



**"In time and with water, everything changes."**

*-Leonardo da Vinci*

**DELTA AQUATIC CENTER OF STOCKTON**

# **Business Plan**

*Updated: Nov. 13, 2022*

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## I. Purpose of the Business Plan

Our purpose in developing this business plan is to outline the goals and strategies that we have developed to operate a successful and sustainable Delta Aquatic Center of Stockton (DAC). It communicates our vision for the DAC and the opportunities to attract customers who are not currently served by the existing local marketplace, while realistically discussing the resources and infrastructure needed to achieve our goals.

The Delta Aquatic Center of Stockton will make Delta waterways accessible, welcoming, and educational for all, so that people of all abilities may safely use human-powered watercraft to enjoy and experience the Delta.

The DAC planning team was awarded a \$60,000 seed grant by the City of Stockton in early 2022 to prepare a planning grant proposal to the Delta Conservancy for Proposition 68 funding and to develop this Business Plan and accompanying Feasibility Study. The San Joaquin County Board of Supervisors has also committed \$48,000 in funding to support consultants and other costs to move the project through the planning phase.

## II. Executive Summary

The Delta Aquatic Center of Stockton (DAC) will become a landmark community amenity in San Joaquin County, drawing customers from throughout the region and beyond. It will serve many different community needs and markets. But it must also successfully operate as a nonprofit business, bringing in revenue sufficient to pay its costs.

Through analysis of the several industries in which the DAC will compete, the demographics of the regional marketplace, and the key customer market segments already targeted by DAC leadership, it is clear that the market is large, underserved, and has the potential to continue to grow. By positioning itself in the market through offering desired opportunities and establishing a brand image, the DAC will be poised to attract increasing numbers of customers for revenue-generating services and mission services. The DAC must also develop the staff and budget that will be necessary to achieve these goals.





### III. Company Overview

#### A. VISION & MISSION

##### *Vision of the Delta Aquatic Center*

Stockton residents and visitors flock to the Delta to play or compete on its waterways in human-powered watercraft, learn about the Delta’s environmental, historical and economic impact, attend special events, or just sit or amble along its shore.

##### *Mission Statement*

The Delta Aquatic Center of Stockton will provide world-class watersports facilities in Stockton, offer greater access to the Delta, increase recreation and tourism opportunities, foster health and wellness, preserve the unique cultural environment of the Delta region, promote environmental education, and increase the economic vitality of the region.

#### B. NEEDS ASSESSMENT

The Delta Aquatic Center will be located in Stockton, California, an extremely diverse city of 320,000 people. More than 789,000 people live in San Joaquin County. (See Section VI below for more information about the service area and demographics of the DAC’s potential customer base.)

The DAC will be sited in a region where there are few other boathouses accessible to the public, especially those who need ADA-accessible facilities. There are also no nearby locations where high-level, competitive water athletes and teams can train. The sites currently being considered (see Section C below) are both very close to major job centers and some of the County’s most disadvantaged communities – making them attractive for both revenue-generating and community-benefit activities.

As described in more detail in the accompanying Feasibility Study, the Delta Aquatic Center can immediately address many community needs, including the following:

- The Delta is not currently accessible for all residents and visitors.
- The County lacks sufficient recreational facilities to address challenges of physical inactivity and mental health.
- Stockton – and the South Stockton and Downtown areas in particular – are in great need of additional out-of-school youth activity programs.
- Stockton needs to develop additional economic opportunities for residents, including increasing the economic diversification of the city’s economy.
- It is essential for everyone in the region to understand the importance of protecting the Delta, a vital water source for local communities and the entire State of California.

The Feasibility Study also discusses how the DAC will help to meet a number of public goals, as stated in planning documents from local, regional, and state public agencies.

#### C. POTENTIAL LOCATIONS

While several potential properties have come to their attention, the DAC Community Advisory Board and local leaders are currently evaluating two locations to determine the best site to build the Delta Aquatic Center.

Both sites are located on the San Joaquin River and are within San Joaquin County and the City of Stockton. They both offer quick access to Delta waterways, the San Joaquin River, and the Stockton Deepwater Shipping Channel, and many other flat-water areas.

#### Site 1: 601 Carlton Avenue

Site One is located inside the legal Delta. It is located at the end of Carlton Avenue between the Corrections Department Parole Office and Bekins Moving and Storage.

The property is 1.89 acres and has 278 feet of water frontage.

The owner of this property has indicated that they are willing to consider a long-term lease of the property.



#### Site 2: 2894 Monte Diablo Avenue

Site Two is located on Klamath Harbor and inside the legal Delta.

The property contains 36.82 acres and 1,724 feet of Stockton Deep Water Channel frontage, with a project area of approximately 3 acres. The property contains three metal industrial buildings. Utility services are adequately sized on site.

This property is currently for sale.







## D. MARKETS TO BE SERVED

The DAC will have access to diverse local and regional markets, and through larger competitions, likely a wide national market too. More than 1 million residents live within a 45-minute drive of the likely site, an area which includes all of San Joaquin County and ranges out to Modesto, Elk Grove, South Sacramento, and other unincorporated Stanislaus and Sacramento County communities. There is no other comparable boating and swimming center within that range.

The Delta Aquatic Center will serve a wide variety of customer groups, ranging from youth learning to swim, to casual paddlers, to high-performance athletes. Like comparable aquatic centers around the country, it will need to offer an array of services and equipment to attract different customers and meet community needs, while balancing uncompensated “mission services” with revenue-generating activities. The DAC planning team will need to be thoughtful and deliberate in evaluating which sets of customers have the most potential and/or urgency and how to sequence the building of facilities, purchase of equipment, and launch of programs so that revenues are sufficient to meet expenses. We have already

begun to determine the specific market segments that will be targeted for paid services and mission services; see the customer analysis in Section VI of this plan.

While the DAC will incorporate diverse revenue streams to operate robust programs and maintain the facility, all programs will further its mission by connecting Stockton residents to the Delta.

## E. PROGRAMS & SERVICES

The following programs and services are being considered by the Delta Aquatic Center team and will likely be offered in some form once the DAC is launched.

- Accessible boat launches and river access
- Rental of kayaks, paddleboards, and other human-powered watercraft
- Storage for privately-owned human-powered watercraft



- Instruction in the use of various kinds of human-powered watercraft for recreational and competitive purposes
- Nature and boating field trips and other experiences, including school field trips and camps
- Teambuilding events
- Practice space for teams and individuals at all levels
- Swimming lessons and diving instruction
- Adaptive boating and swimming classes for youth and adults with differing abilities
- Other health and fitness opportunities (e.g., yoga and tai-chi classes, strength-training, land rowing training)
- Regional, national, and international sporting tournaments, such as regattas, diving competitions, and Special Olympics

- Community and cultural events and festivals
- Workshops on how to repair and construct boats
- Workforce development through construction jobs; ongoing coaching, maintenance, food service, and administrative jobs; and training and youth internships

Other types of mission-aligned programs may also be considered to generate additional revenue, such as renting multi-use space for special events and corporate meetings. The Floathouse, a boat rental center that opened very recently in Petaluma, even offers yoga classes on stand-up paddleboards.





## F. MILESTONES

The DAC planning team currently projects that the construction of the DAC facilities will commence in mid-2025, following a community-driven design process and pending fundraising. Though the timeline is likely to shift in numerous ways, there are many specific milestones along the path to an operating aquatic center:

### Early 2023

- Award of Prop. 68 grant funding by the Delta Conservancy (expected)
- Launch of community-driven design process
- Capital campaign launched

### PHASE I. PLANNING, ENTITLEMENTS, & DESIGN TASKS 1-3: APRIL 2023 – JUNE 2024

- Task 1: Programming & Master Plan (22 weeks)
  - Project Initiation Meeting & Site Visits
  - Topographic Survey
  - Programming Interviews /Workshops
  - Program Documents
  - Master Plan
  - Architectural Concept Design
  - Geotechnical Investigation
- Task 2: Entitlement Permits (40 weeks)
  - Permit Documents
  - Rezone & Use Permit Application
  - City Planning Staff Review
  - Planning Commission
  - City Council
  - Zone Map Amended & Use Permit Issued
  - Waterway Permits

- Task 3: Schematic Design (13 weeks)
  - Functional Performance Program
  - Schematic Design Documents
  - Cost Estimate Update (30%)
  - Client Review

