

OVERALL PROGRAMMING and SCHEDULING

Developing the programming model and schedule for new facility options and the integration with the existing Bellevue Aquatic Center at Odle Middle School is the most critical component in analyzing the overall facility design options, the financial operating model, and ultimately the feasibility of a new Aquatic Center. It is critical to understand that Program precedes Design and that this premise be maintained throughout the Study and the ongoing project development. The design, project cost, management needs, and the financial operating costs all derive from the program model addressing community needs and opportunities now and long into the future. The optimum aquatic programs utilize different pool spaces, depths, and water temperatures to conduct concurrent programming to best provide programs at the times users need them, limiting the restrictions placed on programming when one program takes over the entire facility.

The potential to expand and enhance existing programs, provide more community access to pool time and space, and create new programming and aquatic activities is not driven by new aquatic facilities alone. The key is developing new aquatic facilities that can also complement the existing BAC/Odle to create an integrated overall aquatic program and make the best use of the features of the existing facility.

Programming Elements

Following is a summary of overall programming elements in the optimum aquatic department. All of these elements have been mentioned by stakeholders, user groups, and community members as objectives and opportunities for Bellevue and the Eastside.

- Education and Water Safety Programming
- Health, Wellness, and Fitness Programming
 - Aquatic Fitness and Cross Training
 - Therapy and rehab
 - Special Needs programming
- Recreational, Leisure, and Family Programming and facilities
- Competitive Aquatics Programming: Training and Competition
- Concurrent Programming
 - Multiple programs and uses in the pools at the same time

Program Challenges Currently Facing the City of Bellevue and the Bellevue Aquatic Center/Odle

The aquatic management of the BAC/Odle is well aware of additional enhanced and potential new programming that can be offered in the future and of the new trends in aquatic programming. There are several challenges at the BAC/Odle that limit additional programming and the expansion of current programming (see more detail in the Analysis of Existing Facilities Section). These include:

- Lack of pool time and space-not enough space and time to fill current demand and limiting new programming space
- Lack of appropriate range of water temperatures for a full range of programming
- Lack of correct water depth for many activities
- Consistency of instructor training and quality
- Instructor staffing and availability issues that limit availability of Learn to Swim programming

A large percentage of the aquatic programming currently offered at the BAC/Odle is provided by outside program providers. These outside providers renting space bring a wide range of quality programming, program diversity, and instructor expertise and are able to meet a small portion of the overall community demand. These current outside program providers draw participants from Bellevue and the entire Eastside.

Throughout this Study these needs and opportunities have been addressed as have the challenges in the current BAC/Odle facility and facilities throughout the Eastside.

LEARN TO SWIM PROGRAMS

Learn to Swim programs are the single biggest program revenue source for most public and private aquatic facilities. They are also the most direct way to connect the facility to the community through aquatic programming. Direct pathways and access to swim lessons and water safety programs for low income, minorities, and others that currently do not have access to swim lessons within Bellevue and the regional cities is a critical component of the Learn to Swim Programs and the overall Aquatic Center and City aquatic mission. Currently the swim lessons at the BAC/Odle are offered through both the City and by outside providers. Historically, the BAC/Odle has generated more facility revenue from the rental of outside swim lesson providers than the revenue from City swim lesson fees. Since the late fall 2019 the BAC/Odle lesson program has progressed with an improvement in the instructor/student ratio and increased fees based on added value. Many public facilities do not allow outside providers to rent pool space for lessons when the municipality has its own robust quality lesson program. In the case of the Bellevue model, SF/ISG would recommend that the practice of renting space to outside lesson providers at the BAC/Odle continue, since these lessons have provided a great benefit for the local community and provide specialty lessons and added value complementing the public lesson program.



CURRENT BAC/ODLE LEARN TO SWIM PROGRAMS

Water Temperature

Current City swim lesson programs in Bellevue are taught at the BAC/Odle in both the 83° water in the Main Pool and the 92° water in the Therapy Pool. Ideal temperatures for swim lessons range 86-87° for children and youth to warmer temperatures (90° to 92°) for babies and tots. This is supported by the consistent input from best practice lesson programs, the US Swim School Association, and leading instructors nationwide. These optimum temperatures were also confirmed in interviews with area swim lesson providers in Bellevue and the Eastside.

A new Aquatic Center can provide a significantly enhanced Learn to Swim program environment in several ways:

- Moving competitive swim programs from the 25yd pool at the BAC/Odle to the new aquatic center and warming up the water at the BAC/Odle will significantly expand and enhance the warm-water space for both the City Learn to Swim lesson program and outside providers at the BAC/Odle.
- Including a warm-water Program Pool in the new Aquatic Center can create a second location and added space.
 - The new Program Pool can also offer enhanced features to promote optimum conditions for swim lessons
- The BAC/Odle can continue to offer opportunities for outside providers and City programs while the new Aquatic Center can focus on providing enhanced City lesson programs.

Program Diversity and Scheduling

Current City swim lessons are scheduled beginning at 4pm in both pools at the BAC/Odle and from 9:00 to noon on the weekends. Lessons often share the pools with other activities during the after-school hours and space and time are limited. There are mid-day lessons two days a week in the Therapy Pool for pre-schoolers needing warmer water. The program has significant wait lists for swim lesson registration, often over 900 students.

A key driver of expanded Learn to Swim programs will be the increased diversity of classes, access and class times available throughout the day, especially with more times in the evenings after work and day time for pre-schoolers. Increased dedicated time and space for adult, private, and semi-private lessons as well as adaptive and special needs lessons is also critical. We find that adult lessons are becoming much more popular at best practice community facilities when they are offered at convenient times and promoted in the market. Experience in comparable markets, especially as populations become more diverse and age, indicates the potential for expanded adult lesson offerings in Bellevue.

Student/Teacher Ratios

Best practice lessons target student/teacher ratios of 4 to 1 or a max of 5 to 1. In the Bellevue and Eastside market we see these ratios in the for-profit swim schools and lesson programs. We also see these student/teach ratios in the programs at the Snohomish Aquatic Center, the Lynwood Community & Rec Center, the Mary Wayte Pool on Mercer Island, and local neighborhood pools such as the Samena Swim & Tennis Club. Historically the Bellevue lessons have had higher ratios,

but since the end of 2019 and into 2020 the Bellevue swim lesson programs have targeted student/instructor ratio of 5:1.

SWIM LESSON MARKET ANALYSIS

In mid-2019 ISG conducted a study of lesson programs in the Bellevue and Eastside market as well as best in class facilities and for profit-swim schools round the country. To compare lesson fees in the market, the Market Analysis pro-rates the lesson fee to cost per 30 minutes of lessons. ***The Swim Lesson Market Analysis is attached to this Report as Attachment #7.***

Analysis of Bellevue Swim Lesson Rates

At the time of the ISG Swim Lesson market survey in mid-2019 the current Bellevue lesson rates were at the lowest end of lesson programs in the area. Many of the area's public programs had lower student/teacher ratios and provided more class options, better temperature diversity, and expanded class schedule options. Since the survey the City has raised rates.

Recommended Rates

Based on the Market Survey, improved 5:1 student/instructor ratios and expanded options, schedules and warm water ISG recommended increasing rates to \$12.00 per 30 minutes (up from average now of \$9.00-\$10.00/30 minutes) plus adding non-resident rates with a 25% premium. The private, semi-private, and specialty lessons also increase proportionately. This rate is still within the current range of public lessons in the area and appropriate for the Bellevue demographic.

SWIM LESSON PROJECTIONS

Based on lower student teacher ratios, warmer water, more class selections and times, non-resident premium rate, and investment in instructors, there is potential for significant increases in swim lesson program participation and revenue. Bellevue demographics support the ability of the local market to support these increased fees and population and projected growth show the demand.

SF/ISG worked with the City and the ARC Team to agree to use the following projected swim lesson rates for the purposes of financial operating projections for the 2020 City Study and the SF/ISG projections. These rates take into account recent 2020 Bellevue lesson rate increases and future market appropriate rates. These rates now put Bellevue at the higher end of public facility rates in the Eastside but 25% lower than the Bellevue YMCA Member rate. ***(See Attachment #7).***

Group Lessons:

- Residents: \$125 for 8 x 30 minute classes (\$15.63/30 minutes)
- Non-Residents:
- 5:1 Student/Instructor Ratio

Semi-Private Lessons:

- Residents: \$112.50/person for 4 x 30 minute classes (\$28.13/30 minutes)
- Non-Residents:
- 2:1 ratio

Private Lessons:

- Residents: \$175 for 4 x 30 minute classes (\$43.75/30 minutes)
- Non-Residents:

Based on these rates and the Program Pool design in both the 2020 City Study and the SF/ISG Study and discussions with the City Recreation staff to project the following Learn to Swim program revenue for the new Aquatic Center (City/ARC Study 2020 is Base Year for Option #2). SF/ISG is first full year of operation.). **Detailed worksheet on SF/ISG Learn to Swim Program projections are included in this report as Attachment #8.**

Learn to Swim Program Projections Summary

Lesson Category	SF/ISG Year 1	SF/ISG Year 2	City/ARC Study Base Year
Group Lessons	\$429,000	\$514,800	\$412,500
Private Lessons	\$ 45,520	\$ 54,600	\$ 42,000
Semi-Private Lessons	\$ 23,400	\$ 28,080	\$ 14,625
*Adult Lessons	\$ 29,120	\$ 34,944	NA
TOTALS	\$526,920	\$632,424	\$469,125

*NOTE: SF/ISG assumes that adult lessons are lumped into group lessons in the ARC/City model.

Growth Projections

The City is using a 3% annual growth rate after Year Two, based on traditional City budgeting guidelines. Both the City/ARC and the SF/ISG projections used a 20% growth factor from Year One to Year Two. The SF/ISG growth projections include a rate increase in Year Four and have growth rates of 10% in Year Three based on the program maturing, 10% in Year Four taking into account an average 6% increase in rates and a 4% growth rate in Year Five.

MANAGEMENT, STAFFING, AND NET PROGRAM COST

With lower recommended student/instructor ratios (5:1), and more classes offered staffing needs and costs will increase. Finding and retaining good swim instructors is a critical challenge, even in the existing BAC/Odle program. The swim lesson class schedule is often adjusted and classes cancelled or modified due to instructor and lifeguard shortages. The ARC financial model projects an \$18.00/hour wage for group lessons and \$20.00/hour (in 2020 dollars) for private and semi-private lessons, the same wage as lifeguards. The SF/ISG model projects a higher wage averaging between \$20-\$21/hour. We feel this wage is appropriate to attract and retain instructors. Both business models include comparable funding for staff training and education.

Projections used in Financial Model:

For the overall SF/ISG financial operating projections in the SPLASHForward Preferred Option and the SF/ISG review of the City/ARC financial operating model SF/ISG used a lower total lesson projection than the SF/ISG detailed worksheet based on a conservative approach to the overall financial projections and the desire of the City Recreation Management to reduce risk of revenue shortfalls. SF/ISG research identifies an upside potential in the swim lesson program participation and revenue based on best practices (see Management). **Detailed Learn to Swim Program Revenue**

and Expenses are found in the Program Expenses and Program Revenue line item detail included in Attachments #24B and #24D.

Summary of Learn To Swim Revenue and Expenses

	SF/ISG Options		City/ARC Options	
	Year 1	Year 2	Year 1	Year 2
TOTAL Lesson Revenue	\$423,000	\$519,450	\$375,300	\$469,125
Total Staff Expenses	\$136,206	\$167,263	\$127,940*	\$127,940
Percent staff costs/revenue	32%	32%	27%	27%
Other Program Expenses	\$3,500	\$3,950	NA	NA
TOTAL Program Expenses	\$139,706	\$171,213	\$127,940	\$127,940
Percent Expense to Revenue	33%	33%	27%	27%
Net Program Revenue	\$283,294	\$348,237	\$247,360	\$341,185
Profit Margin	67%	67%	66%	73%

***NOTE:** The ARC projections used the same expenses in Year One as Year Two based on up front staffing.

Current Swim Lesson Revenue

For comparison purposes, the existing BAC/Odle Lesson Program and outside providers generated the following revenue:

<u>Category</u>	<u>2018</u>
City Swim Lessons	\$ 48,227
Outside Swim Lesson Provider Rent	\$177,026

Instructor costs and program expenses for City Swim Lessons were not broken out.

