



BUSINESS PLAN FOR THE CITY OF STEAMBOAT SPRINGS TENNIS & PICKLEBALL COMPLEX

OUR VISION

Creating a new **Steamboat Springs Pickleball Center** is needed to meet the growing recreation needs of residents of all ages and abilities while attracting more visitors to Steamboat year-round. This unique and self-sustaining facility would include 12 dedicated indoor courts and 6 dedicated outdoor courts, indoor and outdoor social areas, a lobby and check-in area, locker rooms, storage, and additional parking. Increased income from these courts would also drive contributions to the Tennis and Pickleball Maintenance and Endowment Fund.

The newly-formed non-profit Court Sports for Life Foundation (CS4LF) would raise funds for the new Pickleball Center privately and through grants, lease the land from the City, manage the construction, and transition to operating and maintaining the entire Tennis & Pickleball Complex. This new arrangement would significantly reduce the budgetary reliance of the Complex on the City.

Mirroring the exponential growth in the sport of pickleball nationally, an expanded Tennis & Pickleball Complex would certainly be a shining jewel in the treasure chest that is the City of Steamboat Springs!

WHY PICKLEBALL, WHY NOW, WHY STEAMBOAT?

- 650% increase in U.S. player participation over 6 years to 3.1 million U.S. players in 2018
- Leader among sports associated with increased longevity
- Steamboat pickleball court rentals experienced 260% increase from summer 2018 to summer 2019
- Local increase in 65+ demographic mirrors profile of “Core” pickleball players, where 75% are age 55+
- 900% growth in SSPA membership locally over 4 years – growth from 36 to 324 members 2014-2018

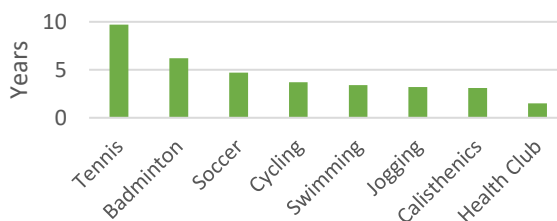
The sport of pickleball continues to grow by leaps and bounds across the country. NBC Nightly News recently reported that “Pickleball is the fastest growing sport in America.” The Sports & Fitness Industry Association (SFIA) 2018 Pickleball Participant Report states pickleball currently has **3.1 million** players in the U.S.—an increase of 12% over the previous year. And the U.S.A. Pickleball Association reported in July 2019, that pickleball has grown 650% in participation in the past six years.

Pickleball can also contribute significantly to increased life expectancy. A major 25-year study quantified the observed benefits of various physical activities, concluding that “the leisure-time sports that inherently involve more social interaction were associated with the best longevity.”

So where would pickleball fall on this chart? If you’ve ever seen it played, “social interaction” doesn’t even begin to describe the camaraderie in pickleball! It would be safe to say that pickleball’s longevity benefits would be equivalent to, if not surpass, those of tennis.

Life Expectancy Gains vs. Sedentary Group

¹Source: Copenhagen City Heart Study



Here in Steamboat Springs, we have seen this tremendous growth firsthand. At the Center, pickleball court rentals increased 260% from summer 2018 to summer 2019, without decreasing the demand for tennis courts. In fact, we have

experienced a 20% growth in total revenue during the first half of 2019 compared to the first half of 2018, with no court rental fee increases, proving that tennis and pickleball combined attract many tourists to Steamboat Springs. Participation is also up significantly at the Center, with over 800 new out-of-town users and 547 new resident users in the past 12 months. The increase in usage by Steamboat residents should come as no surprise! After all, Steamboat led the country with an 80% increase in our 65+ population from 2010 to 2016 and the Sports & Fitness Industry Association found that 75% of “Core” pickleball participants (playing 8 or more times a year) are ages 55 and older.

In another metric of pickleball’s increase in popularity locally, the Steamboat Springs Pickleball Association (SSPA) experienced a 900% growth in membership over four years. In addition to organizing clinics, open play and tournaments, the SSPA raised \$55,000 in 2016 to add to City funding for eight new outdoor pickleball courts. This is a testimonial to the organization and its members’ commitment to addressing the needs of Steamboat residents and visitors.

In short, tennis and pickleball participation in Steamboat Springs is flourishing! As a result, our need for more playing space at the Center is intensifying, especially in winter. In our busier six months of the year, we turn away 50-60 customers per week who want to rent courts or join a program. In slower months, that turn-away number is 25-30 customers. Additionally, we have many new programs that we’d like to incorporate, such as adult and youth Pickleball leagues, but there is no room at this time. With our goal to build a year-round indoor pickleball building at the Center, Steamboat Springs will have one of the first public indoor pickleball facilities in the United States, one that will offer residents and visitors an alternative winter sport. For many families looking for a ski resort with attractive options for non-skiers, the Tennis & Pickleball Complex will add meaningful appeal to our city as a winter destination offering something for everyone, while making a significant economic impact for our community.