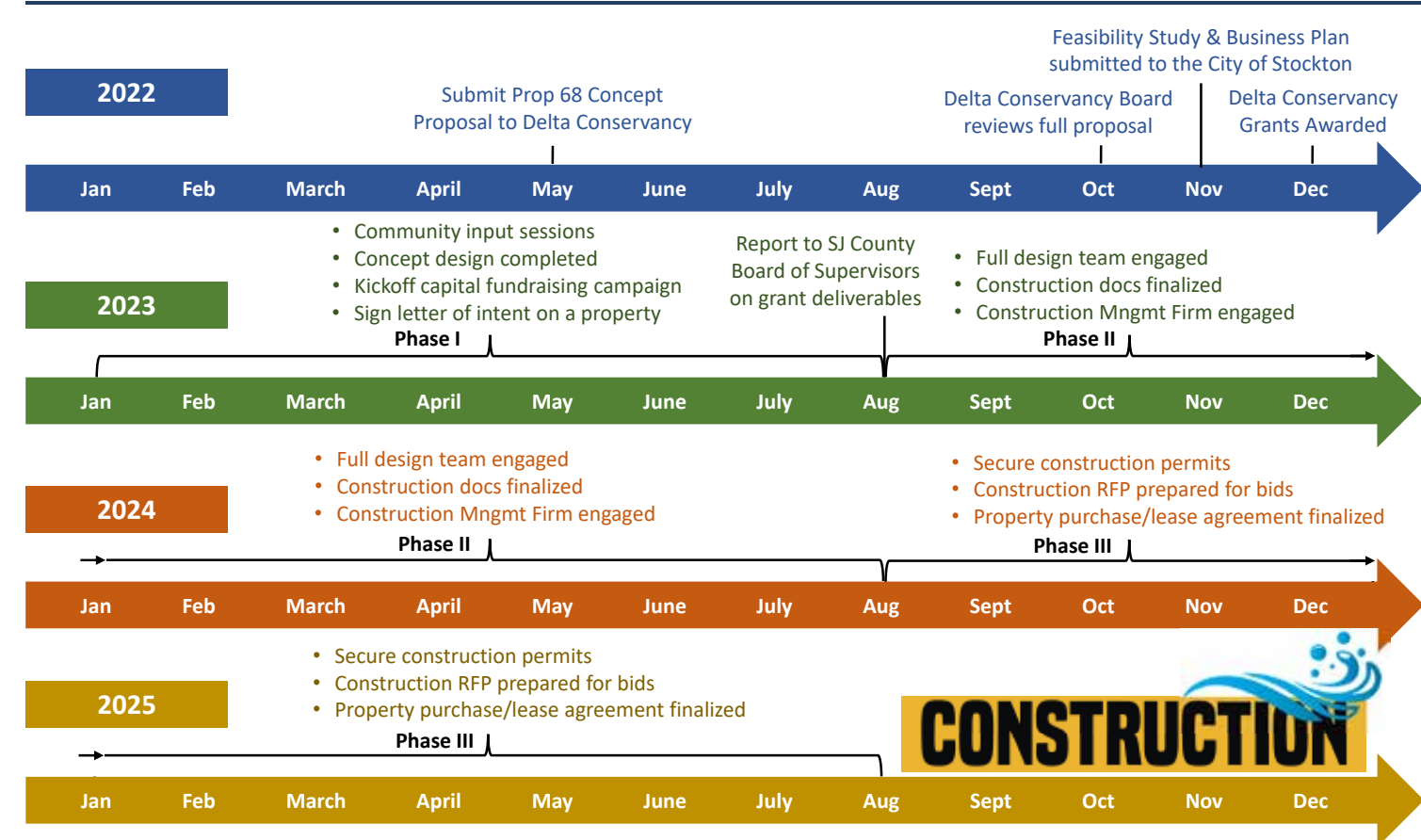
### PHASE II. SCHEMATICS & CONSTRUCTION DOCUMENTS TASKS 4-5: JUNE 2024 – JAN 2025

- Task 4: Design Development (12 weeks)
  - Design Development Documents
  - Cost Estimate Update (60%)
  - Client Review
- Task 5: Construction Documents (17 weeks)
  - 90% Construction Documents
  - Cost Estimate Update (90%)
  - Client Review
  - 100% Construction Documents

### PHASE III. CONSTRUCTION DOCS, PERMITS & BIDDING TASK 6: JAN 2025 – JUNE 2025

- Task 6: Construction Permits & Bidding (16 weeks)
  - Building Permit Application
  - Health Department Application
  - Pre-Bid Site Walk
  - General Contractor Bid Packages
  - Bid Submittal & Opening
  - Contracting

### PHASE IV. READY FOR IMPLEMENTATION (CONSTRUCTION BEGINS APPROXIMATELY): SEPT 2025





## G. OTHER

The Delta Aquatic Center concept has received letters of support from several local and national organizations. A few selected quotes from those letters are included below

as additional signs of the broad support the DAC enjoys in the local community and among aquatic sport institutions and enthusiasts.

“This project has the leadership and support to meet the deliverables of the Proposition 68 planning grant and to accomplish the greater goal of benefiting the health of residents, the local economy, and the ecosystems of the Delta waterways.”

–**Troy A. Brown, Ed.D.,**  
*San Joaquin County Superintendent of Schools*



“[The Delta Aquatic Center will] become an incredible asset to the San Joaquin community, greatly benefiting the children, families, and local community by improving the health of San Joaquin County residents, offering Delta and water safety education opportunities, creating local jobs, and increasing recreational access to the Delta.”

–**Tammy Shaff,**  
*Community Health Director,  
Dignity Health  
St. Joseph’s Medical Center*



2008 PHALANX PHOTO

“This project provides the city of Stockton an opportunity to change course and create a real and lasting connection to the water to serve every resident of Stockton regardless of background or address. This project is not a project for a single use (i.e., just rowing) but one that represents a shared purpose and vision that will include educational programming, affordable and safe recreational opportunities and access to a variety of athletic and water activity programming and opportunities for residents of all ages.”

–**David Banks,**  
*U.S. Olympian (2008 & 2012) and former member,  
US Rowing Board of Directors*

“I am proud to submit this strong letter of support for any and all ... funding that can be approved for the completion of a dream: The Delta Aquatic Center that will make the Delta accessible, welcoming, and educational for all, so everybody may safely kayak, canoe, stand-up paddleboard, wind surf, or row on the waterways of Stockton and the San Joaquin Delta Waterways!”

– **Doug Wilhoit, Jr.,**  
*former San Joaquin County Supervisor  
and former CEO of the Greater Stockton  
Chamber of Commerce*





# IV. Organizational Governance

## CORPORATE & LEGAL STRUCTURE

There are many different structural options that could best fit the goals and needs of the Delta Aquatic Center, and many considerations that will affect that decision. We will determine which best fits the long-term success of the Delta Aquatic Center during the pre-construction planning process.

Currently, a 16-member self-selected Community Advisory Board leads and oversees progress on DAC development. This group has been granted \$108,000 in seed funding by the City of Stockton and San Joaquin County, and more than \$20,000 by early private donors, to prepare initial plans and grant proposals. They have also opened the *Delta Aquatic Center of Stockton Fiscal Sponsor Fund*, administered by the San Joaquin Community Foundation.

The DAC planning team and the Community Advisory Board (CAB) are committed to establishing the DAC as a nonprofit community asset that serves a wide range of needs. But beyond that, there are many choices to make about the corporate and legal structure of the new organization and facility. Following the path of many other private, nonprofit organizations, the CAB can transition into a Board of Directors and create one or

more corporations to hold the DAC's assets and run its programs. In selecting the most appropriate structure for its goals, the CAB will take into account a number of factors, including:

### *The ability to accept grants and tax-deductible donations*

As noted above, presently only nonprofit public benefit corporations that have received tax-exempt status from the IRS (and those fiscally sponsored by nonprofits) can offer tax deductions to donors. Many private and public grants are also only available to this type of corporation. It is likely that the DAC will place at least part of its operations under a public benefit corporation.

### *Startup costs, including opportunity costs*

While the formation of a corporation and application for tax-exempt status do not usually take years to achieve, they do require significant resources, including time, attention from leaders, and legal expertise (which can be expensive if not provided pro bono). The Community Advisory Board may choose instead to arrange a fiscal sponsorship for at least an early period. Local nonprofit organizations that offer fiscal sponsorship for community projects include United Way of San Joaquin, the San Joaquin Community Foundation, and the Reinvent Stockton Foundation. The first two of those organizations are currently represented on the CAB.

