



Village of Wellington Wellington Community Park Market Review & Feasibility Analysis

Prepared for: Village of Wellington

Prepared by: Clancy's Sports

Date: October 11th 2022

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LETTER OF TRANSMITTAL

Mr. Jim Barnes
Village Manager
Village Hall
12300 Forest Hill Boulevard
Wellington FL, 33414

Clancy's Sports (CS) is pleased to submit the attached Market Research Report to the Village of Wellington regarding the review of existing feasibility research and independent viability analysis to determining its return on investment for the proposed **Wellington Athletics Sports Complex**.

This analysis focused on the opportunity and viability to develop a multi-sports facility, which will be an indoor/outdoor facility that could generate a positive impact through sports, fitness and community services. The result of this research is a **favorable** recommendation, based on the provided data and additional sports and tourism market analysis performed by Clancy's Sports.

Sincerely,

Mike Millay, Managing Partner
7325 Forestwood Court,
Orlando FL 32835
407.341.8335

PROJECT OVERVIEW

Introduction

The Village of Wellington, Florida (“the Village”) operates community park and recreation facilities throughout its community including Wellington Community Park (“the Park”) located at 3401 South Shore Boulevard, Wellington FL 33414. The Village, in an effort to expand the recreational offerings to the community by increasing the diversity of facility amenities are prepared to improve the Park. The evolving youth sports participation demands as well as community health and wellness trends create an opportunity to design, develop and operate a non-traditional facility for the Village. To accomplish this, the Village has recommended the creation of a public-private partnership (“P3”) to build and manage that facility.

The Village and the Acme Improvement District, which is a dependent district of the Village and through its interlocal agreement has entered into a Comprehensive Agreement for the Design, Development, Construction and Operation of Wellington Community Park (“Agreement”) in June of 2022 with Wellington Athletics, LLC (“Wellington Athletics”).

Wellington Athletics has submitted a facility design for review and approval by the Village. Additionally, Wellington Athletics has shared a financial pro forma and proposed business model for the operation of a multi-purpose sports complex (the “Complex”). The Village is desirous to understand the viability of both the design and operation of the same for the benefit of its citizens. To better understand this information and attempt to validate its potential success, it has sought a market research study (“Study”) for the project.

Clancy’s Sports, located in Orlando, Florida has been retained to conduct the study for presentation to the Village Board. The results of that study are submitted below for review.

PROJECT OVERVIEW

Project Site

Wellington Community Park

3401 South Shore Boulevard, Wellington FL 33414

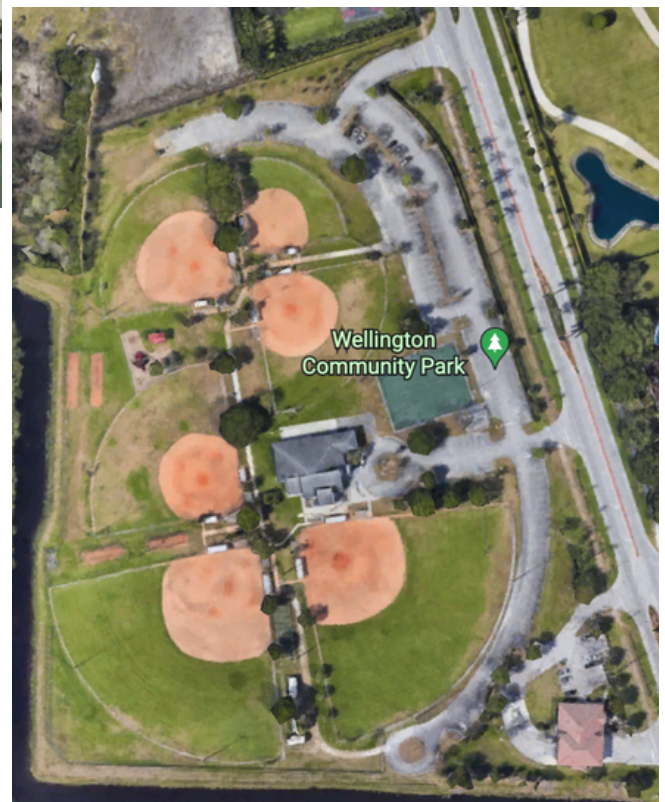


Project Location

The Park is located on the west side of South Shore Boulevard, South of Pierson Road and North of 40th Street South.

Project Current Elements

- 6 ball diamonds for baseball and softball
- Indoor space used for storage
- Perimeter Parking



PROJECT OVERVIEW

Public Private Partnership

The Village through this P3 will retain ownership of both the real estate and the physical improvements, excluding removable personal property or equipment solely owned by Wellington Athletics and in accordance with the approved design and construction timelines. Wellington Athletics which is a private entity will serve as the owner's representative in the design and construction of the Park. Wellington Athletics will also operate and maintain the Park.

The intent of the partnership is to complement and supplement the existing park and recreation offerings that currently take place at the Complex while upgrading and providing diversity in recreational offerings. Since Wellington has become recognized as a sports destination the intent of the partnership is to help bolster that reputation as well as providing tangible community benefits. The Agreement addresses the need for community access to the Complex through a scheduling process with Wellington Athletics.

The partnership intends to use public financing through 30-year revenue bonds to fund the design and the construction costs of the Complex. This will be subject to amending the Villages' debt policy to allow for the 30-year term. The debt service shall be held by the Village but will be repaid by Wellington Athletics and the revenue generated from the park as per the payment requirements outlined in the Agreement.

The Agreement outlines clear ownership and access of all design materials and documents for future use. Additionally, the Agreement is clear on the periods of time needed for equity funding, due diligence review, development approval processing and procedures around the public financing. The Agreement outlines the building permitting process as well as project approval in compliance with Village regulations.

PROJECT OVERVIEW

Wellington Athletics will grant an exclusive license to operate the Complex initially for 30 years with appropriate exercisable extensions. The Agreement outlines Wellington Athletics obligations to operate the Complex in compliance with current federal, state and Village regulatory requirements regarding accessibility and discrimination.

Through the license to operate the Complex, once open, Wellington Athletics operation will be monitored by a designee of the Village, most likely the Village's Parks and Recreation Director. There is no annual license fee paid to the Village during construction period but subsequently after one year of operations, and as outlined in the Agreement, will be required to make the debt service payments to the Village as stated in the Agreement.

Wellington Athletics will be responsible for construction once the Village completes the demolition of the current park amenities.

SCOPE OF WORK

Clancy's Sports has been contracted by the Village to provide research about the Complex's design, its programming viability, and the surrounding markets alignment with this new recreational approach to satisfy the evolving trends in youth sports and the community physical activity needs.

Therefore, in the subsequent pages we will share information on the following:

- I. Market Demand for the Proposed Facility
- II. Assess Facility Design for Capacity and the Market Need
- III. Assess Critical Success Factors for the Complex

I. MARKET DEMAND FOR THE PROPOSED FACILITY:

1) Demographics of the Market

The analysis focused on three (3) main indicators related to The Village of Wellington, Florida: 1) Disposable Income, 2) Population Demographics and 3) Sports Participation. By using such indicators Clancy's Sports was able to evaluate the overall market supply and demand analysis for the Complex and its planned services.

1.1) Disposable Income:

Disposable Income is defined as the amount of money that an individual or household has to spend or save after income taxes have been deducted. When disposable income increases, households have more money to either save or spend, which naturally leads to a growth in consumption.

MARKET DEMAND

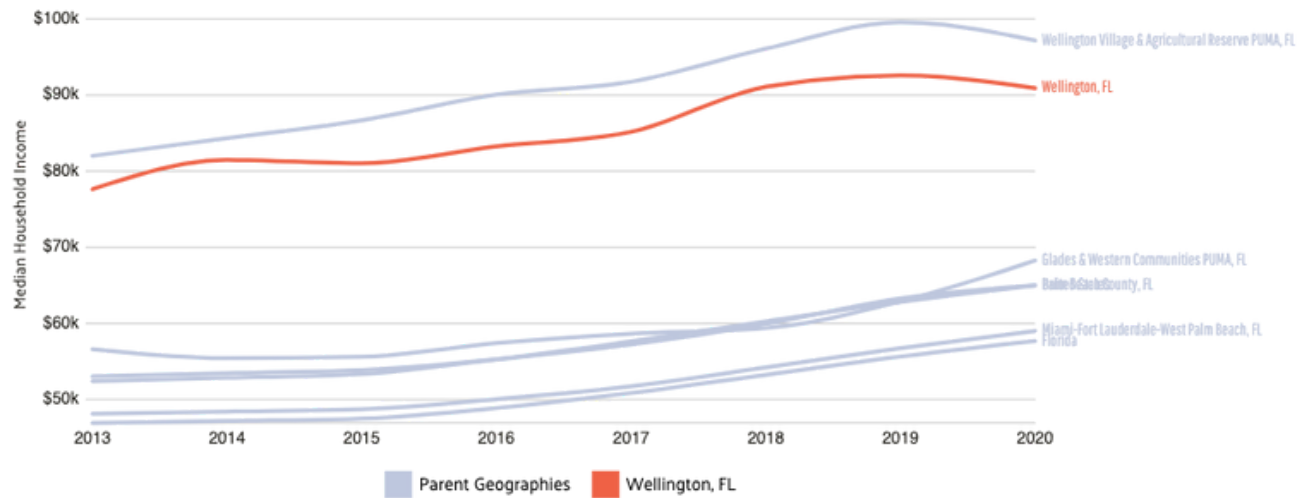


Exhibit 1 - Wellington's Median Annual Income

Households in Wellington, FL have a median annual income of **\$90,924**, which is more than the median annual income of \$64,994 across the entire United States. This is in comparison to a median income of \$92,586 in 2019, which represents a -1.8% annual growth.