ADDRESSING THE GROWING DEMAND FOR PICKLEBALL

Summary of the plan:

- Rebrand to “The City of Steamboat Springs Tennis & Pickleball Complex”
- Repurpose two clay tennis courts to indoor pickleball courts
- Continue to grow endowment fund for ongoing maintenance – the target of \$1M will be reached sooner

The first step in embracing the popularity of pickleball is a rebranding of the Center to “The City of Steamboat Springs Tennis & Pickleball.” That seemingly minor step alone has already resulted in visitors finding the Center through online searches and word of mouth, enhancing our community identity worldwide.

The second step is critical to the future of the Center. The community is asking for more year-round playing space in the form of dedicated indoor pickleball courts. Repurposing tennis courts last winter for pickleball play during certain times of the day was a compromise that left both tennis players and pickleball players frustrated. Often there were conflicts in demand for the courts. The tennis players found the sounds of pickleball play distracting, and the pickleball players and staff of the Center spent significant time and expense taping and un-taping the courts. Through brainstorming sessions, community meetings, and conceptual architectural renderings by Vertical Arts, a proposal for a dedicated pickleball building with both indoor and outdoor courts generated great enthusiasm and support from the community. The estimated project cost for this building (with a 15% construction and design contingency) along with additional parking for the Complex, renovations to the existing Tennis Center, and substantial growth to the existing endowment fund is \$8 million.

We plan to raise the funds privately through a capital campaign led by the Court Sports for Life Foundation, a 501(c)(3) non-profit. CS4LF will collaborate with the City to craft a well-thought-out plan for a long-term land lease. The CS4LF will take over all maintenance costs for the Complex which will help with growing financial demands that the City is experiencing.

Another key ingredient to this plan is our 2½ year-old endowment fund, created to alleviate the pressure for on-going maintenance and improvement to the Complex. We have partnered with the Yampa Valley Community Foundation to establish a Tennis and Pickleball Center Maintenance Endowment Fund and after only two fundraising campaigns, the endowment fund has grown to \$141,000 as of February, 2020. Our goal is to reach \$1 million by 2029. With the new indoor Pickleball Center providing additional playing space and thousands of more customers to the Steamboat Tennis and Pickleball Complex, this \$1 million could be raised before 2029.

THE PROPOSED NEW PICKLEBALL CENTER

Features of the addition:

- 35,000 sf includes 12 indoor pickleball courts, 6 outdoor courts
- Additional 24 parking spaces
- Low maintenance
- Unique public facility in our state
- Managed by a highly experienced team

Design – The vision for a new dedicated pickleball facility calls for a welcoming, flexible space worthy of the same national recognition as the Facility Award presented by the United States Tennis Association to the Tennis Center in 2011, while minimizing the maintenance requirements on City staff. With input from constituents, interested parties, and City personnel, both Vertical Arts Architecture and SEAD, Inc. translated that vision into conceptual renderings of a Pickleball Center. The new building will be a 35,000 square foot pickleball facility with 12 indoor pickleball courts and 6 exterior courts. The facility will also include locker rooms, lobby, reception desk, storage, social areas and 24 additional parking spots with improved traffic flow. Proper court spacing will provide safer playing and room for tournament staging. The state-of-the-art design will make Steamboat Springs a year-round destination for pickleball nationwide.

Vertical Arts, Inc. designed the facility to be a permanent structure. It will be located at the north end of the site and replace the two existing clay tennis courts and 4 outdoor pickleball courts. It will be energy efficient to lower utility bills. Glazing will be thoughtfully designed to capture daylighting to reduce lighting needs during the day and enhance the indoor environment. The facility will be low maintenance and retain snow to minimize ground snow storage requirements. During times when the weather is favorable, large doors at the east end of the facility can be opened to increase daylighting and natural cooling. Besides pickleball, the building can be used for youth tennis, dodgeball, badminton and other sports or even meeting space, as the nets will be easy to remove and set up.

Vertical Arts' drawings are attached as Appendix A.

Unique Globally – The *Steamboat Springs Pickleball Center* will be a one-of-a-kind facility. There are several private companies with dedicated pickleball courts, but this would be one of few public indoor pickleball centers in the Mountain Area and beyond. **STEAMBOAT SPRINGS – SPORTS FOR LIFE** will be our tagline and Steamboat Springs will gain global recognition for this.

Collateral benefits – While a new Pickleball Center would enhance the entire Ski Town Sports Complex and attract new athletes to our city, the additional parking would also greatly benefit other organizations utilizing the adjoining fields, such as baseball, soccer, volleyball, rugby, and ultimate frisbee. As those programs have grown, parking and traffic issues have become more challenging and will be improved through this project.

