

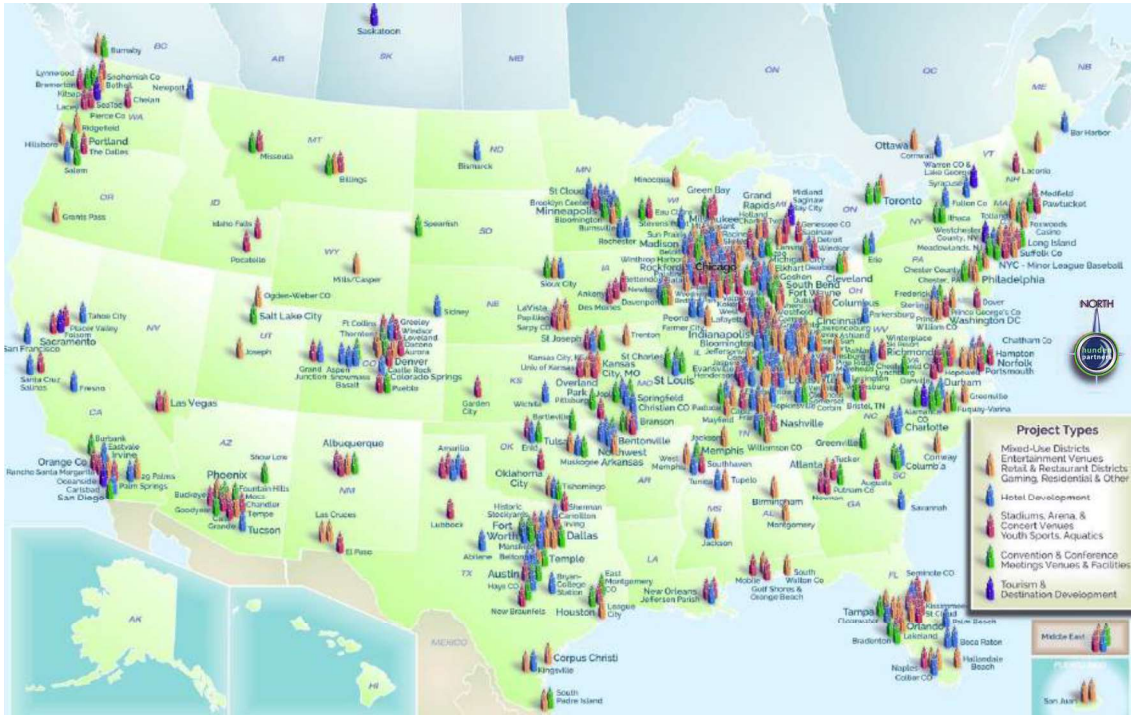
**hunden
partners**

**Ocala/Marion County
Tourism Placemaking Plan
and Feasibility Analysis
2024**



hunden partners

applies market realities to **Live / Work / Play / Visit** placemaking



Hunden's Complete Process

Identifies compelling asset gaps in the market and areas for deep dive studies



Determines how the project will thread the needle in the market and demonstrates the return on investment



Leads the client from end-of-study to shovel in the ground

- Entertainment Venues & Districts
- Stadiums, Arenas & Event Centers
- Convention & Conference Centers
- Headquarter, Conference & Boutique Hotels
- Tournament Sports Complexes
- Retail, Restaurant, Residential, Office
- University Assets & Districts
- Fairgrounds & Expos
- Fine Arts Venues, Distilleries & Attractions

Current & Future Analysis

Initial Phase

Placemaking Action Plan



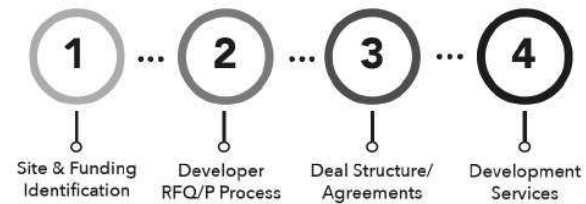
Hunden Partners conducted a **Countywide Gap Analysis and Tourism Market Opportunity Assessment**. The assessment aims to guide the development of future destination projects by identifying strengths in the current market, potential growth areas, and recommending priority projects to enhance Ocala/Marion County's tourism competitiveness. Key goals include analyzing marketing and visitor metrics, reviewing existing research, mapping assets and identifying gaps in conference, entertainment, sports, retail, and accommodation sectors, recognizing relevant trends, and pinpointing high-impact projects to boost economic growth and community quality of life.

Feasibility & Impact Study



Future Phases

Project Advisory & Execution



Project Objectives

This study aims to identify where Ocala/Marion County is as a destination now, what current gaps exist and based on this analysis, draw impactful conclusions that identify where strong opportunities lie to take Ocala/Marion County to the next level as a destination.



Where are you now?

Assessment of the Ocala/Marion County tourism assets, including the visitation induced, their attributes and quality, and overall performance.



What are the current gaps?

Based on Ocala/Marion County's current supply of assets, where are their gaps? What assets could fill these gaps and present great opportunities for the area?



What are the opportunities?

Based on the assessment of where Ocala/Marion County is now and what the current gaps are, Hunden will identify areas that represent strong opportunities to bolster Ocala/Marion County's overall tourism package.



How do we get there:

How do we execute and implement these opportunities? What is the strategic action plan?

Summary Matrix – Where You Are Now

Asset Analysis

	Conference / Meeting Facilities	Concerts / Entertainment	Sports Facilities	Shopping & Dining Nodes	Hotels	Attractions, Festivals & Events	Parks, Trails, & Outdoor Space/Outfitters
Supply Ocala/Marion County Area	Minimal	Moderate	Good	Minimal	Moderate	Moderate	Strong
Top Assets Ocala/Marion County	<ul style="list-style-type: none"> World Equestrian Center College of Central Florida 	<ul style="list-style-type: none"> Circle Square Cultural Center Reilly Arts Center Ocala Civic Theater Appleton Museum of Art 	<ul style="list-style-type: none"> World Equestrian Center Florida Aquatics Swimming & Training Center Belleview Sports Complex Florida Horse Park Ocala Regional Sportsplex Rotary Sportsplex Southeastern Livestock Pavilion (SELP) 	<ul style="list-style-type: none"> Downtown Ocala Paddock Mall Market Street at Heath Brook 	<ul style="list-style-type: none"> The Equestrian Hilton Garden Inn Ocala Downtown Hilton Ocala The Riding Academy 	<ul style="list-style-type: none"> HITS Ocala Winter Circuit WEC Winter Series Ocala Arts Festival Symphony Under the Stars Levitt AMP Ocala Music Series Canyons Zip Line & Adventure Park Major Sports Tournaments / Equestrian Events 	<ul style="list-style-type: none"> Cross Florida Greenway Ocala National Forest Silver Springs Rainbow Springs Santos Trailhead KP Hole Park Fort King National Landmark
Hotel Room Night Generation	Moderate	Minimal	Good	Minimal	Strong	Good	Moderate

Ocala/Marion County Overview

Ocala/Marion County stands out with its unique charm, offering a diverse range of attractions including natural wonders, equestrian activities, historic sites, and cultural events. The area flourishes due to its artistic and economic energy, drawing in residents, visitors, and businesses. Authentic redevelopments in downtown Ocala shows organic growth and the structure of what makes downtown Ocala unique. Major events generate significant spending and impacts.



- Ocala/Marion County, located in Central Florida, is approximately 80 miles from Orlando and 100 miles from Tampa. The area is well-connected via major highways. The nearest commercial airport is Gainesville Regional Airport, about 40 miles away, while Orlando International and Tampa International Airports, both roughly 100 miles away, serve as primary air travel hubs. The University of Florida in Gainesville is the region's main educational institution, situated about 36 miles from Ocala/Marion County.
- The county boasts diverse attractions including natural springs, forests, hiking trails, performing arts, and equestrian facilities like the Florida Horse Park and World Equestrian Center. Downtown Ocala features authentic redevelopments that highlight its unique character, supported by major events that drive significant economic impact. However, there is a notable lack of major family entertainment venues and indoor sports facilities.
- Ocala/Marion County hosts numerous annual events and festivals across sports, music, and arts, held at various venues such as World Equestrian Center, Rotary Sportsplex, Florida Aquatics Swimming & Training, and Silver Springs State Park. There are opportunities to further enhance the county's appeal by developing retail, restaurant, mixed-use, indoor sports, and family entertainment facilities to boost tourism.

Interview Outreach & Stakeholder Engagement Overview – Local

Hunden spoke with a number of key stakeholders and organizations to help analyze the overall market to determine potential opportunities for Ocala/Marion County. Interviews conducted included representatives from the following:

Local Stakeholders:

- Marion County Commissioners
- Marion County Administration
- Marion County Tourist Development Council Members
- Ocala/Marion County Transportation Planning Organization
- City of Ocala Growth Management Departments
- City of Ocala Economic Development
- City of Belleview Administrators
- Hilton Ocala
- HDG Team
- Silver Springs State Park
- ARK Hospitality
- Ocala Main Street
- Marion Cultural Alliance
- Ocala-Metro Chamber and Economic Partnership
- City of Ocala Parks & Rec
- Kimley-Horn & Associates
- Office of Greenways and Trails
- C2 Realty
- Rotary Sportsplex Board
- Florida Dept. of Environmental Protection
- Appleton MOA
- Aimbridge Hospitality
- Big Sun
- On Top of the World / FAST
- World Equestrian Center
- Workshop attendees

Interview Outreach & Stakeholder Engagement Overview – Out of Market

Hunden interviewed a variety of regional and national stakeholders and organizations in addition to local stakeholders highlighted on the previous slide. Interview feedback helped to gain an understanding of current strengths for Ocala/Marion County and its surrounding area, identify future opportunities and provide best practices from case studies. A summary of stakeholders interviewed include representatives from the following:

Sports:

- USA Volleyball
- AAU Volleyball / Basketball
- The National Basketball Academy (TNBA)
- 3Step Sports
- Florida Sports Foundation
- SPHL Tenant (Hockey)
- ECHL Commissioner
- ESPN Wide World of Sports Complex

Entertainment:

