

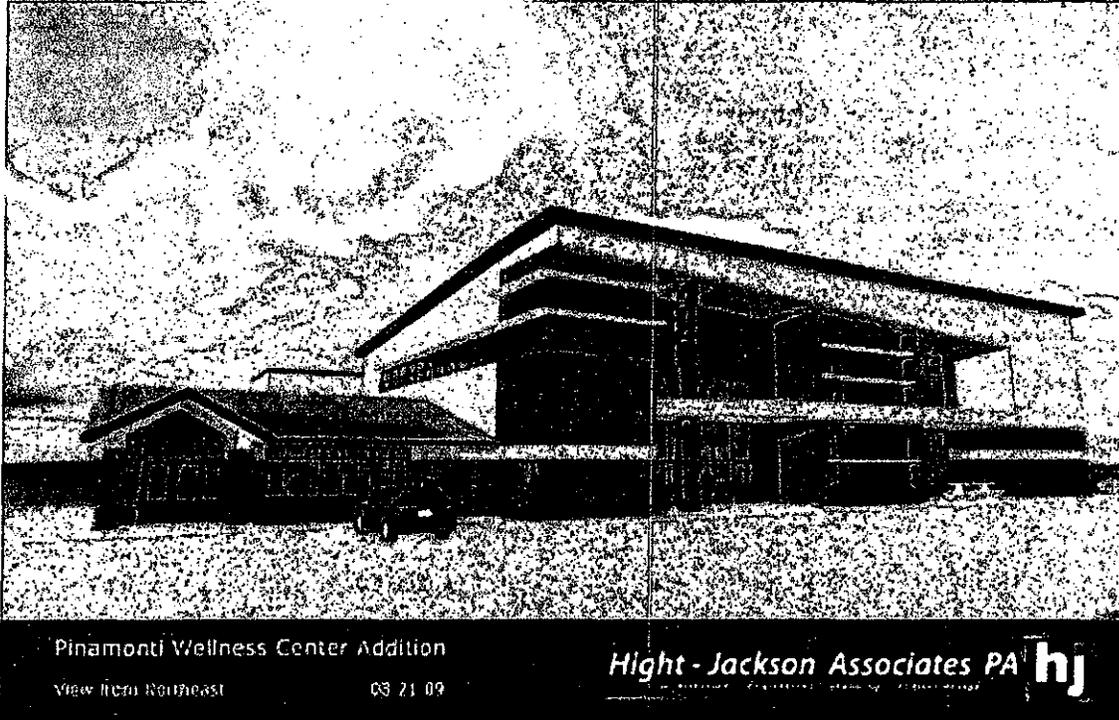
Economic Development Advisory Committee
Wednesday, March 13, 2013
Pittsburg Area Chamber Board Room
10 a.m.

AGENDA

1. Additions to the agenda
2. Consent calendar
 - a. Approval of February 13, 2013 minutes
3. Old business
 - a. Meadowbrook West project
4. New business
 - a. Pinamonti Physical Therapy
 - b. Façade grant request
5. Director's report
6. Adjournment



Pinamonti Physical Therapy/ Wellness Center





Prepared for: City of Pittsburg/University Bank

Prepared by: Brian Pinamonti

Rough Draft

March 8, 2013

Project Funding

The proposed financial funding of this expansion includes a 12-month construction line of credit, followed by end loan financing utilizing the SBA 504 program. The total anticipated cost of the project is approximately \$5,200,000. University Bank will provide a \$4,500,000 construction line of credit, we are asking the City of Pittsburg for an injection of \$550,000. Brian and Gina Pinamonti will be providing the land (\$300,000 value) for the expansion as well as \$230,000 through cash and equity. After construction, University Bank will offer an end loan through the purchase of Industrial Revenue Bonds for \$2,623,500 with a 20-year fixed-rate. The SBA will also fund their portion of \$1,844,150 with a 20-year fixed rate SBA 504.



Executive Summary

Objective

Pinamonti Physical Therapy has identified a need to expand our services to Pittsburg and the surrounding communities by adding approximately 26,000 square feet to our existing facility. This facility will cost \$5,000,000 to complete and construction will take 12-14 months.

The expansion will center around a state of the art Physical Therapy Medical/Wellness Center that will be unique to Pittsburg and include the following amenities: a \$300,000 Hydroworx pool (aquatics therapy), massage therapy suites, indoor walking track, fitness rooms, a pediatric treatment room, full service locker rooms, and a snack bar. The facility will also feature over \$300,000 worth of Technogym fitness equipment/software, which will allow us to design and track workouts electronically for individuals or corporations.

Goals

The main goal of this facility will be to provide additional Physical Therapy/Aquatics Therapy and Wellness services to our local community that residents are currently traveling to Joplin or Galena to receive. This expansion will create approximately 29 new professional job opportunities over the first three years (we already added 1 Doctor of Physical Therapy) and possibly an additional 20 jobs within a 5 year period.

A need also exists to provide young professionals, companies, and the aging population with an all encompassing wellness center that will cater to their fitness needs. Pinamonti Physical Therapy will employ highly educated and licensed professionals to provide these medical and wellness services. This combination of services will allow us to educate our patients and clients on the benefits of wellness in a user-friendly environment. This facility has currently been in discussions with local physicians to offer additional wellness screens, blood work, and executive screens. A partnership of this kind will be very proactive and help build on the current growth of Pittsburg's medical community. A facility of this nature will also be a great recruiting tool for local



businesses to recruit young professionals to the area since they are used to facilities in cities such as Lifetime Fitness, 24-Hour Fitness, Gold's gym, and the like.

Solution

Pinamonti Physical Therapy, P.A., Pinamonti Orthodontics, and Trifecta Properties L.L.C. currently own the land for the future expansion. Pinamonti Physical Therapy has invested approximately \$50,000 in a new computer server, software, hardware upgrades, and equipment in order to accommodate the expanded services. In addition, Pinamonti Physical Therapy has completed an Economic Impact study and included market feasibility within this document. This data supports the expansion plans as well as economic benefits that Pittsburg and Crawford County will receive from a project of this magnitude. A summary of the impact is provided in the following Executive Summary.

