

Downtown Investment Authority Retail Enhancement and Property Disposition Committee

Tuesday, June 9, 2020 at 1:00 p.m.

# AGENDA

Oliver Barakat, Chair Todd Froats Carol Worsham Jim Citrano

- I. CALL TO ORDER
- II. PUBLIC COMMENTS
- III. F & B ENHANCED INCENTIVE PROGRAM AMENDMENT
- IV. FAÇADE GRANT PROGRAM
- V. RUBY BEACH F & B ENHANCED INCENTIVE PROGRAM APPLICATION
- VI. NEW BUSINESS (NOTE: MAY BE ADDED AT DISCRETION OF THE CHAIR)

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<u>Downtown Investment Authority</u> <u>RE&PD Committee</u>

#### **MEETING MINUTES**

#### **Retail Enhancement and Property Disposition Committee Members:**

Oliver Barakat, Chair. Jim Citrano, Todd Froats Carol Worsham Craig Gibbs, Esq.

#### Office of General Counsel: None

**DIA Staff:** Lori Boyer, Chief Executive Officer; Steve Kelley, Director of Downtown Real Estate and Development; Ina Mezini, Marketing and Communications Specialist; Guy Parola, Operations Manager; Karen Underwood-Eiland, Executive Assistant

#### I. CALL TO ORDER

The REP&D Committee June 9, 2020 meeting was called to order at 1:00 p.m. by Committee Chairman Barakat

Committee Chairman Barakat called the meeting to Order at 1:02 p.m., provided COVID-19 statement and introduced the Committee Members.

#### II. PUBLIC COMMENTS

Ina Mezini provided and read public comments from Clifford Miller – 311 W Ashley Street # 308 downtown Jacksonville, FL, as follows:

The Town Center is a mockup of a real version existing downtown, especially along Bay and Water Streets. He asked, can we use that fake version (Town Center) as a model to duplicate exactly: wide sidewalks and very small, narrow lanes for cars to slowly go through if necessary, essentially turning those designated areas into "walking streets" or "pedestrian streets," shoppers can then walk to their vehicles after enjoying shopping and dining along the riverfront. We have plenty of parking garages to accommodate shoppers with a short walk to their cars. He asked for the Town Center model to be used to convince cornerstone retailers to come in and invest.

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#### III. F&B Enhanced Incentive Program Amendment

Committee Chairman Barakat stated that proposed amendments were provided to the F&B Enhanced Incentive Program from the March 9, 2020 Committee Meeting.

Steve Kelley provided a presentation that addressed several new amendments as well as the Committee's concerns related to the sidewalk enhancement grant.

- 1. Comingling of expenses for eligibility under the Historic Preservation Tax
- 2. Inclusion of outdoor space and calculation of the award at F&B REP rates
- 3. The resubmission of the Sidewalk Enhancement Grant with language added to address concerns related to the security raised by REPD Committee.

The goal of the F&B REP program goal is to bring life into the areas of vibrancy, focusing on food and beverages operating businesses.

Steve Kelley provided new highlighted language addressing the fact that applicants cannot be awarded two separate incentive awards for the same improvements.

He welcomed questions on the highlighted items under F&B Enhanced Incentive Program Amendment.

The Board provided brief comments.

Board Member Worsham addressed concerns relating to the protection of outside seating.

Board Member Citrano inquired about supplemental spaces being applied.

Board Member Froats asked how many restaurants would qualify and noted that prior sidewalk improvements were needed. Steve Kelley replied that 14 restaurants are being targeted based on established budget levels.

DIA Chairman Gibbs commended staff for bringing the project forward.

Chairman Barakat stated that the program was more detailed than other incentive programs and very well thought-out. He stated that this would be a full-time job for Mr. Kelley to execute.

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The following motion was made:

Motion to approve the amendments by Jim Citrano Second by Carol Worsham

Oliver Barakat Todd Froats Carol Worsham Jim Citrano Craig Gibbs

Vote: Aye: 5 Nay: 0

Abstain: 0

#### IV. Façade Grant Program

CEO Boyer brought forth the Façade Grant Program Draft Guidelines for approval to take to the Board in order to begin accepting applications.

Sondra Fetner provided a presentation and walked through the program specifics of the Façade Grant Program.

CEO Boyer clarified the eligible expenses and renovation, restoration, rehabilitation details for the sides of the building fronting public streets.

Committee discussion ensued.

Committee Chairman Barakat noted that the motion amended the agenda packet and he looks forward to reviewing the revisions at the next board meeting.

Motion was made to approve the program subject to limiting to the first two floors and storefronts, eliminating the forgivable loan and providing as a grant only, defining façade and limiting the disqualification for lawsuits with the City was made by Board Member Froats.

Seconded by Board Member Worsham:

Oliver Barakat Carol Worsham Todd Froats Jim Citrano Craig Gibbs

Vote: Aye: 5

Nay: 0

Abstain: 0

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#### V. Ruby Beach & F & B Enhanced Incentive Program Application

Steve Kelley brought forth Ruby Beach & F & B Enhanced Incentive Program application 2020-001. Handouts of the materials were emailed to the committee.

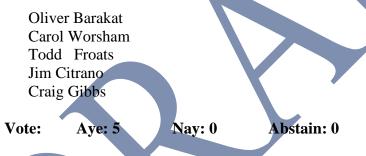
Committee Chairman Barakat revisited his comment at the beginning of the meeting in regards to the amount of due diligence for these grants. He thanked Steve Kelley for all of his work to get this application to where it is today.

Board Member Worsham stated that she was familiar with this business and concurs with Committee Chairman Barakat regarding the due diligence.

Committee discussion ensued.

Board Member Worsham made a motion to change the six-month period for completion and obtaining a certificate of occupancy to nine months.

A motion to approve as amended to extend the completion period to nine months was made by Board Member Worsham, seconded by Board Member Citrano:



VI. New Business

CEO Boyer introduced a resolution that will be presented to the Board to waive compliance requirements due to COVID-19 for five retail enhancement grants that are outstanding. No vote was taken by the board.

Board Member Citrano ask if staff has determined how the downtown business owners are faring.

CEO Boyer reported Downtown Vision may have more comprehensive information.

Committee Chairman Barakat stated this may be revisited in August.

#### VII. ADJOURNMENT

Committee Chairman Barakat adjourned the meeting at 2:49 p.m.

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The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Karen Underwood-Eiland, at (904) 255-5302.

TAB III.F & B ENHANCED INCENTIVE PROGRAM UPDATE

#### DOWNTOWN JACKSONVILLE RETAIL ENHANCEMENT PROGRAM TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENTS SUMMARY AMENDMENT

The FAB-REP Guidelines attached are as approved by the REPD Committee March 9, 2020 with modifications presented as an amendment to that approval for consideration by the REPD Committee.

Information presented for approval as a new addition, and as summarized below, is presented in red letter and yellow highlight.

Information presented in red lettering without highlight was presented previously but tabled for further consideration.

That information is re-presented in this amendment with additional new detail provided meant to address concerns raised by the REPD Committee and also captured in red letter and yellow highlight.

- 1. The comingling of expenses for eligibility under both HPTF and FAB-REP.
  - Makes the clarification that costs under either program may not also be included for any purpose under the other program.
  - Requirement added for a construction budget that separately identifies costs being submitted for each program or purpose independent from the other.
- 2. Inclusion of outdoor space in the calculation of the award at FAB-REP rates.
  - The concept of "supplemental space" added to include outdoor seating areas, meeting space, banquet halls, and similar areas so that DIA may consider an award for these spaces at a reduced incentive rate.
  - Such space is not to be included in the calculation of eligible square feet for general FAB-REP purposes at the gross program rates.
- 3. The resubmission of the Sidewalk Enhancement Grant with language added to address concerns related to security raised by REPD.