The following chart shows how the median household income in Wellington, FL compares to that of its neighboring and parent geographies.

Data from the Census Bureau ACS 5-year Estimate.

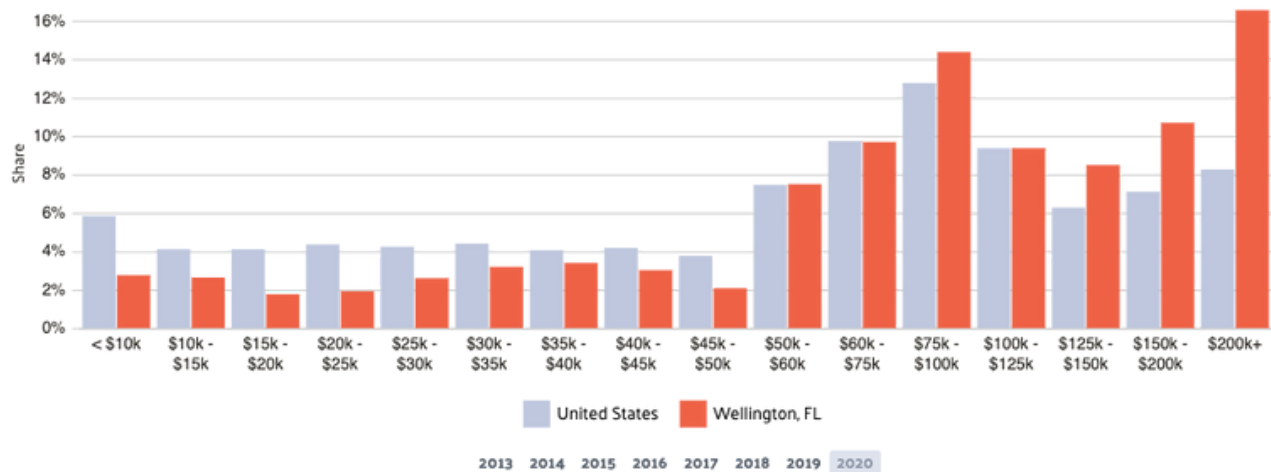


Exhibit 2 - Wellington's Median Annual Income by group compared with US

In 2020, the median household income of the 21.5k households in Wellington, FL declined from **\$90,924** from the previous year's value of \$92,586.

The following chart displays the households in Wellington, FL distributed between a series of income buckets compared to the national averages for each bucket. The largest share of households have an income in the \$200k+ range.

Data from the Census Bureau ACS 5-year Estimate.

MARKET DEMAND

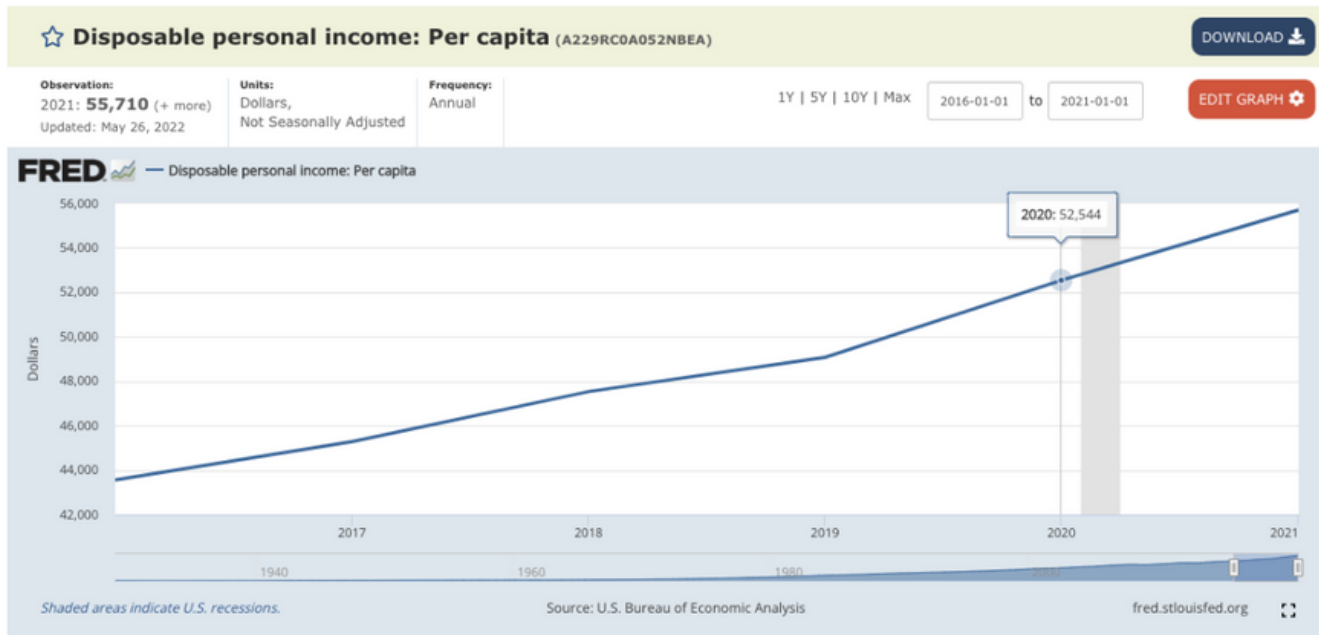


Exhibit 3 - Wellington's Disposable Income per Capita

The Village of Wellington's disposable income for the year of 2020 was \$90,924 which is significantly higher than the US Disposable Income per capita at the same year \$52,544. This is an indication of potential consumer spending within the Village, which generates a favorable scenario for families to spend more disposable dollars towards sports related activities.

1.2) Population Demographics:

According to the US Census Bureau, in 2020, there were 3.12 times more White (Non-Hispanic) residents (37.4k people) in Wellington, FL than any other race or ethnicity. There were 12k White (Hispanic) and 6.47k Black or African American (Non-Hispanic) residents, the second and third most common ethnic groups.

The chart bellow shows the 7 races represented in Wellington, FL as a share of the total population.

Data from the Census Bureau ACS 5-year Estimate.

MARKET DEMAND

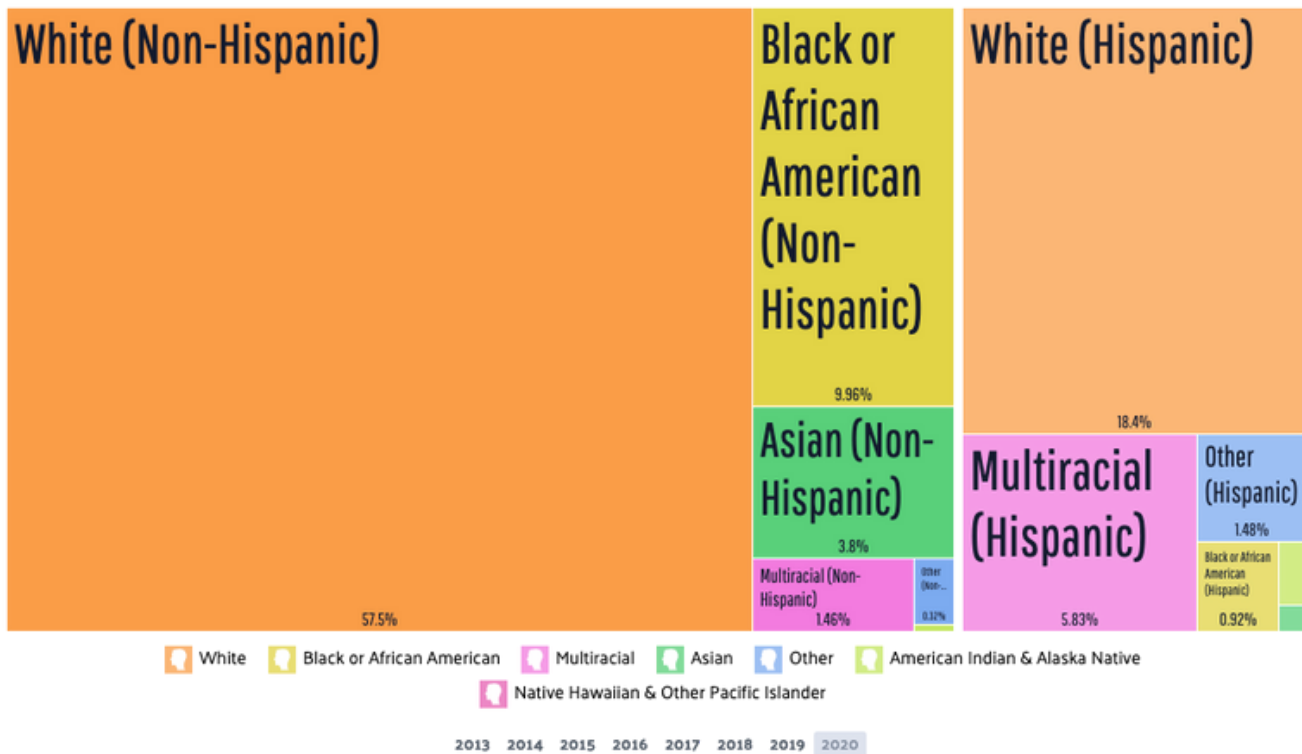


Exhibit 4 - 2020, Wellington Ethnicity distribution

Regarding age, in 2020, the median age of all people in Wellington, FL was 41.2. Even though the average age is around 40 years old, the chart (Population Age Distribution - Native and Foreign-born) below shows a significant percentage of the population that is under 17 years old, 25.25%. This indicates that there is and will be a market for such a sports complex.

