



Board of Directors
Regular Meeting Minutes

Date: June 27, 2023
Recorded by Sally Westendorf

Board Members Present: Susan Boggs, Robert Craft, Gerald Tipton, David Bodenhamer, Bill Brett, Glen Kaiser, Frank Reed, Mark Stillings; (a quorum was met)

Board Members Absent: Bill Bennett, Karen Bobe, Penny Groux, Tony Kennon (represented by Ken Grimes)

GSOBT Staff Members Present: Laura Beebe, Kim Chapman, Beth Gendler, David Greene, Jo Phillips, Michelle Russ, Todd Walton, Sally Westendorf

Visitors: Ken Grimes (City of Orange Beach), Gary Ellis (State Park, retired), Sheila Hodges (Meyer/STARR, retired)

Call to Order

Chairman Glen Kaiser called the meeting to order at 8:31 am in the conference room at the Orange Beach Welcome Center in Orange Beach, AL.

Beth Gendler introduced the new VP of Marketing, Todd Walton.

Board Meeting Minutes

The meeting minutes from May 2022 were presented.

David Bodenhamer made a motion to approve the May 28, 2022 minutes, seconded by Mark Stillings. After no discussion, the motion passed. Members absent from the May meeting abstained from voting.

Consent Agenda Items

The following Consent Agenda Items were reviewed prior to the meeting.

Beth Gendler gave a brief overview of occupancy stats and other KPIs for the destination.

David Greene commented on the handout with recent Tax Revenue info, pointing out the YTD total, which was down \$75,000 from the prior year.

Susan Boggs made a motion to approve the consent agenda items, seconded by Mark Stillings. With no discussion, the motion was passed unanimously.

Action Items

David Greene introduced *Resolution 23-10 - Designation of Check Signers*, explaining that Todd Walton, the new VP of Marketing, would become an additional check signer.

Susan Boggs made a motion to approve *Resolution 23-10 - Designation of Check Signers*, seconded by Robert Craft. After no discussion, the motion passed.

Robert Craft explained the easement proposal in Tab 8, which was a request from the City of Gulf Shores to the GSOBT Board to move one easement on the future Sports Tourism Complex property on Coastal-Gateway Blvd.

Bill Brett made a motion to move forward with the consideration to move the easement, subject to the site plans being developed by future engineering firms (yet-to-be-hired). Susan Boggs seconded the motion. There was no further discussion, and the motion was passed with no objections. Robert Craft abstained.

Presentation

The Sports Facilities Companies (SFC) representatives, Dan Morton and Kaliegh Hincman, introduced themselves and provided a brief summary of their company and feasibility study methodology. Dan noted their plans always assume SFC's involvement in the management of future facilities.

The Proposal included a 37-acre outdoor complex, with one portion being 400 feet of fenced turf fields for softball and baseball (that translate to 6 multi-purpose fields; e.g., soccer; reference [item 9 slide 28](#)), and another portion that would be solely multipurpose turf (i.e., 6 long fields, which translate to 12 youth baseball/softball, 2 per long field; reference [item 9 slide 27](#)). In total, both portions would be able to accommodate up to 24 youth baseball/softball fields or 12 multipurpose (e.g., lacrosse or soccer), and would also include maintenance and support facilities.

The proposal also pitches a 3.11-acre indoor facility (150k sqft), which includes space for up to 20 volleyball or 10 basketball courts (or flex for dance and cheer competitions), a 13k sqft Family Entertainment Center (FEC), and flex space (e.g., potential rental opportunities, etc.). As well, SFC outlined adequate space for parking, greenspace, trails, and setbacks.

The estimated cost of development for both the indoor and outdoor facilities was \$90.8M, including 3% escalation over a 3-year period. According to SFCs financial models, their recommendation was to NOT phase each facility and to instead build both facilities at the same time.

One important note made by the presenters was the inclusion of Food and Beverage services as the biggest revenue stream and assumption in their modeling. Also, SFC provided an example from an Ohio complex that benefitted financially by partnering with a local medical provider (e.g., adding \$11M to their capital stack).

Page Three
Board of Directors Meeting
June 27, 2023

In sum, SFC estimated EBITDA, with all facilities built at once, to be 2% by Year 5. As well, the presenters showed estimates for consumer spending (slide 21), and overall economic impact (slide 23).

As for next steps, SFC encouraged research to further clarify and establish funding sources (e.g., special use districts or a TID, sponsorships, naming rights, etc.).

Following the conclusion of the presentation, and after a short break, Michelle Russ presented documentation outlining potential and lost business. There was a brief discussion about long-term financing options, explained by David Greene.

Beth Gendler then presented information about potential revenue opportunities. Namely, that an OTA implementation team (StaySense) would be prepared to present at the July board meeting as well as a group that specializes in TID establishment (Civitas).

The Board and staff discussed next steps: to determine if the organization moves forward; then determine financing and revenue options; to begin surveys and engineering (bidding); and then define management options and leasing opportunities. The Board agreed that the staff should be allowed to move forward to send RFPs for site planning, etc.

Discussion Items

Susan Boggs gave a brief overview of the NOAA Rice's Whale proposal. She outlined a few organizations that had already taken a stance or would be submitting letters of opposition, which were due by July 6th. The Board agreed that a letter of opposition should be submitted.

Present Board Members agreed to move forward with an out-of-town Board Retreat during 11/29 – 12/1 (in Mobile, AL).

Adjourned

Chairman Glen Kaiser adjourned the meeting at 11:16 am.