

# FINANCES OF CLUB ARE BAD

## Creditors Threaten Action Unless Members Can Show Plan of Paying

Directors of the Outrigger Canoe club today received a letter from attorneys representing the Queen Emma estate, owners of the site of the Outrigger club, stating that the trustee of the estate is unwilling to discuss a possible extension of the lease to the club until delinquent rent, taxes and insurance are paid in full.

The trustee is also unwilling to consent to a division of the property for the purpose of making a separate lease of the beach frontage with a right of way through the street portion of the property.

The famous Outrigger Canoe club, known the world over as the center of aquatic activities at Waikiki beach, may be closed.

With the club tottering on the verge of financial collapse and creditors threatening action unless assured of some plan by which the indebtedness will be paid within a reasonable time, the directors have called an emergency meeting of members for next Wednesday evening at the dance pavilion at the club.

The directors state in their letter to the members that the Bank of Hawaii has notified the directors that unless satisfactory arrangements are completed by March 29 whereby the club's existing indebtedness to the bank of \$4,000 could in a reasonable length of time be retired, they would be forced to take action to recover.

### Other Debts

In addition to the indebtedness to the bank the club will owe on June 30 back taxes and other sums which bring the total debt to around \$7,000. Several plans have been suggested by members of working out the financial problem, but so far the directors feel that they cannot be certain of obtaining a renewal of their lease, which expires in 1937.

The directors state that they have heard that there is a possibility that the lease will not be renewed to the club in 1937 as other parties are trying to obtain the property as a site for some other form of activity, such as a night club.

In view of the present situation and the need of immediate action the directors are putting the entire matter squarely up to the membership at next Wednesday's meeting.

### Spent Money

One of the club directors pointed out today that since the Outrigger Canoe club was formed in 1908 close to \$100,000 has been expended on the club. He added that being on leased land the club today has little besides some outrigger canoes to show for the money spent.

The senior membership of the club has dropped from around 1,200 in 1928 to 273, as it stands today. This falling off of membership made it impossible for the club to meet its obligations.

One plan suggested to meet the situation is to sublease a portion of the grounds, but as this would necessitate an expenditure of around \$25,000 because of cost of moving buildings some of the club leaders are strongly opposed to going into debt deeper to make improvements on leased land.

Another proposed plan is to try to collect \$50 apiece from 150 persons to pay off the debt, but this plan is also opposed in some quarters.

All of these proposals will probably be taken up at next Wednesday's meeting and all members will have an opportunity to express their views on what should be done.