

PERC Steering Committee – Market Analysis Work Group Meeting Summary

Meeting Date: Tuesday, March 16, 2021 | 5:30-7:00 p.m.
www.cityofpoulsbo.com/perc

1. Orientation and Protocols

Karla Boughton welcomed members and introduced Peter Battuello who shared a presentation outlining the purpose, objectives, and timelines of the Market Analysis Work Group. Commitments to KPFD and the PERC proposal were also outlined. The presentation is attached to this packet.

2. Around the Zoom Room - Introductions

Peter Battuello asked members to introduce themselves and say why they are participating in this work group. He encouraged questions or opportunities for potential PERC uses to be dropped in the chat box. A roster of Market Analysis Work Group members and meeting attendees is attached.

3. Group Discussion

Peter Battuello introduced Jason Hennessy and Sherrie Hsu from BERK consulting. BERK is leading the market analysis and outreach efforts.

4. Market Analysis Update

Jason Hennessy and Sherrie Hsu from BERK consulting gave background on what they do and presented an update on the methods used and research they have done to understand the local and regional demand for potential PERC components. The presentation is attached to this packet.

5. Group Discussion

The group was asked to respond to BERK's presentation and share their input on positive indicators, concerns, additional analysis that may be needed, or other missing points. Key message points are attached.

6. Closing Comments

Peter Battuello thanked the group for meeting and encouraged participants to reach out as they have more questions and comments. He also encouraged group members to contact each other. Next steps overall include selection of an architect to help with site concept planning. Online community chats will be hosted on March 27th and March 30th to engage community members.

7. Adjourned at 6:59pm





Poulsbo Events & Recreation Center

PERC Market Analysis Work Group Meeting #1 Attendees March 16, 2021 – 5:30-7:00pm

First Name	Last Name	Organization/Affiliation	User Email	Work Group Assignment
Peter	Batuello	Project consultant to City of Poulsbo	peter.batuello@perceet.com	Executive Team
Debbie	Booher	City of Poulsbo (Finance)	dbooher@cityofpoulsbo.com	Financial Analysis Plan Work Group
Karla	Boughton	City of Poulsbo (Planning and Economic Development)	kboughton@cityofpoulsbo.com	Executive Team
Tom	Duchemin	Gateway Fellowship	tom.duchemin@gatewayfellowship.com	Draft Management Work Group
Abby	Garland	Community Member	abbygarland@gmail.com	Market Analysis Work Group
Kristina	Goodfellow	City of Poulsbo (Parks and Recreation)	kgoodfellow@cityofpoulsbo.com	Market Analysis Work Group
Mari	Gregg	Poulsbo Parks & Recreation Commission	ahardworkinggal@hotmail.com	Site Concept Plan Work Group
Jason	Hennessy	Project Manager, Berk Consulting		Consultant
Holly	Hill	Western WA University on the Peninsulas	hillh9@wwu.edu	Market Analysis Work Group
Sherrie	Hsu	Lead Analyst, Berk Consulting		Consultant
Tim	Morgan	Sports management/events	Tjmor34@gmail.com	Market Analysis Work Group
Joe	Morrison	Kitsap Economic Development Alliance	morrison@kitsapeda.org	
Irene	Moyer	Poulsbo Chamber of Commerce	membership@poulsbochamber.com	Market Analysis Work Group
Doug	Newell	CK School District Finance & Support/Community Member	dougn@ckschools.org	Market Analysis Work Group
Jessie	Palmer	YMCA	jpalmer@ymcapkc.org	Market Analysis Work Group
Jess	Rae	City of Poulsbo	jrae@cityofpoulsbo.com	Exec Team Support



**PERC Market Analysis Work Group
Meeting #1 Attendees
March 16, 2021 – 5:30-7:00pm**

Jason	Rhoads	North Kitsap School District	jrhoads@nkschools.org	Financial Analysis Plan Work Group
Chris	Rieland	PNW Title	chrisr@pnwtkitsap.com	Market Analysis Work Group
Dan	Schoonmaker	City of Poulsbo (Parks and Recreation)	dans@cityofpoulsbo.com	Executive Team
Shannon	Turner	23 rd Legislative Office/Community Member	shannon.turner@leg.wa.gov ; shannon.turner39@yahoo.com	Market Analysis Work Group
Guest	Unk	Unk	(253) 327-4658	Guest
Mike	Walton	Kitsap Public Facilities District	mwalton@kitsap-pfd.org	Financial Analysis Plan Work Group