- Opry Entertainment
- AEG Presents
- Live Nation
- Dr. Phillips Performing Arts Center
- Orlando Media Market
- Osceola Heritage Park (G-League Arena)
- Kia Center (Orlando Amway)
- Alachua County Sports & Event Center

Meetings / Events:

- Regional Meeting Planners
- Embassy Suites Noblesville Conference Center (Case Study)

Summary Matrix

Opportunities

LEGEND

Feasibility Analysis

What are the opportunities?		Hospitality	Sports & Outdoor Recreation	Shopping, Dining & Entertainment	Conference & Meetings	Major Attractions & Events
	Opportunity	Strong	Strong	Strong	Good	Moderate
	Priority Level					
1	Absorption of New Developments U/C	Indoor Multi-Use Facility	Multi-Use District Focus & Continue Key Node Development Focus for Downtown Districts	Indoor Multi-Use Facility & Conference Hotel Feasibility	Guided Excursions / Tours & Winter – Early Summer Major Festival/Event	
2	Conference Hotel	Silver Springs Activation, Tours & River Cruise	Multi-Use Facility District Build-Out	Multi-Use Facility District Build-Out	Transportation / Connectivity Strategy Between Assets (Outdoor Trails)	
3	--	Authentic Commercial Developments near Natural Assets	"Eatertainment" Concept(s)	--	Water Park or Major Family Entertainment Attraction, Addition Equestrian Related Attractions	

Recommendations – Deeper Dive Studies

Based on Hunden’s analysis, the following opportunities are recommended to conduct a deeper-dive analysis to prove the viability for success for Ocala/Marion County tourism.

1. Multi-Use Facility & Conference Hotel

Regional Supply & Competition, Case Studies, Demand for Events

2. Large Entertainment Multi-Use District

Highest & Best-Use, Indoor Arena for Sports and Concerts, Seating/Gathering Space, Brewery/Winery, Restaurant/Retail

3. Water Park or Major Family Entertainment Attraction

Commercial & Additional Support Amenities, Induce Long-Distance Visitation

4. Transportation Needs

Commercial airport with nonstop flights to regional destinations

Current & Future Analysis

Placemaking Action Plan



Ongoing Phase

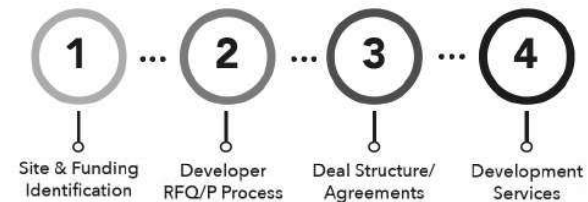
Feasibility & Impact Study



Hunden Partners conducted an in-depth market analysis on the top priority project identified in their Countywide Gap Analysis and Tourism Market Opportunity Assessment. This involved a **comprehensive market and financial feasibility study for a new indoor multi-use facility and event space** in Ocala/Marion County, Florida. The team, including architects from Convergence Design, used market-driven analytics to assess demand and opportunities for the proposed project. The report refers to this analysis as the “Project”, based on Hunden's recommendations.

Future Phases

Project Advisory & Execution



SWOT Overview

The following SWOT analysis details the strengths, weaknesses, opportunities, and threats as it relates to the Project.

STRENGTHS



- Central location in Florida, emphasizing the triangle between Gainesville and Orlando
- Proximity to Gainesville (student population)
- Strong destination appeal
- Good supply of sports facilities including WEC & FAST
- Population growth
- Growing corporate base

WEAKNESSES



- Site location and the lack of developed adjacent/walkable amenities
- Moderate hotel supply, limited quality meeting space
- Lack of traditional exhibit space outside of WEC
- Increases in short term rentals in the area causes a need for enforcement and compliance to future measure, grow, and generate economic impact

OPPORTUNITIES



- Singular host hotel site and larger committed room blocks for events
- Indoor flat-floor sports
- Multi-use Venue for ticketed events, graduations, conventions & more
- Develop a catalyst asset to drive further development and growth in the local economy
- Limited entertainment options in the local market
- Commercial air service

THREATS



- Current uncommitted site for development
- Funding
- Tenant
- Competition for ticketed events from facilities within Gainesville and Orlando

Headlines

Crossroads



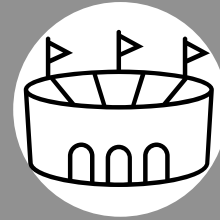
The location of Marion County, between Orlando and Gainesville provides a positive impact on the proposed development. The area acts as a crossroads between two major metro areas and introduces an extremely large population base for entertainment, youth sports, conventions and events.

Demographics & Population Growth



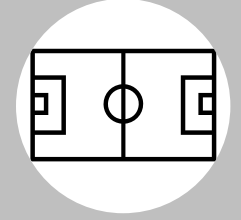
The Marion County area has experienced tremendous population growth over the last 10 years. This paired with strong demographics will be key for this facility's success.

Destination Placemaking



Currently, Ocala/Marion County struggles with capturing young talent as there are limited options for entertainment for both kids and adults. The arena and flexible entertainment venue portion of the Project will help fill this gap to a degree, but there still remains a greater need for an entertainment district that would help improve quality of life for residents, but also increase the attractiveness of the market to leisure customers, groups/events and concerts.

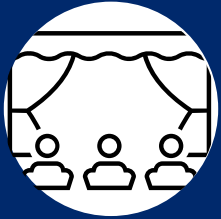
Demand for Flex Indoor Space



- Youth & Community Sports (Basketball, Volleyball, Cheer & Dance, Wrestling, Pickleball)
- Convention, Consumer & Trade Shows
- Concerts, Comedy Shows, Live Events & Family Shows

Headlines *Cont.*

Location for Shows



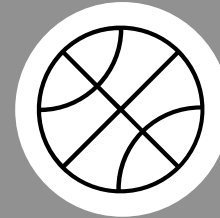
Ocala/Marion County's location has its benefits and drawbacks. For shows where routing is a main concern for the promoter, especially family-oriented events, Marion County will likely be a benefactor of the calendar concerns since Florida is likely a starting or ending point for a touring show. Additionally, the larger acts would go to larger arenas/venues, leveraging the same media market as Orlando. This dynamic is more of an advantage for location than it is a drawback, enhancing the county's appeal for hosting diverse and sizable performances.

Location for Sports Teams



Teams in minor/pre-professional leagues have begun to locate closer to the professional franchises within their association. Ocala/Marion County is currently lacking a small-mid sized arena, which could be an opportunity for hosting youth sports tournaments or other smaller entertainment shows.

NBA G-League



Over the past five years, NBA G-League teams have moved to newly built arenas that have lower capacities. These lower capacity arenas are more appropriate for the attendance trends of the league, making the game environment more energetic and involved. As other leagues continue to grow, future opportunities in expanding markets also present themselves.

Ticketed Shows & Live Entertainment



Ocala/Marion County is currently lacking a venue at the arena's proposed capacity for ticketed shows and events. There are a few facilities in the regional area that would be competitive to the Project when completed, but if the Project is built to accommodate concerts, it has potential to be a compelling entertainment option in the region.

Recommendations

Hunden’s research of the Ocala/Marion County market, along with the regional and relevant state markets, resulted in the following preliminary recommendations for Ocala/Marion County:

<i>Market-Driven Recommendations</i>		
<u>Priority 1</u>	<u>Priority 2</u>	<u>Priority 3 (Future)</u>
<p>Multipurpose Facility</p> <p>7,000 Capacity Flexible Arena / Entertainment Venue</p> <ul style="list-style-type: none"> - 9 Courts - Retractable Seating - Community Asset - Youth Sports Tournaments - Concerts/Graduations 	<p>Conference Hotel</p> <p>300 Key Hotel with 16,000 SF ballroom divisible into four (4) and 9,600 SF divisible into nine (9) meeting rooms</p>	<p>Mixed-Use Walkable District:</p> <ul style="list-style-type: none"> - Retail/Restaurant - Flexible Entertainment Venue <p>2,000 – 3,000 (2,500 ideal) Capacity Indoor Convertible Entertainment Venue</p>

Additional Opportunities

Opportunities Based on Current Gaps in the Market



Major Attractions & Events

- Water park or major family entertainment attraction
- Cycling and events centered around existing bike trails
- Quality of life amenities for residents



Connectivity

- Transportation / connectivity strategy between assets
- Connection of existing trails to tourism assets such as Rainbow & Silver Springs
- Commercial airport with nonstop flights to regional destinations



Sports & Outdoor Recreation

- Authentic commercial developments near natural assets
- Gun/shooting range
- Shocker Park redevelopment
- Additional youth sports facilities for traditional outdoor sports such as soccer, baseball, softball, and football



Shopping, Dining, & Entertainment

- Multi-use district focus & continue key node development focus for downtown districts
- Unique and authentic retail and restaurant offerings
- Family-oriented “eatertainment”

Recommendations – Multipurpose Facility

The adjacent table details the recommended programming for the Project. Based on the analysis of the youth sports market in the Ocala/Marion County area, the region and state interviews with market experts, tournament organizers and other stakeholders, Hunden recommends a minimum of nine hardwood basketball courts with the ability to configure into 18 volleyball courts. Included in the nine-court recommendation is a championship style court that has retractable seating for spectators. This would be a unique asset that is not currently found in the local supply and would help to attract tournaments of a higher caliber. Estimated square footage is approximately 173,049 with the minimum court recommendation. Hunden believes the recommendation has the highest chance of success for the longevity based on market conditions and comparable venues analyzed in this study.

Onsite amenities are the key to success for the longevity of this facility to become a community asset and an established tournament destination. This will also help the facility’s ability to host non-sports related events when needed.

Marion County Indoor Multipurpose Facility Recommendations		
Feature	Unit	Unit Size
Recommendation (Minimum)	SF	~173,049
Indoor Courts (Hardwood)	Courts	
Basketball	Courts	9
Volleyball	Courts	18
Seating		900
Minimum Parking		900
Other Key Amenities:		Building Needs:
Concession/Food Service Area		Team/Changing Rooms
Restaurant/Café		Ample Parking
Stage		Offices
Play Area/Lounge Space		Public Restrooms
Performance/Physical Therapy Area		Storage
Meeting Rooms		First Aid Station
Lobby Space		
Source: Hunden Partners, Convergence Design		

Recommendations – Conference Hotel

The adjacent figure details the space breakdown for event space in the recommended conference hotel. Total function space is approximately 25,600 with 10 divisions.

