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From the Executive Director of Parks, requesting authorization to execute an amendment to the rent provision in the South Shore Yacht Club lease that will base rent on a percentage of slip rentals and memberships to reflect the ongoing impacts of the damaged north breakwater on the Yacht Club’s operations, by recommending adoption of the following:

**A RESOLUTION**

WHEREAS, South Shore Yacht Club (SSYC), a Wisconsin not-for-profit corporation, has been a continuous tenant of Milwaukee County (the County) at the South Shore Marina (the Marina) since 1935; and

WHEREAS, the current lease between the County and SSYC was entered into on July 21, 2003, and extended by agreement in a 2016 Letter of Agreement, through May 31, 2042, as allowed under the 2003 lease; and

WHEREAS, the 2016 extension also updated the rental amounts, which consist of two items:

- 1. A flat annual rent of \$46,000, which would be compounded annually by two percent;
- 2. A flat sum of \$30,000 per year

; and

WHEREAS, in January 2020, a winter storm, which was declared a Federal disaster, destroyed nearly all of SSYC’s piers, and a large part of the north breakwater that protects the Marina from damage; and

WHEREAS, while the County is actively working toward a solution to repair the north breakwater, it is still damaged and continues to impact the SSYC’s operations; and

WHEREAS, in recognition of the continued impact of the damaged north breakwater on SSYC’s memberships and slip rentals, the County and SSYC met and negotiated an amendment to the rent provision that reflects these impacts; and

WHEREAS, the Amended Rent Provision (the Amendment) will include 10 percent of slip rental gross revenue, and 10 percent of gross revenue of memberships instead of the current flat fee structure, and will remain in place for five years or until the north breakwater is fixed, whichever occurs first; and

WHEREAS, the Department of Parks, Recreation, and Culture desires to enter into this Amendment with SSYC; and

48 WHEREAS, the Committee on Finance, at its meeting of December 9, 2021,  
49 recommended adoption of File No. 21-925 (vote 7-0); now, therefore,  
50

51 BE IT RESOLVED, the Department of Parks, Recreation, and Culture (DPRC) is  
52 hereby authorized to enter into the proposed Amendment One (the Amendment) to the  
53 2003 Lease Agreement between Milwaukee County (the County) and the South Shore  
54 Yacht Club (SSYC); and  
55

56 BE IT FURTHER RESOLVED, the proposed Amendment amends the rent  
57 provision to be based on 10 percent of slip rental gross revenue, and 10 percent of  
58 gross revenue of memberships instead of the current flat fees, and requires SSYC to  
59 provide evidence of gross revenue acceptable to DPRC; and  
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61 BE IT FURTHER RESOLVED, the rent due under the proposed Amendment will  
62 not exceed the amount that would be due under the flat fee rental in any year; and  
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64 BE IT FURTHER RESOLVED, the proposed Amendment will remain in place for  
65 five years, or until substantial completion of the north breakwater repair occurs as  
66 determined by the County.  
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69 srb  
70 12/09/2021  
71 \\F:\01\wpchc\comclerk\$\Committees\2021\Dec\FINANCE\Resolutions\21-925 Parks - South Shore Yacht Club  
72 Amendment to Lease.docx