

**\*\*PLEASE NOTE CHANGE IN TIME & ROOM\*\***

**AGENDA**

**SOUTHPORT BEACH HOUSE CITIZEN COMMITTEE**

**City of Kenosha Municipal Building – 625 52<sup>nd</sup> Street, Room 204**

**Thursday, March 20, 2014 – 2:00 pm**

**Chairman: Steve G. Bostrom**

**Vice Chairman: Margaret Heller**

**Members: George W. Clarke  
Robert Merletti  
Barbara J. Stein-Lendman**

**Michael J. Thomey**

**James J. Mosley**

Approval of the minutes from the meeting held on Thursday, March 6, 2014.

1. Discussion Items:

- Chairman Bostrom's request for summaries from committee members
- Business plan submitted for consideration by Margaret Heller
- Chairman Bostrom's potential income statement
- Parks Superintendents submission of weekend revenue rental
- Renew Resolution for decreased rates for usage Mondays-Thursdays for 2014

2. New business

3. Citizen comments

**MINUTES**  
**SOUTHPORT BEACH HOUSE CITIZEN COMMITTEE**  
**City of Kenosha Municipal Building – 625 52<sup>nd</sup> Street, Room 100**  
**Thursday, March 6, 2014 – 3:00 pm**

The meeting was called to order at 3:00pm, a quorum was present. The following members were present: Chairman Steve G. Bostrom, Margaret Heller, George W. Clarke, Robert Merletti, and Barbara J. Stein-Lendman. James J. Mosley and Michael J. Thomey were absent. Staff present was Jeff Warnock.

1. Old Business
  - a. Review the business plan and make recommendations
  - b. Update from Jeff Warnock regarding 2014 repairs
2. New Business

-We are examining three options with the Southport Beach House:

- 1) It is run as a non-profit community center with the City retaining ownership and responsibility for the building.
- 2) Funds are raised to buy it from the City and do the renovations.
- 3) We research increased usage of the Southport Beach House and make recommendations to the Park Commission for implementation. The City continues to run all programs and events.

-Chairman Bostrom offered to develop a profit and loss statement for us. Jeff Warnock will provide an accounting of the income stream for the past two years. It will take him a couple days to get that together provided there are no weather issues. He will send them to Margaret. Jeff Warnock also stated that maintenance can also be broken down – currently the building is closed. The floors are being sanded and refinished and painting is being done.

-We discussed the current key system at the Beach House. Currently a leasee has to pick up the key the day before their event at City Hall during business hours and drop them off immediately following their event. Jeff stated that he has all the locks changed every 6 months on all the buildings the City rents. Margaret said that Anytime Fitness has a remote key system for clients and she will speak with Louie Arreco about that. Chairman Bostrom recommended the key box used by realtors to secure homes yet make them available to many realtors. He stated that this would be an inexpensive alternative.

-We discussed setting up an online schedule and payment system. Margaret still has the web page for the classes offered in the summer of 2012 and all that needs to be added is the required applications, regulations, and a method for paying online. George is concerned that we need a method of screening so we don't have inappropriate activities. He suggested a Committee for screening to determine suitability.

-George had questions regarding Plan 1; "Will they really let us do a non-profit?" Chairman Bostrom and Jeff agreed that the City Administrator has approved the plan. George asked "Who would we report to if we took it over as a non-profit community center?" Chairman Bostrom replied that we would not have to report to anyone other than our own board. The train station restaurant was given as an example. The City put \$125,000 into the old train station and interviewed prospective tenants and leased it to them. George is also concerned that the City will never do the needed renovations if we took it over.

-Margaret conveyed that there is a possibility of being under the umbrella of another non-profit in town and the Kenosha Arts Association has mentioned a partnership. The Dream Playground is under the umbrella of the Kenosha Achievement Center. This decreases the expense and time of filing for non-profit status.

- A discussion regarding Chairman Bostrom's letter to request certain items be completed this year. The repair of two door frames (lintel) on the lower level, the replacement of windows on the east side of the ballroom, and to replace the steel doors at the entrance. The estimated total cost is \$120,000 according to Jeff Warnock but that is not a hard number. Margaret objected to some wording regarding intent and Chairman Bostrom said he would strike it. Chairman Bostrom decided to hold off on the letter until the Committee worked through some of the issues regarding the above

3 options. There is \$260,000 in the budget for renovations this year but that is not enough to begin the first project on the list from Engbert Anderson (chimney and roof repairs). Could they give us money to take care of items needed to open a community center such as air-conditioning, a remote key system, creation of an online registration and payment portion of our website. and starting salary for a manager. Margaret said that she would be interested in managing the community center if it was a paid position.