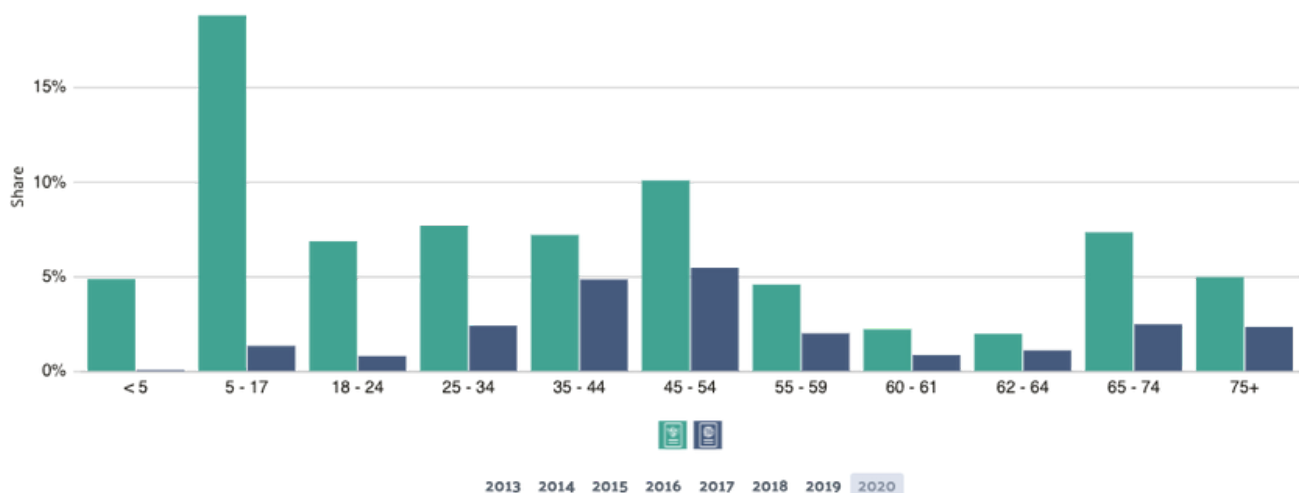


Exhibit 5 - 2020, the median age of all people in Wellington, FL: Native and Foreign-born

MARKET DEMAND

1.3) Sports Participation:

The last indicator used within this study was Sports Participation. Such data describes trends in sports participation by gender and age groups. When it is combined with economic indicators and population, sports participation indicates and supports behaviors for different sports. The Village of Wellington, based on economic and demographic data, would have a higher demand for volleyball and the “diamond sports” such as baseball and softball.

Such sports are growing in participation, according to The National High-School Athletic Association.

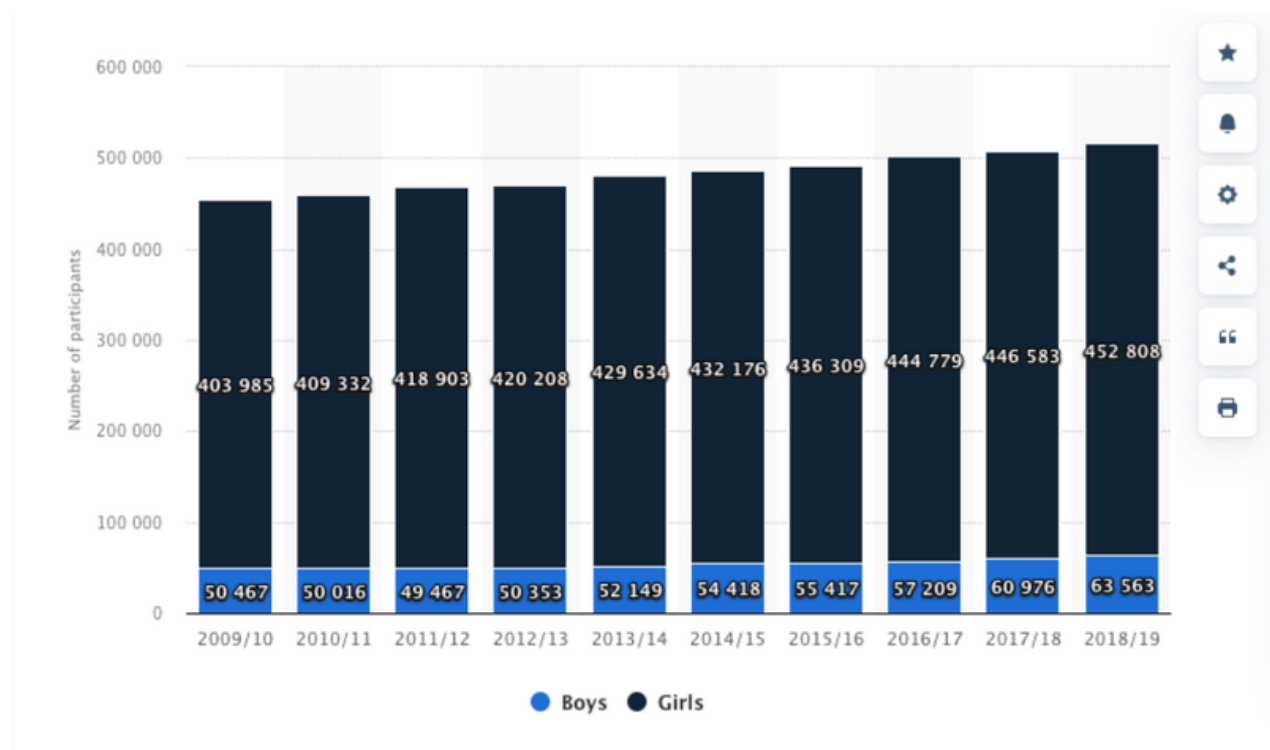


Exhibit 6 - # of participants in U.S. high school volleyball from 2009/10 to 2018/19

The chart above shows the number of participants in U.S. high school volleyball from 2009/10 to 2018/19. Below is the boy's participation in High-School sports as of 2021-22. Both data points indicate that the demand for youth sports and its auxiliary activities is solid and will continue to grow.

MARKET DEMAND

NFHS ATHLETICS PARTICIPATION SUMMARY

(As of 2021-22 school year)

TEN MOST POPULAR BOYS PROGRAMS

Schools			Participants		
1.	Basketball	18,428	1.	Football – 11-Player	973,792
2.	Track and Field – Outdoor	17,070	2.	Track and Field – Outdoor	569,262
3.	Baseball	15,925	3.	Basketball	521,616
4.	Cross Country	15,710	4.	Baseball	481,004
5.	Football – 11-Player	13,733	5.	Soccer	436,465
6.	Golf	13,631	6.	Wrestling	231,874
7.	Soccer	12,539	7.	Cross Country	231,387
8.	Wrestling	10,797	8.	Golf	148,585
9.	Tennis	9,632	9.	Tennis	145,858
10.	Swimming & Diving	7,831	10.	Swimming & Diving	123,208

Exhibit 7 - Boy's participation in High-School sports as of 2021-22

According to the Sports & Fitness Industry Association 2022 Topline Participation Report of Sports, Fitness, and Leisure Activities in the United States report, participation in sports and activities continued to grow in 2021, increasing 1.3 percent over 2020. This was a gain of 2.9 million people aged six and over who either started or returned to action. The 232.6 million active participants was the highest reported number across the last five years.

Furthermore, the distribution among types of activities by generation indicates that the Complex will provide services aligned with the population demand. For those under 22 years of age (Gen Z), team sports such as baseball, volleyball, softball, football and basketball represent the greatest desire to participate. For Millennials, health and fitness is where they tend to concentrate, including aerobic activities, conditioning activities and strength activities.

The 2022 SFIA report confirmed that team sports participation is growing for the majority of the sports or, in some cases, the demand for such sports is constant (I.E: Baseball and Cheering).

