

SOUTH JORDAN CITY
CITY COUNCIL STUDY SESSION

June 16, 2015

Present: Mayor David Alvord, Councilman Chuck Newton, Councilman Mark Seethaler, Councilman Don Shelton, CM Gary Whatcott, City Attorney Ryan Loose, Administrative Services Director Dustin Lewis, Development Services Director Brad Klavano, IS Director Jon Day, City Council Secretary MaryAnn Dean

Others: See Attachment A

STUDY SESSION – 4:00 PM

Mayor Alvord introduced everyone present. He noted that Councilman Rogers is out of town and Councilman Barnes is ill.

A. Invocation: City Manager Gary Whatcott

CM Whatcott offered the invocation.

B. Staff Item: Review of South Jordan Business License Study by Zions Bank Public Finance. *(By City Commerce Director Brian Preece)*

City Commerce Director Preece introduced Susie Becker, Zions Bank. He said the study outlines the maximum fee that could be charged, and legally defended, not what is recommended to actually charge. Ms. Becker reviewed a presentation on the business license fee study (Attachment B).

City Commerce Director Preece said there is not a way for someone to do their initial business license application online. He said they could apply online, but the process requires approval from various departments and notification of the neighborhood. It was noted that the cost to renew a home occupation license is less than the initial application. One option is for some businesses to pay just the base amount, and other businesses pay more if they require extra inspections. Mr. Preece said this study should be updated every 5 years. He said in the past, the RDA has paid some fees for businesses as part of an economic development incentive. He recommended against waiving fees outright.

They reviewed the base administrative cost as compared to other communities. It was reiterated that the proposed fees are the maximum that could be charged, not the recommended amount. They also reviewed fees for rentals.

Councilman Seethaler asked staff to bring forward a recommendation for a fee schedule to the City Council. He said they don't want to be at the top or bottom of the scale. They want the fees to be reasonable, fair, justifiable, and legal. He does not want the fees to disrupt the businesses in the city.

Councilman Newton said he does not want the upfront license fees so onerous that they have problems attracting businesses. He suggested leaving the renewal fee as is to offset some of the cost from the initial license. City Attorney Loose said they have to keep both the initial fee and the renewal fee at a level that can be defended legally. Councilman Newton said one concern with raising fees a lot is that there are some businesses that generate a lot of police calls, but also create a lot of sales tax. He is concerned about the proposed fees for big boxes and the movie theater. Mr. Preece reiterated that the proposed fees are not staff's recommendation; they are just helping the City Council understand the true cost for the license.

Councilman Seethaler asked what is the relative revenue that they have in particular to business license fees? Finance Director Naidu said the 5 year average is \$177,000. They do not know the breakout between commercial and home occupation.

Community Development Director Preece said business license renewals are already able to be done online.

They discussed that fact that the administrative costs of issuing a business license are the same for a large office versus a smaller office, regardless of the number of employees. They could consider a separate fire inspection fee. Councilman Newton said they could also consider a tiered approach based on the square footage of the building. Mr. Preece said they would bring this item back in a work session. Ms. Becker said one drawback on breaking it out based on the square footage of the building is that they may not have enough businesses in a certain sample. Another concern is that they don't always have accurate square footage information available.

Councilman Seethaler said they don't charge businesses separately for police calls, etc. The only way to offset that is with the business fee. CM Whatcott said they don't charge that for the residents either. Councilman Newton said that cost gets spread across with property taxes. Do residents generate more calls for the city than the businesses? Councilman Seethaler said larger businesses that require a lot of police calls could have an additional fee built into their business license fee to offset that cost. CM Whatcott said with the larger businesses, the fees are built into their business model.

The City Council took a dinner break.

C. Discussion Item: Tennis Facility. *(By David Thayne)*

David Thayne, introduced his team. He said they came to the City Council a couple of years ago with an initial proposal. He reviewed a presentation outlining their tennis facility concept (Attachment C). They want to build a tennis facility south of Lifetime Fitness. They want to do something special on this property; the concept (Attachment D) is that it will be able to hold professional tournaments.

Councilman Newton asked if they are set on this property? He said he can think of a couple other locations along Redwood Road that would have great potential. Mr. Thayne said they feel there is something special about this property. They would like to pursue this property.

Councilman Newton expressed concern about potential transportation problems. He is concerned about the increased traffic off 11400 South. He said this proposal is expanded over the initial proposal.

Mr. Thayne said they are in conversations with Lifetime Fitness and the University regarding parking. During special events, they can shuttle people from Mulligans. Mayor Alvord said there is not a lot of parking at Mulligans. He recommended they pursue additional parking from the surrounding offices, if the event is in the evening or on weekends.

Mr. Thayne said there is nothing in the state that will compare to the proposed facility. This proposal is modeled after the facility in Indian Wells California, on a smaller scale.

Marci Miles, Utah Tennis Association, said they need this facility. They can support this facility with tournaments and leagues. There are currently no indoor courts from 5400 South to Lehi. They need more tennis courts right now. Mr. Thayne said they are proposing 15 courts, including 8 indoor courts.

Mr. Thayne said the Sports Mall is packed every day. His understanding is that South Jordan also gets requests for a tennis facility. Strategic Services Director Tingey concurred. Mr. Thayne said they anticipate South Jordan residents receiving a discounted membership (estimated at 20-25 percent).

Councilman Newton said why not buy 9 acres behind the park? There is 20 acres back there. Councilman Seethaler said because this proposed property is owned by the city.

Mr. Thayne said they have always talked about the city contributing the 9 acres, meaning they would lease the property from the city. Their group would raise the money and lease the structure. They can't move forward until they have something from the city indicating support. He said they are ready to move onto the next step.

Councilman Newton asked what are the proposed trip counts on 11400 South? Development Services Director Klavano said he is not sure. The master plan shows the road going to 4 lanes in 2025, after the second round about. Councilman Newton said this facility may accelerate the timeframe. Mr. Klavano said they have not done a traffic analysis on this use. The traffic for this facility may be off peak. Mr. Klavano said another consideration is the high water table, and some soils issues.

Councilman Newton asked if they have considered parking under the building, partially buried? Mr. Thayne said they are open to anything. Kevin Miller, GFCS, said for the day to day use, there isn't a lot of traffic because there are only a couple of people on each court. He said they are ¾ of the way there on parking already. Underground parking is more expensive and there are concerns about the water table.