LEARN TO SWIM PROGRAM NEXT STEPS

- Review current BAC/Odle swim lesson program participation and revenue to determine the impact of changes in the program made at the end of 2019 and identify learnings from these updates and their impact
- Further explore opportunities for Learn to Swim outreach opportunities, programs, partners, and funding to broaden swim lesson access to those that currently do not have access or cannot afford swim lesson and water safety programs
 - Partners
 - Bellevue School District
 - Boys and Girls Club of Bellevue
 - Other
 - Program and Scholarship Funding
 - USA Swimming Foundation Make a Splash Program
 - US Masters Swimming's Swimming Saves Lives Foundation and Adult Learn-to Swim Campaign
 - Michael Phelps Foundation (partner with B & G Clubs of America)
 - The B & GC of Bellevue have previously received a grant from the Foundation
 - Local Corporations
 - Local Foundations
 - Other
 - Identifying these opportunities and the program early in the next phase will be very helpful in enhancing the Capital Campaign story and can help initiate these programs at the BAC/Odle prior to the opening of a new Aquatic Center.

AQUATIC FITNESS and EDUCATIONAL PROGRAMMING

FITNESS PROGRAMMING and SENIOR PROGRAMMING

Aquatic fitness today is a rapidly growing field of exercise, fitness, and wellness. Aquatic fitness has expanded far beyond the stereotypical image of the senior citizens doing “water aerobics”. In addition to cross training in the water used by top sport teams and athletes, aquatic fitness aggressively includes cross training programs, hydro-spinning, vertical and deep water aerobics and resistance programs, water walking and running, Aqua Zumba and more as new dry-land exercise trends take hold and are converted to the water. Aquatic fitness has also broadened its reach to special needs and adaptive programming, bridging the gap between aquatic therapy/rehab and mainstream fitness classes and activities.

The current aquatic fitness offerings at the BAC/Odle pools are mostly provided by outside contractors, with the City provided programs focusing on a deep water exercise class and a masters swimming/lap lane program. The outside providers largely focus on the traditional and stereotypical aquatic fitness programs, with the vast majority of the participants in the older age brackets. Some of the limitations on new trending and high intensity programs are the lack of storage space at the pools for equipment as well as the need for instructors trained in new trends in aquatic fitness. An even greater obstacle is the lack of available pool time in both pools, especially pool time in the 25yard pool currently used by swim teams.

Keys to Expanding and Enhancing Bellevue Aquatic Fitness Programs

The following are the keys to expanding and growing the Bellevue Aquatic Fitness programs. These apply to both the new Aquatic Center and the existing BAC/Odle and integrating the programs to provide a wider range of options at all times of the day and at the different locations.

- Create more warmer water (85-86° F)
 - Can be addressed by the warming of the existing BAC/Odle 25 yard pool and the inclusion of the warm water Program Pool in the City/ARC Options and the SF Preferred Option
- Open up pool space and time to additional aquatic fitness programming, especially early morning before work, evening after work, and more time in the summer
 - BAC/Odle creates this additional space when current competitive teams using BAC/Odle move to the new Aquatic Center.
 - The Program Pool in the new Aquatic Center is designed specifically for non-competitive program with the Main 50m and Deep water pool areas handle the competitive programs and lap swim.
- Create a wider range of programs
 - Appeal to wider age range
 - Higher intensity class options
 - Both deep and shallow water activities and classes
 - Cross training
 - Athletic team programs
 - In water running and walking
 - Athletic low impact training and sport rehab
 - Wide range of “trendy” fitness programs; including programs such as hydro spinning, aqua zumba, in water treadmills and others, with new programs constantly being developed and introduced in the aquatic fitness world.

- NOTE: Bellevue Parks Staff have expressed concern about substantiating the demand for a wider. It is very difficult to show quantifiable demand for programs that the Bellevue area aquatic program users and potential participants do not currently have available or are not even aware of. Best practice aquatic programs are constantly updating their program offerings to introduce new programs much like good health/fitness clubs do. Best practice programs constantly update offerings and create the excitement around new programs and generate new and growing demand, not just meeting demand for existing programs. This ability to generate demand, not just meet demand is important to improving the overall aquatic programming and increasing fitness participation in Bellevue and the Eastside and is an important element in of the unique state of the art design and program opportunities for the Aquatic Center.
- Regular updates and new program offerings
- Link to or partner with health care providers of therapy and rehab programs to transition from therapy/rehab to regular fitness lifestyle classes to maintain health and wellness

Examples of Aquatic Fitness Programming and Cross Training



Traditional Aquatic Fitness Programs



Hydro-Spinning



In-water treadmill



Aqua Zumba



Aqua Yoga & Balance on Float Boards



Deep Water Running and Cross Training



Resistance Training



Sport Team Cross-Training

Projected Aquatic Fitness Revenue and Expenses

Currently the Deep Water Exercise Class and the Masters Swim Program offered through the City at the BAC/Odle require an additional daily drop in fee or an enhanced Swim Pass Card for the specific program. The current City Recreation Management intent is include the bulk of aquatic fitness classes (and dry-side fitness classes) as part of a facility membership or as an enhanced drop in fee for non-members. The inclusion of classes in the membership fee conforms to the intent to manage programs in the same manner as the Bellevue YMCA/YMCA of Greater Seattle.

Based on new trends and specialty classes in aquatic fitness, SF/ISG anticipate some specialty classes that would include an additional fee, much like some high-end specific dry-side classes at health clubs and YMCAs. The popular personal training programs offered at fitness clubs and YMCAs have also moved in aquatic fitness. There are few programs in the Bellevue and Eastside market currently offering aquatic personal training, but this is a strong emerging trend nationally and in best in class facilities.

Revenue Projections follow. (City/ARC 2020 Study is Base Year for Option #2). ***Detailed SF/ISG Study Fitness Program Revenue and Expenses are found in the Program Expenses and Program Revenue line item detail included in Attachments #24B and #24D.***

Aquatic Fitness Revenue

Aquatic Class Category	City/ARC 2020 Study	SF/ISG Year 1	SF/ISG Year 2
Included in Membership	\$0	\$0	\$0
Premium Classes & Drop-In	\$63,050	\$50,440	\$63,050
Aquatic Personal Training	\$0	\$15,000	\$25,000
Senior Programming*	\$0	\$10,000	\$11,500
TOTAL	\$63,050	\$75,440	\$99,550

***NOTE:** Senior Programming can include partnerships with senior living centers or organizations partnering with the Aquatic Center for joint programming.

Aquatic Fitness Instructor Wages & Benefits

Aquatic Class Category	City/ARC 2020 Study	SF/ISG Year 1	SF/ISG Year 2
For Classes Included in Membership	\$20,000	\$20,000	\$25,000
For Premium Classes & Personal Training	\$0	\$22,632	\$30,761
TOTAL	\$20,000	\$44,632	\$55,761

SF/ISG is concerned that the City/ARC 2020 Study does not adequately account for the wages for instructors in the Aquatic Fitness Classes included in membership plus the paid classes (including drop in fees) included in the \$63,050 in aquatic fitness class revenue included in the City/ARC 2020 Study.

LAP LANES

Open Lap Lanes for fitness swimming is a sub-category of aquatic fitness. The growing interest and demand for lap lanes far exceeds current availability of lap lanes at the BAC/Odle. Lap lanes at BAC/Odle are available in the morning beginning at 8:00 am and throughout much of the day until competitive programs begin at 3:30pm and then opens up at 7:00pm again. Only a portion of the lanes are usually available during these hours. There is also demand for lap lanes early in the morning prior to work.

An important goal of the new Aquatic Center will be to offer lap lanes in the main pool (80-81°) throughout the day, all part of the importance of concurrent programming. With the expanded new pool facilities it will be very important to schedule the pool to provide lap lanes throughout the day. A full complement of lap lanes will significantly increase facility membership and drop in use. Historically, we have seen membership and usage increase in facilities that have opened up lap lanes through the entire day and evening. Often this also converts the occasional lap swimmer paying the occasional daily drop in fee to becoming a full member. The expanded lap lane availability should also attract more lap swimmers from outside of Bellevue. The Program Pool can also offer lap lanes at specific times for those wishing to swim laps in warmer water.

Refer to the sample Schedule matrices for the SPLASHForward Preferred Option included in this Report as Attachment #9A.

AQUATIC THERAPY AND REHAB

Aquatic therapy and rehab are fast growing treatment options in the wellness and medical community. While some physical therapy facilities now have their own therapy pools, the demand for warm, easily-accessible therapy water space is far outstripping the supply now and will continue to in the future, especially as the population ages and more doctors and therapists turn to aquatic therapy and rehab in the treatment of injuries, illnesses, and chronic conditions. Aquatic therapy and adaptive recreation are also important elements of treatment and support for those in the autistic spectrum and other special needs. As is the current case at the BAC/Odle the actual therapy and rehab treatments will be provided by outside therapists and health care providers renting space in

the Therapy pool and warm-water pool spaces. We also find that patients leaving medical dictated therapy treatments continue to maintain therapy activities on their own in available public facilities. This progression is an important trend when looking into the opportunity to create additional shallow warm-water space for therapy and rehab programs at the existing BAC/Odle pools and the new Aquatic Center. These opportunities will be an important part of enhanced programming for the community and a revenue source for the aquatic facilities. Therapy and rehab space and facility features also support aquatic fitness and health programs, especially for seniors and those with special needs.

There is also potential to partner with local health care providers in providing services or partnering on expanded therapy and rehab treatment and support spaces (see Design Section). As the Aquatic Center project moves to the next stage of design it will be important to work with local therapy and rehab care providers to identify and prioritize the specific features of a therapy pool to meet all the potential needs of the 90-92° pool. It will be important to explore therapy/rehab specific purpose built features that can complement and enhance the features of the current BAC/Odle Warm Springs Therapy Pool.

Examples of Aquatic Therapy and Rehab Treatment and Education



Cardiac Rehab



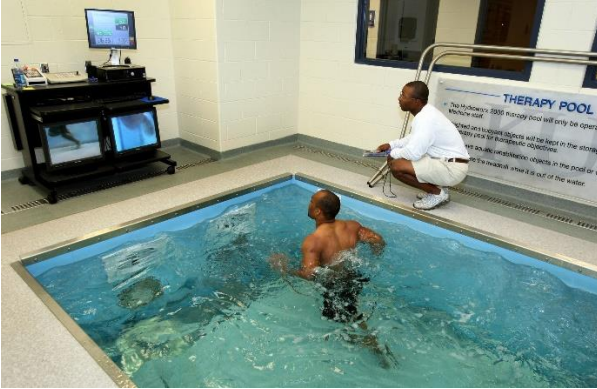
Regaining Movement



Therapy/Rehabilitation Training



In Water Portable Treadmill



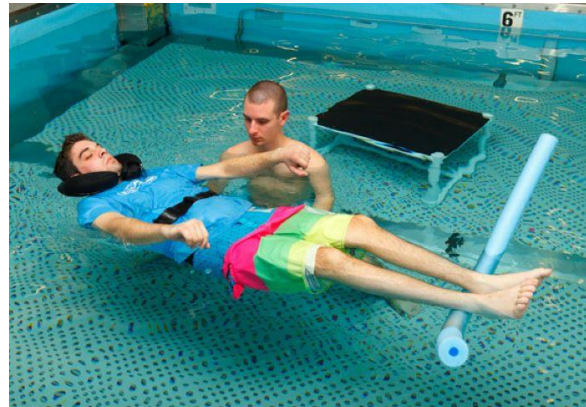
Athletic Injury Rehab and Cross Training



Personal Rehab & Training



Child Special Need Treatment



Therapy Patient

Projected Therapy Rental Revenue

Therapy, Rehab, and related wellness services will continue to be provided by outside contractors/vendors renting pool space at the BAC/Odle and the new Aquatic Center. Following are projections for pool space rental for these services.