MARKET DEMAND

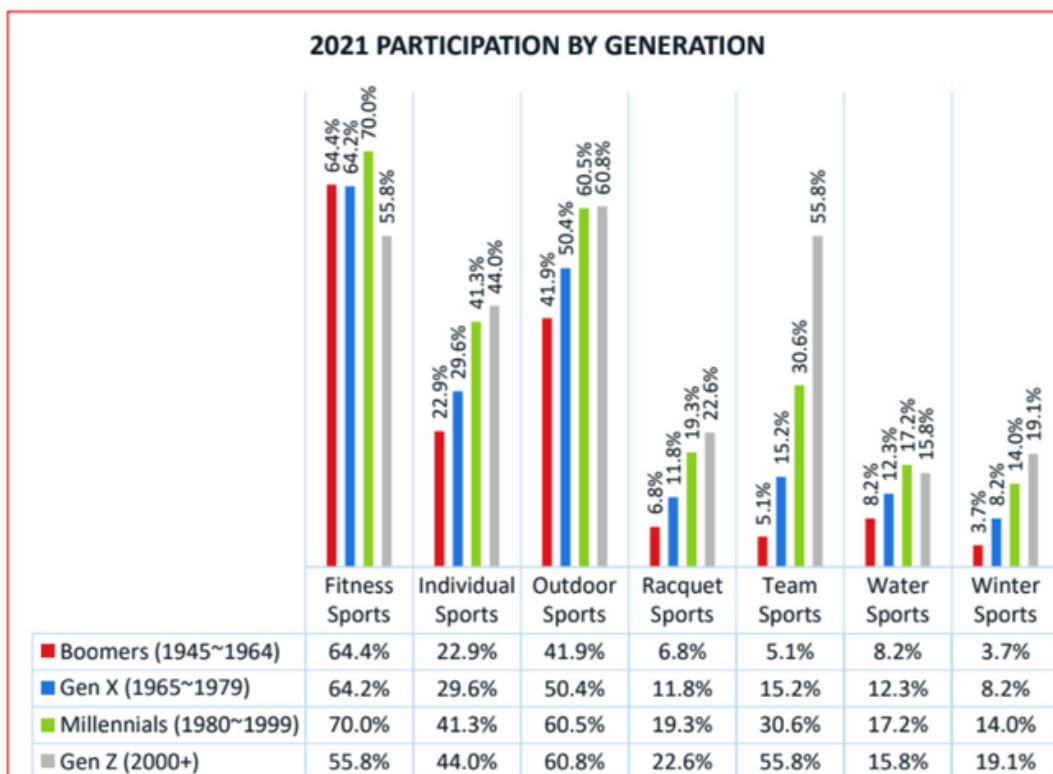


Exhibit 8 - 2021 Sports Fitness Industry Association (SFIA) Generational Participation

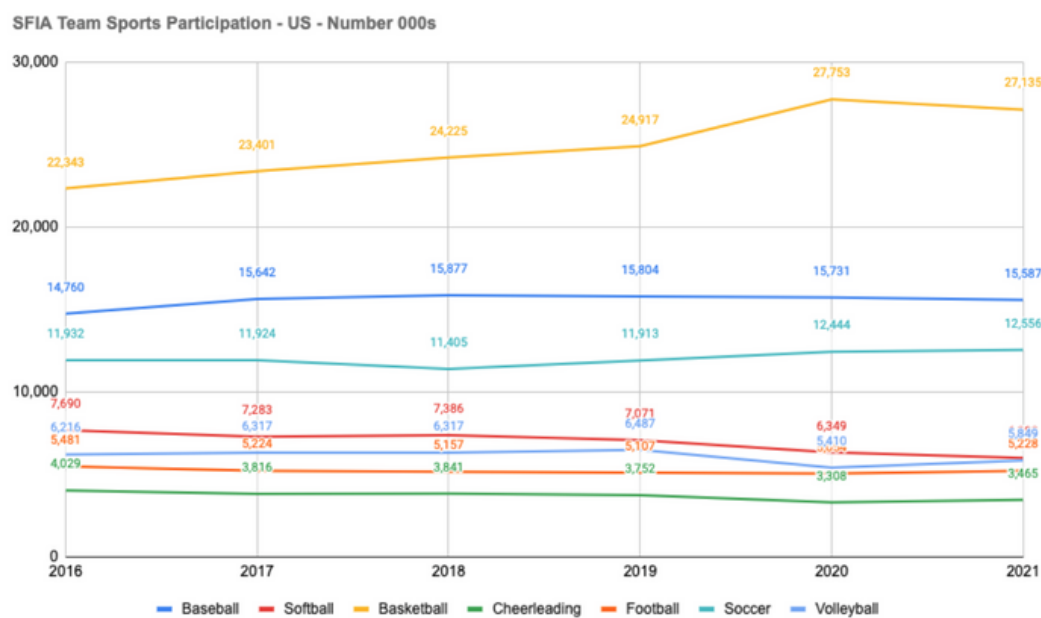


Exhibit 9 - 2016 - 21 Sports Fitness Industry Association (SFIA) Team Sports Participation

MARKET DEMAND

2) Sport, Health & Wellness Trends

2.1) Park & Recreation Trends

Since the ancient Greeks there has been a strong link between physical health and general wellbeing. For nearly 100 years, the Parks Department has been at the forefront in supporting a healthy city and putting the “recreation” in “Parks & Recreation.” From the early bathhouses to the anti-obesity programs of today, the Parks Department's focus on active recreation has supported the goal of a healthy citizenry and positive social and moral conduct.

Since the inception of the Playground and Recreation Association of America (now National Parks and Recreation Association), a number of changes in recreation thought have taken place. One of the most marked was the change from summer playgrounds under private support to that of year-round recreation supported from municipal funds.

That early support of the private sector continued with the creation of non-governmental organizations (non-profits) offering alternative programming to the eventual staple of public sector Park and Recreation operated leagues. Organizations like Little League, Pop Warner and the Amateur Athletic Union have led the way to today's multitude of youth sports organizations including many that operate successfully in Palm Beach County.

In those formative years of park and recreation management, communities depended upon these departments to deliver and manage the youth sports programs for a community through its seasonal sports leagues. At the end of a sports league season, winners were crowned, and children moved to the next sports season. These programs were a gateway to middle school and high school programs offered as the next level of sports competition.

The shift from park and recreation department programming to sports specific, for-profit and non-profits organizations have attracted athletes and coaches to their ranks. These single sports organizations have also led to the demise of the multi-sport athlete, especially in non-rural communities which has created both challenges and opportunities.

Nationally, regionally and locally, Park and Recreational organizations have continued to offer traditional sports programming services to its citizenry.

MARKET DEMAND

However, the trends in youth sports participation which have dramatically changed in the country over the last 15 years challenges the traditional park and recreational business model. Facilities have moved from providing base programming to becoming more of a landlord renting courts, fields and pools to these non-profit organizations who have single sport focus. This single sports trend is a positive sign for both the proposed design of the Facility as well as the proposed anchor tenants Wellington Athletics.

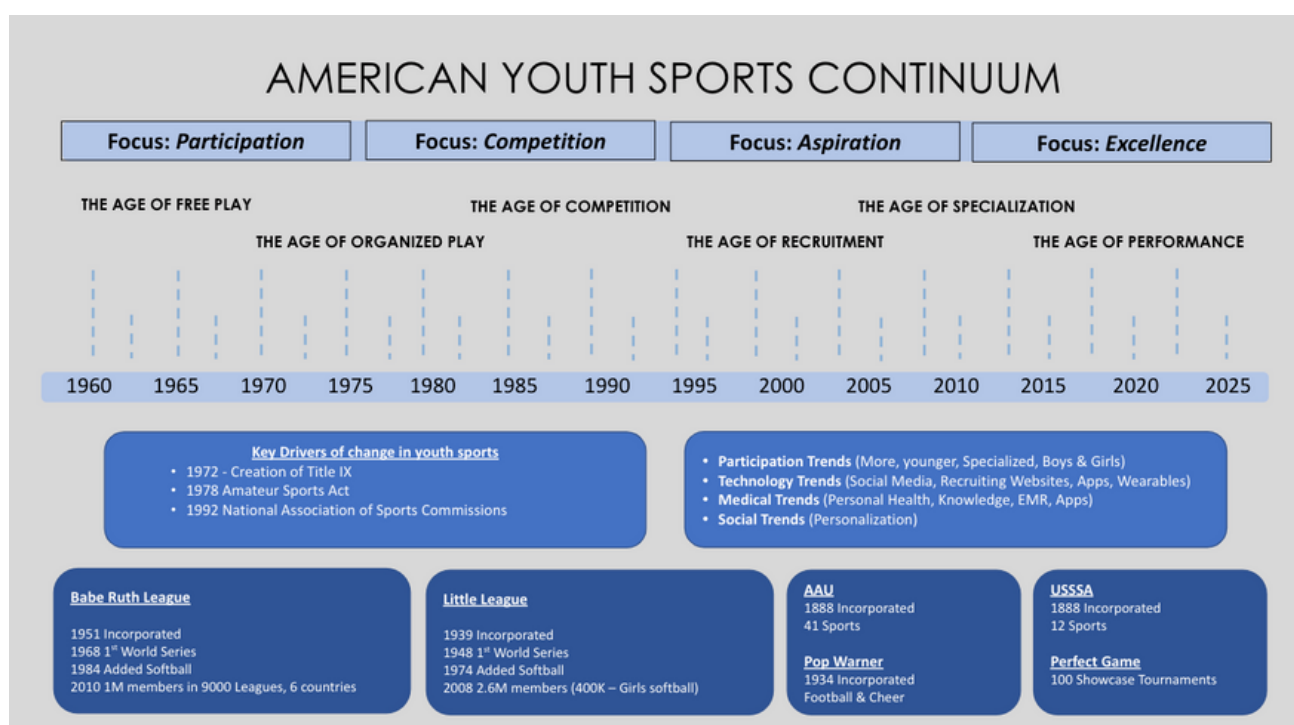


Exhibit 10 – American Youth Sports Continuum Matrix

2.2) Health & Wellness

Although Park and recreation programs have taken a more active role in community health and fitness, their changes to physical design and programming have fallen well behind the advances made in the private sector.