Hunden also recommends in a future phase the development of adjacent hotels that have additional function space for events, meetings and banquets that can complement the arena and event center. Walkable hotels will make the arena/event center more attractive to meeting planners that want to host a regional event that will require hotel room nights.

Recommended Conference Hotel - Marion County, FL			
	Total (SF)	By Division (SF)	Divisions
Exhibit Space	–		0
Full Ballroom Space	16,000		4
Ballroom		16,000	
Meeting Space	9,600		6
Total	25,600		10
Summary	SF	Rooms/1000 SF	Divisions
Exhibit	–	–	0
Ballroom	16,000	18.75	4
Meeting Rooms	9,600	31.25	6
Total	25,600	11.72	10
Walkable Hotels	Room Count	Distance (Miles)	Hotel Class
Proposed Conference Hotel	300	–	Upscale
Total	300		

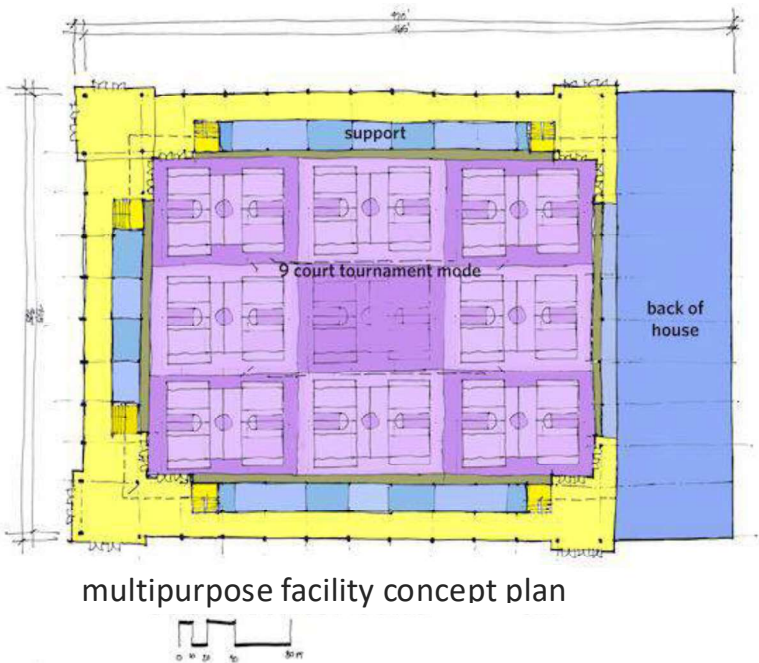
Source: Hunden Partners

Site Comparison Matrix

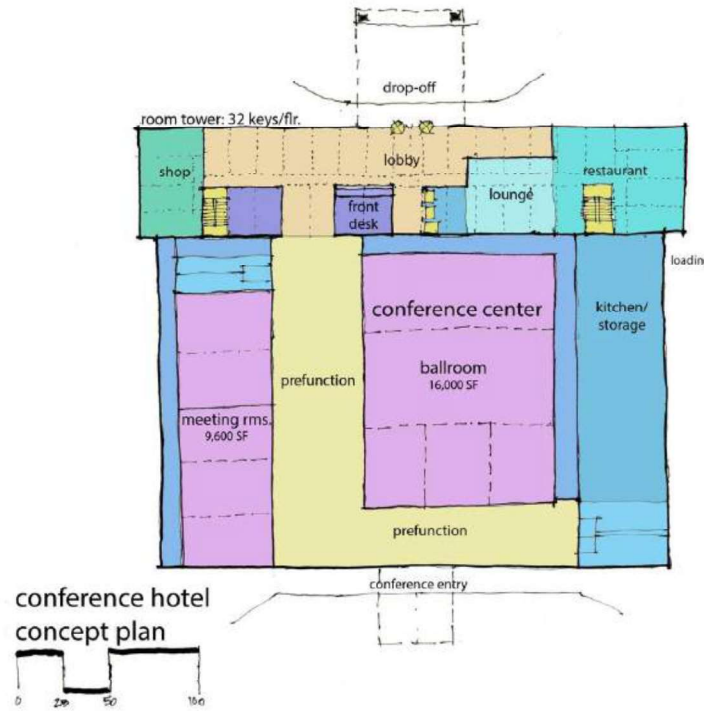
Criterion:	Site:	60th + 200	42nd St Flyover	484 at I-75	326 at I-75	66th St. at I-75	New Interchange	SE 92nd Loop	60th Ave NW at US27	HWY 318 + SR 441	Downtown Ocala South	Downtown Ocala North
Available Undeveloped Acreage		735	189	63-356	40-220	105	430	503-954	75-237	50	19	10
Visibility		3	5	4	4	5	5	1	2	1	4	5
Vehicular access		4	4	3	5	2	4	2	4	3	5	5
Access to transit/trails/walkable		2	3	4	1	1	1	3	1	1	5	5
Utility infrastructure		4	5	4	2	1	1	3	4	3	5	5
Topography		4	4	4	4	5	4	5	4	4	4	4
Usable site/wetlands issues		4	4	3	3	5	4	5	3	4	5	5
Site configuration/shape		4	5	3	2	4	2	4	4	4	1	1
Potential for expansion/additional development		5	5	5	3	3	5	5	3	1	1	1
Developable parcels nearby		5	3	3	4	5	4	4	4	5	2	2
Proximity to residential (inverse)		4	2	2	5	4	4	2	4	4	5	4
Proximity to hotels		4	5	2	3	3	1	1	3	1	5	4
Proximity to dining		3	4	2	2	3	1	2	2	1	5	5
Proximity to shopping		4	5	2	1	3	1	3	2	0	4	4
Proximity to attractions		3	3	2	3	3	2	3	4	2	4	4
Ownership/cost to acquire		3	2	2	2	3	2	5	3	4	2	2
TOTAL		56	59	45	44	50	41	48	45	38	57	56
RANK		3	1	7	9	5	10	6	7	11	2	3

Source: Convergence Design

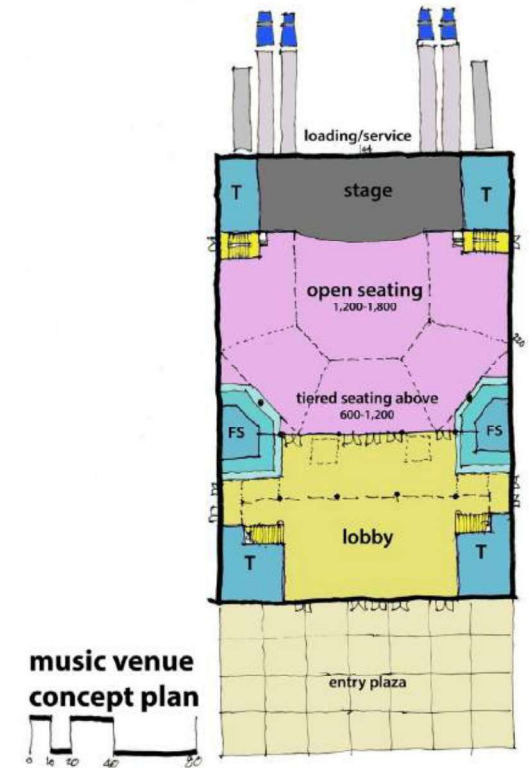
Venue Inspiration



Multipurpose Facility
(Priority 1)



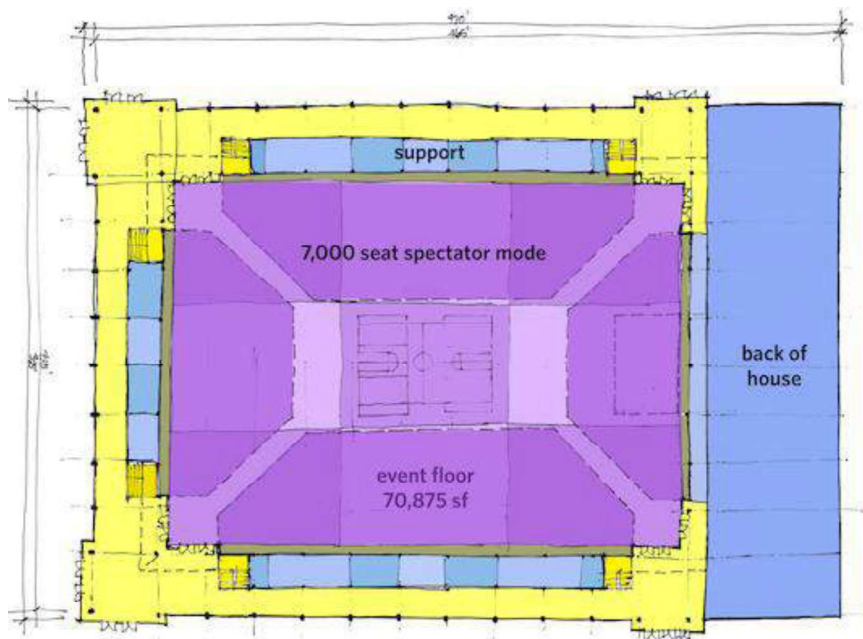
Conference Hotel
(Priority 2)



