just showers, toilets and more dingy docks
- Keeping the Boat Club on the waterfront for boating amenities is critical
- Pickle ball should be re-located
- Consider the needs of all the other non-boating users of the Y
- Boat amenities shouldn’t be provided by city, businesses should
- Add mooring fields
- Greenspaces with water views, bike/ped paths, launch & tie-up areas
- Enhance the landscaping, use native plants
- Remodel the Bayfront Center & demolish the Boat Club
- Be more realistic, city has no money
- More amenities will only encourage squatters in the area
- Water taxi - would serve boaters as a launch and visitors traveling
- Regulate the shore to reduce free-loaders & protect habitat



Based on 90+ Comments Responding to Questions 2,3, and 4 of the Gilchrist Park Open House Exit Surveys

- Renovate existing buildings
- Replace existing buildings with one modest building that accommodates some users and activities (primarily those that are water related)
- Replace existing buildings with one larger building that accommodates all community-desired activities
- Replace existing buildings with landscape and park elements



MEMORANDUM

To: Mitchell Austin

From: Anita Morrison
Abigail Ferretti

Subject: Gilchrist Park Activity Center Feasibility Analysis

Date: August 28, 2019

The Punta Gorda City-Wide Master Plan process highlighted efforts to establish a common vision for the City of Punta Gorda and guide growth with a parallel effort focused on recommendations for a future Gilchrist Park Waterfront Activity Center. Four options for this site were developed and illustrated during the charrette, though no one option emerged as the preferred alternative. As such, instead of having the consultant team refine a community-preferred option, the City of Punta Gorda requested a feasibility analysis of the alternative plans for redevelopment of the existing Bayfront Center YMCA and the Punta Gorda Boat Club facility.

Responding to input gathered during the charrette process, the option to replace all the existing structures with landscaping and park elements, such as covered patios and picnic areas, was eliminated from this feasibility analysis. The three options evaluated represent alternatives for renovation or replacement of the existing buildings with two variations of scale for the new replacement building option.

The City of Punta Gorda hired the Dover Kohl & Partners Team, with Partners for Economic Solutions (PES) as a subconsultant, to review the potential financial viability of these three options. PES prepared a financial operating statement to test each alternative's feasibility, considering both capital and on-going operational costs. This analysis used current market data and industry standards. This memorandum summarizes the proposed alternatives, market data used to project potential revenues, development and operating costs, and any need for public assistance.

ALTERNATIVES & COSTS

The initial alternative for reuse includes renovation of the two existing structures. The scale and size of the buildings remain the same at 4,230 square feet for the boat club building and 8,520 square feet in the Bayfront Center. The improvements assume the same parking construction and no additional upfront costs. PES estimated costs based on square footage, preliminary concept plans, industry cost data and discussions with local contractors. These estimates will need to be refined based on final construction drawings.

Existing building size:

Boat Club - 4,230 Sq. ft

Bayfront center - 8,520 Sq. ft

OPTION 1 - RENOVATION

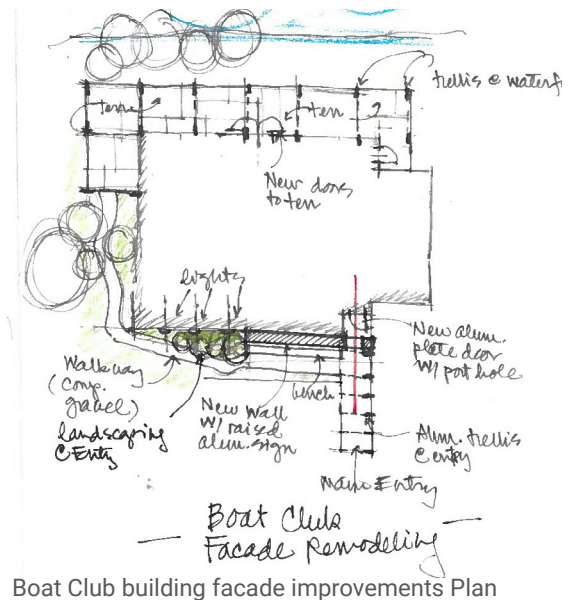
The renovation of either the Boat Club or Bayfront structure fall under federal disaster relief protocol. The Federal Emergency Management Agency (FEMA) requirements limit renovations to buildings in the flood plain, such as the Boat Club, to no more than 50 percent of the value of the building without bringing the structure into compliance with the flood zone regulations. If the repair costs exceed 50 percent, then the building must be rehabilitated to a compliant elevation as to prevent future storm damage. This creates a critical barrier to full redevelopment for the Boat Club facility.

The renovation costs reflect estimates based on discussions with local operators and estimates obtained for the work but do not include many improvements outside those covered by the FEMA 50 percent requirement. It is important to note that landscaping, irrigation, sidewalks, parking lots, exterior lighting, and other detached accessory structures do not count against the FEMA limits.