Rental Revenue

BAC/Odle 2018	City/ARC Option #1	City/ARC Option #2*	SF/ISG Preferred
\$173,607	\$180,000	\$240,000	189,000

*NOTE: City/ARC Option #2 includes the closing of the BAC/Odle and its Therapy Pool, resulting in all Therapy Pool rentals at the Aquatic Center.

Even with a new Wellness/Therapy Pool at the new Aquatic Center SF/ISG anticipates that the rental revenue at the BAC/Odle would still increase significantly as more rentable Therapy Pool and warm water 25 yard Program Pool space is opened up at the BAC/Odle for expanded therapy, rehab, and related services. In SF/ISG interviews with current and potential Therapy/Rehab, lesson, and special needs providers they all indicated their needs for more space and the intent to rent more space if available at both the BAC/Odle and the new Aquatic Center.

SPECIAL NEEDS PROGRAMMING

Special Needs programming already exists at the BAC/Odle pools provided by outside contractors. These services often deal with individual one on one programming as well as adaptive swim lessons. A full range of special needs programming should provide services addressing swim lessons, water safety, sport training and competition for the mentally handicapped, physically handicapped, visually impaired, hearing impaired, autistic spectrum, and more. Aquatic programming for those on the autism spectrum is also becoming an important element of treatment and therapy.

Special Olympics and Paralympics

There are local Special Olympic and Paralympic programs in the area, with one program using the BAC/Odle pool on some Saturdays. In *SPLASHForward* meetings with Special Olympics Washington there was considerable interest in regular Special Olympic swim programs progressing from basic water safety and learn to swim to the competitive programs. Opening up space and warmer water in the 25 yard pool at the BAC/Odle would be a facility well suited to Special Olympic programming. The BHAC will provide the opportunity for Special Olympic local, regional and even state competition. Current Special Olympic State Games competition at the King County Aquatic Center is limited by pool availability to just one day of competition, preventing the running of the full complement of Special Olympic Swimming events.

The growth of aquatic programming and competition for physically disabled and Paralympic competition also is creating demand that is only addressed sporadically in the market. Currently some of the local USA Swimming Clubs actually train swimmers with a disability within their mainstream programs.

There is also growing need for veterans programs with specific programs funded by the Veteran's Administration and by not-for-profit groups such as Wounded Warriors and others. The competitive element of veterans rehabilitation programs are also growing as a segment of parasports. A new Aquatic Center will open up more space and time for all aspects of these special needs treatment, therapy, rehab, and competitive programs and enhanced opportunities at both BAC/Odle and the new Aquatic Center.

No revenue is currently factored into the financial operating projections for Special Olympic and Paralympic competition. Often these competitions are hosted as community services.

Examples of Special Olympics, Para-Sport, & Special Needs Programming



EDUCATIONAL PROGRAMMING

Water Safety

The demand for lifeguards and trained aquatic instructors, trainers, and staff makes water safety, CPR, AED, first aid, and lifeguard and instructor training classes ever more important with new and expanded aquatic facilities. The new BHAC will be a regional provider of water safety, lifeguard, first aid training and certification. The potential partnership with the Bellevue School District could also include incorporating certification program into the School District PE curriculum. This partnership would be a win-win for the students, the schools, and the City aquatic programs as these programs are critical to building an in-house stream of lifeguards, instructors, and interns in training.

Examples of Lifeguard Training and Certification

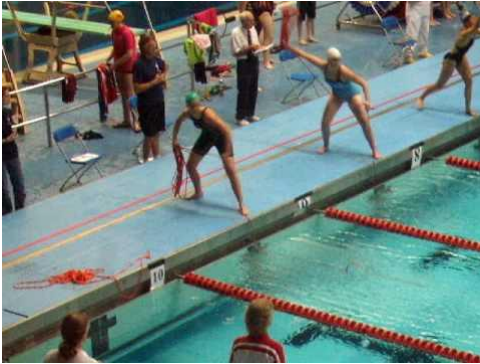


Junior Lifeguard program and Competitive Programs

Many east and west coast beach communities, especially in California, offer Junior Lifeguard programs and even participate in competitive lifesaving programs. These development programs for pre-teens and teens are important elements in building a lifeguarding culture and building an important base in training and recruiting future lifeguards. Although no Jr. Lifeguard program is

built into the initial program model or financial model for the new Aquatic Center, it will be important to explore developing programs in the future.

Examples of Indoor Competitive Lifesaving Programs



"Not only did it give me a great opportunity to volunteer, but it taught me the basics of lifeguarding. I definitely encourage teens to try it out!"

-AMARIAH E., 16
2018 JUNIOR GUARD PARTICIPANT
2019 LIFEGUARD



Lifeguard and Safety Training Class Projections

Currently the City does not run its own Lifeguard, Water Safety, and Instructor training or certification programs. With a major new Aquatic Center it will be critical that the City offers a wide range of lifeguard, water safety, instructor and basic first aid, AED, and CPR classes to meet the demand for its own staff as well as enhancing training opportunities throughout the Eastside. The shortage of lifeguards and instructors now presents good job opportunities and experience for those interested in aquatics. In many communities these programs are now partnering with the local school districts to actually provide PE and class credit for the training/certification programs. In areas of high demand, the facility will fund the training for those committing to work for the facility, although this is the exception, not the rule. These programs can also be a source of revenue for multi-purpose aquatic centers and become a win/win creating a candidate pool and generating revenue for the facility.

SF/ISG project revenue from lifeguard, water safety certifications courses and first aid/CPR/AED certification programs. SF/ISG projects revenue of \$27,000 in Year One increasing to \$35,000 by Year Five. There is no specific lifeguard/safety program revenue in the City/ARC 2020 Study Business Model.

RECREATION, and LEISURE PROGRAMMING

RECREATIONAL PROGRAMMING

Increased recreational and leisure opportunities and amenities are very important to the overall community programming of a successful aquatic center. No recreational activity is as family friendly and multi-generationally inclusive as aquatic recreation/leisure activities. Recreation and leisure features and access can provide additional facility revenue driven by increased membership and drop-in user fees. The current BAC/Odle and the existing Forward Thrust Pools in Kirkland, Redmond, and Mercer Island do not have any significant leisure and recreation features.

The current common perception and stereotype of aquatic recreation/leisure is a narrow view, focusing primarily on slides, splash pads, current channels (lazy river), climbing features, beach entries, bubbling features, in-water benches and other aquatic features that tend to appeal to a narrow and young age range and are often very costly to build and operate. Aquatic recreation is much more than these features. In addition to the traditional leisure elements the Aquatic Center can include a wide range of recreational activities and features that appeal to a much broader age range and are family friendly activities that can form a bridge between fun recreational elements and fitness enhancing activities. It is very important that aquatic recreation programs include classes and organized activities balanced by fun unstructured open access pool times.

Organized recreational and lifestyle activities and classes can include a very wide range of activities, including but not limited to scuba, kayak and canoe, stand up paddle boarding, etc. One outside provider currently does rent time at the BAC/Odle for scuba classes.

Many times the additional recreational opportunities in a traditional competitive rectangular pool are overlooked. There is an entire market segment devoted to what we have named “Rectangular Recreation.” The Aquatic Center can include many recreational amenities in the pools to provide additional recreational and fun activities for students, camp kids, and community families. These

can include poolside climbing wall, water-basketball and volleyball, inflatable obstacle course, zip line, slack line, log rolling and other moveable activities and features. These features not only provide activities for a much wider range of ages and interests, they help drive additional participation and users generating revenue from the main 50m pool that can pay for the equipment in a short period of time. These elements are cost effective and can be used in different pools and are easily taken in and out of the pools. These recreational features are designed to be taken in and out of the pool quickly to enable a wide range of programing and scheduling flexibility and can be used in different parts of the aquatic center and even outdoors at beaches and bodies of water.

The City/City/ARC Study 2020 addresses recreation and leisure pool activities almost entirely in the traditional leisure pool venue, viewing the Main 50m Pool and deep water areas only in their competitive and lap lane use. Little consideration is given to the broader recreational/leisure activities that can utilize and expand the function of the Main, Deep, and even program pools in the Aquatic Center.

Examples of Organized Recreation and Aquatic Lifestyle Activities

Expansion of Existing Scuba Programs



Current Scuba Class at the BAC/Odle

Kayak and Stand Up Paddle Boarding



- Stand Up Paddling (can be linked with fitness programs)
- Inner-tube Water Polo



Inner tube water polo

Rectangular Recreation

Many times the additional recreational opportunities in a traditional competitive rectangular pool are overlooked. The Aquatic Center can also include many recreational amenities in the pools to provide additional recreational and fun activities for students, camp kids, and community families. We describe this component of recreation activities and equipment “***Rectangular Recreation.***”

- Rock climbing wall in deep water (see photos)
- Water basketball hoop
- Pool Volleyball
- Inflatable pool climbing and play features (see photos)
- Zip Line
- Log Rolling
- Slack Line

Many of these components are also considerably less expensive than large permanent leisure elements and can help pay for themselves in a shorter period.

Rectangular Recreation



Water Basketball



Aqua-Climbing Wall



*Wibits inflatable pool play features
Obstacle Course*



Underwater Hockey



Zip Line



Log Rolling



Slack Line



Ninja Cross Course

The only reference to the recreational potential of the Main 50m and Deep Water pool areas in City/ARC 2020 Study references the potential of inflatable obstacle courses. The City/ARC 2020 Study states that inflatable obstacle courses “provide a leisure component into the competitive pool. The obstacle course requires a water depth of 10 feet or more and needs constant supervision when in use.” (City/ARC 2020 Study page 116). The depth requirements are actually dependent on the design and elements of the obstacle course elements. Many aquatic centers use these now in shallower depths depending on the height and design of course. These do require supervision, as do many of the features in the leisure pool such as slides, lazy river, and wave pools. These new trends in “Rectangular Aquatic Recreation” are a growing trend and often creating a better age balance in use compared to just the traditional recreation elements in the leisure pool. These features can be used for specific events and actually rented as part of functions and parties, creating an add-on revenue stream for the Aquatic Center.

Leisure Pool Features

For potential elements for the leisure pool refer to the Design Section of this Report.

Overall Revenue Potential Created by Recreational Leisure Features

As the City/ARC 2020 Study mentions, the recreation/leisure features do help drive revenue through increased memberships and drop in usage fees. The City/ARC 2020 Study states: “It is estimated conservatively that a leisure pool can generate up to 30% more revenue than a comparable convention pool and the cost of operation while being higher, has been offset through increased revenue.” (City/ARC 2020 Study page 65) In the next phase of the project development it will be important to analyze this value proposition in terms of added construction cost, added revenue, and increased operating costs. While a significant leisure component is important to the community and the overall Aquatic Center, it will be important to analyze this value proposition to “right size” the leisure component. Calculating the operating/staffing costs will be dependent on more design specifics. Lifeguard staffing of an 8,000 square foot leisure pool could require anywhere from 6 to 12 lifeguards at any given time based on the sight lines, slides requiring guards at the top and the bottom and run out, wave features, etc. The operating costs will also be driven up by the number of additional pumps for a wide range of current, bubbles, slide, water jets, and other leisure features incorporated.

