

Washington, DC

Gangplank Marina Fees

The Perspective of Liveaboards

ZONING COMMISSION
District of Columbia
CASE NO. 11-03J
EXHIBIT NO. 35

Build to what the market demands, and not to the developer's perception of what boating should be like.

Dennis Kissman
Marina Management Services
Boca Raton, FL

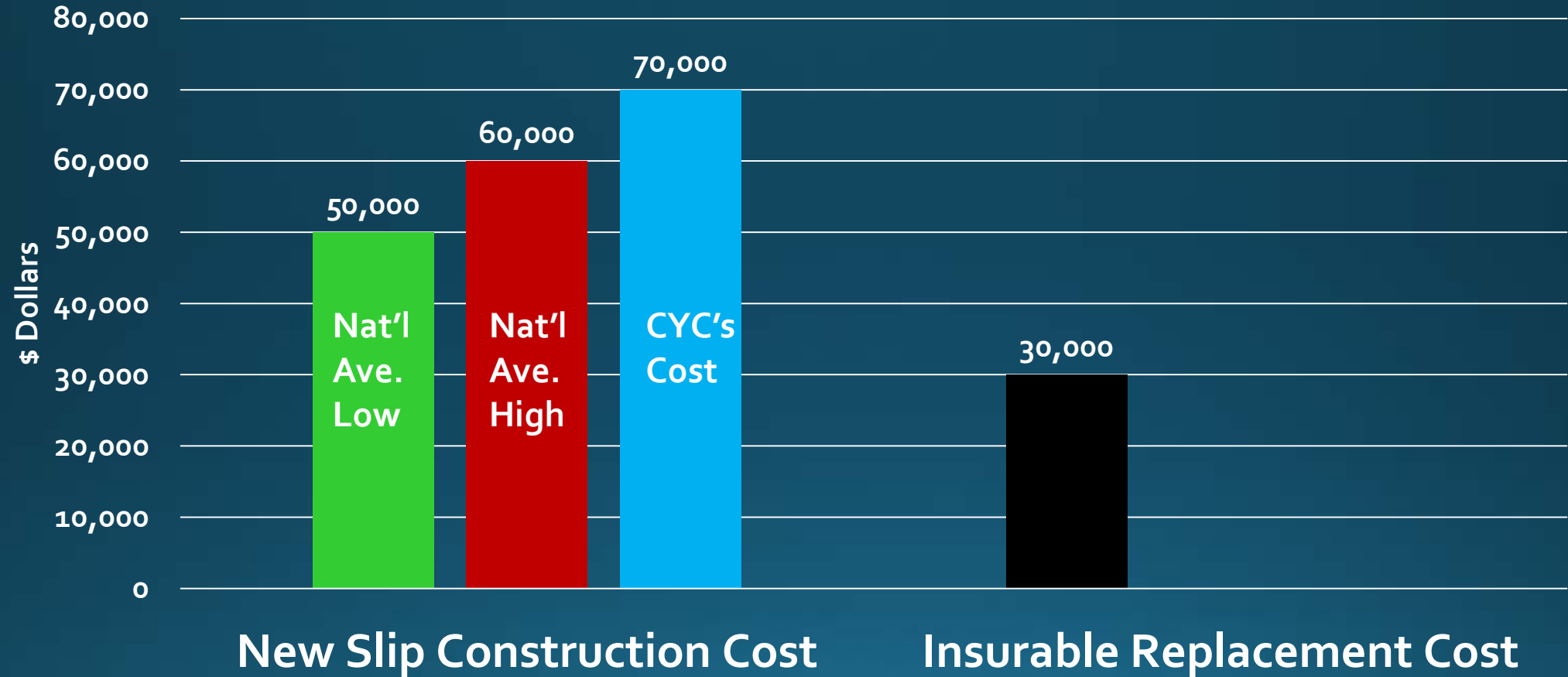
Summary

Sources for the following marina fee analysis include marina consultant Richard Graves & Associates, the DC Market study conducted by Moffat & Nichol and discussions with CYC.

Marina economics includes construction costs, staffing, and revenues. Comps cover both other marinas and landside living. A theoretical staging of fees is provided.

Current Liveboards were attracted to Gangplank due to it being affordable with the given amenities. Without any marketing or risk required, the Wharf already has its first residents of Phase II. There are both tangible AND intangible costs to living on a boat full-time. There is a risk of pricing Gangplank above the sweet spot of those who can both afford it, and are willing to tolerate the inconveniences of the lifestyle.