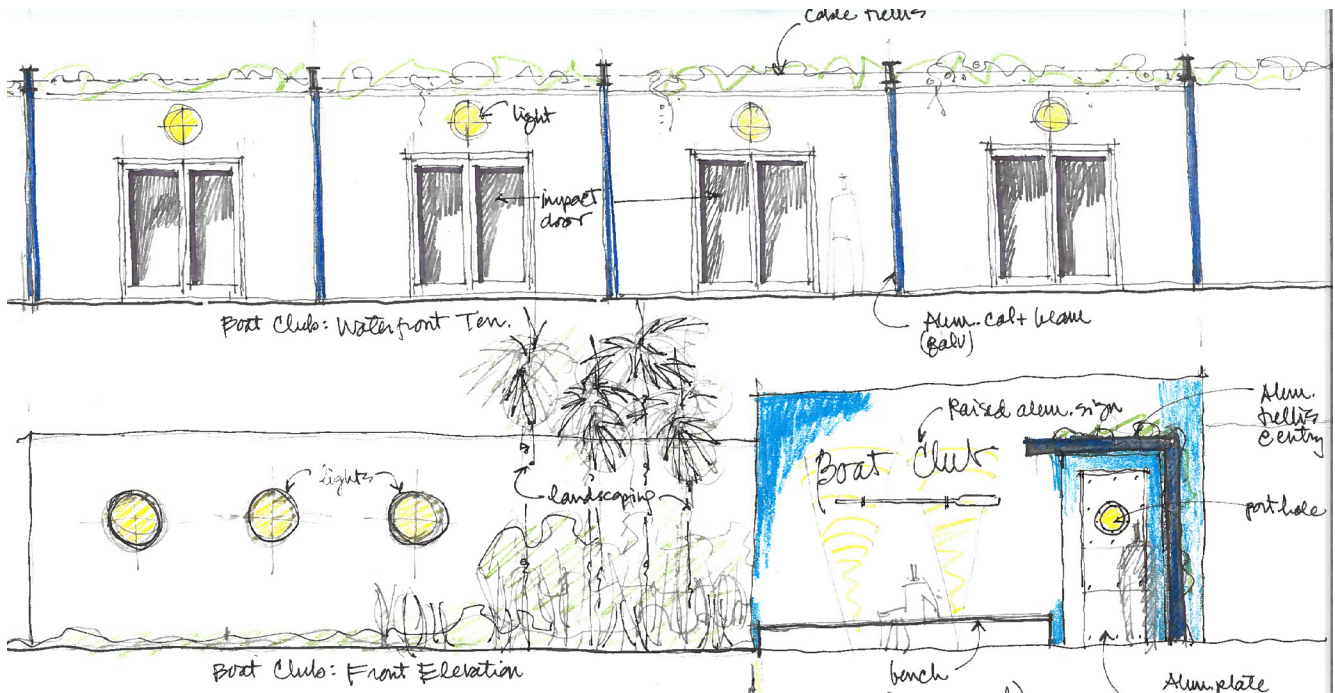
Boat Club Improvements

The Boat Club building has a current value of approximately \$132,000 (Charlotte County 2018 Property Appraiser) that could be adjusted to roughly \$340,000 with a revision to the building classification or income-producing rental potential of the building.

The renovation option includes both site improvements and building upgrades. These building plans detailed enhancements to the Boat Club façade, lighting, the addition of new doors and improvements to the entrance and building front along the waterfront. In total, this renovation option costs between \$150,000 and \$250,000, based on current condition reports from Boat Club members. There may be supplemental data from the Punta Gorda Boaters Alliance subcommittee on additional desired or necessary renovations.



Boat Club building facade improvements Plan



Boat Club building facade improvements

Bayfront Building Improvements

The Bayfront Center building has a 2018 assessed value of approximately \$661,489 as reported by the Charlotte County Property Appraiser.

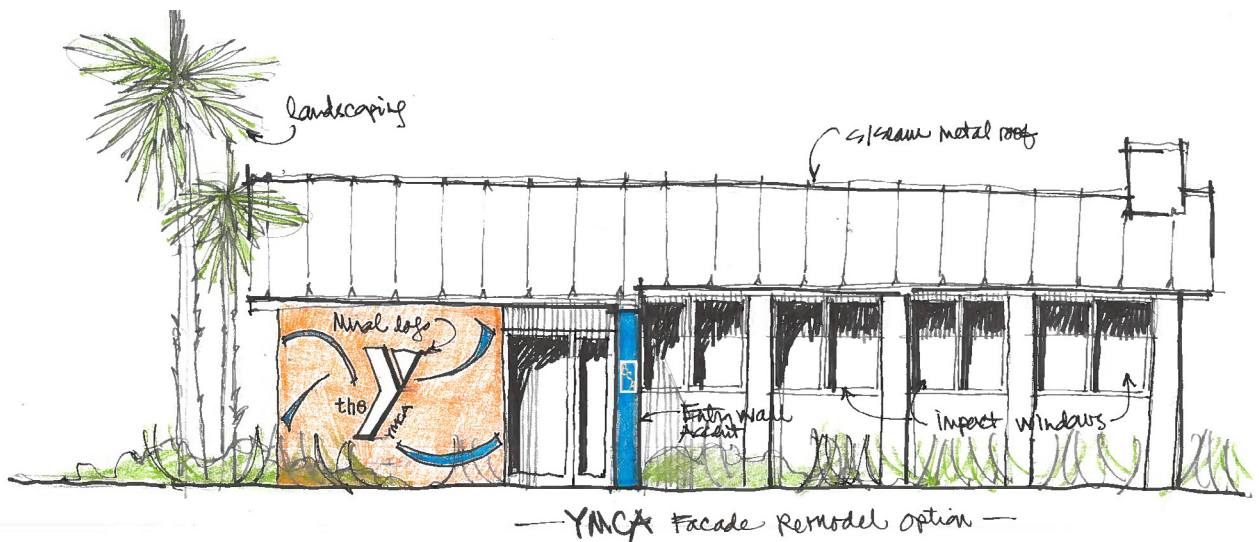
The renovation option includes several new upgrades to the YMCA façade but keeps the existing building square footage and configuration of space. The Bayfront building requires a new roof, updates to entrances, accessibility improvements and a few minor finishing upgrades. This would allow the existing community activities to continue to utilize the space. The estimated cost of these improvements is less than \$110,000. Additional improvements to be considered, though not included in the cost estimate, are upgrades to the existing sailboat launch ramp and the construction of safe storage lockers for small sailboats and sailing-related equipment to better serve the Learn-to-Sail program.



Existing site plan - Bayfront building



Site Plan with landscape improvement - Bayfront building



Bayfront building facade improvements

Bayfront Building Landscape and Facade Improvements - continued



Existing Condition



Landscape improvement



Landscape and building improvement



Landscape and facade improvement

OPTION 2 - NEW CONSTRUCTION

To achieve the premium use for these combined properties, replacement of the existing buildings with a new building may be achievable. For new construction, both the Boat Club and the Bayfront structure would be demolished. The properties could be combined to support the construction of a new civic building suitable for flexible use for water-related users. Based on planning concepts developed during the charrette week, there are two options for the new construction; modest (2A) and grand (2B).

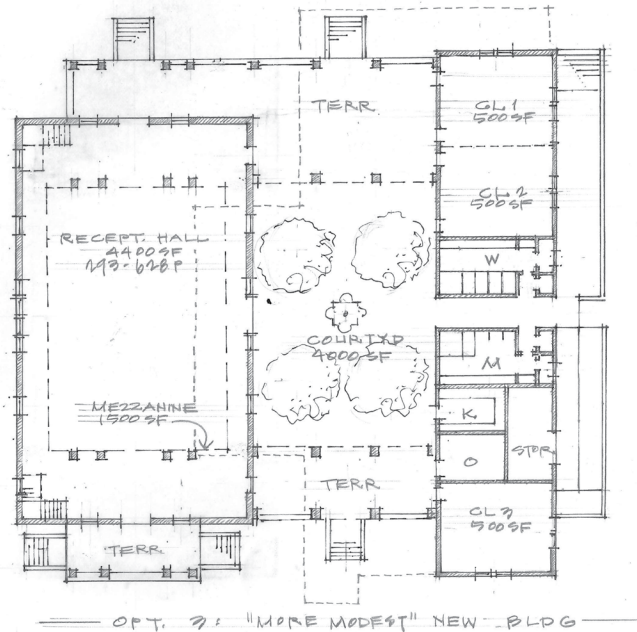
Option 2A - Modest New Construction

New construction of a modest building could accommodate existing users and activities, primarily those that are water-related. The modest building would include 6,000 square feet of enclosed space (with classrooms) and an additional 4,350 square feet of courtyard space. The building layout would be more efficient, with a large flexible space that can be used as is for weddings and other large events or subdivided to accommodate smaller events. Because the building would be raised at least nine feet to comply with the current base flood elevation, there would be ample room beneath the finished floor to accommodate safe and dry storage space for sailboats and sailing equipment. This option envisions more open space and could include an amphitheater on the site of the current boathouse building.

