

Santos, Monica

From: Caleb Robinson <caleb.robinson@rocketmail.com>
Sent: Friday, April 9, 2021 2:28 PM
To: Molbeck, Tom
Cc: Santos, Monica; Kirkwood, Jaimie
Subject: PPBLC IFB Lease % of Sales proposal and Information
Attachments: PPBLC Rent and Sales Evaluation.xlsx

Tom,

It was nice speaking with you today. I have gathered some sales information that I will include in this email along with some thoughts.

In 2020 we had our BEST year ever, and that was even after getting started later in the season than normal due to Covid-19, June 13th 2020. This upcoming year I expect sales to grow by at least 10% for many reasons. Last year we went through a lot of changes due to Covid in order to operate more safely and efficiently and the patrons appreciated it. We received visitors that we have never had before as the already had their "Places" to hang out at. Those people came and loved it, followed us on Facebook, shared posts and word of mouth with friends. I expect many of them as repeat customers, new customers, and a further reach for what we have built over the past 9 years. Below you will find our sales numbers for the previous 4 years, as that is when things really started to grow. Also please note that our sales for the first year in business were only \$22,217 so we came a long way!

2017 Sales:	2018 Sales:	2019 Sales:	2020 Sales:
\$55,600.96	\$75,575.34	\$84,092.46	\$113,469.40
Rent:			
\$5,560.10	\$7,557.53	\$8,409.25	\$11,346.94
% increase in Rent due to sales:			
	35.92%	11.27%	34.93%

4 years Average:	\$82,184.54
Average Rent:	\$8,218.45
Average % change:	27.38%

2021 Projections: Increase 10%	Stay the Same:	Decrease 10%
\$124,816.34	\$113,469.40	\$102,122.46
Projected Rents:		
7%	\$8,737.14	\$7,942.86
8%	\$9,985.31	\$9,077.55
9%	\$11,233.47	\$10,212.25
10%	\$12,481.63	\$11,346.94
11%	\$13,729.80	\$10,212.25
12%	\$14,977.96	\$11,233.47
		\$12,254.70

12% of 4 year Average:	\$9,862.14
15% of 4 year Average:	\$12,327.68
12% of 2017:	\$6,672.12
15% of 2017:	\$8,340.14

2020 rent as a % of 2017:

20.41%

In the information above you can see the increase in our sales over time. We average an increase of 27% currently but I expect about 10% in the upcoming season. In looking at the data, the average sales for the previous 4 years is \$82,184, I am basing my offer upon that. The counter offer I received asked for 12% the first year and 15% the two subsequent years. If you look at the data, 12% of our 4 year average is \$9,862. With my projected sales that would put us at 8% of our sales. In the upcoming years I also expect sales to continually grow and therefore we will reach the 15% desired by the City. Lastly, I have included a comparison of the rent we paid last year versus our 2017 sales number which amounts to 20.4%.

In conclusion, based upon the information present, I am offering 8% of sales for the next three years. This will allow my to invest more capital into employees, music, family based opportunities, and still provide a reasonable rental agreement with the City of Racine and PRCS.

Thank you in advance for your consideration of the information presented and I look forward to hearing back as soon as possible.

Caleb Robinson
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