

Reinvigorating an Old and Tired Property

Visualize a 1940's hotel converted to a timeshare resort in early 1980. Most of us could think of one (and possibly multiple) locations, since these were spread along the beachfront routes mostly utilized by early vacationers. Southwest Florida and other well-established beachfront communities filled the early days of the timeshare industry with similar hotel conversions, as evidenced by the number of Florida locations today.

With the assortment of hotel property conversions rising up throughout beachfront communities in the early 1980's, developers entering into the timeshare concept found hotel owners willing to sell their property and possibly enter a partnership in the process. A hotel conversion required limited infrastructure change, reasonable modernization, and common area improvements where renovation timetables were short. And with limited regulation, sales were brisk, owner lists grew rapidly, and property management firms became active in the industry.

Changes occurred in many areas within these timeshare properties, some of which were not part of the original developer's plan. People became a factor through the enjoyment of ownership and shared use of the common property, living and sharing their lives together throughout the year. They made new friends, enjoyed cookout gatherings and wine and cheese parties, and much more.

This story is typical of any timeshare development property—as the community grows and time passes, control of the property transferred from the developer to the owner-group. Interested owners within the community responded by volunteering their time and serving in an administrative role on behalf of the other owners. Appointed or elected owners took on the responsibility of balancing their newly found enjoyment of the property and responsibility to establish control administratively.



One West Florida beachfront property located in St. Pete Beach, The Mariner Beach Club, progressed through the early developmental timeshare era. The Mariner Hotel, albeit glorious in its day, had become worn from use by carloads of sun-burned, sand-carrying, flip-flop beach traffic over many years.

Developers revitalized the old hotel with improvements and key changes throughout the property, breathing the beginning of its second life as a timeshare resort. Over the years, every effort was considered by the Board of Directors to extend the useful life of the building components and interior elements to maintain a lower maintenance fee. After three decades of enjoyment by 879 multiple week owners, this two-story 30-unit property needed serious attention.

Enter Refurb

The Mariner Beach Club property had deteriorated so much that the Fire Marshal's inspections identified problems, owner complaints had increased, poor exchange report cards rolled in, curb appeal was down, resale prices were reduced, and rental interest was minimal.

Interior components were worn and aged, and it became apparent that a major renovation project was necessary. This motivated Board members to take action and consider multiple methods of resolution. Owners were surveyed to consider major renovation or a total rebuild of the property—the owners elected to renovate. Working with a structural engineering firm, management and the Board of Directors set out to identify conditions and establish a project outline and timeline.

In March 2008, Vacation Resorts International (VRI) signed a new management contract with Mariner Beach Club. During negotiations of the contract, Board members from this club informed the VRI team of their impending plans to renovate the property and soon after, VRI became an integral part in how the plan was implemented.

Through regular and open communication, fulfilling Board directives, and listening to owners, the project soon became a reality, and a large special assessment was levied on the ownership. Dedicated owners invested in the future

of their beachfront property, with a \$4,131,000 project assessment spread over four separate invoices of \$675 each, payable within a one-year period. But at the same time, the economy began to slip, times were getting tougher, and owner delinquencies were increasing. Questionable and negative interest swelled early on, and Board meetings increased as time came closer to the start of the project.

The initial project team—which included Board members, VRI management staff, interior designers, and engineers—maintained a stringent meeting schedule to move the plan forward.

Admittedly, there were delays and unexpected situations, but solid pre-communicated plans and key decisions allowed the team to move through the well-orchestrated schedule and overcome the hurdles by changing course quickly to keep on track.

Plan & Implementation

Construction documents involving structural, architectural, geo-technical, civil, mechanical, and utility drawings were completed. An architectural design firm provided renderings of the elevations to achieve the most desirable aesthetics for the property. Upon 90% completion of the construction documents, an engineer set up multiple meetings with the building department to review the scope of the project and fulfill code upgrades. The complete construction design package was presented to qualified restoration contractors for bidding. The engineer presented bid documents, scheduled a pre-bid meeting, reviewed bid documents from the bidding phase of the project, and recommended qualified contractors. The Board of Directors added a new member of the project team by making final selection of the contractor and setting a start date for the project.

VRI and the resort management staff led a team to completely vacate the property of all case goods, soft

goods, appliances, small-wares, china, and utensils. Establishment of a hard hat demolition site began the very next morning. Demolition immediately changed the building landscape, and three years of planning began to yield numerous physical changes to the property. The contractor and engineering firm—now re-assigned as the project's "Clerk of Work"—led the rapid pace of progress, meeting each scheduled deadline and constantly communicating with the team.

Major changes to the interior were included in the plan. All units were gutted of cabinets and flooring, ceilings were

scraped down, and walls and entry doors were repaired. During the early stages of planning, the design team from Hospitality Resources & Design introduced an innovative interiors package that included a beach-friendly color scheme. Every room presented a unique plan requiring individual measurements and diagrams to follow, which required extensive detail. The design team was involved throughout the interior reconstruction, color selection, and installation of the cabinets, countertops, furniture, artwork, and accessories.

A complete overhaul of the pool interior, pool deck, filtration system, lighting, and landscaping was necessary, which hindered the interior courtyard's traffic flow throughout construction. Additional equipment was brought in to locate the underground lines to service the new gravity fed filtration system, pool lighting, and courtyard irrigation system. Worn beach-front pavilions were redesigned and rebuilt. Structural conditions were resolved throughout the aged roofing systems. A specialized

drainage system was designed and installed to remove excessive rainfall water from the interior courtyard areas. Fresh paint schemes were selected for the new and upgraded look of the property. At optimum exposure, a termite tent treatment was scheduled to penetrate the deepest areas. A new parking facility was completed at the end of the project. Old overgrown plants and oversized palm trees were removed during the construction. A well-designed landscape and lighting plan was included to emphasize a beautiful fresh look for daytime and then ambient-lit courtyard areas for the evening hours.

Anyone would expect considerable delays with a project this size—given numerous change orders, unearthed surprises, and unpredictable weather from Mother Nature. Admittedly, there were delays and unexpected situations, but solid pre-communicated plans and key decisions allowed the team to move through the well-orchestrated schedule and overcome the hurdles by changing course quickly to keep on track. Newly installed windows, doors, tile, and a fresh coat of paint opened the door for the decorative features in the units. The design team completed their delivery and installation within a three-day schedule. VRI's management team then coordinated final cleaning and installation of all other unit components, completing the entire project within an 18-week timetable.

After all the planning and hours of dedication, the work paid off. The local community stood up and took notice of the "old and tired resort's" reinvigoration. The property then was recognized by the Pinellas Chamber of Commerce and featured in *Paradise News* as "The New Mariner Beach Club."

Today, owner satisfaction is high, sales are brisk, the curb appeal is back, and walk-in business is very good. Delinquent owners increased 6% less than expected and will be offset 1% more by the recent sale of units. How did this turnaround happen? The major property

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Resort Management

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renovation was critical to success and throughout the process, regular open owner communication was maintained.

On January 16, 2010, owners of the Mariner Beach Club celebrated the highly-anticipated grand re-opening of their property. Arriving owners and guests were welcomed back to a new beautiful property—a reinvigorated resort in St. Pete's that everyone is proud to be a part of! **D**

Jeff Wharton is VRI's director of resorts.