The estimated \$2.1 to \$2.3 million cost for this option includes significant improvements to the existing circulation roads and parking configuration.



Option 2A - Modest New Construction: Site Plan Sketch



| | |
|----------------|-----------|
| AC | 7650 SF |
| TERR | 1640 SF |
| OPEN | 1400 SF |
| MEZZANINE | 1500 SF |
| UNDER BLDG STR | 7000 SF |
| TOTAL | 16,190 SF |

Option 2A - Modest New Construction: Floor Plan Sketch



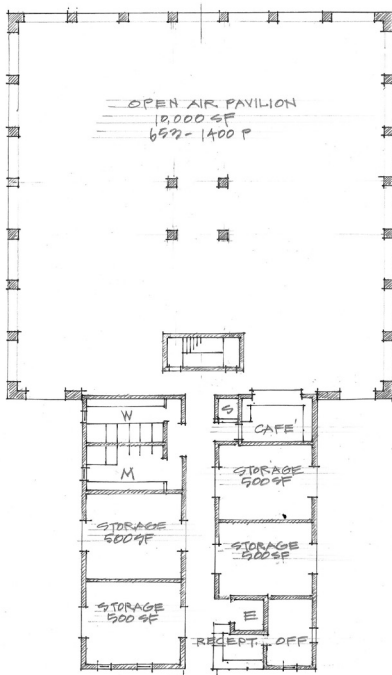
Option 2B- Grand New Construction

The second new construction option replaces the two existing structures with a large new building with roughly 11,675 square feet of space as well as 12,300 square feet of courtyard / veranda space. The building would provide more flexibility with additional classroom spaces and 2,000 square feet of storage for equipment. The developed balcony and outside space would allow for more rental options. These options range from small events that can be held in the classrooms to large outdoor events such as weddings and ceremonies. The space would also allow for events to have movement throughout the establishment.

The estimated cost for this project is \$4.2 to \$4.4 million, including significant improvements to the existing circulation roads and parking configuration.

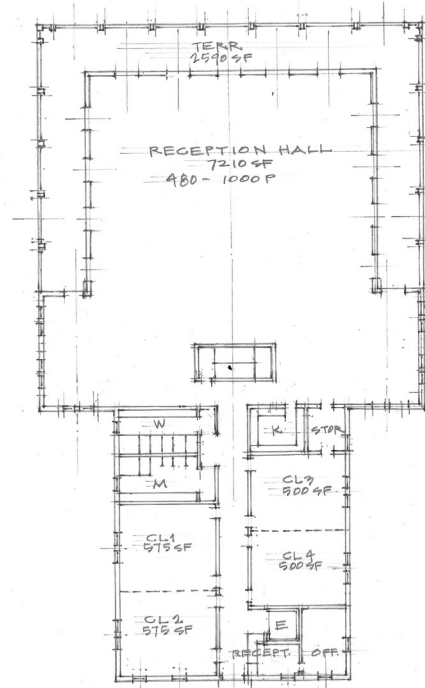


Option 2B - Grand New Construction: Site Plan Sketch



GROUND LEVEL
 PAVILION: 12,000 SF
 STORAGE, CAFE, etc.: 4,200 SF
 TOTAL: 14,200 SF

Option 2B - Grand New Construction: Floor Plan Sketch - Ground Floor

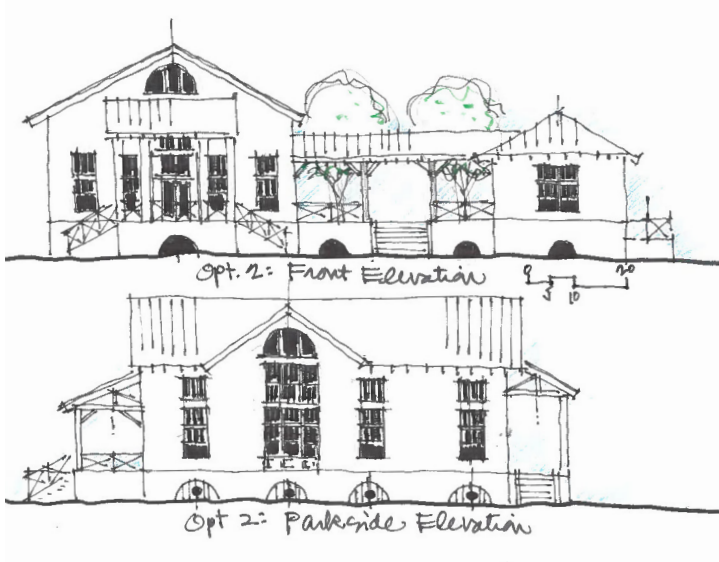


2ND LEVEL:
 A/C: 11,610 SF
 TERR: 2590 SF
 TOTAL: 14,200 SF

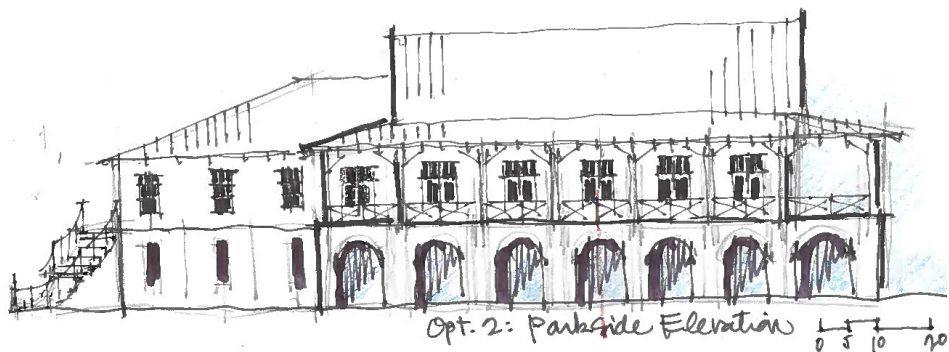
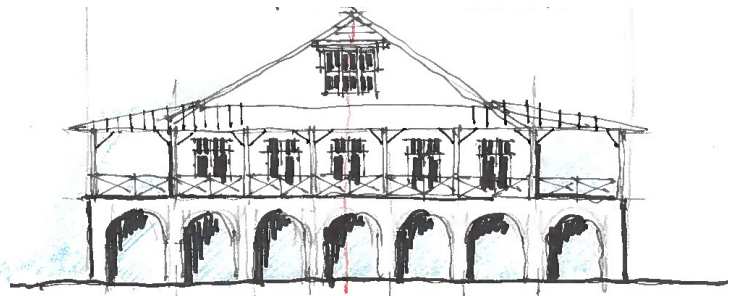
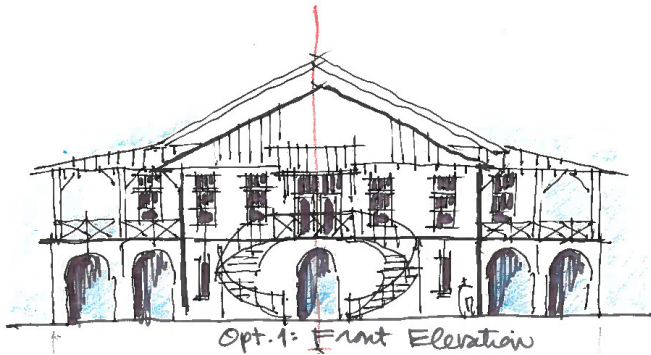
Option 2B - Grand New Construction: Floor Plan Sketch - Second Floor

Option 2: Building Sketch Elevations

Option 2A - Modest New Construction: Building Sketch Elevations



Option 2B - Grand New Construction: Building Sketch Elevations



OPTION 3- REPLACE WITH LANDSCAPE

This design option was studied during the charrette. This option suggested replacing all existing structures with landscape and park elements, such as covered patios and picnic areas. However this option was eliminated from the analysis after the input received during the charrette process.



