



BUSINESS PLAN FOR THE STEAMBOAT TENNIS & PICKLEBALL COMPLEX

SEPTEMBER 2021 UPDATE

Much has happened since our previous business plan was prepared in November 2019. Due to the COVID-19 pandemic, the Steamboat Tennis & Pickleball Center closed for 10 full weeks in 2020 but then experienced record-breaking usage resulting in higher total income in 2020 over 2019 despite the closure. In 2021, we expect a 50% increase in total income over 2020, 40% higher than our projections early in the pandemic. Being relatively covid-safe activities, tennis and pickleball have truly been lifesavers to our growing community of Steamboat residents and visitors.



As for our project begun in 2019 to build an indoor Pickleball Center, it's certainly been a crazy year and a half! Steel prices doubled, lumber prices quadrupled, Steamboat labor became even more scarce, and the City's requirements for stormwater management tightened enormously. The bottom line is that what we had thought two years ago would be a \$6 million project for an indoor Pickleball Center is now estimated to cost \$10 million, but that now includes tennis court improvements, soft costs and contingencies.

On August 24, 2021, the Court Sports 4 Life (CS4L) Board reaffirmed its commitment to continue this project and, subject to City approval, to proceed in two phases. Please refer to the "The Proposed New Pickleball Center" section below for details. We think you'll find that each phase results in a significant enhancement to the entire Tennis & Pickleball Center and adds far-reaching and permanent value, whether or not subsequent phase(s) are completed.

OUR VISION

Adding 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 will include 12 dedicated indoor pickleball courts and 8 dedicated outdoor pickleball courts, indoor and outdoor social areas, a lobby and check-in area, locker rooms, storage, and additional parking. Increased income from these courts will also allow us to fund our Maintenance Endowment and our Capital Projects Fund.

The Pickleball Center project will improve the facilities and playing experience for tennis players as well. The outdoor tennis courts will get a major facelift in Phase 1 – the result will be two clay courts and four post-

tension, gel-coated concrete courts, two of them completely new and two of them only five years old. After the Pickleball Center building is constructed, all six indoor tennis courts will again be dedicated to tennis, a much-anticipated outcome for many.

After signing a contract with the City of Steamboat Springs in December 2020, Court Sports 4 Life is now responsible for raising funds for the new Pickleball Center privately from individuals, corporations and foundations; managing the construction; and upon completion of the Pickleball Center, leasing the land from the City with full responsibility for what will then become the “City of Steamboat Springs Tennis & Pickleball Complex.” This arrangement will significantly reduce both the budgetary reliance of the Complex on the City and the City’s outlay on behalf of the Complex. This win-win public-private partnership is the fundamental reason Court Sports 4 Life was formed as a non-profit.

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

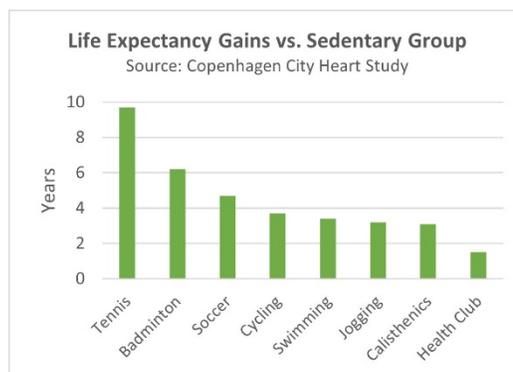
WHY PICKLEBALL, WHY NOW, WHY STEAMBOAT?

- Pickleball is the fastest-growing sports in the U.S., growing an incredible 21.3% to 4.2 million players in just one year from 2019 to 2020.
- Racquet sports leads among activities associated with increased longevity.
- Steamboat Tennis & Pickleball Center court usage increased 80% from 2018 to 2021.
- Local increase in 65+ demographic mirrors profile of “Core” pickleball players
- 1200% growth in Steamboat Springs Pickleball Association (SSPA) membership locally over 7 years

The sport of pickleball continues to grow by leaps and bounds across the country. The Sports & Fitness Industry Association (SFIA) reported that pickleball grew an impressive 12% from 2018 to 2019, a time when Americans’ overall activity level stayed flat, then a phenomenal 21.3% from 2019 to 2020 to a total of 4.2 million players. *The Economist* calls pickleball “the fastest growing sport in America.” (1/28/21)

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 and certainly badminton.



