

Executive Summary of the Strategic Business Plan for the Arizona National Golf Club

Arizona National is a prestigious daily fee golf course in Southern Arizona within the Sabino Springs Community located in the northeast section of Tucson in the Santa Catalina foothills.

Amenities include:

- A Championship caliber golf course providing magnificent desert and mountain challenge, by renowned Architect Robert Trent Jones Jr. Golf Digest frequently ranks this course as one of the top courses in greater Tucson and among the top 10 public play courses in the state.
- Clubhouse: A Casual yet well-appointed space, ideal for relaxing before or after a round to absorb the beautifully maintained course with breathtaking views.
- Practice Facility: A functional area with driving ranges, putting greens, and short game practice areas designed for players to hone their skills and provide golf professionals the opportunity to teach and stage clinics for residents and the general public.
- Bar and Grill: Casual yet stylish dining with indoor and outdoor seating, providing golfers and guests with a variety of simple but tasty food and beverage options.
- Beverage and snack cart operational 7 days per week. (seasonal fluctuations)
- On course F & B service between # 9 -10
- Outdoor Event Venue: Scenic locations for hosting weddings, corporate events, and other special occasions, often with views of the golf course and surrounding desert landscapes.

Mission statement:

At Arizona National Golf Course, our mission is to provide a sustainable/viable golf business with the purpose of preserving the value of the homes in the neighborhood while providing an amenity for the homeowners in Sabino Springs. Our goal is to provide an enjoyable golfing experience for players of all skill levels while, at the same time, maximizing the profit potential of Arizona National. Nestled in the heart of Southern Arizona, we celebrate the beauty of the Sonoran Desert while fostering a diverse community of golfers. By maintaining exceptional course conditions, Arizona National provides competitive yet affordable rates, and a welcoming atmosphere. We aim to promote a love for the game, respect for the environment, and the enjoyment of a relaxed yet challenging golf experience.

Vision Statement:

Our vision at Arizona National Golf Course is to be recognized as one of Southern Arizona's premier daily fee golfing destinations, where players of all levels can enjoy a premium golf experience amidst the breathtaking desert landscape. We strive to set the standard for excellence at the course designed by renowned Robert Trent Jones Jr. We promote environmental stewardship, and community engagement, fostering a space where the love of golf meets the spirit of the Southwest. Through continuous improvement and innovation, we aim to inspire golfers and residents alike, making every visit to the course and clubhouse enjoyable.

Vision Support Goals:

At Arizona National, we strive to be a premier daily fee golf facility that delivers exceptional experiences to our community while ensuring long-term financial sustainability.

Financial Goals:

To support this vision, we must maintain a balanced operating budget through prudent fiscal management, flexible operational policies, appropriate pricing, and maximizing both primary and ancillary revenue streams.

Revenue: We will continually seek to maximize our primary revenue streams and search out ways to increase revenue from golf outings, banquets, corporate events, and resident annual pass/loyalty programs, provided that the ancillary streams do not diminish the the profitability of our main revenue stream.

Reserves: We will build and sustain a robust financial reserve to provide security against economic fluctuations and fund future capital improvement needs. Our target is to grow reserves annually through a combination of cost management and strategic investments in revenue-generating initiatives.

The goals to funding reserves sufficiently include:

- A. Increase EBITDA (cash flow) to a minimum of \$300,000 annually. Use those funds to fund small projects and unforeseen repairs and maintenance as opposed to using the special assessment funds for those purposes.
- B. Bank the special assessment funds net of debt service (approximately \$360,000 in 2024) in reserves to fund future major projects.

Capital Improvement Goals:

Regularly invest in golf course improvements, modernized facilities, and environmentally responsible practices, ensuring the long-term appeal and viability of the course to all visitors.

Social and Community Goals:

1. **Amenities:** Provide social and recreational amenities, such as dining, meeting spaces, and events, to foster a welcoming environment for both golfers and non-golfers. We aim to be more than a golf course - offering a place for community engagement, relaxation, and recreation.
2. **Community Engagement:** Partner with local organizations, schools, and businesses to promote golf education, junior golf programs, and community outreach initiatives, ensuring that the game is accessible to all ages and skill levels.
3. **Sustainability & Environmental Stewardship:** Operate with a commitment to environmental sustainability, including water conservation, native landscaping, and reduced energy use, enhancing the natural beauty of the course while promoting eco-friendly practices.

The Grill

The Bar & Grill at Arizona National is a welcoming space designed to support both golfers and community residents. The goal is to provide simple, but good pub style food and beverages.

Sustainable Business Model

The Grill is not a traditional restaurant as its primary purpose is to provide food and beverages to golfers. To ensure long-term financial stability and serve the needs of our smaller customer base, we will operate with limited hours (seasonal fluctuations) primarily when golfers are on the course. This will allow us to service our customers while balancing the business requirements necessary to support our fiscal responsibly.

However, The Grill is also in a unique position to cater to residents for community functions and special events as desired, several times a year. The Grill also supports outings, banquets, and corporate events.

Whether you're winding down after a game of golf or meeting up with friends and neighbors, the Grill provides a relaxed casual setting for social interaction.

By combining financial strength with community services and a sustainable focus, we will create a golf course that thrives as both a premier sports venue and a hub for social and community activities.

Business Environment Public/Daily Fee Courses

Opportunities and Challenges

The environment for public golf clubs is characterized by both opportunity and challenge. The surge in interest in golf, partly driven by post-pandemic lifestyle shifts, has created an influx of new and returning golfers. However, economic pressures, such as inflation and rising operational costs, present challenges for many facilities.

Clubs must balance maintaining affordability while offering competitive services. The success of public courses today hinges on their ability to innovate in customer experience, diversify revenue streams, and remain competitive with private counterparts.