Low impact on wildlife – The project site is part of the Ski Town Sports Complex, which currently holds little habitat value. By drawing residents and visitors toward an area already experiencing significant human impact, our precious wildlife habitat areas will not be affected.

Management – Bill and Loretta Conway, the Center's concessionaires since October 2016, are well-qualified and eager to manage the new Pickleball Center and its programs. With 27 years of full-time experience in the tennis industry, both Bill and Loretta have had extensive programming, fundraising and executive management success in both public and private environments in Florida, California and now in Colorado. Their current five-year contract with the City became effective March 6, 2018.

FUNDRAISING

A capital campaign will be required to raise the private portion of the estimated \$8 million project cost. A preliminary discussion will take place in late summer 2019 with potential "top of the pyramid" donors to invite feedback on the proposed structure and to assess willingness to contribute significantly to a capital campaign. The quiet phase for major

donors will begin as soon as City Council approves, hopefully by March 1, 2020. Please refer to Appendix B for the fundraising plan and timeline. Vertical Arts has provided us with lower priced options for the building if the \$8 million is not raised fully by the fall 2021 deadline.

CONSTRUCTION TIMELINE

The project team has already identified all utility and communication lines on the proposed building site and determined there would not be any related complications.

The construction of the Pickleball Center is projected to take 12 months starting in the fall of 2021.

FINANCIALS

- Robust revenue growth of 12% in 2019
- Estimate additional 2,000 visitors followed by annual growth of 10%
- Anticipate nearly \$600k additional economic impact for the City within first year
- Revenue from the new building will cover all its extra operating expenses

The Center is currently enjoying robust financial health with steady growth. From October 2018 to October 2019, the Center has experienced a growth of over 800 new visitors and over 500 local players resulting in a 23% growth in total users. In addition to user growth, the Center has increased total revenue by 12% in 2019, compared to 2018. In that time, expenses have only increased by 9.4%.

With the new expansion, we estimate an additional 2,000 visitors at the Center in the first year with 10% growth every year for five years. Using the Visitor Impact formula from the Steamboat Chamber of Commerce of \$123.50 per visitor per night, we anticipate the Pickleball Center's additional economic impact for the City of Steamboat Springs to be a minimum of \$592,440 within the first year.

The Center is currently experiencing a 35% (summer) to a 60% (winter) court usage rate. With a conservative projection of only 33% usage of the new Pickleball Center's indoor courts, the added revenue is substantial. Please see Appendix C for a P&L analysis comparing actual 2018 to budget when the Pickleball Center is completed.

We project that the increased revenue from a conservative estimated 33% usage of new pickleball courts will pay for all extra operating expenses related to running the new building, including snow plowing and removal, grass cutting, plus provide a substantial annual investment into the endowment fund. Long-range future expenses (such as court resurfacing every 8-10 years) and routine maintenance of the new building and the current tennis center will be offset by the endowment fund. Based on the past five-year history of City maintenance costs for the current 51,000 sq. ft. Tennis Center building (that average is \$35,000 per year), we estimate the maintenance costs on the new 35,000 sq. ft. Pickleball Center to be an additional \$24,640. See appendix D showing how the endowment fund will offset maintenance and improvement expenses of the entire Tennis and Pickleball Complex.

MARKETING APPROACH

Strategy –

- Reach a national and international audience with our **STEAMBOAT SPRINGS – COURT SPORTS FOR LIFE** tagline. Our goal is to market The Steamboat Springs Tennis and Pickleball Complex globally as a truly innovative complex with two lifetime sports.
- Attract an affluent demographic – Pickleball and tennis-playing visitors are generally older, with considerable disposable income, patronizing the higher end food and retail establishments in Steamboat.
- Position Steamboat Springs as an attractive destination with unique and exciting recreational options for the entire family at any time of the year. In particular, non-skiers will have plenty of options in the winter with the

addition of indoor pickleball courts to the existing indoor tennis courts. Larger tournaments can be organized in shoulder seasons as pickleball players are normally free to travel any time of year.

Tactics –

- Collaborative advertising with a variety of sponsors such as the ski resort, lodging companies, Chamber of Commerce. An example: partnering with Steamboat Resorts for a “Manage Locally, Market Globally” campaign
- Targeted print and online advertising in tennis- and pickleball-related media
- Social media advertising

PROGRAMS TO GIVE BACK TO THE COMMUNITY

- Additional indoor space for community partners
- Increased opportunity for outreach to area schools
- Venue for special events, tournaments

The community outreach that has been growing at the Center will continue with both sports areas. The Steamboat Tennis Association (STA) and the SSPA will continue to work with CS4LF and the Conways to attract all ages, abilities and backgrounds to this unique and community-oriented Center.