Here in Steamboat Springs, we have seen this tremendous growth firsthand. **The Steamboat Tennis and Pickleball Center boasts having the longest running and largest participation of any year-round organized adult recreational activity in Steamboat Springs, second only to adult hockey.** The Center averages 3,200 adult tennis league “plays” and 4,590 adult pickleball open play registrations per year.

At the Center, overall court usage increased 80% from 2018 to 2021. In the first half of 2021, we experienced an extraordinary 55% growth in total income compared to the first half of 2019 (a more accurate comparison than with covid-influenced 2020), in part due to tennis and pickleball being so attractive to visitors to Steamboat Springs. In fact, the number of users is also up significantly at the Center with over 1,200 *new* 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 60% 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 1200% growth in membership over the past seven years, growing from 36 to 430 members over 2014-2021. In addition to organizing clinics, open play and tournaments, the SSPA raised \$55,000 in 2016 to add to City funding to build 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! In fact, it’s overwhelming our current facilities. Our need for more playing space at the Center is intensifying, especially in winter. Even in the summer, we turn away over 50 players each week who we can’t accommodate; in the busier six months of the year, that number rises to 100 and more! We also want to introduce many new programs, such as adult and youth pickleball leagues, but we simply don’t have the room. By building a year-round indoor pickleball facility, Court Sports 4 Life will provide Steamboat Springs with the rare combination of indoor/outdoor tennis and indoor/outdoor pickleball *open to the public*, and unique in its proximity to a world-class ski resort. For many families looking for a ski destination with attractive options for non-skiers, the Steamboat Tennis & Pickleball Complex can be the deciding factor in choosing Steamboat, thereby making a significant economic impact for our community.

ADDRESSING THE GROWING DEMAND FOR PICKLEBALL

The first step in embracing the popularity of pickleball is a rebranding of the Center to “The City of Steamboat Springs Tennis & Pickleball Complex.” 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 indoor tennis courts for pickleball play during certain times of the day has been a compromise that leaves both tennis players and pickleball players frustrated. Often there are conflicts in demand for the courts. The tennis players find the sounds of pickleball play distracting, and the pickleball players and staff of the Center spend significant time and expense taping and un-taping the courts. Through focus groups, community meetings, and creative design by Vertical Arts, CS4L generated great enthusiasm and support from the community for a dedicated Pickleball Center building with 12 indoor pickleball courts to complement the existing 8 outdoor courts.

A third key ingredient to the overall health of the Tennis & Pickleball Complex is our endowment fund, created specifically to help fund ongoing maintenance. We have partnered with the Yampa Valley Community Foundation to establish the “Paint the Lines” Fund (originally the Tennis and Pickleball Center Maintenance Endowment Fund) and after only four years, the balance has grown to \$236,000 (as of 8/31/21). Our goal is to reach \$1 million by 2029 from a combination of private donations and contributions from the net income from the new indoor Pickleball Center. We will also create a Capital Projects Fund for large improvements such as replacing the “skin,” to be funded primarily through net income.

In 2020, CS4L and the City crafted a well-thought-out plan that would immediately give CS4L the responsibility to raise funds for the Pickleball Center expansion and, upon completion of the new Pickleball Center, to lease the land from the City and take over all maintenance costs for the Complex, which will greatly reduce the financial demands on the City. This contract took effect on December 22, 2020 and was later amended to allow CS4L to take over the operations of the existing Tennis & Pickleball Center from the prior concessionaires. The principals of that business, Loretta and Bill Conway, now serve as the CS4L Executive Director and Director of Operations, respectively, positioning us to embark on an expansion project that will serve the entire community of Routt County residents and visitors.

THE NEW PICKLEBALL CENTER

We embarked on detailed site planning and design in 2020 to include not just the new Pickleball Center, but also rebuilding many of the outdoor tennis courts and improving the parking lot that we share with the City's Ski Town fields. Construction RFPs were issued in the spring of 2021 and the contractors' proposals reflected the unprecedented pandemic-related increases in both labor and materials. After extensive value engineering, the expansion project is now projected to cost \$10.1 million, including soft costs and a 15% construction and design contingency.

