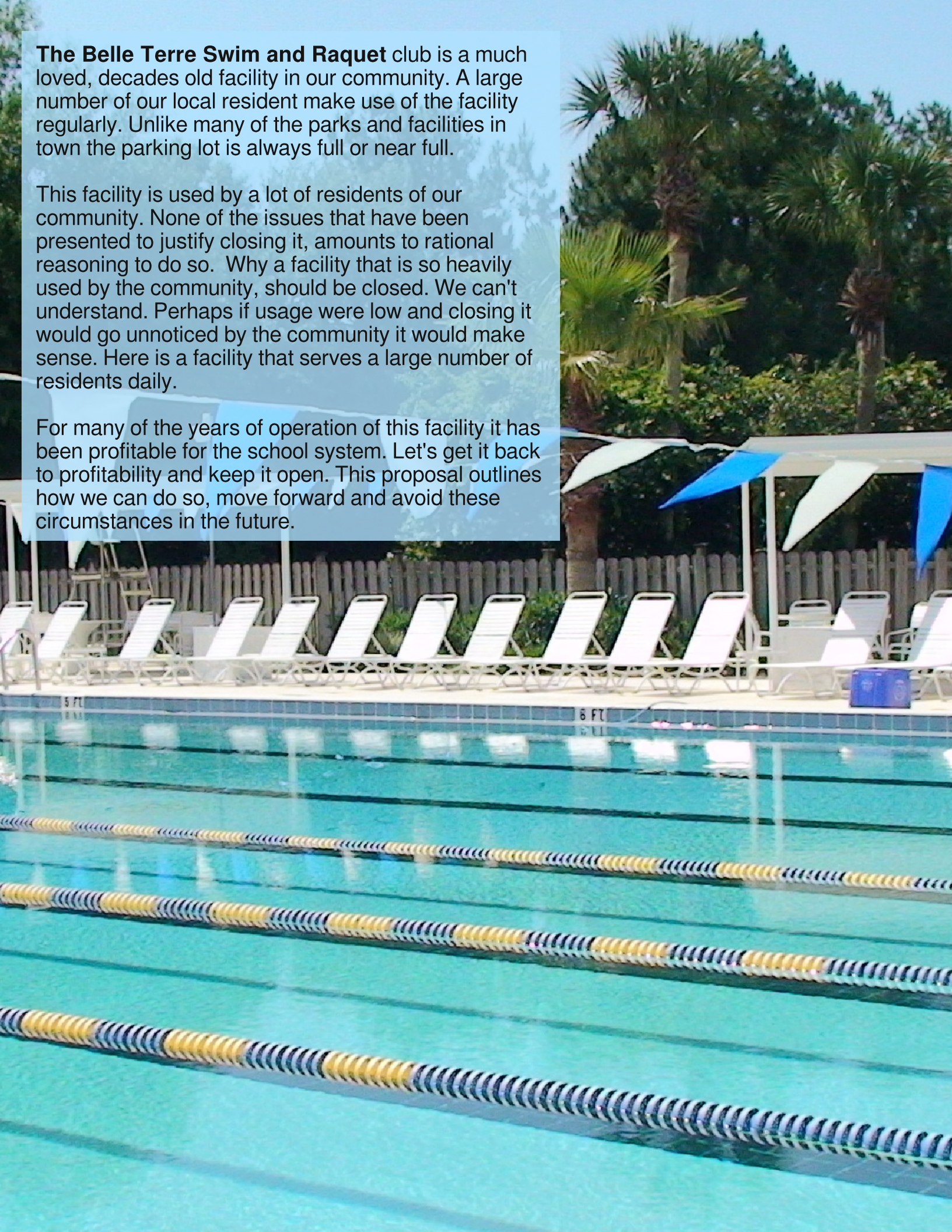


The Belle Terre Swim and Raquet club is a much loved, decades old facility in our community. A large number of our local resident make use of the facility regularly. Unlike many of the parks and facilities in town the parking lot is always full or near full.

This facility is used by a lot of residents of our community. None of the issues that have been presented to justify closing it, amounts to rational reasoning to do so. Why a facility that is so heavily used by the community, should be closed. We can't understand. Perhaps if usage were low and closing it would go unnoticed by the community it would make sense. Here is a facility that serves a large number of residents daily.

For many of the years of operation of this facility it has been profitable for the school system. Let's get it back to profitability and keep it open. This proposal outlines how we can do so, move forward and avoid these circumstances in the future.





The argument that the facility has new gyms to compete with has been made as the reason for the loss of membership. Although even during the recession the industry has grown. Gym membership is one of the bright spots of our economy during the recession. Memberships at gyms nationally continued to grow throughout the recession. Although there is more competition, the market continues to expand as more and more people make the choice to better their health. In an expanding market everyone should be gaining new clients. We will outline below why this is not the case with the Belle Terre facility.

