

Centerville City Council  
Work Session Meeting  
May 2, 2011

TIME: 7:00 P.M.  
PLACE: Centerville Municipal Building  
Mayor C. Mark Kingseed via teleconference  
Deputy Mayor Doug Cline  
Councilmembers: John Beals  
Brooks Compton  
Paul Gresham  
Belinda Kenley  
Clerk of Council Debra James  
City Manager Gregory Horn  
Finance Director Steven Hinshaw  
City Planner Steven Feverston  
Public Works Director Robert James  
City Engineer Douglas Spitler  
Assistant to the City Manager Jennifer Wilder  
Assistant to the City Manager Kristen Gopman  
Economic Development Administrator Nathan Cahall  
Food and Beverage Director Stephan Shaw  
Assistant Food and Beverage Director Jason Pajari

Deputy Mayor Cline presided over this meeting held in the Council Chambers instead of the Law Library because of the number of residents from Yankee Trace in attendance. Although Mayor Kingseed was out of town, he joined the meeting via a telephone conference call. Mayor Kingseed welcomed everyone and explained that this was a Work Session Meeting, an informal information gathering event. The first agenda item was Yankee Trace Restaurant Operations.

Sandy Birdseye, 915 Vintage Lake Court, thanked Mayor Kingseed and the Council for letting the members of the group to have the opportunity to express their views. The group consists of residents not only of Yankee Trace but also of Centerville and the Washington Township area, who appreciate the restaurant and would like Council to revisit the decision to cut back on the restaurant hours and to improve both the quality and the service at the restaurant.

Al Alteslane, 1079 Wedge Creek Place, a resident and realtor specializing in Yankee Trace, focused his comments on the real estate market in Yankee Trace and specifically on increasing home values. He stated that he believed the golf club and the golf course are major drawing points in Yankee Trace. The restaurant can significantly influence the perceived value of these amenities. His concern was lack of communication with regard to the restaurant, because the homeowners could be a powerful force in supporting the restaurant. He would like to see aggressive promotion of the restaurant instead of declining hours of operation.

Jack Kindler, 9719 Greenside Court, stressed the importance of a viable restaurant for the residents of Yankee Trace. He quoted a brochure that was given to residents – “Landscape for Living - The Golf Club at Yankee Trace” promised one of southwest Ohio’s most desirable places to live. He stated that people bought the homes with the anticipation that certain amenities would be available. He asked Council to reinvest and keep the promises that were made for the restaurant at Yankee Trace and amenities for the residents.

Nancy Henson, 765 Yankee Trace Drive, got involved with the group because she loves Yankee Trace and likes having a restaurant to which the family can walk and socialize with neighbors.

Mr. Beals entered the meeting at this time.

At this year’s first patio event she was surprised to learn that the restaurant was not scheduled to be open. It was a disappointment, and some of the residents felt they needed to fight for something that is very important to them. She stated that closing the restaurant in the evenings will only make matters worse. She requested a compromise of having the restaurant open five nights a week. What is served and how it is offered are also important. She volunteered to work on a committee to come up with new ideas.

Joyce Hull, 1022 Villa Vista Place, would like to see the restaurant used to its maximum potential. Over the years she has seen a decline in food service and quality. Although she was concerned, she felt that the restaurant could still be extremely successful.

Jack Kindler noted that going back nine or ten years there was a strategic planning session with staff. A Mission/Vision statement that he has not forgotten was written at that time. What do we look like five or ten years from now. The Golf Club at Yankee Trace is recognized as Ohio’s finest public golf facility and is renowned for its country club atmosphere and commitment to quality golf and dining experiences. He stated his determination to help Yankee Trace achieve its mission statement.

Lois Grilliot, 895 Yankee Trace, said that many of her friends were not aware that the restaurant was open to the public. She suggested promoting it more; she has tried to inform others.

City Manager Greg Horn introduced staff members Jason Pajari, Assistant Food and Beverage Director; Steve Shaw, Food and Beverage Director; Jennifer Wilder, Assistant to the City Manager; and Dr. Steven Hinshaw, Finance Director. Mrs. Wilder is responsible for the day-to-day operations at Yankee Trace. Assuring the group that there is no one who wants to see Yankee Trace succeed any more than he does, Mr. Horn gave some background history concerning Yankee Trace. He talked about the golf industry and trends in the past two decades; for the last four or five years Yankee Trace has been weathering challenging economic times. He stated that he was not trying to make excuses, but rather was trying to create a realistic backdrop for the changes in the past few years.