**“Social enterprises are businesses whose primary purpose is the common good. They use the methods and disciplines of business and the power of the marketplace to advance their social, environmental and human justice agendas. ... In its early days, the social enterprise movement was identified mainly with nonprofits that used business models and earned income strategies to pursue their mission. Today, it also encompasses for-profits whose driving purpose is social. Mission is primary and fundamental; organizational form is a strategic question of what will best advance the social mission.”**  
– *Social Enterprise Alliance (quoted in the Nonprofit Law Blog)*

# Structures for Social Enterprises

Nonprofit organizations and other social-benefit corporations today have several different options for corporate structure, each with their own set of legal requirements and tax advantages. Following are a few that are the most likely to be considered for the Delta Aquatic Center:

### **Nonprofit Public Benefit Corporation**

According to the California Attorney General, organizations that are classified as a California nonprofit public benefit corporation and/or have received federal tax exemption under Internal Revenue Code Section 501(c)(3) must be organized and operated exclusively for a charitable “exempt” purpose. Exempt purposes are religious, charitable, scientific, testing for public safety, literary, education, fostering national and international sports competition, or the prevention of cruelty to children or animals. They cannot provide private inurement or improper benefit to anyone in positions of control over the organizations. These organizations are exempt from income tax and allow donors to deduct contributions from their own taxable income. Many private foundations and government programs will only award grants to tax-exempt public benefit corporations.

### **Benefit Corporation**

B Corps are for-profit entities that have opted to include in their bylaws and corporate documents an additional public benefit purpose: to make a material positive impact on society and the environment. They are otherwise similar in structure to traditional for-profit corporations, including accountability to shareholders for financial performance. However, the B Corp structure allows managers more flexibility to balance profit-making with social causes and environmental responsibility. They do not receive any favored tax status at this time. California passed a law to allow this corporate form in 2011, which also requires B Corps to produce an “Annual Benefit Report.”

### **Flexible Purpose Corporation**

Also approved in California in 2011, this class of corporation allows for an entity to pursue a special purpose. They are generally similar to benefit corporations, but the flexible purpose corporation may also pursue benefits for its employees, suppliers, customers, and creditors.

### **Fiscal Sponsorship**

Under state law, nonprofit organizations may sponsor otherwise separate charitable projects, by agreeing to provide administrative services and oversight to, and assume some

or all of the legal and financial responsibility for, the activities of the sponsored project. This allows a new or smaller project to access the benefits of tax-exempt status and corporate protections without expending the time and effort to file for corporate certification and tax exemption. Fiscal sponsorship relationships also often include arrangements for the sponsoring organization to handle some or most of the administrative “back-end” of the project, including bookkeeping, financial reporting, and human resources – an often necessary protocol since funds received by the project are actually the responsibility of the sponsor, and staff members of the project are actually employees of the sponsor.

### **Land Trust**

According to the Land Trust Alliance, “A land trust is a nonprofit organization that, as all or part of its mission, actively works to conserve land by: Acquiring land or conservation easements (or assisting with their acquisition), and/or stewarding/managing land or conservation easements... As of 2020, more than 20 million acres in the United States were protected by state and local land trusts through conservation easements.”





***The need for more complex arrangements***

Many aquatic centers across the country have set up separate ownership of the land (and sometimes the buildings/facilities) with a different organization operating the center. This may be an important path for the DAC if one of the following situations comes to fruition:

- The site is purchased with public funds and ownership is retained by a government entity.
- The site is purchased/leased for or by several joint users, with the Delta Aquatic Center maintaining its facilities and operations alongside other organizations and programs.
- There is a financial advantage to maintaining two separate entities.

It may also become advisable to establish separate entities to perform different functions, such as one that operates community programs and another that bids for international competitions, respectively. There will likely

be many other considerations and opportunities that could lead to complex corporate and legal structures, and the DAC leadership will evaluate them over time.

**LEADERSHIP TEAM**

As noted above, the 16 members of the Community Advisory Board represent a collaboration of different stakeholders in the DAC project and consult on key decisions and documents. Day-to-day work on DAC-related proposals and business planning has fallen to a core planning group that currently includes Patricia Tirone, Bob Oprandy, Louis Ponick, Kristen Spracher-Birtwhistle, Ted Leland, and Jesús Andrade. This smaller group works as a team to develop grant proposals and key planning documents, in part by reaching out to CAB members, comparable organizations, and potential partners. They then bring these documents and important decision points to the CAB for advice.

In our research, we discovered that the corporate structures and legal arrangements of other aquatic centers cover a broad spectrum, as can be seen in these selected examples:



The **Sacramento State Aquatic Center** in Sacramento County, California, is a cooperative operation of the Associated Students Inc. of California State University, Sacramento, the University Union of Sacramento State, the California Division of Boating and Waterways, and the California Department of Parks and Recreation. The center is operated by Associated Students, which constructed and owns the buildings, while the lake and land are owned by the federal government and controlled by the state agencies. They are then leased to the Aquatic Center under a 25-year agreement. A portion of the equipment at the center is provided by California State Parks to enhance boating safety education in California.



Feather River Center is a nonprofit corporation that operates the **Forebay Aquatic Center** in Oroville, California. It was formed as a partnership between several local rowing and sailing clubs. Because the aquatic center is located in the Thermalito North and South Forebays State Recreation Area, California State Parks owns the land, buildings, and docks, while FRC pays for all repairs, maintenance, and building additions; employs the staff; covers insurance; and owns the equipment. Under this arrangement, FRC is considered a concessionaire for State Parks.



RIVERSPORT Foundation is a nonprofit public benefit corporation that manages all of the RIVERSPORTOKC water sports facilities and runs all of the water sports programs at its riverside and lakeside sites in Oklahoma City. While most of its boathouses were privately funded, the land along the river and lakes is owned by government entities, and there has been large public investment in the river infrastructure, starting with the project to build dams and restore the flow of the river.



Headwaters Kayak is a for-profit business that operates the boathouse and docks at **Lodi Lake** in San Joaquin County as a City of Lodi concessionaire. The City owns the buildings and docks, which are rented to Headwaters Kayak.



**Bair Island Aquatic Center** in Redwood City, California, was formed in 1999 as a nonprofit corporation. It leases 1.2 acres in a former commercial boatyard from the City and must build and maintain all facilities itself.



The Community Advisory Board for the Delta Aquatic Center was formed to highlight local support for the project and to support the development of the Aquatic Center. Made up of Stockton leaders representing business, government, nonprofits, education, and health care, the Community Advisory Board members provide time, expertise, experience, and knowledge of the Stockton community and of other regional and national aquatic centers.

**JESÚS ANDRADE**, Director of Development, Improve Your Tomorrow

**SCOTT BIEDERMANN, ED.D.**, Vice President for Development, University of the Pacific

**TROY BROWN, ED.D.**, County Superintendent of Schools, San Joaquin County Office of Education

**ANNIE CUNIAL, M.ED.**, Division Director STEM Programs, Educational Services, San Joaquin County Office of Education

**BEVERLY KLUNK, M.A.**, Vice President and Senior Trust Officer, Bank of Stockton

**TED LELAND, PH.D.**, Athletic Director Emeritus, Stanford University and Interim CEO, Stockton Homeless Shelter

**MICHAEL MARONEY, M.ED.**, Water Polo and Swimming Coach & Professor, San Joaquin Delta College

**ROBERT OPRANDY, ED.D.**, Professor Emeritus, University of the Pacific

**LOUIS PONICK, M.B.A.**, Director of Donor Relations, Community Foundation of San Joaquin

**WAQAR RIZVI, M.B.A.**, Department Information Systems Manager, San Joaquin County

**PETE SCHROEDER, ED.D.**, Associate Professor of Sport Management, University of the Pacific

**TAMMY SHAFF**, Director, Community Health, Dignity Health, St. Joseph's Medical Center

**KRISTEN SPRACHER-BIRTWHISTLE**, President/CEO, United Way of San Joaquin County

**NADEJA MICHELLE STEAGER**, Executive Director, Community Health Leadership Council

**PATRICIA TIRONE, PT, DPT, ED.D.**, Founder and Executive Director, Delta Sculling Center

**JASON WEINER, M.P.A.**, Senior Project Coordinator, Reinvent South Stockton Coalition

**DOUGLASS WILHOIT**, Retired Chief Executive Officer, Greater Stockton Chamber of Commerce

The current Community Advisory Board and planning team will serve in the leadership role for this project as it develops. As the site acquisition and design process advance, the capital campaign launches, and construction nears, it will likely be desirable to bring additional expertise into both groups. When the decision is made to transition the DAC into an independent entity or entities, the planning group or some expanded version will also transition to become that organization's Board of Directors, while the CAB will likely maintain its status as an advisory committee representing many different stakeholder groups.