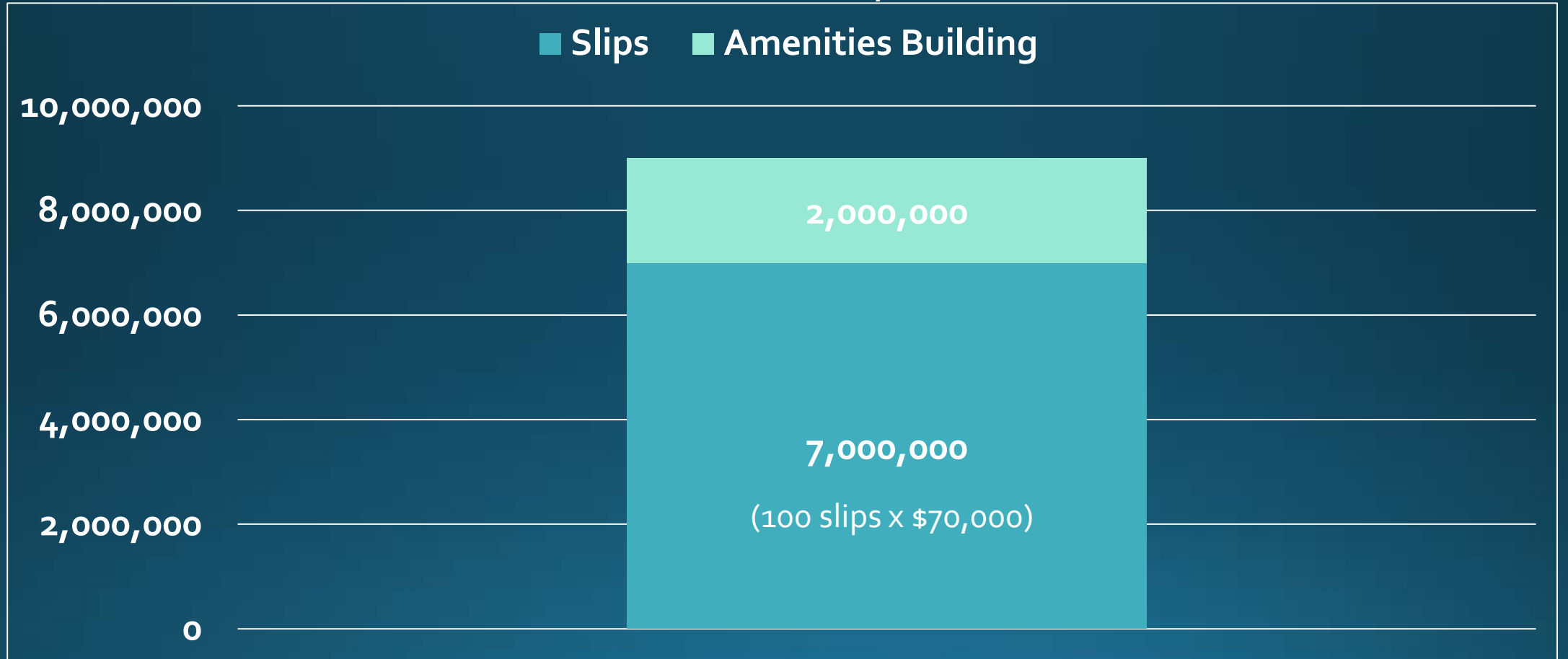
Slip Construction Cost



Source: Professional Marine Realty, LLC

Wharf Investment Costs Based on Previous Slide

Liveboards Only

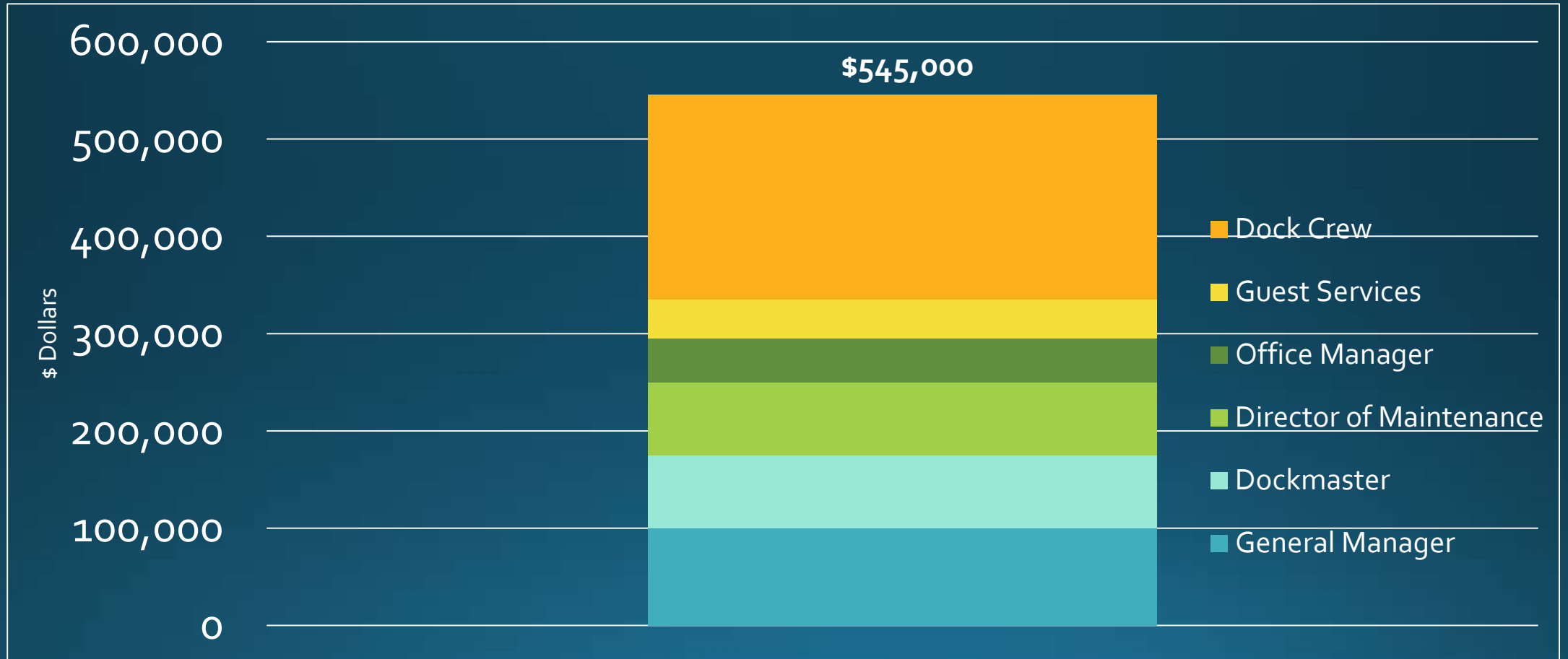


