CAPE CORAL YACHT CLUB
UNSOLICITED P3 PROPOSAL COMPARISON
COMMITTEE OF THE WHOLE
SEPTEMBER 23, 2026

Timeline

1. Resolution 381-25 designated the Cape Coral Yacht Club Community Park as a “Qualifying Project” pursuant to Section 255.065 to facilitate Public-Private Partnership (P3) opportunities.
2. A Request for Information (RFI) regarding the Yacht Club was issued on January 26, 2026 with a due date of February 12, 2026. No responses received.
3. In March 2026, the City received an unsolicited proposal for the development of the Marina from the Yacht Club Development Group (YCDG) with the required $25,000 payment.
4. In May 2026, the City received an unsolicited proposal from KMB Marine and Yacht Clubs of the Americas (KMB) for the development of the Marina, Parking Garage and Harbor Master Building with the intent of updating later with a hotel/community/convention center.

Timeline

5. Following the P3 statute, the City posted notice of the receipt of the proposal on June 4 and allowed for competing proposals with a deadline of June 26.
6. The City received a second and updated proposal from YCDG and Forest Development on June 26, 2026. The original $25,000 payment was applied to this updated proposal.
7. Both proposals were deemed “qualified” projects.

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Purpose of Today's Presentation

1. Discuss our initial review of the two unsolicited Public-Private Partnership proposals submitted for the Cape Coral Yacht Club redevelopment.
2. Compare the two proposals for City Council.
3. Discuss pros and cons of each proposal.
4. Obtain Council direction as to the path forward.

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Scope, Amenities, Investment & Funding Responsibility

Forest / YCDG

KMB / YCOA

Forest / YCDG: Scope, Investment & Funding Responsibility

Forest / YCDG concept

1 Scope & Amenities

Marina, hotel/retail, automated boat storage, townhomes, parking, expanded beach, community center, park/picnic area and public access amenities.

2 Stated Capital Investment

Proposal states estimated capital investment / total build cost of approximately $250M.

3 City-Funded / Shared Responsibility

City listed for public improvements, facilities, parking, infrastructure, community facilities, waterfront enhancements, or other public-benefit improvements as part of the Project. Developer states approx. 50% of fueling-station costs would be reimbursed to the City over a negotiated term. Seawalls - $22.7 million, Public Infrastructure - $105 million

4 Developer-Funded

Boardwalk, fixed/floating docks, pump-out, law-enforcement dockage, marina operations facility, hotel, retail, parking and automated boat storage.

Sources: Forest/YCDG proposal pp. 1, 13, 15–17, 36–37, 40–41.

KMB / YCOA: Scope, Investment & Funding Responsibility

KMB / YCOA updated site plan

1 Scope & Amenities

130 wet slips, 35 lift slips, floating/fixed docks, boardwalks, fuel station, 685-space parking garage, hotel/community space, restaurant, poolside bar and ship store.

2 Stated Capital Investment

Proposal states \$30–\$33M for marina-related construction. Hotel capital is identified separately through Bowden Hospitality, with estimated hotel construction cost of \$53M–\$88M.