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 energy and maintenance requirements. The building will be located on the south end of the site adjacent to Pine Grove Road, replacing four failing asphalt tennis courts. It will be a permanent metal structure that will retain snow to minimize ground snow storage requirements. 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.

When fully completed, the new Pickleball Center will consist of a 35,000 square foot building with 12 indoor pickleball courts and 8 outdoor pickleball courts, all with proper court spacing for safer playing and room for tournament staging. The building's Welcome Center will include lobby, reception desk, pro shop, locker rooms, storage, and multi-use meeting space. A mezzanine is planned for viewing and social gatherings, as is the case in the current Tennis Center. In addition, the parking lot will be increased by 24 spaces with improved traffic flow.

Vertical Arts' drawings are attached as Appendix A. The state-of-the-art design will make Steamboat Springs a popular year-round destination for pickleball nationwide.

Project Components – Subject to City approval, the CS4L board plans to proceed in phases:

Phase 1 – Add 12 Pickleball & Rebuild 4 Tennis Courts Outdoors

Cost: \$4.75 million

- Install a concrete slab for the entire planned 35,000 ft² pickleball building, sized for 12 courts and the Welcome Center; build out the 12 courts for immediate outdoor use.
- Convert the existing 8 pickleball courts back to two tennis courts (no demolition required).
- Demolish the Swiggart (clay) and Carol Baily (concrete) courts; expand that footprint and build 2 new concrete tennis courts and 8 properly-spaced pickleball courts, all with gel-coat.
- Expand the parking lot by 24 spaces; finish coat the north end.

Phase 2 – Erect a steel building with Welcome Center and Mezzanine

Cost: \$5.35 million

- Erect a steel building over the 12 new pickleball courts.
- Finish out the Welcome Center, including front desk, pro shop, locker rooms, office & meeting spaces.
- Construct and finish out the mezzanine viewing and gathering area.
- Finish coat the south end of the expanded parking lot.

Unique Globally – The *Steamboat Springs Pickleball Center* will be a one-of-a-kind facility. Dedicated indoor pickleball courts are hard to find throughout the country and having 12 is unheard of, not to mention being a public facility and adjacent to a world-class ski mountain. **STEAMBOAT SPRINGS – COURT 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 – Loretta and Bill Conway, CS4L Executive Director and Director of Operations, are highly-qualified, experienced professionals with 29 years of full-time experience in the tennis industry. Bill and Loretta have each enjoyed extensive programming, fundraising and executive management success in both public and private environments in Florida, California and now in Colorado.

FUNDRAISING

We are raising funds for the new Pickleball Center, renovated outdoor tennis courts, and additional parking privately through a capital campaign led by the Court Sports for Life Foundation, a 501(c)(3) non-profit and Colorado Enterprise Zone Contribution Project. We launched the quiet phase of the *Steamboat Relishes Pickleball* capital campaign in the Fall of 2019 but Steamboat Springs is a small town and nothing stays “quiet” for very long! We quickly progressed to the “public” phase of the capital campaign, relying on printed documents and video calls to solicit donations while everyone was self-isolating during the pandemic. By the Summer of 2020, we were able to hold small outdoor fundraising events and meet with prospective donors face-to-face.

As of August 31, 2021, we have received donations and pledges totaling \$1.8 million. In addition, we have secured a construction loan for up to 30% of the project cost, subject to change with the new phased plan. Please refer to Appendix B for a Fundraising Timeline and Fundraising Plan.

CONSTRUCTION TIMELINE

If funding is fully secured, Phase 1 could begin by May 1, 2022 with an estimated completion of October 1, 2022. Phase 2 construction is estimated to take 11 months, with start date dependent on funding.

FINANCIALS

- Robust revenue growth of 55% between 2019 and 2021
- Estimate additional 2,000 visitors followed by annual growth of 10%
- Anticipate over \$1M 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 amazing growth. Compared to the 2600 unique annual users in 2018 and 2019, the Center serviced over 3500 unique users between August 2020 and August 2021 resulting in a 35% growth in total users. In addition to user growth, the Center has increased total revenue by 55% from 2019 to 2021. In that time, expenses have only increased by 22%.