-Margaret suggested that we go through the 2nd draft of the business plan – page 7 – one item at a time to discuss the feasibility of a community center. We got through 4 of the 18 recommendations and Chairman Bostrom suggested that everyone go home and summarize what each of us would like to see happen and each member send them to him to put together.

### 3. Citizen Comments

-Joan Wilk stated that she was impressed that so much work had been done since she was last at a meeting in January.

-Gregg Kishline was concerned that we had not outlined what we envision taking place at the Beach House. He was reminded of our comments regarding the business plan of The Wellfleet Preservation Hall. At the meeting in January we agreed that their programming on page 18 of their plan is in line with the Southport Park Plan of 2012-13. “We know that programming will include a broad range of events and activities, such as artistic performances, and exhibits (for example: chamber music, theatre and dance performances, historical exhibits); art exhibitions; educational programs and academic classes, lecture and seminars; general entertainment (ex: film series and country music nights); public meetings and discourse, workshops and classes (ex: yoga, exercise, health), off-season activities and entertainment (holiday festivals, ethnic dinners, open mic nights), and children’s programs (music and dance, puppet shows, film nights, game nights)”.

Everyone is to send their own summary to Chairman Bostrom before the next meeting.

The Committee agreed on Thursday, March 20, 2014 at 2:00pm for their next meeting

The meeting was adjourned.

## Annual Property Operating Data Estimate

### Income

Rental income	\$83,200.00
20% vacancy factor	\$16,640.00
Gross receipts	\$66,560.00

### Expenses

RE Taxes	\$0.00
Utilities	\$24,000.00
Insurance	\$2,400.00
supplies	\$1,800.00
Trash	\$1,800.00
water and sanitation	\$500.00
salaries	\$0.00
Repairs/maintenance	\$6,000.00
Total expenses	\$36,500.00

**NOI** \$30,060.00

**Cap Rate at \$300000 purchase** 10.02%

Purchase price	\$300,000.00
20% downpayment	\$60,000.00
Bal. to finance	\$240,000.00

Annual P&I 6.5% 20 yrs. \$21,468.00

**Cash flow** \$8,592.00

<b>2012 SPBH Revenue (Fri, Sat, Sun)</b>	
<b>DATE</b>	<b>REVENUE</b>
03/03/12	\$160.00
03/17/12	\$160.00
03/18/12	\$160.00
03/23/12	\$160.00
03/24/12	\$160.00
04/07/12	\$160.00
04/08/12	\$200.00
04/15/12	\$200.00
04/21/12	\$160.00
04/22/12	\$160.00
04/27/12	\$280.00
04/28/12	\$160.00
04/29/12	\$160.00
05/04/12	\$160.00
05/05/12	\$160.00
05/06/12	\$160.00
05/11/12	\$160.00
05/12/12	\$225.00
05/19/12	\$160.00
05/20/12	\$160.00
05/25/12	\$165.00
05/26/12	\$330.00
05/27/12	\$160.00
06/01/12	\$265.00
06/02/12	\$160.00
06/03/12	\$345.00
06/09/12	\$465.00
06/10/12	\$185.00
06/15/12	\$160.00
06/16/12	\$265.00
06/17/12	\$410.00
06/22/12	\$240.00
06/23/12	\$505.00
06/24/12	\$160.00
06/29/12	\$385.00
06/30/12	\$265.00
07/01/12	\$280.00
07/06/12	\$280.00
07/07/12	\$545.00
07/08/12	\$160.00
07/13/12	\$200.00
07/15/12	\$160.00
07/20/12	\$225.00
07/21/12	\$425.00
07/22/12	\$225.00
07/27/12	\$330.00
07/28/12	\$345.00
07/29/12	\$185.00
08/03/12	\$240.00
08/04/12	\$465.00
08/05/12	\$355.00