#### DOWNTOWN JACKSONVILLE RETAIL ENHANCEMENT PROGRAM TARGETED RETAIL ACTIVATION: FOOD AND BEVERAGE ESTABLISHMENTS GRANT PROGRAM GUIDELINES

#### Program Purpose and Benefit

Targeted Retail Activation: Food and Beverage Establishments ("FAB-REP") expands upon the Retail Enhancement Program to revitalize business corridors and underutilized or vacant buildings with a focus on food and beverage establishments within the Northbank Core Retail Enhancement Area.

The FAB-REP creates two distinct districts that provide concentrated areas of dining, and entertainment opportunities that are visible from the street, open beyond workday hours, and utilize unique placemaking efforts such as creative lighting, interesting public art and inviting outdoor spaces.

These activated streets will provide the urban lifestyle that many Downtown residents seek and also promote small businesses by cultivating vibrant retail districts that will attract visitors. Further, by encouraging the location of restaurant and beverage establishments within these specific districts, patrons and business owners alike will benefit from the variety of options and the unique, walkable, and visually connected areas.

Operating as an enhanced incentive to the Downtown Retail Enhancement Grant Program, the Targeted Retail Activation: Food and Beverage Districts ("FAB-REP"), is designed to incentivize the investment and concentrated location of food and beverage establishments in two target areas: **The Elbow** and the **Hogan x Laura Districts**. These target areas were chosen based on the following factors:

- 1. Existing building stock within the area which can readily be used and/or converted for the targeted street front uses (first and certain second floors eligible);
- Proximity to public parking garages that are not utilized extensively at night, which provide an opportunity for ample parking for patrons at free or reduced rates as the market develops;
- 3. Existing concentration of restaurants, bars, and entertainment venues;
- 4. Existing sidewalk width or ROW convertible to expanded sidewalk;
- Streets designated within the adopted CRA plan for conversion to two-way creating a slower speed, providing greater visibility of street front establishments, and creating a more pedestrian friendly environment; and
- 6. Impact on two City owned sites proposed for redevelopment- Former Courthouse/City Hall annex adjacent to the Elbow and The Landing development parcel at the waterfront of Laura and Hogan.

**The Elbow:** The Downtown bar and entertainment area already branded as The Elbow, with a focus on the following street frontages, which are described and depicted in the map below:

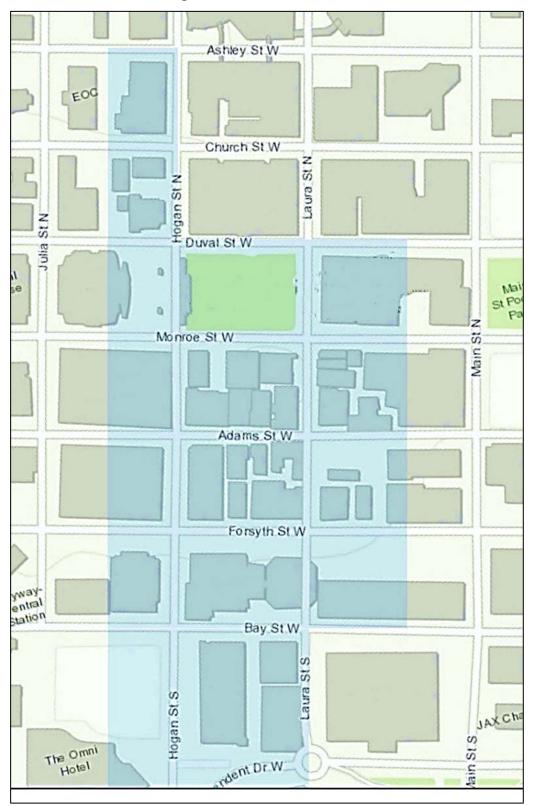
- Street frontage facing <u>Adams St</u>. from the middle of the block traveling east from Main St. and terminating at the west side of Newnan St.
- Street frontage facing **Forsyth St.** from the middle of the block traveling east from Main Street on the north side, continuing east from Ocean St. and terminating at the west side of Liberty St., with only the south side of Forsyth St. traveling east from Newnan St. included.
- Street frontage facing <u>Ocean St.</u> traveling south to Forsyth St and terminating at the middle of the block between Bay St. and Independent Dr., with only the east side of Bay Street between Forsyth St. and Bay St. included
- Street frontage facing <u>Bay St.</u> traveling east from Ocean St. and terminating at the west side of Liberty St., with only the north side of Bay St. traveling east from Newnan St. included.

\*\*Frontage on Adams St., Forsyth St., and Bay St. is important as Main and Ocean will remain one-way and will be less walkable, however, connections that activate the frontage between districts could be considered.



**Hogan x Laura Districts:** Already home to several restaurants and bars, with a focus on the following street frontages, which are described and depicted in the map below:

- Street frontage facing <u>Hogan St.</u> beginning at Ashley St. on the west side of Hogan St., including both sides of the street at Duval St., and terminating at Water St.
- Street frontage facing <u>Laura St.</u> beginning at Duval St., continuing south on Laura St. until Bay St. on both sides of the street, and continuing on the west side of Laura St. and terminating at Water St.
- Street frontage facing <u>Monroe St.</u>, <u>Adams St.</u>, and, <u>Forsyth St.</u> beginning at the middle of the block between Julia St. and Hogan Street and terminating at the middle of the block between Laura St. and Main St.
- Street frontage facing **<u>Bay St.</u>** beginning at the middle of the block between Julia St. and Hogan St. and terminating at the middle of the block between Laura St. and Main St.



Hogan x Laura FAB-REP District:

#### I. Qualifying Establishments:

- a. The Type of establishment will determine the appropriate incentive level, which is discussed in Section III(b).
  - <u>Type 1</u>: Generally, full service (i.e. wait staff, table bussers), full menu, full kitchen, non-disposable serve-ware. Must be open a minimum of five days per week for dinner until at least 9 p.m.
  - <u>Type 2</u>: Generally, limited service; order at the counter, self-clearing of tables, partial or full kitchen, buffet line, with on-site preparation and consumption of food. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).
  - <u>Type 3</u>: Generally, no kitchen or minimal kitchen, counter service only, limited menu or beverage only. Must be open a minimum of five days per week for either breakfast (by 7:00 a.m.) or dinner/evening hours (until at least 9:00 p.m.).
- b. The below table provides various classifications of establishments and the most likely type from the descriptions above. The DIA has the discretion to determine the type of establishment if it is not listed here or it is not clearly defined.

Establishment	Туре:
Fine Dining Restaurant	1
Contemporary Casual Restaurant	1 or 2
Casual/Family Style Restaurant	1 or 2
Fast Casual Restaurant	2
Fast Food Restaurant	2 or 3
Café or Deli Restaurant	2 or 3
Pizza Parlor	2 or 3
Coffee Shop	3
Ice Cream Shop	3
Pastry Shop/ Bakery	3
Craft Brewery Tap Room	3
Craft Distillery Tasting Room	3
Bar/Lounge	3
Entertainment Venue, such as music hall or movie theater	3

#### II. <u>General Program Requirements</u>

#### a. Applicants:

- i. Business Owner and the Property Owner would submit a joint application for a FAB-REP Grant, indicating both the Business Owner and Property Owner's investments towards the eligible improvements.
  - The Business Owner and Property Owner must each contribute at least 25% of the cost of eligible improvements or provide a rent concession equal to such amount. Funding received through the Downtown Historic Preservation & Revitalization Trust Fund ("HPTF"), or the related portion paid by the Business Owner or the Property Owner, is not eligible for consideration towards the required contribution to the cost of eligible improvements under FAB-REP.
  - 2. Inclusion of the Business Owner in the Application Process creates alignment between incentive and performance as they are the principal beneficiary of the improvements in the immediate future.
  - **3.** Inclusion of the Property Owner in the Application Process creates "buy-in" from the Property Owner as many of the eligible improvements will directly benefit him or her longer than the lease agreement with the Business Owner.
- **ii.** The Business Owner and the Property Owner will execute the same FAB-REP Grant Agreement that will identify specific responsibilities for each.
  - 1. The amount of grant funds secured by the note will reflect the total FAB-REP Grant awarded by the DIA, irrespective of the Property Owner contribution.
  - 2. The DIA reserves the right to determine if a personal guarantee or other form of security is necessary for the note. The decision will be based on the creditworthiness of the Business Owner and/or the Property Owner.
  - **3.** If the Business Owner is also the Property Owner, the DIA may request security in the form of a subordinate mortgage or lien on the property.
  - **4.** Property Owner will have a cure period of 180 days should the Business Owner abandon the lease during the compliance period of the forgivable loan.