Approximately six months ago rumors began to circulate among members at the Belle Terre Swim and Raquet Club that the facility was in jeopardy of being closed. We looked into the matter and made some inquiries as to why the club was in trouble, in order to understand the reasons why the club is losing membership.

Here is what we found.

1. The primary problem with the loss of membership is poor advertising or lack thereof. There is very little effort made to acquire new members.

2. The facility is in need of repairs. Although not a direct cause of the loss of membership, the quality of the facility has made it easier for members to consider other options.

We began work on this proposal to offer solutions to getting the club in sound financial health and keeping it open. However in the process of working on this proposal, we were told that the YMCA is likely to take over the facility soon and the threat of closing would be resolved. We had reservations about the YMCA coming in. We felt that the facility can be better handled and become more responsive to local needs if a member elected board had authority over the facility. Coupled with a foundation to raise money for it and apply for grants. At the time we felt we could not compete with the YMCA. With the matter apparently resolved, we opted not to submit the proposal.

A few weeks ago rumors began to circulate once again. A deal could not be made with the YMCA and the facility would close in September. We then renewed the work to keep the facility open.

Our Solutions:

Our plan takes the facility back to profitability over time by building up the membership. In order to do this we propose that the Flagler County Commission, The Flagler School Board, and The City of Palm Coast each contribute towards suring up the facility giving us enough time to return the facility to financially sound condition.

The facility should be kept open to keep the current members. If the facility is closed then many current members will move onto other facilities and change their routine. If the club were to reopen at a later date we would have to start from scratch, rather than from the base of current members. Let's work to build up the membership but not give up the ones we already have. Let's keep the facility open to the public while we work on the membership.

We would like to see the marketing and promotion of the facility be turned over to a local startup Freeman Marketing. This firm will market and assist in building the membership for a share of revenues above current levels. They will not be paid unless they are successful in raising revenue and bringing new members to the facility. This revenue sharing model allows the facility to be promoted in a manner needed without expending capital. Outlined below are the recommendations of Freeman Marketing.

1. The primary reason for lack of members is poor marketing. The majority of the surrounding community have no idea that the club is there. Although there are multiple gyms around town. Those who live within walking distance or minutes of the gym would likely prefer it for its proximity to their home. If they were aware of the facility. The Belle Terre Swim club is their local gym. It is the closest facility to them. Being within walking or biking distance to the folks who work out regularly is a selling point not being taken advantage of.

You have a natural membership base in all of the residents that surround the club in the P section and into parts of the W and R section. Thousands of potential members, most of whom only know of the commercial gyms further away from their homes. We need to market to the residents near the facility so they know the resource is there. We have a plan to assist in this part at no cost to the Schools, with a revenue sharing agreement.

2. Build relationships with local personal trainers. Most profitable gyms have strong relationships with personal trainers in their area. Personal trainers must market themselves and find clients to purchase their services. These trainers often work with local gyms, where their clients can come to work out. A relationship with local personal trainers will bring more people into the gym. Many of their clients will join the gym as a result of this relationship. Let's make those personal trainers welcome and work out a mutually beneficial arrangement with them. Freeman Marketing will build these relationships for the facility.

3. Build relationships with local sports organizations. The Indian Trails sports complex has become one of the most heavily used parks in the county. This is due to the cooperative relationships between the city and local sport entities that use the facility and bring events there. For example by partnering with PDA for Soccer and local Little League for Baseball, that facility has become heavily used and contributes millions to the local economy as a result of tournaments held here. Freeman Marketing will work to build these relationships for the club.

We recommend that the facility remain under Flagler Schools until it has returned to profitability. At that point we can then make the necessary decisions about what would be the best structure for it going forward. We would like to see a member elected board be created to run the facility or make major decisions about it's operations. A elected board is more likely to respond to member concerns, a frequent complaint we now face with the current structure. A separate entity can be created with a board to manage it, coupled with a foundation to raise funds to cover any budget shortfalls and apply for grants and such. Whatever that structure will be, it must ensure the club remains open into the foreseeable future.

In order to get the facility to where we would like to see it financially, we will need some short term assistance from local governing bodies to fill the gap in the finances. We are hopeful that the city of Palm Coast and the County Commission will see that the facility serves their communal objectives. The facility is heavily used by taxpayers and residents of Palm Coast and the County. It serves the public good to keep it open. Until the facility returns to profitability we would asked that a shared effort be made to shore up the books.

The City of Palm Coast for example can greatly help keep the facility open even without making cash contributions. The city can donate the \$18,000 of water the facility uses each year until the club is financially able to start paying for its water again.

If we come together we can keep this facility open, build up the membership, and return the club to what it was envisioned to be, decades ago. We can't allow the Belle Terre Swim Club to fall into the trap of other properties around the county that fall into disrepair and becomes an eyesore for the community. We can prevent that from happening. Let's come together as a community and get it done.

-Members of the Bell Terre Swim & Raquet Club

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