MARKET DEMAND

The pandemic has prompted consumers to prioritize their health, with 50% focusing more on their wellbeing, according to the 2021 Global Fitness Report. Some 82% of consumers regularly exercise (or soon plan to), while 75% of this group do gym-type activities, making fitness the world's biggest sport. These growth projections increase the total number of potential customers for Wellington Athletics.

While the pandemic created a shift to home health with the purchase of more personal exercise equipment and the dependency on wearable technology. The subsidence of the pandemic has created an incremental audience, some who may have a son or daughter in the sports that Wellington Athletics offers. The phrase "Live Revival" is a term used to describe individuals thirst to experience live experiences. So despite fears the COVID- inspired home fitness boom would spell the end for fitness facilities, research suggests live fitness experiences are driving the club recovery, with 85% of gymgoers stating they're interested in trying live classes in their facility. Meanwhile, class occupancy has reached 120% of pre-COVID levels in markets where capacity restrictions have been eliminated.

The unique combination of individual performance training next to individual fitness equipment and classes provides a solution for many parents. Also, the ability for a parent to leverage access to fitness during a period when they may be sitting in a car while their young athlete is at practice is a great advantage.

The gym has long sought to position themselves as the 'third space' between the office and home, clubs now have the chance to go one better. For facilities with enough room, there's a huge opportunity to become the 'second space' for members who want to work away from the office and grab a convenient workout while they're at it.

3) Generational Shifts Research

A deeper understanding of today's parents and their commitment to providing their children benefits not previously provided by past generations can be an indication of potential success of the Complex. The target audiences of the Complex are two-fold: Current parents as consumers and current parents of youth athletes.

MARKET DEMAND

3.1 Generation X - Parents between the ages of 57-43

The following are research excerpts regarding Generation X. According to a 2004 study conducted by marketing-strategy and research firm Reach Advisors, "went through its all-important formative years as one of the least parented, least nurtured generations in U.S. history." therefore,

- The MTV generation were the first to not see continuous improvement of quality of life; subsequent anger/rebellion was reflected through music, punk, rock, metal and grunge music genres.
- Half of all Gen Xers' parents are divorced. They were the first to be raised in record numbers in day care, and some 40 percent of them were 'latchkey kids'.
- Their parents didn't know what was going on at school, and their teachers didn't know what was going on at home. This generational parent is not going to let this happen to their children -- not even for a second. They will do whatever they have to do to make sure our kids get what they need.

3.2) Generation Y or MILLENNIAL - Parents between the ages of 27-42

The following are research excerpts regarding Generation Y.

- Experts attribute certain qualities to this generational parent: they are well educated and constantly strive to reconcile their own ambitions with parental duty, giving their child their own hashtag and their YouTube channel for everything under the sun. This generation's young adults are waiting longer to have children than any generation before them.
- Anupam Sibal, a pediatrician and author of 'Is Your Child Ready To Face The World?' says: "The problem with the current group of parents is that they can not figure out how to say no to their children and how the children can listen to them in the face of technology".
- For a lot of obvious reasons, including financial constraints, career decisions, wanderlust and more... Young adults are waiting longer to have children than any generation before them. Access to more reliable medical birth control, along with conscious choices of when to start a family, have helped to raise the age of first-time mothers.
- Today's parents continue to make sacrifices for their children, despite the belief that parental sacrifice is in decline. Even amidst new economic uncertainties... Parents are doing their best to make their children comfortable in this ever changing world.

MARKET DEMAND

- Changing family structures has much to do with changing patterns of parenting. We have moved from shared families to small families and lone parents, and young parents have more responsibilities.
 - Dual income families, less children, more disposable income.....
 - They're very interested in taking care of their health. Millennials exercise in order to keep themselves as active as possible.
 - Millennials are well connected to their children throughout cellphone messages
 - They interact and share with their children through social mediaespecially true when they're not in the same place
 - Additionally, Millennials are less likely to live close to family or become friends with neighbors, so the internet becomes an extremely crucial source of parenting advice.
 - "They are becoming increasingly aware and scared about the effects of technology and social media on a child's safety and mental well-being, and it might cause them to be increasingly cautious and vigilant."

The research shows today's parents are keenly aware of the benefits of health and wellness, both for themselves and for their children, making the products and services of Wellington Athletics appealing.

ASSESS FACILITY DESIGN

ASSESS DESIGN FOR CAPACITY AND MARKET NEED

Wellington Athletics has proposed a physical design of the Complex that attempts to satisfy a multitude of community recreational needs by adding physical programming elements which are highly focused on multi-sport performance training rather than on a typical park that has been utilized for a single sport(s) ie. baseball & softball.

Wellington Community Park has been a park focused on the diamond sports of baseball and softball with its 6 ball fields. Unfortunately, the original indoor recreation space on site has been primarily used for storage for the parks department for years. While the Park is easier to manage and grow an organized multi-age sport like baseball or softball, it is not as useful for more citizens who participate in other sports. The new design will allow local citizens access for more sports and general health and performance optimization with the diversity of proposed equipment and services not addressed in current local park offerings.

ASSESS FACILITY DESIGN

The Village has entertained the construction of a multi-purpose sports complex with an emphasis on the current Parks and Recreation gap for indoor space. The Wellington Athletics design proposal can satisfy that gap.

The proposed design includes an overall fitness area which addresses both diversity in age and sport. At the base of sports performance, regardless of sport, is an athlete's ability to improve their speed, power, agility, reaction time and quickness. These attributes can be addressed with understanding human performance more so than solely 'playing the game' which has been the hallmark of youth sports training for decades.

This specialized performance training (specialists and equipment) has normally only been accessible to professional athletes and collegiate programs and in some cases only certain sports. Wellington Athletics unique network of professionals will be introduced initially to a handful of sports that will be anchored at the Complex. However, the diversity of sports surfaces, equipment and clinicians will attract athletes of more sports and a multitude of ages and experience levels from across all areas of Wellington.

- **Proposed Design Elements**

- Fitness Area

- Purpose: Provide best in class equipment inclusive of performance equipment for the general public as well as teams in residence.
 - Target Audience: Health and fitness conscious adults.
 - Business Model: Base Monthly Membership with premium product offerings such as individual training

- Performance Area(s)

- Purpose: Provide high performance training areas for improving speed, power, agility and functional movement to optimize an athlete's potential.
 - Target Audience: Team and Individual sports training.
 - Business Model: Fees for Service, Rental fees .