Marina Fundamentals

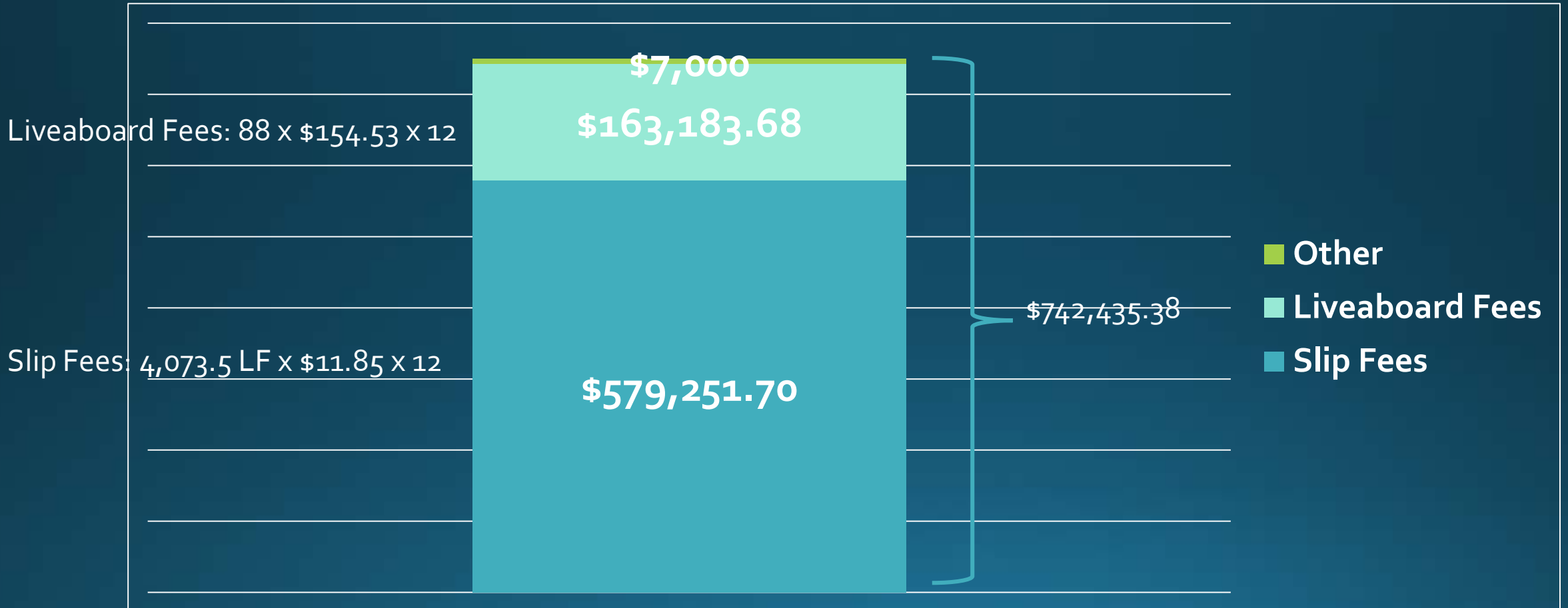
- High fixed costs
- Small changes in occupancy rates = out-sized impact*
- High occupancy rate requires:
 1. marketing,
 2. excellent services, and
 3. reasonable prices