Option 3 - Landscape Only: Site Plan Sketch



View from the parking plaza looking north



View looking towards the harbor & Picnic Pavilion

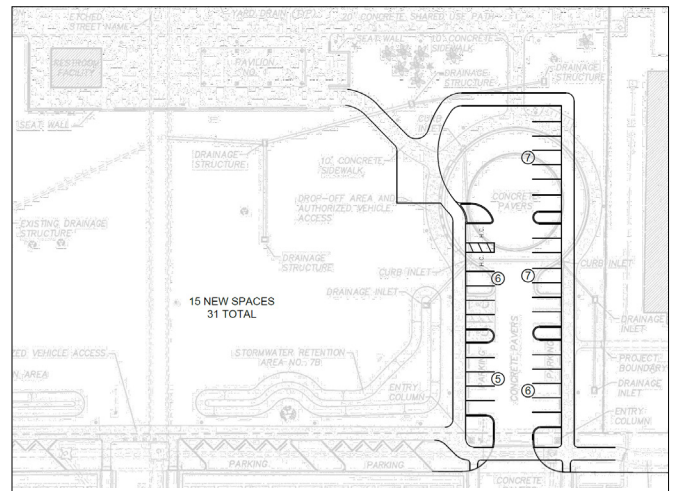
DESIGN CONSIDERATIONS TO PRESERVE GREENSPACE

There are projects being proposed in Gilchrist Park that reduce the amount of existing green public space available for the public. As expressed in the Draft Citywide Master Plan (August 2019), preservation should be the main focus for this area as it is the largest publicly accessible waterfront green space in the city and serves as the main link between the two most active areas in Punta Gorda, Fishermen’s Village and the Downtown Historic District.

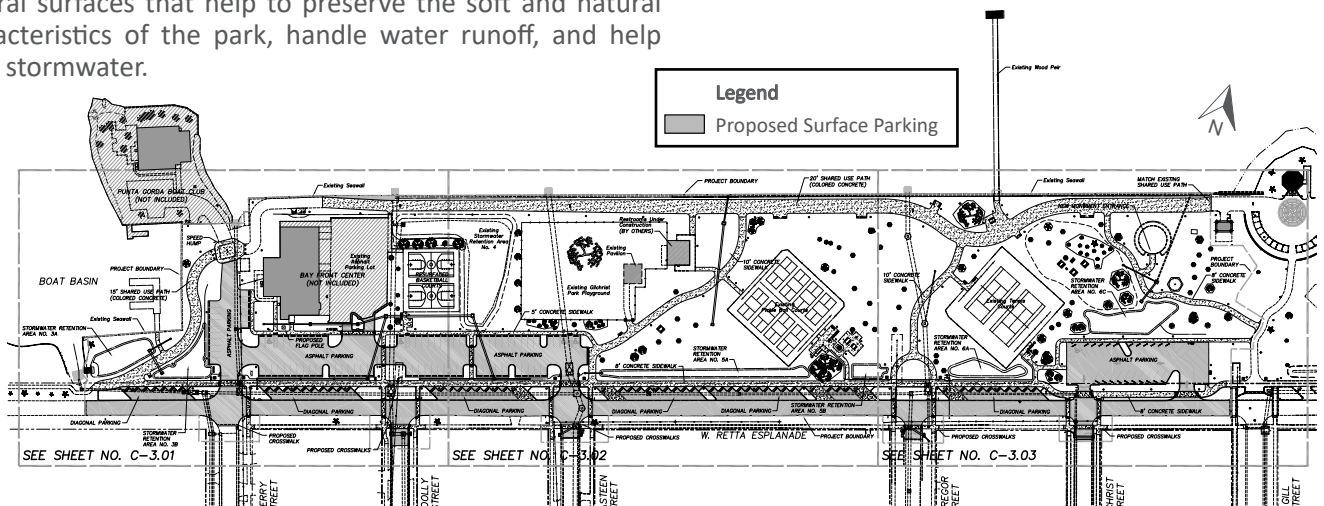
All of the Gilchrist Park Activity Center options should consider ways to reduce the overall amount of parking needed. The renovation option shows how the parking behind the Bayfront Center can be converted into a new green space, complete with tables, umbrellas, a pergola, gravel ground cover, and new trees. In both new construction options (2A and 2B) that same parking area on the east side of the Bayfront Center is also shown converted into usable and shaded green space.

Whichever option is chosen, care should be taken to select alternative paving materials, including permeable pavers and natural surfaces that help to preserve the soft and natural characteristics of the park, handle water runoff, and help filter stormwater.

Figure 5.1: Proposed Paved Parking Projects



One proposed alternatives for the eastern parking area



Proposed diagonal parking along W Retta Esplanade and new parking lots near the Bayfront Center and basketball court

PAVING MATERIALS ALTERNATIVES



Grass concrete pavers



Open-joint clinkers



Gravel, stone chippings, shells



Woodchips, bark

MARKET CONDITIONS

Understanding the nature of the built environment is critical when examining market dynamics for a specific geography which can vary greatly depending on the use. The Gilchrist Park waterfront land is home to the boat club, community open space and the YMCA along the Peace River. It competes with other event spaces and waterfront maritime facilities.

EVENT / MEETING SPACE

Currently, the rental of the Boat Club grounds and indoor reception space provides a minimal source of income for on-going operation costs and is not a high priority for the Club. As such, the operators allow rentals selectively, averaging three events per month during peak season. For the Bayfront facility, the Punta Gorda YMCA’s staff members provide event coordination support. The Bayfront facility rents for \$170 per hour with a \$100 deposit. Bayfront is occupied weekday mornings with YMCA classes and during the summer months all day weekdays with YMCA summer camp. YMCA facilities in other parts of southwest Florida provide comparable event and meetings space, as shown in Table 1 below.

| Table 1. Southwest Florida YMCA Comparable Event Fees | | | | | | | |
|---|--|-----------|----------------------|-----------------|------------|--|-------------------------------------|
| Venue | Type | Hours | Rental Rates | | | | Capacity/Notes |
| | | | Deposit ¹ | Member | Non-Member | Other Fees | |
| Bonita Springs 27200 Kent Road Bonita Springs, FL 34135 239-221-7560 | Pool Party | 1.5 hours | \$50 | \$90 | \$120 | \$5 fee per guest for pool | up to 12 youth guests |
| Englewood 701 Medical Boulevard Englewood, FL 34223 941-475-1234 | Adventure Climbing Party | 2.5 hours | | \$20 per person | | \$5 fee per guest for canoeing / archery | up to 20 guests |
| Port Charlotte / Franz Ross 19333 Quesada Avenue Port Charlotte, FL 33948 941-629-9622 | Pool Party Sports Party Princess Tea | 2.5 hours | | \$250 | \$300 | | |
| Venice 701 Center Road Venice, FL 34285 941-375-9122 | Pool Party | 1.5 hours | \$20 | \$100 | \$150 | \$5 fee per guest for pool | up to 10 guests |
| | Gymnastics | | | \$175 | \$235 | | up to 12 guests Sat. 12-4pm only |

Notes: ¹Non-refundable deposit.
Source: Partners for Economic Solutions, 2019.