Pinamonti Physical Therapy, P.A.
Appendix A - Executive Summary

	First 5 Years 2011 - 2016	Second 5 Years 2017 - 2022	10 Year TOTAL
City Revenues Generated:			
New City Sales Taxes Generated	\$227,329	\$256,826	\$484,155
Utility Tax Revenue	\$8,816	\$14,413	\$23,229
Franchise Fees	\$6,689	\$14,229	\$20,918
New Property Tax Collections	\$178,801	\$230,711	\$409,512
Total City Revenues	\$421,635	\$516,280	\$937,915
County Revenues Generated			
New Sales Tax Collections	\$157,636	\$201,905	\$359,541
New Property Tax Collections	\$188,434	\$239,547	\$427,981
Total County Revenues	\$346,070	\$441,452	\$787,522
Other Economic Benefits:			
Construction Jobs Created	34	0	34
Permanent Staff Jobs Created	29	0	29
Increase in Local Personal Income	\$4,309,339	\$4,736,907	\$9,046,246
Increase in Local Retail Spending	\$6,142,796	\$6,571,964	\$12,714,760
Addition to the Local Property Tax Base	\$4,076,411	33	\$4,076,444
New Business in USD \$150	15	0	15
New Additional Funding to USD \$150	\$788,089	\$481,914	\$1,269,993

Services

The following services will be available upon completion of the expansion:



- Additional space for **expanded Physical Therapy Services** would allow us to more than double the number of physical therapy patients we are currently able to see in a day.
- Addition of a **private pediatric treatment room** will allow Physical Therapists additional privacy when treating pediatric patients. This room will also be able to double as a nursery that will be utilized outside of physical therapy treatment hours and allow parents to workout in the Wellness Center before or after work without having to worry about childcare.
- **Aquatics Therapy** will be one of the most exciting services Pinamonti Physical Therapy will be able to offer with this expansion. We conservatively believe we will be able to accommodate 30+ aquatics therapy visits per day using the Hydroworx 2000 pool platform. These will be physician referred and insurance reimbursed visits. **This will be the first Aquatics Physical Therapy facility in Pittsburg.**
- **Aquatics classes** will be offered in the Hydroworx pool when the pool is not in use for aquatics therapy. The exciting part of the aquatics classes revolves around how many variations of classes we will be able to offer: Osteoporosis classes, balance classes for the geriatric population, sports training and recovery classes, functional movement swimming evaluations, low-impact water aerobics classes, low-impact walking classes, along with many others.
- **Indoor walking track** will be a service that will cater to everyone. Currently, PSU's recreational center has the only indoor walking track. However, that facility limits membership to PSU students and faculty. Pinamonti PT will be able to use the indoor track to treat our current patients, partner with local cardiologists to offer some form of cardiac rehab, offer walking memberships to the general public who only have an interest in walking on the track, offer performance training/speed/jump training classes, and start various community walking/running groups such as couch to 5K. There are many other possibilities for use that we are currently exploring and many opportunities to promote community wellness.
- **Massage Therapy**- Full-Service massage therapy will be available by appointment.



- **Wellness Center-** We are very excited about the possibilities of providing Pittsburg and the surrounding communities with a state-of-the-art Wellness Center. Private memberships will be made available to the general public and corporate wellness programs will target regional companies. This facility will set itself apart from other area fitness clubs by using Technogym Wellness Equipment. The Technogym brand prides itself in being the leader of technologically advanced fitness equipment. The technology will allow us to personalize fitness plans for

individuals or corporations as well as create a wellness community that keeps clients accountable and motivated. Staffing the facility with highly trained and certified health professional will create an atmosphere that will break the intimidation barrier that older adults often feel and increase the safety of all our members.

- Corporate Wellness will be one of our major target markets with this expansion. Corporate Wellness programs have been shown to increase productivity, reduce sick days, improve employee morale, and reduce healthcare costs. Pittsburg and the surrounding communities do not have anyone offering these types of specialized programs. The Technogym equipment will allow Pinamonti PT to track employee fitness and collaborate with a corporate representative regarding compliance.
- **Fitness classes** - a wide variety of fitness classes will also be able to be offered to members and non-members. Classes such as aerobics, Yoga, Pilates, Bootcamp, Geriatric land based classes for balance, posture, and cardiovascular fitness. Class development will be based on the interest of our members and training of our staff. We believe having the appropriately trained staff will be a major factor in the success and motivation/compliance of the members.
- **Titleist Performance Golf (TPI)** - Pinamonti Physical Therapy has the only level two certified medical professional within a two-hour radius of Pittsburg. Having a physical therapist on staff with these credentials allows us the ability to partner with Titleist and offer golf assessments, training, and seminars in conjunction with Titleist. We hope to use the expanded space to further develop our TPI programs and offer more classes and training options to the golfing community.
- **Full Service Locker Rooms** - for the busy professional or family our new facility will provide full-service locker rooms so our members will be able to use our facility no



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matter what their schedule. Having the ability to shower and return to work on their chaotic schedule will not be hindered by working up a good sweat at the gym.

- Wifi Cafe-** Getting the quick workout in before work or during lunch just got easier! The new facility will feature a small cafe that will offer a variety of beverages and health food options to get members on their way. We plan on testing various products/services in order to meet the expectations of our members and keep up with their busy lifestyles.

- Other Services-** The possibilities of a facility like this are limitless. Pittsburg and the surrounding communities have a serious health trend happening. Heart disease, Diabetes, and Stroke affect someone we all know. A medical facility of this magnitude can become a community hub and assist with the development of community-based wellness programs. Partnerships can be formed with the University, Via Christi, the local schools, and various churches or activities groups to form a more activity-based community. Additional walking/biking trails/parks could be focused on so our citizens will have safe places to exercise outdoors and in small groups. Classes can be offered to provide educational programs on various health related topics ranging from nutrition to disease and prevention.