*M&N assumed 95% occupancy for Yards marina; currently at 25%; Nat'l Harbor was forced to lower fees

M&N Possible Gangplank Staff Costs

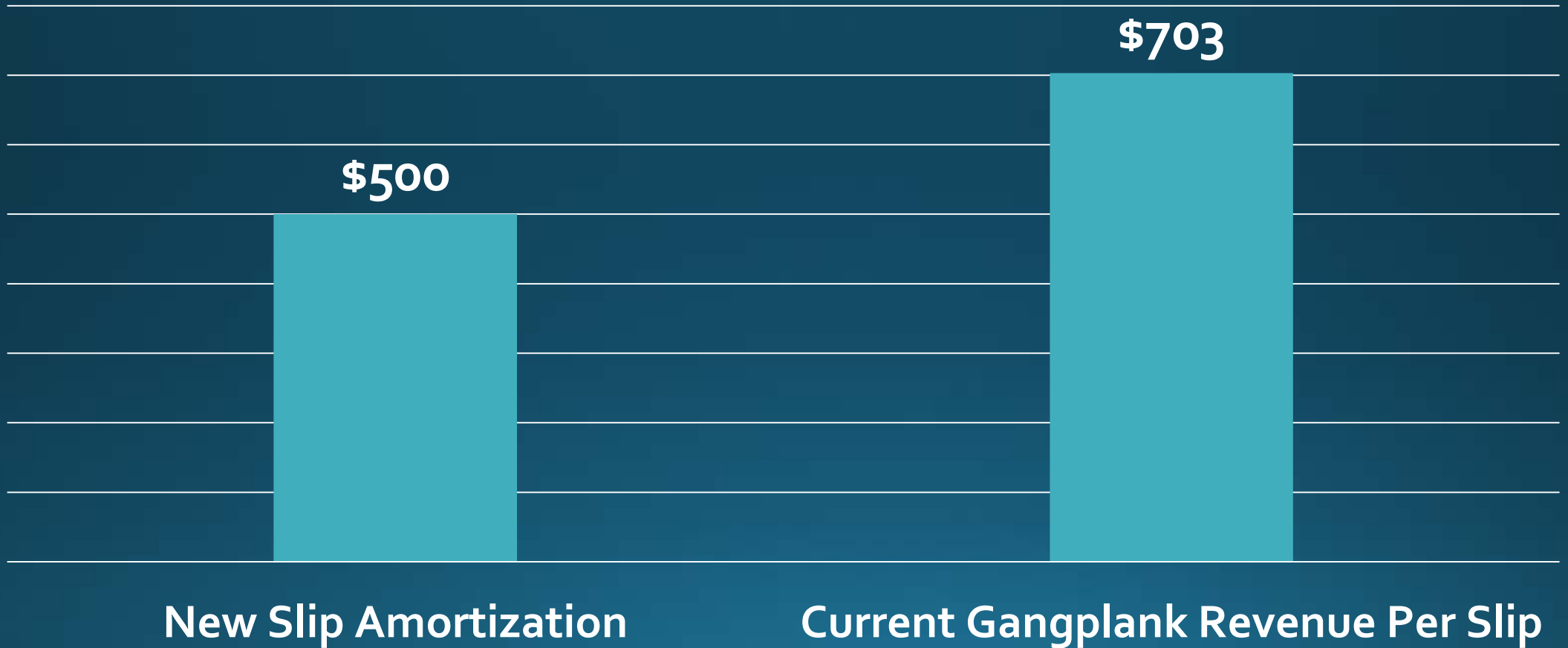


Current Gangplank Liveaboard Revenues*