It is important to note that both the Boat Club and Bayfront buildings provide a waterfront alternative to compete with more standard meeting and event spaces. However these competitive venues in the market offer a more complete package of facilities, amenities and services, allowing them to attract wider range of customers.

The competitive venue inventory includes Charlotte Harbor Event and Conference Center, the Wyvern Hotel Punta Gorda and Four Points by Sheraton, all providing alternatives for reception and event space. The Wyvern Hotel has a rooftop deck and a 650 square-foot river room on the lobby level for gatherings. Four Points by Sheraton offers a small meeting room, and the property extends to the water with the Tiki restaurant and bar. Further outside the immediate market area are two hotels on Charlotte Harbor – Charlotte Bay Resort and Club and, most importantly, the new Sunseeker Resort currently under construction. These types of spaces operate comparable events and reception facilities in the immediate vicinity. On average these facilities rent for 10 percent more than the Bayfront facility for base rental. In addition to the base rental rates these competing facilities receive revenue from exclusive use food & beverage catering at premium prices.

Sunseeker Resort will dramatically increase the supply of hospitality and entertainment space in the market in 2020 and future years. Located on the north shore of Charlotte Harbor, Sunseeker Resort will include almost 700 hotel rooms and extended-stay units, with 72,000 square feet of meeting and event space as well as many on-site restaurants, cafés and bars. This major expansion of the competitive inventory will affect the ability of a new boathouse to attract events.

More luxury event space options offer modern amenities and upgraded services associated with the rental including coordination of the event, often valuable for weddings or other large gatherings. These types of users

Table 2. Unique Luxury Comparable Venues

| Venue | Type | Event Timing | Rental Rates | | | | Capacity / Notes |
|--|------------------|----------------------------------|----------------------|---|-----------------------|---|---|
| | | | Deposit ¹ | Rate | Rooms | Comments | |
| Charlotte Harbor Yacht Club 4400 Lister Street Port Charlotte, FL 33952 941-629-5131 | Wedding or Other | 4 hours | \$350 | \$100 | Commodore's Lounge | 24 guests | \$250 charge for events on Monday, Tuesday, Wednesday & Sunday evenings. Plus \$100 wedding planning fee. |
| | | | | \$400 | Ball Room | 75 guests | |
| | | | | \$550 | Ships Wheel | 60 guests | |
| | | | | \$850 | Harbor Room | 125 guests | |
| Cypress M Ranch 43650 Bermont Road Punta Gorda, FL 33982 | Wedding or Other | all day no hourly rates | | \$4,000 | Entire barn and yard | | Up to 300 guests with grounds. |
| Isle Yacht Club 1780 West Marion Avenue Punta Gorda, FL 33950 | Events | AM, PM & evening hours available | \$500 | food and beverage packages create pricing | Main Room | | Up to 200 guests and minimum of 20 guests. No Friday available for private parties. |
| | | | \$250 | | Split Main Room | | |
| Palm Island Resort 7092 Placida Road Cape Haze, FL | Events | 3-4 hours | | \$1,200 | Clubhouse + Courtyard | 120 seated | Up to 150 guests on waterfront. Ceremony site package includes \$1,000 fee. |
| | | | | \$500 | Clubhouse Inside | 90 seated | |
| | | | | \$1,200 | Poolside Pavilion | 120 seated | |
| Twin Isles Country Club 301 Madrid Boulevard Punta Gorda, FL 33950 941-637-1232 | Wedding or Other | 4 hours | \$1,000 | \$750 | Restaurant | \$5,000 food and beverage wedding minimum | Up to 150 guests. |
| | | | | \$500 | Lower Dining Room | | |
| | | | | \$250 | Activity Room | | |

Notes: ¹Non-refundable deposit. Source: Partners for Economic Solutions, 2019.

would be willing to pay higher rental fees for the additional services and as such reflect demand frequently met by current country clubs or other unique venues.

The Isles Yacht Club, Twin Isles Country Club, Charlotte Harbor Yacht Club, and Cypress M Ranch have event spaces available for private rentals, providing higher end competition to the new construction option. Interviews with area event planners suggest that these types of facilities receive stable reservation requests (booking up nine months in advance of popular dates in October and December) for private parties (mainly weddings), corporate events and other activities. Typically these facilities include a base charge of \$500 (non-refundable deposit) to upwards of \$4,000 for a four-hour window, with additional fees for food and beverage service on a per-guest basis. It is important to note that those charging less than \$1,000 for base rental reflect rental of extra spaces within the club or facility, not the rental of the main event space.

Current market conditions among competitive venues demonstrate the potential to attract reception and event space users. Existing competitive venues report moderate levels of demand. Demand is greatest for unique venues along the waterfront, reflecting the overall shortage of similar outdoor event space. However, the level of revenue generated from these types of operations may not cover the on-going operating costs.

RECOMMENDED AMENITIES

The ability to rent the space for events and meetings relies on the location of the space and assumes certain space requirements will be available. There is currently the ability to add space dividers to rooms, which the Bayfront facility uses frequently for summer camps and other activities. To be suitable for clients, the space must have reasonable access to restrooms, sufficient electrical supply, kitchen facilities and audio-visual capacity. The following paragraphs list amenities necessary for effective operation.

Audio-visual options need to include microphones, speakers, wall screens and mounted projectors or the capacity to easily bring them in. Alternatives available for providing audio-visual equipment include the use of an outside vendor. Periodic modernization of the support equipment will be critical to maintaining demand. Additional investment in ADA accessibility upgrades should be made to ensure safe use for all people regardless of age and ability. Upgrades include elevators and ramps where necessary, as well as ADA accessible bathrooms, kitchen, and meeting spaces.

Some caterers will be interested in access to a full-service kitchen, but a warming kitchen should be sufficient. The warming kitchen will need an ice maker, microwave and warming oven. A pre-screened list of approved caterers should be established to help the users and limit the City of Punta Gorda's liability for damage caused by inexperienced caterers. A counter for laying out a food buffet (with proper electrical outlets) would expand use options. There is no need for this to be as large as a standard buffet table, rather, a simple bar-style space with room for two or three trays and storage underneath.

