



IOWA DEPARTMENT OF NATURAL RESOURCES

HONEY CREEK RESORT

STATE PARK



ASSET VALUE: \$60+ MILLION

HONEY CREEK RESORT MILESTONES

- 2006** – Bonds Issued
- 2007** – Construction of Resort
- 2008** – Resort Opens – operated under a management agreement with Central Group Companies LLC
- 2009** – Construction of Cottages
- 2010** – Construction of Pavilion, Playground, Activities Building
- 2013** – Bonds Defeased
- 2014** – Exploration of various management scenarios in a concession marketplace with a vested partner
- 2015** – RFP Issued for Concession Contract
- 2016** – Concession contract awarded to Delaware North Companies Parks and Resorts LLC

RESORT AMENITIES

- 105-Room Lodge
- Conference Center
- Full-Service Restaurant and Lounge
- Indoor Waterpark and Snack Bar
- 28 Cottages
- 18-hole Golf Course and Clubhouse
- RV Park
- Boat Ramp
- Large Open Pavilion
- Activities Building
- Playground
- Courtesy Docking and Marina
- Beach
- Soft and Paved Trails System



DNR ESTABLISHED GOALS FOR CONCESSION BUSINESS MODEL

- Provide a quality unique destination for Iowa
- Ensure State of Iowa's investment is properly maintained and protected
- Minimize the State's financial commitment for operations and capital improvement
- Expand amenities and services
- Increase profitability
- Align profits to performance
- Enhance Honey Creek Resort as a gateway to the outdoors



CONCESSIONAIRE: DELAWARE NORTH COMPANIES PARKS AND RESORTS, LLC
CONCESSION CONTRACT TERM: 15 YEARS



FINANCIAL REQUIREMENTS IN CONTRACT

- \$2.51M private capital investment for expansion and upgrades of services and amenities
- Funding real property replenishment reserve in the amount of 2.4% of gross monthly receipts for improvements to the State's real property assets
- Funding personal property replacement reserve in the amount of 4.6% of gross monthly receipts for recurring personal property replacement of the State's personal property
- Concession fee of 0.5% of gross receipts once gross receipts exceeds \$7M. When total gross receipts exceed \$8M, an additional 5% concession fee shall also be paid on all gross receipts over \$8M



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