Comparable business plans

There are currently no comparable business plans locally, which sets Pinamonti Physical Therapy apart from the local and regional competition. Several competitors are present in the market area, but they either offer physical therapy services or wellness, but not to the extent the proposed facility will. A list of those competitors and their offerings includes:

	Wellness/weight Training	Wellness Program	Physical Therapy	PT Clinics w/ Aquatics Therapy
Pittsburg:				
Pittsburg Family YMCA	X			
MAC Fitness, Pittsburg	X			
Burke's Gym, Pittsburg	X			
Pinamonti Physical Therapy		X	X	
Via Christi		X	X	
SEK Physical Therapy				X



Girard:			
Girard Medical Center		X	
Fort Scott:			
Mercy Hospital			X
Galena:			
Ortho 4-States		X	X
Joplin:			
Freeman Hospital		X	X
St. John's/Mercy		X	

Nationally, several examples of facilities exist which are similar to the one proposed by Pinamonti Physical Therapy. They include:

- Pinnacle Physical Therapy and Medical Wellness Center, Covington, WA (with three other WA locations): www.pinnacle-pt.com

Offers a variety of physical therapy, occupational and hand therapy, medical massage and wellness programs using the kinesis and smart key systems.

Integrates traditional medical care with proactive and preventative rehabilitation and wellness programs. Specialties in sports medicine, vestibular and balance therapy, the ASTYM system and custom orthotics.

- Water's Edge, The Dalles, OR: www.wellnessatwatersedge.com

Is a membership based health and lifestyle center which includes a wellness center, spa, medical services, and a bistro. Offers state-of-the-art equipment for cardio fitness, including treadmills, stationary bicycles, elliptical trainers and other equipment, cable strength equipment for strength training, and free weights.

- First Health of the Carolina, Pinehurst, NC (with five other NC locations): www.firsthealth.org

This is a private, non-governmental, not-for-profit care network located in Pinehurst, NC. The system serves 15 counties in the mid-Carolinas. System includes six fitness centers along with three hospitals, a heart center, rehab center, sleep disorder centers, dental clinics, family care centers, and other services. The



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fitness center offers medically based programs under the supervision of a medical doctor, along with physical therapists, personal trainers, and fitness coaches. The center includes a free-weight area, group exercise programs, aquatic center, swimming lessons, children's programs, nutrition services, and on-site spa services

Market

There continues to be a great demand for healthcare in the United States. Statistics show that there are 80 million Baby Boomers who are currently 70 1/2 years old with 90% of the healthcare dollars being spent in the last 10% of a person's life. People are living longer, physicians are performing more surgeries, and people are always going to be in need of physical therapy services: orthopedic, geriatric, pediatric, spine, and aquatics. These services continue to be in great demand in Pittsburg and that is

without the availability of local aquatics physical therapy. Pinamonti Physical Therapy currently schedules approximately 200 patient visits/week and sees an additional 100 Wellness clients weekly. In the last nine years, every time Pinamonti Physical therapy has hired a new professional we have grown because of the demand.

Market Area Demographics

The primary market area for the current physical therapy business as well as proposed operation is within a 10-mile radius of Pittsburg, with a secondary market area extending to a 25-mile radius. Complete demographic and income information for a 5-mile, 10-mile, and 25-mile radius of Pittsburg is included in the Appendix. Highlights are as follows:

- Population: over 32,000 individuals within a 10-mile radius, increasing to over 160,000 within a 25-mile radius.
- Age of population: median age is 33.7 years in the 10-mile radius with 23% of the population age 55+. For the 25-mile radius, median age is 36.6 years, with 25% aged 55+.



- Households: nearly 13,000 households within a 10-mile radius, over 65,000 for the 25-mile radius.
- Household income: median household income for a 10-mile radius: \$36,112, 25-mile radius: \$39,222.
- Per capita income: \$19,551 for a 10-mile radius, \$19,561 for a 25-mile radius.
- Employment: Approximately 15,000 employed in the 10-mile radius, with over 50% employed in the service industry, followed by 15% in manufacturing. For the 25-mile radius, over 72,000 employed with nearly half in the service industry, followed by 16% in the manufacturing and 12% in the retail trade.

Over half of those employed in the 10-mile radius are white collar workers, 27% blue collar, and 20% services. For the 25-mile radius, the percentages are comparable.

- Health Market Potential: 37% of the population in the 10-mile radius report to exercise 2+ times per week, either at home, at a club, or at other facility (not club), increasing to 40% for the 25-mile radius.
- Market Potential Index (MPI) : for the 10-mile radius, compared to the US average, is 62 for exercising at a club, 87 for exercising at other facility, and 94 for exercising at home. MPI for the 25-mile radius is comparable. (MPI is the relative likelihood of the adults in the specified trade area to exhibit certain consumer behavior or purchasing patterns compared to the U.S. An MPI of 100 represents the U.S. average.)
- Physical Therapy visits: for the 10-mile radius, one out of four residents visited a physical therapist in the last 12 months. Trends are comparable for the 25-mile radius.



Industry Trends

The American College of Sports Medicine (ACSM) annually conducts a survey that is designed to reconfirm, confirm or negate health and fitness trends in the commercial (for profit), clinical (including medical fitness), community (not for profit) and corporate sectors of the industry. Through this study, the top 20 trends in the industry are identified. The latest study was conducted in 2011, and reveals the top 20 trends. An explanation of each of these trends is includes:

1. Educated and experienced fitness professionals

Ties in with proposed expansion plans of Pinamonti Physical Therapy.