#### b. Grant Funding

- i. Improvement Incentive amounts
  - **1.** Funding under the FAB-REP program will be determined by the Type of establishment and limited to 50% of eligible costs, as outlined in Section III(e).

Establishment Type	Price per Square Foot	Cap of Eligible Costs	
Type 1:	\$65/Sq. Ft	50% of eligible costs, not to	
		exceed \$400,000	
Type 2:	\$50/Sq. Ft.	50% of eligible costs, not to	
		exceed \$200,000	
Туре 3:	\$40/ Sq. Ft.	50% of eligible costs, not to	
		exceed \$100,000	

#### ii. Historic Preservation/Adaptive Reuse Boost

For properties designated as a local landmark (per the Jacksonville Historic Preservation Section of the Planning & Development Department), applicant can receive an additional \$20 per square foot boost to the grant award (still subject to cap). Any changes to the exterior of local landmarks will need to be approved by the Jacksonville Historic Preservation Section or Jacksonville Historic Preservation Commission.

Costs included in an application for funding, or previously approved for funding, through the Downtown Historic Preservation & Revitalization Trust Fund ("HPTF") at any level may not included for consideration in the FAB-REP or for purposes of the boost, whether covered by the HPTF grant or not. Such costs must be separately identifiable in the construction budget presented at the time of application.

For properties designated as a contributing structure to the Downtown Historic District (per the National Park Service) but not a local landmark, the applicant can, subject to DIA approval, receive an additional \$10 per square foot boost to their grant (still subject to cap). While DIA encourages preservation of the historic façade of contributing structures, it is an intent of the FAB-REP to promote ground floor activation. To that end, the replacement of storefront plate glass windows with window opening systems or similar modifications that promote greater street front visibility and access will not disqualify an applicant from receiving the boost.

#### iii. Sidewalk Enhancement Grant

In an effort to encourage more outdoor dining activity and place making, a Sidewalk Enhancement grant may be awarded, subject to the following conditions and limitations:

- Additional funds will be available to FAB-REP grant recipients, to cover up to 80% of eligible outdoor dining improvement costs, but not to exceed \$15,000. A separate budget must be provided. The funds can be used for the cost of creating outdoor spaces that enhance the sidewalk experience, such as tables, chairs, and other furniture, lighting, greenery, umbrellas, and awnings.
- If the recipient does not qualify for the FAB-REP (i.e. unable to meet hours of operation or other requirements) a Sidewalk Enhancement Grant not to exceed \$5,000 can be awarded. A separate budget must be provided.
- All Sidewalk Grant recipients must hold a valid Sidewalk Café permit to be eligible for the grant.
- Application for the Sidewalk Enhancement Grant must include a plan to protect the improvements including all equipment and fixtures for the five-year compliance period, subject to approval by DIA staff.
- DIA reserves the right to inspect the improvements during the compliance period. In the event operator fails to use the improvements as intended, or fail to secure and maintain the improvements in good repair as agreed, including but not limited to loss of or irreparable damage (beyond normal wear and tear), the DIA may declare the recipient in default. The recipient will then have a period of thirty days to cure such default or DIA may withhold amortization of funds awarded under this Sidewalk Enhancement Grant.

#### iv. Type of Funding

- Zero-interest, forgivable loan, payable upon completion of the work and receipt by DIA of invoices for goods and services rendered, and proof that recipients paid for such goods and services.
  - **a.** No interest shall accrue upon the principal of the total loan amount with principal forgiven over a five (5) year period.
  - **b.** Total principal balance will amortize 20% each year of the compliance period.

- **c.** At end of five years, the loan shall be forgiven in its entirety on the condition the improvements are installed and maintained in reasonably good condition and no City Code violations are incurred during the compliance period.
- **d.** If it is determined that recipient(s) is in default, interest and full payment of the grant may be demanded.
- e. DIA may help arrange bridge financing with community lenders, to facilitate funding requirements during the construction or build-out phase of the project. However, it is not the responsibility of DIA to arrange such financing arrangement.

#### c. Recipient Eligibility:

- i. Hours of Operation: Establishment must be open not less than 5 days per week which must include either breakfast or dinner/evening hours, and specifically including at least one of the following operating periods:
  - 1. Breakfast: opening no later than 7:00 am
  - **2.** Dinner/Evening hours: staying open at least until 9:00 pm, including either Friday or Saturday evening
  - **3.** DIA will have the authority to modify the required hours of operation in the event market conditions require same.
- ii. Availability of funding for the specific type:
  - In an effort to create a competitive and diverse mix of establishments in the FAB-REP districts, the DIA will target FAB-REP Grants to a specific number of establishment types each year. For Year 1 of the program, there will be a target of 14 grants, awarded on a first come, first serve basis, subject to available funds, and allocated as follows:
    - **a.** Type 1: not more than 3 in each district
    - **b.** Type 2: not more than 4 in each district
    - c. Type 3: not more than 3 in each district
  - 2. The DIA reserves the right to adjust this allocation at any time based on market conditions and grant demand. Further, the DIA will evaluate the applicant's business plan, proximity to other establishments, the contribution made to the diversity in the retail mix of the area proposed, the product offering, and price points, in relation to the existing or approved establishments in the FAB-REP district.

- iii. First floor spaces with access from the street or customers visible from the street are eligible. Situations where the upper floor space is related to the operations on the first floor and adds to the street activation may be considered as supplemental space on a case by case basis.
- iv. Second floor only spaces may be eligible if open rooftop, balcony, or deck where service is visible from street level and access from street level is provided via stairs or elevator accessible from the sidewalk.
- v. Supplemental space including outdoor seating areas, meeting space, banquet halls, and similar areas should not be included in the calculation of eligible square feet. DIA may award an incentive for supplemental space at a reduced rate per square foot depending on the anticipated use and level of finish which must be separately identifiable in the construction budget presented at the time of application.
- **vi.** Applicant must provide a copy of a fully negotiated lease agreement with at least 5-year term operating during the entirety of the compliance period.
- vii. The scoring rubric found in the existing Retail Enhancement Program will be utilized in scoring applications.
- viii. In the event the recipient is unable to meet the above eligibility requirements, a Retail Enhancement Program Grant should be considered.

#### d. Eligible and Ineligible Improvements:

#### Eligible Improvements

To be considered eligible, the improvement must be directly related to the retail food or beverage establishment seeking the grant. Office, distribution, and costs associated with preparation or packaging of food or beverages to be consumed or distributed off-site are considered indirect improvements and not eligible for grant funds. Further, the use of FAB-REP grant funds may not be used for any portion of the cost of improvements submitted as part of an application or already approved for funding through an HPTF Grant. Such costs must be separately identifiable in the construction budget presented at the time of application.

The below list is not exhaustive, but is illustrative of those improvements that otherwise would be considered eligible.

- Interior demolition and site preparation
- Code compliance, life safety and ADA
- Electrical, utility and mechanical improvements (e.g., lighting, HVAC, elevator for establishment use only).

- Doors, windows, flooring, façade improvements (including awnings affixed to the building), and other interior and exterior improvements.
- Cooking, refrigeration and ventilation systems, but not small appliances (e.g., microwave), fixtures, point-of-sale systems
- Other construction or improvements that would commonly be recognized as permanent or part of the interior or exterior of the tenant space

#### Ineligible Improvements

Generally, any non-permanent improvements or improvements that do not directly relate to food or beverage operation, or any improvement made without the necessary permits are not eligible for grant funds.