PERC MARKET ANALYSIS WORK GROUP MEETING #1
DISCUSSION SUMMARY
March 16, 2021 - 5:30-7:00pm

The City of Poulsbo convened the PERC Market Analysis Work Group on March 16, 2021 to kick off the committees' involvement in the PERC Feasibility Study. There was a period during the meeting when group members were able to provide input and comments. Key thoughts from the group and some of the staff responses include:

- A commercial kitchen or farmer's markets may be good additions to the PERC.
- What is the approach to determine the type of facility the PERC will be?

Staff Response - There is a certain amount of clarity around what the facility will be based on commitments and proposals to KPFD. The community provided input on what they want, so the next steps will be testing community preferences against City and KPFD expectations. The facility will be scaled based on what the market can bear.

- Concern was voiced surrounding all the ideas that have been thrown out there and spreading the facility too thin.

Staff Response - Response from the community has been a little bit of everything, so clarifying questions have been asked on a new online open house. In the next 30-40 days there will hopefully be more clarity on what the PERC will ultimately be.

- It was brought up that it may be helpful to look at the outdoor and indoor portions of the facility separately during the planning stages.
- Has the City identified gaps and needs in parks and recreation programming?

Staff Response - The Parks and Recreation Department is in the process of diving into details about which programs are popular and meeting community needs, as well as identifying gaps that may exist

- Concern was raised about the reach of the open house survey. There is concern that outreach will be limited to those who are in favor of the PERC.

Staff Response - A campaign consultant will be utilized and phone surveys will eventually be needed.

- A business survey will need to be conducted regionally as businesses are likely to host events and generate revenue.



PERC MARKET ANALYSIS WORK GROUP MEETING #1
DISCUSSION SUMMARY
March 16, 2021 - 5:30-7:00pm

- Sports tournaments require at least four or more fields to hold a decent-sized tournament. If there are other fields located near the PERC, they can be used to enhance the tournament by being able to host more teams. The same concepts would pertain to court sports. Adequate spectator seating will be needed both inside and outside the facility
- If the City is permitted sell naming rights to all or parts of the facility, it could bring in additional revenue. Businesses may be interested in this.

The City team introduced BERK Consulting. Jason Hennessy and Sherrie Hsu presented the summary of their work to date. Key points raised by BERK include the following:

- BERK heard from other facilities about the types of events that draw revenue. Those include conferences and business trainings. They also heard tips on reserving weekends for large events. Determining what the market can bear is part of the next steps.
- Focusing facility on specific areas will drive usage ratios between public and commercial use of the facility.
- Pools and theaters are already available in the community, so there may be other areas that need focusing on.
- Next steps need to sort through information and make decisions on what priorities will be included in the feasibility study.
- Concern was raised by the work group about not having enough land for the proposed uses of the facility. It was mentioned that other facilities in the area are larger than what is currently owned by the City. More land may need to be acquired. Funding and land availability will limit what can be done. At some point choices need to be made, so it will be important to determine what uses will work well and how much space each option needs within the footprint available.

Staff Response - There have been discussions with brokers of College Marketplace regarding three additional lots adjacent to the land presently owned. Development requirements and fees will be considered. Current available space is at the front of the City's and PERC team's thought processes

- The study needs to consider what will set the PERC apart from other opportunities and facilities in the region. Would the PERC be able to compete for users in the area? Do certain services really need to be duplicated?

PERC MARKET ANALYSIS WORK GROUP MEETING #1
DISCUSSION SUMMARY
March 16, 2021 - 5:30-7:00pm

- Considering community interest expressed in aquatics in the survey, not having a pool would greatly decrease support for the project among those that may be asked to financially support this project via taxes. There needs to be a balance between what costs money and serves the community vs. what brings revenue and meets the needs of the region.

Staff Response - Internal discussions within the PERC team expressing concerns on a pool and the long-term ownership and maintenance requirements have been had and are ongoing.

- It would be good to coordinate with the tourism bureau on requests, questions, or needs.

Staff Response - Visit Kitsap has been supportive of the PERC and may be a future partner. Balancing commercial purposes with community interest will be important. The region draws a lot of people for regional sports, farmer's markets, and festivals, so there is potential for many people to come in and use the PERC. Patty from Visit Kitsap is on the steering committee as well.