2. Strength training

3. Fitness programs for older adults

- Population: within a 5-, 10- and 25-mile radii of the Pittsburgh market area, approximately one-fourth of the population is aged 55 or greater.
- Income: for those in the 55-64 age range within the 5-, 10-mile radii, over one-half have household incomes of \$50,000 or more. Within the 25-mile radius, over 40% of those aged 55 or greater fall in this income range.
- For those in the 65-74 age range, about one-third within the 5- and 10-mile radii have household incomes of \$50,000 or more. This drops to about one-fourth of those in the 25-mile radius being in this income range.
- For those aged 75+, about one-fourth of those in the 5-,10-, and 25-mile radii have household incomes of \$50,000 or more.
- For other age groups:
 - 45-54 age group in each of the market radii, over 50% have incomes of \$50,000 or more and represent 11-14% of the population.
 - 35-44 age group in each of the market radii, over 40% have incomes of \$50,000 or more and represent 11-12% of the population.
 - 25-34 age group in each of the market radii, about 40% have incomes of \$50,000 or more and represent 13% of the population.



- Less than 25 years of age in the 5-, 10-mile radii, 10% have incomes of \$50,000 or more, increasing to 18% in the 25-mile radius, and representing 35-40% of the population.

4. Exercise and weight loss

In the 5-, 10- and 25-mile radii, approximately one-third of the population report to be presently controlling their diet, with about 6% reporting to use an exercise program for a diet method, and having a likelihood of using such a program of about 70 compared to the US average of 100.

5. Children and obesity

8-20% of the population in the 5-, 10-, and 25-mile radii is in the 0-14 age group

6. Personal training

7. Core training

8. Group training

9. Zumba and other dance workouts

10. Functional fitness

See #3 for information on the "older age groups"

11. Yoga

12. Comprehensive health promotion programming at the worksite

Interest has been expressed by several major employers in the Pittsburg area about corporate wellness. Please reference support letters from Rick Webb, Watco Companies; Ken Brock, Names and Numbers; Harvey Dean, Pitsco, and Pat Crossland, Crossland Construction.

13. Boot camp

14. Outdoor activities

15. Reaching new markets



This is in line with the proposed expansion of the facility and programming for Pinamonti PT.

According to a 2007 Fitness/Wellness industry report, technology will play a role in the market "by creating products that help keep track of clients, manage records, increase the fun factor, add motivational bells and whistles, and broaden accessibility. Computerized protocols can assess and clearly identify people at risk who can benefit from physical activity and other lifestyle programs. Programs, particularly in the workplace, can be targeted to the people who need them most. New software can aid in prescreening, records management and protection of confidentiality." Other technology advances mentioned include: high-tech, interactive fitness equipment, virtual reality programs, pedometers and computerized strength and cardio training equipment, low-impact equipment such as treadmills with slower and wider walking decks, innovative aquatic exercise equipment and specifically designed pools. All are developments which "can lead to market growth by providing the means to reach and serve formerly inactive people." (Source: "Fitness and Wellness intertwine: A Major Industry Rises", www.idealife.com/fitness-library/fitness-and-wellness-intertwine-major-industry-rises)

16. Spinning/Outdoor cycling

17. Sport-specific training

Sports is "big" in the targeted market area (5-,10-, and 25-mile radii), at the collegiate level, high-school and junior high levels, as well as year round sports programs for youth.

Currently, Pinamonti Physical Therapy has a highly trained therapist skilled in Selective Functional Movement Assessments (SFMA) and has certified strength and conditioning professionals on staff and will be hiring more with the proposed expansion.

18. Worker incentive programs

See #12 for interest from local employers or reference letters of support.



Total employees (2011 estimates) in the three target markets are:

5-mile radius = 13,855

10-mile radius = 15,538

25-mile radius = 82,372

19. Wellness coaching

20. Physician referrals

Referrals are currently received from local and regional physicians, especially orthopedic surgeons such as Ortho 4-States in Galena and Dr. Zafuta in Pittsburg. Potential exists to develop programs to appeal to other physician specialties such as cardiology. Several hospitals and clinics are in the market area, some of which provide some of the same services as does Pinamonti PT currently.

Historically 70% of Pinamonti Physical Therapy's patients have come from within the Pittsburg area. Pinamonti PT will be expanding our physical therapy services as well as adding aquatics therapy, massage therapy, corporate/private wellness, and fitness classes. These services will provide a local option to the in-town and out-of-town patients who are currently traveling to Joplin or Galena to receive those services not offered in Pittsburg. Ortho 4-States just recently added their third aquatics therapy pool. There are now four active aquatics therapy pools in the Joplin and Galena areas with none in Pittsburg. Therefore, Pittsburg residents being referred to aquatics therapy by their physicians are going out of town to receive those services. Via Christi recently broke ground on their new surgery center, which will increase the number of patients requiring physical therapy in the Pittsburg area. This facility will be available to handle the increased need for therapy services in order to keep the business local. We anticipate that with the addition of the Wellness Center, we will attract a significant amount of members who are looking for a facility of this type to meet their wellness expectations. In addition, people who work in Pittsburg, but live in Missouri will have the opportunity to join a local full-service wellness center in order to exercise before or after work.



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Pittsburg State University's Health/Human Performance lab and the Athletic Department have been in contact with Pinamonti Physical Therapy regarding the expansion. There has been much interest shown in partnering with the Health, Human Performance and Recreation Department on human performance projects, student internships, and possibly research. The Athletic Director has show great interest in partnering with Pinamonti Physical Therapy to assist in the development of specialized training programs for each sport and to help develop a more comprehensive sports medicine department. The addition of aquatics therapy will also allow injured student athletes to get back on the field sooner by providing them therapy services in and aquatic environment. The use of aquatics therapy can provide the student athlete to return to sports specific activities sooner by performing aquatics therapy and transitioning to land-based therapy.

Pricing Structure (prices are approximates):

Pinamonti Physical Therapy will continue to bill insurance for all physical and aquatics therapy services.

Massage Therapy services will be billed at \$65/hours a comparable rate for this area.

Personal Training/Performance training will be billed at \$50/hour.