- Temporary or movable furniture such as tables, chairs
- China, tablecloths, silverware, etc.
- Small kitchen appliances (i.e. microwaves, toasters)
- Enhancements or improvements generally considered out of scale with the business plan included as part of the grant application. By way of example, an ice cream parlor would generally not require a wine cellar.
- Office equipment
- Moving expense
- Working capital
- Refinancing existing debts for prior improvements
- General periodic maintenance
- Soft costs (e.g. engineering and design, developer fees, etc.)
- New building construction or new building additions

### TAB IV.FAÇADE GRANT PROGRAM

#### FAÇADE GRANT PROGRAM Draft Guidelines

#### Criteria Recommendations for Downtown Façade Grant Program

#### 1. Location

a. In the Northbank CRA, limited initially to the area identified as the Downtown Jacksonville Historic District, as designated by the National Register of Historic Places Program. (See Knoxville, TN, which focused on priority areas and Pittsburgh, which focused on specific areas of downtown)

#### 2. Eligibility

- a. In good standing with the City (no unpaid taxes, Municipal Code Compliance outstanding citation on any property of applicant, outstanding defaults on any City contract, or previous uncured grant defaults or noncompliance).
- b. Have no outstanding liens or violations.
- c. An applicant is limited to one Façade Grant per applicant at a time and one grant for the exterior of a particular building at a time (including an already approved Façade Grant, FAB-REP Grant or HPTF Grant which contribute to the cost of any exterior or façade improvements). Upon the completion of the previously awarded grant project, the applicant may seek a subsequent Façade Grant for other structures or for upper floors on a property that already received façade grant funding.
  - i. This requirement acknowledges some applicants may have multiple properties that could benefit from the façade grant program. Instead of limiting applicants to one address per year (see OED Façade grant program), the DIA would require the completion of a project that received a grant prior to awarding any additional façade grant(s) to the same applicant.
  - ii. Similarly, this requirement also acknowledges that it may be financially difficult to complete a large-scale, multi-floor façade improvement project. Instead of limiting one grant award per property, the DIA would require the completion of a project that received a grant for a part of the façade prior to awarding any additional Façade Grant(s) for the same property.
- d. Must strive to utilize City approved JSEB's for renovation work associated with grant.
- e. Must contribute to the CRA through ad valorem taxes prior to submitting the application and at least until the 5-year grant compliance period is over. (see Downtown Orlando CRA)
- f. Must agree to remove any billboards when billboard lease expires and conform all nonconforming signs to the current sign code. (see Pittsburgh)
- g. Only street frontage exterior facades are eligible.
- h. Ineligible: Including but not limited to:
  - i. A structure that has already restored the entire façade. (see Pittsburgh)
  - ii. New construction and structures built within the last 25 years. (see Knoxville)

#### 3. Property Use

All property uses that contribute to the CRA through ad valorem taxes are eligible to apply for a façade grant, except that parking garages must have commercial, retail, office, or residential space(s) on the ground floor.

#### 4. Grant Amount

- a. <u>Base Amount</u>: A maximum amount of 50% of eligible costs, not to exceed:
  - i. \$10 per square foot of eligible facade not to exceed \$75,000.
  - ii. For purposes of calculating the grant amount, the square footage is determined by the total area of the street frontage façade to be improved with funds from the grant. (The area included in order to determine the grant amount will not be eligible for a second grant)
- b. <u>Contributing Structure Boost</u>: For properties that are deemed contributing structures to the Downtown Historic District, but are not locally designated landmarks, an additional \$2 per square foot up to 50% of total costs, not to exceed \$75,000. (See Downtown Orlando CRA)
- c. <u>Local Landmarks</u>: If the structure is a locally designated landmark, the applicant should consider applying for a Historic Preservation Trust Fund Grant ("HPTF") instead of a Façade Grant, since a Certificate of Appropriateness will be required for any improvements and that program has a higher cap for eligible improvements.

#### 5. Eligible Expenses

- a. Renovation, restoration, and rehabilitation of the front and sides of buildings fronting on public streets, including: painting, cleaning, staining, masonry repairs, repairing or replacing cornices, entrances, doors, windows, decorative details and awning, signage (See OED)
- b. Screening for parking garages ("")
- c. Landscape elements (" ")
- d. Permanently affixed exterior lighting ("")
- e. Removal of non-contributing false façades (See Downtown Orlando)
- f. Replacement or reconstructive woodwork ("")
- g. Hardscape improvements that are visible from the ROW ("")
- h. Restoration of historically appropriate doors, windows, or building features ("")
- i. Removal of deteriorated portions of the façade provided the structural integrity of the building remains intact (Tampa)
- j. Replacement or installation of signage that is in accordance with the Sign Code (see Knoxville)

\*\*\* The DIA prefers the restoration of the entire façade, but at a minimum, either the entire storefront or the entire façade above the storefront shall be improved. Storefront improvements will be given grant award priority over upper façade improvements. (See Pittsburgh)

#### 6. Historic Designations/Local Landmark Limitations

a. A contributing property that is not designated as local landmark shall perform work that is compatible with the affected structure's original architectural style

and character as determined by DDRB however shall not be required to adhere to historic standards. The DDRB will consider the practicality, economic feasibility, and reversibility of making certain non-historically compatible improvements, such as window and doorway replacements, storefront rehabilitations, and signage, when considering such work.

b. Properties that are designated as local landmarks will need to comply with the guidelines and regulations of Ch. 307, Ordinance Code and receive a Certificate of Appropriateness from the Jacksonville Historic Preservation Commission or Division.

#### 7. Grant Compliance Period and Payback

Following the same approach as the existing REP grant and the proposed FAB-REP Grant Program:

- a. zero-interest, forgivable loan (5 years) payable upon completion of work; principal amortizes 20% each year, until forgiven at end of Year 5;
- b. If in default, interest and full payment can be demanded.
- c. Must maintain ownership or majority share for 5 years.
- d. Must maintain the improvements in good repair.
- e. If at any point during the 5-Year Grant Compliance Period a first-floor space is not occupied, the Property Owner shall utilize its best efforts to continue to activate the streetscape. This can be accomplished through temporarily attaching art on the windows, utilizing the storefront space as an art installation or exhibition, or other creative efforts to address street activation.

#### 8. Final Design Approval

Approval of a Façade Grant Application is NOT an approval of the proposed façade improvements. Recipients of a Façade Grant shall obtain all required authorizations from the Downtown Design Review Board, the Planning and Development Department, and any other necessary department or agency prior to commencing construction.

# TAB V.RUBY BEACH F & B ENHANCEMENT PROGRAM<br/>APPLICATION

Project tracking number:	FAB-REP 2020-001					
Project name/ Applicant:	Zeta Jax, Inc. d/b/a Ruby Beach Brewing Co. Mark Vandaloo, President					
	228 Forsyth Inc. (c/o Petra Management) Elias Hionides					
Project Location:	228 E. Forsyth Street Jacksonville, Florida 32202					
Project Request:	\$75,000 22.2% of Phase II Development Costs 16.9% of Total Redevelopment Costs					
Total Project Costs:	\$107,900 <u>\$337,100</u> \$445,000	Phase I Phase II Total				
Applicant Contribution	\$286,500 <u>\$ 75,000</u> \$361,500 \$262,100 82.9% of Total Redeve 77.8% of Phase II Redeve	•				

#### Project Description:

The co-applicants, Zeta Jax, Inc. and 228 Forsyth Inc. are engaging in the build out of a commercial microbrewery and brew pub operation with outdoor brew garden space at 228 E. Forsyth Street (a/k/a The Letter Shop) and the adjacent parking lot space at 230 E. Forsyth Street. Both of these properties are currently owned by 228 Forsyth, Inc. (Chris Hionides, president) and property taxes are current at each location. This location is within the defined Elbow District as found in the FAB-REP Guidelines.