3 City-Funded / Shared Responsibility

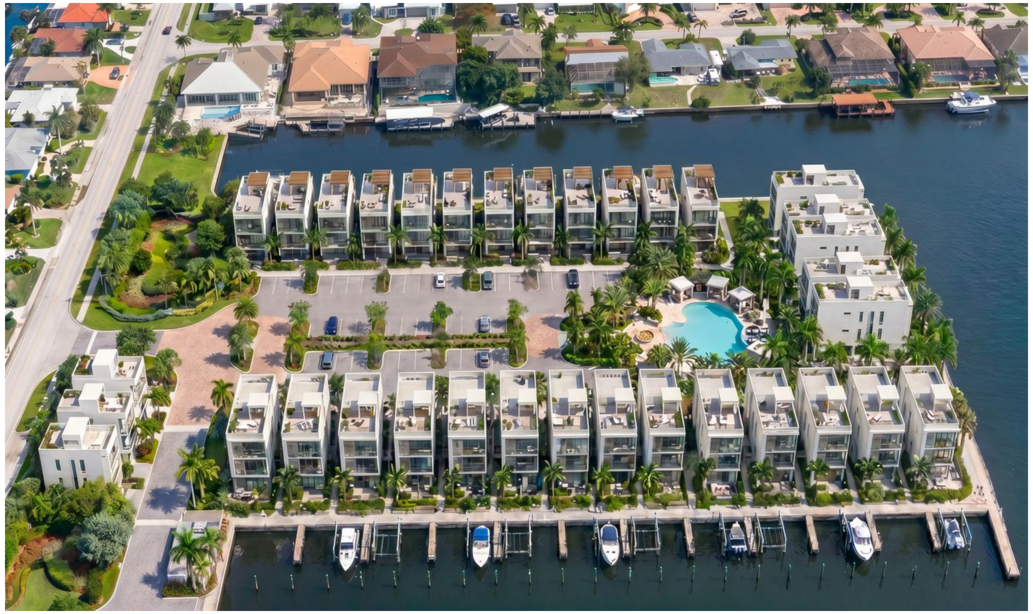
Public boat ramps, upland areas, roadways, seawalls and beach reconstruction are identified as City responsibility. Administration / Law Enforcement Building: proposed 50% City / 50% KMB split for design and construction; each party funds its own FF&E. – Estimated at \$56.5 million, Seawalls and Boat Ramp - \$22.7 million

4 Developer-Funded

Marina construction, slips, parking garage, boardwalks/fixed docks, floating docks and fuel station funded 100% by KMB; hotel/amenities funded by Bowden Hospitality.

Sources: KMB/YCOA proposal pp. 5, 12, 15–16, 20–24, 39.

Proposals – Forest Development/Yacht Club Development Group (YCDG)



Proposals – KMB Marine & Yacht Clubs of the Americas

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Proposal At-a-Glance

Topic	Forest Development / YCDG	KMB Marine / YCOA
Submitted concept	Waterfront destination with marina, hotel, automated boat storage, townhomes, retail, public amenities and Boathouse/Tiki Bar component.	Marina-resort redevelopment with marina, parking garage, hotel, convention/community space, restaurant and resort amenities.
Marina scope	121+ wet slips stated; day-use/transient dockage; fuel dock; pump-out/service docks; law-enforcement dockage; boat ramps; north-canal boardwalk/slips.	130 wet slips; 35 lift slips; floating docks; boardwalks/fixed docks; fuel station; day-use/transient slips; law-enforcement dockage.
Hotel / lodging	4-star luxury resort-style hotel; separate hotel parcel terms proposed.	Approximately 125-room resort hotel; 6–7 story building; convention/community center component.
Residential	Custom single-family townhomes proposed.	No residential component identified in proposal.
Parking	Structured and trailer parking proposed; quantity not stated in scope.	685-space parking garage proposed.

Sources: Forest/YCDG proposal pp. 1, 13, 15–17, 37; KMB/YCOA proposal pp. 12–15.

Scope & Amenities Submitted

Comparison of submitted scope and amenities; funding responsibility shown where specifically identified in the proposals

Component	Forest / YCDG	KMB / YCOA
Marina slips	121+ wet slips stated; model uses 130 slips and 50-ft average vessel.	130 wet slips; 35 lift slips; floating docks; boardwalks/fixed docks; fuel station; day-use/transient slips; law-enforcement dockage.
Fueling	Fuel dock and marine fuel sales; City listed for fuel tanks/dispensing; approx. 50% of fueling-station cost reimbursed over negotiated term.	Fueling station in KMB concession area; proposal states fuel-station construction costs funded 100% by KMB.
Public amenities	Expanded beach area, community center, park/picnic area, public access amenities proposed.	Resort pool facility funding unsolicited, public boat ramps anticipated as City-funded; beach restroom construction services proposed, not funding.
Commercial	Hotel, retail, restaurants, ship store/additional waterfront marina restaurant, automated boat storage and townhomes.	Hotel, event annex, restaurant, kitchens, poolside bar, ship store and 685-space parking garage.

Sources: Forest/YCDG proposal pp. 1, 13, 15–17, 36–37; KMB/YCOA proposal pp. 12–16.

Capital Investment & City Funding Responsibilities

Key point for Council: the proposals use different capital descriptions. Separate total project value from specific marina construction inputs.