Wellness memberships will vary in price structure depending on the level of membership purchases:

Monthly memberships are tentatively set as follows:

1 year contracts: Single \$45/month, Couple \$80/month, and Family \$100/month.

6-month contract: Single \$50/month, Couple \$90/month, and Family \$110/month.

Month-to-month: Single \$60, Couple \$100, and Family \$120

Fitness and aquatics classes will vary in price from \$15/class for members to \$30/class for non-members. Classes will run for 4 weeks.

Walking track memberships only \$25/month



Titleist Performance Institute (TPI) Golf:

Evaluation and Home Program \$99

1 visit 1-on-1 \$50

5 visits (1 per week) \$150

10 visits (1 per week) \$250

Long-Term TPI packages:

25 visits (6 months) \$600

50 visits (1 year) \$1000

Employment Opportunities and Timeline:

The size and scope of the current proposed expansion has the potential to create a significant number of new employment opportunities for Pittsburg. We anticipate that we will be able to create 30 new full and part-time jobs over the next three years with that potentially increasing to 50 over a five-year period. We will hire and phase these positions in based on the demand created by the new facility and services offered. A brief timeline and the positions we will be hiring for are as follows:

The first position we will be looking to fill will be a **Business Coordinator position**. The Business Coordinator will be responsible for human resources, marketing, and accounting for the entire operation. The Business Coordinator will initiate our marketing program throughout the construction phase to inform the community of what we are building, pre-sale memberships, schedule tours, use social media and public forums to market the project, and start interviewing potential employees.

We will then look to hire a **Facility Manager**. The Facility Manager will oversee the day-to-day operations of the Medical/Wellness Center. Responsibilities will include coordinating work schedules for fitness center employees, program/wellness development, overseeing the wifi cafe and coordination of aquatics classes to the general public.



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Healthcare professionals will then be added to our staff, starting with 1-2 Physical Therapists, and 2 massage therapists.

Fitness professionals: 2-3 fitness/yoga instructors, 1 aquatics fitness instructor, 2-3 gym techs.

Reception desk/clerical : 3-5 full-time for 7 day/per week coverage from 5am - midnight M-TH, 5am - 10pm F, 7am-8pm Sat, and 12-7pm Sunday.

Wifi Café: 3-5 Barista's to operate the Wifi Cafe 7 days per week.

Nursery attendants: 3-5 part-time attendants to watch children while parents workout.

Custodial Engineers: 2-3 custodial engineers to keep the facility/equipment running, clean, take care of the pool, and take care of the grounds.

The above employees would be where we would start the first year of operation. The number of **full-time employees** listed above would be in the neighborhood of **10-15**, with the rest being part-time. As the facility grows and expands services, so will our need to hire more professionals and facility personnel. Salaries would range from \$8-10/hr for part-time employees, \$12-15/hr for custodial engineers, \$30-45,000 for business coordinator and facility manager, \$25-35,000 for experienced massage therapist/yoga instructors, and \$65-80,000 for Physical Therapists.

The expansion concept that I have outlined in this plan will be very unique to Southeast Kansas or the Midwest for that matter. Physical Therapists are highly trained in the area of Anatomy/Physiology, Biomechanics, Functional Movement, and exercise just to name a few areas of our expertise. This concept will allow Pinamonti Physical Therapy to expand our services and help Pittsburg become the place to go to for physical therapy and wellness. There is no other company in the area that will be offering the same combination of services that Pinamonti Physical Therapy will be offering. This sets us apart from the competition and will define us as the leader in our field. We are excited to undertake this expansion project.

KNAUP, SUSAN B.

From: noreply@civicplus.com
Sent: Wednesday, March 06, 2013 5:48 PM
To: bbenson@pittsburgareachamber.com
Subject: Online Form Submittal: Revolving Loan Fund (RLF) Loan Application

If you are having problems viewing this HTML email, click to view a [Text version](#).

Revolving Loan Fund (RLF) Loan Application

I. GENERAL INFORMATION

Name of Applicant Firm*
Pinamonti Physical Therapy, P.A.
Firm Address*
1014 S. Mt. Carmel Place; Pittsburg, KS 66762

Date of Request (mm/dd/yyyy)*
03/06/2013
Firm Phone Number (xxx)xxx-xxxx*
620-235-1500

Names and addresses of all persons or corporation who would be obligated as either applicant or personal guarantors of loans:

Name
Brian W. Pinamonti
Name
Gina B. Pinamonti

Address
706 Mill Rd.; Pittsburg, KS 66762
Address
As above

Names and addresses of the principal officers and directors of this applicant:

Name
Brian W. Pinamonti
Name
Gina B. Pinamonti
Name

Address
As above
Address
As above
Address

Nature of applicant's business:
Private Physical Therapy Business

The products to be assembled or manufactured or service to be rendered:
Outpatient Private Physical Therapy, Aquatics Therapy, Massage Therapy, and wellness services.

Applicant's Attorney
William Morin

Phone Number (xxx)xxx-xxxx
620-232-3321

Applicant's Financial Advisor
J. Bradley Gibson

Phone Number (xxx)xxx-xxxx
800-829-5117

Applicant's Accountant
William Morin

Phone Number (xxx)xxx-xxxx
620-232-3321

Estimated amount of loan:*

\$550,000

Number of years to retire loan:*

20

List previous loans and credit references:

II. USE OF LOAN PROCEEDS

1. Amount requested for purchase of land:
2. Amount requested for land improvements (Buildings):
3. Amount requested for machinery and equipment:
4. Capitalized debt service:
5. Loan closing costs:
6. Working capital:
7. Other (specify):

0
3,620,000
640,000
180,000
125,000
200,000
387,000
5,152,000

TOTAL REQUEST:

III. LOAN PROPOSAL

1. Will the loan refinance an existing project?
2. Will the loan proceeds be used to expand or replace an existing facility?
3. Is the applicant presently located in the City of Pittsburg?