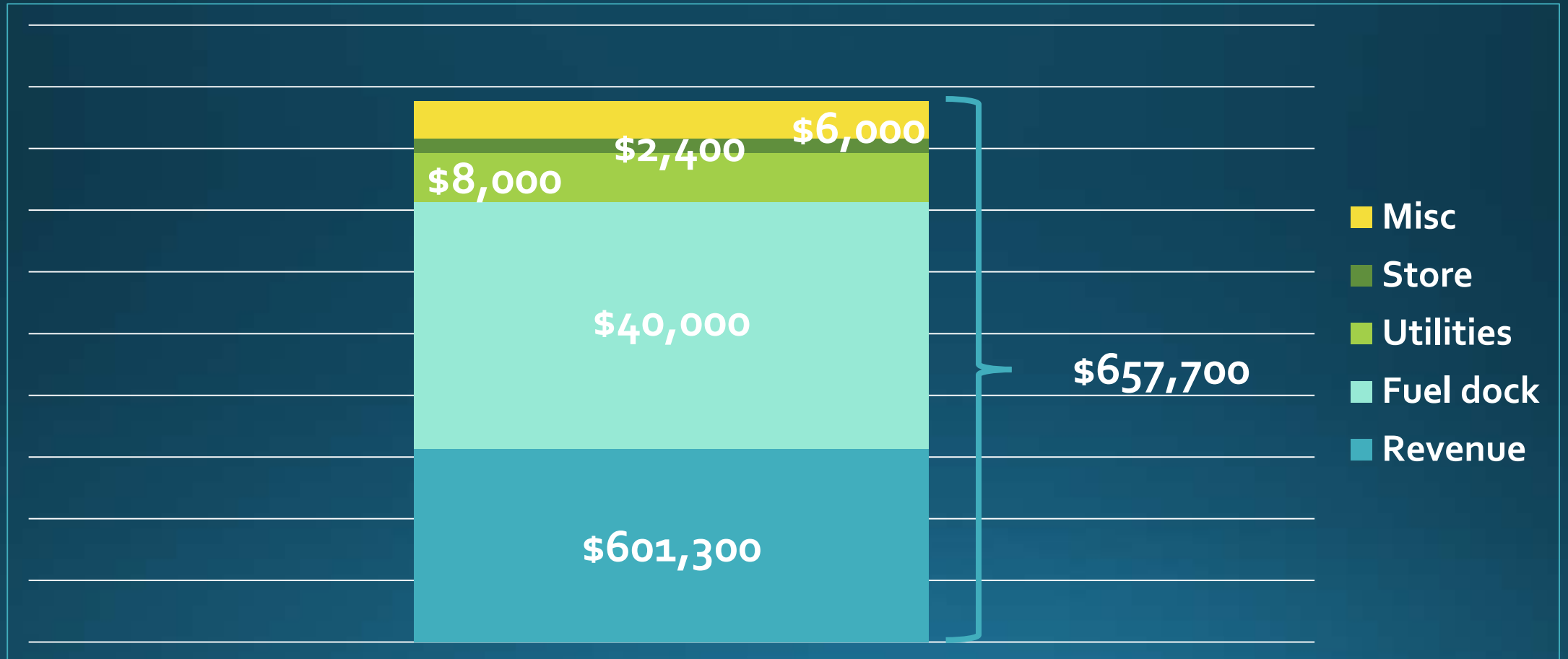
*Estimated; excludes income from transients and Entertainment Cruises, plus it excludes the increased value of slip fees sans the parking obligation.