Staff Response - Engaging the business community and making determinations about their interest on the commercial side is not something that had been discussed previously.

- It is worth having conversations with the business community to gauge interest in using the PERC.
- Gateway Fellowship is one of the only meeting spaces in North Kitsap for large events. Thomas Duchemin will provide BERK with information on the current volume of requests to utilize Gateway's facilities.
- Meeting and event spaces are a great opportunity for revenue streams. PERC will fill a gap for meeting spaces in the area. Weddings can also be hosted there.
- Close coordination with the hotel will be needed because the hotel will have meeting space. It needs to be understood what type of meeting space the hotel will have so it is not overlapping. Technology for meeting spaces is also an important consideration.

BERK requested that ideas for how to reach out in efficient ways to multiple businesses at one time be sent to them so that the number of contacts can be maximized. The business community can provide further clarification on what they would be willing to pay for.





PERC

Poulsbo Events &
Recreation Center



MARKET ANALYSIS WORK GROUP MEETING #1 - MARCH 16, 2021

Market Analysis Work Group

PURPOSE

- Review market research and provide input on preferred markets
- Assess feasibility criteria
- Provide comments to the preliminary Market Analysis Report
- Recommend feasibility of preferred markets



Commitments to Our Funding Partner

STATE LAW

RCW 35.57.20 -... "regional center" means a convention, conference, or special events center, or any combination of facilities, and related parking facilities, serving a regional population.... OR ...recreational facilities other than a ski area.

KPFD SELECTION CRITERIA

- Economic Development
- Efficient use of public and private monies
- Innovative in their design and construction
- Multi-purpose in function



Poulsbo's proposal to the KPFD

The Events Element

- ✓ A regional facility for conferences, business meetings, workshops, lectures, weddings, and banquets.
- ✓ Attracts event goers from Jefferson, Clallam, King, Snohomish, and Mason Counties.
- ✓ Provides family-focused local facility for North Kitsap event planners
- ✓ Enhances OC/WWU ability to attract events and increase student enrollment



Poulsbo's proposal to the KPFD

The Tournament Fields Element

- ✓ Complement existing fields in Poulsbo for larger tournaments.
- ✓ Provide four-season tournament opportunities
- ✓ Will be lighted, with adequate seating, and all-weather turf
- ✓ Will be multi-use: Soccer and other ball sports



Poulsbo's proposal to the KPFD

The Parks and Recreation Element

In 2018 Parks and Recreation delivered

- ✓ 700 activities annually
- ✓ Nearly 10,000 participants
- ✓ Community events/dances
- ✓ Indoor fitness
- ✓ Sports Leagues
- ✓ Art, crafts, cooking classes
- ✓ Senior program and excursions
- ✓ Youth programming



Markets and the PERC

Markets that provide consistent revenues

- Repeat users
- Regional attractions
- Multi-day activities
- Four-season markets

Markets the connect to the local economy

- Local marketplace opportunities
- Key partner accommodations
- Profit potential



Intros and Discussion

Introduce Yourself

Ask a Question

Name an opportunity to draw revenue to the PERC



Market Analysis Update

BERK Consulting

- Competitively selected in November 2020
- Conducting research with comparable sites, local users, and Steering Committee members
- Your input and survey data will inform alternatives
- Draft Market Analysis Report



Discussion



- Positive Indicators
- Concerns
- Additional Analysis?
- What's Missing



Closing

Meeting summary will be out this month

On-line Open House is on-going

New information coming via email

Next meeting **TBD**



PERC Steering Committee: Market Analysis Work Group

March 16, 2021

Jason Hennessy and Sherrie Hsu, BERK Consulting



Introduction

- We are working with the City on a market analysis to understand the local and regional demand for potential PERC components.
- BERK has worked with parks organizations across the region and has expertise in:
 - ❑ Market analysis research
 - ❑ Parks and recreation needs and funding
 - ❑ Facilities planning
 - ❑ Economic impact assessments
 - ❑ Financial feasibility assessments

Work to Date

- Preliminary demand research through:
 - Demographic assessment of anticipated catchment area
 - Research of national and regional recreation trends
 - Review of similar facilities in region and state
 - Interviews with potential user groups