Mayor Alvord noted that there is a small playground on the property currently. Strategic Services Director Tingey said the pavilion is the most used part of the park. The grass is used for informal

soccer practices. He said it is the most underutilized 9 acre park in the city. He said that is because they have 50 acres on the other side where most people go. It does serve as a buffer to the residents from the commercial.

Councilman Newton said he would like to see traffic projections for the use. He is concerned about the effect on 11400 South. He feels they could move the bowery and playground across the street.

Councilman Seethaler said they can give their support to this, subject to getting answers on geo tech, traffic issues, engineering, soils, land tests, zoning, etc. Councilman Newton said he likes the idea but traffic is a major factor. He may not love the idea after that.

Mayor Alvord asked what is their comfort level on the land lease proposal? This would no longer be a public park. Councilman Seethaler said his comfort level is high. Councilman Shelton said he likes the proposal, but he thinks they will have a battle with the citizens over this project. Councilman Newton said the property off Redwood Road would be far more ideal. Mayor Alvord said unlike Mulligans, this land has already been developed.

Councilman Seethaler said if they feel it is the right thing for the city, they need to get energy behind it and move forward. If it's not the right thing, they need to let this group know.

Mayor Alvord said he feels there would be less public push back on this proposal than Mulligans. He feels public opinion needs to be considered because it is public land. He feels it is a worthy project.

Councilman Newton said the City Council supports the project. In the process of moving forward, they need to answer the transportation issue. He feels the park issue can be handled. They need to get some realistic answers. Mayor Alvord said the roads are already planned for expansion. He thinks the transportation issue can work itself out.

Mayor Alvord said they need to get the opinion from the two missing Council members and understand the controversy it can stir. He feels it would be beneficial to meet with the full Council and so they can move forward with more confidence. He said he thinks something should be done through the PIO, and they need to get some feeling from the residents on the issue. Councilman Shelton suggested some open houses on the issue.

Councilman Newton said they can have a public hearing in the next City Council meeting. Mr. Thayne said they still have high hurdles on their end. They have to raise \$15 million for the project. They discussed doing a letter of intent to tie up the property while this group does their due diligence. CM Whatcott said the city already gave an endorsing letter. They will get the letter out again and make the language as strong as the city is comfortable. Mr. Thayne said they are ready to go to the next step.

Mr. Thayne said he is not quite ready to draft a land lease document.

Mayor Alvord said if they vet this with the public, they can give an assurance that there won't be any interference from the city.

Jim Morse said they can work through the engineering issues. This is a signature piece of property. He could not be more excited to be part of this project.

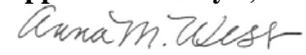
Councilman Seethaler said this group will need a deal if they are going to bring in sophisticated investors. He said he is okay involving the public with open houses. The question isn't if this should come here or not. They should say they have decided to have this come here, and ask for opinions on traffic issues, etc.

Staff will work with this group on the letter of intent.

ADJOURNMENT

The work meeting adjourned at 6:09 p.m.

This is a true and correct copy of the June 16, 2015 Council Study meeting minutes, which were approved on July 7, 2015.


South Jordan City Recorder

South Jordan City

Business License Fee Study 2015 Update



Utah Code - Business License Fees

Utah code states that fees charged reflect the amount necessary to reasonably regulate business activity, including the costs of disproportionate or enhanced levels of municipal services required by some business classes, geographic locations, etc.

Business Licensing Costs

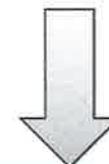


Base Administrative Costs

Costs common to all types of businesses incurred to register, oversee, maintain records and regulate licensed businesses within the City.



1. Direct Costs
Salary
Benefits
Department Overhead



2. Indirect Costs
Executive & Legislative
Treasurer & Legal
Administrative
Building & Non-Departmental

Base Administrative Costs

Direct Costs

Direct costs include labor costs (salary & benefits) and department overhead costs

<i>EMPLOYEE COSTS BY DEPARTMENT</i>	<i>DIRECT COSTS PER MINUTE</i>
Business Licensing	\$0.62
Planning & Zoning (General Business)	\$0.65
Planning & Zoning (Home Occupation)	\$0.57
Building	\$0.43
Building (Review)	\$1.09
Ordinance Enforcement	\$0.50
Fire (Fire Marshall Inspections)	\$1.16
Police (Application Review)	\$1.59

Base Administrative Costs

Indirect Costs

Indirect costs include services provided to all departments including general building and non-departmental expenditures

<i>DEPARTMENT</i>	<i>TOTAL INDIRECT COSTS</i>
Executive & Legislative	\$2,024,721
Human Resources	\$427,387
Facilities	\$1,066,081
Finance & Legal	\$2,315,739
Risk Management	\$629,379
Information Services	\$1,026,008
Other	\$1,551,580
<i>Total Indirect Costs</i>	<i>\$9,040,895</i>

Base Administrative Costs

Fixed and Variable Costs

Fixed Costs - Services provided to each department regardless of size.

Total Fixed Costs = Approximately 13 percent of total indirect costs
 $\$9,040,895 * 13.42 = \$1,213,479$

Variable Costs - Services provided to each department based on department size.

Total Variable Costs = Approximately 87 percent of total indirect costs
 $\$9,040,895 * 86.58 \text{ percent} = \$7,827,415$

<i>SUMMARY OF FIXED AND VARIABLE COSTS</i>	
Fixed Indirect Costs	\$1,213,479
Variable Indirect Costs	\$7,827,415

Base Administrative Costs

Indirect Costs

<i>INDIRECT COSTS ALLOCATED BY DEPARTMENT</i>	<i>FIXED</i>	<i>VARIABLE</i>	<i>TOTAL INDIRECT COSTS</i>
Court	\$134,831	\$237,194	\$372,025
Community Development	\$134,831	\$395,324	\$530,155
Building	\$134,831	\$592,986	\$727,817
Fire	\$134,831	\$1,897,555	\$2,032,386
Police/Compliance/Animal Services	\$134,831	\$2,292,879	\$2,427,710
Public Works	\$134,831	\$869,713	\$1,004,544
Engineering	\$134,831	\$672,051	\$806,882
Fleet	\$134,831	\$197,662	\$332,493
Parks	\$134,831	\$672,051	\$806,882
Total	\$1,213,479	\$7,827,415	\$9,040,894