It should be noted that interviews with the Punta Gorda Boaters Alliance did not suggest any potential increase in membership due to the competition from other boating entities. However, the usage of the Gilchrist Park waterfront for programs such as learning to sail and power squadron would need to be supported with a minimum of landside storage facilities. Boating-related amenities that would need to be considered for the options in this analysis includes upgrades to the existing sailboat launch ramp (all options), new safe and dry storage space for small sailboats and related equipment (options 2A and 2B), and ADA accessible bathrooms to serve students participating in the learn to sail, power squadron, and other boating safety programs.

Visiting Boater Amenities - Compromise at Gilchrist Park

As a result of deep seated frustrations among Downtown Historic District Residents regarding derelict boats in Charlotte Harbor, the proposal to increase boater amenities at Gilchrist Park and add a western mooring field have been largely rejected by neighbors of the park. One possible compromise recommended in the Draft Citywide Master Plan would be to allow the construction of a western mooring field in exchange for the relocation of the existing dinghy docks and any additional proposed boating amenities from Gilchrist Park to the Punta Gorda Waterfront Hotel (PGWH) and Fishermen’s Village. Another recommendation to restore goodwill between the city, boaters, and the Historic District HOA would be to establish an oversight committee to ensure proper compliance with boating ordinances and to review and update those ordinances on an ongoing basis as necessary.

REVENUE-GENERATING USES

With a location in the heart of Punta Gorda, the redeveloped boathouse and civic facilities will draw on several groups of users. Potential users include boathouse-affiliated organizations, local non-profit organizations and institutions, for-profit businesses, government agencies and private individuals who will utilize the space for weddings, showers, reunions and other large gatherings.

BOAT CLUB / CIVIC BUILDING PROJECTED USAGE

The new or renovated boathouse and / or civic building will be used on a limited basis for meetings and receptions/events throughout the year. The majority of the current Boat Club usage includes monthly meetings of various non-profit users (including local community members and members of the Punta Gorda Boaters Alliance). These users tend to occupy the boat club for standard meetings, professional development and seminars scheduled year round with an emphasis on their peak season from March through October.

Current users’ need for space at the boathouse is somewhat limited. The following table details current estimated usage by time of day and day of the week.

Table 3. Current Usage Estimates, Boat Club Facility Percentage of Time Blocks Utilized

| | Morning Hours | | Afternoon Hours | | Full Days | | Evening | |
|----------------------|---------------|------|-----------------|------|-----------|------|---------|------|
| | Percent | Days | Percent | Days | Percent | Days | Percent | Days |
| Weekdays | | | | | | | | |
| January to May | 50% | 53 | 50% | 53 | 15% | 16 | 60% | 63 |
| June to July | 60% | 25 | 60% | 25 | 20% | 8 | 55% | 23 |
| August to October | 60% | 52 | 60% | 52 | 15% | 13 | 50% | 44 |
| November to December | 50% | 21 | 50% | 21 | 10% | 4 | 65% | 27 |
| Weekends | | | | | | | | |
| January to May | 70% | 29 | 65% | 27 | 20% | 8 | 65% | 27 |
| June to July | 65% | 12 | 60% | 11 | 10% | 2 | 50% | 9 |
| August to October | 75% | 26 | 65% | 22 | 25% | 9 | 50% | 17 |
| November to December | 65% | 12 | 60% | 11 | 5% | 1 | 80% | 14 |

Source: Punta Gorda Boaters Alliance, 2018; Partners for Economic Solutions, 2019.

This level of usage suggests that existing users will generate roughly 45 to 60 percent of the facility’s utilization internally. The Boat Club facility has a significant amount of time available in the weekday evenings between January to May with less availability on the weekends.

The usage of the Bayfront Center reflects heavy demand from the YMCA, current leaseholder at the facility. During the weekday most of the year the Bayfront Center is occupied by participants in YMCA programs, after 1 pm the space is available for private events and activities. During the summer months of June and July, the YMCA uses the Bayfront Center for summer camp from 6 am until 6 pm, leaving availability for rentals only in the evenings or weekends. Table 4 details current estimated usage by time of day and day of the week.

| | Morning Hours | | Afternoon Hours | | Full Days | | Evening | |
|-----------------------------|---------------|------|-----------------|------|-----------|------|---------|------|
| | Percent | Days | Percent | Days | Percent | Days | Percent | Days |
| Weekdays | | | | | | | | |
| January to May | 30% | 32 | 35% | 37 | 35% | 37 | 20% | 21 |
| June to July | 100% | 42 | 100% | 42 | 100% | 42 | 20% | 8 |
| August to October | 20% | 17 | 35% | 30 | 35% | 30 | 25% | 22 |
| November to December | 30% | 12 | 40% | 16 | 40% | 16 | 30% | 12 |
| Weekends | | | | | | | | |
| January to May | 30% | 13 | 35% | 15 | 35% | 15 | 20% | 8 |
| June to July | 35% | 6 | 40% | 7 | 40% | 7 | 10% | 2 |
| August to October | 25% | 9 | 35% | 12 | 35% | 12 | 25% | 9 |
| November to December | 35% | 6 | 40% | 7 | 40% | 7 | 30% | 5 |

Source: Punta Gorda Boaters Alliance, 2018; Partners for Economic Solutions, 2019.

AFFILIATED ORGANIZATIONS

The following affiliated organizations will use the new facilities for meetings and receptions including the Sailing Club and Power Squadron. These organizations receive priority above public rentals with three months’ advance notice, though some provisions should be made to allow major events (such as weddings) to be scheduled further in advance.

It is important to note that many of these organizations seeking event or meeting space typically struggle financially, limit their interest to free or inexpensive sites, and have restricted their conference needs by reducing programming. Several of the entities in this category expressed interest in a free or nominal-fee option for conference and meeting space. Unfortunately, these financial constraints mean they do not represent a strong potential market/revenue source for either of the new construction options.

SOCIAL EVENTS

As a waterfront location, the proposed newly constructed buildings offer an attractive location for office holiday parties, small weddings or other family receptions (bridal and baby showers). These types of users would be interested in evening and weekend rentals. Area event planners report that most couples expect to pay \$200 to \$500 for a wedding venue, a fee which typically includes the rehearsal and parking. A few may prefer to have a reception in the landscaped courtyard(s), though arrangements would need to be made in case of rain. An inability to hold the reception at the church is not a major issue for most couples, who accept the idea of moving the wedding party to a hotel or other banquet facility for the reception.

The number of weddings that could be attracted to a newly constructed facility depends primarily on the number of suitable dates. Traditionally, April through October is the most popular period for weddings but in this section of Florida the month of October is most popular. Few weddings are scheduled for January through March (except Valentine's Day), November and December (except Christmas). However, December's demand for various groups and corporate holiday celebrations fills most event space. Almost all weddings are scheduled for weekends with Saturday late afternoon or early evenings the most popular. In peak months, the newly constructed buildings could accommodate weddings Friday night, Saturday around noon, Saturday late afternoon and Sunday afternoon, possibly even scheduling three weddings on Saturday. In less popular months, demand could drop to two weddings per weekend with none in the least popular months.