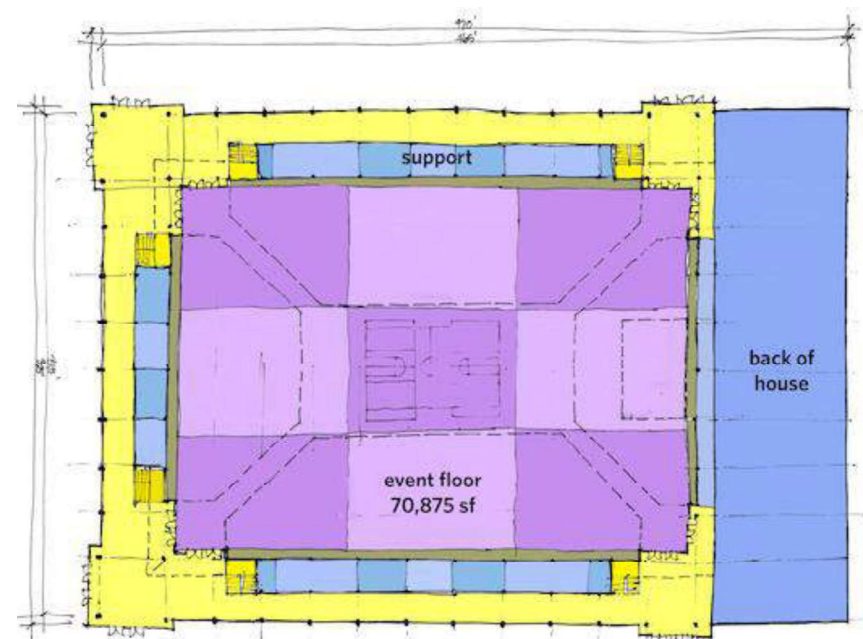
Flexible Entertainment Venue
(Future Phase)