ASSESS FACILITY DESIGN

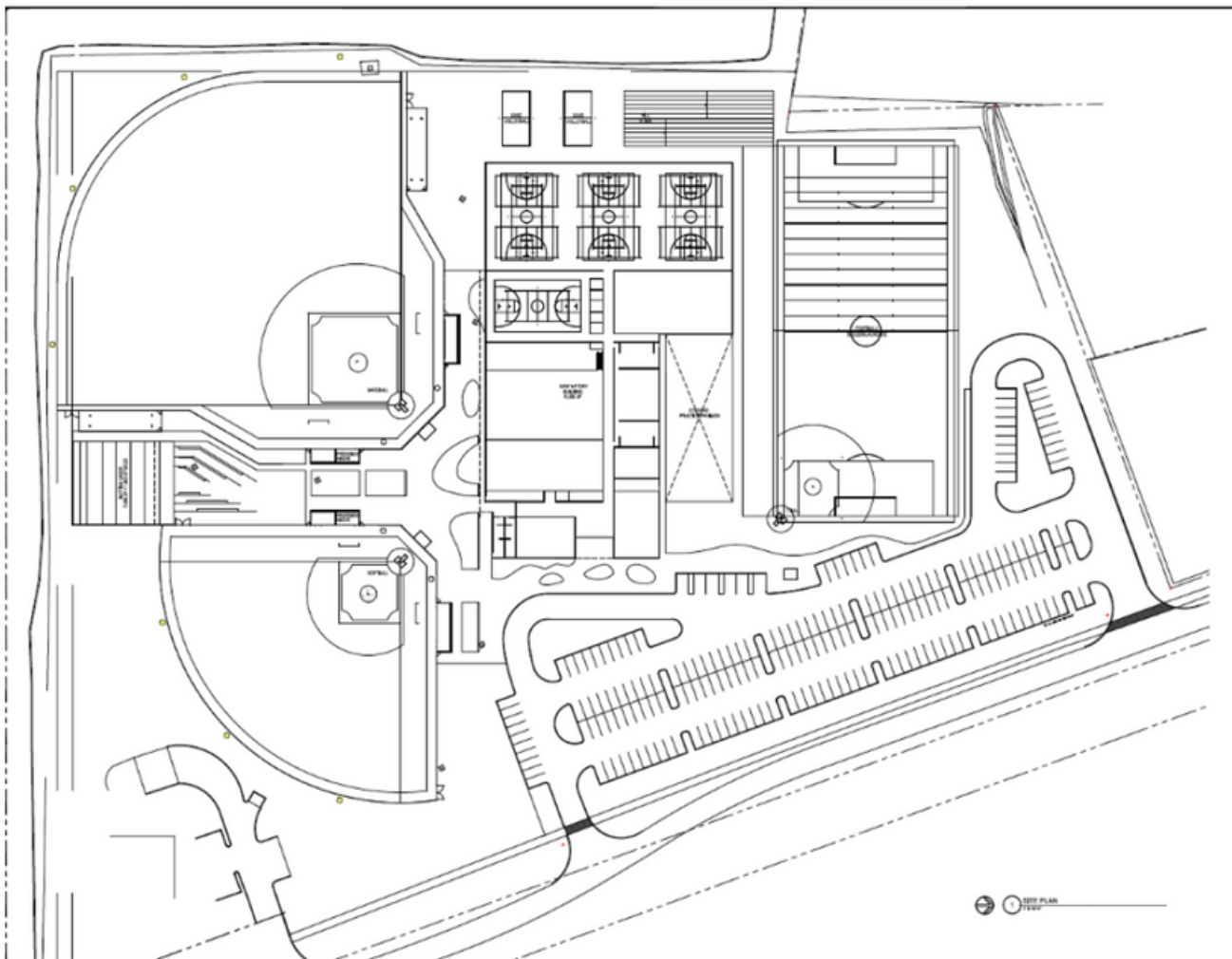


Exhibit 11 - Wellington Athletics Proposed Design

- Indoor Sport Space (3 + 1 Courts)
 - Purpose: Provide quality competition surfaces for game readiness through hosting practices, training and competition space for the sports of Volleyball and Basketball. Other sports could utilize space as well. Potential for satellite tournament site for volleyball and basketball tournaments.
 - Target Audience: There is a non-binding letter of intent with Wellington Volleyball Academy, working on a basketball anchor club.
 - Business Model: Acquire long-term tenant relationships for court rental as well as monetize free-court play through level of membership for set windows of time.

ASSESS FACILITY DESIGN

- Outdoor Sports Space (Diamond Sports (1 Softball/1 Baseball))
 - Purpose: Provide practice and competition space for the sports of Baseball and Softball.
 - Target Audience: There is a non-binding letter of intent with Elite Squad, a youth baseball and softball.
- Outdoor Sports Space (1 – Multi-sport Field)
 - Purpose: Provide practice space for the sports of football, soccer and lacrosse. Provide Village with exclusive windows of time for general community access.
 - Target Audience: General public as well as trying to secure a soccer club for certain practice windows.
- Support Spaces
 - Facility Management provided by Sports Facility Management
 - Purpose: Provide overall facility and activity programming for the Complex
 - Target Audience: Facility tenants (clients), Individual customers
 - Business Model: Base Management Fee plus incentive based fees upon obtaining key services and financial metrics.
 - Physical Therapy and other medical services will be provided by a yet to be decided provider.
 - Purpose: Provide therapeutic therapy for sports injuries
 - Target Audience: General public plus residents in training
 - Business Model: Ground lease as well as potential for sponsorship income
 - Food & Beverage Area will be provided by a yet to be decided provider.
 - Purpose: Provide a healthy food alternatives for base customers
 - Target Audience: Athletes in Training, participants, and spectators during competition windows
 - Business Model: Typical retail concession stand operation

CRITICAL SUCCESS FACTORS

CRITICAL SUCCESS FACTORS FOR THE COMPLEX OPERATIONS

This area will focus upon key factors that, in addition to the market research which identifies the alignment of demand and product, we believe may or may not give the Village confidence in its selection of Wellington Athletics and its business plan to develop and operate the Complex.

Although the Complex's physical design and its business model is an operational departure for the Village and traditional Park and Recreation departments it is important to understand certain factors that will impact its long term success. This design and programming model follows a national trend in specialized amateur sports training although with a slight model variation.

The growing trend that is outlined in Exhibit 8 – American Youth Sports Continuum Matrix shows the progression of the phases the youth athletes have experienced over the last sixty years. The appetite of today's parents for providing their young athletes with access to best in class facilities and clinicians has created opportunities for public, but mostly private sector organizations to provide the solution. Services and facilities normally reserved for pro and college athletes is now available for the right target market willing to pay for the product package. This is a plus for Wellington Athletics and thus the locally affluent community.

High performance training for youth athletes willing to pay the price has been around for about 15 years but more specialized by sport. The advancements in high motion data capture, reduction in data storage costs along with a deeper understanding of human kinetics and functional movement have allowed this training to become more readily available to a larger audience. Additionally, a proliferation of fitness wearables and smart equipment have amplified the interest in providing the technically and socially connected audience of the current generations to performance information.

Operational Considerations

- Marketing & Sales Strategy: As opposed to a typical park and recreational facility that is not obligated to make an operational profit, it is critical that Wellington Athletics has created awareness, differentiated its product offerings and prepared itself for changes in the marketplace inclusive of competition and economic downturns.

CRITICAL SUCCESS FACTORS

- Branding – Leveraging the Complex location, partnership with the Village and positioning of the Wellington Athletic ownership group, anchor tenants and key clinicians.
- M&S – A combination of social marketing to the large individual athlete (youth and adult) looking for specialized training as well as sales (business development) with groups (teams) of customers to access Complex amenities.

Financial Pro Forma:

- Ensuring the appropriate capital investment with corresponding cost estimation will help mitigate cost overruns and value engineering to the physical is important so that it doesn't impact programming assumptions and financial success.
- Construction – Pending any unforeseen construction fluctuations, the current construction costs appear in alignment with the market. The Village is in close communication with Wellington Athletics on this issue
- Operations – Wellington Athletics has shared the initial pro forma for the operations of the Complex with CSP.

Operational Expertise:

- Managing the overall proposed design and programming strategy is critical to the short and long term success of the project. Wellington Athletics contracted The Sports Facilities Companies (SFC), the undisputed industry leader in youth sports facility management business to help in a variety of ways. Initially they have utilized them in Financial Forecasting, Operational Development and positioning Wellington Athletics for facility optimization. Upon the Village final governmental approval, they intend to hire Sports Facility Management (SFM) to be responsible for the facility management and programming duties, reporting directly to Wellington Athletics ownership.
- Facility Management – This is the area that is focused on the physical plant itself, its maintenance and upkeep. It includes issues around safety, cleanliness and being current with equipment and technology trends expected in a venue of its type and caliber. The Village could consider creating an annual facility audit to ensure it satisfies or exceeds current standards set by the Parks and Recreation department.

CRITICAL SUCCESS FACTORS

- Programming – This is the area focused on managing the activities calendar for all areas of the Complex. Managing third party retailers (physical therapy & food services) to provide services to its core programming is similar to a landlord-tenant relationship of a strip mall. Additionally, balancing the consumer based fitness center for the general public with the rigor of tightly managing diamond, court space and performance center spaces for teams requires experience which SFC has.

Product Differentiation:

- Client/Customer cost of acquisition is critically important for Wellington Athletics. Product and Service quality along with competitive market pricing are two important factors in assessing acquisition.
- Product Pricing – Ensuring not only having a competitive price point for base membership fees, but also rental fees and tapping into premium services for membership will be important. Where price point is one factor, Wellington Athletics must also be focused on “Price-Value”, meaning that the price its members pay are assumed to be worth the price paid which can create an intent to return and intent to recommend to their peers.
- Service – Unlike the public sector that is not held as accountable for sustainability as the private sector, Wellington Athletics must be highly motivated to manage the business by establishing a reputation for providing great customer service. This is a departure from most youth sports venues as well as youth sports organizations. Establishing this reputation will only reinforce the differentiation of the product.

Community Partnerships:

- Village of Wellington Park & Recreation – Due to the P3 relationship Wellington Athletics can be considered part of the recreational offerings of the Park and Recreation and could be highlighted on Village websites. The importance of this relationship will help provide confidence to the community stakeholders.

CRITICAL SUCCESS FACTORS

- Palm Beach Sports Commission (PBSC) – PBSC is an important partner of the Village in driving economic impact to the Village. PBSC has a strong track record both locally and nationally in driving economic impact. PBSC is very anxious for this project's completion to add to its portfolio of quality sports tourism venues. PBSC is also in active discussions with Wellington Athletics discovering partnership possibilities as well as determining how PBSC can leverage the Complex to help in the attraction of state and regional events adding incremental value to the Village.

These five keys to success should be closely monitored and understood by the Village throughout the length of the agreement and could be the essence of a measured dashboard for the Village to review.