## V. Industry Analysis

Practically, the Delta Aquatic Center will compete within several different industries: aquatic centers, boathouses and outdoor rowing facilities, outdoor recreation, high-level competitive water sports, out-of-school youth programs, learn-to-swim instruction, cultural and community events, exercise and fitness, and more. It is possible that the DAC may enter even more sectors as it pursues additional revenue-generating and community-serving activities, such as summer camps, corporate teambuilding, meeting and event spaces, and international sporting competitions.

Therefore, the following is far from a comprehensive analysis of all of the industries where the DAC will operate. The small number of local competitors in any of those sectors makes that type of analysis mostly unnecessary. Instead, it is a brief exploration of potential partners, competitors, opportunities, and challenges across all the industries where the DAC competes.

## PARTNERS & COLLABORATORS

Partnerships and collaborations with local and national organizations will be essential to successfully developing both the DAC's revenue programs and its mission services.

### POSSIBLE PARTNERS TO HELP THE DAC PURCHASE OR LEASE A SITE:

- San Joaquin Community Foundation
- City of Stockton
- County of San Joaquin
- California Division of Boating and Waterways, Dept. of Parks and Recreation
- Sacramento – San Joaquin Delta Conservancy
- Trust for Public Land

Resources, time, creativity, and opportunity will all be required for the DAC to secure a site and build facilities. As described above, many aquatic centers around the country operate on land owned by local or state government, and that may be a solution in Stockton. In any case, the public sector will play a key role, along with the Community Foundation and partners like Trust for Public Land, in this major effort.

### POSSIBLE ADMINISTRATIVE/OPERATING PARTNERS:

- San Joaquin Community Foundation
- United Way of San Joaquin
- Sacramento – San Joaquin Delta Conservancy
- City of Stockton
- County of San Joaquin



The Community Foundation already hosts a donor-advised fund for the DAC, which will grow as more contributions and grants are secured. The Community Foundation, United Way, or City could step in to serve as the fiscal sponsor for the DAC, should the planning group determine that would be the best structure for its pre-opening push or over the longer term. The City and County have already granted funds to help the DAC begin its planning process, and the Delta Conservancy is considering a substantial pre-construction grant in early 2023.

### POSSIBLE BOATING PROGRAM PARTNERS:

- Delta Sculling Center
- Stockton Sailing Club
- California Division of Boating and Waterways, Dept. of Parks and Recreation
- USRowing
- Stockton Chinese Benevolent Association

The DSC and SSC already organize boating programs on local waterways, which could potentially be hosted at or merged into the DAC. The DAC may pursue certification as a regional boating instruction safety center from the State Division of Boating and Waterways and coaching certifications from USRowing. The state also funds facilities and programs at other aquatic centers. The DAC planning team has already reached out to the Chinese Benevolent Association to begin conversations about establishing dragon boat programs.





**POSSIBLE YOUTH PROGRAM PARTNERS**

- City of Stockton
- San Joaquin County Office of Education
- Stockton Unified School District
- Lincoln Unified School District
- Manteca Unified School District
- Lodi Unified School District
- ABLE Charter School
- Aspire Charter Schools
- San Joaquin Delta College
- University of the Pacific
- California Department of Education
- U.S. Department of Education
- President’s Council on Sports, Fitness & Nutrition
- Up2Us Sports
- George Pocock Rowing Foundation
- Swim Strong Foundation

The City’s Community Services Department and local schools and colleges will be key partners in developing youth programs for environmental education, learn to swim classes, rowing and boating, individual development, and teambuilding. San Joaquin County Office of Education has an existing contract with the Headwaters Boathouse at Lodi Lake to run kayak trips for local students, which could be duplicated at DAC. The school districts, Delta College, and University of the Pacific may also be interested in launching new rowing teams that would learn, train, and compete at the DAC,

bringing in additional revenue and prestige for the center.

**Possible partners to plan and attract competitive events:**

- Delta Sculling Center
- Stockton Sailing Club
- Visit Stockton
- Stockton Sports Foundation
- RIVERSPORT OKC
- USRowing
- Special Olympics
- U.S. Olympic Committee
- U.S. Paralympic Committee

The DSC and SSC have experience competing in and hosting local competitions. Both will likely organize teams to compete in new competitions at the Delta Aquatic Center. The Stockton Sports Foundation was formed specifically to recruit and host regional, national, and international sporting events and to promote local sports-related events in the community, and Visit Stockton published a “Sports Tourism Strategic Plan” in 2021 that estimated that Stockton could generate more than \$28 million annually by adding 21 new athletic tournaments to the calendar. The DAC could seek to join a multistate consortium organized by RIVERSPORT OKC and others to attract and host international competitions or look at doing similar outreach with a California-focused partnership.



**Possible workforce development partners:**

- San Joaquin County Office of Education
- San Joaquin Delta College
- University of the Pacific
- Greater Stockton Chamber of Commerce
- African American Chamber of Commerce of San Joaquin County
- San Joaquin County Hispanic Chamber of Commerce
- WorkNet San Joaquin
- Edge Collaborative
- Rising Sun Center for Opportunity
- Reinvent South Stockton Coalition

The DAC has contacted Delta College, which serves 18,000 students, to discuss partnerships in recreational program administration degree programs, as well as the DAC becoming an educational site for environmental and biology courses. At University of the Pacific Professors in both the Sport Management Program and Department of Health and Exercise Sciences have expressed the University’s interest in exploring opportunities for students in those programs, where the University has already begun to partner with Delta Sculling Center. The postsecondary institutions and the County Office of Education are also very interested in internship and coaching opportunities.

**Possible community engagement partners:**

- San Joaquin Community Foundation
- United Way of San Joaquin

- San Joaquin County Office of Education
- Stockton Unified School District
- Lincoln Unified School District
- Manteca Unified School District
- Lodi Unified School District
- ABLE Charter School
- Aspire Charter Schools
- San Joaquin Delta College
- YMCA
- Boys and Girls Club
- Greater Stockton Chamber of Commerce
- African American Chamber of Commerce of San Joaquin County
- San Joaquin County Hispanic Chamber of Commerce
- Reinvent South Stockton Coalition
- Rise Stockton
- NAACP
- Little Manila Rising
- Housing Authority of San Joaquin County
- Stockton Chinese Benevolent Association
- Public Health Advocates

The DAC will work with many local partners, especially those who work closely with the underserved communities of South Stockton and groups who are underrepresented in water sports, to connect with residents who have not had prior exposure to boating and swimming.





## DIRECT COMPETITOR ANALYSIS

The most direct competitors to the DAC are a small number of organizations and facilities within an easy drive of San Joaquin County residents that offer similar water sports activities and provide access to local waterways for human-powered craft, though none currently offer the comprehensive suite of facilities, training, and activities envisioned for the DAC. The **Headwaters Boathouse at Lodi Lake** offers kayak and paddleboard rentals, private tours, lessons, and youth experiences (including a Kids Kayak summer camp) from April to October each year. **Delta Sculling Center** offers recreational and team sculling (rowing with two oars) on Delta waterways to participants of different ages and skill levels, including a veterans program, with a special focus on accessibility. **Ladd's Marina** has the only current ADA-accessible dock for human-powered craft on Stockton's Delta but does not rent out boats. The **Stockton Sailing Club's** 300 members operate sailboats and small craft out of a permanent marina next to Ladd's.

The **Sacramento State Aquatic Center** is the only regional competitor of similar size and amenities as the DAC plan. It has operated on Lake Natoma in Sacramento County since for nearly 25 years and has extensive experience hosting regional and international competitions. It is within a roughly equivalent drive from the northern section of DAC's tertiary market area (South Sacramento County) and is only an hour's drive away from the DAC's prospective sites.

Although there are competitors in the water sports market, the Customer Analysis in Section VI below (and the robust Needs Assessment in the DAC Feasibility Study) demonstrates that there is a large amount of unserved need in San Joaquin County and surrounding areas. Moreover, there is widespread recognition that more exposure to human-powered boating will likely increase overall awareness and interest in the community. All the competitors listed above have expressed support for the Delta Aquatic Center concept and have been generous in sharing their information and experiences with the DAC planning team. The Delta Sculling Center and Stockton Sailing Club have both opened conversations about partnering and moving some programs to the DAC when it is open.

Furthermore, the Delta Aquatic Center will be located much closer and more accessible than competitors to Downtown Stockton, Southwest Stockton, Southeast Stockton, French Camp, and Midtown/Magnolia, all communities with large, diverse potential markets that are not currently on the water in large numbers. It will offer a wider scope of programs and amenities.

Other organizations will also compete with the DAC for specific programs and services, including local youth sports and recreation programs, existing event and conference spaces, and aquatic centers around the country that strive to host international competitions. However, there is substantial need for additional capacity in all these markets too, and we feel that the DAC will have plenty of room to compete and grow in these markets.