<b>2012 SPBH Revenue (Fri, Sat, Sun)</b>	
<b>DATE</b>	<b>REVENUE</b>
08/10/12	\$280.00
08/11/12	\$515.00
08/12/12	\$185.00
08/17/12	\$185.00
08/18/12	\$499.00
08/19/12	\$80.00
08/25/12	\$345.00
08/26/12	\$160.00
09/01/12	\$425.00
09/02/12	\$225.00
09/08/12	\$425.00
09/09/12	\$160.00
09/15/12	\$160.00
09/16/12	\$200.00
09/21/12	\$465.00
09/22/12	\$160.00
09/23/12	\$575.00
09/28/12	\$345.00
09/29/12	\$505.00
09/30/12	\$160.00
10/05/12	\$265.00
10/06/12	\$160.00
10/07/12	\$265.00
10/13/12	\$345.00
10/14/12	\$160.00
10/19/12	\$410.00
10/20/12	\$185.00
10/27/12	\$200.00
10/28/12	\$410.00
11/03/12	\$200.00
11/04/12	\$160.00
11/09/12	\$160.00
11/10/12	\$185.00
11/11/12	\$160.00
11/17/12	\$410.00
11/24/12	\$265.00
12/08/12	\$160.00
12/09/12	\$360.00
12/16/12	\$160.00
12/30/12	\$280.00
<b>TOTAL</b>	<b>\$23,304.00</b>

<b>2013 SPBH Revenue (Fri, Sat, Sun)</b>	
<b>DATE</b>	<b>REVENUE</b>
02/23/13	\$185.00
03/22/13	\$160.00
03/23/13	\$160.00
03/24/13	\$300.00
04/06/13	\$200.00
04/07/13	\$200.00
04/12/13 & 4/13/13	\$535.00
04/20/13	\$160.00
04/27/13	\$325.00
04/28/13	\$200.00
05/04/13	\$200.00
05/05/13	\$200.00
05/10/13	\$160.00
05/11/13	\$375.00
05/18/13	\$265.00
05/19/13	\$200.00
05/24/13	\$275.00
05/25/13	\$385.00
05/26/13	\$625.00
05/31/13	\$300.00
06/01/13	\$245.00
06/07/13	\$220.00
06/08/13	\$220.00
06/09/13	\$305.00
06/14/13	\$225.00
06/15/13	\$425.00
06/16/13	\$300.00
06/21/13	\$225.00
06/22/13	\$265.00
06/28/13	\$250.00
06/29/13	\$280.00
06/30/13	\$200.00
07/06/13	\$200.00
07/07/13	\$400.00
07/12/13	\$425.00
07/14/13	\$200.00
07/19/13	\$375.00
07/20/13	\$200.00
07/21/13	\$225.00
07/27/13	\$200.00
07/28/13	\$375.00
08/02/13	\$225.00
08/03/13	\$275.00
08/04/13	\$525.00
08/09/13	\$200.00
08/10/13	\$525.00
08/11/13	\$200.00
08/16/13	\$200.00
08/17/13	\$325.00
08/18/13	\$200.00
08/23/13	\$315.00

<b>2013 SPBH Revenue (Fri, Sat, Sun)</b>	
<b>DATE</b>	<b>REVENUE</b>
08/24/13	\$160.00
08/25/13	\$200.00
08/31/13	\$375.00
09/01/13	\$700.00
09/06/13	\$475.00
09/07/13	\$505.00
09/08/13	\$275.00
09/13/13	\$425.00
09/14/13	\$535.00
09/15/13	\$275.00
09/20/13	\$350.00
09/21/13	\$925.00
09/28/13	\$425.00
10/4/13 & 10/5/13	\$1,225.00
10/06/13	\$200.00
10/11/13	\$325.00
10/12/13	\$925.00
10/13/13	\$625.00
10/19/13	\$300.00
10/20/13	\$200.00
10/25/13	\$300.00
10/26/13	\$200.00
10/27/13	\$200.00
11/02/13	\$225.00
11/03/13	\$200.00
11/09/13	\$275.00
11/16/13	\$525.00
11/23/13	\$200.00
11/24/13	\$150.00
12/06/13	\$625.00
12/08/13	\$450.00
12/14/13	\$250.00
12/21/13	\$225.00
12/25/13	\$250.00
<b>TOTAL</b>	<b>\$27,660.00</b>