No
Yes
Yes

4. What type and size of building will be constructed?

5. Name and address of contractor and/or architect:

6. What type of equipment will be financed?

7. If the applicant will be in direct competition with local firms,

(a) Name of firms:

(b) Describe nature of the competition:

Approximately 25,000 sq. ft expansion onto Pinamonti Physical Therapy's existing facility
Crossland Construction and High-Jackson Architects
A \$300,000 Hydroworx Pool, \$300,000 Technogym Wellness Equipment/Software, and Office Furniture

Via Christi - Physical Therapy SEK
Physical Therapy YMCA MAC
Fitness

The expansion Plans revolve around our current business plan to offer more Physical Therapy services, Aquatics Physical Therapy, and Wellness to the community. We currently do offer all the services with the exception of aquatics. No facility in Pittsburg provides aquatics therapy; therefore, Pittsburg patients are traveling to Galena and Joplin to receive their aquatics therapy. This facility would be the only business in the area to offer all of these services under one roof, which will make this a very unique business for not only Pittsburg, but the Midwest.

IV. LOAN ANALYSIS

1. Has a financial advisor submitted an analysis indicating the need for the loan, the advisability of the loan or benefit to the applicant of the loan?

(If yes, please upload a copy to this application)

No

[]
Convert to PDF? []
(GIF, JPG, JPEG, PNG, DOC, DOCX, XLS, XLSX, TXT)

2. Has additional financing, whether internally generated or through other loans, been arranged?

(If yes, please explain)

3. Has the applicant investigated conventional financing?

Yes. This project has been approved by University Bank UB will be financing the project and we are requesting GAP financing in the amount of \$550,000 from the RLF.

V. PROPOSED LOCATION

1. Location of the proposed facility:

2. If the facility is a proposed expansion or replacement of another plant, stat size and location of current operations:

3. What percentage of the facility will be occupied by the applicant?

4. Is the prospective location properly zoned?

5. If a zoning change is pending, cite application number and present status. If application has not been made, briefly describe what change will be needed and plans for submitting application:

6. If unusual demands for water or sewer services or police or fire protection will be made, specify the demands:

Expansion onto 1014 S. Mt. Carmel Place

The proposed expansion will be to Pinamonti Physical Therapy, which is currently 2900 sq. ft. The expansion will approximately 25,500 sq. ft.

100%

Yes

N/A

N/A

VI. OWNERSHIP AND MANAGEMENT

1. Describe the organization structure of applicant (proprietorship, partnership, subsidiary, corporation, etc.):

(a) Note relationship to parent company:

2. What portion of the project is being financed from other company funds (in addition to this loan)? Please answer in dollar amount (\$xxx)

(a) Please explain:

This expanded portion will become an L.L.C

N/A

Other personal funds will be used

3. Describe all threatened or outstanding litigation:
4. Attach proforma statements for the first three (3) years of operation after issuance of the loan, including revenue projections, operating expense projections and a debt amortization schedule.

to infuse into the project
 None
]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)

VII. MEASURE OF ECONOMIC GROWTH AND BENEFIT

1. What dollar amount of sales is contemplated? 2,800,000
2. What percentage of sales will be sold locally? 100%
3. What is the estimated amount of merchandise and services purchased locally, per year?
4. How many people will the project employ?
 Professional: 9 Technical: 3
 Clerical: 3 General Labor: 2
8
5. Number of current full-time employees at applicant's present location: 8
6. What is the ratio of loan fund dollars to jobs created? 1:\$32,352

VIII. In order to facilitate the timely processing of the application, please upload as part of the proposal the following items:

1. Copies of applicant's financial statements for the past three years certified as correct by owner or authorized officer.]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)
2. Applicant's most recent annual or quarterly financial report.]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)
3. Interim financial statements, to date, for the current fiscal year.]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)
4. Financial statements, current to date, for each personal guarantor, on forms, certified by a Certified Public Accountant or the guarantor.]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)
5. Copies of both federal and state income tax returns filed by applicant and each personal guarantor during the past three years.]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)
6. In certain cases, due to the size of the loan, audited financials may be required.
7. Completed business plan with three year financial projections.]
 Convert to PDF?
 (GIF, JPG, JPEG, PNG, DOC,
 DOCX, XLS, XLSX, TXT)
8. Loan (if approved) must be personally guaranteed.

IX. Applicant should be aware that additional financial data shall be required if requested by the City Manager, City Attorney, or any other persons authorized by the City of Pittsburg, Kansas, including the Economic Development Revolving Loan Fund (Sales Tax) Committee (EDAC).

X. Attached hereto is a copy of the Collateral Requirements for the Economic Development Revolving Loan Fund (Sales Tax) for informational purposes. HOWEVER, APPLICANT ACKNOWLEDGES AND AGREES THAT SAID REQUIREMENTS AS WELL AS THIS APPLICATION ARE A SET OF GUIDELINES AND ANY OF THE PROVISIONS STATED THEREIN MAY BE WAIVED OR ADDED TO AT THE DISCRETION OF THE PITTSBURG CITY COMMISSION.

[RLF Collateral Requirements](#)

XI. EACH APPLICANT ALSO EXPRESSLY AGREES AND UNDERSTANDS THAT THE CITY'S MONETARY PLEDGE OF MONIES FROM THE FUND AND COMMITMENTS MADE IN ANY AGREEMENT SHALL BE CONTINGENT UPON THE CITY CONTINUING TO COLLECT THE ONE-HALF CENT CITY RETAILERS' SALES TAX; AND APPLICANT ACKNOWLEDGES THAT SAID SALES TAX MAY BE DISCONTINUED AS PROVIDED BY THE PROVISIONS OF K.S.A. 12-187 et. seq. AND AMENDMENTS THERETO, AT ANY TIME.

Email Address:*

brian@pnamontipt.com

* indicates required fields.

The following form was submitted via your website: Revolving Loan Fund (RLF) Loan Application

Name of Applicant Firm: Pinamonti Physical Therapy, P.A.