Base Administrative Costs

Direct and Indirect Costs

<i>EMPLOYEE COST BY DEPARTMENT</i>	<i>DIRECT COST PER MINUTE</i>	<i>INDIRECT COST PER MINUTE</i>	<i>TOTAL COST PER MINUTE</i>
Business Licensing	\$0.62	\$0.42	\$1.04
Planning & Zoning (General Business)	\$0.65	\$0.42	\$1.07
Planning & Zoning (Home Occupation)	\$0.57	\$0.42	\$0.99
Building	\$0.43	\$0.39	\$0.82
Building (Review)	\$1.09	\$0.39	\$1.47
Ordinance Enforcement	\$0.50	\$0.39	\$0.89
Fire (Fire Marshall Inspections)	\$1.16	\$0.34	\$1.50
Police (Application Review)	\$1.59	\$0.34	\$1.92

Base Administrative Costs

<i>SERVICE</i>	<i>TIME MINUTES</i>	<i>COST PER MINUTE</i>	<i>COST</i>
<i>Commercial-New Application Seasonal</i>			
Business Licensing	65	\$1.04	\$67.60
Planning & Zoning	8	\$1.07	\$8.56
Building			\$12.61
Compliance			\$14.53
Billing	5	\$0.98	\$4.90
Police (Application Review)	5	\$1.92	\$9.60
Fire Inspection (Base Cost)	50	\$1.50	\$75.00
Supplies			\$1.12
Total Cost			\$193.92

SJC currently charges a base fee plus an employee fee for commercial licenses, making it hard to compare fees under the current system with the proposed fees.

Base Administrative Costs

<i>SERVICE</i>	<i>TIME MINUTES</i>	<i>COST PER MINUTE</i>	<i>COST</i>
<i>Home Occupation-New Application</i>			
Business Licensing	145	\$1.04	\$150.80
Planning & Zoning	5	\$0.99	\$4.95
Fire (Phone Inspection)	15	\$1.50	\$22.50
Police (Review Application)	3	\$1.92	\$5.76
Compliance			\$14.53
Supplies			\$1.12
Total Cost			\$199.66
Current Fee			\$47

Base Administrative Costs

SERVICE	COST
<i>Other – New Application</i>	
Salon Chair	\$91.78
Vending	\$91.78

Base Administrative Costs

<i>SERVICE</i>	<i>TIME MINUTES</i>	<i>COST PER MINUTE</i>	<i>COST</i>
<i>Commercial-Renewal</i>			
Business Licensing	22	\$1.04	\$22.88
Compliance			\$5.37
Fire Inspection (Base Cost)	50	\$1.50	\$75.00
Supplies			\$1.75
Total Cost			\$105.00

Base Administrative Costs

<i>SERVICE</i>	<i>TIME MINUTES</i>	<i>COST PER MINUTE</i>	<i>COST</i>
<i>Home Occupation-Renewal</i>			
Business Licensing	22	\$1.04	\$22.88
Compliance			5.37
Supplies			1.75
Total Cost			\$30.00
Current Fee			\$47.00

Base Administrative Costs

SERVICE	COST
<i><u>Other - Renewal</u></i>	
Salon Chair	\$24.63
Vending	\$24.63

Selected Comparative Fees

See comparative fees handout



Disproportionate Services Cost

Disproportionate Regulatory Costs

Additional services required by business license administration, police and fire departments for regulated businesses such as nursing homes, daycare facilities, restaurants, etc.

Total Business License Costs - Renewal

<i>TYPE</i>	Total Minutes for Fire Inspection	Cost per Minute	Total Cost	Amt. Included in Base Administrative Cost	Disproportionate Regulatory Cost
Big Box	960	\$1.50	\$1,440.00	\$75.00	\$1,365.00
Department Store	480	\$1.50	\$720.00	\$75.00	\$645.00
Home Occupation Day Care & Food Assembly	65	\$1.50	\$97.50	\$22.50	\$75.00
Home Occupation with Customers Excluding Day Care	30	\$1.50	\$45.00	\$22.50	\$22.50

Disproportionate Services Cost

Disproportionate Service Call Costs

Level of 911 calls to South Jordan's City's Police & Fire Departments for services required by businesses compared to the level of services required by non-rental residences. The level of police, fire and EMS services required by non-rental residences is the "base" level of services (base call ratio).

The number of calls above the base level is the disproportionate level of service generated by business classes in South Jordan.

Disproportionate Services Cost

Base Call Ratios

<i>HOUSING TYPE</i>	<i>AVERAGE POLICE</i>	<i>AVERAGE FIRE</i>	<i>AVERAGE EMS</i>
Non-Rental Homes, Condos, PUD's	5,057	293	631
Total Number of Units	14,475	14,475	14,475
Base Call Ratio	0.3494	0.0202	0.0436

Enhanced Services Cost

Based on information provided by South Jordan, the City does not currently have Enhanced Services Costs.

Total Business License Costs - New

<i>TYPE</i>	<i>BASE ADMINISTRATIVE COST</i>	<i>DISPROPORTIONATE REGULATORY COST</i>	<i>DISPROPORTIONATE SERVICE CALL COST</i>	<i>TOTAL COST (NOT INCLUDING ALCOHOL LICENSE)</i>
Assisted Living (per bed)	\$193.92		\$40.18	\$193.92 + \$40.18/bed
Automotive	\$193.92		\$617.58	\$811.50
Banks	\$193.92		\$928.91	\$1,122.83
Business & Professional	\$193.92		\$138.95	\$332.87
Contracted Services	\$193.92		\$49.67	\$243.59
Convenience Store	\$193.92		\$1,274.79	\$1,468.71
Department Store	\$193.92	\$645.00	\$4,012.53	\$4,851.45
Entertainment	\$193.92		\$2,466.75	\$2,660.67
Fitness & Recreation	\$193.92		\$9,537.90	\$9,731.82
Fast Food	\$193.92		\$1,100.25	\$1,294.17
Food/Restaurant (w/o alcohol)	\$193.92		\$317.66	\$511.58
Food/Restaurant (w/alcohol)	\$193.92		\$1,358.72	\$1,552.64
Golf Course	\$193.92		\$389.90	\$583.82
Grocery Store	\$193.92		\$7,064.57	\$7,258.49
Lodging (<100 rooms) (per room)	\$193.92		\$83.44	\$193.92 + \$83.44 per room