The importance of this future detailed analysis is clear when the size and revenue impact of the leisure pool is compared between the City Option #1 and Option #2. It is difficult to separate the facility components driving membership, punch passes, and daily drop in fees, but it is relevant to explore the relative growth rates. The City/City/ARC 2020 Study projects the total membership, punch pass, and daily drop-in fees increases from Option #1 to Option #2. The Leisure Pool size increases by 33% from Option #1 to Option #2 and the total dry-side fitness area increases by 58% from Option #1 to Option #2. The more detailed analysis of the value proposition for these components in the next phase of project evaluation and design will help greatly in right sizing all elements of the Aquatic Center and avoid oversizing and diminishing returns on the capital and operating investments.

PARTY FUNCTIONS and BIRTHDAY PARTIES

Recreational programming should also include special events, especially during holidays and for children’s and family parties such as birthdays and other special events. These activities are a very important part of the facility community services and the overall revenue model of the facility. Many best practice facilities now offer more structured programs with fees that cover incremental costs of pool staff, use of specific recreation items, and even catering and party organization. The wide range of recreational elements that can be set up in the pool for specific events and parties also contribute to this revenue stream, helping pay for the purchase of the recreational equipment. These recreational features linked to parties and special events have become a larger and larger revenue line item for many best practice facilities as well as a very welcome component of community access and use of aquatic facilities.

Party Room Set Up



Dive-In Movies



Projections for Aquatic Parties & Social Events

Parties can be a strong incremental source of revenue for the Aquatic Center.

The City/City/ARC Study 2020 projects revenue of \$ \$123,000 annually by Year Two in party and special event revenue. The SF/ISG Report uses the same projection.

COMPETITIVE AQUATICS-Training

Competitive Aquatics is a very important part of the overall Aquatic Center program and design model. Currently the BAC/Odle facility is used by high school swimming and diving practices as well as club programs. The teams currently training at BAC/Odle are:

- Sammamish High School
- Bellevue School District (Diving, all HSs)
- Pacific Dragons Swim Team
- Eastside Aquatic Swim Team
- Chinook Aquatics Club
- Dive Seattle

The BAC/Odle is not suitable for water polo or artistic swimming training or for any aquatic sport competitive events due to too shallow water depth and equipment needs (starting blocks). If a new Aquatic Center is opened, virtually all competitive aquatic programming will move to the new Aquatic Center.

SF/ISG have met with the vast majority of potential team users of the new Aquatic Center. Following is a summary of their key needs and projected hours and space and their intent to rent.

School District

The Aquatic Center designs and schedule model will meet the following needs and objectives of the Bellevue School District Aquatic Teams:

- Provide lane space, water depth, and support facilities to meet all training and competition requirements for swimming, diving, and water polo
- Allow swimming and dive team training and competition concurrently in one facility rather than the current split among facilities.
- Provide each high school team with separate and comparable practice time and space (based on number of team members) during prime before school, after school and early evening time slots.
- Provide additional available space to accommodate team growth and greater access for students to be able to participate on the aquatic teams, thereby providing greater equity among all four high school teams.
- Provide a facility capable of hosting high school home swimming and diving meets and water polo games as well as small invitational meets and tournaments, small league championship meets and tournaments.
 - The Aquatic Center can accommodate these competitive events during prime after school and early evening hours to avoid the current late evening and night swim meets and games.
 - All design options meet this need though in Option #1, championship meets may impact community programming and use of the Program Pool.
- Provide important team support amenities such as secure storage for each high school team and workspace for coaches as needed.
- Provide a centralized location among schools to allow greater access and participation levels.
- Access to suitable locker space for training and competition

- Enable future growth to build water safety curriculum across elementary, middle, and high school, e.g. water safety, Learn to Swim, Junior Lifeguard program and lifeguard certification. Expansion of aquatic programming for all students such as aquatics therapy and special needs aquatic fitness.

The aquatic sport training and competitive needs for Bellevue encompass all the aquatic sports. Following are the competitive needs, goals, and opportunities for the Aquatic Center.

- *Bellevue School District
 - Training venues for all four high
- Fall Season
 - Four girls swimming and diving teams
 - Bellevue, Newport, Interlake, and Sammamish
 - Three boys Water Polo Teams (one combined high school team)
 - Bellevue, Newport, and Interlake + Sammamish combined
- Winter Season
 - Four boys swimming and diving teams
 - Bellevue, Newport, Interlake, and Sammamish
- Spring Season
 - Three girls Water Polo Teams
 - Bellevue, Newport, and Interlake + Sammamish combined

Club Teams

Currently, the following aquatic clubs and teams have expressed interest and intent to rent training space as available.

- Swimming
 - *Bellevue Club Swim Team
 - Blue Dolphin Swim Team
 - Cascade Swim Club
 - Chinook Aquatic Club
 - Eastside Aquatics Swim Team (BEST)
 - Olympic Cascade Aquatics (OCA)
 - Pacific Dragons Swim Team
 - WAVE Aquatics
- Water Polo Club Teams
 - *Northwest Water Polo
 - *Rain City Water Polo
 - Masters Water Polo
- Artistic Swimming
 - *Seattle Synchro
- Diving
 - Dive Seattle
- Masters Swimming
 - Member Clubs of Pacific Northwest Association of Masters Swimmers
- Recreation/Summer League
 - MidLakes Swimming

- MidLakes Water Polo
- MidLakes Diving

*NOTE: These clubs have provided SF/ISG with specific training time and space requests within the training time projected to be available at the Aquatic Center.

Swimming Clubs

Club swim teams from a wide geographic region. Many clubs from the wide area are interested and committed to renting the 50 meter training space year round at the Aquatic Center, which would be the only indoor 50m pool space in the region other than the King County Aquatic Center (“KCAC”) in Federal Way. Currently eight to ten teams rent 50m training space at the Colman outdoor pool in West Seattle during the summer and most of the area teams rent limited time and space as available at the KCAC. Bellevue and Eastside clubs currently train 25 yards at any pools they can find, renting space at public, community, and private pools throughout the Eastside. The Bellevue Club Swim Team has their own pool facilities at the Bellevue Club. OCA and WAVE Aquatics each have their own facilities to train in. OCA trains at the Mary Wayte Pool on Mercer Island, a Forward Thrust pool they manage for club and community use. WAVE trains out of the Juanita High School Pool in Kirkland, another Forward Thrust pool which they manage for club and community use.

A smaller number of teams would rent 25 yard training space during the school year and high school seasons. It would be expected that these teams would expand their roster with the additional training space availability.

Water Polo Clubs

Water Polo Clubs in the area have very limited deep water space to train and nowhere in the Eastside for competition in a full deep water pool. These clubs use a variety of pools, usually with small deep ends that are subpar for optimal training. The clubs usually use three to five different pools through the season and travel frequently for out of state for tournaments in suitable facilities (Oregon, California, and Canada). The two dominant youth water polo clubs draw from the Eastside and Seattle metro area. Similarly, it would be expected to see substantial growth for all water polo club teams, youth and Masters, with appropriate training and competition facility access. It is also a strong possibility that an in-house youth and Masters water polo club would be organized at the Aquatic Center.

Artistic Swimming

Seattle Synchro currently uses Seattle University and the Juanita High School pool, but neither of these facilities has the full deep water that the team needs for proper training. Seattle Synchro draws a majority of its club members from the Eastside and the secondary market area of the Aquatic Center. Participation growth would be expected with access to suitable training facilities.

Diving

Dive Seattle draws the vast majority of its members from Bellevue and the Eastside. The Club only has access to 1 meter diving boards in the Bellevue and the Eastside. For 3 meter and platform training they sporadically rent training time at the KCAC as time is available. Dive Seattle would require 1m and 3m boards and would help support efforts to add 3m and 5m Platforms for training.

Masters Swimming

Masters Swimming is more loosely organized with a wide variety of organization levels at many pools on the Eastside. Training locations at existing facilities would not be expected to change, but it is also likely that an in-house club team may be organized at the Aquatic Center with a large area from which to draw from including day time workers in the local area of the Aquatic Center site.

MidLakes

The MidLakes Summer Recreation League consists of many local neighborhood and private pools throughout the region and has a deep and strong history. Their driving goal is to introduce youth to the aquatic sports of swimming, water polo, and diving. The League, made up of 26 teams all three aquatic disciplines, would be interested in using the Aquatic Center for competitions and for water polo and diving training since many of the neighborhood pools do not have appropriate facilities for water polo and diving. The MidLakes summer season spans May – July with a League Championship meet held at KCAC, one of the largest meets held at KCAC.

The Aquatic Center would open up many more opportunities for interested youth and families to continue their aquatic interests year round. Today, many summer league participants only participate during the summer offering due to limited club swim team opportunities due to capped teams set in large part due to limited facility access.

Given the strong relationship and community foundation of the MidLakes Summer Recreation League, it is expected that many if not all of the division level meets would remain at the neighborhood and private pools. Additionally, given the size of the MidLakes Championship meet, it is currently larger than the event capacity envisioned for the Aquatic Center. The smaller Division Champs and League Prelims could be hosted at the Aquatic Center.

RENTAL RATES AND PROJECTIONS

SF/ISG have surveyed rental rates paid by the teams listed above at multiple facilities in the area. The average rate for 25 yard lane space ranges from \$12 to \$20 per lane per hour. This is prorated for the equivalent space for water polo, artistic swimming, and diving. The average is \$14-\$17. Currently the BAC/Odle charges club teams an average of \$15-\$16/lane/hour. The KCAC charges \$12.50 per 25 yard lane/hour.

The 50m training lanes at KCAC currently rent for \$25/50m lane/hour and the Colman pool rents for an average of \$32/lane/hour.

Rental rates used in financial projections:

<u>Lane</u>	<u>ARC Rate</u>	<u>SF/ISG Rate</u>
25 yard lanes	\$30/lane/hour	\$20/lane/hour
50m lanes	\$50/lane/hour	\$40/lane/hour

SF/ISG think that the ARC rates are too steep an increase during the initial years of the Aquatic Center. The 25 yard rate of \$30/lane/hour is at the very highest end of rates in the country. The SF/ISG rates are based on discussions with user groups and market analysis and represent a reasonable increase for the value of the Aquatic Center. We would anticipate that these rates would

rise annually linked to increase operating costs and inflation. SF/ISG also anticipate that there may be some incentive discounts for volume and long term lease agreements.

In order to analyze the training time available and club teams’ wish lists SF/ISG created and used the Schedule Matrices (*for City/ARC Options #1 and #2 and SPLASHForward Preferred Option*) *included as Attachment #9B and #9A respectively*) to determine training space. ISG then developed spreadsheets based on the training time available in the Main 50m Pool and Deep Water areas to calculate the following:

- Total Capacity available
 - NOTE: The capacity is based on times teams would really use and does not include late night hours or weekend nights that are not likely to be used.
- Maximum rental revenue that could be generated
- Rental space, time, and rental revenue requested by each club team
 - Specific worksheet tabs for each club
 - These include specific worksheet tabs for the Bellevue High School Swimming and Diving Teams and the Water Polo Teams
- Calculates capacity remaining after team allocations
- Projects percentage of remaining time rented
- Calculates total revenue rental projected

These rental worksheets are included in Attachment #10

Summary of Annual Training Rental Revenue Projections

Category	ARC		SF Preferred & Alternate Option	
	Year One	Year Two	Year One	Year Two
*Bellevue School District				
Swimming & Diving	\$92,100	\$115,120	\$153,120	\$160,776
Water Polo	\$46,080	\$57,600	\$81,928	\$86,024
+Club Swim Teams	\$435,456	\$544,320	\$271,390	\$284,960
Seattle Artistic Swim Team	In Clubs	In Clubs	\$46,740	\$49,077
Water Polo Teams	In Clubs	In Clubs	\$137,066	\$143,920
Diving Teams	\$34,560	\$43,200	\$58,293	\$61,208
Master Teams	\$92,160	\$115,200	\$83,232	\$87,394
Training Camps & Holiday Train	\$48,384	\$60,480	\$60,480	\$63,504
Camps & Clinics	In Above		\$15,000	\$15,750
Triathlon Camps/Clinics			\$5,000	\$5,000
TOTAL	\$748,800	\$936,000	\$912,249	\$957,861
Percent increase Year 1 to Year 2		+25%		+5%

Based on the very large pent-up demand and need for training space user groups and teams have indicated that they would likely max out time available in Year One. SF/ISG takes this into account

with only an incremental 5% increase from Year One to Year Two. SF/ISG believe the ARC projection is low in Year One.