Item	Forest / YCDG	KMB / YCOA
Stated investment	Proposal states estimated capital investment over approximately $250M; another section lists total build cost estimated at $250M.	Proposal states $30–$33M for marina construction; hotel capital is identified separately through Bowden Hospitality.
Private funding described	Forest/YCDG lists funding for boardwalk, fixed/floating docks, pump-out, law-enforcement dockage, harbormaster/marina operations facility, hotel, retail, parking and automated boat storage.	KMB states marina construction funded entirely by KMB and capital partners; proposal also identifies senior debt/equity structure and hotel capital provider.
City responsibilities / exclusions	City listed as responsible for fuel tanks/dispensing systems, pool complex and beach reconstruction, seawalls, roadways, utilities and upland structures/amenities.	KMB states no City obligation for marina components; public boat ramps anticipated as City-funded; beach restrooms construction services proposed but funding not included. Civil site work and Resort pool City Funded.
Modeling caution	A $20M marina input may be useful for IMPLAN, but it should not be presented as Forest/YCDG total project value.	A $33M marina input may be useful for IMPLAN, but it does not represent the full resort/hotel program.

Sources: Forest/YCDG proposal pp. 16, 36; KMB/YCOA proposal pp. 5, 12, 15–16, 39.

Lease, Ownership & Property Rights

Forest / YCDG

Seeking a 99-year lease from the City with options to purchase fee simple.

Waterfront hotel proposed under a separate 99-year ground lease with option to purchase fee simple.

Hotel ground rent starts at opening of hotel to paying guests.

Proposal also states public waterfront assets remain publicly owned through a long-term ground lease.

KMB Marine / YCOA

Does not propose to acquire real property in connection with the project.

Proposes a 99-year long-term concession lease for construction, operation and maintenance of marina facilities.

States the City retains full ownership of all land and improvements at all times.

All improvements constructed by KMB become City property at termination or expiration of the lease.

Sources: Forest/YCDG proposal pp. 17, 37, 40, 42; KMB/YCOA proposal pp. 20–21.

Revenue Terms Proposed to the City

Revenue item	Forest / YCDG	KMB / YCOA
Slip / marina revenue	Escalating lease fee beginning at 2%; details to be finalized with City.	2% of pre-tax slip leasing revenue; periodic increases to capped ceiling through negotiation.
Fuel sales	5% lease fee on gross annual fuel sales.	5% of gross fuel sales; fixed percentage.
Ship store	Not isolated as separate percentage in terms.	5% of pre-tax ship-store sales; fixed percentage.
Parking	Proposed as part of project; specific number of parking spaces and City percentage not identified.	2% of pre-tax parking-garage sales; periodic increases to capped ceiling through negotiation.
Hotel	Years 1–5: 1% of Gross Room Revenue; Years 6–10: 2%; Years 11–99: greater of 3% or $250K annual minimum rent.	2% of pre-tax hotel sales; fixed percentage.
Projected total City revenue	No consolidated long-term City revenue total identified in proposal sections. In the event Developer constructs and conveys to the City public improvements, facilities, parking, infrastructure, community facilities, waterfront enhancements, or other public-benefit improvements as part of the Project, Developer shall receive a dollar-for-dollar credit equal to the verified Development cost of such improvements.	Approx. $176K annually from marina + parking at stabilization; approx. $416K annually once hotel revenue share begins. 99-year combined total: $41.184M stabilized, or $40.424M with construction-period timing.

Financing, Schedule & Risk Protections

Topic	Forest / YCDG	KMB / YCOA
Financing structure	Marina development described as supported by private equity and institutional debt; planning range: 20–30% equity and 70–80% senior debt; working model 25% equity / 75% debt.	Capital markets advisor identified; proposal references senior debt + equity structure, lender relationship and Bowden Hospitality as hotel capital provider.
Schedule / phasing	Three phases listed: pre-development; marina/boat storage/Boathouse/community center; then hotel, structured parking, pleasure park/public amenities and townhomes. No comparable phase durations identified.	12–18 months from notice to proceed for marina, garage and administration building; hotel approximately 3 years.
Performance security	Specific performance-security terms not identified.	Proposal states traditional performance/payment bonds are not applicable due to self-funding; identifies insurance and other protections in statutory section.
Default / continuity protections	Proposal states developer assumes development, financing, construction, operational and long-term maintenance risks.	Proposal identifies City step-in rights, lender cure rights, operating reserve fund and transition procedures for continuity of service.
Public access statement	Proposal emphasizes preserving and improving public access through expanded beaches, boardwalks, parks, marina facilities and recreational amenities.	Proposal states construction staging would minimize disruption to Yacht Club operations and public access.