Total Business License Costs - New

<i>TYPE</i>	<i>BASE ADMINISTRATIVE COST</i>	<i>DISPROPORTIONATE REGULATORY COST</i>	<i>DISPROPORTIONATE SERVICE CALL COST</i>	<i>TOTAL COST (NOT INCLUDING ALCOHOL LICENSE)</i>
Lodging (>= 100 rooms) (per room)	\$193.92		\$13.43	\$193.92 + \$13.43 per room
Small Manufacturing & Distribution	\$193.92		\$19.07	\$212.99
Large Manufacturing	\$193.92		\$1,320.51	\$1,514.43
Medical	\$193.92		\$574.75	\$768.67
Movie Theater	\$193.92		\$12,738.03	\$12,931.95
Personal Services	\$193.92		\$242.02	\$435.94
Retail - Small (< 15,000 sq ft)	\$193.92		\$203.98	\$397.90
Retail - Large (15,000 - 80,000 sq ft)	\$193.92		\$1,990.56	\$2,184.48
Retail - Big Box (> 80,000 sq ft)	\$193.92	\$1,365.00	\$10,812.70	\$12,371.62
Home Occupation	\$199.66		\$0.00	\$199.66
Home Occupation Day Care & Food Assembly	\$199.66	\$75.00	\$0.00	\$274.66
Home Occupation w/Customers	\$199.66	\$22.50	\$0.00	\$221.16
Apartments (4+)	\$118.92		\$15.83	\$118.92 + \$15.83/unit

Total Business License Costs -

<i>TYPE</i>	<i>BASE ADMINISTRATIVE COST</i>	<i>DISPROPORTIONATE REGULATORY COST</i>	<i>DISPROPORTIONATE SERVICE CALL COST</i>	<i>TOTAL COST (NOT INCLUDING ALCOHOL LICENSE)</i>
Assisted Living (per bed)	\$105		\$40.18	\$105 + \$40.18/bed
Automotive	\$105		\$617.58	\$722.58
Banks	\$105		\$928.91	\$1,033.91
Business & Professional	\$105		\$138.95	\$243.95
Contracted Services	\$105		\$49.67	\$154.67
Convenience Store	\$105		\$1,274.79	\$1,379.79
Department Store	\$105	\$645.00	\$4,012.53	\$4,762.53
Entertainment	\$105		\$2,466.75	\$2,571.75
Fitness & Recreation	\$105		\$9,537.90	\$9,642.90
Fast Food	\$105		\$1,100.25	\$1,205.25
Food/Restaurant (w/o alcohol)	\$105		\$317.66	\$422.66
Food/Restaurant (w/alcohol)	\$105		\$1,358.72	\$1,463.72
Golf Course	\$105		\$389.90	\$494.90
Grocery Store	\$105		\$7,064.57	\$7,169.57
Lodging (<100 rooms) (per room)	\$105		\$83.44	\$105 + \$83.44/room

Total Business License Costs -

<i>TYPE</i>	<i>BASE ADMINISTRATIVE COST</i>	<i>DISPROPORTIONATE REGULATORY COST</i>	<i>DISPROPORTIONATE SERVICE CALL COST</i>	<i>TOTAL COST (NOT INCLUDING ALCOHOL LICENSE)</i>
Lodging (>= 100 rooms) (per room)	\$105		\$13.43	\$105 + \$13.43/room
Small Manufacturing & Distribution	\$105		\$19.07	\$124.07
Large Manufacturing	\$105		\$1,320.51	\$1,425.51
Medical	\$105		\$574.75	\$679.75
Movie Theater	\$105		\$12,738.03	\$12,843.03
Personal Services	\$105		\$242.02	\$347.02
Retail - Small (< 15,000 sq ft)	\$105		\$203.98	\$308.98
Retail - Large (15,000 - 80,000 sq ft)	\$105		\$1,990.56	\$2,095.56
Retail - Big Box (> 80,000 sq ft)	\$105	\$1,365.00	\$10,812.70	\$12,282.70
Home Occupation	\$30		\$0.00	\$30.00
Home Occupation Day Care & Food Assembly	\$30	\$75.00	\$0.00	\$105.00
Home Occupation w/Customers	\$30	\$22.50	\$0.00	\$52.50
Apartments (4+)	\$30		\$15.83	\$30 + \$15.83/unit

SOUTH JORDAN TENNIS FACILITY





INTRODUCTION

- TEAM MEMBERS
 - CITY OF SOUTH JORDAN
 - DAVID THAYNE
 - JIM MORSE
 - SCOTT HOWELL
 - MARCE MILES (UTA)
 - STEVE BOWERS
 - GSBS ARCHITECTS
 - KEVIN MILLER
 - CIVIL SCIENCE INFRASTRUCTURE, INC.
 - PAUL SIMS



MATERIALS

- SOUTH JORDAN TENNIS FACILITY OVERVIEW
 - EXECUTIVE SUMMARY
 - MANAGEMENT TEAM
 - BOARD OF DIRECTORS
 - COMPETITIVE EDGE
 - LETTER OF RECOMMENDATION
 - SALES STRATEGY
 - MANAGEMENT SUMMARY
 - FINANCIAL PLAN
- PROFIT AND LOSS PROJECTIONS
- LAYTON CONSTRUCTION PROJECT OVERVIEW
 - LAYTON CONSTRUCTION COMPANY OVERVIEW
 - GSBS COMPANY OVERVIEW
 - PROJECT BUDGET



BRIEF HISTORY

- SEE A NEED - HISTORY
- APPROACH THE CITY OF SOUTH JORDAN
- CITY INVOLVEMENT
- PROJECT FEASIBILITY / E. SUMMARY
 - MEET ARCHITECTS, ENGINEERS AND CONTRACTORS
 - LEWIS YOUNG ROBERTSON AND BIRMINGHAM, INC