CONCLUSION

The Village would now appear to be in a more informed position in deciding on whether to move forward. The Village staff realizes it needs to address the growing market demands and its appetite for needing more indoor recreational space specifically with the sports of volleyball and basketball in mind. The Village's decision in determining whether it should develop, build, and operate a traditional sports complex, with traditional operating models or pivoting slightly to allow private sector investment to build something potentially even better while still being an active monitor for its citizens has presented an attractive opportunity. Additionally, those evolving demands and expectations of its active citizens are at a much higher level than most communities based upon its demographics.

Clancy's Sports was challenged with the job of providing the Village of Wellington with pertinent research to help it determine if the newly proposed public-private partnership between itself and Wellington Athletics had a high degree of potential success. The market research appears clear that when assessing if a target market for the type of design and type of products and services proposed to be offered is very positive. The market affluency with both disposable income, population demographics and spending power exists in the larger Wellington marketplace. Additionally, the psychographics of the targeted decision makers, comprised of adults ages between 27-57 years old (Generations X and Y) have all the indications that the products and services being considered are accurate.

CONCLUSION

Understanding the affluence of the market was part of the scope of work. Clancy's Sports was also challenged with understanding the sport and fitness demands and participation within the market. This research also showed positive signs when understanding the trends within the youth sports marketplace as well as the trends in personal fitness. Both marketplaces show upward trends in participation and spending. Adults in this demographic (Gen X and Y) care more about their personal health than any previous generation and has put a priority on it.

Additionally, as parents of the target market youth athlete for Wellington Athletics products and services, they have a high degree of willingness to ensure their child has the best access with less consideration on price. When catering to educated buyers, Wellington Athletics should be prepared to compete for the loyalty of these customers through product quality and customer service.

No research is exact and therefore cannot convey absolute success. A level of uncertainty does exist as there is still a lot of work to be planned and completed. From a capital expenditure perspective, controlling costs considering the rate of inflation challenges every capital project and should be monitored closely. Decisions on value engineering the design will increase if inflation continues to rise. The proposed design elements address the major concerns of the targeted core sports from a space planning perspective. Ensuring the more precise benefits and features within the facility can go a long way in attracting and retaining its base customer. The research also highlights the gym or practice field is the new 'third home' (versus work and living home) for this consumer and should not be underestimated.

Lastly, after understanding the marketplace, and determining the appropriate sports design the balance of success rests with Wellington Athletics ability to manage the operation.

Every business is a risk and this P3 is no exception. Wellington Athletics has taken important first steps in partnering with best-in-market sports organizations to become anchor tenants for the Complex. Both Wellington Volleyball Academy and Elite Squad baseball have shown the willingness to sign long term agreements with Wellington Athletics providing a baseline of revenue for multiple product lines (rentals and performance training). Engaging these entities early in programming design will only enhance the relationship and viability of success. Additionally, adding sports medicine, physical therapy and sports, science to an amateur facility is unique and should excite the local sports marketplace.

CONCLUSION

The commitment from Wellington Athletics leadership to create a community recreational asset appears very strong and exemplified through the local celebrity nature of Jonathan Bostic, its CEO. While Jon has experienced some best-in-class training environments at the University of Florida and with multiple NFL teams, he appreciates the simplicity of the product offerings (training and performance) yet he understands the complexity of its operational management. Wellington Athletics has made good choice in selecting the industry-leading youth sports facility management company, Sports Facility Management (SFM), to become its operational management company for the complex. Balancing people and their event/training schedules is not simple, but SFM has the leadership and experience to solve most any problem that may arise. Wellington Athletics has also indicated it plans on building a capable and motivated operational team with locally recognized sports clinicians to round out the team.

So collectively, market demographics, consumer psychographics, trends in youth sports and fitness combined with smart design should position this public-private partnership to achieve success in the Village Wellington.

APPENDIX I - COMMITMENT LETTERS



September 18, 2022

Subject: New Wellington Sports Facility – Wellington Volleyball Academy Participation

Wellington Volleyball Academy (WVBA) was established in October 2015 to provide opportunities to local kids and families to develop, improve and enjoy volleyball in the area. WVBA promotes the principles of teamwork, individual responsibility, and good sportsmanship through participation in competitive volleyball activities

WVBA is a member of AAU and the Florida Region of USA Volleyball. The primary goal is to develop individual skills of every player and to perform at a high level in a team environment, ultimately providing opportunities to our athletes in gaining collegiate scholarships for boys and girls.

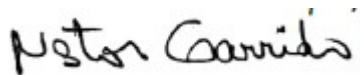
WVBA currently has over 325 kids from 7 to 18 years old registered in 28 competitive travel teams divided in Regional, State and Elite teams from 11u to 18U divisions, and clinics for beginners. Our staff includes 34 highly qualified coaches who also coordinate our College Recruiting Program, Mental Toughness Program, social media, Stats, traveling, scheduling, and training.

WVBA currently uses Polo Park Middle School and Somerset Academy Wellington as our two (2) facilities within the village; because of the large volume of players, we also use facilities outside of the Village of Wellington including Jeaga Middle School, Okeeheelee Middle School, LC Swain Middle School, and Faith United Methodist.

WVBA could use at the proposed new facility in Wellington at least 5 courts from Monday to Friday 6pm-9pm, Saturday morning and Sunday afternoons. In addition to our scheduled practices, this new facility could be a great venue for us to bring regional and state AAU and USAV tournaments to Wellington.

We are highly motivated to be part of this exciting project; we are very optimistic that this potential partnership will add to the success of the program. Please let me know if you have any questions or need additional information.

Thank you,



Nestor Garrido, Director
Wellington Volleyball Academy
(561) 601-0647
nestor.wvba@gmail.com

APPENDIX 1 - COMMITMENT LETTERS



17398 SW 36TH St. Miramar, FL 33029
www.elitesquadbaseball.org

September 15, 2022

To Whom It May Concern:

This letter serves as our notice of intent to participate with the Bostic Group, led by Jonathan Bostic, as they seek to redevelop 22 acres within the Village of Wellington, Florida, commonly known as the Boys and Girls Club site. The purpose of the redevelopment is to construct an all sports facility to help the youth of Palm Beach County train and develop to reach their sporting goals. Elite Squad Baseball, LLC is a nationally known showcase baseball organization that would participate in the baseball aspect of the new sports complex.

Owned and Operated by Richie Palmer, Elite Squad has been active for 15 plus years, operating within the travel/showcase baseball environment. Currently the organization consists of:

1. A High School (14u-18u) Showcase Baseball Program with teams operating out of South Florida, Palm Beach County, Louisiana, Virginia, New York and Texas that play during the summer and fall months of each year. Approximately 600 players participate in this program nationally.
2. A Youth (9u-14u) Travel Baseball Program operating mainly out of South Florida and Palm Beach County that plays year round. Approximately 100 players participate in this program.
3. A Collegiate League team (consisting of current college baseball players from all level of college sports) that plays within the Collegiate League of the Palm Beaches during a 3-month period of each summer. This team consists of 30 players from colleges all across the nation.
4. A sports Academy hosting 60 students who participate regular high school classes via Florida Virtual School. The program, works each day from 10:00am until 3:30pm playing a robust schedule of games. This program coincides with a regular school year calendar and is currently located in Deerfield Beach, FL.
5. A full complement of coaches, volunteers, strength and conditioning coaches, pitching coaches, guidance counselors and media personnel design to provide the best service possible

Elite Squad has been extremely successful on and off the field. With too many tournaments victories across our various age groups to mention, we are excited about the fact that we have placed at least 700 players in college, had approximately 100 players drafted to Major League Baseball and currently have 15 or so players on major league rosters. In addition, our players want to come back and be a part of the organizations when they are finished playing, which speaks volumes about the relationships we build.

As indicated previously, we are a well known, nationally recognized and operated baseball program that calls South Florida home. We have been operating in Palm Beach County for the last 10 years and our partnership with the Bostic Group is a natural extension of that commitment to this area.

We are excited and committed to the success of this sports complex. The children of Palm Beach County need a facility like this and the team put together by the Bostic Group will provide the expertise to insure the success of the project.

If you have any questions regarding Elite Squad Baseball, our commitment to this project and/or the services we will offer please do not hesitate to contact me at 561-312-0701.

Sincerely,

Jimmy Beno

Jimmy Beno
Director of Baseball Operations
Elite Squad Baseball

APPENDIX I- COMMITMENT LETTERS

Wellington Colts Travel Baseball

September 21, 2022

Subject: Wellington Sports, Wellington Sports Facility

The Wellington Colts is in its 12th year of being the travel baseball provider for the Village of Wellington. The program is set up as two seasons, Spring and Fall, and provides an opportunity to the Wellington community kids to play baseball at a high level while promoting teamwork and sportsmanship.

Currently this fall we have 109 kids participating in the program. The spring season the program will top out around 120 kids. The kids range in ages from 7 to 14. All coaches and board members are all volunteers, and the program is a 501©3 not for profit charity.

The Wellington Colts currently use the Olympia Baseball Complex as our home field along with Field 21 at the Wellington Village Park. The new facility will provide additional practice space in the evenings along with a new playing field for our 13u and 14u teams on the weekends.