## VI. Customer Analysis

Who are the customers that the Delta Aquatic Center seeks to serve? The Community Advisory Board and planning team have identified a number of market segments as the initial primary targets for both earned revenue and "mission" programs and services. The overall customer base will be wider than those segments, however, and will include people from across the San Joaquin County and surrounding communities.

## TARGET SERVICE AREA

### Primary market range – within a 15-minute drive

This area includes nearly all of Stockton, French Camp, nearby County areas like Holt, and parts of Lathrop. According to the [NASA Sedac Population Estimator Service](#), 422,687 people live within a 12-kilometer radius of the likely DAC sites. As discussed above, this region is both extremely diverse and very underserved by rowing and boating programs. While there are a number of boat access points along the rivers (with varying degrees of accessibility), the only comparable current programs are offered by the Delta Sculling Center, one of the primary partners in the Delta Aquatic Center, and the Stockton Rowing Club, which are both limited to rowing opportunities.

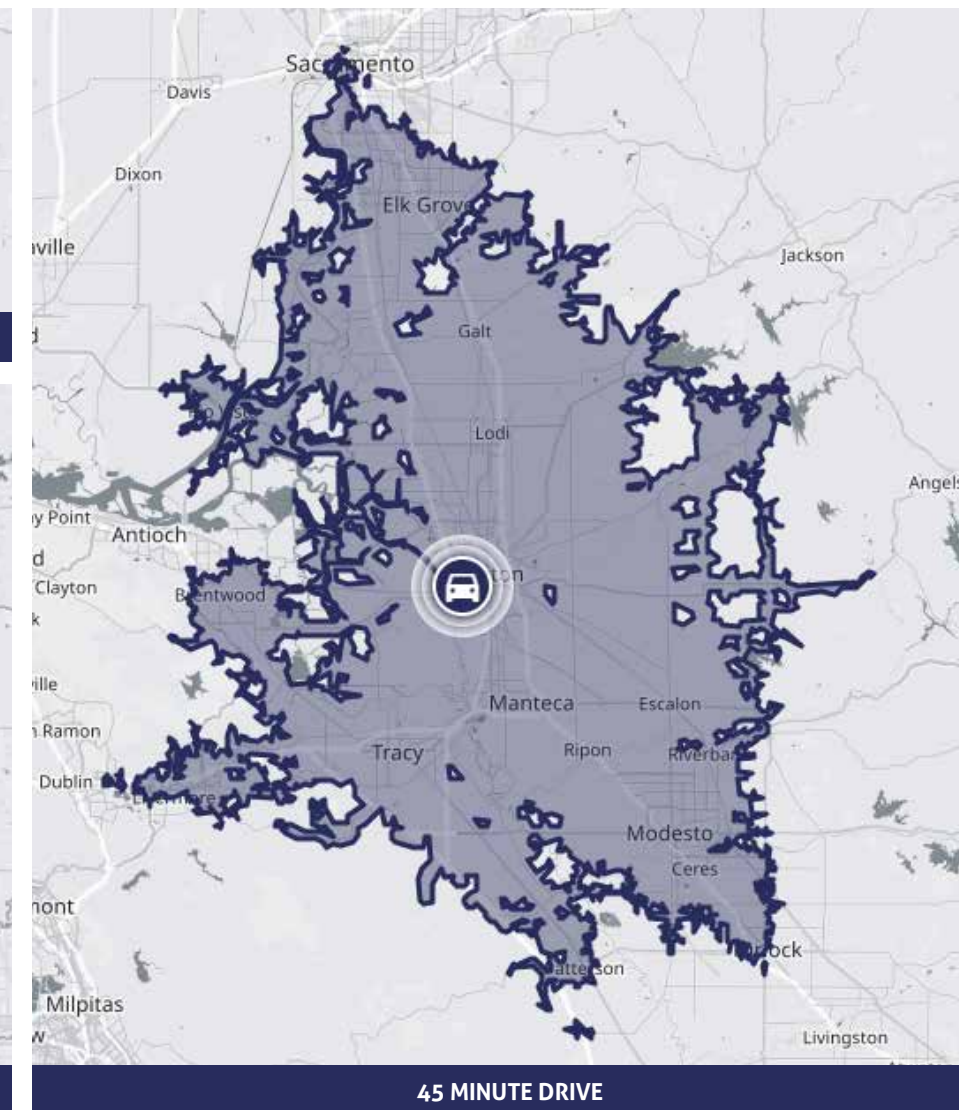
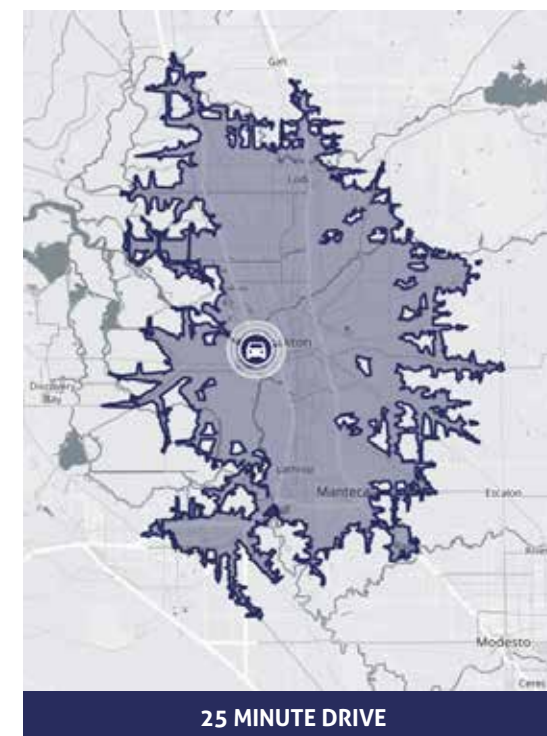
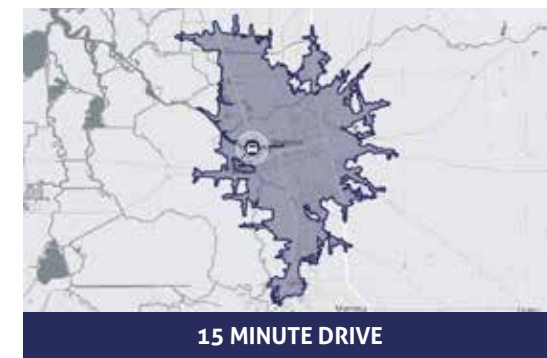
### Secondary market range – within a 25-minute drive

Manteca, Ripon, and parts of Tracy, Lodi, and Linden.

The [NASA Sedac Population Estimator Service](#) shows that 581,733 people live within a 20-kilometer radius of the likely DAC sites. These areas are still within a relatively short drive of the likely DSC sites, and residents there could easily choose to utilize the DAC's facilities and enroll in programs. Within this area, although Lodi Lake offers boat launch facilities and rentals, it does not provide comparable programming at this time.

### Tertiary market range – within a 45-minute drive

Modesto, Elk Grove, Galt, Brentwood, South Sacramento; parts of Livermore, Patterson, Turlock; and other unincorporated San Joaquin, Stanislaus, and Sacramento County communities. The [NASA Sedac Population Estimator Service](#) shows that 1,104,301 people live within a 40-kilometer radius of the likely DAC sites. The Delta Aquatic Center will be a regional attraction and amenity, and it is likely that residents of







this wider area will use the DAC for weekend paddling on the Delta and to store their equipment. Most of this circle is closer to the DAC or roughly equidistant to the closest comparable facility, Sacramento State Aquatic Center on Lake Natoma.

### DEMOGRAPHICS OF THE COMMUNITY

The 2020 U.S. Census [counted](#) more than 779,000 people living in San Joaquin County, with nearly 27 percent of them (more than 197,000) under 18 years of age. 13 percent of County residents are over 65 years old. More than 40 percent of County households are raising children ([kidsdata.org](#), using Census data).

About 14 percent of residents were living in poverty in 2020 in San Joaquin County, which had a median income of \$68,628 in 2020. The 2022 San Joaquin County Community Health Needs Assessment (CHNA) notes that “[t]he County is mostly rural, with one large urban core (Stockton) and seven smaller cities, as well as many ranching and farming communities scattered across the County.”

