

McKinney Gun Club

448 N. Custer Road

McKinney, TX 75071

February 25, 2013 / Revised 03.11.13 / Revised 04.01.13

Putnam Venture Partners, LLC dba McKinney Gun Club is submitting a Specific Use Permit Letter of Intent to build an Indoor Gun Range within the ML - Light Manufacturing (PD1741) property located at 448 N Custer Road, McKinney Texas 75071 as required by Resolution No. 2011-01-004 (R). This site is located on the east side of Custer Road (the main portion of the property is 384 ft east of Custer Rd. with a 5.0 ft wide strip connecting to the Custer Road ROW), approximately 900 ft north of Virginia Ave. This property was formerly "The Zone" and "Run Amok."

SITE AREA / DESCRIPTION

The 3.300 acres (according to survey and plat), 3.254 acres (according to Collin CAD), property is nearly surrounded by two other properties with similarly zoned ML - Light manufacturing businesses - Home Depot (South side), Republic Self Storage (North and East sides) and behind Sonic Restaurant (East side).

SPECIAL CONSIDERATIONS

Site is set back from Custer Road approximately 384 ft. It is surrounded by self-storage warehouses, a big box retail building, and restaurants. It is approximately 185 ft away from the property line of a multi-family residential development and approximately 253 ft away from the property line of a single-family residential development. The existing building on this site (which will completely house the intended use) is further set back from those property lines 37.5 ft and 75 ft respectively. Concrete masonry walls provide a barrier to these businesses on the North, South, and East sides of the building. The expansive parking lot provides a large buffer for businesses to the West.

PARKING ANALYSIS

The property contains 199 parking spaces, 52 on the North side, 42 on the South side, and 105 on the West side of the building which includes a total of 7 handicapped spaces. The specific parking requirement for an Indoor Gun Range is two parking spaces for each lane, ten spaces for each instructional classroom, and all other parking requirements as appropriate for office use and retail use within. Required parking will not exceed provided parking.

COMPANY SUMMARY

McKinney Gun Club will be a full-featured gun range with modern training facilities and complementary retail space for firearm and accessory sales much like our other gun range properties, The Bullet Trap in Plano, and the Frisco Gun Club. McKinney Gun Club will be highly successful due to our experience with the before mentioned facilities.

MISSION STATEMENT

To provide a positive experience to our customers and members in our upscale indoor shooting range and retail facility.

KEYS TO SUCCESS

- Promote our memberships program.
- Aggressively market and sell concealed handgun licenses (CHL) in our training classroom.
- Negotiate optimal agreements with the major suppliers that allow us to improve margins, hold down costs, and maximize the control and turnover of our inventory.
- Implement a state-of-the-art, computerized inventory management system and point of sale system to improve inventory turnover and tracking.
- Ensure through daily management practices that the values of the McKinney Gun Club mission are followed, so that a successful and growth-oriented business is developed and maintained.

MANAGEMENT

Christian Putnam, president and owner of The Bullet Trap Inc., Frisco Gun Club, LLC and Putnam Venture Partners, LLC, is a serial entrepreneur bringing to the McKinney Gun Club over 23 years of business experience. Mr. Putnam's retail supply chain expertise and prior business experience ideally suit Mr. Putnam as owner-operator of the McKinney Gun Club. As Founder and CEO of iSoft, Mr. Putnam successfully grew the retail B2B software company to 50 employees, 2,000 customers and raised \$5M in venture capital and secured a \$1.5m line of credit with Silicon Valley Bank. At iSoft he was personally responsible for selling Wal-Mart one of the industry's largest retail B2B software platforms, and positioned iSoft as Wal-Mart's official vendor of choice. Mr. Putnam also has 10 years experience in both operating and managing multiple business consulting companies. Mr. Putnam has acted as CEO for several startup companies including Malay Trading Company, a medical supply import/export company, Omega Industries, an industrial chemical distribution company, Cambridge Consulting, Intranet Database Systems, Classified Information Inc., and the Vera Technology Corporation. The business will be managed by owner Christian Putnam who will act as President and CEO. Mr. Putnam's high technology background, management experience, coupled with his entrepreneurial experience, makes him the ideal leader to drive this sporting goods retail endeavor.

THE BULLET TRAP & FRISCO GUN CLUB

Bullet Trap has experienced phenomenal growth in the past 5 years. In 2010, the Bullet Trap has generated verifiable pre-tax income of \$387,247 and total owner's benefit of over \$1,345,808. In 2011, the Bullet Trap generated verifiable pre-tax income of \$1,200,000 in net income and total owner's benefit of over \$1,345,808. This is a strong business that is positioned well for expansion into the new Frisco and McKinney locations. We believe the Frisco location can reach revenue levels of over \$15 million in the first year of operation. The new Frisco Gun Club is a \$9 million dollar project scheduled to open in August/September of 2013.