The overall training projections from the City/City/ARC Study 2020 and the SF/ISG Study are very comparable but these are derived in different ways. The SF/ISG rates are based on very specific Bellevue School District and club team requests and specified needs and uses what SF/ISG believe are reasonable market correct rental rates. Based on school and club input and the projected rates SF/ISG project approximately 85% to 90% capacity utilization. The ARC projections include the higher rate (25% higher than SF/ISG rental rate) but project lower utilization of total capacity and lower Year One use. The allocation by group also varies as follows:

- The City/ARC projection for the School District is very low and does not account for all of the High School Swimming, Diving, and Water Polo Teams.
- The Club team lump sum is higher than likely since there is not enough time to support the time for this large rental revenue once the School District is allocated the time they need for all their teams.
- The Masters projection is higher than SF/ISG would anticipate based on available time and lanes needed to support the masters swimming in the market.

NOTES:

*The School District has averaged a total of \$210,000 in each of the last two full school years, with approximately \$30,000 to \$35,000 coming from the water polo team booster clubs and families. Water Polo is not an officially funded sport in the State of Washington or the BSD, so much of the funding comes from the families and fundraising. The SF/ISG usage needs for the BSD was provided directly by the School District Activities Director and team coaches. SF/ISG understands that the rent paid by the BSD at a new Aquatic Center will be dependent on the nature of the BSD/City partnership and capital funding provided by the School District. These calculations are place holders based on a discounted rental rate for the School District.

+The SF/ISG Swim Team Club revenue includes projections provided by specific teams plus an estimated rental of 80% of the remaining training capacity available during reasonable hours.

COMPETITIVE AQUATICS-Events

The ability to host competitive aquatic meets and tournaments is a glaring need in Bellevue, the Eastside, and the entire region. Facilities in Bellevue cannot host any competition at all; not high school swimming and diving meets, water polo games, artistic swimming, Special Olympic swim meets or Masters meets. High school meets are hosted late in the evenings at the Mary Wayte Pool in Mercer Island, second to the Mercer Island Swim Team meets, with the team members often not getting home until 11:00 pm on school nights.

USA Swimming clubs in the area host very small meets in Eastside pools outside of Bellevue and try to rent KCAC for larger events, although finding an open date at KCAC is always a challenge and the cost to rent KCAC is often prohibitive.

There are no deep water pools in the Eastside that can host official course water polo games or tournaments or artistic swimming championship. Like swimming, the water polo clubs try to host one event a year at KCAC. Seattle Synchro has had opportunities to host USA Artistic Swimming Regional and Zone championships, but are not able to secure KCAC for the events due to the full schedules. KCAC is currently schedule for some type of competitive aquatic event for 48 weekends a year.

SF/ISG discussions with the Bellevue School District, and local and regional aquatic clubs all identify specific opportunities for events and the facility and features needed to host these events. SF/ISG have also spoken with the local and regional sport governing bodies to verify the needs for these events and assist in developing a potential calendar for events. Sport governing bodies that SF/ISG have spoken to include:

- Pacific Northwest Swimming, Inc. (PNS): The Local Swim Committee of USA Swimming
 - *See map of PNS Swimming included in this report as Attachment #11*
- USA Swimming Western Zone
- Pacific Northwest Association of Masters Swimmers
- USA Artistic Swimming: Western Zone leadership
- USA Water Polo: Western Zone leadership
- Special Olympics of Washington

Event discussions with the BSD, local and regional clubs, and sport governing bodies focused on the following key elements:

- Types of Events
- Event Hosts
- Size and Scope of events
 - Number of competitors
 - Number of days
- Attendance analysis
 - Number of attendees per competitor
 - Percent of competitors staying overnight and needing hotel rooms
- Aquatic Center rental costs to host club
- Host Club revenue generation; including entry fees, ticket sales, program sales, etc.

Based on all of this info, ISG developed a spreadsheet that calculates the following:

- Number of event days and weekends per year
- Projected hotel room nights annually
- Total event rental revenue generated by the Aquatic Center
- Other event revenue generated by the Aquatic Center
 - Food Concessions
 - Merchandise vendor fees/commission
 - Hotel room rebates (may also be controlled by event host)
- Revenue generated by host club:
 - NOTE: It is very important that hosting events at the Aquatic Center will also be lucrative for the event host club. Events are the largest annual fundraising vehicle for most USA Swimming teams and other aquatic club teams.
 - NOTE: The ability of the event host to make money from events at the Aquatic Center help generate the club revenue to pay for the higher training rental rates and the clubs increased hours at the Aquatic Center.

This Event Calendar and Projection Worksheet was vetted again with host teams, clubs and sport governing bodies to validate the projections. At that time SF/ISG also reviewed the event calendar with King County Aquatic Center management to insure that the Aquatic Center Event Calendar complements the calendar of the KCAC and does not conflict or negatively impact their event model. The Bellevue Aquatic Center calendar focuses on events that KCAC does not have time to schedule, that are too small to efficiently utilize the large KCAC space, or the hosts cannot afford the KCAC. The SF/ISG projected Event Calendar for the Bellevue Aquatic Center is supported by the KCAC management.

Once this data is assembled and the analysis of the above elements complete, ISG is able to project the annual economic impact to Bellevue and the Eastside. SF/ISG met with both the Seattle Sports Commission and Visit Bellevue to discuss events. Goals of these meetings included:

- Identifying how these groups, particularly Visit Bellevue, can assist the Aquatic Center and the host club in attracting events to the venue
- What is the Average Daily Hotel Rates (ADR) for hotels in the City of Bellevue?
- What is the occupancy curve for hotels in Bellevue?
 - Weekdays (Monday-Thursday) occupancy rate
 - Weekends (Friday-Sunday) occupancy rate
- Average daily spending per person
 - Overnight guests
 - Day only guests
- Inventory of hotels and hotel rooms in Bellevue (current and on the drawing board)
 - Identify subset of these hotels that are team, family, and event friendly and provide team and event discounts
 - Help determine if the local appropriate hotel inventory in Bellevue would support the scope of events at the Aquatic Center
 - ***See Bellevue hotel and hotel room inventory in Attachment #12***

This data all factors into developing the event driven economic impact to Bellevue (see Economic Impact detail further down in this Event Section).

Keys to Accuracy of Event and Economic Impact Projections

The accuracy of event and economic impact projections rely on several key factors:

- Develop a reasonable schedule of events you are very confident will be held annually
 - Do not factor in events that need to be bid for and may only come to the Aquatic Center ever three to five years
- Confirm the Club event calendar and competitor projections with the sport governing bodies that sanction the events to make sure they fit into the existing organization calendar
- Set reasonable rental rates for the size of the meets
 - Taking into account the revenue the host club needs to generate
- Validate the hotel ADR and average daily spending amounts provided by Visit Bellevue with event data gathered by USA Swimming and other governing bodies.

The Event Worksheets and Economic Impact Analysis with all of this data for the following design options are included in the attachments to this report:

- **SF Preferred Option and ARC Option #3:**
 - **Event Calendar and Revenue:** Attachment #13A
 - **Economic Impact Analysis** Attachment #13B
- **ARC Option #1:**
 - **Event Calendar and Revenue:** Attachment #14A
 - **Economic Impact Analysis** Attachment #14B
- **ARC Option #2**
 - **Event Calendar and Revenue:** Attachment #15A
 - **Economic Impact Analysis** Attachment #15B

Facility Event Features

Basic event support features and amenities factored into the *SPLASHForward* Preferred Options include:

- State of the art timing system and LED Scoreboard with video capabilities
 - Provides a great platform for generating donor, sponsorship and advertising revenue, both overall and event specific
 - NOTE: Per instructions from Bellevue Parks Staff, both SF/ISG and ARC have not included any sponsorship or advertising revenue in the financial projections. See Sponsorship and Advertising Section of this report for analysis of potential additional revenue.
- Meeting/Function space adjacent or easily accessible from pool deck
 - Hospitality
 - Officials Meeting
- Meet management suite (300 sf compared to 1,000 sf in each of the ARC Options, which is much larger than needed in today's meet management best practices).
- Spectator Lobby/Concourse
- Space for event merchandise vending
- Ability to have separate event entrance for spectators and competitors, or at least separate spectator/competitor flow from daily facility users accessing the non-event pools. Important to minimize impact of regular community program and public access during events

- Flexible/retractable bleachers for spectators to conversion of this space to open programmable space when not in use or when full seating capacity is not needed for smaller meets (can create an additional 1,500+ sf of usable space during daily operations).

Aquatic Center Event Rental Rates

SF/ISG have developed Aquatic Center event rental rates based on input from the user groups, regional and national best practice aquatic centers, and analysis of the local market. The ARC also includes projected rental rates used in their calculations. For purposes of these calculations, these rental rates include lifeguards and facility staffing as well as tables, chairs, and basic event requirements.

Comparison Summary of Rental Rates by Option

Rental Category	ARC Option #1	ARC Option #2 & #3	SF Options
50m Pool-Full Day	\$4,000	\$4,000	\$3,600
50m Pool-Half Day	NA	NA	\$2,000
25 yard course-Full Day	\$2,000	\$2,000	\$1,800
Water Polo Game Course-Day	NA	NA	\$1,800
Deep Water Area-Full Day	\$1,500	\$1,500	\$1,000
Deep Water Area-Half Day	NA	NA	\$600
*Warm-Up Pool Full Day	\$2,000	\$2,000	\$800
*Warm-up Pool Half Day	NA	NA	\$500

***NOTE:** Warm-up Pool may be the Program Pool (ARC Option #1) or the deep water area for the other ARC Options and the SF Options.

SF/ISG have concerns about the projected ARC event rental rates. We find that the \$4,000 day rate is on the high side for Option #2 and #3.

We especially find the same rate for Option #1 very high. This option has much less spectator seating (400 compared to 700 and 900 in the other Options) and less competitor seating (150 compared to 400 and 720 respectively). Option #1 also does not include the stretch area of the 50m pool or the separate deep water pool which act as warm-up pools so that the Program Pool does not have to be used for meets. The value for host clubs of Option #1 is much lower. The host clubs and teams have limited capacity for competitors and spectators and have very limited event revenue potential. The \$4,000 rental rate for Option #1 practically guarantees that an event host will lose money hosting meets in Option #1. *These design elements are described in the Design Section of this Report beginning on page #104.*

We also find the rate for the diving/deep water pool is high. It is a smaller space (25 yards x 6 lanes) and diving events are small in terms of competitors and spectators and cannot support the rental rate of \$1,500 per day.

These rates are designed to be inclusive of event support functions, use of timing system and scoreboard, and basic meet set up. Additional add on fees such as meeting rooms, excessive custodial service, etc. may be extra charges billed to the event host.

