

designed to help address questions that have come up through the process, including how residents view the current amenities, what expectations or priorities may exist for the future, and how Beach Walk compares to other communities in the area. Importantly, this is a study. It is not a decision. Its purpose is to gather data, explore concepts, and identify potential design and cost considerations that may help for future discussions for the CDD.

Ms. Thomas stated that the study is separate from any due diligence currently happening and efforts related to asset ownership. The due diligence process is still in its early stages. The consultant will not address due diligence-related questions. Tonight's focus is strictly on the Amenity Study and the information it contains. Regardless of who ultimately owns any existing assets, the core questions the study seeks to explore is the same, including what challenges and opportunities does the community see with respect to current and future amenities at Beach Walk. The CDD anticipates receiving the final amenity study at its February meeting; at that time, next steps can be considered.

Ms. Thomas stated that, at yesterday's Board meeting before the presentation, the Board approved that, once due diligence moves forward, proposals for design concepts and costs associated with the amenities will be sought. After the presentation, an opportunity for Q&A will be provided. The Q&A session information and notes will be compiled and distributed in PDF format. All direction, motions or approvals will be done at the February meeting. All CDD Board direction must be done in the sunshine, during regular meetings.

THIRD ORDER OF BUSINESS**Amenity Study Presentation by Christovich and Associates, LLC (under separate cover)***

Greg Christovich presented the Amenity Study Presentation prepared by Christovich and Associates, LLC. He discussed the PowerPoint presentation slides and noted the following:

- The CDD commissioned this study to determine what additional amenities, if any, could enhance the overall quality of life in the community, the resident member, landowner, Club experience and real estate values, both current and future.
- Research included a competitive fee evaluation for neighboring communities and standalone facilities, some collection of real estate data and evaluation, and then some cost estimates and the financial impact to district residents and landowners.
- A second phase in this process involves engineering and architectural.

- The final report to be submitted mid-February will include references to rough cost estimates; the scope of amenity enhancements will be clarified further.
- The process involved several meetings with CDD and Club management, and local real estate professionals.
- Research and analysis included six focus groups; meetings with Beachwalk residents; tours of Beachwalk facilities, neighboring comparable communities, and established pickleball, fitness and other recreation facilities in the market; CDD and non CDD documents and free structures; analysis of real estate sales data for 2024 and 2025 for comparable communities and Saint Johns County; publicly available information regarding membership fees, revenues and operating profitability of any other relevant operations; and a resident survey to assess wish list items suggested by residents during focus groups.
- Operational suggestions that came up during focus groups included classing up the swim up bar, music choices, drink restrictions, management presence and safety and security, adult hours and/or areas, concerts and events, and reciprocity with other area clubs.
- Resident concerns included the current cost of ownership, membership fees, and the cost of additional future services.
- Competitive neighboring communities and area clubs were considered.
- The comparable fee summary considers what it costs to live here and what neighboring communities pay, including CDD assessments and HOA fees, public access requirements, membership fees and nonresident memberships.

Mr. Christovich displayed and discussed a chart comparing competitive CDD, HOA and membership fees and competing fitness and athletics franchises planned for surrounding areas, such as Lifetime Fitness, Sports Edge, Above Athletics and Prime Arena. He presented slides which described the Amenity Study results, including the following:

- Strengths/Opportunities, including location, access to St. Johns County schools, highways and nearby attractions, gated subcommunities, the tennis center and on-site restaurant, and recent and planned infrastructure improvements at The Club.
- Key Known Concerns/Challenges, including Developer turnover, continuing assessment and fee pressure, Lagoon turnover uncertainty, budget issues and capital needs.
- Resident Survey Responses, which evaluated individuals' satisfaction with individual amenities, ranked amenities in order of importance, stated which enhancement implementation approach they prefer, their preferred maximum annual assessment increase.

- Considerations and responses to the possibility of Twin Creeks North CDD acquiring the Beachwalk Club asset (Lagoon not included) and CDD acquisition concerns, were presented. 58% of respondents (286) support acquisition; 36% of respondents (179) do not.
- The Resident Survey Response Summary noted the desire to operate, maintain and enhance existing improvements, cost and assessment/fee concerns, and a preference for a custom, phased approach to improvements.
- Concluding Remarks indicate that the current environment does not appear to support a major capital investment in additional amenities within the CDD/Beachwalk community based on factors, including available amenities in comparable communities at relatively competitive costs, oversupply of competing standalone facilities in close proximity and commercial land and construction costs versus potential return on investment, and recognizing that 63% of the community did not respond to the survey.
- Recommended Next Steps include proceeding with due diligence tasks related to acquisition; reviewing the existing CDD bond finance structure with regard to a possibility of refinancing; redirecting gains back to Operation & Maintenance (O&M), repairs, replacement and reserves; and improving communication.

FOURTH ORDER OF BUSINESS**Q & A Session (note this is only on the Amenity Study Presentation)**

Mr. Christovich welcomed questions and comments and suggested emailing any additional comments or questions that arise to Ms. Thomas.

Resident Wes Benwick stated that he has many questions that he will submit in writing. He discussed his expectation that the study would be more of a peer analysis of other communities and asked Mr. Christovich what he thinks the intent of the study was supposed to be. Mr. Christovich stated he thinks it would add some merit to come up with examples of communities that enhanced their amenities and the impact to the top line and fee wise.

Discussion ensued regarding the study, real estate data, and assumptions used.

Ms. Thomas noted that commentary should be limited to about three minutes and asked for more detailed comments to be emailed. Questions may continue to be asked. The final report will be presented to the Board at the next meeting.

Resident Jean Mostaccio discussed her thoughts about the survey and stated she generally favors a transfer to the CDD based on the limited information she knows as of now. She thinks the question that needs to be answered is what rules would change if governed by the CDD and how that differs from how things are managed now.

Ms. Thomas stated that, if the conveyance occurs, an informational CDD 101 Workshop could be held. In addition, she is available by phone and email and for in-person meetings.

Resident Jason Ferguson asked if any analysis was done to see if there was a higher concentration of investment-owned properties in the townhomes.

Resident Thom Vars voiced his opinion that it seemed like most of the homeowners do not want any fees or they want to limit fees to \$150. He thinks no bonds would be needed and asked if the CDD will dismiss the idea of acquiring the Club.

Ms. Thomas stated that, if the convenance happens, an O&M Methodology would be prepared to look at the benefit ERU for each owner.

Discussion ensued regarding the O&M Methodology, nonresident memberships, access to the Club, use of bonds for infrastructure and development, the Club’s legal structure, and legal representation.

Ms. Thomas stated that additional questions can be submitted electronically.

There were no further questions.

FIFTH ORDER OF BUSINESS

NEXT MEETING DATE: February 24, 2026 at 1:45 PM [Regular Meeting]

The next meeting will be on February 24, 2026.

SIXTH ORDER OF BUSINESS

Closing Remarks

Ms. Thomas stated that the questions from yesterday’s workshop and today’s workshop will be compiled and the questions will be answered by the appropriate parties. Copies of the presentation and the Q&A will be e-blasted to participants and posted on the CDD website.

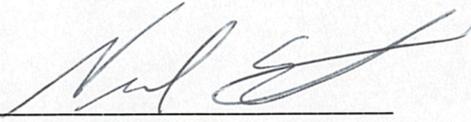
SEVENTH ORDER OF BUSINESS

Adjournment

The workshop adjourned at 7:15 p.m.



Secretary/Assistant Secretary



Chair/Vice Chair