Cash Flow Calculation



\$60,000 slip + 10% per Professional Marine Realty, LLC

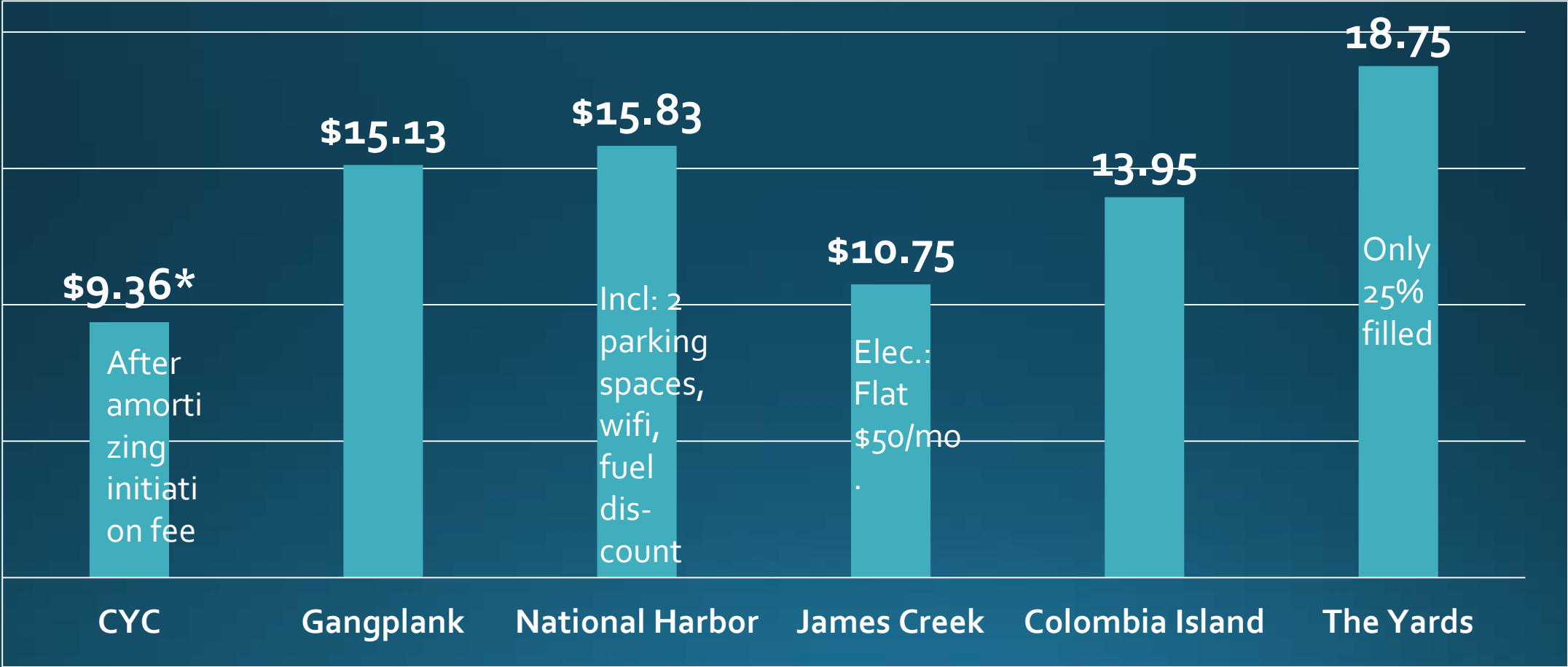
Income Approach: M&N Assumptions Applied to Gangplank's Revenue