Community partners, such as STARS, City recreation programs, Boys and Girls Club, Winter Sports Club, CMC and others will now have more indoor recreational space for those they serve.

Area schools’ programs will help thousands of children get a chance to try tennis and pickleball. Free and reduced camps and after-school programs will continue and there will be new room to grow our participants.

There will be new programs for young adults and prices will be kept at a reasonable rate so everyone can play.

Tennis currently has after-school and special events for youth. We intend to start similar youth programs when we have the new pickleball courts. The first steps in this area will include all public and private Steamboat Springs schools and CMC.

Open Play for pickleball is very popular now at the Center with a typical morning attracting 50-80 people per day. We intend to offer more Open Play with the new Pickleball Center, as well as create more drills and events.

With the new indoor Pickleball Center, we can easily grow our special events and tournaments for adults. We currently host four pickleball tournaments per year with three of those in the summer months. With the new indoor pickleball center, we can add two to three additional tournaments per year.

COURT SPORTS FOR LIFE FOUNDATION BOARD MEMBERS

The CS4LF board currently consists of the following community leaders:

Stephen Modzelewski, Chair

Moz and his wife Debbie and four kids have been regular visitors to Steamboat since 1993, and half-year residents since 2012. Moz has been active in finance since 1982, initially on Wall Street then co-founding an investment firm and now on his own. He sits on numerous non-profit boards (including the Institute for Justice and chairing the Reason Foundation board) and several corporate boards. Moz has been playing tennis forever, and fell in love with pickleball when introduced to it here in Steamboat several years ago.

Randy Salky, Secretary

Randy Salky moved to the Yampa Valley in 2005 with his wife and two daughters. He has practiced law since 1988, primarily representing criminal defendants, divorce cases, family law, and mediation. Randy is a former handball player from his days living in Memphis, Tennessee, and started playing pickleball about eight years ago in Steamboat. Randy is

the creator of Colorado's only ski-pee located at the "Milner Mall" and the Steamboat Jewish congregation's outdoor menorah.

Randy Wert, Treasurer

Randy concluded a 35-year career in technology services, sales and sales management six years ago. A Steamboat homeowner for 14 years, Randy has been a full-time resident since 2013 when he and his wife Cathy migrated from Fairfax County, Virginia. Since arriving, he volunteers with Steamboat STARS, and plays tennis and pickleball several times a week, occasionally on the same day! Randy has served as Vice President of the Steamboat Springs Pickleball Association board since 2016.

Paul Beckner, Assistant Secretary/Treasurer

Paul is a Principal at Freedom Management Group and serves as the liaison with its related organization Sterling Foundation Management, which is providing accounting, tax, and legal services to the Court Sports for Life Foundation. Based in Reston, Virginia, Paul will manage and facilitate these "back office" functions of CS4L.

Jeff Temple, Building Committee Chair

Jeff graduated from the University of Colorado and was an All American on the ski team. He co-founded Spyder skiwear in 1978 and ran the company until 1993. He is a member of the Urban Land Institute and serves on the ULI Colorado Apartment Council and the National ULI TOD Council. Jeff was the developer of Maytag Mountain Ranch in Westcliffe and the managing partner and developer of Marabou in Steamboat Springs. Jeff also teamed with brother Jamie to develop Water Dance on Lake Dillon and Storm Mountain Ranch in Steamboat Springs.

Igort del Haya

After starting in the logistics industry as a messenger while still attending High School and then working full-time while attending College, Igort graduated from the University of Florida with a degree in Finance/Accounting in 1996 and founded Smith Logistics International, Inc. in 1999. A Steamboat part time resident and Steamboat Tennis Center regular since 2003, Igort recently purchased and re-purposed the old TIC Training Center and created new spaces for the CrossFit Steamboat, Steamboat Dance Academy, Steamboat Music Academy, Rocky Mountain Karate Academy, and other local businesses.

Rick Garth

Rick has been a Steamboat resident since 1990 and was part of the leadership team that worked with the City of Steamboat Springs to build the original tennis bubble. He led the "Turf it Now" campaign to fund and install the original artificial turf field at Steamboat Springs High School. Rick is a Director *Emeritus* of the Yampa Valley Bank and a former Steamboat Philanthropist of the Year. Rick now travels extensively to play in pickleball tournaments around the country.

Becky Lamb

Becky moved to Steamboat 40 years ago and in that time, has been a board member or trustee of the Steamboat Springs Winter Sports Club (awarded the John Fetcher Sustaining Member Award in 2002), the United Methodist Church, the Steamboat Community Players, the Steamboat Tennis Association, and New Frontiers for Women and Girls. Her most recent focus has been as a member of the Capital Campaign Committee for the \$12,000,000 renovation and additions to the Old Town Hot Springs.