Additional Venue Inspiration

Multipurpose Facility



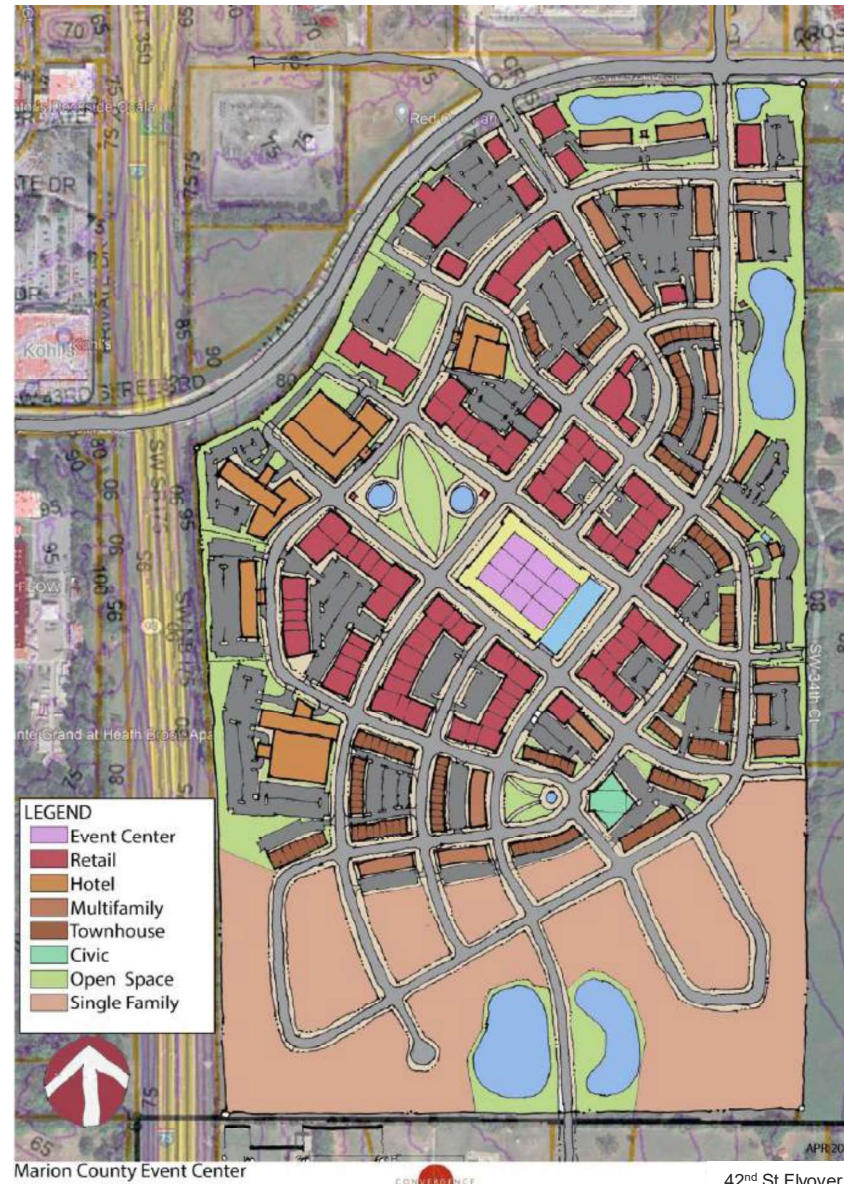
multipurpose facility concept plan



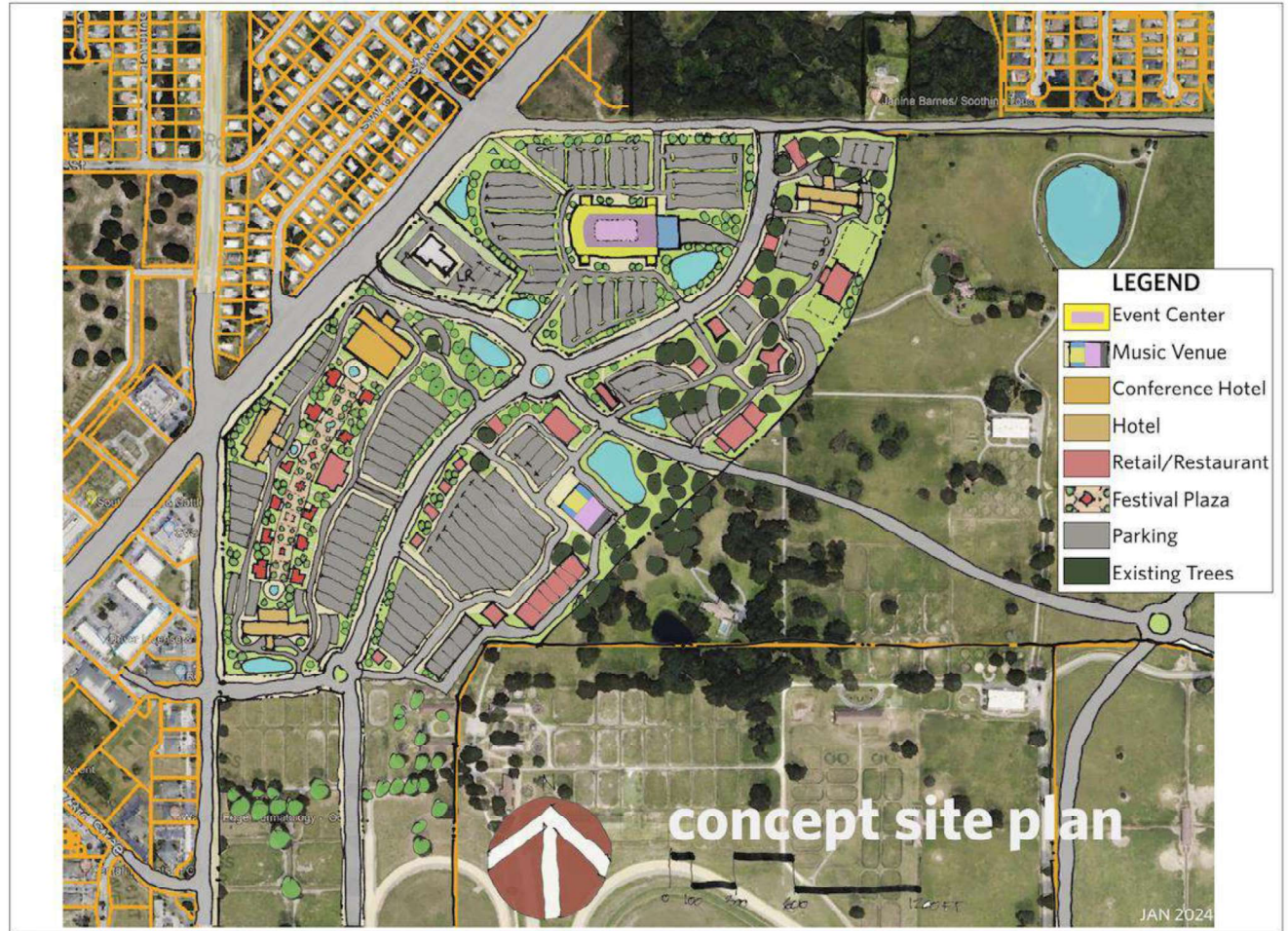
multipurpose facility concept plan



Future Phase Mixed-Use District Inspiration



Future Phase Mixed-Use District Inspiration

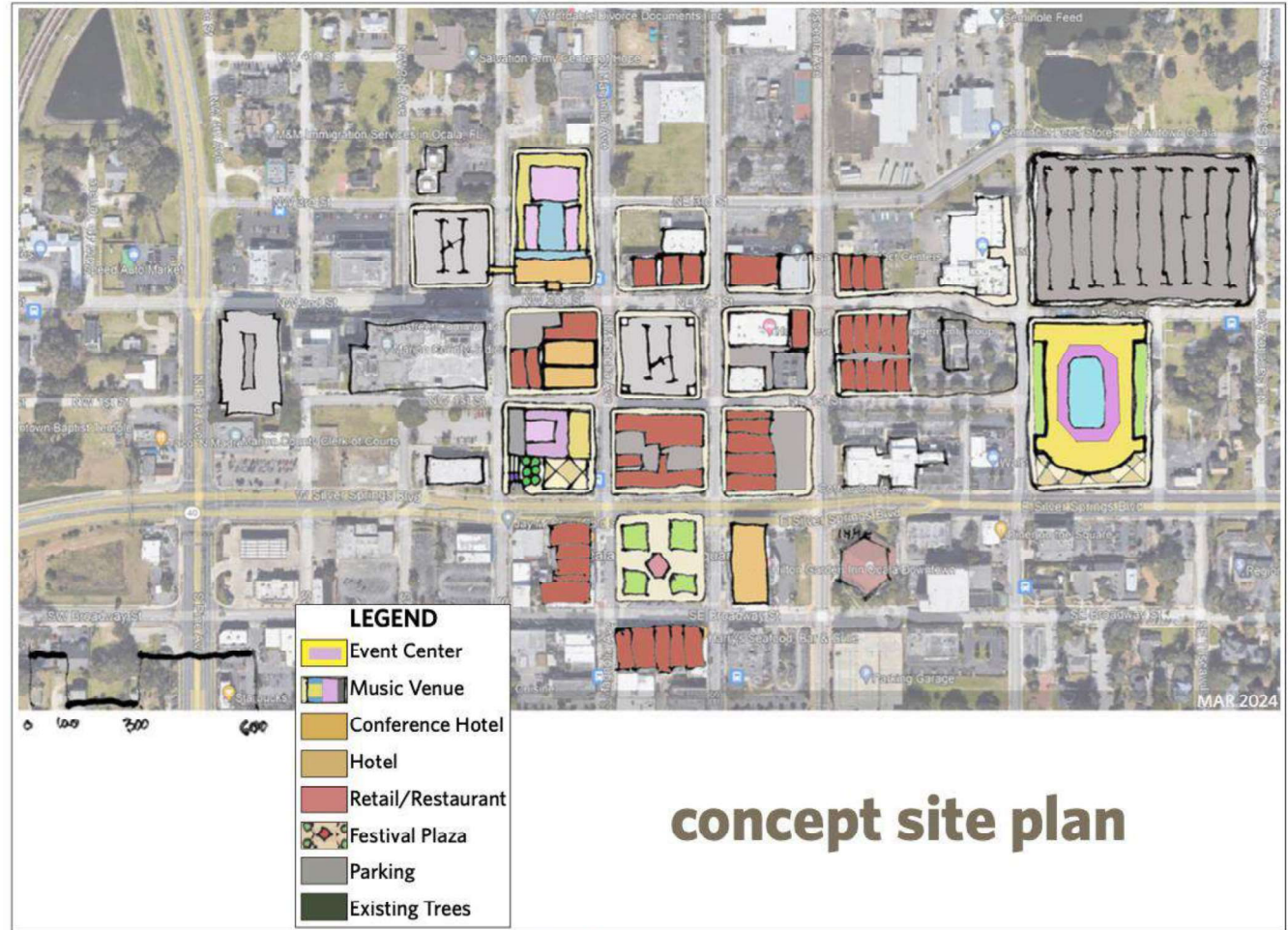


Marion County Tourism Study



Destination Development at 60th Ave + SR 200

Future Phase Mixed-Use District Inspiration

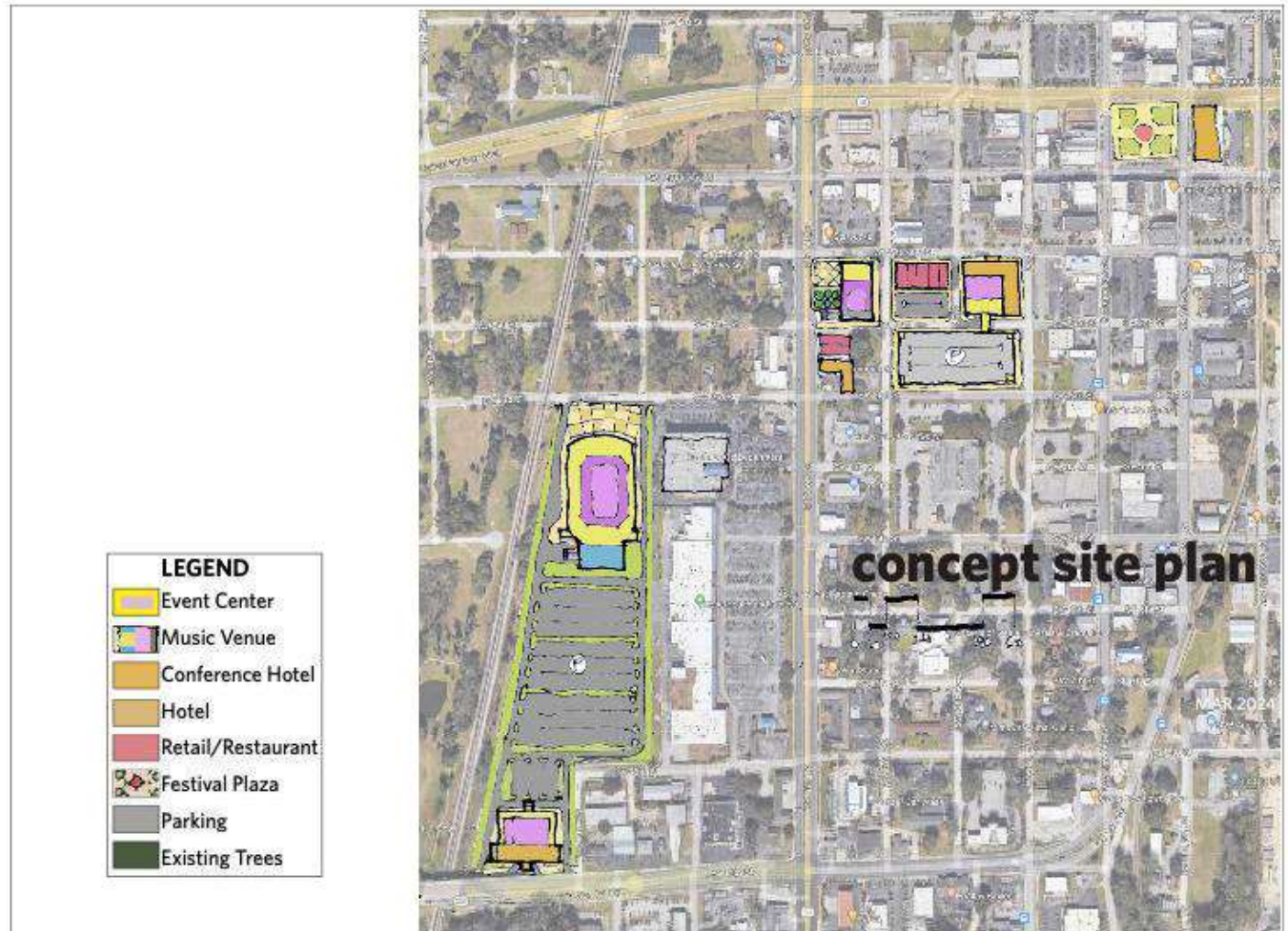


Marion County Tourism Study



Downtown Destination Development | North

Future Phase Mixed-Use District Inspiration



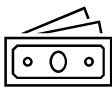
Financial & Impact Projections Overview

Over the ten-year period analyzed, the recommended components of the Project are expected to generate nearly \$7.62 million in capturable sales tax, more than \$28.6 million in tourism development tax, and \$21.8 million in property tax over the 10-Year period analyzed.

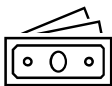
Multipurpose Facility



Annual Visitors
243,000



Total Capturable Sales Tax
\$1.9 million

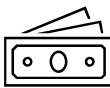


Total Capturable Tourism Development Tax
\$722,000

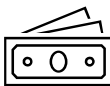
Flexible Entertainment Venue



Annual Visitors
82,700



Total Capturable Sales Tax
\$818,000



Total Capturable Tourism Development Tax
\$56,000

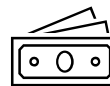
Hotel



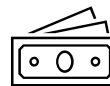
Annual Occupied Room Nights
76,149



Total Capturable Sales Tax
\$4.2 million

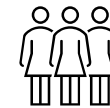


Total Capturable Tourism Development Tax
\$27.1 million

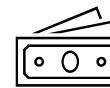


Total Capturable Property Tax
\$21.8 million

Conference Center



Annual Visitors
68,000



Total Capturable Sales Tax
\$705,000

Summary Matrix

Execution

How we get there:



hunden partners



213 W. INSTITUTE PLACE
SUITE 707
CHICAGO, IL 60610



312.643.2500



WWW.HUNDEN.COM

Hunden Partners is a full-service real estate development advisory practice specializing in destination assets.

With professionals in Chicago, New York, Dallas, and Minneapolis, Hunden provides a variety of services for all stages of destination development in:

- Real Estate Market & Financial Feasibility
- Economic, Fiscal & Employment Impact Analysis (Cost/Benefit)
- Organizational Development
- Public Incentive Analysis
- Economic and Tourism Policy/Legislation Consulting
- Research & Statistical Analysis
- Developer Solicitation & Selection

The firm and its principal have performed more than 1,000 studies over the past 28 years, with more than \$20 billion in built, successful projects.

| Appendix

Conference & Meetings Analysis

A lack of multi-functional, flexible conference and meeting spaces lead to missed opportunities for Ocala/Marion County. Many of these events seek hotel room nights either connected or adjacent to a meetings facility.



Continued Demand

- Ocala/Marion County's central location within Florida gives the area a competitive advantage for meetings and events catered to the drive-in market.
- Lost business reports indicate the need for additional, flexible meeting space that can accommodate a wide range of events and sizes.

Limited Supply

- World Equestrian Center is an incredible asset for Ocala/Marion County and offers significant exhibit space totaling more than 260,000 square feet. However, there is a lack of diversity with the current meeting facilities' supply that is unable to offer quality ballroom and breakout space.

Interviews: A Common Thread

- Adding a large new and high quality, meeting space was a common thread throughout the majority of conversations with stakeholders.
- Currently, the only sizable option in the market is World Equestrian Center, which is at a high price point for the market and too large in function space for some groups.