Current Gangplank Yield = \$15.13/LF; M&N = \$13.00/LF; M&N + CPI = \$14.76/LF

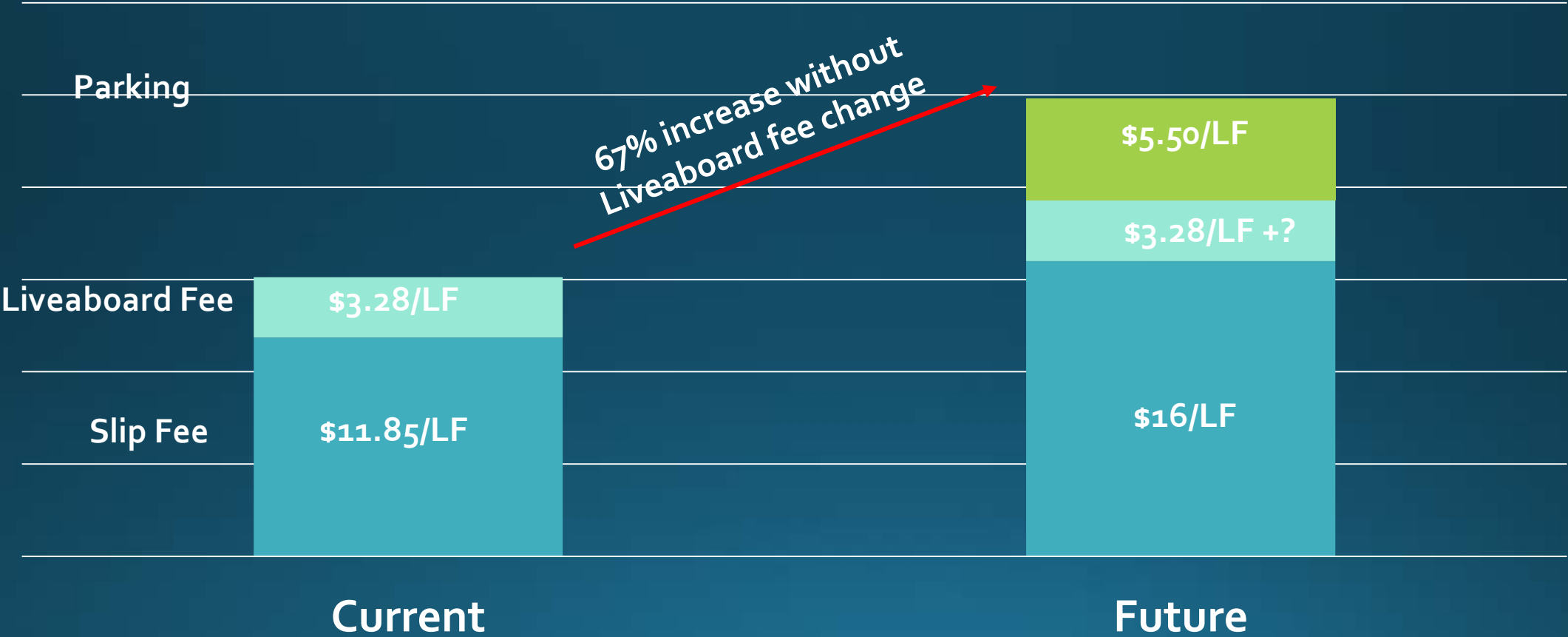
Fuel dock = greater risk than slips due to price variability – don't impose risk cost on Slipholders.

Current Comps – Fee Per Foot



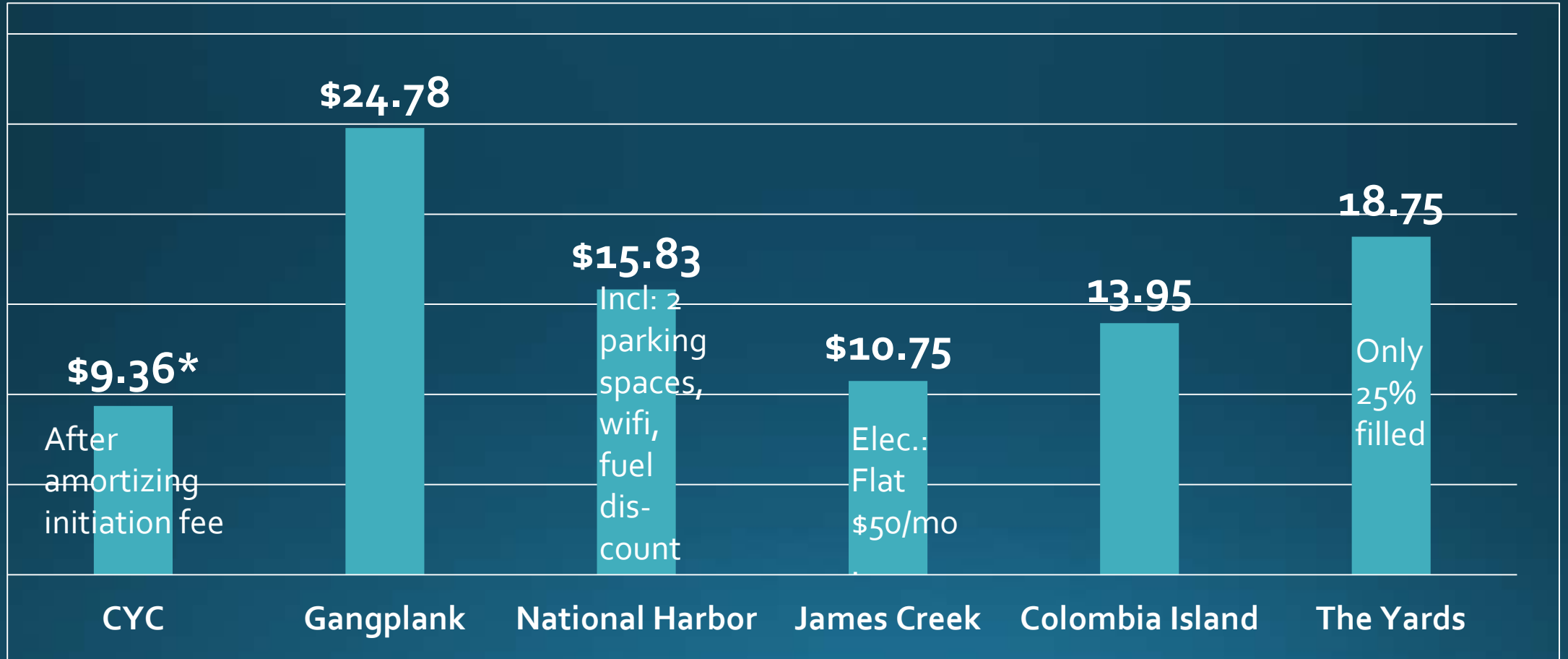
Gangplank Fee is \$11.85/LF + \$3.28 (\$154.53 Liveaboard fee/47' – the average length for boats in the marina)