Noting that the Census treats Hispanic/Latino ethnic origin separate from race, the County’s racial and ethnic identities break out as follows:

- White alone - 64.5%
- Black or African American alone - 8.3%
- American Indian and Alaska Native alone - 2.1%
- Asian alone - 18.5%
- Native Hawaiian and Other Pacific Islander alone - 0.9%
- Two or More Races - 5.6%
- Hispanic or Latino - 43.0%
- White alone, not Hispanic or Latino - 28.3%

The CHNA identified Healthy Eating, Active Living as a medium health priority for San Joaquin County, noting

that “Obesity rates and diabetes prevalence were higher in San Joaquin County as compared to the state, with children and adults of color having significantly higher rates of obesity than their White neighbors.”

Both potential DAC sites are within and adjacent to some of the most disadvantaged and disinvested communities in the County. South Stockton, Downtown Stockton, Midtown-Magnolia, and the area around the Port of Stockton are sometimes referred to as the “South Stockton Promise Zone” by the collective impact collaboration that works to transform those neighborhoods, the Reinvent South Stockton Coalition (RSSC). According to RSSC data,

51% of all households in the South Stockton Promise Zone live below poverty levels. This area, which is home to roughly 100,000 residents, includes six of the 14 Priority Neighborhoods identified by the San Joaquin County 2022 Community Health Needs Assessment (CHNA) as having the lowest rankings in root causes of health on the California Healthy Places Index. The impact of this history is profoundly illustrated by the 20.5-year difference in life expectancy of South Stockton Census tracts when compared to more affluent areas within the city.

South Stockton is also one of the most diverse communities in California. It is the historic hub of the Filipino, Latino, and African American communities in San Joaquin County, and home to the oldest Sikh temple in the country. Today, more than 68% of residents are of Latino background. South Stockton is also young; nearly 39 percent of residents are under age 25.

### POTENTIAL FOR GROWTH

The Center for Business and Policy Research at University of the Pacific, in data shared by the [San Joaquin Council of Governments](#), predicts that San Joaquin County’s population will continue to grow into the future, reaching 1 million people in about 2047. Racial and ethnic diversity will also increase. Most of this growth will come in the Hispanic and Latino populations, which are already the largest racial or ethnic group. By age, young (0–19) and old (60+) age groups will dominate San Joaquin County.

Other data sources agree, saying that the child population is in the County is projected to increase over the next 20 years, peaking at about 213,000 in 2040 ([kidsdata.org](#), using Census data). The 65+ age group will more than double in size between 2020 and 2060.

Clearly the overall population, along with key target market segments, will continue to grow. Customer market growth for the DAC will also be accelerated by the increasing awareness of water sports and human-powered boating that will follow the launch of the Delta Aquatic Center as a landmark facility and community amenity. While the opening of the DAC will bring attention to these forms of recreation and sport, community, cultural, and competitive events on the water will engage even more local residents in the possibility of getting into a boat.

### TARGET EARNED REVENUE CUSTOMER MARKETS

A successful aquatic facility understands demographic market segments and targets specific segments to attract. These segments often have very different needs, but diversifying customer markets and revenue streams brings greater stability and resilience to changes.

The DAC planning team has identified several key, specific market segments that will be targeted for paid services:

#### Current paddlers and rowers

There is a significant population in our target service area who care about fitness and water recreation and either already row or sail or will consider doing so. The DAC can offer them an accessible, appealing place to go out on the water. Partnerships with the Delta Sculling Center and Stockton Sailing Club will help to access existing users and bring them into the DAC.





### **Residents and tourists new to paddling and boating**

Both visitors to San Joaquin County and longtime residents who have never been out on the Delta can rent boats at the DAC and perhaps join a private tour. Others may take lessons from the instructors and coaches.

### **High-performance and elite water athletes, including Para and Masters athletes**

The world-class docks and facilities that we will build at the DAC will attract high-level water sport athletes from Northern California and beyond to train on the Delta. Others will encounter the DAC when they compete in events held here. Some international teams already train at the Sacramento State Aquatic Center, but there is more capacity in the market. And becoming the training home for elite athletes will draw rowers and sailors at other levels as well. As the Director of RIVERSPORT OKC told us: “The high performance piece is 1 percent of what we do, but it inspires everything else.”

### **Local human-powered boat owners**

Storage is a popular feature of aquatic centers and marinas everywhere, because every boat owner needs a safe location to store their equipment. The DAC will focus on offering storage for human-powered equipment, including kayaks, canoes, dragon boats, and sailboats.

### **New rowing programs at local schools, colleges, and universities**

Currently, neither the University of the Pacific, Delta

College, nor local schools run crew, sculling, sailing, or other water-sport teams. However, all of these institutions have expressed interest in launching rowing programs that would use the DAC as their training and conditioning venue. This could become a significant, stable revenue generator while generating other benefits as student athletes become more individually engaged with the DAC as instructors and coaches.

### **Sport federations and other organizations that present water athletic competitions**

This Business Plan has cited several times already the potential for the DAC to host and co-host an expansive calendar of regional, national, and international competitions. This has proved to be a major business area and revenue center for other aquatic centers, and is a major strategy in Visit Stockton’s “Sports Tourism Strategic Plan.” Potential sports federations that regularly solicit bids for water competitions include the NCAA, the World Masters Games, and even the U.S. Olympic Committee.

### **Parents seeking physical fitness and team sports activities for their children**

As noted above, Stockton lacks sufficient youth sports and physical activities, and the DAC can help to fill this gap. While some families will pay reduced or zero rates for the DAC’s youth programs, other families of sufficient means can pay for their children’s participation and will help to support the overall programs.

### **Schools, school districts, and the County Office of Education**

In addition to the possibility of launching rowing teams, local schools may also contract with the DAC to provide swimming lessons, field trips, nature experiences, and boating instruction to their students.

### **Businesses and other organizations seeking teambuilding and physical fitness programs**

This area is one of the most interesting market opportunities for the DAC. When boating facilities, equipment, and programs are in place for the general public and competitive athletes, they can also be used to offer teambuilding experiences for local employers and also physical fitness programs for their employees. This type of program exists at some other aquatic centers, and the DAC leadership will continue to explore it.

## **TARGET MISSION SERVICES CUSTOMER GROUPS**

Just as the DAC will target specific customer segments for earned revenue services, it will also prioritize promoting “mission services” to the following groups:

#### **Local residents who are unable to pay**

The Delta Aquatic Center will be a community institution focused on making the Delta available and accessible for all. We will institute sliding-scale fees and/or other methods to make it easier for everyone to access rowing, boating, and swimming. With 14 percent of County residents and more than half of South Stockton Promise Zone residents living below the poverty line, this group must be a large proportion of all customers.

#### **Seniors experiencing poverty**

This group may be one of the hardest to reach but are a priority for DAC leaders. Aquatic sports can be especially appealing to this segment of the population, as rowing and sculling allow those with age-related challenges to move and exercise more freely, without the pain and discomfort imposed by gravity on land.

### **Youth**

The benefits that water sports and recreation can bring to the youth of San Joaquin County are enormous (as described in the “Community Benefits” section of the Feasibility Study). The DAC will engage youth through school partnerships, out-of-school programs, summer camps, team training, and other programs.

### **Veterans**

The U.S. Census [counted](#) 28,635 veterans living in San Joaquin County in 2020. Although the California Department of Veterans Affairs [projects](#) that number to continue to decline over time, there will still be tens of thousands of local veterans. The Delta Sculling Center has had a longtime commitment to engaging veterans and runs the Freedom Rows program for disabled veterans and active-duty military.

### **Schools**

There are 14 school districts, serving approximately 150,000 public-school students, in San Joaquin County. 254 schools are located in the City of Stockton alone. Many of these schools, especially within the Stockton Unified School District, are seeking more field trips, environmental education, athletic teams, and outdoor recreation activities, along with learn-to-swim opportunities. As one example of creative marketing and community benefits, the RIVERSPORT OKC aquatic center partners with local schools to provide an introductory rowing program for students during the school year, and markets to the students to come back to summer camps. The Delta Sculling Center takes a similar approach through their ErgEd® program, where DSC coaches offer short, introductory sessions in school physical education classes, while also providing information about summer camps.

### **The disabled community and others who need adaptive equipment**

Rowing and paddling sports are available to people with a very wide range of abilities, although some need adaptive equipment or modified activities. The DAC will ensure that as many potential customers as possible have access to the equipment they need to get out on the water. This



would also offer the opportunity for recreation, physical therapy, and sports management students to get hands-on training in adaptive recreation.

### **Groups that are underrepresented in rowing, boating, and swimming sports**

There is a long history of water sports and even recreation being dominated by a whiter and wealthier population. Attracting other groups that have historically been underrepresented will require thoughtful, culturally sensitive outreach that helps to overcome barriers to participation. These barriers might include high fees; difficulty in finding transportation; not having exposure to rowing, boating, and swimming; language; and not finding coaches of similar race, ethnicity, or background. The DAC can attempt to address as many of these barriers as possible before developing an outreach campaign, so that people from these groups feel more comfortable when they enter the facility or join an activity.