He continued to describe the overall picture at the restaurant, saying that one of the most unique characteristics that staff deals with at Yankee Trace is the 64 seat restaurant and

specifically the evening dining. The restaurant does decently at lunch, but has always severely struggled in the evenings especially during the off peak months. We have tried to continue to offer a variety to make Yankee Trace as viable as it is. We haven't been able to be everything to everybody. He noted different special activities that have been tried. YT has never been an evening destination. In terms of the golf industry, we have been able to hold our own fairly well, but at budget time it came down to looking at the losses in the dining area. He said that the staff is open to holding evening events, especially when a number of people are coming. The benefit goes both ways; we can give people more value. If we know the number of people then we don't have the high spoilage rates, high food costs, rates and labor.

From an operational standpoint, we have been trying to stop the bleeding in the dining room. What has changed in the dining room in the evenings when we are not doing the Jazz on the Green or the Friday Night cookouts is that we are getting away from full table service dining and going to counter service. Typically Tuesday and Thursday evenings we can have 20 diners or two. We tried to create an offering in the evening to the golfers who want a sandwich or a salad and try to be open and available while we concentrate on the full menu offerings on the Wednesday and Friday evenings when we have the events and people there to sustain table service.

Dr. Hinshaw used a PowerPoint presentation to explain that the restaurant revenue in the 64 seat dining room has consistently been 7% of the total YT Food Service revenue. The majority of the income comes from banquets and other special events. The restaurant has consistently lost \$50,000 annually for the past five years. The \$50,000 does not include any Yankee Trace management costs, so this amount is optimistic.

Mrs. Wilder continued with the staff presentation by giving an overview of the Restaurant Menu versus the Window Service Profit/Loss from May to September of last year. The window service did well with golfers from 3-6 p.m. Again she noted that the figures do not include YT management costs. She showed price comparisons with a couple of local restaurants and listed special activities that have been tried to build up business over the years. She discussed advertising and promotions that have been done since 2005. Yankee Trace has been voted the #1 public golf course in the Miami Valley for the sixth year in a row. We believe this is due to a concerted effort from our golf course maintenance superintendent, golf pro and our food and beverage director. Each contributes to making Yankee Trace the gem that it is for the City of Centerville.

Nancy Henson asked for better communication between Yankee Trace and the residents. She felt the advertising goes toward the golf course and not the restaurant.

Mrs. Sandra Edgington, 1038 Bentgrass Lane, stated that she was not impressed by the quality and service at Yankee Trace and will not invite friends to the restaurant. She is on oxygen and noted that the handicapped accessibility spaces are down a hill. In addition, the parking lot can be full. She suggested that the City listen to the audience.

Kim Birdseye, 915 Vintage Lake Court, who is the President of the Centerville-Washington Park District stated understanding of what the City is up against with the budget.

When he and his wife built their house at Yankee Trace five years ago, they built it because of the lifestyle they expected. He said that Yankee Trace does an exemplary and professional job at banquets. He suggested taking that professionalism to the restaurant.

Joyce Hull stated a need for a renewed focus on revenue generation, on marketing and on getting people in the door. She asked Council to take another look at this issue and try a new approach.

Mark Edgington, 1038 Bentgrass Lane, stated that there are 1500 residents in Yankee Trace. Even if 30% of the residents spent \$25 a week during the months of April through September the restaurant would make money. He suggested a concentration on quality food, fair pricing and good service. He asked about getting a consultant or perhaps a franchise for the restaurant. He reiterated that there are built-in customers in the Yankee Trace community.

Doug Fable, 426 Yankee Trace Drive, offered "food for thought." He has lived at YT for seven years and does not feel connected. He has a friend who has offered free advertising in the *Lifestyles at Yankee Trace* magazine. Mr. Fable believes that it could be an opportunity to have some targeted advertising to promote the restaurant. He asked if the restaurant could be run by a subcontractor. He noted that the information on the slides showed that the present system is not working. He also offered to brainstorm with a committee or staff on suggestions such as the "Pizza Hut" card that you buy from children for \$10. The national average is that only 39% of such cards gets used. He said that the three things that are important to him are service, food and beverages.

Mrs. Wilder stated that the golf course has a VIP Card.

Jack Kindler discussed how to move forward on the issue. He said he had heard a lot of great ideas, many facts and a lot of information. He suggested forming a group of 6 or 7 people quickly to review the ideas and thoughts that all these people have. He stated that it sounds like we are doing all of this hard work over here and no one is hearing us. So why don't we bring the groups together and find out what motivates people to come to YT and just approach three or four simple good ideas rather than trying to hit a longer list, none of which seem to have produced the results. The other thing is, just an example, what if we said we'll give you \$50,000 a year to cover your deficit. What would you do? I'll just leave that with you.