Interviews: Various Meeting Planners

Hunden interviewed event and meeting planners from various groups that have hosted event(s) regionally. The following bullets summarize the conversation and key implications that were drawn:

- In general, Marion County has seen significant population growth, and it is important to develop commercial assets that will complement this growth. **If the infrastructure in the area can support the traffic a larger event center will bring, then it would be an ideal location for meetings.**
- Event planners want a venue that has easy accessibility to hotels and available rooms that can support events with 200+ attendees. It becomes a burden for late night events, that oftentimes involve alcohol, to find a safe and easier way for patrons to travel back to where they are staying.
- Some planners felt as though having a large enough venue can incorporate many different groups at the same time which, in turn, limits lost business for the facility by not having to turn away as many groups.
- The Las Vegas meeting market has pushed the envelope with flexible meeting facilities, with the majority of meetings having venues for concerts and keynote speeches. Orlando falls directly behind Las Vegas in terms of popularity as a convention and meetings market and many of the organizations who visit Orlando also frequent Las Vegas. **With rotating schedules for conventions, meeting planners are gaining higher expectations and almost becoming spoiled by the standards set in Las Vegas. With an increasingly competitive environment, matching or exceeding the expectations of meeting planners is critical for maintaining and growing market share.**

Local Stakeholder Feedback On Meeting/Event Space

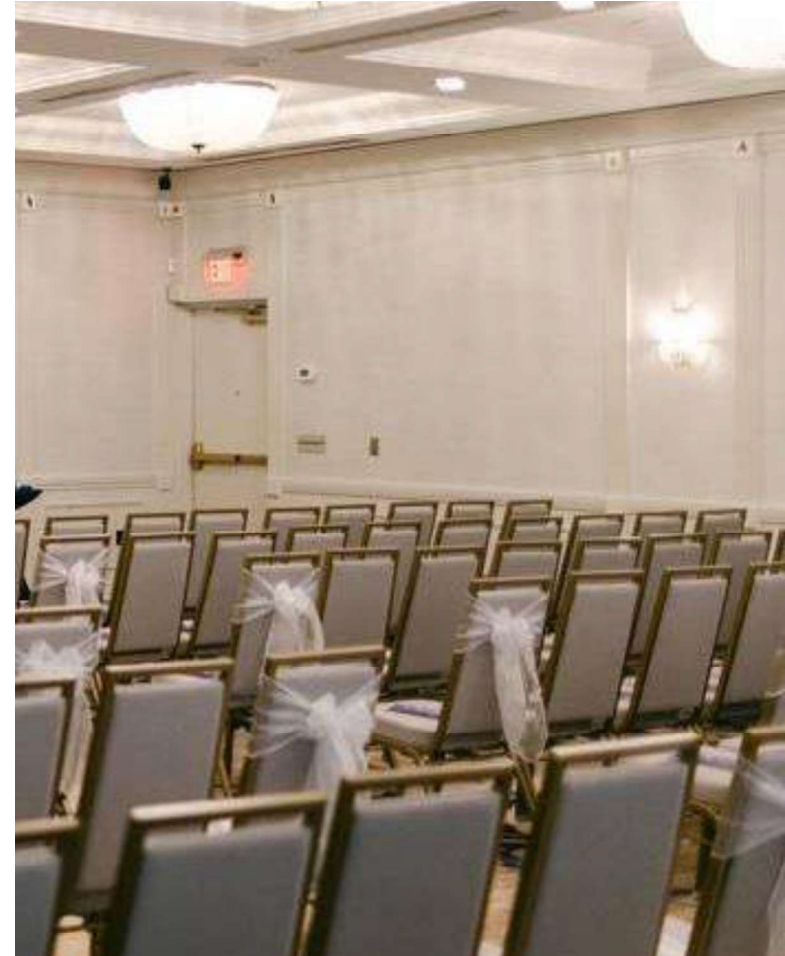
The Hunden Partners team interviewed many different stakeholders from a variety of different backgrounds within Ocala/Marion County. An overview of conversations related to conferences, meetings and events are shown below.

- There is a clear gap in the market when it comes to conference, meeting, and event space, especially when looking at middle-tier priced facilities that can accommodate large groups.
- **Only two venues in the market can hold over 700 people, both of which are not always financially feasible options for many local event and meeting planners.** WEC currently offers the most indoor function space and largest maximum capacity within the space. It is difficult to pull in regional market demand to host events within Ocala/Marion County when similar price-points in larger, more accessible (through air travel) metropolitan markets can be found, such as Tampa and Orlando.
- Discussion from TDC members and other various local stakeholders highlighted the need for a multi-use facility where one component included adequate indoor meeting and events spaces as well as cost to compete being part of their registry desire.
- There are venues that offer event space, although that is not the primary function of the facility such as Appleton Museum of Art, which can be used for fundraising events, weddings and receptions. Multiple configurations can be utilized within the facility, with the maximum seating capacity at 250 people. This facility is not suitable for larger events and corporate meetings.
- **Poor air travel accessibility to Ocala/Marion County is another driving factor in the weak conference, meetings and events sector within the market.** With no major carriers traveling to the local airport, it is extremely difficult to bring in corporate travel. Fixing this issue and offering commercial flights into the local airports will have a huge impact on this issue and open the opportunity for Ocala/Marion County to capitalize on the conference, meetings and events market, thus bringing in more disposable income into the area and overnight hotel guests.



Implications

- The local market is comprised of minimal dedicated event facilities. World Equestrian Center is the only facility in the county with significant event space.
- Given the distance from major airports and proximity to established markets, Ocala/Marion County is not likely to become a major convention destination. However, the accessibility for the drive-in market within the state does provide a competitive advantage for social and corporate events that require event space. A multi-use event facility that could host events not currently accommodated, and one that can complement the exhibit space at WEC is a huge opportunity for the area.
- Orlando is one of the largest convention destinations in the country and hosts national events on a regular basis. Other destinations within the state have strengthened the convention and meetings package with new developments. Ocala/Marion County should not try to compete with Orlando, Tampa, Miami, etc. but rather position itself as a unique destination for events in a central location within the state.



Concerts & Entertainment

Entertainment assets are not only a valuable asset to local residents and organizations, but its events can induce tourism and generate additional overnight stays to a community.



Supply

- Currently, Ocala/Marion County has limited entertainment venues that are also smaller in capacity.
- Within 50 miles of Ocala/Marion County, there are additional higher quality and larger performing arts venues, though these are often university assets with a more limited source of demand.
- Ocala/Marion County's springs are a unique offering to guests, though the county is lacking in more structured family entertainment offerings.

Demand

- Current local performing arts facilities do not generate significant visits, both in total, and from those traveling longer distances.
- Attendance at events has yet to return to pre-pandemic levels.
- Higher quality and larger performing arts facilities in the region are a bigger source of tourism than local assets.
- There is a potential need for a larger capacity venue in Ocala/Marion County, but it would likely be directly competitive to current regional facilities.

Opportunity

- A midscale multi-purpose venue could cater to multiple groups types, including live entertainment, sports and conferences.
- A dedicated outdoor amphitheater or public gathering space could host a wide variety of entertainment throughout the year.
- Indoor or outdoor family "eatertainment" facilities, including a new waterpark development, can complement existing assets and add to destination appeal.

Stakeholder Feedback

Hunden interviewed local stakeholders and venue operators to understand both current concert and entertainment demand in the area and any areas of opportunity for future development. Key highlights from that discussion are outlined below:

- Ocala/Marion County theaters are mostly driven by local demand. Attendance and events at the Circle Square Cultural Center have not yet recovered to pre-pandemic levels, while attendance and events at the Reilly Arts Center has more than doubled from 2022 to 2023.
- Increased performance of the Reilly Arts Center has largely been due to its \$4.5 million expansion completed in 2020, with its additional black box theatre, expanded lobby, and establishment of the Community Music Conservatory.
- With Reilly Arts Center's new ownership of the historic Marion Theatre in downtown Ocala, additional types of entertainment beyond film has been added to its programming including live performances, music, and art.
- Circle Square Cultural Center sees the need for a larger capacity (1,000-1,500) fixed-seat venue in the area, similar to the Sharon L. Morse Performing Arts Center in The Villages, FL but does not see the need for larger banquet/conference facilities given current supply and spaces available at WEC.
- Ideally a dedicated Levitt AMP Pavilion would be developed to host the Levitt AMP concert series and additional live entertainment. Renewed outdoor concert programming is also desired at Silver Springs.
- There is a need for additional quality experience-based family entertainment facilities in the county.
- A new waterpark development could also become a new tourist destination center for the county.



Implications

- Currently, Ocala/Marion County has limited smaller entertainment venues that do not generate the type of visitation that induces significant tourism and out of market spending in the county.
- Though it was noted there is a desire for a larger capacity fixed-seat theater in Ocala/Marion County, such a venue would likely be directly competitive to current regional facilities that attract more long-distance visitation.
- A multi-purpose indoor venue could cater to diverse group types including live entertainment. Increased flexibility of a venue would add to its appeal and demand.
- Additional “eatertainment” facilities developed adjacent to Ocala/Marion County’s popular attractions could help increase tourism and extend the length of stay, increasing spending and impacts to the county.



Sports

The overall Ocala/Marion County market is undersupplied in terms of sports assets, especially when compared on a basis of population and general supply in the Florida market. Rotary Sportsplex of Marion County is a strong outdoor asset, home to the Cal Ripken World Series and one of the largest sport facilities in the area. However, it lacks a greater regional/national reach. Indoor sports facilities are significantly underdeveloped in the County.



Indoor Assets

- World Equestrian Center (WEC) and Florida Aquatics Swimming & Training (FAST) are the two primary indoor assets within the county.
- Although these facilities play a critical role in attracting out-of-state visitors, there is an existing gap in the market for a standalone multi-use indoor sports facility.

Outdoor Sports Assets

- While adequate outdoor sports assets exist within the county, tournament offerings are significantly underserved at these facilities.
- Considering the seasonality of the area, there is an opportunity to expand on spring and early summer visitation with more tournament offerings.

Opportunity

- Current sports tourism within the Ocala/Marion County market is weak which poses a great opportunity to induce enhanced out-of-state visitation.
- The Ocala/Marion County market has a sizeable population base with a lack of large sports facilities, forcing teams and families to other markets for tournaments.

Tournament Opportunities

There are several factors that impact the ability for a facility to host regional and national tournaments. The main factors are highlighted below. Cities with stronger packages of the below listed items will be more successful in attracting major tournament groups.



Number and quality of fields and playing surfaces



Walkable amenities and attractions



Accessibility by both car and air



Local Stakeholder Feedback On Sports Tourism

The Hunden Partners team interviewed many different stakeholders from a variety of different backgrounds within Ocala/Marion County. An overview of conversations relating to the sports tourism and youth sports market are shown below.