National Parks & Recreation Trends

- Community wellness and health equity
- Inclusive design
- Outdoor spaces for learning
- Virtual programs
- Environmentally sustainable design
- Facility features:
 - Splash play areas, playgrounds, park shelters, dog parks, park restrooms, synthetic turf sports fields, walking/hiking trails, fitness trails, disc golf courses, outdoor sports courts

Sources: Recreation Management; National Recreation and Parks Association; GameTime (playground company)

Regional & Local Trends

- **Events:**
 - Conventions, business trade shows, conferences
 - Birthday and retirement parties, weddings, memorials
- **Indoor recreation:**
 - Performing arts
 - Cardio, indoor track, personal training
 - Family programs and health education classes
 - Basketball, volleyball, pickleball
 - Swimming
- **Outdoor recreation:**
 - Continued interest in outdoor spaces after COVID-19
 - Turf fields
 - Tournaments: soccer, lacrosse, Little League
 - Splash pad

Sources: interviews with peer facilities and potential user groups

Interviews with Peer Comparable Facilities

- Center Place in Spokane Valley
- Haselwood YMCA
- Kent YMCA
- Lewis County Sports Complex

Lessons Learned from Peer Facilities

- Know what type of facility you want to be and focus on that. Don't try to be everything and spread out too thin.
- Networking is key to developing a steady crowd of users.
- To meet community expectations, start with shorter hours and expand later. Advertise a quarter for opening, rather than exact date.
- Staff should reflect the community.
- Swimming pools are very expensive to operate.

Interviews with Local Arts and Recreation Users

- North Kitsap Lacrosse
- North Kitsap Soccer
- North Kitsap Little League
- Under the Lights (flag football)
- Community youth girls basketball team
- Kitsap Children's Musical Theater
- In Motion Dance Studio
- Poulsbo Community Orchestra
- North Kitsap Swimming Pool
- Poulsbo Piranhas (community swim team)
- Splash Pad Citizen Committee

What We Heard from Potential Users

- Strong interest and excitement in PERC potential from arts and recreation users.
- All would use PERC, depending on:
 - Cost
 - Availability
 - Appropriate size and facility components
- Sports tournaments and performing arts could bring visitors who would use the hotel to stay overnight.

What We Heard from Potential Users

- Important facility components:
 - **Fields:** outdoor fields, parking, turf fields, lights, restrooms, covered seating, fencing, storage, concession stand.
 - **Basketball:** multiple hoops, locker rooms, seating, floors.
 - **Performing arts:** parking, orchestra pit, single occupancy private bathroom, audio/tech/lighting, stage size, prop room, dressing rooms, curtains.
 - **Aquatics:** 50-meter pool (ideal) or two 25-yard pools, deck space, starting blocks, spa, splash pad.

Interviews with Steering Committee Members

- Tim Morgan, sports marketing / economic development manager
- Don Williams, formerly at Tukwila Parks and Recreation
- Lenny Zilz, Columbia Hospitality
- Patricia Graf-Hoke, Visit Kitsap
- Kathi Forsee and Irene Moyer, Poulsbo Chamber

Guidance from Steering Committee Members

■ Concerns:

- ❑ Length of time for surveys, design, construction could take 4-5 years. Long time to keep public interest.
- ❑ Balance community demand and commercial purposes that generate revenue.
- ❑ Don't build new where we can utilize existing spaces.
- ❑ PERC won't be able to be everything for everyone.
- ❑ Often arts are cut for sports, so hope PERC will include arts.
- ❑ Aquatics facilities rarely pay for themselves.

■ Guidance:

- ❑ Engage in active marketing.
- ❑ Build relationships with hotel and complement spaces.
- ❑ Steer clear of membership fee requirement.
- ❑ In order to serve as economic driver, PERC needs to be large enough to host events and indoor/outdoor sports.

Takeaways

- There is very strong interest in the PERC. Community members are excited for this new facility.
- PERC won't be able to include everything for everyone. Know what type of facility it will be and focus on that.
- To be a destination facility, PERC needs to invest well in specific facility components, rather than spreading too thin across all areas.
 - Swimming pools are very expensive to operate. Either invest well to become destination facility, or not at all.
- Network, build relationships, and continue consistent public messaging.

Next Steps

- Identification of preliminary alternatives and preliminary draft market report.
- Refinement of alternatives and development of draft market analysis.