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 \$145.49 per visitor per night, we anticipate the Pickleball Center’s additional economic impact for the City of Steamboat Springs to be a \$1,309,000 (3,000 visitors in Steamboat for average of 3 nights each) within the first year.

The Center is currently experiencing a 41% (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 2022 projections to the operation's 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 a 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 for the projected growth of the endowment fund and the available distributions that will offset maintenance and improvement expenses for 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 Steamboat Springs Pickleball Association (SSPA) will continue to

work with CS4L 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 CS4L 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 1994, part-year residents since 2012, and now happily call Steamboat "home." 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 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, Secretary / Assistant 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.

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.

Randy Salky

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.

Loretta Conway, *ex officio*

Loretta and Bill Conway were the Steamboat Tennis Center's concessionaires from October 2016 to December 2020, increasing usage of the facility in that time by 35%. Since January 1, 2021, Loretta serves as CS4L's Executive Director and Bill as the Director of Operations. With 29 years of full-time experience in the tennis industry, Bill and Loretta have each enjoyed extensive programming, fundraising and executive management success in both public and private environments in Florida, California and now in Colorado. Loretta is a board member of the Rotary Club of Steamboat Springs.

PUBLIC/PRIVATE PARTNERSHIP

The City of Steamboat Tennis and Pickleball Center, operated by CS4L, is an outstanding example of the success of public/private partnerships. 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 that time, the STA has raised and contributed back to youth and the community hundreds of thousands of dollars. In 2017, the STA invested \$2,500 as a founding donor of the Tennis and Pickleball Center Maintenance Endowment Fund.
- The Steamboat Springs Pickleball Association (SSPA), a 501(c)(6) non-profit, is the catalyst for the amazing growth in pickleball participation at the Center. The SSPA was successful in raising \$55,000 for the outdoor pickleball courts in 2016 and will be key in raising the funds needed for the Indoor Pickleball Expansion. In 2017, the SSPA donated \$2,500 as a founding donor of the Tennis and

Pickleball Center Maintenance Endowment Fund. In 2019, the SSPA 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 planned ***Steamboat Springs Pickleball Center*** with 12 indoor and 8 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. In addition to the Pickleball Center, the comprehensive expansion project will include rebuilding and/or renovating four outdoor tennis courts and adding parking, benefiting users of the adjoining fields.

- **Design to be self-sustaining** – The rental revenue from the new pickleball courts is projected to significantly exceed the new building’s operating expenses. Not only will the facility then be self-supporting, but it will generate sufficient net income to supplement the maintenance endowment fund and capital project fund each year. The CS4L’s assumption of the operations and maintenance of 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*** at the City of Steamboat Springs Tennis and Pickleball Complex!

PICKLEBALL IN THE NEWS

2021 Pickleball Fact and Media Sheet (PDF) – on the USA Pickleball Association website

<https://usapickleball.org/about-us/organizational-docs/pickleball-fact-sheet/>

Pickleball in Paradise, Anyone? (2018)

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

“Is Pickleball the Perfect Pandemic Pastime?” – *The New York Times*, 5/30/2020

<https://www.nytimes.com/2020/05/30/style/pickleball.html>

“In recent years, the pastime’s popularity has soared. According to the 2019 Pickleball Participant Report by the Sports & Fitness Industry Association, there are more than 3.3. million players in the United States, making it one of the country’s fastest-growing sports.

“And thanks to the pandemic, there may soon be many new ‘picklers,’ as obsessives proudly call themselves. In driveways and rooftops across the country, players are setting up makeshift courts, using temporary paint or chalk to draw lines and making nets out of whatever items are available, and getting everyone in their households to join in on the fun.”

“To parents desperate for new ways to entertain children (or themselves), pickleball can be a godsend. ‘It’s a multigenerational game, so you can play with your kids, and grandparents can play with their grandkids,’ Ms. Dekker said. ‘It appeals to everybody.’”