Date of Request (mm/dd/yyyy): 03/06/2013

Firm Address: 1014 S. Mt. Carmel Place; Pittsburg, KS 66762

Firm Phone Number (xxx)xxx-xxxx: 620-235-1500

Name: Brian W. Pinamonti

Address: 706 Mill Rd.; Pittsburg, KS 66762

Name: Gina B. Pinamonti

Address: As above

Name: Brian W. Pinamonti

Address: As above

Name: Gina B. Pinamonti

Address: As above

Name:

Address:

Nature of applicant's business:: Private Physical Therapy Business

The products to be assembled or manufactured or service to be rendered:: Outpatient Private Physical Therapy, Aquatics Therapy, Massage Therapy, and wellness services.

Applicant's Attorney: William Morin

Phone Number (xxx)xxx-xxxx: 620-232-3321

Applicant's Financial Advisor: J. Bradley Gibson

Phone Number (xxx)xxx-xxxx: 800-829-5117

Applicant's Accountant: William Morin

Phone Number (xxx)xxx-xxxx: 620-232-3321

Estimated amount of loan:: \$550,000

Number of years to retire loan:: 20

List previous loans and credit references::

1. Amount requested for purchase of land:: 0
2. Amount requested for land improvements (Buildings):: 3,620,000
3. Amount requested for machinery and equipment:: 640,000
4. Capitalized debt service:: 180,000
5. Loan closing costs:: 125,000
6. Working capital:: 200,000
7. Other (specify):: 387,000

TOTAL REQUEST:: 5,152,000

1. Will the loan refinance an existing project?: No
2. Will the loan proceeds be used to expand or replace an existing facility?: Yes
3. Is the applicant presently located in the City of Pittsburg?: Yes
4. What type and size of building will be constructed? : Approximately 25,000 sq. ft expansion onto Pinamonti Physical Therapy's existing facility
5. Name and address of contractor and/or architect:: Crossland Construction and High-Jackson Architects
6. What type of equipment will be financed?: A \$300,000 Hydroworx Pool, \$300,000 Technogym Wellness Equipment/Software, and Office Furniture

(a) Name of firms:: Via Christi - Physical Therapy
SEK Physical Therapy
YMCA
MAC Fitness

(b) Describe nature of the competition:: The expansion Plans revolve around our current business plan to offer more Physical Therapy services, Aquatics Physical Therapy, and Wellness to the community. We currently do offer all the services with the exception of aquatics. No facility in Pittsburg provides aquatics therapy; therefore, Pittsburg patients are traveling to Galena and Joplin to receive their aquatics therapy. This facility would be the only business in the area to offer all of these services under one roof, which will make this a very unique business for not only Pittsburg, but the Midwest.

1. Has a financial advisor submitted an analysis indicating the need for the loan, the advisability of the loan or benefit to the applicant of the loan?: No

(If yes, please upload a copy to this application): No file was uploaded

2. Has additional financing, whether internally generated or through other loans, been arranged? (If yes, please explain): Yes. This project has been approved by University Bank

3. Has the applicant investigated conventional financing?: UB will be financing the project and we are requesting GAP financing in the amount of \$550,000 from the RLF.

1. Location of the proposed facility:: Expansion onto 1014 S. Mt. Carmel Place

2. If the facility is a proposed expansion or replacement of another plant, stat size and location of current operations:: The proposed expansion will be to Pinamonti Physical Therapy, which is currently 2900 sq. ft. The expansion will approximately 25,500 sq. ft.

3. What percentage of the facility will be occupied by the applicant?: 100%

4. Is the prospective location properly zoned?: Yes

5. If a zoning change is pending, cite application number and present status. If application has not been made, briefly describe what change will be needed and plans for submitting application:: N/A

6. If unusual demands for water or sewer services or police or fire protection will be made, specify the demands:: N/A

1. Describe the organization structure of applicant (proprietorship, partnership, subsidiary, corporation, etc.):
This expanded portion will become an L.L.C

(a) Note relationship to parent company::

2. What portion of the project is being financed from other company funds (in addition to this loan)? Please answer in dollar amount (\$xxx): N/A

(a) Please explain:: Other personal funds will be used to infuse into the project

3. Describe all threatened or outstanding litigation:: None

4. Attach proforma statements for the first three (3) years of operation after issuance of the loan, including revenue projections, operating expense projections and a debt amortization schedule.: No file was uploaded

1. What dollar amount of sales is contemplated?: 2,800,000

2. What percentage of sales will be sold locally?: 100%

3. What is the estimated amount of merchandise and services purchased locally, per year?:

Professional:: 9

Technical:: 3

Clerical:: 3

General Labor:: 2

5. Number of current full-time employees at applicant's present location:: 8

6. What is the ratio of loan fund dollars to jobs created?: 1:\$32,352

1. Copies of applicant's financial statements for the past three years certified as correct by owner or authorized officer. : No file was uploaded

2. Applicant's most recent annual or quarterly financial report.: No file was uploaded

3. Interim financial statements, to date, for the current fiscal year.: No file was uploaded

4. Financial statements, current to date, for each personal guarantor, on forms, certified by a Certified Public Accountant or the guarantor.: No file was uploaded

5. Copies of both federal and state income tax returns filed by applicant and each personal guarantor during the past three years.: No file was uploaded

7. Completed business plan with three year financial projections.: No file was uploaded

8. Loan (if approved) must be personally guaranteed.:

Email Address:: brian@pinamontipt.com

Additional Information:

Form submitted on: 3/6/2013 5:48:20 PM

Submitted from IP Address: 24.248.160.21

Referrer Page: No Referrer - Direct Link

Form Address: <http://www.pittks.org/Forms.aspx?FID=56>



February 22, 2013

Mr. Brian Pinamonti
Pinamonti Physical Therapy, PA
1014 Mt. Carmel Place
Pittsburg, KS 66762

Dear Brian,

It is with great pleasure that University Bank offer its approval and support for your company's expansion project. University Bank has approved the construction loan request, with the total project amount to be \$5,228,000. You will be responsible for a 15% equity and cash injection on the total project amount, a total of \$784,200. The financing approval includes SBA 504 financing, and is subject to the SBA's approval.

