

From the January 24, 2003 print edition of Milwaukee Business Journal

# 'Famous' Dave to spice up Kenosha

## Water park, hotel would be on I-94 in Kenosha County

By Kathy Bergstrom

The founder of Famous Dave's barbecue restaurant chain wants to build a hotel and indoor water park along Interstate 94 in Kenosha.

Dave Anderson, chairman of publicly traded Famous Dave's of America Inc. of Minneapolis, proposes a 350-room hotel and a 60,000-square-foot indoor water park near the northwest corner of Interstate 94 and Highway 50.

The site is attractive to Anderson because of its location between Milwaukee and Chicago, said Tim Buffham, a real estate agent with Edina Realty in Minneapolis who represents Anderson.

Anderson said he initially looked for a site near the Six Flags Great America amusement park in Gurnee, Ill., but couldn't find one.

The Kenosha site stood out because it's close to Six Flags and "we're amazed at the dynamic growth that's happening in that area," he said. Also, the interstate is a major thoroughfare to the Lake Geneva area, which Anderson called "Wisconsin's major playground" for people from Illinois.

"We felt that this might actually be a better area for us because there's more happening year-round," he said.

A theme has not been developed yet for the hotel and water park, nor has a cost been determined.

The hotel and water park is Anderson's personal project and Famous Dave's would have no ownership in it.

The Kenosha project would include at least two new restaurant concepts developed by Anderson that would be visible from the interstate. One would have a tropical theme, and the other would be a hamburger joint/ malt shop concept, he said. Names have not been determined for the restaurants.

The restaurants would be major destinations in themselves, Anderson said.

### In Kenosha city

The site sought by Anderson is owned by the town of Bristol but was annexed by the city of Kenosha in 1998.

Bristol's Community Development Authority approved on Jan. 13 selling the 25-acre parcel to Anderson for \$3.8 million, said Rick Czopp, town administrator. Anderson has six months to complete the purchase, which has contingencies, including successful completion of an environmental assessment, Czopp said.

Anderson has not yet submitted a proposal to the city of Kenosha.

Construction could begin as early as this fall or the spring of 2004 if the project receives the necessary approvals. It would take 12 to 18 months to complete.

The project, which is being designed by Planning Design Build Inc. of Madison, would be financed through private investors, Buffham said.

Buffham said the development would be similar to the indoor water park resorts found at The Dells. The proposed hotel would be U-shaped, with a glass bubble in the middle enclosing a portion of the water park.

The property would cater to corporate business, as well as families and tourists, according to Buffham. The hotel would include an adult spa and cabana that could be used by groups, Buffham said.

Eventually Anderson hopes to build a convention center on the site, he said.

Anderson "has a tendency to bring a completeness to the project that lot of developers don't," he added. "He will go to the extra length and spend the extra money to give it more ambiance and pizzazz."

Anderson, a founding investor in the Rainforest Cafe restaurants, already owns Grand Pines Resorts, an 18-cabin resort in Hayward, which is in his mother's hometown and the site of his first Famous Dave's restaurant.

He considered building a water park in Hayward but decided his vision would fit better in an area with a larger population base.

### **Boom in popularity**

Hotels with indoor water parks are enjoying a boom in popularity, and Wisconsin has the largest concentration of them, with 18 in the Wisconsin Dells said Jeff Coy, president of JLC Hospitality Consulting Inc. in Rochester, Minn.

Coy has been working with another industry expert to collect a database of existing properties and has identified about 60 of varying sizes across the United States.

The resorts can range in cost from \$160 per square foot for more basic developments to more than \$300 per square foot for heavily themed atmospheres, he said.

The concept has expanded outside of Wisconsin Dells, he noted. Minnesota has seven or eight such developments, and several projects are underway in Iowa, Illinois and Michigan, he said.

The concept is popular for hotel operators because it helps them build occupancy on weekends, during slow periods and throughout winter, he said. Many northern resorts have very low occupancy in the winter, but "if you bring the water park indoors, you really boost your occupancy and your average room rate," Coy said.

Properties are more successful if they're built in locations that are already attracting visitors, he added.

Wisconsin Dells benefits from its proximity to Chicago, Milwaukee and Minneapolis, plus good highway access, he said.

Regional resorts also have benefited from tourists' reluctance to travel great distances since the Sept. 11, 2001, terrorist attacks, he said.

"In a lot of cases, it's replacing the trip to Orlando. People who are still concerned about flying still want their getaway vacation and are driving up to 200 miles to a regional resort," he said.