“The Powerful Play of Pickleball” – Harvard Health Publishing, 4/1/2021

<https://www.health.harvard.edu/staying-healthy/the-powerful-play-of-pickleball>

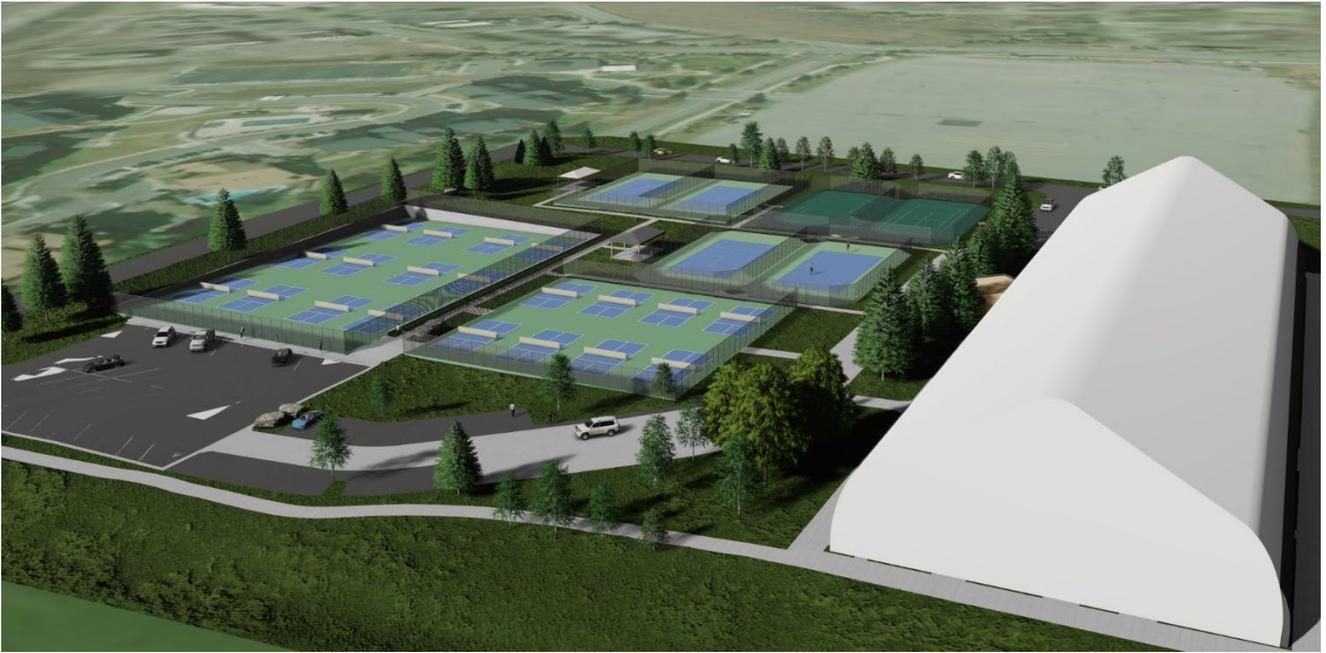
“You keep hearing that older adults need to stay active physically, mentally, and socially. But what if you could do all three at once? You can if you play the racquet sport pickleball, one of the country's fastest-growing forms of recreation.

“In many ways, pickleball is the ideal activity for older adults,’ says Timothy Rivotto, a physical therapist and tennis coach with Harvard-affiliated Spaulding Rehabilitation Network. ‘It can accommodate people with different fitness levels and still offer a good aerobic workout. Pickleball also requires using key brain skills and is an exciting way to interact with others.’”