Loretta Conway, ex officio

Loretta and Bill Conway have been the Steamboat Tennis Center's concessionaires since October 2016, increasing usage of the facility in that time by 35%. With 27 years of full-time experience in the tennis industry, both Bill and Loretta have had extensive programming, fundraising and executive management success in both public and private environments in Florida, California and now in Colorado. Loretta is the Business Development Director of the Tennis Center at Steamboat and a board member of the Rotary Club of Steamboat Springs.

PUBLIC/PRIVATE PARTNERSHIP

The Tennis Center at Steamboat Springs, owned by the City of Steamboat Springs and managed by Bill and Loretta Conway as concessionaires for the City, is an outstanding example of the success of public/private partnerships, and we are confident that contracting CS4LF to take over the entire Steamboat Springs Tennis and Pickleball Complex while building the ***Steamboat Springs Pickleball Center*** can be as well.

Strong community partners have also contributed to the success of the Center and support this project –

- The Steamboat Tennis Association (STA), a 501(c)(3) non-profit, has provided scholarships, program funding, facility improvements and special events at the Tennis Center for over twenty years. In those 20+ years, the STA has raised and contributed back to youth and the community hundreds of thousands of dollars. The STA invested \$2,500 as a founding donor of the new YVCF Tennis and Pickleball Center Maintenance Endowment Fund.
- The Steamboat Springs Pickleball Association (SSPA), also a 501(c)(3) non-profit, is the catalyst for the amazing growth in pickleball participation at the Center. The SSPA also donated \$2,500 as a founding donor to the new endowment fund. The SSPA was successful in raising \$55,000 for the outdoor pickleball courts in 2016 and will be key in raising the \$8 million for the Indoor Pickleball Expansion. In 2019, the SSPA has invested over \$20,000 for Vertical Arts to design the current structure and parking additions for the expansion.
- Other Center partners include the City of Steamboat Springs, Alpine Bank as a sponsor, the Chamber as a marketing and promotions partner, the Steamboat Pilot as a media partner, and various lodging partners such as Steamboat Resorts and Holiday Inn, who helped in marketing our summer tournament series for years.

SUMMARY

The proposed ***Steamboat Springs Pickleball Center*** with 12 indoor and 6 outdoor courts is passionately desired by the fast-growing local pickleball community and will also attract significant numbers of additional visitors to Steamboat year-round. The project would sit on the existing Tennis Center grounds and include increased parking, benefiting users of the adjoining fields.

- **Design to be self-sustaining** – The rental revenue from the new pickleball courts is projected to cover the new building's operating expenses. With steady growth, the endowment fund will contribute to long-term maintenance. The CS4LF's ability to operate and maintain the entire Complex will eliminate the need for the City's financial support for future maintenance of the Steamboat Tennis and Pickleball Complex.
- **Draw visitors to Steamboat** – Marketing efforts will be targeted nationally and even internationally to a mature and affluent population, whether they be short-term visitors, potential part-year or full-time residents. This is the fastest growing demographic of new residents in Steamboat Springs.
- **Benefit Steamboat residents** – Local participation in pickleball has increased dramatically and our limited indoor pickleball space is becoming problematic, especially in winter. Community support is strong for this expansion and for both pickleball and tennis, as demonstrated by the tremendous growth in participation in both sports at the Center and the history of private donations.

Let's spread the word to the world: ***STEAMBOAT SPRINGS – COURT SPORTS FOR LIFE*** with The City of Steamboat Springs Tennis and Pickleball Complex we can all be proud of!

PICKLEBALL IN THE NEWS

PUBLISHED: JUL 8TH, 2019 - 5:27PM (EDT)

UPDATED: JUL 10TH, 2019 - 4:29AM (EDT)

INDIANAPOLIS (WTHR) — **Pickleball is no longer simply your grandmother's favorite sport to play.**

There's a national organization called the The United States of America Pickleball Association (USAPA) and a worldwide group known as the International Federation of Pickleball (IFP). In November, the sport has a huge event, drawing "picklers" from all over the country to the world-renowned Indian Wells Tennis Garden near Palm Springs, California. And local leagues all over Indiana are seeing record numbers.

In fact, pickleball has shown a 650 percent increase in participation numbers over the last six years, according to the USAPA.

* * * * *

Pickleball in Paradise, Anyone?

We conceived the *Minto US OPEN Pickleball Championships* to be the premier pickleball tournament in the world. And it is. This past April 2,000 players from 47 states and 20 countries battled it out for 7 days on 50 courts. (Paper states that last year's economic impact was \$4.5 million.)

But who knew that over 10,000 spectators would travel to Naples, Florida to cheer on the competitors and party until the wee hours. Well, besides them.