WHAT WE ARE PROPOSING

- WHAT WE ARE BUILDING
 - STATE OF THE ART FACILITY - INDOOR/OUTDOOR
 - CREATE A LEGACY – ATP
 - SPECIAL SITE FOR EVERYONE
- LETTER OF UNDERSTANDING SHORT TERM
- LETTER OF UNDERSTANDING LONG TERM
- STRATEGIC PARTNERSHIPS (CORPORATE)
- COMMUNITY OUTREACH
- QUESTION AND ANSWER

SOUTH JORDAN TENNIS FACILITY



PRESENTED BY:

David Cruz Thayne

310.924.1020

davidthayne@gmail.com

Jim Morse

801.949.7934

jimmorse9@gmail.com

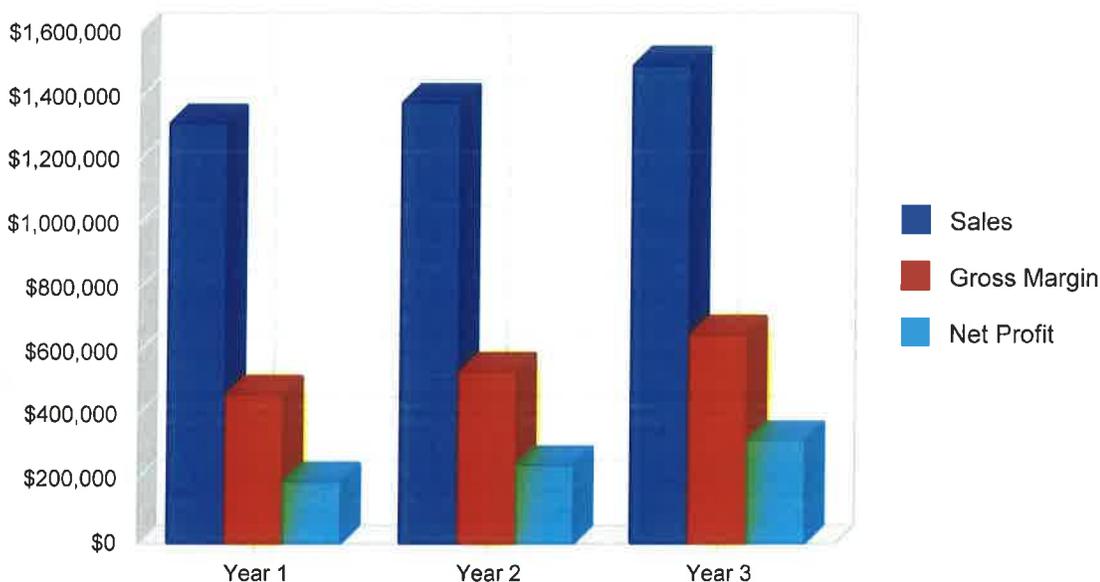
1.0 Executive Summary

The proposed tennis facility in South Jordan, Utah will be equipped with 15 outdoor courts, 8 permanent indoor courts, a 4,000 seat outdoor stadium court overlooking the beautiful Wasatch Mountains, 2 outdoor clay courts, indoor running track, indoor spa, and 50,000 sq. feet of mixed use commercial space that will be home to like-minded business like sports doctors, chiropractors, sports massage therapists, trainers, tennis pro shop, juice bar, and popular restaurants.

The facility will play host to world-class professional tennis tournaments, national, state and local tournaments. It will also be home to a major professional tennis franchise (think Utah Jazz version of the tennis world). Along with a 4,000 seat outdoor stadium tennis court that doesn't exist anywhere else in Utah.

The location is in the river parkway on the 9 acres south of lifetime fitness. Because of this location the facility becomes an amazing add on to what is already there and it creates a very natural "Sports Park". Across the street you have a bike path that connects you from Provo to Farmington, next door you have lifetime fitness facility with their swimming pools and top notch work out facilities, across from there you have outdoor basketball courts, parks, picnic areas, fishing ponds and up the street you have Soccer city. We believe we are that final piece of the puzzle that can make it an incredible sports park and gives the residents of South Jordan a much-needed indoor tennis facility. You combine this with a "dream team" to own and operate it with a partner like the city of South Jordan you have a recipe for incredible long-term success.

Highlights



2.0 Management Team

Jim Morse

Jim Morse is a commercial real estate developer with 25 years of experience. Jim was the creator of the gateway to South Towne of Utah and is the owner and developer of the two towers at Jordan South Towne.

Jim has sat on several advisory boards including American Indian Services, American Israel Board and V3 Computer Technologies. He is also a principal with Recovery Ways, a drug and rehab treatment program in Utah.

David Thayne

David began his tennis career in SLC, Utah in the mid 1980's. He quickly became one of

Utah's top junior tennis players. In 1989-90 David was the number one player in the state of Utah in singles and doubles. With only three years of play, David won the high school state championship for Cottonwood High School and was the two time Utah Summer Games gold medalist.

After high school David began his professional playing career that lasted eight years. He competed in such places as India, the Philippines, Canada, Mexico and Uruguay where he was chosen for the Davis Cup there; plus, he played a number of tournaments in the USA.

After competing professionally, David settled in and began teaching at the Malibu Racquet Club in Malibu, California. Word quickly spread and David created a clientele that included the top movie directors, producers, actors and actresses in Hollywood as well as many CEO's of major Fortune 500 companies. David remained at the Malibu Racquet Club for a total of 18 unblemished years. He now has his own private practice on courts in Malibu.

David has also produced three award winning tennis documentaries which include: In 2008, Somay Ku: A Uganda Tennis Story (sold to the Tennis Channel). In 2009, 50,000 Balls (sold to ESPN) and in 2012, Behind These Walls (sold to the Tennis Channel). David is currently producing his first Feature Film entitled "A Terrible Splendor".

David also ran for Congress in 2012 and has assisted many others over the years in their pursuit of public office. David has been married for 20 years and has four children.

3.0 Board of Directors

3.1 Scott Howell Biography

Scott Howell was born and raised in Utah and graduated from the University of Utah.