Sources: Forest/YCDG proposal pp. 23, 25, 40, 42; KMB/YCOA proposal pp. 17–18, 39.

IMPLAN Construction-Phase Economic Impact

Modeled total output based on construction investment inputs entered
into IMPLAN • 2026 dollars

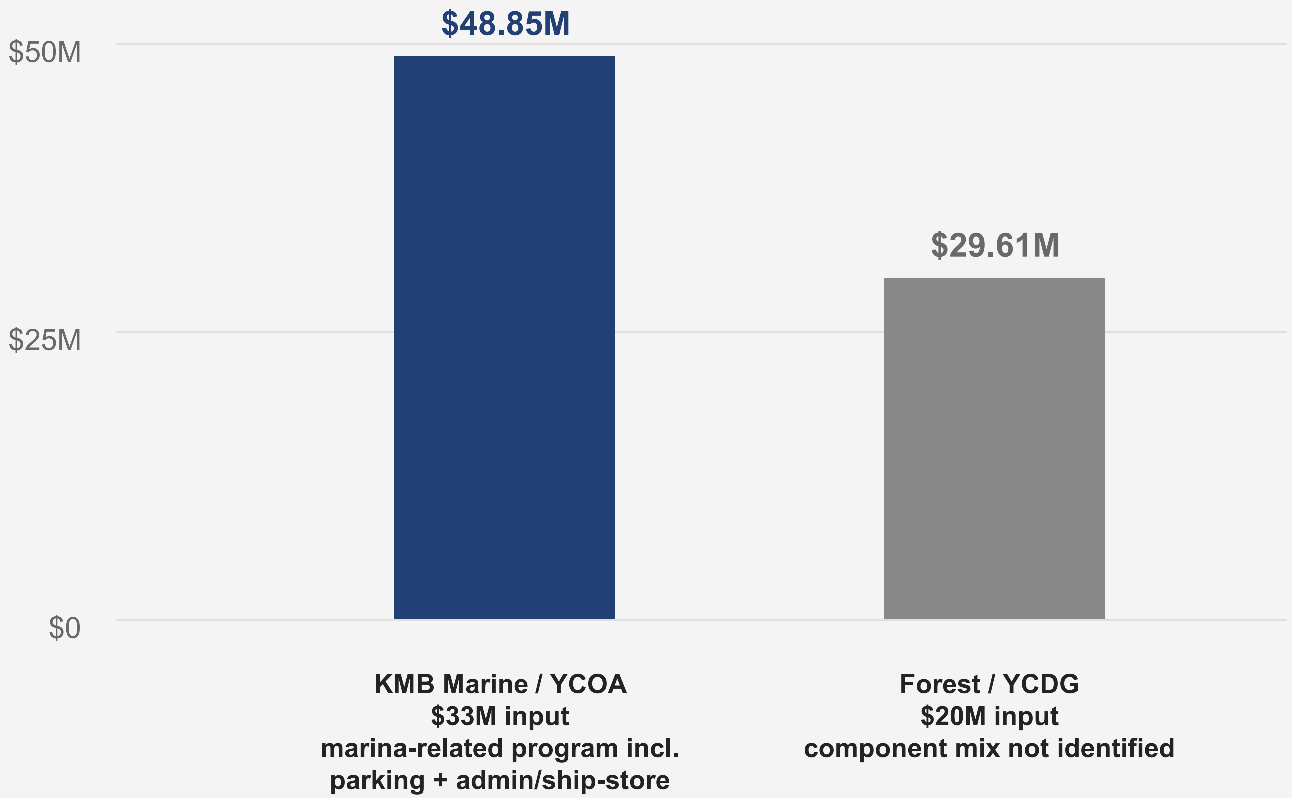
Key finding

KMB produces the higher modeled construction-phase total output.