For reference, the event usage cost structure for the King County Aquatic Center is based on a more ala carte menu. For a full day event, the rent might be only \$2,400 for 6am to 10pm, but the add-on items usually result in total facility costs of \$5,000 and up per day, typically cost prohibitive for local club team usage and all but the largest meets. These add on costs include:

- Lifeguards
- Operating engineer
- Use of timing system/scoreboard with operator
- Maintenance charge
- Facility conversion fee to event set-up
- Grounds impact

Event Data and Revenue Summary by Options

The Event Data and Revenue projections below are those made by SF/ISG for both the City/ARC 2020 Study Options and the *SPLASHForward* Options based on input from user groups, stakeholders, and sport governing bodies (see Attachments #13-15). These are not the Economic Impact calculations from the City/ARC Study 2020. The rental revenue for each option shows both the SF/ISG rental revenue projections and the **City/ARC 2020 Study event rental revenue projections which are highlighted in yellow.**

Event Data and Revenue Summary by Options

Item/Category	SF Options	ARC #1	ARC #2	ARC #3
Spectator Seating	900	400	700	900
Competitor Seating (on deck)	720	150	400	720
Annual Event Days	111	95	105	111
Event Weekends	30	24	27	30
*Max Competitors/event	1,000	400	700	1,000
Total Annual Competitors	20,100	12,650	18,050	20,100
&Total Annual Projected Attendees	116,300	62,700	98,100	116,300
SF/ISG Rental Revenue Calc.	\$267,400	\$162,900	\$238,900	\$267,400
ARC Event Rental Revenue Calc.	NA	\$196,000	\$196,000	\$205,500
Potential Concession Rev. SF/ISG Study	\$47,800	\$28,000	\$44,400	\$47,800
Other Potential Event Revenue	\$16,000	\$6,000	\$13,500	\$16,600
+Hotel Room Rebates Potential	\$61,900	\$26,000	\$51,750	\$61,900
Total of Additional Revenue	\$125,700	\$60,000	\$109,650	\$125,700
TOTAL EVENT REVENUE	\$393,000	\$222,900	\$348,550	\$393,000
Potential Concession and other Event Revenue in City/ARC Study 2020	NA	No Revenue Projected	No Revenue Projected	No Revenue Projected
TOTAL City/ARC Event Revenue		\$196,000	\$196,000	\$205,500

***NOTE:** Maximum competitors includes split sessions and does not necessarily mean all competitors are competing in the same session. Maximum competitors in USA Swimming meets are controlled by maximum time limit for each meet session.

&NOTE: Total projected attendees includes competitors, spectators, coaches, etc. This number represents total of all daily attendance, so a meet attended by 1,000 people each day for three days is 3,000 attendees. This does not represent unique attendees.

+NOTE: Like many CVBs and Sports Commissions, Visit Bellevue has a hotel room night rebate program with Bellevue hotels for events utilizing these hotels. The hotel room rebates are calculated at the low end of the Visit Bellevue hotel room night rebate and only uses 50% of the total hotels in the projections. Hotel room night rebates are not included in the event financial model. In the SF/ISG Budget Projections a further discount of 30% was applied to the Hotel Room Night Rebate revenue to account for potential hotel rooms outside of Bellevue pending the final site location.

EVENT ECONOMIC IMPACT

The event capabilities of the Aquatic Center are designed to meet the needs of the School District as well as local and regional teams and sport organizations. The revenue generated through the events also helps increase the cost recovery of the facility and reduce the net operating costs, especially in the SF Preferred Option and the City/ARC Study Options #2 and #3. The event capabilities of the Aquatic Center and the projected event calendar also will generate significant economic impact to the City of Bellevue.

The Event Calendar projections indicate the number of competitors, the number of total attendees, the number of days, and the number of hotel room nights. To help project economic impact from this data SF/ISG met with both the Seattle Sports Commission Executive Director and the Executive Director of Visit Bellevue. Visit Bellevue provided researched based information on Average Daily Hotel Rates (ADR), average spending per overnight guest and day visitors, and occupancy curves by season and day of the week. The Visit Bellevue spending values and ADR take into account all visitors to Bellevue, which skews this toward business travelers staying across all hotels in the City and higher daily non-hotel spending values. ***Based on research by USA Swimming and ISG and analyzing the Bellevue hotel inventory of lower cost hotels that are family and sport team friendly and offer event discounts, SF/ISG reduced the Visit Bellevue projections by 30% for the SF/ISG Economic Impact projections.*** Visit Bellevue also provided an inventory of hotels and hotel rooms in Bellevue which SF/ISG broke down by potential event hotels.

Summary of Annual Event Driven Direct Spending (Year Three of Aquatic Center Operation)
 Based on SF/ISG Economic Impact Calculations using Visit Bellevue research and spending values.
 Highlighted values are the City/ARC Study 2020 Economic Impact Calculations.

Economic Impact Summary: SF/ISG and City/ARC Calculations

SF/ISG Projections	SF Options	ARC #1	ARC #2	ARC #3
Hotel Room Nights-SF/ISG Calculation	12,385	5,199	10,352	12,385
ARC Hotel Room Night Calculation		Not Calculated	Not Calculated	Not Calculated
Hotel Spend	\$ 1,560,493	\$655,097	\$ 1,304,384	\$ 1,560,493
Non-Hotel Spend	\$ 9,078,165	\$3,763,107	\$7,458,992	\$ 9,078,165
&Total Direct Spend-SF/ISG	\$10,638,657	\$4,418,204	\$ 8,763,375	\$10,638,657
*Total Economic Impact-SF/ISG	\$26,064,710	\$10,824,599	\$21,470,270	\$26,064,710
City/ARC Study 2020 Direct Spend		\$6,398,000	\$8,239,000	\$8,389,000
+Bellevue Taxes	\$90,429	\$37,555,	\$74,489	\$90,429
Hotel Sales Tax (0.85%)	\$13,264	\$5,568	\$11,087	\$13,264
Non-Hotel Sales Tax (0.85%)	\$77,164	\$31,986	\$63,401	\$77,164
City/ARC Study 2020 Bellevue Sales Tax calculation		\$83,000	\$84,000	\$84,000
#Bellevue Transient Occupancy Tax (TOT) @ 5%	\$78,025	\$32,755	\$65,219	\$78,025
City/ARC Study 2020 TOT Calculation		Not Calculated	Not Calculated	Not Calculated
Washington State Taxes 6.50%	\$691,513	\$287,183	\$569,619	\$691,513
Hotel Sales Tax	\$101,432	\$42,581	\$84,785	\$101,432
Non-Hotel Sales Tax	\$590,081	\$244,602	\$484,834	\$590,081

&NOTE: The SF/ISG Study has based hotel and direct spending at 70% of Bellevue visitor spending as calculated by Visit Bellevue to reflect the type of hotels and spending trends of families and teams attending athletic events.

***NOTE:** Total Economic Impact is based on analysis provided by Visit Bellevue, using their multiplier of 2.45 times Direct Spend to capture the related circulation of the Direct Spend Dollars. The Total Economic Impact includes primary and secondary employment, Gross Domestic Product, and tax revenue generated through the Visitor Direct Spending generated by the Aquatic Center.

+**NOTE:** ISG uses the Direct Spend as a more accurate measure of event impact and bases tax calculations on the Direct Spending revenue.

#**NOTE:** Bellevue TOT supports Bellevue Convention Center Authority, Meydenbauer Center Operations, Meydenbauer Theatre Operations, and Visit Bellevue tourism marketing and promotions.

Bellevue Hotel Capacity and Event Needs

The City/ARC 2020 Study makes the very good point that “Economic Impact is not specific to Bellevue, it is specific to the facility.” (Page 21 of City/ARC 2020 Study). This is true in many communities where the hotel demand spreads into surrounding communities, spreading the impact throughout these nearby communities. ***Visit Bellevue provided SF/ISG with a detailed hotel room inventory by hotel (see Attachment #12).*** Bellevue currently has a total inventory of 5,566 hotel rooms in 29 hotels plus another future 2,148 rooms in 10 new hotels in the planning stage. Of the current 5,566 hotel rooms, SF/ISG identified 2,998 of the rooms in 17 hotels that are considered family/sporting event friendly; offering team and event discounts.

Based on the hotel inventory and the number of event friendly suitable hotel rooms it is likely that the City of Bellevue hotels will capture the vast majority of event hotel room nights and hospitality spending driven by the Aquatic Center events. This capture rate may decrease if the future Aquatic Center site is on the edges of Bellevue and surrounding community hotels become more convenient.

Visit Bellevue has indicated that they have the capacity to develop reservation portals for events bringing together the appropriate hotel inventory and options for Aquatic Center events. This helps maximize the use of Bellevue hotels for events at the Aquatic Center and also helps secure the best rates for teams and families.

Bellevue Hotel Daily and Seasonal Analysis

Bellevue hotel capacity is largely driven by weekday business travelers. The Bellevue hotel occupancy rate drops significantly for most of the year on Friday, Saturday, and Sunday nights and somewhat on Thursday nights. The of 10,000+ hotel rooms during the traditionally slow weekend nights will be significant to the local hotel industry. This fit works well for events, since many of the hotels in Bellevue have significantly lower rates on Friday and Saturday nights and somewhat lower on Sunday and Thursdays.

SF/ISG reviewed the seasonal and daily event hotel room nights generated by the projected event calendar and worked with Visit Bellevue to compare these projected daily and monthly rooms against the current occupancy rates in Bellevue Hotels.

Analysis of Current and Projected Hotel Room Nights by Month

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Current Bellevue Hotel Occupancy Rate												
Sunday-Thursday	62%	66%	72%	70%	77%	86%	85%	80%	80%	75%	63%	56%
Friday-Saturday	46%	52%	58%	61%	65%	79%	86%	82%	76%	57%	51%	50%
Aquatic Center Event Projections by Month												
% of Total Rooms/mth.	7%	6%	13%	4%	17%	18%	13%	0%	0%	2%	13%	6%

- 69% of projected hotel rooms fall in months where the current weekend occupancy rate is below 70%
- 48% of projected hotel rooms fall in months where the current weekend occupancy rate is below 60%

Analysis of Current and Projected Hotel Room Nights by Day of Week

	Mon	Tues	Wed	Thur	Fri	Sat	Sun
Current Average Daily Rate by Day	75%	82%	82%	70%	63%	64%	54%
Aquatic Center Event Projections by Day	0%	0%	0%	14%	39%	39%	9%

- All projected rooms for the Aquatic Center events fall in the Thursday-Sunday when current occupancy rates are the lowest
- 78% of projected rooms are on Friday and Saturday when the average occupancy rates average just over 60%
 - Current occupancy rates for Saturday and Sunday in June and July are above 80%, so this is the only time of year where the event demand would potentially push availability to maximum occupancy

The full breakdown of current Bellevue hotel occupancy rates by day of week and month as provided by Visit Bellevue are attached to this report as Attachment #16.

The detailed breakdown of projected hotel room nights by month and day of week for the SF Preferred Design and ARC Option #3 are included as Attachment #17.

Successfully Achieving Event Potential

Successfully achieving the event potential of the Aquatic Center requires several key elements. These include:

- Design
 - Optimize design for projected events, limiting impact on community use and access
 - Separate event spectators/competitor and community entrances
 - Separated facility circulation patterns
 - Event specific traffic control patterns
 - Including the key event stakeholders, potential hosts, and sport governing bodies in the next design phase to insure that the key event design and support elements discussed in this Report are include in the final designs.
- Securing Events
 - Strong network and communication with the potential event hosts and sport governing bodies
 - *SPLASHForward* has established strong connections and relationships with the key hosting clubs as well as the sport governing bodies
 - Sport organizations and potential event hosts, including the School District, have been a part of the *SPLASHForward* process from the beginning and have become part of the development of the event model, insuring their support of future events.
 - Support of Visit Bellevue
 - Visit Bellevue and SF/ISG have discussed ways that Visit Bellevue can assist in bringing events to the Aquatic Center and helping to enhance the event experience and success to keep events coming back to the Aquatic Center
 - Includes help with event hospitality, information on Bellevue, assisting in bid presentations as needed, and more
 - Coordination with the Seattle Sports Commission which is now an independent nonprofit
- Well run and successful events
 - Strong event experienced Aquatic Center management (See further detail in the Management and Staffing Section of this Report)
 - The staffing model in both the SF/ISG and the ARC business models include a management position focusing on events.
 - The staffing model also includes the staff needed to support events
 - The selection of the Aquatic Director or Aquatics Coordinator s positions should include event management experience as part of the experience and skill set required for the position
 - Market and host friendly and appropriate event costs to support host teams and organizations ability to generate revenue from events at the Aquatic Center
 - Strong relationship with local businesses to support events, event hosts, and attendees during events.