Scott spent 34 years with IBM Corporation managing worldwide teams. His career started in Sheridan, Wyoming as a salesman where he achieved 145 percent of his annual quota and named "Rookie Salesman of the Year" for IBM Western US. During those five years in sales Scott achieved the highest awarded sales accomplishment by attending five "IBM Golden Circle" events. This included the top one percent of all IBMers worldwide in sales. His wife particularly enjoyed this accomplishment as they were hosted at events in Bermuda, Puerto Rico, Hawaii, and Europe. Scott was then transferred to Atlanta, Georgia where he managed the training of the entry-level salesmen. After living in Atlanta for five years he was promoted back to Utah as a Marketing Manager. His team was recognized as one of the leading revenue and profits producers in IBM US. Scott was then promoted as the director of California for all of Public Sector. He is known throughout IBM as "Mr. Deal Maker" as his team closed the largest service contract, which was over \$800 million to the IBM Corporation. Scott was chosen as one of the elite sales leaders and attended a yearlong course at Harvard Business School. He also attended the Wharton School of Business "Master Deal Maker" course, where he was recognized number one in his class for his creative talents to close major business deals. Scott retired after 34 years with IBM and still continues to pursue "the art of the deal" as a consultant.

Scott recognizes the need to give back and was elected to the Utah State Senate in 1990. He served the people of Utah for three terms. For eight years he served as the Senate Minority Leader. He utilized his unique business skills to focus on critical issues, including health care, transportation, public safety, tax reform, and public education. He sponsored legislation, which supported vehicle registration and the use of digital signatures for on-line documents.

Scott has served on many boards including Intermountain Health Care, State Legislative Leaders Foundation, United States Internet Council, Utah Symphony, Salt Lake City Olympic Organizing Committee, United Way, American Diabetes Association, and Granite Bay High School's Booster Lacrosse Club. He is currently serving as a director for Sutter Health Care, the largest non-profit health care organization in the United States.

Internationally, Scott is recognized as a "Smart Cities" advocate, working to shape the future of the world's cities, governments, and business in today's technology revolution. Scott has delivered speeches and presented to the government of Australia, Japan, Italy, Latvia, and China.

Among his many titles and board positions, the one Scott enjoy most is that of "DAD" and GRANDPA."

Scott and his wife Linda are the parents of four sons, four daughters-in-law and five grandchildren.

3.2 Joachim Gfoeller Biography

Mr. Joachim Gfoeller, Jr. is a General Partner at GMG Capital Partners L.P, a venture capital investment firm. He co-founded the firm with Mr. David Mock in 1997. Prior to co-founding GMG, Mr. Gfoeller was one of the founding partners of Stolberg Partners, which was established in 1993. At Stolberg Partners, he had extensive experience investing in the private equity middle market, particularly in the manufacturing and distribution industries. Prior to Stolberg Partners, Mr. Gfoeller served as a Vice President of Weiss, Peck & Greer from 1988 to 1993 and as a partner of its buyout group from 1992 to 1993. From 1983 to 1986, Mr. Gfoeller was with the First National Bank of Boston as a Credit Officer and Workout Specialist, working in the United States and Latin America.

Mr. Gfoeller is a director at OpenPeak, Inc., a leading software development company in the mobile enterprise management space. Previously, Mr. Gfoeller served on the Board of Directors of Flanders Filters, Inc, Iverify, Inc, Lancope, Inc, Phobos Corporation and StorageApps, among other companies.

In addition to his professional responsibilities, he is a Member of the Council on Foreign Relations and is an active supporter, through the Gfoeller Foundation, of archaeology projects in Armenia. Mr. Gfoeller speaks Spanish, Portuguese, and German. He received an M.B.A. in finance from the Wharton School at the University of Pennsylvania in 1988, an M.A., with honors, in Economics and Latin American Studies from the Johns Hopkins School of Advanced International Studies in 1983, and a B.A., magna cum laude, Phi Beta Kappa, in International Studies from The Ohio State University in 1981.

3.3 Lance D'Ambrosio Biography

With over 25 years of experience in sales, marketing, finance, and management, Lance began his career working for companies such as Xerox, Savin, and Paine Webber. At Savin, Lance became a franchise operator, later selling his interests and continuing his entrepreneurial efforts by founding two start-up telecommunications companies; Transworld Telecommunications, Inc. ("TTI"), a wireless cable operator; and Convergence Communications, Inc. ("CCI"), a facilities-based communications company, where he raised over \$500 million of debt and equity. At TTI and CCI, Lance completed over \$200 million of acquisitions, acted as Chairman and CEO, running TTI as a public company. Sprint (NYSE: S) acquired TTI in 1999 for \$210 million and Comsat International, Inc., a subsidiary of Lockheed Martin Corporation (NYSE: LMT), acquired CCI in 2003.

In 2000, Lance was named an Ernst & Young "Entrepreneur of the Year" for his success in developing and building CCI. In 2002, Lance became the Chairman and CEO of DAG, a group of new car franchises that generated over \$40 million per year in revenues. In 2007 Lance sold the new car franchises to join Jeff Gentry to pursue opportunities in the energy and mining industries.

Lance earned a Bachelor of Business Administration from the University of Utah with degrees in both Marketing and Business Management.

3.4 Brandon Fugal Biography

Brandon Fugal is a prominent business leader, recently recognized as the #1 Agent Globally within Coldwell Banker Commercial. As co-founder and primary principal of the Regional offices of Coldwell Banker Commercial, his leadership has been critical to his firm being recognized for 11 years in a row as the #1 Office Internationally for the bran (out of 220 offices), where he serves as chairman.

He was recently named CCIM 2013 Utah Office Broker of the Year, for the second year in a row. During the past 12 months alone, Fugal leased over 1,000,000 square feet, negotiation 90 office lease transactions (in addition to numerous building and land sale transactions.) As the only agent to truly bridge and dominate the office market in every county along the Wasatch Front, Brandon has developed unmatched marketing intelligent - delivering bottom line results for hundreds of clients.

Brandon has developed a sterling reputation as a trusted advisor and business infrastructure expert on a national, regional, and localized basis. Recognizes and an authority in business, Mr. Fugal has been interviewed and featured in the Wall Street Journal, Money Magazine, Real Estate Forum, Commercial Property News, Real Estate Executive Magazine and Utah Business. This past year he was featured nationally as on the Real Estate Forum's Top 40 under Forty and a Top National Dealmaker. In the past Fugal was recognized as the "Kind of Commercial" by Real Estate Executive Magazine. Utah Business has recognized Fugal as one of the 100 Most Influential in Utah.