Ruby Beach Brewing is a specialty craft brewery that is relocating from its Jacksonville Beach location of the past five years to downtown Jacksonville. Ruby Beach will bring a twenty-four (24) tap rotating lineup of premium, unique microbrews in its tap room. Signature brews from Ruby Beach use 100% juice

purees, local, fresh, culinary enhanced ingredients and grain milled in-house. Incorporating trends such as lower ABV and a more health conscience beer are among the operating plans for the current year.

The brewing operation currently has a distribution network including Mellow Mushroom, Lynch's, Culhane's, Auggie's draft room (St. Augustine), Ida Claire at Town Center, Corner Taco, and the Nocatee Amenity Center among others. Ruby Beach has established a strong partnership with Champion Brands to distribute product in Duval and surrounding counties and employees a full-time sales representative to maintain these relationships and grow distribution. Ruby Beach Brewing Co. also has accounts North Florida Sales, Cavalier Dist. and Harvest Moon , which provides the taproom the availability to all local beers in the market.

Approximately 50% (1,278 square feet) of the first floor of the two-story building will be used for brewing activity, supporting both wholesale and retail production, and will not be open to the public. The applicant has separated those Phase I costs from the application and they are not considered in context of this award recommendation.

The retail/public space of the operation (Phase II) comprises a 1,278 square foot taproom, a 440 square foot outdoor patio/beer garden, and 2,557 square feet upstairs meeting space to be finished and used for weddings, family events, corporate events, art showings, pop-up markets and similar events. Associated cost for buildout of each space as provided by Ideal Conditions General Contractors, Inc.

											_
		Phase I	Phase II								
	Total	Brewery	Taproom		50%	Event Space		50%	Beer Garden	50%	
Demolition	\$ 3,000	1,500	500		250	1,000		500		-	
Concrete Foundation	\$ 5,000	4,000							1,000	50	00
Framing Drywall	\$ 15,000	8,500	3,500		1,750	3,000		1,500			
Electrical	\$ 55,000	10,000	22,500		11,250	18,500		9,250	4,000	2,00	00
Plumbing	\$ 30,000	5,400	12,300		6,150	9,300		4,650	3,000	1,50	00
Mechanical	\$ 84,000	8,000	38,000		19,000	38,000		19,000			
Brewery Installation	\$ 34,000	34,000									
Elevator	\$ 30,000		15,000		7,500	15,000		7,500			
Stairs	\$ 15,000		6,500		3,250	8,500		4,250			
Doors and Windows	\$ 16,000	4,000	7,500		3,750	4,500		2,250			
Sprinkler	\$ 65,000	7,000	29,000		14,500	29,000		14,500			
Railing	\$ 8,000		4,000		2,000	4,000		2,000			
Flooring	\$ 15,000	3,000	3,000		1,500	9,000		4,500			
Gas	\$ 5,000	5,000									
painting	\$ 9,000	3,500	2,500			3,000					
Structural framing	\$ 8,000		6,000		3,000	2,000		1,000			
General Conditions	\$ 8,000	2,000	2,000			2,000			2,000		
Builder Fee	\$ 40,000	12,000	12,000			12,000			4,000		
	\$ 445,000	107,900	164,300		73,900	158,800		70,900	14,000	4,00	00
Incentive Rate				\$	30		\$	15		\$ 1	15
Sq Foot Basis			1,278	\$	38,340	2,557	\$	38,355	440	\$ 6,60	00
Lesser of \$ or %				\$	38,340		\$	38,355		\$ 4,00	00
Cost & Incentive PSF			\$ 128.56	\$	30.00	\$ 62.10	\$	15.00	\$ 31.82	\$ 9.0	9

As shown above, among the total costs of \$445,500, the cost for buildout of Phase II including the taproom (\$164,300), the event space (\$158,000), and the beer garden (\$14,000) totals \$337,100. This recommendation compared the lower of 50% of the Phase II costs with a dollar award of \$30 (tier 3) for

the taproom space, and \$15 each for the event space and the beer garden, considered for inclusion as supplementary spaces. This approach yields a maximum award eligibility of \$80,695, including \$38,340 for the taproom (\$15 psf), \$38,355 for the event space (\$15 psf), and \$4,000 for the beer garden (\$9.09 psf). With an application request of \$75,000, the award recommendation equates to \$17.54 psf.

The applicant submitted a thorough business plan that identifies key staff members with relevant experience, market trends, the target market, marketing and merchandising plans, pro forma financial statements, and employment targets. Specific strengths are found in the operating history of the brewpub operation with an established following, including a management team with extensive relevant experience in brewery operations as well as the food and beverage business led by President, Mark Vanderloo citing 16 years of personal experience. Further, the operating history at the prior location minimizes the learning curve of operations and establishes objective reviews of the products and preferences of clientele. Ruby Beach maintains a 3.68 rating out of 5 in the UNTAPPD independent review application based on consumer ratings. Marketing consists of leveraging social media (6800 Instagram followers and 1500 Facebook followers), as well as utilizing Facebook and Google advertising, radio, and other forms of advertising and marketing to broaden the reach and frequency of promotions. The retail location will also have branded merchandise on display and for sale. In addition to the attention to detail as shown in the build-out of the space, designed to become a downtown destination, each of these factors contributes to an active downtown experience by a seasoned operator in the competitive brewpub space. The business plan is attached as Exhibit A.

To meet the requirements of the FAB-REP program, Ruby Beach has established the following hours of operation for their downtown location, with additional hours available for special events and functions.

Tuesday	2PM-11PM
Wednesday	2PM–11PM
Thursday	2PM–11PM
Friday	2PM–2AM
Saturday	11AM–2AM
Sunday	11AM-10PM
Monday	2PM-11PM

The applicant indicates that they expect to create employment for thirteen to fifteen personnel in downtown with the relocation and opening of their new facility with seven to nine of those jobs directly related to operation of the taproom, beer garden, and event space within one year. The building is found to be a contributing structure in the designated Downtown Historic District and was originally constructed in 1904, per the Property Appraiser's website.

Financial viability is demonstrated through the three year operating pro forma projecting sales in year 1 of \$585,000, and increases of 22.2% to \$715,000, and 20.2% to \$860,000, in years 2 and 3. The gross

income per day from these estimates ranges from \$1,600 to \$2,356. Gross margin of approximately 83% is sufficient to cover operating expenses in each year, providing operating profit of \$130,562 in year 1, \$230,395 in year 2, and \$329,064 in year 3. This is effectively shown on an EBITDA cash proxy basis as the pro forma does not reflect depreciation, interest, or taxes.

Staff review of the application indicates the proposed project meets the Redevelopment Goals within Downtown Jacksonville as outlined below:

- Reinforce Downtown as the City's unique epicenter for business, history, culture, education, and entertainment.
  - ✓ Increase the opportunities for Downtown employment.
  - ✓ Protect and revitalize historic assets.
  - ✓ Support expansion of entertainment and restaurant facilities.
  - ✓ Increase venues, workspaces and residential opportunities with a focus on the Target Area.
  - ✓ Create a consistent theme and image that conveys a sense of the excitement and activity Downtown.
  - ✓ Focus efforts on drawing many diverse attractions, rather than a small number of large ones.
- Increase rental and owner-occupied housing downtown, targeting key demographic groups seeking a more urban lifestyle.
  - ✓ Leverage land contributions, infrastructure investments, incentive grants, and low interest loans.
  - ✓ Promote and attract neighborhood retail to support downtown residents.
- Simplify the approval process for downtown development and improve departmental and agency coordination.
  - ✓ Initiate public/private partnerships.
  - ✓ Identify cooperative property owners/developers and develop key pilot initiatives.
  - Maintain a clean and safe 24-7 Downtown for residents, workers, and visitors.
    - ✓ Provide increased walkability through:
      - Support and attract additional commercial, service, residential, transportation, recreation, and open space uses.
      - Redevelop the major road corridors with pedestrian-scale neighborhood retail and services.
      - Enhance the connection with neighborhoods immediately adjacent to Downtown through attractive, walkable/bikeable linkages.