The IMPLAN reports use a $33M direct construction input for KMB and a $20M direct construction input for Forest/YCDG. KMB's proposal identifies its $30–$33M marina construction program as including the slip harbor, docks/boardwalks, fueling station, parking garage, and administration/ship-store building. Forest/YCDG's proposal describes a broader marina and waterfront program, including a ship store, but does not specify which components are represented by the $20M IMPLAN input.

OUTPUT DIFFERENCE	EMPLOYMENT IMPACT
+$19.24M	**+89.10**
KMB modeled output above Forest/YCDG	additional modeled employment impact

Total Output



KMB: 226.18 employment impact • $25.52M value added • $5.12M total tax impact
Forest/YCDG: 137.08 employment impact • $15.47M value added • $3.10M total tax impact

Sources: KMB proposal pp. 5, 12, 15–16, 23; Forest/YCDG proposal pp. 13, 15–16; IMPLAN reports generated Sept. 14, 2026.

Comparison to City's Concept Plan – Forest/YCDG

1. Forest/YCDG is the greater **programmatic departure** from the City concept:
2. Changes the project from a public marina-and-park redevelopment into a mixed-use real-estate development proposal.
3. Has hotel, automated dry storage, structured parking, retail/commercial uses, and especially waterfront townhomes not shown on the City's design concept.
4. Contemplates eventual fee-simple sales of townhome lots and purchase options for development parcels—an ownership approach not indicated on the City concept sheet.
5. Its public-space commitments are comparatively expansive and expressly references an expanded beach, boardwalk, public boat launch, fishing pier, picnic/shade areas, playground, splash pad, restrooms, and community center.
6. Does not establish whether all City concept components—including the two specifically sized pools, 685± space garage, 46 trailer spaces, 11 ADA spaces, 27 day docks, 5 staging slips, five emergency docks, maintenance building, stormwater facilities, and service access—will remain in the same quantity, location, and configuration.
7. Concentration Risk with one Developer

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Comparison to City’s Concept Plan - KMB

1. KMB more closely follows the City concept on the **core marina and parking framework**.
2. Expressly uses a 130-slip marina program, replaces/rebuilds docks and boardwalks, includes pump-out, fuel, harbormaster operations, law-enforcement support, north-canal elements, and exactly matches the City concept’s 685-space parking-deck quantity.
3. Also, says the garage will be built according to Kimley-Horn designs and specifications.
4. KMB departs from the City concept by adding a hotel-resort campus with a 6–7 story hotel, convention/community space, event annex, two-story restaurant, rooftop deck bar, poolside bar, and expanded food-and-beverage operations.
5. Treats some City-design elements as separate City or shared obligations: boat ramps are expected to be City-funded, beach-restroom construction may be provided but not funded by KMB
6. Maintenance-building funding is not accepted by KMB/Bowden, and pool/aquatics responsibility is unresolved.

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Staff Recommendation

Recommended action based on submitted proposal facts, IMPLAN output, and negotiation safeguards

Move forward with KMB Marine & Yacht Clubs of the Americas for negotiation.
Subject to due diligence and negotiation of a comprehensive agreement.*

Basis for recommendation

Higher modeled IMPLAN total output

$48.85M total output from the $33M construction input for KMB's marina-related construction program, including the parking garage and administration/ship-store building, compared with $29.61M from Forest/YCDG's $20M construction input.

City ownership retained

KMB proposes no real-property acquisition; City retains ownership of land and improvements.

Clearly defined marina scope

130 wet slips, 35 lift slips, floating/fixed docks, fueling station, administration building with ship store, law-enforcement dockage, and 685-space parking garage.

Revenue and protections identified

Percentage-based revenue structure, audit/reporting rights, step-in rights, lender cure rights and continuity protections identified.

***PLEASE NOTE: We are presenting this information as submitted through the P3 process. This is the starting point. If direction is given to move forward with one of the proposals, we intend to negotiate a strong and fair agreement for the citizens of Cape Coral. The agreement then will be brought back for City Council consideration**

Thank you