Anyway, the formula remains the same for the 2019 US OPEN Pickleball Championships. Showcase the greatest pickleball players in the world at the biggest pickleball party in the world in the most beautiful vacation spot in the world. Simple, huh?

East Naples Community Park

3500 Thomasson Dr.

Naples, Florida

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<https://www.usapa.org/wp-content/uploads/2019/02/2019-Pickleball-Fact-Sheet.pdf>

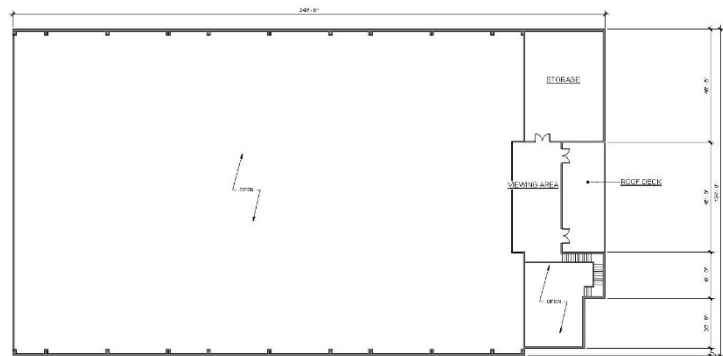
APPENDIX A

PROJECT DRAWINGS FROM VERTICAL ARTS

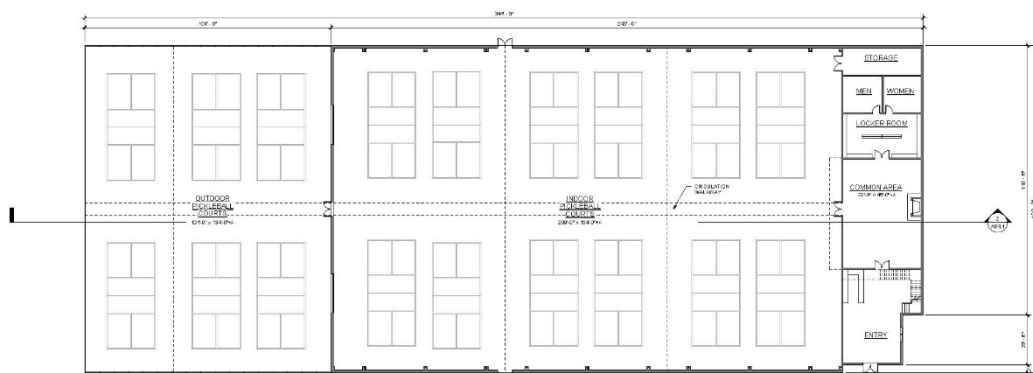


AREA CALCULATIONS - OPTION #2

MAIN LEVEL	52,280 SF
UPPER LEVEL	5,070 SF
TOTAL	57,350 SF



UPPER LEVEL PLAN



MAIN LEVEL PLAN

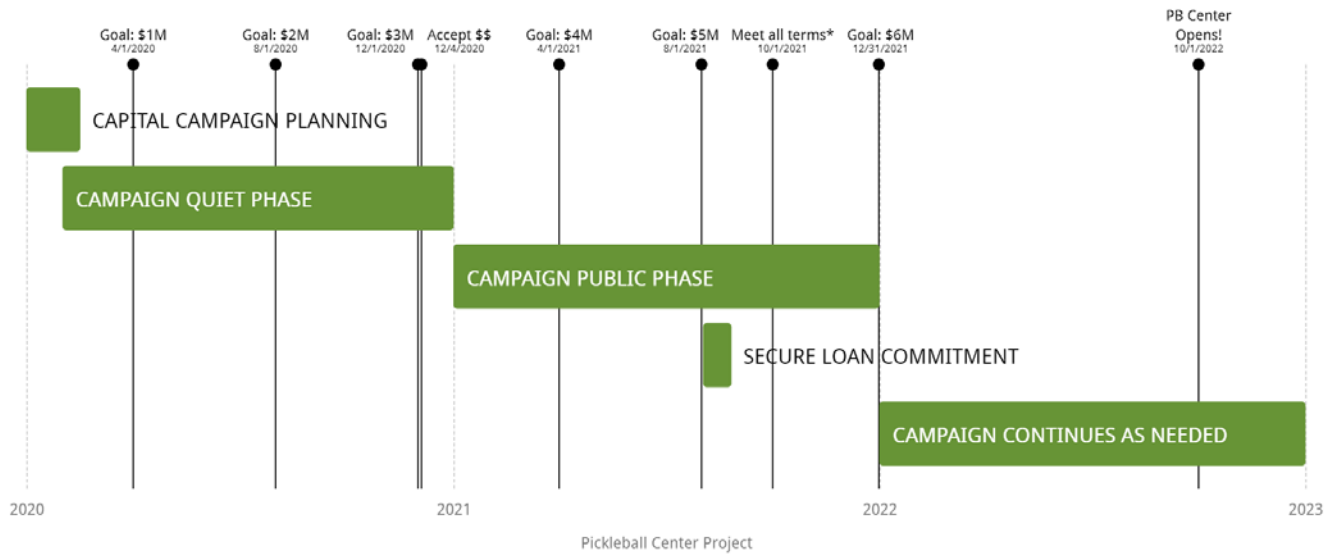


APPENDIX B

FUNDRAISING TIMELINE & DONATION PYRAMID

Pickleball Center Fundraising

Conservative Schedule



* Groundbreaking prerequisites as agreed to with City

TYPE	# GIFTS	SIZE OF GIFTS	IN RANGE	CUMULATIVE
	1	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
	1	\$ 800,000	\$ 800,000	\$ 2,800,000
LEAD	2	\$ 400,000	\$ 800,000	\$ 3,600,000
	6	\$ 200,000	\$ 1,200,000	\$ 4,800,000
	10	\$ 80,000	\$ 800,000	\$ 5,600,000
	15	\$ 40,000	\$ 600,000	\$ 6,200,000
	25	\$ 20,000	\$ 500,000	\$ 6,700,000
MAJOR	50	\$ 8,000	\$ 400,000	\$ 7,100,000
	75	\$ 4,000	\$ 300,000	\$ 7,400,000
	100	\$ 2,000	\$ 200,000	\$ 7,600,000
	150	\$ 800	\$ 120,000	\$ 7,720,000
	300	\$5-\$799	\$ 280,000	\$ 8,000,000

APPENDIX C

BUDGET PROJECTIONS COMPARED TO 2018 & 2019 ACTUALS

	2018 Actuals	2019 Actuals	Projected with PB Center	Reason/Comments
REVENUE				
Tennis Court Rental	\$120,921	\$115,668	\$92,890	decrease in PB use of tennis courts
Pickleball Court Rental	\$46,711	\$69,838	\$322,661	33% usage - 12 indoor & 6 outdoor PB courts
Medallions (unlimited court use)	\$20,214	\$20,426	\$24,849	overall 20% increase due to new PB Center
Lessons (tennis & PB)	\$81,187	\$84,361	\$101,233	overall 20% increase
Leagues (tennis & PB)	\$44,146	\$34,220	\$41,063	overall 20% increase