You have inquired about Industrial Revenue Bonds that would be offered to and purchased by University Bank, in addition to the SBA 504 debenture funding of 35% of the project. The issuance of IRB's would most likely exempt or abate most of the real and personal property tax of the new real estate improvements and equipment financed by the bonds. This would aid in the overall cash flow of the large scale project. University Bank is committed to purchase all IRB's issued. We look forward to working with you, your contractor, the bond underwriters, the Business and Technology Institute at Pittsburg State University, and the City of Pittsburg on the project.

As Pittsburg's only locally owned bank, we share your enthusiasm for making our community a better place for its citizens. Thank you for your continued relationship, we appreciate your business.

Sincerely,

Jared D Turnbull
Vice President

To Whom It May Concern:

It was during a visit to Brian's office last Summer (2011) that he shared a dream that he had to enhance health options for individuals in Pittsburg and surrounding communities. He showed me concept drawings of a beautiful and multi-functioning facility that could provide for additional Senior assistive care; that could be used by corporations to provide health enhancing wellness programs of various kinds for their employees and families; that would increase the options for patients engaged in muscle, bone and structural renewal due to accidents, etc; and, a facility that could become another 'influencer' for individuals (medical, university, business) considering Pittsburg as a place to "put down their professional roots."

Obviously, I was impressed by the grand plan that was stirring in Brian's mind. Now, it appears that he has chosen to go forward with this great idea. Please support Brian as he moves to improve our great city and our citizen's health. Support his ideas, and support his requests for monetary assistance in all ways possible.

Thank you.

h

**Harvey Dean
CEO**

**Pitsco, Inc. "To lead educational change that positively affects learners."
915 E. Jefferson St, Pittsburg, KS 66762 • Office: 620.231.0000 • Mobile: 417.825.2204
Fax: 620.231.1339 • VM: 620.231.2424 Ext. 322
hdean@pitsco.com • www.pitsco.com**



Names and Numbers[®]

Five Star Phone Books!

March 8, 2012

Economic Development Committee
Pittsburg, KS 66762

Good Morning,

I am writing on behalf of Brian and Gina Pinamonti and the Corporate Wellness Facility they are proposing to build.

At Names and Numbers, Corporate Wellness is a major concern and one we invest a lot of time and money developing for our employees. We have a close working relationship with Via-Christi Medical Center and work regularly to keep our people healthy and fit. We have offered flu shots to our employees for many years and we do various health related seminars as well as numerous programs that promote weight loss (every year we have a biggest loser contest and significant bonuses for winning) and encouragement to stop smoking. Our health insurance provider also gets involved and provides incentives for some of these programs. We also offer exercise classes after work.

Anyway, at Names and Numbers we would be delighted to see a facility like the Pinamontis are proposing have a real chance of success in Pittsburg. We welcome the idea and would be most happy to have an opportunity to utilize a high end fitness center in the South part of Pittsburg.

Please accept this letter as an endorsement of this idea as well as a recommendation to provide whatever help you can.

Thank you very much for your consideration.

Sincerely yours,

Ken Brock



February 26, 2013

To Whom It May Concern:

As a lifelong resident of Pittsburg, graduate of Pittsburg State University and Pittsburg business owner, I wish to voice my support for the expansion of Pinamonti Physical Therapy. The proposed expansion will create a state-of-the-art wellness facility that will cater to the needs of the Pittsburg and surrounding communities.

Brian Pinamonti is a valuable leader within our community and his health and wellness knowledge are second to none. He and his staff have helped improve the health of many Watco Team Members, including myself, at his existing physical therapy facility. The proposed two story, 25,000 square foot expansion would not only allow Brian to grow his physical therapy services, but also add aquatics therapy, wellness services, personal training, indoor track, massage therapy and a variety of fitness classes. The facility would be very similar to that of 24 hour fitness gyms in Tulsa or Kansas City.

Equally important to our community's physical health is its economic health. The proposed expansion calls for the creation of 30 new jobs and will also create the opportunity for new relationships between the facility and local physicians, businesses and individuals. The expanded facility would host both the environment and staff to support corporate wellness programs, leading to a healthier community.

Pittsburg is a leader in Southeast Kansas for many reasons and the creation of a state of the art health and wellness facility such as this proposed project would help it maintain that leadership role. I request the City of Pittsburg do all it can to support this investment.

Sincerely,

Rick Webb
Watco Companies



Pittsburg Community Schools

Unified School District 250

March 4, 2013

Dear Pittsburg City Officials,

I would like to express my support for the expansion project being proposed by Brian Pinamonti. This project has the potential to offer many opportunities for our school district. The most exciting possibility is the potential to provide internships and job shadowing for our students who are interested in careers in the areas of physical therapy as well as health and wellness training.

Currently, we are in the process of expanding our Career and Technical programming to include added experiences in the medical field for our students. It is our belief that if we can provide students experiences within the City of Pittsburg so that they can realize the opportunities that exist in their hometown, they will be more likely to remain in Pittsburg as a career professional. This has a direct impact on our economic outlook within the community as well as developing a workforce for the future needs of Pittsburg.

Additionally, this expansion will provide our more than 600 employees another option to improve their overall health and fitness through the use of the proposed wellness facility. As we have developed our district health and wellness plans to align with the vision of Pittsburg, we have heard many times that our employees do not have access to quality wellness facilities and trainers. This expansion will provide them an additional option with facilities, equipment and trainers who can guide and support them toward a healthier and happier future.

I enthusiastically support Brian's proposal and hope that you will consider its potential for positive impact on the economic outlook of our community.

Sincerely,

Destry J. Brown
Superintendent – USD # 250



Pittsburg Community Schools

Unified School District 250