Review of Economic Impact Analysis in the ARC/City Report

Specific direct spend calculations generated by Aquatic Center event as projected by the City/ARC Study 2020 are included in the above summary tables and highlighted in yellow. SF/ISG went a bit further and was able to study and analyze the event and economic impact model in a much greater

depth than the City/ARC Study team. Specific takeaways from the City/ARC 2020 Study section on Economic Impact include:

- The City/ARC 2020 Study Economic Impact Analysis was based on an 2002 Economic Impact Study of events hosted at the King County Aquatic Center (KCAC)
 - Spending projections were then extrapolated to 2020 dollars
 - The KCAC Study was skewed by the large number of national or major regional events that drew a much higher percentage of overnight guests compared to the more local and regional events projected for the Bellevue Aquatic Center
 - This 2002 KCAC Study broke down attendees by Local, In-State, and Out-of-State attendees, but did not quantify day versus overnight attendees (requiring hotel rooms)
 - The in-state versus out-of-state breakdown was logical for the 2002 Study since one of the goals was to validate the impact on the overall State for State reporting and funding considerations
 - For the Bellevue, the analysis is more focused on the overnight guests versus day guests coming to Bellevue to analyze the impact on hotel room nights. Whether these overnight guests are from in-state or out-of-state is not critical at this point unless the potential for State of Washington Tourism funding becomes a factor in the overall funding of the Aquatic Center.
- These spending values vary a bit from current Bellevue spending averages reported by Visit Bellevue, but the variances are not overly significant
- The development of the event schedules and competitors are not broken down by specific organization, such as high school or USA Swimming, so it is difficult to validate the number of competitors
- The number of athletes and competitors for each option do not match up logically with the projected competitor and spectator seating in each option
 - For example, the swim meet projections for both Option #1 and Option #2 do not vary by the number of competitors and spectators, just by number of events/year, but the competitor deck capacity and the spectator seating capacity vary by large percentages
 - The SF/ISG study did an independent analysis of the events, competitors, and attendees based on the ARC design options to provide what SF/ISG feel is a more accurate and realistic assessment of event attendees and impact.
- Based on the competitor and spectator capacity of the ARC Option #1 the SF/ISG direct spend calculation is considerably less than the ARC projections
 - Option #1 Direct Spend
 - SF/ISG Projection = \$4,418,000
 - ARC Projection = \$6,398,000
 - Option #2 Direct Spend
 - SF/ISG Projection = \$8,763,000
 - ARC Projection = \$8,239,000
 - Variance in seating
 - Option #1: 150 competitors and 400 spectators
 - Option #2: 400 competitors and 700 spectators
 - Conclusion: SF/ISG do not believe that Option #1 has the capacity to support the impact projections in the City/ARC 2020 Study. SF/ISG understands that much of

the work to refine and tune the initial forecasts in the City/ARC 2020 Study was an anticipated next step and one we were able to take in advance in greater detail.

- The incremental event attendee increase from Option #2 to #3 is very small incrementally, with the Direct Spend projected by the City/ARC 2020 Study only an increase of only 1.8% despite an increase in competitor capacity by 80% and spectator capacity by 25%.
 - As capacity increases the overall event size does not increase at the same ratio since many events do not fill the entire capacity, resulting in some diminishing returns, but the 1.8% increase is very low
 - Based on input from sport governing bodies, area clubs, and potential event hosts SF/ISG calculated the increase in attendees and economic impact to be 21%
 - NOTE: The expanded capacity of the SF Preferred Option and the City/ARC Option #3 plus the separate deep water pool allow for larger swim meets and more regional competition that draw more overnight attendees which accelerates the increase in hotel room nights further contributing to the economic impact
- Projections of hotel room nights was not included in the City/ARC Study 2020.

Event Generated Tax Revenue

The tax revenue generated by events is included in the above tables.

A more detailed tax analysis is included in the Financial Section of this Report.

AQUATIC SCHEDULING MODEL MATRIX

To successfully maximize all of the aquatic programming opportunities it is very important to develop a scheduling model for the pools in the potential BHAC to best understand how the pools, programming, and scheduling all fit together in an integrated model for each option. While this schedule model may seem to be excessive detail at this point in the development process, it is critical tool in the development of the Aquatic Center design, program, and partnership model. These critical elements include:

- Understanding the space and time needed to support the desired programs and user group needs
- Help determine the optimum design to meet these schedule demands
- Helps generate the financial analysis for the Aquatic Center
 - Validate that enough space and time is allocated to programs to support the revenue projections
 - Supports the detailed analysis of staff needs, especially lifeguards and instructors
 - Identifies available training time to drive the outside team/club rental revenue projections
- Important tool in developing user and program partnerships
 - Illustrates time and space available for use by partners and how their needs can be met by the Aquatic Center
 - Promotes understanding of how partners and user groups will need to share to facilities
 - Especially important in discussions with the Bellevue School District
- Important tool in exploring regional partnerships
 - The schedule detail helps illustrate and quantify space and time available to integrate regional partner uses and needs
- Critical tool in the next steps in the renovation/repurposing of the existing Bellevue Aquatic Center at Odle Middle School and the integration of complementary programming at each facility

Design Options

Schedule Models have been developed for the following options.

- Option #1: 50m pool with no separate deep water area
- Option #2 and SF Alternate Option: Stretch 50m Pool (67m x 25 yards with deep area)
- Option #3 and SF Preferred Option: 50m Pool with separate deep water pool

Bodies of Water

Each option includes all the bodies of water in that option:

- Main 50m Pool
- Deep Water area where applicable
- Program Pool
- Leisure Pool
- Wellness/Therapy Pool.

Seasonality

To account for the different schedule models during the school year, the following seasonal schedules were developed:

- School Year
 - Mid-August to Mid-November: Two high school aquatic sports in season
 - Both Girls HS Swimming & Diving and Boys HS Water Polo in season
 - USA Swimming Short Course (25 yard) season
 - Mid-November to Mid/late May: One high school aquatic sport in season
 - Boys HS Swimming & Diving season Late November to end February
 - Girls HS Water Polo season March to mid/late May
 - Combined USA Swimming short and long course (50m) season
 - Mid/late May to end of School Year (Mid-June): No HS teams in season
 - USA Swimming long course season
- Summer: Mid-June through Mid-August

Water Polo, Diving, and Artistic Swimming seasons run throughout the year through mid-summer but do not require different seasonal configurations.

It is noted that the impact of COVID-19's pandemic and future pandemics will modify (shorten or change seasons, prioritization of community programming, limit team size) and it is assumed that the schedule demands would be worked out by the Aquatic Center management in coordination with all affected user groups.

Weekly Schedules

For each option and seasonal matrix there are schedules for the following days:

- Weekdays Monday-Friday
- Saturdays
- Sundays

Programs Included

The Schedule Matrix includes a full range of aquatic programming, user groups, and open access/open swim time. Flexible unscheduled open time also is indicated. The many different programs and users are color coded by all the categories of programming and specific user groups. This provides an important visual of the programming, access, and user group schedules.

Programs incorporated into the Schedule Matrix include:

- Community Programming
 - Swim Lessons
 - Lap lanes
 - Aquatic fitness
 - Senior programs
 - Special Needs programming
 - Deep water fitness
 - Therapy/Wellness programs (outside providers)
 - Home School programming
 - Recreation "Lifestyle" Programs and classes such as scuba, kayak, paddle boarding (outside providers)

- Day Care programs (in-house or outside providers)
- Summer Camps
- After School programming
- Open public access or community use
- Bellevue School District Use
 - Bellevue School District High School Teams
 - Swimming
 - Diving
 - Water Polo
 - BSD programming: PE, Adaptive PE, extracurricular clubs or programs
- Outside Competitive Aquatic Programs
 - USA Club Swim Team Training (not assigned to specific teams)
 - Masters Swimming
 - Pre-Team/Entry Level Team Programs (in-house or outside club programs)
 - Seattle Synchro
 - Club Water Polo Teams (Rain City, Northwest Water Polo, Masters Water Polo Clubs)
 - Club Diving
 - City Recreation Swim Team: Summer and Winter Rec teams
 - Special Needs/Special Olympics
- Outside Organizations
 - Boys and Girls Clubs of Bellevue
 - Bellevue College (pending any partnership with College)
 - Jubilee Reach through Bellevue School District after school programming
- Open unscheduled times

Scheduling Principles and Goals

Key principles and goals of stakeholders, user groups, and *SPLASHForward* include the following. See section on Programming for the basis for many of these schedule goals.

- Lap Swim lanes would now be available during all open hours of the aquatic facilities
 - Options for cooler and warmer-lap lanes (Main and Program Pools)
 - Morning hours before work
 - Evening hours after work
 - Lap lanes available in main pool even when teams are training
- Maximize flexibility for concurrent programming and effective space and time sharing
- Adult and child program times that can be accessed by working parents
- Mid-day, after-school, evening, and weekend hours available for swim lessons, including private and semi-private lessons and adult lessons
 - Lesson program times in both the Program and the Wellness Pools for different temperatures
- Early morning and evening aquatic fitness class times available in addition to mid-day lessons for working participants and greater course intensity options accessible to broader portion of community.
- Open after school and evening hours in the leisure pool plus after school availability in Program pool for youth access and programming

- Significant time for community open recreation and swim on Saturdays and Sundays, including opportunity for addition of recreational features to the Main and deep water pools (see Rectangular Recreation in the Program Section)
- Meet aquatic team needs of the BSD with morning and after school/early evening hours (eliminate the need for school teams using later evening hours)
- Provide school day and after school time availability for non-competitive school district programs as needed
- Create Masters Swimming times before and after work hours and during the lunch hour
- Access to the Wellness/Therapy Pool throughout the day for therapy/rehab treatment and programs

The Schedule Matrices were first presented to the City and the ARC team in spring of 2019 and updated in the summer of 2019 to help in the Aquatic Center design and programming model development. SF/ISG have used the schedule matrices for the following purposes:

- Used schedule template to develop School District high school teams practice schedules and insure School District needs are met
- Provided framework that SF/ISG used in working with community stakeholders and user groups to identify needs and opportunities.
- Provided a vehicle to incorporate best in class facilities and programs into a model that can apply to the Aquatic Center
- Available time during each season used to determine availability of training time for outside club user groups and project rental revenue
- Schedule assisted in developing design concepts to support the current program and user demands and projected future
- Matrix used to compare the impact of the different design options on community programs and access as well as space for user groups
- Allows quantitative evaluation of design options on revenue and expenses.
- Time and space schedules for programs such as learn to swim helped project and validate participation and revenue projections
- Schedule helped develop staffing model and project staffing, lifeguard, and instructor costs

The Schedule Matrices will also be helpful during the next design phase to identify and quantify the impact of changes in design and configurations as well as determining the impact of new programs and partner involvement in the Aquatic Center. Looking ahead, the Schedule Matrix will be a critical tool in educating the public on how the Aquatic Center provides opportunities and benefits for the entire community. It will also be very helpful in the next phases of funding and fundraising to show how the Aquatic Center impacts the entire community.

The following page shows an example of the Schedule Matrix. This one page is the weekday schedule during the school year when one high school aquatic sport is in season. This is the schedule for the SF Preferred Option. The full set of Schedule Matrices are attached this report as follows:

- ***SF Option & Option #3: 50m Pool with deep pool and Wellness Pool Attachment #9A***
- ***Option #1: 50m Pool with no deep water area Attachment #9B***

DRY-SIDE FITNESS and COMMUNITY PROGRAMS

The Aquatic Center will also have facilities for “Dry-Side” fitness, health, and wellness programming. These fitness facilities are very important to the overall impact on the community as well as on the business model of the Aquatic Center, adding value to expand the membership and user base. The fitness facilities and programs augment the existing facilities at the South Bellevue Community Center (SBCC) and contribute to the overall mission of the Aquatic Center, The synergies between the dry-side and the aquatic side advance and enhance each element. The combination of dry-side fitness and the aquatic recreation, leisure, and programs appeal to family use, providing opportunities for different activities for each family member; for example, a parent works out on the stair climber or takes a yoga class while their child is taking swim lessons or at swim practice.