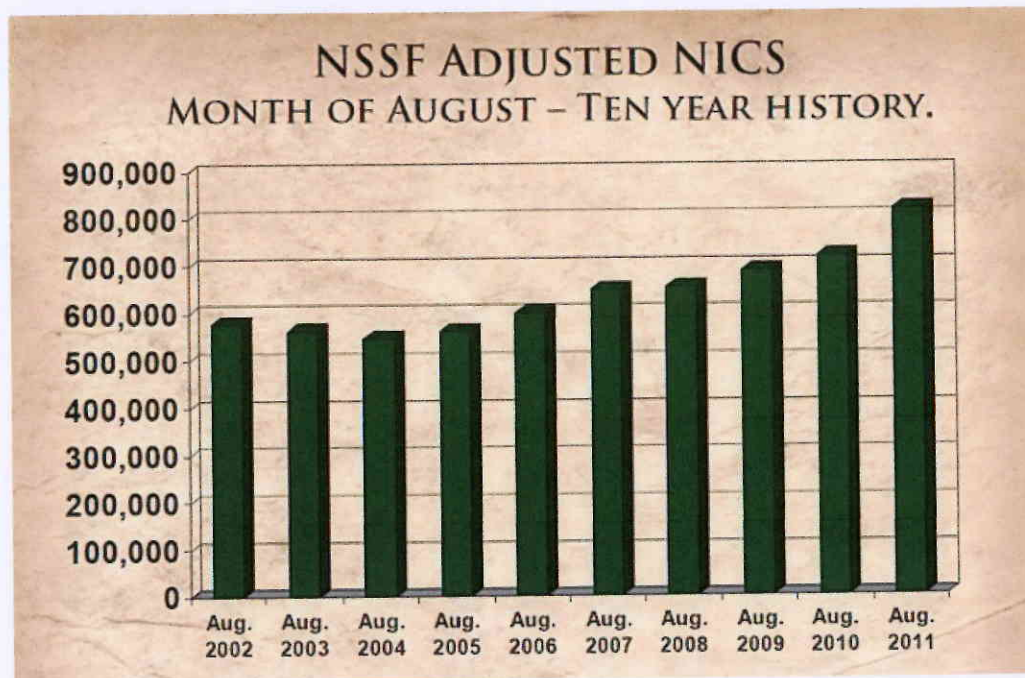
Comparison between the two facilities is below:

	Bullet Trap	Frisco Gun Club
# sf total	13,000	43,000
# sf retail	4,000	7,000
# handgun lanes	18	36
# rifle lanes	2 (25 yards)	4 (100 yards)
Classroom size	52	100
Land size	0.99 A.	4.3 A.
# memberships	2,500	5,500
Employees	23	44

We see an opportunity to serve the McKinney area shooting novice and firearms enthusiast looking for an experienced, safe facility in close proximity. We will offer an upscale environment, and an extensive assortment of firearms and accessories, classes for training and safety, an on-site café, and family friendly facilities. We will offer multiple 25 yard handgun lanes, and several variable rifles lanes

MARKET ANALYSIS

The National Shooting Sports Federation (NSSF) is the firearms industry lobby group that keeps track of everything gun business related. As you can see from the chart below, August firearms sales were up relative to any year over the last ten years. More specifically, "The August 2011 NSSF-adjusted National Instant Criminal Background Check System (NICS) figure of 815,858 is an increase of 13.5 percent over the NSSF-adjusted NICS figure of 718,971 in August 2010." Make the jump to see the 2008 "Obama surge" that set the pace for 2011. Sales of firearms have been resilient during recessionary times, and yet spending on firearms will increase with higher consumer confidence and personal disposable income.



HISTORY OF PROPERTY

In January 2011 another interested buyer submitted a request to the City of McKinney and received approval to add a new Zoning Requirement for an Indoor Gun Range as part of Resolution No. 2011-01-004 (R).

NOISE ABATEMENT

McKinney Gun Club will draw from it's significant experience with the Bullet Trap in Plano to insure that noise levels are kept at a minimum for this type of facility. Some research on noise levels as they relate to indoor gun ranges is below:

A study performed by the National Institute for Occupational Safety and Health Administration (OSHA) tracked sound pressure levels on indoor ranges. The study found sound pressure ranged from a 143 dB peak for a 12-gauge shotgun to a 166 dB peak for a .308 caliber rifle, with the average being a 150 dB peak.

This 150 dB level is 'Uncomfortably Loud' as depicted in Figure 1 below.

Figure 1: Relative Noise Levels

dB(a) Overall Level	Outdoor Noise Examples	Home and Industry Noise Examples
100 – 175 dB Uncomfortably Loud	<ul style="list-style-type: none"> - .308 Caliber Rifle (166 dB)☐ - Jetflyoverat1000feet (103dB)☐ - Bell J-2A helicopter at 100 ft (100 dB) 	<ul style="list-style-type: none"> - Riveting machine ... 110 dB - Rock band ... 108 - 114 dB
80 – 100 dB Very Loud	<ul style="list-style-type: none"> - Powermower (96dB) - Motorcycleat25ft...90dB 	<ul style="list-style-type: none"> - Newspaper press (97 dB) - Foodblender (88dB)☐ - Milling machine (85 dB)☐ - Garbage disposal (80 dB)
60 – 80 dB Moderately Loud	<ul style="list-style-type: none"> - Passenger car 65mph a t25ft (77dB)☐ - Freeway at 50 ft from pavement edge 10a.m. (76 dB)☐ - Air conditioning unit at 100 ft (60 dB) 	<ul style="list-style-type: none"> - Living room music (76 dB)☐ - Radio or TV-audio/vacuum cleaner (70 dB) - Cash register at 10 ft (65-70 dB) - Dishwasher (Rinse) at 10 ft (60 dB)☐ - Conversation (60dB)

Due to the extreme sound pressure levels experienced in the indoor range environment, shooters and range staff will be required to wear hearing and eye protection while on the range to ensure personal health safety.

McKinney Gun Club will use all the latest technologies and experience to reduce noise levels and sound transmission beyond the building and provide the safest environment possible. *Maximum noise levels will not exceed the applicable provisions of the City of McKinney Noise Ordinance.*

LANDSCAPING

No trees will be removed to accommodate this Use. Missing trees will be replaced.

SPECIAL CONSIDERATION DATES

Submittal Date 02/25/2013
 P&Z Date 03/26/2013
 City Council Date 04/16/2013