## **VII. Challenges & Threats**

Interviews with local organizations and other aquatic centers around the U.S. reveal that all of them face a number of challenges in reaching and serving their markets, which they have been able to address to differing extents.

One significant challenge, especially in the initial stages of designing, building, and launching a new center, is finding sufficient capital and revenue to construct a facility that is sufficient to support robust program offerings and draw enough revenue to then meet operating needs. As Brian Dulgar, the Director of the Sacramento State Aquatic Center, said, “The day that we built it, I knew it was too small.” Although the current facility on Lake Natoma is as capacious as any in Northern California, the SSAC has had plans for a “Phase 2” of additional building on hold for more than two decades awaiting sufficient funds. Some organizations have chosen to start with small, inexpensive facilities – like using shipping containers to store boats next to a public dock – and slowly build up from there. The Delta Sculling Center used this strategy but has found

that their capacity remains very limited compared to their needs.

Safety planning is a critical factor for every center, but especially for those that put small human-powered boats in the same waterways with skyscraper-sized freighters. Since the Delta Aquatic Center will be located adjacent to the enormous Port of Stockton, which attracts four million tons of cargo annually from around the world, it

**“Water safety is not just about swimming. It is about teaching boating safety as well, for any kind of boat that people use.”**

*–Brian Dulgar, Director,  
Sacramento State Aquatic Center*

definitely fits into this category. The Foundry Community Rowing & Sailing Center in Cleveland, located on the congested Cuyahoga River and Lake Erie, has a 64-page safety manual that includes detailed maps of “safe passing zones” and procedures to promote safe, recreational use of the river. The Foundry also convened a Regional Safety Task Force to bring together all of the agencies that utilize the water around Cleveland. DAC planning will need to include similar components alongside essential personal water safety instruction.

Another important challenge is finding enough skilled, experienced coaches to teach all of the planned programs, teams, and fitness classes. This problem can be compounded when attempting to offer multiple specialized disciplines ranging from kayaking to competitive diving. Other centers have become very creative at training their own coaches, starting with cross-training their current staff across different boat types and sports. Sacramento State Aquatic Center, as part of the University, partners with its kinesiology programs and trains student volunteers. The Foundry established a national center for coaching education to attract more coaches to come to Cleveland and possibly stay.

Operating a site in the urban core of Stockton, especially

one that is somewhat secluded along the river, brings the likelihood of theft and vandalism. Other local facilities have experienced significant amounts of both, despite investing in camera and other security systems. The river is also home to a large unhoused population, which affects every business in the area and makes it more challenging to attract customers and ensure that they feel safe.

There are other current and possible challenges to consider. Among the most perplexing will be the effects of climate change on the DAC’s selected site, the Delta, and the region as a whole. Projections show that flood risk around the Delta is increasing significantly, while at the same time the ongoing drought is having its own effects. Higher temperatures in summer and fall are expected, along with many more unpredictable changes. Hyacinth and algal blooms already make the river and Delta waterways difficult to navigate at times, and the problem is likely to become worse unless careful attention and planning are given to resolving it. It will be necessary to build a set of facilities that is as adaptable and resilient as possible.

## **VIII. Marketing Plan IMAGE & BRAND**

The Delta Aquatic Center will be a world-class aquatic center in the heart of Stockton. It will make Delta waterways accessible, welcoming, and educational for all, so people of all abilities may safely use human-powered watercraft to enjoy and experience the Delta.

The DAC will also be a community asset and resource, serving local youth, veterans, and schools alongside high-performance athletes and competitive teams, and offering a place to improve physical, mental, emotional, and spiritual health. It will be the launching point for adventures into the natural beauty of the Delta.

### **MARKET POSITION**

The DAC will be positioned as the primary accessible and nonprofit access point to Delta water recreation, the largest and most equipped boathouse in the region, a fitness and healthy living center in Downtown/South

Stockton, and a significant provider of youth sports and out-of-school activities. When launched, it will draw a significant portion of the committed rowers, scullers, and sailors in the community – especially through anticipated partnerships with the current largest providers of those services (the Delta Sculling Center and Stockton Sailing Club). Rental and storage rates will be priced to be competitive with local for-profit and nonprofit boathouses and marinas.

DAC leadership believes that the Center will quickly become the leading marina for human-powered boating in San Joaquin County and Stanislaus County, while also drawing significant market share from Elk Grove and southern Sacramento County, where the DAC will be as close of a drive as the Sacramento State Aquatic Center. It will become known as an event center for both community/cultural events on the waterfront and smaller-scale corporate meetings and teambuilding sessions.

The DAC will also be the focal point for attracting regional and international competitive water sports events to San Joaquin County.

### **PRICING CONSIDERATIONS**

Pricing of services and equipment at the DAC will be a significant planning task. It must incorporate typical pricing considerations like equipment and labor costs, market rates, and incorporating other costs like rent or mortgage/facility capital payments. At the same time, pricing must consider the ability of local residents to pay in a community where 25-50 percent of residents live below the federal poverty line, and the capacity for paying customers to subsidize low- or no-cost services for those who have barriers to affording to pay.

Therefore, the DAC will likely employ a sliding scale or differentiated pricing for local residents from tourists or those who live further away. For comparative pricing reference, following are current (2022) prices at other selected aquatic center facilities:



FOR COMPARATIVE PRICING REFERENCE, THE FOLLOWING ARE CURRENT (2022) PRICES AT OTHER SELECTED AQUATIC CENTER FACILITIES:

FACILITY	BOAT RENTAL																
HEADWATERS KAYAK AT LODI LAKE	BASIC KAYAK: \$22/HR TANDEM KAYAK: \$38/HR STAND-UP PADDLEBOARD: \$22/HR																
STOCKTON SAILING CLUB																	
CITY OF STOCKTON																	
SACRAMENTO STATE AQUATIC CENTER (SACRAMENTO, CA)	<table border="0"> <thead> <tr> <th></th> <th>GENERAL PUBLIC:</th> <th>AFFILIATE:</th> <th>SAC STATE STUDENT</th> </tr> </thead> <tbody> <tr> <td>SINGLE KAYAK:</td> <td>\$13/HR</td> <td>\$11/HR</td> <td>\$8/HR</td> </tr> <tr> <td>TANDEM KAYAK</td> <td>\$17/HR</td> <td>\$13/HR</td> <td>\$10/HR</td> </tr> <tr> <td>CANOE</td> <td>\$17/HR</td> <td>\$13/HR</td> <td>\$10/HR</td> </tr> </tbody> </table> STAND UP PADDLE BOARDS		GENERAL PUBLIC:	AFFILIATE:	SAC STATE STUDENT	SINGLE KAYAK:	\$13/HR	\$11/HR	\$8/HR	TANDEM KAYAK	\$17/HR	\$13/HR	\$10/HR	CANOE	\$17/HR	\$13/HR	\$10/HR
	GENERAL PUBLIC:	AFFILIATE:	SAC STATE STUDENT														
SINGLE KAYAK:	\$13/HR	\$11/HR	\$8/HR														
TANDEM KAYAK	\$17/HR	\$13/HR	\$10/HR														
CANOE	\$17/HR	\$13/HR	\$10/HR														
FLOATHOUSE (PETALUMA, CA)	\$25-35/HOUR TO RENT MOST HUMAN-POWERED BOATS (KAYAKS, PADDLEBOARDS, CANOES, PEDALBOARDS, WATER BIKES, AND ROWBOATS)																
FOREBAY AQUATIC CENTER (CHICO, CA)	<table border="0"> <tbody> <tr> <td>KAYAK - \$17/HOUR</td> <td>TANDEM KAYAK - \$20/HOUR</td> </tr> <tr> <td>STAND UP PADDLE BOARD - \$17/HOUR</td> <td>SUPER STAND UP PADDLE BOARD - \$45/HOUR</td> </tr> <tr> <td>PEDAL BOAT - \$30/HOUR</td> <td>HYDROBIKE - \$20/HOUR</td> </tr> <tr> <td>CANOE - \$25/HOUR</td> <td>INNER TUBE - \$5.00/HOUR</td> </tr> <tr> <td>SEASON PASS - \$175 FOR ONE PERSON</td> <td></td> </tr> </tbody> </table>	KAYAK - \$17/HOUR	TANDEM KAYAK - \$20/HOUR	STAND UP PADDLE BOARD - \$17/HOUR	SUPER STAND UP PADDLE BOARD - \$45/HOUR	PEDAL BOAT - \$30/HOUR	HYDROBIKE - \$20/HOUR	CANOE - \$25/HOUR	INNER TUBE - \$5.00/HOUR	SEASON PASS - \$175 FOR ONE PERSON							
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SEASON PASS - \$175 FOR ONE PERSON																	
RIVERSPORT OKC (OKLAHOMA CITY, OK)	KAYAK RENTAL - \$19.99/HOUR																