OTHER PROSPECTIVE USERS

There are several additional emerging and existing markets for reception and meeting space. The appealing nature of the waterfront meeting space and audio visual set up will attract organizations interested in off-site training, seminar space and unique reception facilities.

Hotels attract the largest number of groups interested in conference and meeting space. These hotels offer lodging and conference packages that frequently include on-site catering options. A few of the hotels may be interested in offering an off-site reception venue, such as the newly constructed facilities.

FEASIBILITY

The market feasibility of replacing the existing facilities or renovating existing facilities is measured by the ability of the uses to contribute to the costs of operating and maintenance. It must consider not only the current demand but also long-term self-sufficiency – the ability to reach the projected revenue goals each year.

Discussions with competitive venues indicate stable levels of demand with several venues concerned about the new space at Sunseekers Resort. Population projections do not suggest a large amount of growth that would create new demand.

A review of the usage of both the Boat Club and Bayfront properties suggests that each month both facilities have significant down time and availability for rentals. The Bayfront Center facility has availability most weekdays after 1 pm and on weekends all day Saturday and Sunday. The Boat Club facility’s operations fluctuate more during the two peak boat training seasons (September through November and March through April) and post season for training. During the off-season, afternoon weekdays are occupied roughly a third of the time. On the weekends, the Boat Club facility’s seasonality for membership activities including meetings, training and other activities provide availability for additional event rentals more than 40 percent of the yearly available time but primarily in the off-season.

OPERATING HOURS

Many meeting and event space facilities offer two to four blocks of time (usually 3 to 4 hours) for daily rentals with the option to extend into the evening or block three hours of evening time. Assuming space set-up can occur the night before, classroom spaces may be occupied at 8 am until 12 noon for the morning (“morning hours”) as well as the larger main room. Afternoon meeting space time blocks vary from 12 noon until 4 pm, 1 pm until 5 pm or 2 pm until 6 pm, with the same fees. Afternoon usage from 12 noon until 6 pm results in added charges. The evening meeting space rental begins at 6 pm until 9 pm.

FEE STRUCTURE

The rate charged per room varies based on its capacity, condition, and equipment associated with each option. For the larger main room with the ability to spill out to the verandas and outdoor areas, there may be interest in full-day events. The following table details the fee structure by room type and day of the week for three- or four-hour flat fees with options for modest and grand new construction. Table 5 details the fees for renovation of the existing Boat Club facility.

The creation of a new facility in either a modest or grand new facility should be able to charge higher rental rates creating a larger revenue experience, as shown in Table 6.

| Table 5. Boat Club Renovation Rental Fees | | | | |
|---|---------------|-----------------|----------|---------|
| | Morning Hours | Afternoon Hours | Full Day | Evening |
| Weekdays | | | | |
| First Floor | \$50 | \$60 | \$132 | \$105 |
| Second Floor Classroom (single) | \$15 | \$20 | \$44 | \$35 |
| Second Floor All Classroom (combined) | \$25 | \$30 | \$66 | \$53 |
| Weekends | | | | |
| First Floor | \$70 | \$80 | \$176 | \$140 |
| Second Floor Classroom (single) | \$25 | \$30 | \$66 | \$53 |
| Second Floor All Classroom (combined) | \$50 | \$60 | \$132 | \$105 |

Source: Partners for Economic Solutions, 2019.

| Table 6. Boat Club Modest & Grand Construction Rental Fees | | | | | | | | |
|--|---------------------|-----------------|----------|---------|--------------------|-----------------|----------|---------|
| | Modest Construction | | | | Grand Construction | | | |
| | Morning Hours | Afternoon Hours | Full Day | Evening | Morning Hours | Afternoon Hours | Full Day | Evening |
| Weekdays | | | | | | | | |
| First Floor | \$145 | \$160 | \$325 | \$265 | \$170 | \$190 | \$400 | \$330 |
| Second Floor Classroom (single) | \$60 | \$70 | \$160 | \$120 | \$70 | \$80 | \$175 | \$140 |
| Second Floor All Classroom (combined) | \$100 | \$130 | \$260 | \$230 | \$120 | \$130 | \$270 | \$230 |
| Weekends | | | | | | | | |
| First Floor | \$160 | \$180 | \$350 | \$320 | \$190 | \$210 | \$440 | \$370 |
| Second Floor Classroom (single) | \$75 | \$80 | \$180 | \$140 | \$90 | \$100 | \$210 | \$180 |
| Second Floor All Classroom (combined) | \$135 | \$150 | \$300 | \$285 | \$160 | \$190 | \$410 | \$290 |

Source: Partners for Economic Solutions, 2019.

STAFFING

The management of schedules, requirements for shifting room configurations, and coordination with current Boat Club and Bayfront usage would require the addition of a dedicated staff or employee, working full time for either the modest or grand facility. While this tends to be a costly item in the operating budget, it is critical in providing professional meeting and reception space for the public. Solutions for the cost burden, such as creative staffing approaches and partnerships, could reduce operating costs somewhat. For example, it might be possible to reduce the full-time staff person to 80 percent by allowing Monday and alternate weekdays off.

BUDGET

Operations in either a renovated facilities or a new civic use building would respond to demonstrated market demand and need to generate a positive cash flow from the rental revenue. This analysis assumes that existing users would continue to benefit from minimal costs for their core functions. It focuses on the potential revenue that would be generated from outside rentals and the potential to cover the costs of new construction.

The market review suggests that the Boat Club could generate \$47,100 in annual revenues from renting space to outside groups. The new construction option of a modest replacement building could attract users that would pay \$125,000 in rental fees. The larger size of the grand construction option would allow the facility to generate \$151,800 in annual rental fees. The operating budget in Table 7 provides a detailed breakdown for the various revenue streams and expenses estimated with the operation of event and meeting space under