Tournaments & Special Events (tennis & PB)	\$41,889	\$51,772	\$67,867	30% increase from 3 add'l PB events
After-School Tennis Programs	\$108,212	\$92,091	\$92,091	no change for tennis program
Tennis Program for Under-served	\$720	\$8,074	\$8,074	SERVES grants from STA
Junior Camps (tennis & PB)	\$15,871	\$49,624	\$59,549	20% increase due to more room for camps
Pro Shop Sales & Services (tennis & PB)	\$59,715	\$79,159	\$101,047	30% increase
Sponsorships	\$17,475	\$16,022	\$20,220	Add 3-4 new annual sponsors
SSPA Memberships (pass-through)	\$130	\$68	\$0	SSPA dues collected then transferred to SSPA
STA Memberships (pass-through)	\$1,780	\$2,225	\$200	STA dues collected then transferred to STA
Misc Revenue	\$4,990	\$5,567	\$6,722	incl. lockers, equipt. rentals
Total Revenue	\$563,961	\$629,115	\$938,466	
Total Cost of Goods Sold	\$44,769	\$59,465	\$77,950	
Gross Profit	\$519,192	\$569,650	\$860,516	
EXPENSES				
Programs, Tournaments & Events	\$24,236	\$22,248	\$23,107	
Payroll, Benefits, Training & Taxes	\$322,327	\$361,582	\$488,149	35% increase with new PB Center
Marketing	\$4,951	\$9,207	\$11,223	
Dues and Subscriptions	\$4,327	\$3,749	\$4,498	
Automobile, Meals, Travel & Entertainment	\$9,471	\$11,395	\$12,789	
Office Expenses	\$9,812	\$9,839	\$13,846	
Computer & Telephone	\$15,098	\$14,628	\$18,422	
Professional Fees	\$8,989	\$6,192	\$8,262	
Charitable Donations	\$2,915	\$1,352	\$1,537	
Banking & Credit Card Fees	\$14,474	\$18,081	\$27,063	
Insurance	\$7,965	\$11,501	\$17,251	increase 50%
Contract Labor	\$18,436	\$13,754	\$22,006	increase in cleaning and maintenance
Utilities	\$48,157	\$50,989	\$71,384	40% increase
Maintenance	\$981	\$5,301	\$94,000	Note 1
Maintenance Capital Fund, Endow- ment & Construction Debt Service	\$1,000	\$300	\$25,000	Note 2
Interest Expense	\$2,290	\$2,667	\$2,933	
Bad Debt	\$3,608	\$1,982	\$2,181	
Personal Property Tax	\$194	\$643	\$771	
Miscellaneous	\$1,902	\$1,030	\$2,097	
Total Expenses	\$501,133	\$546,440	\$846,519	
Net Operating Income	\$18,059	\$23,210	\$13,997	