Comparing Current to Wharf Proposal



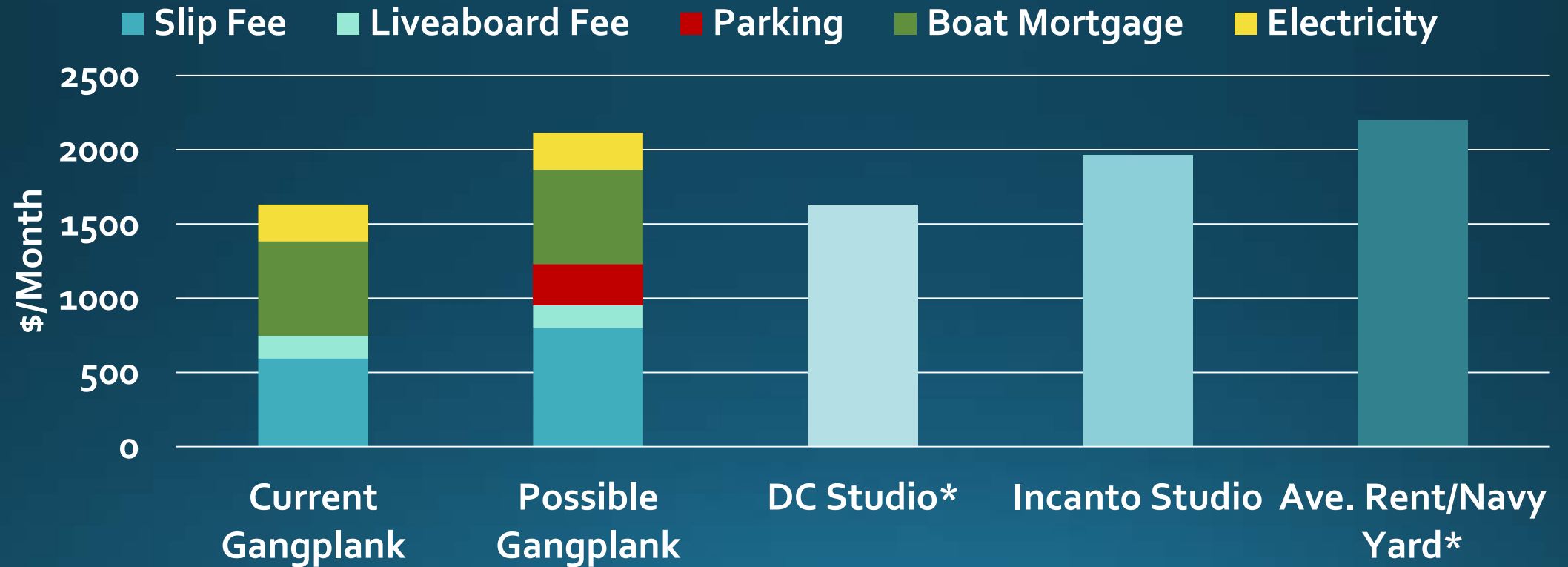
Parking: Assumes cost to Slipholder is same as \$275/month parking charge at Incanto

New Marina Price Comparison



Gangplank Fee is \$16.00/LF + \$3.28 (\$154.53 Liveaboard fee) + \$5.50 equivalent for Parking

Living Landside Becomes More Attractive



*rentcafe.com

Staging of Fee Increases