Fitness Programming, Classes, and Features

The City of Bellevue is a very fitness oriented community. The dry-side fitness and workout spaces proposed in each Option are greater than the current City fitness facilities at the SBCC and even the smallest Option will more than double the fitness and workout space offered by the City. The SBCC currently has a very wide range of classes, but the added workout and specialty studio spaces of the proposed Aquatic Center will support expanded, enhanced, and new classes and programs. An important feature of the dry-side fitness design elements is configurable spaces to allow for the most flexible usage including future programming options that cannot be envisioned today.

The fitness components of the Aquatic Center in all options include the following. See detail in the Design Section of this Report.

- Cardio/Strength training room
- Workout studios
- Large flexible workout space
- Group workout spaces
- Offices for fitness professionals and trainers
- Outdoor trail and workout stations if site is appropriate

Samples of Fitness Programs at the Aquatic Center







Fitness Component Financials and Review

The City vision for the Aquatic Center Membership includes a broad range of fitness classes (dry-side and aquatic) to be included in the Aquatic Center membership at no additional charges. Some high end specialty fitness classes would still include a fee as would a strong personal trainer program. It is difficult to quantify the impact of the fitness facilities on BHAC Membership and Use Fees, except to say that they will be an important revenue driver for the Aquatic Center. It is hoped that a more in depth study of the fitness opportunities can help make a stronger analytic connection between the fitness component and membership.

Fitness Program Revenue

Program Revenue (Yr. 2)	+SBCC	SF Options	Option #1	Option #2	Option #3
*Specialty Classes		\$16,200	\$0	\$0	\$0
Class Fees for Non-members		\$16,200	\$0	\$0	\$0
Free Classes w/ Membership	Not included	\$0	\$0	\$0	\$0
Personal Training		\$69,000	\$32,500	\$39,000	\$52,000
TOTAL	\$225,000	\$101,400	\$32,500	\$39,000	\$52,000

***NOTE:** Specialty Classes are those requiring high-end specialty trained instructors or specialty equipment.

+**NOTE:** SBCC Revenue and Instructor costs are very rough estimates and can be further analyzed in the next phase of project development.

Fitness Program Instructor Costs

Instructor Costs (Yr. 2)	+SBCC	SF Options	Option #1	Option #2	Option #3
Free Class w/membership	\$150,000	\$97,500	\$30,000	\$30,000	\$30,000
*Specialty Classes		\$4,860	\$0	\$0	\$0
Personal Training		\$20,700	\$15,000	\$18,000	\$24,000
TOTALS	\$150,000	\$123,060	\$45,000	\$48,000	\$54,000

The SF/ISG instructor cost projections are based on analysis of the current program/class load at the SBCC and calculated at the same hourly rate per class as the ARC staff projections. The Instructor costs for the ARC Options seem inconsistent with the fitness design scope and the potential opportunity for fitness programs at the Aquatic Center. The design options have the following fitness spaces identified. The spaces at the SBCC are included for comparison purposes.

Fitness Design Components and Spaces

Feature	SBCC	SF Options	Option #1	Option #2	Option #3
Cardio/Strength Room	2,345 sf	4,000 sf	2,500 sf	5,000 sf	8,500 sf
Workout/Fitness Rooms		*2,500 sf			
Functional Fitness			750 sf	2,000 sf	2,000 sf
Group Exercise Rooms			1,000 sf	2,000 sf	2,000 sf
Fitness/Exercise Studios	1,462 sf	1,500 sf	750 sf	1,000 sf	1,000 sf
Gym	12,000 sf				9,000 sf
TOTAL (Not including gym)	3,807 sf	8,000 sf	5,000 sf	10,000 sf	13,500 sf
% Increase in Space to SBCC		+110%	+31%	+163%	+255%
% Increase in Space to Opt #1	-24%	+60%		+100%	+170%

NOTE:** The SF/ISG Exercise spaces and studios are lumped together since we believe that a further analysis of program needs is necessary to determine which specific spaces are needed at the Aquatic Center. ***See Dry-Side Fitness Design Section beginning on page #141 in this Report.

Growth of Fitness Programs, Use, and Costs by Option

In all City/ARC options there is significant space allocated to group exercise rooms and functional fitness, and studio spaces. These spaces cater to fitness classes and programs led by instructors, such as yoga, spinning, zumba, step classes, etc. (see the program examples below). These are the classes that in most cases would be the classes included with membership. With these spaces and the inclusion in membership SF/ISG would anticipate that these would be very popular.

The first concern is that as these spaces expand from Option #1 to #3 (71% from Option #1 to #2 and #3) you would anticipate this is designed to drive the increasing membership and meet the increasing demand in classes. The expenses for instructor wages, however stays the same, which translates into no anticipated increase in classes despite the significant increase in space available, which raises the question is the added space needed. The actual total costs of instructors is also very low. The ARC instructor calculation is based on 1 instructor for 4 hours per day for 6 days/week over 50 weeks. This means that the projection includes only 4 fitness classes a day and none on Sundays (we assumed this was the off day in the ARC projections). This is a total of 24 classes per week. There is a full time Fitness Supervisor position included in the management model, but this position usually does not teach many classes, if any. Currently, the SBCC has over 50 fitness and program classes per week (based on the 2020 winter brochure prior to the COVID shutdown) that are actually all fee based classes in a much smaller facility. Either the projections for classes at the Aquatic Center are very low or the space created for these programs is excessive. The initial SF/ISG assessment is that the reality and opportunity is somewhere in the middle, perhaps favoring the projection for significantly larger number of classes. The ISG projection for instructors for the free classes is \$97,500 in Year Two. Using the same \$25/hour wage for instructors that is used in the ARC analysis this equates to 3,000 hours/year, which is 60 class hours per week. With the group exercise room and studio spaces included in the design this means 10 classes of some sort each day, which is reasonable and actually conservative if the demand for fitness space and programs matches the design. ***This analysis points out how important a more in depth analysis of fitness needs is to right sizing the fitness component of the Aquatic Center.***

Fitness Center Feasibility Study and Right Sizing the Fitness Element

The Bellevue Health and Aquatic Center fitness facilities will provide spaces for drop in workouts as well as organized classes and personal training. While the ARC and the SF/ISG Feasibility Studies and analysis focused heavily on the needs and opportunities for aquatics in Bellevue and the Eastside, the same feasibility study and market analysis detail was not carried out on the dry-side fitness components of the BHAC. SF/ISG recommends that prior to the City beginning the next phase of design, a more thorough analysis be conducted of the public fitness facility needs and opportunities in Bellevue. In addition to the SBCC, Bellevue is home to many expansive private and commercial fitness centers and facilities as well as corporate fitness centers and the YMCA. There is no doubt that a dry-side fitness element is very important to the overall mission and business model of the BHAC, but we feel that this additional research is needed to “Right Size” the fitness component based on community needs and opportunities.

Other Fitness Component Revenue Steams

The space available in the fitness area, particularly the group exercise space and the workout studios are also prime spaces for rental by outside instructors or programs. This model currently works at the BAC/Odle, and if there is space as indicated by the low projections of classes, there should be time in these spaces to rent out to outside instructors. In many cases, this is a vehicle to provide members and community users the high end classes that City Rec instructors may not have the training or certifications to run. We do not know if this is the case in Bellevue without a more detailed study. The SF/ISG financial model does include some incremental revenue for the rental of these workout spaces to outside instructors or programs. The SF/ISG rental revenue projection for fitness spaces in Year Two is \$10,000. No rental of these exercise spaces is included in the ARC business models.

Community Meeting and Function Space Rental

The BHAC also provides community meeting and function space that can provide much needed affordable and publicly accessible meeting space for organizations and programs in Bellevue. ***See the Design Section beginning on page 124 of this Report for details on the Community function/meeting and lobby space.*** It also provides a home for City recreation classes, group activities, special events, and programs. Outside organizations will find the function space available for a wide range of additional programs, classes, meetings, and functions. The function and meeting space also supports the activities in the BHAC such as aquatic classes and support spaces for swim meets and competitive events. The combination of the full range of programming at the BHAC and the fitness center plus the community function space can make the BHAC truly a community activity hub for all residents of Bellevue.

SF/ISG also anticipates some outside group rental of the function and meeting space included in the BHAC. This is a model that already exists at the SBCC, with approximately \$30,000 to \$35,000 generated annually (revenue to be analyzed in more detail in next phase of project development). The SF/ISG projection for rental of these community function spaces is a conservative \$30,000 in Year Two based on the increased community function space and the significant increase in users of the facility. No rental revenue of the community function spaces is included in the ARC analysis. ***A further analysis of the fitness and community space and need would include a deeper dive into the potential for these spaces.***

Meeting and Function Spaces

Spaces	SBCC	SF Option	Option #1	Option #2	Option #3
Meeting/Conference Rooms		2,400 sf	1,200 sf	2,400 sf	3,200 sf
Multi-Purpose Classroom	553 sf				1,600 sf
Multi-Purpose Classroom	568 sf				
Function/Party Rooms (wet classroom)		2,000 sf	1,500 sf	2,000 sf	2,000 sf
Community Room (dividable in 2)	2,400 sf				
Kitchen	623 sf	300 sf	300 sf	300 sf	300 sf
TOTAL FUNCTION SPACE	4,144 sf	4,700 sf	3,000 sf	4,700 sf	7,100 sf

Fitness, Meeting, and Function Space Revenue

Spaces	SBCC*	SF Option	Option #1	Option #2	Option #3
Fitness Spaces and Studios		\$10,000	\$0	\$0	\$0
Function & Meeting Spaces+		\$30,000	\$0	\$0	\$0
TOTAL REVENUE	\$40,000	\$40,000	\$0	\$0	\$0

NOTES:

*Revenue for SBCC does not include gym or climbing wall revenue. The total rental revenue for the SBCC in 2019 was \$74,000. The SBCC breakdown by space is an estimate since these rentals are lumped together in the SBCC budget.

+Specific party programs are included in separate revenue line item and are not included in this revenue.

NEXT STEPS: DRY-SIDE FITNESS AND COMMUNITY SPACES

The Dry-Side and Community Spaces of the Aquatic Center are a significant component of the Aquatic Center and represent spaces that are larger than currently exist at the South Bellevue Community Center. As mentioned throughout this Section of the Report it is very important to further analyze the Dry-Side Fitness and Community Spaces as part of the immediate Next Step goals of defining a Recommended Design.

- Dry-side “mini-feasibility” study
 - Work with SBCC and City staff to identify needs and opportunities for the dry-side features of the aquatic center
 - Programming
 - Design/Spaces
 - Fitness/workout spaces
 - Gym
 - Community function and meeting spaces
 - Review of Bellevue and Eastside workout/fitness facilities, including fees, programs, features, design
 - Identify facilities and programs already in the market provided by private fitness clubs and health clubs
 - SF/ISG: Build on initial research initiated by SF/ISG with City rec staff during the development of this Report
 - Focus on needs identified by current SBCC staff
 - Recommendations on dry-side design and features for Aquatic Center
 - Further analyze program model and staffing needs to develop a realistic assessment of the program, classes, use, and staff model for the Dry-Side features of the Aquatic Center
- Identify potential partner needs in the Dry-Side Fitness and Meeting/Function spaces
 - In discussion with Bellevue College link these facilities to complement new and existing and new facilities on campus
 - Other partner needs?
- Based on these findings, develop a “right sized” design and scope of these spaces for the Aquatic Center preferred design
 - Equate right sized space with parallel development of membership, program, revenue, and staffing model