Note 1: Expenses taken over from the City after the new PB Center is open for 6 months (\$20,000 snow plowing;
\$18,000 summer groundskeeping; \$55,260 building maintenance)

Note 2: To be applied towards construction debt, if any, then 2:1 to Maintenance Capital Fund and Maintenance Endowment.

APPENDIX D

STEAMBOAT TENNIS AND PICKLEBALL MAINTENANCE ENDOWMENT FUND PROJECTIONS

	<u>Available</u>	<u>Annual</u>	<u>-</u>	<u>Annual</u>		
<u>Year</u>	<u>Distribution</u> <u>(4.5%)</u>	<u>Earnings (6%)</u>	<u>Balance</u>	<u>Contributions</u>	<u>Admin</u> <u>Fee (1%)</u>	<u>Year-End</u> <u>Balance</u>
2019						\$125,000
2020	\$5,625	\$7,163	\$126,538	\$100,000	\$2,265	\$224,272
2021	\$10,092	\$12,851	\$227,031	\$100,000	\$3,270	\$323,760
2022	\$14,569	\$18,551	\$327,743	\$100,000	\$4,277	\$423,465
2023	\$19,056	\$24,265	\$428,674	\$100,000	\$5,287	\$523,387
2024	\$23,552	\$29,990	\$529,825	\$100,000	\$6,298	\$623,526
2025	\$28,059	\$35,728	\$631,196	\$100,000	\$7,312	\$723,884
2026	\$32,575	\$41,479	\$732,788	\$100,000	\$8,328	\$824,460
2027	\$37,101	\$47,242	\$834,601	\$100,000	\$9,346	\$925,255
2028	\$41,636	\$53,017	\$936,635	\$100,000	\$10,366	\$1,026,269
2029	\$46,182	\$58,805	\$1,038,892	\$100,000	\$11,389	\$1,127,503
2030	\$50,738	\$64,606	\$1,141,371	\$100,000	\$12,414	\$1,228,958
2031	\$55,303	\$70,419	\$1,244,074	\$100,000	\$13,441	\$1,330,633
2032	\$59,878	\$76,245	\$1,347,000	\$100,000	\$14,470	\$1,432,530
2033	\$64,464	\$82,084	\$1,450,150	\$100,000	\$15,502	\$1,534,649
2034	\$69,059	\$87,935	\$1,553,525	\$100,000	\$16,535	\$1,636,989
	<u>Available</u>	<u>Annual</u>	<u>-</u>	<u>Annual</u>		
<u>Year</u>	<u>Distribution</u> <u>(4.5%)</u>	<u>Earnings (6%)</u>	<u>Balance</u>	<u>Contributions</u>	<u>Admin</u> <u>Fee (1%)</u>	<u>Year-End</u> <u>Balance</u>
2019						\$125,000
2020	\$0	\$7,500	\$132,500	\$100,000	\$2,325	\$230,175
2021	\$0	\$13,811	\$243,986	\$100,000	\$3,440	\$340,546
2022	\$0	\$20,433	\$360,978	\$100,000	\$4,610	\$456,369
2023	\$0	\$27,382	\$483,751	\$100,000	\$5,838	\$577,913
2024	\$0	\$34,675	\$612,588	\$100,000	\$7,126	\$705,462
2025	\$31,746	\$40,423	\$714,139	\$100,000	\$8,141	\$805,998
2026	\$36,270	\$46,184	\$815,912	\$100,000	\$9,159	\$906,753
2027	\$40,804	\$51,957	\$917,906	\$100,000	\$10,179	\$1,007,727
2028	\$45,348	\$57,743	\$1,020,122	\$100,000	\$11,201	\$1,108,920
2029	\$49,901	\$63,541	\$1,122,560	\$100,000	\$12,226	\$1,210,335
2030	\$54,465	\$69,352	\$1,225,222	\$100,000	\$13,252	\$1,311,969
2031	\$59,039	\$75,176	\$1,328,107	\$100,000	\$14,281	\$1,413,826
2032	\$63,622	\$81,012	\$1,431,216	\$100,000	\$15,312	\$1,515,903
2033	\$68,216	\$86,861	\$1,534,549	\$100,000	\$16,345	\$1,618,204
2034	\$72,819	\$92,723	\$1,638,107	\$100,000	\$17,381	\$1,720,726