- The overall youth sports market is very strong at a local level, with a strong supply of outdoor sports facilities in the market. However, the overall sports tourism market and general long-distance visitation for sports events in the area lacks greatly when compared to nearby comparable cities and the state of Florida as a whole. This is mainly due to the lack of regional tournament offerings within sports facilities in the market.
- Demand for participation in sports youth leagues has skyrocketed post-pandemic within the market. **The current supply of relevant baseball and soccer fields within the market cannot accommodate the current demand for youth sport teams. There are waitlists for both soccer and baseball leagues offered in the area. Moreover, flag football has seen an uptick in demand with two local leagues formed; however, they have no permanent facility at which to play.**
- **In general, a majority of the interviewed stakeholders were intrigued by the idea of implementing a new multi-use facility, especially when considered as an indoor asset. The market lacks indoor sport facilities and has no current supply outside of WEC that can offer large tournaments.** Indoor volleyball courts would be very well-received by the community and region if added to the market.
- **Of the interviewed hoteliers all mentioned the importance of sports tourism in driving hotel demand in the Ocala/Marion County market. Moreover, they emphasized the profound impact that enhanced regional tournament offerings would have on the hotel market in bringing more long-distance visitors and overnight guests to the area.**
- A new sports facility larger than WEC and FAST is necessary in order to grow the sports tourism market in Ocala/Marion County and will be a main factor in seeing the desired uptick in regional tournaments for more versatile sport offerings and long-distance visitation for sporting events.



Indoor Facilities Implications

- **There is a lack of multi-use indoor sports facilities within Ocala/Marion County. Currently, World Equestrian Center is the standalone relevant facility in the market which only holds a handful of sporting events per year.**
- **The regional market demonstrates a strong demand in this category pointing to the possible need of this type of facility in Ocala/Marion County.** Tournament organizers suggest that a new development in the area would have a different demand than for what is currently being hosted at WEC or even FAST.
- Although the recent development of Alachua County Sports Complex caters to a similar market that a potential facility in Ocala/Marion County would target, there is still plenty of capacity for an indoor facility and plenty of demand.
- There is demand for practice space during the week that would generate visitation and rental revenue to a facility.



Major Shopping & Dining Nodes

Diverse and dense mixed-use district development is an ongoing opportunity for Ocala/Marion County, with continued downtown development and enhancements to the traditional shopping centers.



Support Amenities

- Strong visitation with existing assets that are mainly shopping centers and clusters of retail/dining establishments.
- Major shopping and dining nodes in addition to the downtown areas cater to the local and regional population with opportunity to increase long-distance visitation with future developments.

Downtown Development

- Downtown Ocala continues to strengthen its offerings with development of districts.
- The Forge is one of the most notable developments that is currently under construction, with plans to bring a restaurant/bar complex to the midtown district in Ocala.

Future Opportunities

- Activated outdoor/entertainment space that provides a setting for ongoing and annual events to help establish new visitor demand. A mixed-use district with an anchor facility presents a huge opportunity for Ocala/Marion County to continue the commercial growth.
- Connectivity between major shopping and dining nodes and top assets.

Local Stakeholder Feedback On Shopping & Dining

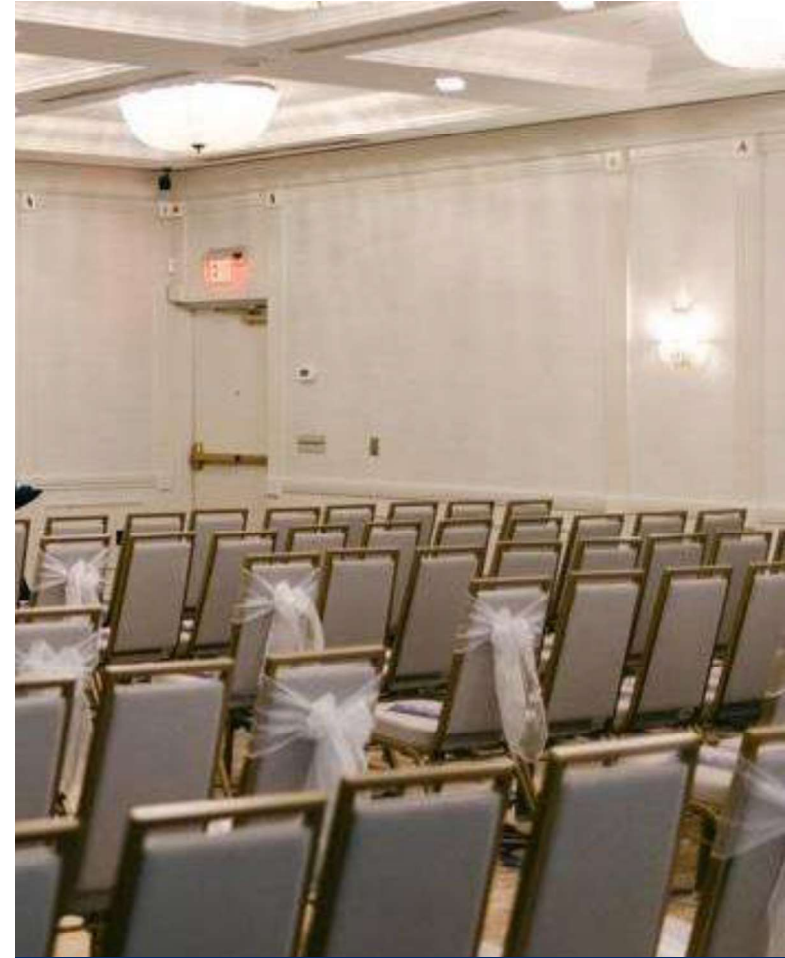
The Hunden Partners team interviewed many different stakeholders from a variety of different backgrounds within Ocala/Marion County. An overview of conversations relating to shopping and dining assets are shown below.

- **There is a current lack of walkability between existing shopping and dining nodes** within the area creating traffic issues on major roads and highways. The majority of offerings are strip center retail malls and an indoor commercial mall that does not lead to a lot of opportunities for programming or catering to tourism.
- **Downtown Ocala has become the area's most compelling area with diverse food offerings, shopping and public gathering spaces.** Ocala Main Street continues to lead the efforts with downtown districts and development in areas that are historically underserved in commercial assets. Retail development has been strong, especially in the last few weeks. The trend within the downtown districts seems to be smaller “mom and pop bars” transitioning out and larger, more established commercial developers coming in although that does not entail franchises necessarily.
- There is opportunity to connect the existing assets with more compelling commercial development that encourage visitors to stay longer and walk around. **Retail and dining development should focus on catering to the local residents in addition to visitors.** The area is experiencing a growth within its corporate base and industrial sector, which will warrant future commercial development to complement that of the growing residential base.
- **Currently Ocala/Marion County is lacking the destination qualities for families and people to visit for multiple nights. There is a need for additional hotel rooms in the downtown districts, which is expected be filled by new development. Attracting visitors to these areas will be crucial for future retail and restaurant developments.**



Implications

- The current shopping and dining nodes within Ocala/Marion County lack walkability and connectivity with the area's major assets. There is opportunity for mixed-use districts to become major destinations for long-distance visitors, with extended visitor stays that likely induce significant spending for the county.
- High-density and diverse districts such as the walkable downtown areas are more popular amongst visitors, and often more successful when located near other major entertainment or sports venues, or rare national retailers.
- As these districts cater to both the local and long-distance visitor, future phases often involve residential and hotel development, establishing a year-round presence and demand. Activated outdoor/green space is also an important element to these districts, providing both recreational opportunities as well as a place to host ongoing community events and festivals. A handful of properties and downtown districts are currently developing additional offerings, such as those listed above, that will enhance the visitor experience.



Hotel Market

Ocala/Marion County contains a sufficient supply of hotel rooms given current demand, aside from limited peak demand months. However, there are gaps in the market for quality, larger hotels with meeting space, both in downtown Ocala and throughout the county.



Photo Credit: Ethan Tweedie

Hotel Supply

- The current hotel supply within Ocala/Marion County is limited to mostly select- or limited-service properties with an average of roughly 100 rooms. Very few properties offer sufficient function spaces to host larger meetings or events.
- There is currently lack of diversity within the hotel supply, though multiple hotels currently under construction will enable Ocala/Marion County to cater to varying demographics and group types.

Hotel Performance

- Ocala/Marion County's hotels supply have strong performance on the weekends in terms of occupancy and rate, but this is somewhat limited to off-season months and leisure demand.
- Ocala/Marion County is in need of additional demand generators to bolster both weekday demand and additional demand outside the snowbird season.

Opportunity

- Though peak average daily rates have led to peak RevPAR, occupancy has shown signs of decline. Return to work measures may lead to a reduction in the expanded leisure demand experienced during the pandemic.
- If a multi-purpose event facility is developed, new larger high-quality hotel developments will be needed to accommodate this new group demand and to add to the diversity of product available in Ocala/Marion County.

Local Stakeholder Feedback On Hotel Demand

Hunden interviewed hoteliers in Marion County to understand current hotel performance and the influence of tourism drivers on hotel demand. Key highlights from those discussions are outlined below:

- Ocala/Marion County, and Florida as a state, was not as impacted by the COVID-19 pandemic compared to other states and municipalities due to reduced protocols and having wide open spaces for outdoor activities.
- Sports tourism is a major demand generator of hotel rooms in the area.
- While pandemic hotel demand was largely leisure related, increased corporate travel has helped level out the business mix in 2022 and 2023.
- The first quarter of the year is the strongest performing, though peak demands have extended to April and May and in off-shoulder months due to demand from WEC and FAST.
- There is a significant supply of economy to midscale properties in the market, with hoteliers focusing on expanding their upscale properties within their portfolio.
- Inflation and rising interest rates have made hotel development costly and financing more difficult to obtain, causing development to stall for higher cost property types.
- However, hotel demand in Ocala/Marion County continues to increase, with developers investing in new hotel development across multiple chainscales in the county.
- Unique hotel offerings such as the Hotel Marion and The Riding Academy Hotel will help diversify the hotel inventory within the county.



