

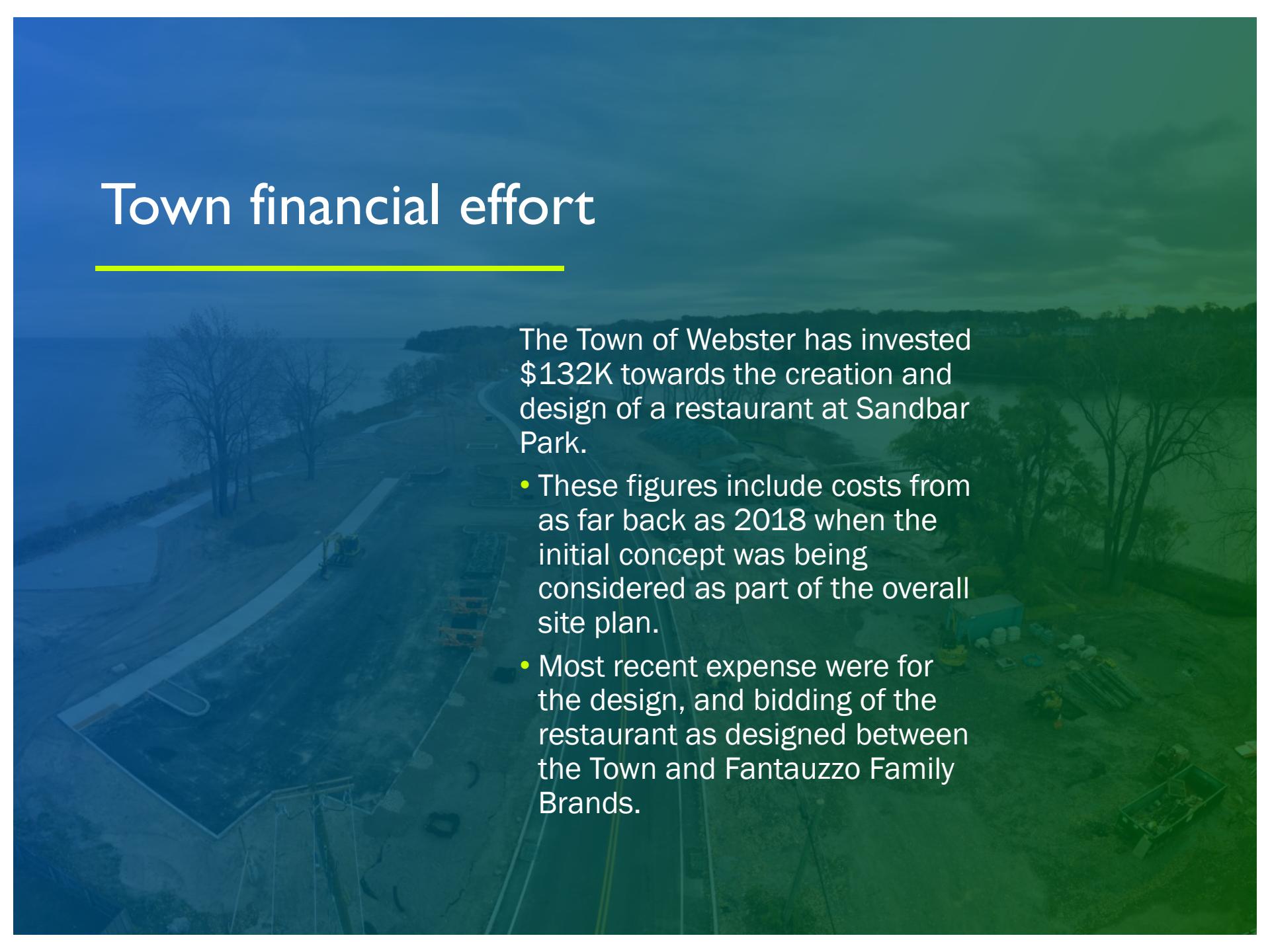


November 2024

SANDBAR PARK

Restaurant & Bar Update

Town financial effort



The Town of Webster has invested \$132K towards the creation and design of a restaurant at Sandbar Park.

- These figures include costs from as far back as 2018 when the initial concept was being considered as part of the overall site plan.
- Most recent expense were for the design, and bidding of the restaurant as designed between the Town and Fantauzzo Family Brands.

Bid opening took place on 10/23

- 4 bids were advertised for the construction of the restaurant at Sandbar Park (General Contracting, Electrical, Plumbing, HVAC)
- Significant interest in the project based on the 20 total bids that were received between the 4 packages.
- Total low bids equaled roughly \$2.6 million.

- Based on the bid costs, interest required on the potential bond and 15 year payback timeframe the monthly payment is greater than what Fantauzzo or any potential operator) is capable of paying back.
- Note: Re-Bidding the project is not an option as the overall concept for the restaurant would be changed and would not provide the operator with their intended vision for the facility.

Options to consider

- **Option 1-** Town contributes to the cost of the construction of the facility.
 - ie: The town pays for the pylons and concrete pad around building to reduce the overall cost for payback.
 - The Town would need to determine which funds would/could be allocated (ie:Parkland Trust Fund, ARPA).
- **Option 2-** Town pays the bond back in 15 years and allows the operator a longer period of payback.
 - ie: The town would pay the bond back in the required time, however the operator would be given a longer payback period (30-35 years). A \$3M bond paid back over 35 years would be approximately 10K per month which is still above the threshold of expected “rent”.

Options to consider cont'd.

- **Option 3-** Town sells the property to allow for a “private” build.
 - This option is difficult and may not even be possible. Such factors are included in this option:
 - 1-The Parkland Alienation process would be required and requires a net sum zero for land (if we sold an acre we would be required to gain 1+ acre in return). No guarantee the State would even approve.
 - 2-Property would become responsible for all local, county & state taxes, thus increasing operators overall expense.
 - 3-Property has been improved with state funds (grants) and that would potentially need to be repaid to the state.
- **Option 4-** Town does not move forward with the restaurant due to costs associated to construction and payback constraints.
 - The Town can look at less costly options to provide a seasonal food option within the park. Options would not include a restaurant but some food choices for the public (ie: food truck space, seasonal ice cream snack bar)

Conclusion/Questions

The Town has made every effort to move forward with a restaurant/bar at Sandbar Park. Through countless meetings with restaurateurs, design consultants, construction managers and all while keeping a responsibility to the taxpayers, its effectively financially challenging to have a restaurant that can be profitable to the operator while covering the cost to the Town for the construction of the facility.