#### Staff Recommendation:

Approve a Forgivable Loan in the amount of \$ 75,000; subject to:

1. Applicant to obtain appropriate permits within 6 months of final program document approval and executed agreements with DIA

- 2. Applicant to have all work completed within a 6 month period from final program document approval and executed agreements with DIA
- 3. Applicant may receive up to a 6 month period extension to comply with final program document approval and DIA executed agreements
- 4. The forgivable loan will be secured by a personal guarantee of the co-applicants in the event of a default under the program or funding agreement.

#### Attachments:

- A) Ruby Beach Business Plan
- B) Three Year Projected Operation Pro-forma
- C) Written Description of Improvements and Modifications
- D) Design for Storefront and Interior
- E) Application Score

# **RUBY BEACH BREWING CO.**

DOWNTOWN JACKSONVILLE RETAIL ENHANCEMENT GRANT/LOAN PROGRAM APPLICATION REQUIREMENTS

228 East Forsyth Street, Jacksonville, FL 32202

Mark Vandaloo, President



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#### Ruby Beach Brewing Co.

228 East Forsyth Street, Jacksonville, FL 32202

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  - d. Social Media, Marketing, & Advertising
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- II. Three Year Projected Operation Pro-Forma
- III. Evidence of Ownership
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- V. Notarized Statement from Property Owner
- VI. Written Description of Improvements and Modifications
- VII. Design for Storefront and Interior
- VIII. Legally Binding Agreement with a Licensed Contractor
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### **RUBY BEACH BREWING CO.**

#### **BUSINESS PLAN**

228 East Forsyth Street, Jacksonville, FL 32202



#### **COMPANY OVERVIEW**

Ruby Beach Brewing is a specialty craft brewery currently located in the heart of Jacksonville Beach that has served the beaches community for the past five years with a twenty-four (24) tap rotating lineup of premium, unique microbrews for the discerning beer connoisseur. Leading the way in craft beer trends from using 100% juice puree's, local, fresh, culinary enhanced ingredients and milling our own grain in house gives us a distinct advantage in the craft beer arena. Understanding and on-boarding upcoming trends such as lower ABV and a more health conscience beer will be added to our portfolio in the current year.

In January of 2018 we started our re-branding process from Zeta Brewing Co. to Ruby Beach Brewing Co. Initially just a restaurant and bar, once we added our brewing facility, we re-named, re-branded and wanted to be known just for beer and a taproom. Moving downtown and away from the beach will allow us to take the next step in that separation. Without the overhead of the kitchen and liabilities of liquor, we can function as a proper taproom and brewery. We will have food available via food trucks and we will work closely with local caterers for private events.

The evolution of Ruby Beach Brewing has put us in a place to solely focus on growing our brand as a taproom and in distribution beer sales. Having more space in the brewery will allow for a canning line and the ability to service local convenience stores, grocery stores and the like. Being an established brewery in the Jacksonville market and believing in the public and private funding to develop downtown Jacksonville, we are eager to take the next step in growing our business. Out distribution network currently includes, but are not limited to, Mellow Mushroom, Lynch's, Culhane's, Auggie's draft room (St. Aug), Ida Claire at Town Center, Corner Taco, and the Nocatee Amenity Center to name a few. Over the past year we have established a strong partnership with Champion Brands to distribute our product in Duval and surrounding counties. This, in addition to our full-time sales representative, has helped grow our distribution considerably.

#### **OBJECTIVES**

- Contribute to the revitalization of downtown Jacksonville, particularly The Elbow Entertainment District, in which we believe we will add to the overall vibe and aesthetic.
- Offer an additional entertainment option for concert-goers, tourists, business travelers, residents, and downtown office workers.
- Increase name recognition and sales via "flagship" downtown Jacksonville location.
- Create outdoor beer garden as one of the only options for outdoor entertainment in downtown Jacksonville.
- Preserve and restore a unique historic building in the downtown historic area.



#### **DOWNTOWN IMPACT**

There are a number of redevelopment goals that are specifically met by our move to Downtown Jacksonville.

- 1. Reinforcement of Downtown as City's epicenter for business, history, culture, education, and entertainment.
  - a. Ruby Beach will hire approximately 13 staff adding to and diversifying downtown employment.
  - We plan to *restore and preserve* the property at 228 E Forsyth Street (The Letter Shop). This is evidenced through our plan and renderings attached hereto. Furthermore, we are employing an interior designer to help with selections and aesthetics. \*we are currently adjusting our storefront plan to include glass garage doors directly on Forysth Street!
  - c. Our brewery will expand entertainment options for residents, guests, and employees of downtown.
  - d. We will have an event venue within the downtown core. Our upstairs space will provide an in-between sized venue for corporate gatherings etc in a unique, historic atmosphere.
  - e. We will have outdoor seating and a fun environment in the heart of the entertainment district
  - f. Helps drive the image of downtown for national conventions
- 2. Increase rental and owner-occupied housing downtown
  - a. We intend to be a space for downtown residents to relax and integrate into the community. This will help bring more residents downtown seeking entertainment and unique offerings.
- 3. Improve walkability/bike ability and connectivity
  - a. With our outdoor beer garden directly on Forsyth Street, and a tap room with large windows also on Forsyth St, we will have an active façade and street connection
  - b. We will be a connecting point between Market Street, The Ford on Bay, The Florida Theater, and The Elbow District.
  - c. We are in walking distance to a number of existing downtown housing units and the thousands more proposed, adding a venue for which people can get out of their homes and walk.



### Ruby Beach Brewing Co.

228 East Forsyth Street, Jacksonville, FL 32202

#### LEADERSHIP

#### Mark Vandeloo – President

- GM, Operates Casa Marina Hotel & Restaurant in Jacksonville Beach for 15+ Years
- Owns and Operates Ruby Beach Brewing, Co. for 7+ Years
- 4 Years U.S. Navy
- 4 Years D.O.D
- 16 Years Food, Beverage and Hotel Operations.

#### Aaron Webb – Consultant

- 23 Years Culinary Experience
  - 18 Years Executive Chef with Casa Marina Hotel
  - 6 Years with Ruby Beach Brewing, Co.

- Mr. Webb consults with front of house operations as well as flavor profile for the brewery.

#### Chris Prevatt – Brewery Operations Manager

- 20+ Years as an Executive Chef
- 6 Years Certified Brewer
- 5 Years with Ruby Beach Brewing, Co.

#### Patrick Pruitt - Head Brewer

- Previous 4 Years with Wicked Barley
- Has been Head Brewer with Ruby Beach Brewing, Co. the past 2 years.

#### Casey Davis - Event Sales Manager

- 6 Years Casa Marina Hotel
- 2 Years Ruby Beach Brewing, Co.

#### Christina Potfay - Sales Manager

- Direct Sales , In-Market Sales 7 years' Experience
- Has been with Ruby Beach since February 2019.

#### Jade Hoisen – Marketing and Social Media Manager

- 2 Years with Bold Brands
- Employed since November of 2019 with Ruby Beach Brewing, Co.



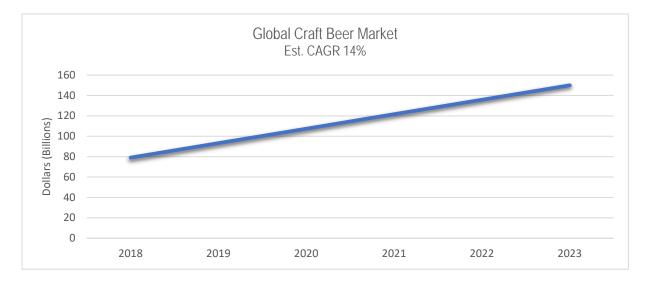
#### **MARKET ANALYSIS**

Moving to 228 E. Forsyth will enable growth from a production and distribution perspective as well as day to day business in the taproom. The addition of outdoor space and second floor event space will enhance guest experience and become a downtown destination.