INSTRUCTION	TOURS	OTHER
INTRO TO KAYAKING: \$75 INTRO TO PADDLEBOARDING: \$75 KAYAK RESCUE: \$95 PRIVATE CLASSES: \$150	FULL MOON PADDLE: \$71 WITH RENTAL \$45 WITH OWN EQUIPMENT KIDS 10 AND UNDER: \$25  SUNSET PADDLE: \$45 WITH RENTAL \$15 WITH OWN EQUIPMENT KIDS 10 AND UNDER: \$15  PRIVATE TOURS STARTING AT \$150	
		SLIP RENTAL: \$8.35 PER LINEAR FOOT
		DOCKING BERTHS: \$50 FOR A DAILY GUEST DOCK OR \$650-900 FOR A MONTHLY RENTAL, DEPENDING ON SIZE OF BERTH  BOAT LAUNCH: \$13 / DAILY PASS OR \$121/ ANNUAL PASS ADDITIONAL CHARGES FOR PARKING
BASIC ROWING: SAC STATE STUDENTS: \$95 AFFILIATES: \$125; GENERAL PUBLIC: \$145  ROWING PRIVATE INSTRUCTION: HOUR \$65/HR PERSON  BASIC SAILING: SAC STATE STUDENTS: \$150 AFFILIATE: \$190; GENERAL PUBLIC: \$205  SAILING PRIVATE LESSONS: \$65/ HOUR		
INCLUDED WITH BOAT RENTAL  YOUTH PROGRAMS: \$15 PER PARTICIPANT		
INTRODUCTORY CLASS - \$40  LEARN TO ROW OR INTERMEDIATE ROWING - \$200 FOR 8 CLASSES  ANNUAL MEMBERSHIP - \$600	GROUP PADDLES - \$40	





## POTENTIAL MARKETING PARTNERSHIPS

- Visit Stockton
- Stockton Sports Foundation
- City of Stockton
- San Joaquin County Office of Education
- Downtown Stockton Alliance
- Greater Stockton Chamber of Commerce
- African American Chamber of Commerce of San Joaquin County
- San Joaquin County Hispanic Chamber of Commerce
- Dignity Health St. Joseph's Medical Center
- Kaiser Permanente
- Adventist Health
- Health Plan of San Joaquin
- Health Net
- Community Health Leadership Council

The City and local chambers of commerce will be important partners for reaching different groups of potential customers in San Joaquin County, while the County Office of Education can help the DAC to connect to schools and students with field trip programs, summer camps, and establishing rowing and sculling teams. Health care systems, health plans, and community health organizations can promote DAC programs and make the connection between water sports and physical fitness.

## IX. Operations Plan TALENTS & RESOURCES NEEDED - STAFF

Staff positions and numbers will depend on the programs that the DAC offers upon launch. Some combination of the following skills and capacities will be necessary to operate a successful aquatic center:

- Management & administration
- Financial management & bookkeeping
- Facilities management

- Facilities maintenance
- Equipment management
- Equipment maintenance
- Boating, rowing, & sailing instruction
- Water safety instruction
- Learn to Swim instruction
- Team sport coaching
- Strength and conditioning coaching
- Camp counselor
- Fitness trainer
- Fund development

As noted above, finding and retaining coaches has been a challenge for many other aquatic centers. By training coaches locally and utilizing programs like [Up2Us Coach](#), we hope to meet that need at the DAC.

## FUND DEVELOPMENT CAPACITY

None of the full-service boathouses and aquatic centers interviewed by the DAC planning team are currently able to sustainably support operations through earned revenue alone. They supplement boat rentals, tours, and school district contracts with applying for public and private grants and accessing local public funding. The Delta Aquatic Center will need to have the capacity to research and write grant proposals, as well as seek public funding from local and state government.

## RISK MANAGEMENT

Operating an athletic facility that takes the public out to the water brings with it the need to mitigate significant risk. The Coast Guard [counted](#) more than 4,200 accidents involving recreational boats in 2017, which resulted in 658 deaths. 15 percent of those deaths involved kayaks. The DAC will put into place several safety and risk management factors and policies, following the practice of other aquatic centers.

## Accreditation and oversight

In order to operate as a member of USRowing (which is a branch of the US Olympic Committee), DAC coaches must complete [SafeSport Training](#).

## Safety planning & training

DAC staff will need to be extensively trained on safety rules and procedures, as well as how to teach boating safety to customers. The DAC will develop a comprehensive safety guidebook(s), which will include detailed procedures and maps for navigating the nearby Delta waterways.

## Personal floatation devices

As required under [California law](#), one PFD should be carried for each person in a boat, paddleboard, or kayak, and children under 13 must wear a PFD at all times on the water.

## Maritime law

Maritime or admiralty law regulates the activity of navigable waters. Cases that involve the collision of watercraft on navigable waters fall under maritime law, although state laws may also apply. DAC leadership will consult with an attorney to ensure that we understand our responsibilities under maritime law and how to instruct customers to behave in Delta waters.





**Environmental protection**

The Delta is a sensitive ecosystem, and the state and Delta Conservancy have established regulations that will affect water recreation and sports.

**Insurance**

After an initial consultation with an insurance agency that specializes in marine facilities, we have determined that the DAC will need to carry the following coverage:

- Property
- General liability
- Vessels
- Workers Comp
- Directors & Officers Liability

**X. Financial Plan  
CONSTRUCTION CAPITAL**

The Delta Aquatic Center has engaged WMB Architects to provide early land acquisition, permitting, and construction cost estimates as part of the Prop. 68 application process. WMB Architects estimates that pre-construction project expenses will total more than \$2.1 million, including architect and engineer fees, project management, permit fees, and a 10 percent contingency factor.

Construction costs are extremely variable and will depend on internal (site choice, design specifications) and external (material costs, labor costs, financing opportunities) factors. Using a building size of 20,000 square feet on a 3-acre site, WMB Architects has made an early estimate for construction costs of \$14.5 million (Site: \$20/SF; Training & Office Building: \$700/SF; Boathouse: \$500/SF). This does not include land acquisition, project management, or environmental consultants.

Please see a longer discussion of capital fundraising in the DAC Feasibility Study (Sec. XI).

**Example Operating Budget**

Item	Amount
<b>REVENUE</b>	
Instruction	80,000
Equipment rental	30,000
Contracts for youth programs	100,000
Corporate programs	10,000
Event space rental	10,000
Community events – tickets & concessions	30,000
Sporting competitions	90,000
Grants	300,000
Donations	150,000
<b>Total Revenue</b>	<b>\$800,000</b>

<b>EXPENDITURES</b>	
Personnel – Mgmt & Operations	200,000
Personnel – Instruction & equipment rental	200,000
Personnel – coaches	100,000
Payroll tax & benefits	100,000
Equipment purchase & repair	30,000
Program costs	60,000
Sporting competition costs	60,000
Mortgage/rent	30,000
Debt service	20,000
<b>Total Expenditures</b>	<b>\$800,000</b>

**OPERATING BUDGET**

As described in the Feasibility Study, the annual operating budgets of other aquatic centers vary greatly, from \$300,000 to \$3.1 million. When the Delta Aquatic Center opens in 2026, the planning team’s intention is that it will immediately offer a wide range of programs and recreation opportunities to the community. However, the scope of programs and equipment that are offered will affect the budget greatly.

Following is a possible \$800,000 budget template, based on the models from other comparable facilities. This budget reflects an early year in the DAC’s operations, when it has not yet successfully implemented marketing campaigns nor attracted major international competitions (it does assume that the DAC hosts at least two regional competitions). It is provided here only as an example and an opportunity to share the likely revenue sources and expenditures for the Center. Please see Sec. VIII (C) above for a chart of comparative pricing for key services.

**STARTUP FINANCIAL NEEDS**

Along with capital construction and annual operating costs, it is important to remember that the launch of the Delta Aquatic Center will also require a significant set of one-time investments. These costs will likely include the following:

- Financial bookkeeping, recordkeeping, and reporting system
- Human Resources data system
- Point-of-sale and retail payment system and equipment
- Inventory tracking system
- Furniture
- Employee computers and supplies
- Design and branding
- Legal advice
- Launch marketing