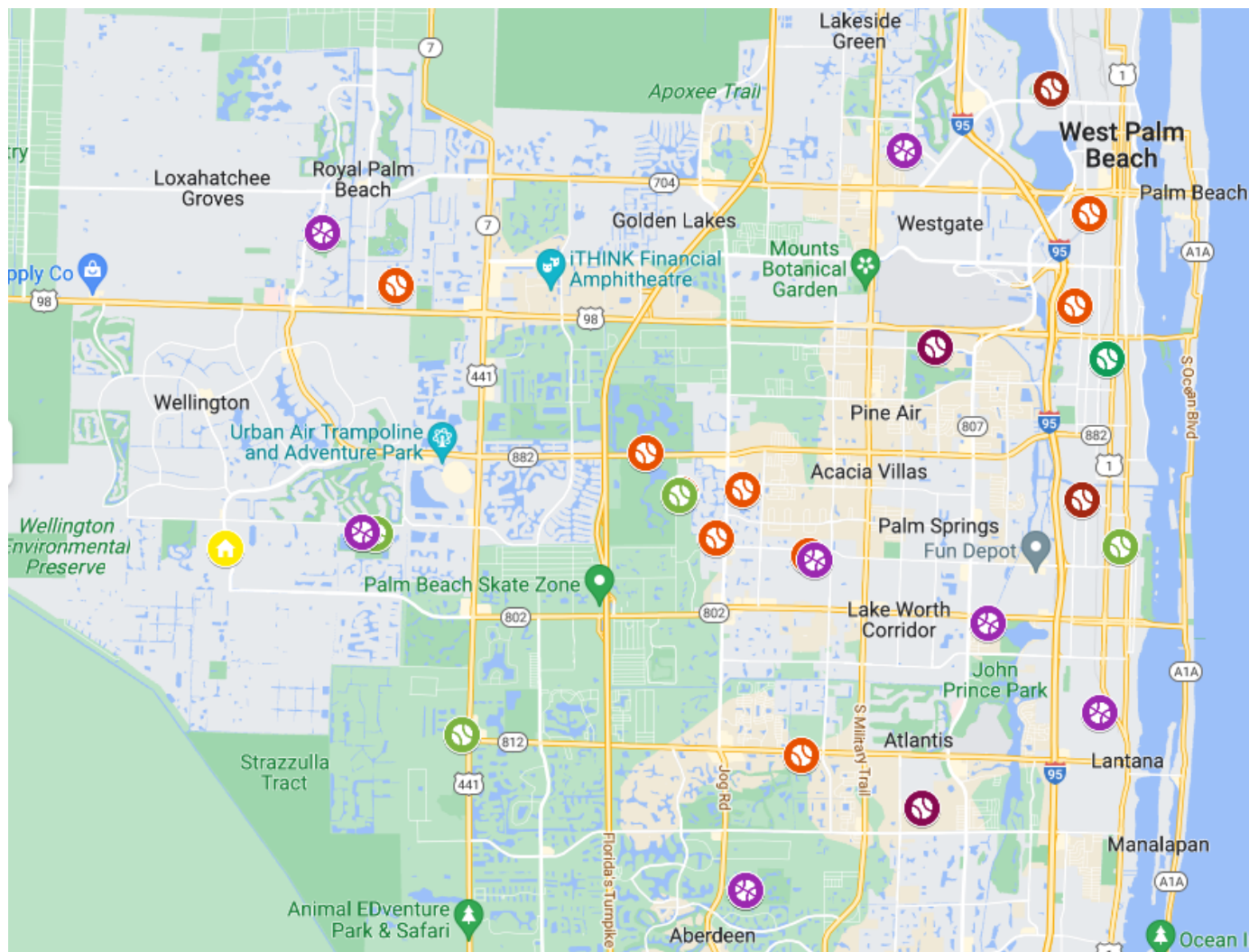
The Wellington Colts are thrilled to be a part of this new proposed state of the art facility and look forward to helping out in anyway to continue to help the project move forward.

Thank you,

Chad Mills

Chad Mills
Wellington Colts Vice President
561-704-0323

APPENDIX II - NEARBY FACILITIES



The map above shows nearby facilities, located up to 60 minutes driving from Wellington Athletics Complex (Yellow Icon). For a complete list of facilities and an interactive map, please visit:

<https://www.google.com/maps/d/u/0/edit?mid=1Gkgs9N5SHZmzyPkhdgjuOCD4zm89x8M&usp=sharing>

APPENDIX III

ABOUT CLANCY'S SPORTS

Clancy's Sports is a Florida based LLC which was founded in May of 2014 by former Walt Disney World Sports executive, Mike Millay. The Orlando-based company is a sports consultancy company which specializes in strategic planning, facility development review, sports-event programming and organizational execution strategies, as well as the development of event properties, which drive economic value to communities.

As the Director of Business Development for ESPN Wide World of Sports (EWWS) complex, Mike was one of the original and remains the longest tenured executive of the EWWS complex. The complex opened in March of 1997 and is part of the Walt Disney World Resort. As the initial executive in the development and execution of the business strategy behind the then conceived "Disney's Wide World of Sports Complex", his roles included providing leadership insights into facility design, client negotiations, and event programming and event management organizational design. He was also responsible for overseeing sponsorship and marketing efforts during much of his tenure.

During his 19+ year executive career with Disney, Millay led the facility development side of the sports complex and as well as new events and partnership activations. Mike also oversaw the programming, sales and event management for what is recognized as the busiest sports complex in the world. His team was responsible for negotiating with all event rights holders inclusive of negotiating lodging and entertainment options for the athletes and spectators. That team annually drives over 600K room nights into the Central Florida marketplace. The complex drives over 360K athletes creating significant economic impact through sports tourism.

In addition to Fortune 100 corporate experience, Clancy's is influenced by Mike's non-profit sports background as he helped create that Greater New Orleans Sports Foundation serving as its first executive director for almost 7 years and helped form the National Association of Sports Commissions (NASC) serving as its chairman for 2 terms. He is active with several local and national sports organization boards of directors such as the Greater Orlando Sports Commission, the DeVos Sports Business Management Program, and Ohio University Sports Management program advisory board. He also serves on the SportsTravel Magazine Editorial Advisory Board.

Leveraging the key learnings from executive sports leadership at Disney as well as building from strong relationships within an extensive network of sports commission leaders, NGB relationships, professional sports executives, facility management and ex-Disney leaders, Clancy's offers organizations tremendous strategic insights with practical experience managing events and facilities.

PAST CLIENTS |



PAST CLIENTS

FACILITIES DEVELOPMENT

Louisiana Stadium Exposition District - Partnered with lead firm for Feasibility Study on Multi-purpose Sports Complex being considered for Jefferson Parish, Louisiana. Provided programming insights and partnering on design and overall analysis. Providing event programming insight into the potential development and management of a \$25M multipurpose sports complex. Consulting on business development, event management, facility management, industry insights as well as business projections. Work was in support of Hunden Strategic Partners.

Collier County, FL (Naples) - County-Wide Feasibility Study on Sports Facilities. Partnered with Hunden Strategic Partners in the plan.

Lee County, FL (Ft. Myers) - County-Wide Feasibility Study on Sports Facilities and programming strategy update. Partnering with Victus Advisors on the study.

Gulf Shores & Orange Beach, AL - County-Wide Feasibility Study on Sports Facilities and programming opportunity evaluation. Partnered with Hunden Strategic Partners in the study.

Grand Rapids Sports Commission, Grand Rapids, MI - County-Wide Feasibility Study on Sports Facilities and programming opportunity evaluation. Partnered with Hunden Strategic Partners in the study.

Magnuson Park (Hangar 2) - Strategic Development, Organizational Structure, and Business Modeling for renovation of Historic Airplane Hangar into a multi-purpose sports complex Unique project that is part facility development and part organizational design helping two youth sports organizations (archery & lacrosse) combine to develop a business strategy to create business models to allow for the redevelopment of a historic airplane hanger into a sports facility suitable for training and sports competition.

Lake Point Sports, Atlanta - CS provided industry expertise to the current owners of Lake Point Sports, who took it out of bankruptcy to a positive long term success, based on a new strategic operational plan.

Galway Downs, Temecula, CA - Strategic & Master Planning work for a 240-acre equine facility for the purposes of redevelopment opportunities. Located east of San Diego in Temecula, CA. Inclusive of optimizing equine business, converting land into sports venues, adding a special events venue (weddings & conferences) and lodging.

PAST CLIENTS

FACILITIES DEVELOPMENT

Sterling Ranch, Denver, CO – Strategic Planning work for sports & recreation elements for a 3,400 acre planned community in southwest Denver

Horizons West Regional Sports Complex, Orange County, FL – Working with a master developer whose land is contiguous with a proposed county sports complex. CLP has redesigned the complex to be more diverse in its asset offerings, working with the community leaders to create a new operational model that is a public-private partnership in terms of capitalization and operations.

San Jose Parks & Recreation – Facility Programming support for the construction of a new softball facility for the Parks & Recreation department.

ESPN Wide World of Sports, Lake Buena Vista, FL – As a member of the Disney executive team, Mike took the lead role in developing all programming and event strategy and design development for the 252-acre sports complex which has become the benchmark worldwide for youth sports facilities.

Flamingo Crossings, Orlando, FL

Contracted by this hotel management company to develop a sports marketing and sales strategy for two 250-key flagged properties located near the Walt Disney World Resort.