The namesake of Ruby Beach Brewing Co. easily translates to the rich history of downtown Jacksonville specifically to the historic nature of Forsyth street and the building itself which was built in 1904.

1-Mile	3-Mile	5-Mile	
14,976	92,932	225,390	
40.7	37.6	37.3	
5,738 \$57,982	39,255 \$53,075	92,921 \$54,378	
	14,976 40.7 5,738	14,976     92,932       40.7     37.6       5,738     39,255	14,97692,932225,39040.737.637.35,73839,25592,921

There is an approximate annual production of six million barrels of craft beer, approximately 3% of U.S. annual sales. The Craft Brewing Industry contributed \$79.1 Billion to the U.S. Economy in 2018, providing more than 550,000 jobs. The global craft beer market is strong and various forecast show a 12-14% growth in the next 5 years. We are positioning ourselves to meet that demand. Ruby Beach Brewing Co. is a privately funded venture lead by Mark Vandeloo.





### TARGET MARKET

Ruby Beach Brewing Co.'s target market includes craft beer connoisseurs, business professionals, college students, military personnel, local sports fans, and tourists.

- **Beer connoisseur:** Craft beer consumers share the same passion for beer as we do. Understanding market trends as well as the use of the freshest ingredients and milling our own grain in-house allows us to offer a product appreciated by the professional beer connoisseur.
- **Professionals:** With the development surrounding downtown Jacksonville and the expected growth of the area, we will offer a casual, professional environment to relax after work, wrap up a meeting or host a client appreciation happy hour on our second-floor dedicated event area.
- Sports fans: Minutes away from TIAA Bank Field, the baseball grounds, and other sport facilities, Ruby Beach Brewing will host weekly tailgate events as well as pre- and post-game specials for Jaguar and Jumbo Shrimp fans. With several TVs and sports packages, the tap room will show all the big games and of course support all of our local professional and college events
- College Students: UNF, JU, and Florida State College at Jacksonville all have a growing
  presence downtown and are in close proximity to Ruby Beach Brewing. Creating a
  downtown destination to appeal to our 21 and up student body will expose other elements
  of downtown Jacksonville to a fresh demographic. We have a strong social media presence
  already and will use all platforms for this segment of the market.
- **Military:** Being former military myself, I take a lot of pride in being able to support and honor our active and retired military members. Over the past five (5) years, we have consistently offered individual and group specials for our military members and their families. Being able to reach NAS Mayport, NAS Jax, and Kings Bay will broaden our exposure.
- **Tourists:** We have been members of the Jax Ale Trail from its inception and will continue to work with Visit Jax and Visit Florida to help grow and promote not only the growing craft beer industry but a fixture in promoting the positive trend in Downtown Jacksonville. In addition, we plan on participating in the new Pedal Pub downtown.



### **COMPETITIVE EDGE**

- Existing clientele and strong distribution network with Champion already in place.
- Experienced operator and brewing team.
- Downtown move allows the brand to reach more core customers and adapt to the changing landscape in Jacksonville's beer scene.
- Upstairs event space allows for new revenue stream not captured previously.



### SOCIAL MEDIA AND MARKETING

Ruby Beach Brewing Co. currently has a highly engaged social media presence with over 6800 Instagram followers and 1500 Facebook follows. We will continue to grow our social media presence organically and use the supporting market of all platforms for daily and weekly specials as well as sharing proper information for purchasing our product at other destinations.



In addition to Social Media, one of our greatest marketing tools will be the design and aesthetic of our building. With glass garage doors facing Forsyth Street, an outdoor beer garden, and quality design selections on the interior, we plan to stand out from the crowd of craft breweries. Once closer to a firm opening date, we will announce our grand opening party and share via social media platforms, local brewer's guild and Champion Brands team.

We subscribe to Untappd and use the application for beer descriptions as well as taproom location and ratings. The well-known craft beer application allows guests to post while consuming your brand and rating accordingly.





### SOCIAL MEDIA, MARKETING, & ADVERTISING CONTINUED

The new location will give us the ability to cross promote and sell event space and taproom functions through our sales team that already has numerous relationships with significant local businesses. We use event sales applications such as Wedding Wire, The Knot, and Eventbrite.

While we rely on Champion Brands to sell and distribute our product, we have created a unique relationship with our accounts by establishing our in-house sales position to be in constant communication with current accounts as well as opening new accounts. Having this position at the most organic level has paid dividends in understanding and taking care of our customers and creating separation from our competition.

Adding to our consistent branding we will have shirts, koozies, pint glasses, key chains and other merchandise for purchase in the taproom. We are currently sourcing other local craft beer related products for re-sale in the taproom.

The starting goal of Ruby Beach Brewing's marketing strategy will be to establish ourselves amongst the craft beer community in Downtown Jacksonville, and make known the various offerings of our new space. As we gradually become more established, we will continue to push much of our daily operations, as well as various peak season events in order to keep customers informed.

Our regular hours of operation will reinforce our marketing strategy and contribute to increased wordof-mouth advertising. In addition to the below hours, the tap room and event space will be open for special/planned events.

Tuesday	2PM-11PM
Wednesday	2PM-11PM
Thursday	2PM-11PM
Friday	2PM–2AM
Saturday	11AM–2AM
Sunday	11AM-10PM
Monday	2PM-11PM

As you can see from the picture below, the brewery will be located in the North Bank Core. Being in such an ideal segment of the downtown area, we see our choice of promotional strategies greatest in regards to the effect of our target market.



Ruby Beach Brewing Co.

228 East Forsyth Street, Jacksonville, FL 32202



### SOCIAL MEDIA, MARKETING, & ADVERTISING CONTINUED

Ruby Beach Brewing will utilize a handful of advertising channels:

- Street Visibility and Word of Mouth: Strong design, quality construction, with a focus on historic preservation will create a buzz around our space. The high visibility on Forsyth Street will also drive traffic
- Social Media (Facebook and Instagram): A daily push of promotional and engaging content used to inform/entice followers.
- Paid Advertising: Working mostly in Facebook and Google Ads. A great tool to employ for the brewery to target our customers with ads of our daily promotions and events. Businesses who use Google Ads make an average of \$2 in revenue for every \$1 spent on advertising. With reach being higher than ever on Facebook, ad impressions saw a 37% increase in 2019, along with a decrease in ad costs. With 1.62 billion users visiting Facebook daily, it makes the social platform a great place to focus on advertising.
- Radio: Reaching out to stations like 1010XL and iHeartMedia. We have a long-standing
  relationship with 1010XL that's been used in the past for in-house sports events (i.e. college
  game day, Jaguar's tailgates), and will continue on with. iHeartMedia will be a platform for us to
  use when promoting the grand opening of our new downtown location.



### Ruby Beach Brewing Co. 228 East Forsyth Street, Jacksonville, FL 32202

- Third Party Advertising: Continuing to be featured on various platforms, like Jax Ale Trail. Being an already established brewery will work to our benefit as we are able to continue with many of our partnerships already formed to highlight our relocation and growth that will come.
- **Flyers:** Passed out to the brewery's surrounding area, with vouchers attached in order to introduce the brewery to many of our neighboring businesses and build that recognition.
- **Partnerships with the local community:** Our marketing team has already begun building connections with some of the surrounding businesses in order to collaborate and easily transition into the new community. A connection with the Downtown Vision Inc. has already been established and will be fully utilized a few weeks prior to our move.
- Print Advertising: The folio weekly and alike publications will be used.