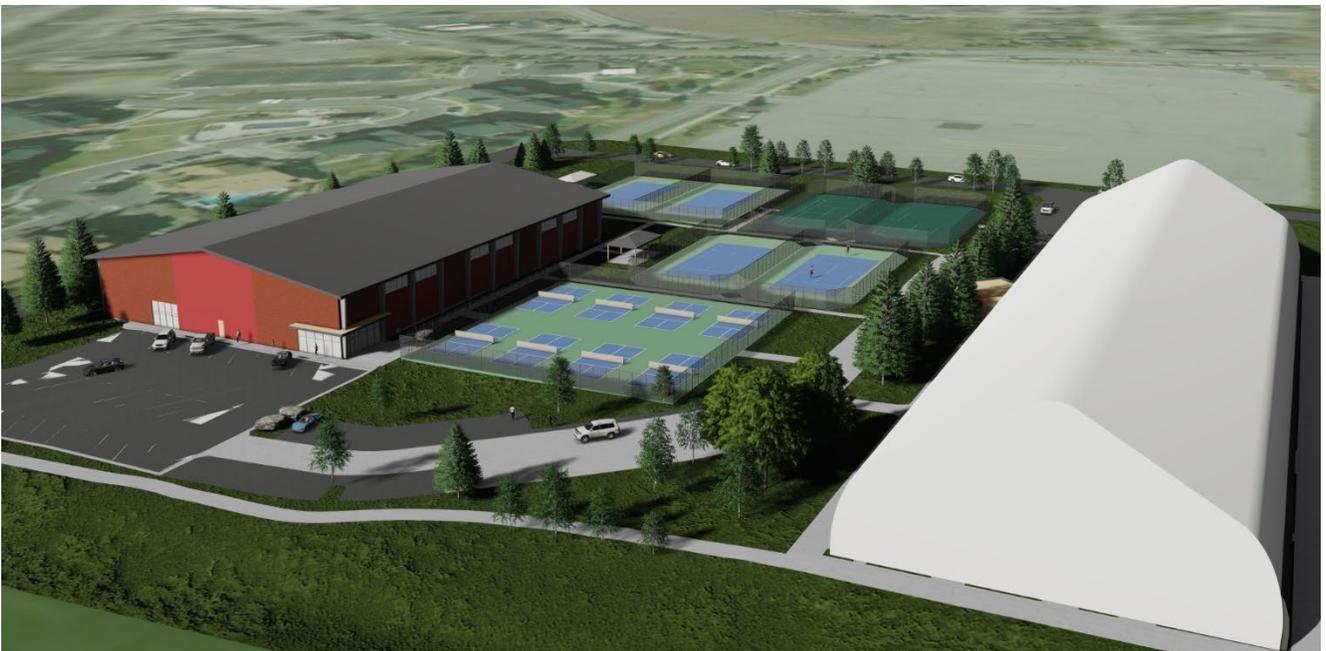
APPENDIX A

PROJECT DRAWINGS FROM VERTICAL ARTS

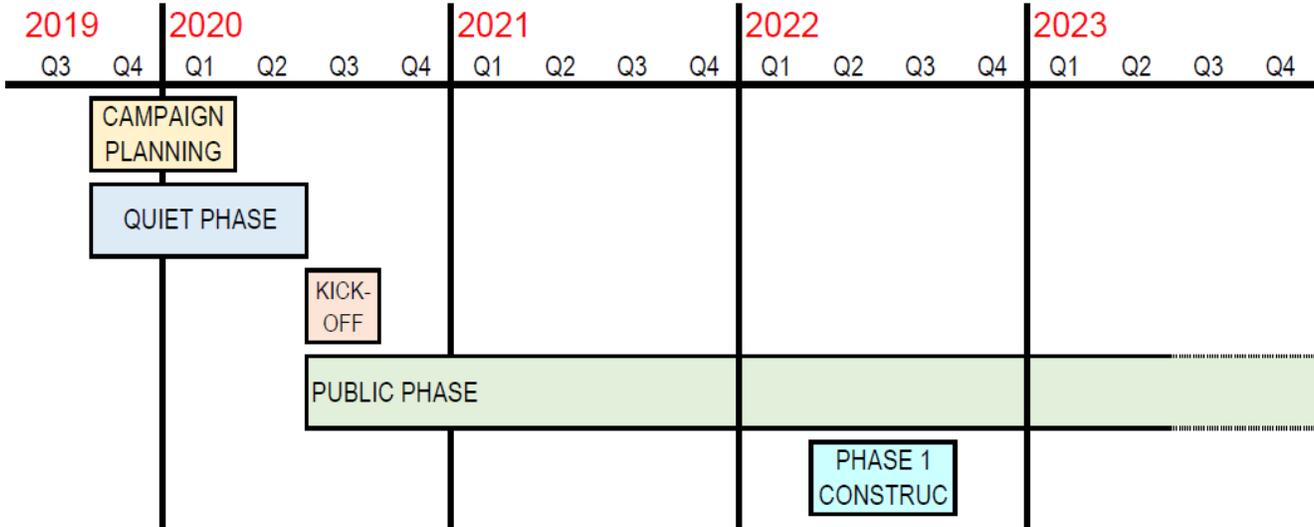
PHASE 1



PHASE 2



APPENDIX B FUNDRAISING TIMELINE



FUNDRAISING PLAN TO REACH \$10.1 MILLION (including \$2M loan)