Bob Vogel, 1249 Club View Drive, stated that he is an avid golfer at YT and understood that last year the golf course had a record number of rounds. During his time at the clubhouse, he had never once seen a promotion such as when you buy a round of golf, you get a free hot dog or beverage or a coupon for 10% off of dinner for two. He suggested more cohesion between the golf course and the restaurant—possibly from a general manager who is over the golf course and the restaurant.

Nancy Henson stated that summer is coming, so a decision needs to be made quickly or potential business will be lost. Deputy Mayor Cline responded that Council is aware of the timing element and will review it as quickly as possible.

After Dr. Gresham commented on his own personal experience with the restaurant, he asked staff some questions regarding the operations of Yankee Trace, specifically with the restaurant. Some of the topics included the marketing budget for Yankee Trace, its marketing strategy, the training of new employees, the policy for dealing with service complaints, the policy on tips and the use of customer satisfaction surveys.

Bonnie Vogle voiced the opinion that the restaurant needs to give the golfers reasons to bring their wives, girlfriends or families to the restaurant. She made the observation that the pro shop is frequently very busy and congested. She noted that the best advertisers are walking into the pro shop. She also suggested that the restaurant have better signage, since some people aren't even aware that there is a restaurant onsite.

Patty Alteslane, 1079 Wedge Creek Place, applauded the marketing strategies but asked for more attention to the demographics of Yankee Trace.

Doug Fable suggested finding out why people are not coming to the restaurant. He again suggested advertising in *Lifestyles at Yankee Trace*.

Mr. Cline asked when a consultant had last been hired. Mr. Horn responded that it was right before the golf course opened. The consultant, known as the Food Doctor, concluded that a golf course food and beverage operation would never be able to pay for itself and that it would have to be subsidized. He had estimated a subsidy of \$80,000 in 1994 dollars.

When asked about marketing, Mr. Horn stated that advertising usually hitchhikes on the golf ads. Staff uses Channel 5 through MVCC cable access for anyone with Time Warner. Those messages go to about 300,000 people in this area; the ads are free and readily available to the City. The Newsletter goes out about four times a year. We try to use a lot of free things including discount coupons. A 64 seat restaurant is hard to market unless you are going to turn it over 2 or 3 times in an evening. Mr. Horn stated that, if anyone knew of a golf course with a food and beverage operation that is making money, staff would be happy to see what the management is doing.

A question was raised as to whether the restaurant could be franchised out. A franchise may be a possibility, but in the beginning the Gregory family (the owners of the Montgomery Inn) were contacted. At that time they were not interested, as they had another project. One of the issues now is that public financing was used to fund Yankee Trace. We could not turn around and have a private restaurant operator, who worked on a percentage basis, as this would invalidate our bonds. Also, the City of Cincinnati is involved in a huge lawsuit right now because they brought in Billy Casper Golf when they took over the Cincinnati golf course. The Hamilton County Common Pleas Court just ruled against the City of Cincinnati. The ruling was that the City of Cincinnati is going to have to start paying property taxes on their entire facility. Statewide people are watching for the final outcome of this case.

Mr. Cline explained that going forward local budgets face a new normal. The local government fund is endangered, and the estate tax is being reviewed and possibly eliminated. We have to look at the YT restaurant and every line item on our expense book and review

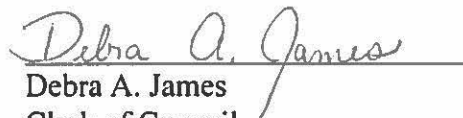
everything closely to be good stewards of the tax dollars we have. He stated that it had been a good session for the council members and expressed appreciation for the participation during the meeting.

Mayor Kingseed thanked everyone for coming. He reiterated that there are financial realities that Council has to live with because of using taxpayers' money. He stated that good ideas were put forward. He said that Council will be discussing this matter; a decision needs to be made within the next several weeks.

At this point, Council moved to the Law Library where Mrs. Kenley made a motion to convene into Executive Session regarding Litigation and Real Estate. Dr. Gresham seconded the motion. A roll call vote resulted in six ayes. At such time, after no official business was conducted, Mr. Compton moved that Council adjourn out of Executive Session. Mrs. Kenley seconded the motion. A roll call vote resulted in six ayes in favor of the motion.

Mr. Horn updated Council briefly on the following topics:

- Staff will be meeting representatives from Dewey's Pizza on Tuesday, May 3.
- Staff has some concerns with regards to the Mercedes-Benz modifications on the agenda for Planning Commission.
- MVHS intends to demolish all of the buildings on the Thomas Farm, but there is no timeline at this point.
- Staff has received revised construction plan sets for the Kroger Fueling Center.
- Miami Valley Hospital South revised the plans for the Bed Tower, changing the Major Site Plan. The amended plan goes to the Planning Commission in May.

  
Debra A. James  
Clerk of Council

Approved   
C. Mark Kingseed, Mayor