Table 7. Options Operating Budget¹

| | Boat Club Renovation | Modest Construction | Grand Construction |
|---|----------------------|---------------------|--------------------|
| Operating Revenue² | | | |
| Weekday Event Revenue | \$23,000 | \$64,480 | \$76,180 |
| Weekend Event Revenue | \$24,100 | \$53,480 | \$66,960 |
| Parking Revenue | \$0 | \$0 | \$0 |
| Sponsorship Annual Contribution | \$0 | \$4,000 | \$5,000 |
| Concession Annual Fee | \$0 | \$3,000 | \$3,600 |
| Membership Dues | \$400 | \$500 | \$600 |
| Total Operating Revenues | \$47,500 | \$125,460 | \$152,340 |
| Operating Expenses | | | |
| Management Staff | \$0 | \$58,700 | \$88,100 |
| Set-up/Breakdown Staff | \$0 | \$32,500 | \$48,700 |
| Janitorial Staff | \$0 | \$15,700 | \$39,100 |
| Total Staff | \$0 | \$106,900 | \$175,900 |
| Accounting | \$4,000 | \$5,000 | \$5,200 |
| Advertising ³ | \$5,000 | \$5,000 | \$5,000 |
| General Office Supplies | \$1,500 | \$1,500 | \$1,500 |
| Utilities (include phone, wi-fi) | \$8,000 | \$8,800 | \$10,000 |
| Legal | \$1,000 | \$1,000 | \$1,000 |
| Grounds/Maintenance | \$6,000 | \$7,500 | \$7,500 |
| Janitorial Expenses | \$1,200 | \$1,200 | \$1,200 |
| Licenses (liquor and permits) ⁴ | \$1,000 | \$1,000 | \$1,000 |
| Printing and Stationery | \$2,500 | \$2,500 | \$2,500 |
| Refuse removal | \$8,000 | \$9,600 | \$11,600 |
| Replacement Reserve for Repairs, Furniture, Fixtures, & Equipment | \$2,500 | \$2,500 | \$2,500 |
| Total Operating Expenses | \$40,700 | \$152,500 | \$224,900 |
| Net Operating Income | \$6,800 | -\$27,040 | -\$72,560 |

Note: ¹Does not include initial capital costs for construction or renovation, or furniture, fixtures, and equipment costs and assumes insurance will be provided by the City of Punta Gorda's existing policy. ² Based on potential patronage estimates. ³ Advertising costs for marketing and brochures, website, mailing excludes initial \$2,000 to establish marketing materials. ⁴ Liquor license would need to be obtained. Source: Partners for Economic Solutions, 2019.

either renovation or new construction options. The Bayfront Center renovation would allow a continuation of the current YMCA operation. Under the YMCA's lease arrangement additional rental revenues generated at the center would not be remitted to the City of Punta Gorda.

The operating budget in Table 7 provides a detailed breakdown for the various revenue streams and expenses estimated with the operation of event and meeting space under either renovation or new construction options. Under the modest construction option, operations would have an annual loss of \$27,040 and the grand construction option would result in annual loss of \$72,560. The additional staffing and operating costs required to support the expanded use for rentals are not covered by the event fees. This rules out the public financing option of revenue bonds, which repay bonds from project-generated revenues.

ALTERNATIVE FUNDING SOURCES

This section details the different sources of funding available to meet the needs associated with the cost estimates listed above. The section first lists public sources of funding typical for infrastructure-intensive projects. As some of the costs will be the responsibility of private entities, different grant programs, standard fundraising, private access to debt and equity are discussed.

While all of these sources represent reasonable options for the redevelopment of both buildings, the availability of these resources fluctuates depending on market conditions, government plans and other factors. An assessment of the availability or likelihood of access to these funds follows a brief discussion of the specific sources and their capacity. This assessment considers the phasing of all Punta Gorda City-Wide Master Plan improvements, understanding access to particular funding sources may change over time.

CITY OF PUNTA GORDA FUNDING

The City of Punta Gorda accesses many different sources of funding for public projects including set-asides from the general fund and borrowing monies from capital markets.

CAPITAL IMPROVEMENT PROGRAM

Punta Gorda's Capital Improvement Program (CIP) sets aside dollars from the General Fund and other sources for specific projects based on City needs. The CIP prioritizes capital investments years in advance reflecting the priorities of each department and the City as a whole.

The City of Punta Gorda recently received a high bond rating from the rating agencies, which allows the City to borrow money at favorable interest rates. However, the City prefers to use the Pay-Go method to fund capital projects. The Pay-Go method requires payment by current developers/residents/taxpayers at the time of construction rather than incurring debt.

PUBLIC/PRIVATE PARTNERSHIPS

In recognition of the limited public resources available for funding improvements for Gilchrist Park, including both the Boat Club and Bayfront buildings, public/private partnerships allow for a more creative way to leverage partners and external resources to complete, expedite and even enhance implementation. The ability to leverage public/private partnerships to support both the capital and on-going operating expenses requires tailored agreements to meet specific community needs and situations.

SPONSORSHIP

Sponsorships range from naming rights for structures, fields or commemorative plaques for equipment or components of buildings to allowing businesses to come to specific events at the facility and push fliers or coupons. A list of what would be acceptable for partnerships first needs community approval with guidelines about whether further approvals would be required based on the amount of the sponsorship. In many instances, communities allow sponsorships under \$1,000 at the discretion of City staff. It should be noted that naming rights can be contentious public policies.

Naming rights allow corporate sponsors and non-profit entities a marketing opportunity for their business, or individuals / families may name a space in memoriam or in commemoration of an individual. Typically, the value of the amenities, the amount of signage and the level of usage help establish the amount of sponsorships, which typically exceed \$1,000 as a base minimum amount.

CONCESSION ARRANGEMENTS

A concession arrangement or lease may be a viable alternative source of funding for both the Boat Club and Bayfront facility. Years ago concession arrangements simply allowed those with portable kiosks to come into public facilities and sell their products, often food to be consumed on-site. This may still be a reasonable option for Gilchrist Park but could be expanded to offering concession arrangements to corporate or non-profit organizations to expand recreation program offerings and optimize facility usage.

Area hotels without public waterfront access may be interested in entering into a concession arrangement for Friday, Saturday and Sunday access to the Punta Gorda waterfront via the Boat Club or newly constructed building. These arrangements could be structured to allow the hotel to market the expanded facilities and create event packages as a preferred caterer. With a concession arrangement the established hotel would be able to show the Boat Club or newly constructed space and market it to event clients or private parties. Typically these arrangements offer minimal financial revenue but give the property owner an opportunity to expand marketing and even share in event fees with a participatory rental agreement to supplement the concession arrangement.

EXISTING BOAT CLUB MEMBERSHIP

Boaters in the Punta Gorda area have many alternatives when it comes to choosing a facility to dock their boats or organizations to join like private yacht or country clubs. These boaters join the community facility, pay dues and are required to use the clubhouse for events or meet a minimum threshold of food and beverage spending. Registration trends in Charlotte County, Florida show stable boat ownership. The number of registered boats increased over the last five years with gains in small and moderate size vessels of less than 25 feet. Those vessels less than 12 feet, added 264 new boat registrations from 2014 to 2018. The largest size

category to grow in boater registration is moderate-sized vessels between 16 to 25 feet with the addition of 1,578 boats from 2014 to 2018. Interviews with the Punta Gorda Boaters Alliance do not suggest the potential to increase dues or number of members significantly over time as the competition from other local boating entities continues.

CONCLUSION

Based on the financial analysis prepared by PES, the project has a major financial feasibility gap for initial capital investment and on-going operational expenses. Despite the potential for additional events and revenues, increased operating costs would cause a newly constructed facility to lose money on an annual basis without consideration of the capital costs, specifically a \$27,040 operating loss under the modest option and \$72,560 operating loss under the grand option (See Table 7.) The future operations would not generate enough funds to support the costs of building a new facility.



PLAN PUNTA GORDA

GILCHRIST PARK ACTIVITY CENTER FEASIBILITY REPORT