		TYPE	# GIFTS	SIZE OF GIFTS	TOTAL FOR RANGE	CUMULATIVE TOTAL
LEGACY LEADERS	CHAMPIONS	Olympic (Presenting Sponsor)	1	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
		International	3	\$ 500,000	\$ 1,500,000	\$ 2,500,000
		Pan American	6	\$ 250,000	\$ 1,500,000	\$ 4,000,000
		National	10	\$ 100,000	\$ 1,000,000	\$ 5,000,000
	Diamond	16	\$ 50,000	\$ 800,000	\$ 5,800,000	
	Platinum	25	\$ 25,000	\$ 625,000	\$ 6,425,000	
	Gold	50	\$ 10,000	\$ 500,000	\$ 6,925,000	
	Silver	100	\$ 5,000	\$ 500,000	\$ 7,425,000	
	Bronze	150	\$ 2,500	\$ 375,000	\$ 7,800,000	
	Copper	200	\$ 1,000	\$ 200,000	\$ 8,000,000	
Friends	250	Up to \$999	\$ 125,000	\$ 8,125,000		

APPENDIX C
BUDGET PROJECTIONS

Steamboat Tennis & Pickleball Budget 2022 VS Projection with New Pickleball Building			
		% Increase w/new building	Totals with new building
Income			
4000 Pro Shop Sales	\$ 81,376.76	120%	\$ 97,652.11
4100 String Labor	\$ 6,735.00	100%	\$ 6,735.00
4110 Ball Machine	\$ 2,860.00	150%	\$ 4,290.00
4120 Court Time	\$ 125,332.94	100%	\$ 125,332.94
4125 Pickleball Court Time	\$ 177,902.34	200%	\$ 355,804.68
4130 Jr Camps	\$ 253,046.30	110%	\$ 278,350.93
4140 ROGY Mountain Tennis	\$ 91,224.58	100%	\$ 91,224.58
4150 SERVES	\$ 7,868.64	100%	\$ 7,868.64
4160 Permanent Court Time	\$ 153.94	100%	\$ 153.94
4170 Leagues	\$ 20,720.72	120%	\$ 24,864.86
4200 Lessons	\$ 48,234.78	120%	\$ 57,881.74
4300 Locker Rental	\$ 2,486.14	150%	\$ 3,729.21
4326 Court Pass/Med	\$ 31,435.70	120%	\$ 37,722.84
4400 Misc Income	\$ 523.68	110%	\$ 576.05
4450 Rentals	\$ 96.00	110%	\$ 105.60
4500 Special Events	\$ 58,181.18	120%	\$ 69,817.42
4550 TC Tournament	\$ 3,230.70	120%	\$ 3,876.84
4575 Sponsorships	\$ 15,000.00	120%	\$ 18,000.00
4925 League Balls	\$ 8.00	120%	\$ 9.60
4970 STA Membership	\$ 226.86	120%	\$ 272.23
Total Income	\$ 926,644.26		\$ 1,184,269.21
Cost of Goods Sold			
5000 Cost of Goods Sold Pro Shop	\$ 68,547.52	120%	\$ 82,257.02
5411 Equipment - Tennis/Pickleball	\$ 4,209.62	120%	\$ 5,051.54
5412 Other Costs of Services - COS	\$ 540.98	120%	\$ 649.18
5500 Inventory Reconciliation	\$ (27.82)		
Total Cost of Goods Sold	\$ 73,270.30		\$ 87,957.74
Gross Profit	\$ 853,373.96		\$ 1,096,311.46