Prominent transactions have included the sale of Cottonwood Corporate Center for \$110 Million to CalPERS, Pleasant Grove I-15 Interchange (140 acre master planned development), Thanksgiving Point commercial development (120 acre master planned development), Station Park (1 Million Sq. Ft. Transit Oriented Development at I-15 in Farmington), Traverse Mountain (117 acre, 2 Million Sq. Ft. master planned commercial center) and the landmark RiverPark Corporate Center, totaling over 1.7 million square feet on 120 acres-Utah's largest corporate park.

Clients have included companies such as Energy Solutions, Charles Schwab, Northwestern Mutual Life, H&R Block, Fusion-io, Novell, Ancestry.com, EDS (now HP), Franklin Covey, RC Willey, At Task, Nature's Sunshine, Verisk Analytics and Xactware.

In addition to his activities in the commercial real estate industry, Fugal serves on the Utah Valley University Foundation Board, and as an executive advisor and board member with Cypher Corporation, NAVITUS Sustainable Industries, Ancient Historical Research Foundation (AHRF) and Thanksgiving Point -where he currently co-chairs the effort for the Museum of Natural Curiosity.

4.0 Market Analysis Summary

Research has indicated that ideal market for a tennis complex is near urban area's close to neighborhoods with large concentrations of upper- to middle-income bracket population. The lack of competition in the market allows for the tennis complex to have access to customer bases well beyond the 20 to 30 mile radius that other entertainment/fitness facilities look for.

South Jordan Tennis Complex

The easy highway access via interstate 15 help immensely with increasing the effective customer base radius as well.

5.0 Competitive Edge

We believe our seasoned management team, our board of directors, our partnership with city of South Jordan, our location and a demand for such a facility gives us a competitive edge.

5.1 Milestones

From day one the city of south Jordan has made it very clear that they would love to have this kind of world class tennis facility in the city but at this time the city has no money to contribute to this potential tennis complex. The one thing the city does have is vacant land that is deemed "for recreational use only" and some of that land is not being utilized for the best use for the residents of South Jordan. The city has discussed that they would be willing to lease the land to our management team as the cities capital contribution to this project. Some kind of lease agreement needs to be reach between the Management team and the city of South Jordan for a lengthy period of time for example 99 years at a nominal fee example of \$1.00 a year. This would insure the project to be a cash flow positive and a success. Once an agreement is worked out we will move forward in raising the capital, overseeing the building, then running it on a day-to-day basis and overseeing its success.

Table: Milestones

Milestones				
Milestone	Start Date	End Date	Budget	Manager
Lease of the land from the city of South Jordan	9/1/2014	10/31/2014	\$0	David Thayne
Raising Capital in order to build the facility	11/1/2014	11/1/2015	\$0	David Thayne
Begin construction of tennis facility	11/1/2015	9/1/2016	\$0	David Thayne
Completion of facility	9/1/2016	9/1/2016	\$0	David Thayne
Run and operate	9/2/2016	9/2/2016	\$0	David Thayne
Totals			\$0	



Utah Tennis Association
2469 E. Fort Union Blvd. Suite 104
Salt Lake City, Utah 84121
www.utahtennis.com

June 4, 2015

To Whom It May Concern:

I am writing on behalf of David Cruz Thayne to fully support his efforts to build more tennis courts in the Salt Lake area. As Executive Director of Utah Tennis, I see every day how much need exists for additional tennis facilities, particularly indoor courts in the area.

Currently, every facility in the Salt Lake area is “crunched” for courts. The demand is high for junior programming, adult programming, tournaments, leagues and special events. For most of the facilities, it is not a matter of trying to keep the courts full, but rather a problem of trying to find space at their facility to fit programs into the small court availability that exists. The courts are maxed out. Most of the facilities, both private and public, would like to offer more programming, but there simply is no place to put the program – there are no courts.

As the Tennis Operations Supervisor at a public facility in Park City for 6 years, I tracked the court usage for every day of the year. The courts were at least 80% full during most of year during prime time, with the indoor season showing many days at complete capacity. Although the outdoor season offers more courts, there are still too few courts for the population. Utah Tennis Association continually works to grow the sport for all providers in the area, however, our biggest obstacle is finding courts where we can bring in big events, or more socials for the public. Currently, no club is willing to add events to their schedule because their members feel that the courts are already too booked. There simply are not enough indoor and outdoor courts in the Salt Lake area.

In addition – the area from I-215 down to Provo only has 1 facility with indoor courts – and again, they are completely sold out. When we receive phone calls from people new to town, looking for somewhere to play, there is an enormous gap in facilities between I-215 to Provo and nowhere are there any indoor facilities west of I-15. A new facility in this area would be an incredible asset to the community.

Utah Tennis Association is a huge proponent of more tennis facilities in the Salt Lake area. We would love to help in any way to bring a new facility to Salt Lake. With a partnership with David Thayne, a person who knows the tennis industry thoroughly, we could help bring in events for out-of-state players at all levels, recreational through professional. We could increase the number of juniors and adults who find joy in tennis – the sport of a lifetime.

Please feel free to call me for any input. I would be happy to assist.

Thank you for your time,

Laurie Lambert

Executive Director

Utah Tennis Association

Telephone (801) 944-USTA (8782) * Fax (801) 944-8810

6.1 Letter of Recommendation



John Wall
Senior Vice President
Coldwell Banker Commercial
6550 South Millrock Drive, Suite 200
Salt Lake City, Utah 84121

Bus 801.947.8300
Fax 801.947.8301

July 11, 2014

This letter is in reference to expectations involving new commercial office space development located in South Jordan, Utah next to RiverPark Corporate Center.

Please note, lease rates can vary significantly depending on numerous factors for office space. Key factors can include quality of improvements, location and access to name a few.

In my professional opinion you can expect to achieve \$21 to \$24 per square foot, Full Service lease rates for Class A product in South Jordan. This of course is dependent upon the factors that I listed above.