Implications

- The Equestrian Hotel, located adjacent to WEC, is Ocala/Marion County's only unique luxury hotel property currently in the area and has the highest number of rooms. The Hilton Ocala, has a high room count compared to other hotels in the county, but less meeting space.
- The lack of diverse offerings and limited properties with respective function space can lead to lost business when looking to attract larger, more impactful meetings and events. Future planned developments will help offset gaps in the market.
- The majority of hotel properties are located along I-75, providing strong accessibility. However, these are mostly limited-service properties that are unable to accommodate large sports and group demand at singular locations.
- Occupancy within the competitive set has continued to increase post pandemic and has hovered around 67 percent the past two years. ADR and RevPAR have increased post pandemic and are outperforming pre pandemic numbers.
- Additional sports and event demand due to a new multi-purpose venue would also help generate new hotel demand that could be accommodated with higher quality and larger hotel developments.



Case Studies Overview

Hunden has detailed a number of event centers, developments, and districts to serve as inspiration for Marion County. Although some may be in large metropolitan areas, the design, look, and feel of all of these districts can be executed at different scales.



Density

To draw a critical mass of people to a district it is important to have a density of live-work-play offerings, including restaurants, bars, entertainment spaces, multifamily units, office spaces, hotels and plazas.

Design

Districts that infuse local culture into their landscaping, art and overall theme tend to perform very well. Visitors want to go where locals frequent. Understanding the flow of people in the district, where the core hubs of activity are, how people will park and be transported are all critical items to think about.

Walkability

Walkability is a key component to the best performing districts. This combines both density and design to create a space where visitors can truly spend all day without needing to walk far distances or hop in a car. Walkability is as much perception as it is true distance. Utilizing lighting, sightlines, landscaping, and attractive walkways is an effective way to create a feeling of walkability.

Implications

- Many of the top districts **create a density of retail, restaurant, entertainment, multifamily, office, and hotel offerings** adjacent to major demand inducing assets such as arenas, stadiums, or convention centers in order to create a critical mass of people 24/7.
- The top entertainment district across the country **infuse a variety of elements that synergize together to draw in both locals and visitors.** This is executed in many ways. Many times, there is a “**hero and halo**” effect, where there is a central demand driver such as an arena, stadium, or convention center and then surrounding supportive uses that **facilitate 24/7 activity**. Another popular strategic design is having a district **designed like a barbell**. With two large demand drivers on the either end and a density of live-work-play elements in-between. **Kansas City has executed this superbly with the the T-Mobile Center and the Kansas City Convention Center** with the Power & Light District directly in-between. **Another example of this is the convention and entertainment district in Irving, Texas with the Irving Convention Center and the Toyota Music Factory** on either end, with the supportive amenities right in-between.

The best districts implement the following:

- Take advantage of recreational biking and fitness trails running near the development and connect a loop path to it, linking the ample lushly-landscaped public green spaces, nooks, playground, and festival plazas
- Feature vehicular through-streets that allow cars to drive through the development for better visibility and access, just as a village “main street” is a commuting crossroads
- Street grid extends outward to other community uses, particularly residential neighborhoods and existing street networks for a seamless walk-able and urban transition
- All-year programmed events catering to all age groups create a true community civic space, often in central park greens and inside food hall buildings during colder seasons
- Wide shady sidewalks and various levels of pedestrian platforms and bridges create unique restaurant seating areas, allowing for vertical visual variety and scenic vistas

Introduction to Impacts

Hunden uses the IMPLAN input-output multiplier model, which determines the level of additional activity in the Ocala/Marion County economy due to additional inputs. For example, for every dollar of direct new spending in Ocala/Marion County, the IMPLAN model provides multipliers for the indirect and induced spending that will result.

The net new and recaptured direct spending discussed earlier in the chapter is considered to be the **Direct Impact**.

From the direct spending figures, further impact analyses will be completed.

- **Indirect Impacts** are the supply of goods and services resulting from the initial direct spending. For example, a visitor's direct expenditure on a hotel room causes the hotel to purchase linens and other items from suppliers. The portion of these hotel purchases that are within the local economy is considered an indirect economic impact.
- **Induced Impacts** embody the change in spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the induced customer's visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Fiscal Impacts** represent the incremental tax revenue collected by Ocala/Marion County due to the net new economic activity. The fiscal impact represents the government's share of total economic benefit.
- **Employment Impacts** include the incremental employment provided not only onsite, but due to the spending associated with it. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens. Hunden will show the number of ongoing jobs supported by the project and provide the resulting income generated.



Multipurpose Facility

7,000-Capacity

Summary of Findings

If developed, the Project will likely generate nearly \$297 million in spending within the local economy. As this spending trickles through the economy, it will support \$129+ million in new earnings and an average of 343 full-time equivalent ongoing jobs over ten years.

Over ten years the proposed Project would generate nearly \$2.6 million in local taxes within Marion County. These taxes are composed of sales and tourist development taxes.

Construction Impacts - Multipurpose Facility	
Development Cost	(000s)
Labor (60%)	\$69,268
Materials (40%)	\$46,179
Total	\$115,447
% Labor in Marion County	20%
% Materials in Marion County	20%
Taxes Generated (000s)	
Sales Tax - County (1.0%)	\$92
Jobs From Construction	194

Source: Hunden Partners

10-Yr. Summary of Impacts - Multipurpose Facility	
Net New Spending	(millions)
Direct	\$185
Indirect	\$72
Induced	\$40
Total	\$297
Net New Earnings	(millions)
From Direct	\$87
From Indirect	\$25
From Induced	\$17
Total	\$129
Net New FTE Jobs	Actual
From Direct	211
From Indirect	86
From Induced	47
Total	343
Capturable Taxes	(millions)
Sales Tax - County (1.0%)	\$1.9
Tourism Development Tax - County (4.0%)	\$0.7
Total	\$2.6

Source: Hunden Partners



Flexible Entertainment Venue

2,500-Capacity Flexible Venue

Summary of Findings

If developed, the Project will likely generate nearly \$110 million in spending within the local economy. As this spending trickles through the economy, it will support \$31+ million in new earnings and an average of 71 full-time equivalent ongoing jobs over ten years.

Over ten years the proposed Project would generate nearly \$1 million in local taxes within Marion County. These taxes are composed of sales and tourist development taxes.

Construction Impacts	
Ocala/Marion County Flex Entertainment Venue	
Development Cost	
Labor (60%)	\$22,187,500
Materials (40%)	\$14,791,667
Total	\$36,979,167
Jobs from Construction	308
% Materials In County	35%
Taxes Generated	
Local Sales Tax	\$207,083
	\$207,083
Source: Hunden Partners	

10-Yr. Summary of Impacts	
Net New Spending (millions)	
Direct	\$83.2
Indirect	\$17.8
Induced	\$8.9
Total	\$110
Net New Earnings (millions)	
From Direct	\$21.0
From Indirect	\$6.3
From Induced	\$3.9
Total	\$31
Net New FTE Jobs Actual	
From Direct	45.0
From Indirect	17.6
From Induced	8.9
Total	71
Local Taxes (millions)	
Sales Tax (1.0%)	\$0.82
Tourist Development Tax (4.0%)	\$0.06
Total	\$0.9
Source: Hunden Partners	



Conference Center Impact

Summary of Findings

If developed, the Project will likely generate nearly \$113 million in spending within the local economy. As this spending trickles through the economy, it will support \$47+ million in new earnings and an average of 112 full-time equivalent ongoing jobs over ten years.

Over ten years the proposed Project would generate nearly \$700,000 in local taxes within Marion County. These taxes are composed of the local sales tax.

10-Yr. Impacts - Conference Center	
Net New Spending	(millions)
Direct	\$70.5
Indirect	\$27.5
Induced	\$14.6
Total	\$113
Net New Earnings	(millions)
From Direct	\$32.7
From Indirect	\$8.7
From Induced	\$5.7
Total	\$47
Net New FTE Jobs	Actual
From Direct	69.5
From Indirect	27.8
From Induced	14.9
Total	112
Capturable County Taxes	(millions)
Sales Tax (1.0%)	\$0.7
Total	\$0.7
Source: Hunden Partners	



Hotel Impact

Summary of Findings

If developed, the Project is estimated to generate nearly \$436 million in net new spending within the local economy. As this spending trickles through the economy, it will support \$196+ million in new earnings and an average of 328 full-time equivalent ongoing jobs over ten years.

Over ten years the proposed Project would generate nearly \$53.1 million in local taxes within Marion County. These taxes are composed of sales, tourist development tax and property taxes.

Construction Impacts Ocala/Marion County Conference Hotel	
Development Cost	
Materials (40%)	\$58,803,433.3
Labor (60%)	\$88,205,150.0
Total	\$147,008,583.3
Construction Jobs	
	1,495
% Materials in County	15%
Taxes Generated	
County Sales Tax (1.0%)	\$88,205.1
Source: Hunden Partners	

10-Year Summary of Impacts	
Net New Spending (millions)	
Direct	\$279.1
Indirect	\$108.4
Induced	\$48.3
Total	\$436
Net New Earnings (millions)	
From Direct	\$114.1
From Indirect	\$55.9
From Induced	\$25.9
Total	\$196
Net New FTE Actual	
From Direct	208.0
From Indirect	82.0
From Induced	38.3
Total	328
County Taxes (millions)	
Sales Tax (1.0%)	\$4.2
Tourist Development Tax (4.0%)	\$27.1
Property Tax	\$21.8
Total	\$53.1
Source: Hunden Partners	

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Hunden Partners is a full-service real estate development advisory practice specializing in destination assets.

With professionals in Chicago, New York, Dallas, and Minneapolis, Hunden provides a variety of services for all stages of destination development in:

- Real Estate Market & Financial Feasibility
- Economic, Fiscal & Employment Impact Analysis (Cost/Benefit)
- Organizational Development
- Public Incentive Analysis
- Economic and Tourism Policy/Legislation Consulting
- Research & Statistical Analysis
- Developer Solicitation & Selection

The firm and its principal have performed more than 1,000 studies over the past 28 years, with more than \$20 billion in built, successful projects.