**Steamboat Tennis & Pickleball
Budget 2022 VS Projection with New Pickleball Building**

		% Increase w/new building	Totals with new building
Expenses			
6000 Advertising	\$ 5,621.22	120%	\$ 6,745.46
6100 Automobile Expense	\$ 6,000.00	110%	\$ 6,600.00
6140 Computer	\$ 10,824.52	125%	\$ 13,530.65
6150 Cash Over/Short	\$ (185.94)	100%	\$ (185.94)
6170 Contract Labor	\$ 16,465.00	170%	\$ 27,990.50
6190 Contributions	\$ 6,800.00	120%	\$ 8,160.00
6195 Credit Card Processing	\$ 31,073.76	150%	\$ 46,610.64
6210 Dues and Subscriptions	\$ 691.12	120%	\$ 829.34
6230 Education and Training	\$ 79.90	150%	\$ 119.85
6240 Employee Benefits & Recruitment	\$ 883.36	140%	\$ 1,236.70
6260 Events	\$ 1,598.26	130%	\$ 2,077.74
6300 Insurance	\$ 49,687.99	150%	\$ 74,531.99
6600 Licenses and Permits	\$ 848.14	110%	\$ 932.95
6700 Maintenance	\$ 3,999.50	200%	\$ 7,999.00
6750 Office/Display	\$ 153.98	150%	\$ 230.97
6900 Miscellaneous	\$ 319.36	120%	\$ 383.23
7000 Payroll Expenses	\$ 429,571.60	140%	\$ 601,400.24
7050 Employer Payroll Liabilities	\$ 43,744.18	140%	\$ 61,241.85
7200 Postage and Delivery	\$ 1,093.30	125%	\$ 1,366.63
7300 Printing and Reproduction	\$ 3,118.70	125%	\$ 3,898.38
7400 Professional Fees	\$ 4,369.06	130%	\$ 5,679.78
7410 Programs	\$ 63.62	130%	\$ 82.71
7700 Repairs	\$ 704.88	150%	\$ 1,057.32
7800 Supplies	\$ 6,230.66	130%	\$ 8,099.86
7862 Special Events Other	\$ 274.98	150%	\$ 412.47
8000 Telephone	\$ 216.20	150%	\$ 324.30
8100 Tour Exps	\$ 313.10	150%	\$ 469.65
8200 Travel & Ent	\$ 378.00	150%	\$ 567.00
8300 Utilities	\$ 64,397.34	150%	\$ 96,596.01
New Line Item - Capital Projects Fund	\$ 100,000.00	100%	\$ 100,000.00
New Line Item - Endowment Fund	\$ 10,000.00	100%	\$ 10,000.00
Total Expenses	\$ 799,335.79		\$ 1,088,989.28
Net Operating Income	\$ 54,038.17		\$ 7,322.19
Other Income	\$ -		
9000 Interest Income	\$ 5.56	150%	\$ 8.34
Net Other Income	\$ 5.56		\$ 8.34
Net Income	\$ 54,043.73		\$ 7,330.53

APPENDIX D
STEAMBOAT TENNIS AND PICKLEBALL MAINTENANCE ENDOWMENT FUND
PROJECTIONS

Year	Distribution (4.5% allowed but project 0% at first then 2% thereafter)	Annual Earnings (6%)	Balance	Annual Contributions	Admin Fee (1%)	Year-End Balance	Notes
2019				\$19,636		\$141,985	Actuals
2020	\$2,000	\$24,427	\$164,412	\$18,110	\$1,943	\$180,579	Actuals
2021	\$0	\$10,835	\$191,413	\$50,000	\$2,414	\$238,999	a/o 8/31: \$36,000 contr.
2022	\$0	\$14,340	\$253,339	\$55,000	\$3,083	\$305,256	
2023	\$6,105	\$18,315	\$317,466	\$65,000	\$3,825	\$378,641	
2024	\$7,573	\$22,718	\$393,787	\$75,000	\$4,688	\$464,099	
2025	\$9,282	\$27,846	\$482,663	\$80,000	\$5,627	\$557,037	
2026	\$11,141	\$33,422	\$579,318	\$85,000	\$6,643	\$657,675	
2027	\$13,153	\$39,460	\$683,982	\$90,000	\$7,740	\$766,242	
2028	\$15,325	\$45,975	\$796,892	\$95,000	\$8,919	\$882,973	
2029	\$17,659	\$52,978	\$918,292	\$100,000	\$10,183	\$1,008,109	Goal: \$1,000,000