I would anticipate absorption of 50,000 square feet to take approximately 6 to 12 months after receiving the buildings Certificate of Occupancy given the markets absorption history in South Jordan, Utah during the past 24 months.

Overall Salt Lake Suburban vacancy rates continue to decrease moving from 8.30% in 2012 to 7.21% in 2013. Most projects that have been built on a speculative basis have had significant pre-leasing in the construction period before the building was completed. In the first quarter of 2014 approximately 39.0% of the newly constructed space was pre-leased. I feel you can expect to achieve similar success with pre-leasing for this project especially given the lack of new product coming online in the next 12 to 18 months.

If you have any questions, please do not hesitate to call or email.

Regards,

Jordan M. Wall

A handwritten signature in black ink, appearing to read 'Jordan M. Wall', written in a cursive style.

7.0 Sales Strategy

We plan to provide world-class facilities and events for the tennis community that people at all levels of tennis expertise will appreciate. We feel that we can offer a winning combination of great service, friendly staff interaction and competitive prices.

The main sources of revenue will be from club memberships (monthly dues), renting of indoor court time and renting out of our 50,000 sq. feet of commercial space. The other sources of revenue will be from billable court time and tennis lessons provided by onsite professionals.

8.0 Management Summary

Our business philosophy is based on mutual respect for all contributions made by our participating or limited partners, investors, consultants, and employees without regard to their position held in the business. Those who work with us will learn to enjoy and trust our partnership environment, because we all strive to create an environment that enables us to work smarter and all suggestions are valued, appreciated and rewarded.

We will also work toward establishing community involvement programs that will demonstrate how our business can contribute to a better quality of community life. Facilities like ours will help civic groups obtain their financial goals (by offering fundraising events); working with schools, churches, and non-profit groups on programs for mutual benefit.

9.0 Financial Plan

The following chart (Highlights Planned) sets forth the businesses anticipated profitability analysis. Management believes that even minimal revenues should be sufficient to offer investors an acceptable return on investment.

9.1 Break-even Analysis

Twelve-month profit and loss projection

South Jordan Tennis Facility Fiscal Year Begins Jan-17

	IND. %	Jan-17	%	Feb-17	%	Mar-17	%	Apr-17	%	May-17	%	Jun-17	%	Jul-17	%	Aug-17	%	Sep-17	%	Oct-17	%	Nov-17	%	Dec-17	%	YEARLY			
Revenue (Sales)																													
Leased Office Space		75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	75,000	51.9	900,000	51.6
Membership Dues		27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	27,750	19.2	333,000	19.2
New Initiation Fees		8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	8,583	5.9	103,000	5.9
Court Rental Revenue		10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	10,800	7.5	129,600	7.5
Lesson Revenue		5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	5,833	4.0	70,000	4.0
Tournament & League		4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	4,833	3.3	58,000	3.3
Jr. Academy		7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	90,000	5.2
Special Events		4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	4,167	2.9	50,000	2.9
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue (Sales)		144,467	100.0	1,733,600	100.0																								
Gross Profit		144,467	100.0	1,733,600	100.0																								
Expenses																													
Salary expenses		55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	55,000	38.1	660,000	38.1
Payroll expenses		8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	8,250	5.7	99,000	5.7
Credit Card Processing Fees		4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	4,334	3.0	52,008	3.0
Bonus/Incentive Pay		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Supplies (office and operating)		1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	1,250	0.9	15,000	0.9
Repairs and maintenance & snow removal		500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	6,000	0.3
Advertising		2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	2,500	1.7	30,000	1.7
Car, delivery and fuel		500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	6,000	0.3
Accounting and legal		500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	6,000	0.3
Facility Expense		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0.0	0	0	0.0
Telephone/Internet		800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	800	0.6	9,600	0.6
Utilities		7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	90,000	5.2
Insurance		8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	8,000	5.5	96,000	5.5
Taxes (real estate, etc.)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Web/Software/Hosting		350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	4,200	0.2
Health Insurance		7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	7,500	5.2	90,000	5.2
Total Expenses		96,984	67.1	1,196,808	69.0																								
EBITDA		47,483	32.9	536,792	31.0																								

Twelve-month profit and loss projection

South Jordan Tennis Facility Fiscal Year Begins Jan-18

	IND. %	Jan-18	%	Feb-18	%	Mar-18	%	Apr-18	%	May-18	%	Jun-18	%	Jul-18	%	Aug-18	%	Sep-18	%	Oct-18	%	Nov-18	%	Dec-18	%	YEARLY			
Revenue (Sales)																													
Leased Office Space		75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	75,000	43.7	900,000	43.7
Membership Dues		41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	41,500	24.2	498,000	24.2
New Initiation Fees		8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	8,646	5.0	103,750	5.0
Court Rental Revenue		15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	15,000	8.7	180,000	8.7
Lesson Revenue		6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	6,667	3.8	80,000	3.8
Tournament & League		7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	7,250	4.2	87,000	4.2
Jr. Academy		11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	11,250	6.6	135,000	6.6
Special Events		6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	6,250	3.6	75,000	3.6
		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue (Sales)		171,563	100.0	2,058,750	100.0																								
Gross Profit		171,563	100.0	2,058,750	100.0																								
Expenses																													
Salary expenses		55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	55,000	32.1	660,000	32.1
Payroll expenses		8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	8,250	4.8	99,000	4.8
Credit Card Processing		5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	5,147	3.0	61,763	3.0
Fees		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Bonus/Incentive Pay		1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	1,250	0.7	15,000	0.7
Supplies (office and operating)		500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	6,000	0.3
Repairs and maintenance & snow removal		2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	2,500	1.5	30,000	1.5
Advertising		500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	6,000	0.3
Car, delivery and fuel		500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	500	0.3	6,000	0.3
Accounting and legal		0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0	0.0	0	0	0.0
Facility Expense		800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	800	0.5	9,600	0.5
Telephone/Internet		7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	90,000	4.4
Utilities		8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	8,000	4.7	96,000	4.7
Insurance		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Taxes (real estate, etc.)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Web/Software/Hosting		350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	350	0.2	4,200	0.2
Health Insurance		7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	7,500	4.4	90,000	4.4
Total Expenses		97,797	57.0	1,206,563	58.6																								
EBITDA		73,766	43.0	852,188	41.4																								