### PRODUCTS

## Ruby Beach Brewing, Co. will offer a variety of craft beers and wines.

#### <u>Menu</u>

RUBY BEACH BEERS ON TAP	PRICE	WINE BY THE GLASS	PRICE
Twin Finn (Lager)	\$4	Guenoc Merlot	\$5
Ruby Beach (Raspberry Wheat)	\$5	Guenoc Cabernet	\$5
American Garage (IPA)	\$5	Guenoc Chardonnay	\$5
Scallywag (Prickly Pear, Passion Fruit Sour)	\$5	Guenoc Pinot Grigio	\$5
Monkey Shark (Key Lime Sour)	\$5		
Minshew's Milk Stache (Choc Milk Stout)	\$5		
Deep Tracks Only (Pineapple IPA)	\$5		
Hoptoberfest (Marzen)	\$5		
Pavlova (Mixed Berry Meringue Sour)	\$6		
B Liner (Berliner Weiss)	\$5		
Canterbury Tale (English Mild)	\$5		
Munson's Irish Red Rye	\$5		
Hibiscus Wheat	\$5		
Boardwalk Brown	\$5		
Rocket Power (Mandarin Orange, Mango Sour)	\$5		



GUEST TAPS	PRICE
Saugatuck Nitro Neapolitan Milk Stout	\$5
Sierra Nevada Celebration	\$5
Stella Artois (on tap for beach bar crawl)	\$5
Cigar City Margarita Gose	\$5
Founders Harvest Ale	\$5
Locust Original Dry Cider	\$5
Gnarbucha Blueberry Kombucha	\$4

Ruby Beach Brewing Co. 228 East Forsyth Street, Jacksonville, FL 32202

### PLAN FOR MERCHANDISING

Ruby Beach brewing will continue to operate 24 taps. The majority of our taps will be our own house varietals that will be regularly rotated between our core brands, Twin Finn Lager, American Garage IPA, Ruby Beach Raspberry Wheat, as well as small batch beers that will only be available in the taproom and through our 25oz and 32oz crowlers. We will also support other local breweries and have designated guest taps to rotate between Intuition, Southern Swells, Bold City and the like. Along with beer we will offer a local non-alcoholic Kombucha from Gnarbucha on tap and other non-alcoholic options. For our non-beer drinking patrons, we will have a wine list available as well as seltzers, ciders and meads. Currently our price point for house pints range between \$3.00 and \$7.00 based on daily specials and ABV. We also have 10oz pours available. Our wine list will consist of 3-4 wines by the glass from \$6.00-\$12.00 as well as bottle pricing ranging from \$18.00-\$45.00.

Our brewing system consists of (1) 7bbl brewhouse, (4) 7bbl fermenters, (4) 7bbl brite tanks as well as (1) 15bbl fermenter an 1 15bbl brite tank. We also operate a single bbl pilot system for small batch brews. The new layout of the brewery will give us ample room to add 2-3 more 15bbl fermenters. Our current capacity for full production is approximately 1800 gallons which is the equivalent to 43 ½ barrels. We plan to upsize 2 of our current 7bbl fermenters to 15bbl fermenters in the next 12-18 months for production capacity.

We have sourced our grain from BSG for the past 3 years and their competitive pricing and assortment of product allows us to keep our overhead low and pass along a reasonable price to our customers. Their regimental shipping schedule ensures an steady supply of our base and specialty malts. We also have a secure hop contract with Hopsteiner that gives us bulk pricing and guarantees the specified hops we use regularly.

Ruby Beach Brewing Co. has sales accounts and relationships with Champion Brands, North Florida Sales, Cavalier Dist. and Harvest Moon (which will allow the taproom the availability to all local beers in the market).



### PLAN FOR MERCHANDISING CONTINUED

We have multiple walk in keg coolers and will have the capacity to hold over 100 kegs to supply the tap room.

Our core brands represent us well but we are also on the leading edge of craft beer trends. We will continue to develop lower ABV and lower calorie beers that have shown traction in the market in Q4. Along with market demand for variety and trends we will have a continuous lineup of seasonal offerings.

In 2019 we produced a sour that's done very well in the taproom and in the market. We have developed a niche for our bases and treated sour beers and will continue to release those in the taproom.

228 E. Forsyth will give us space to properly maintain a barrel aging program. Sourcing various whiskey, cognac, and rum barrels will be at the forefront of the new location. Having the storage space and barrel racks will allow us to appropriately age different beers for special releases.

The ample outdoor space will be shaded in the summer months and have ample heaters during Jacksonville's mild winters allowing our guests to make the most of our beautiful year-round weather. The ability to serve directly into the beer garden will create an efficient and positive guest experience. We will offer both beer and wine from the beer garden service bar. We will also work closely with local food truck operators to provide offerings on designated days and evenings. In addition to the food trucks and service bar we will add outdoor activities such as cornhole, Jenga, ring toss, and giant connect four.





### Ruby Beach Brewing Co. 228 East Forsyth Street, Jacksonville, FL 32202

The second floor will be used for a variety of events. Portable bars will occupy the space for private events to serve beer and wine. The 2500 sq. feet will be available for rent for corporate happy hour parties, birthdays, anniversaries, and weddings. We will also have the space available for art showings, pop up markets and more. We will work closely with local reputable caterers and food vendors to refer to our clients.

Ruby Beach Brewing Co. will work closely with local craft vendors for beer centered merchandise such as beer jellies, beer soaps, scented candles as well as logo's t-shirts, hoodies, pint glasses, openers and more.

### **JOB POSITIONS**

Ruby Beach Brewing Co. will employ a minimum of thirteen (13) personnel:

- (1) Front of House Manager
- (6-8) Taproom Employees
- (1) Full-Time Sales Representative
- (1) Full-Time Marketing Representative
- (1) Full-Time Head Brewer
- (1) Full-Time Assistant Brewer
- (1) Caning Line Operator
- (1) Keg Washer/Equipment Sanitation

Our sales team will grow within the year and the opportunity to expand event staff as well as our executive team that's in place.

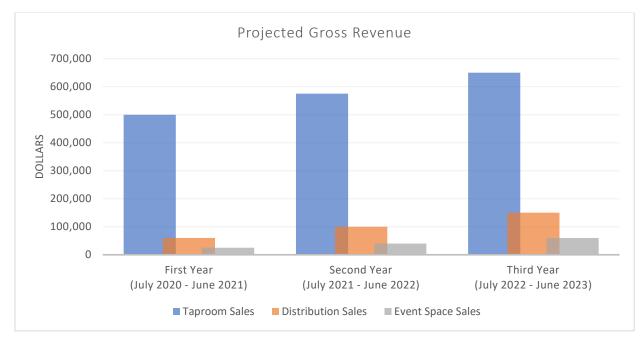


### **SALES FORECAST**

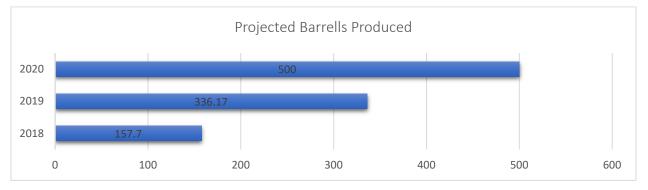
Taproom sales objective is to achieve gross revenue in the first operating year at the new location of \$500,000 with a profit margin of 20-25%.

Distribution sales objective is to achieve gross revenue in the first operating year at the new location of \$60,000. Once our canning line is fully operational, we will exponentially increase distribution revenue.

Event space sales objective is to achieve gross revenue of \$25,000 in the first year. With the residual impact of private events in the taproom we expect to exceed that number.



Our total barrels produced in 2018 were 157.70, we saw excellent growth in 2019 producing 336.17 barrels. With the move downtown, and the ability for caning, plus a more targeted taproom demographic, we expect to produce a minimum of 500 barrels current year.





### SOURCE OF CASH/CAPITAL AND CASH FLOW ANALYSIS

Our move to downtown Jacksonville will require significant start up costs. The entire building will need to be renovated and completely redeveloped. We have been lucky enough to find a Landlord willing to take on the costs of the major infrastructure improvements needed for the space and who has provided us with a large enough TI Allowance to open the building up for tenancy. We expect the construction alone to exceed \$445,000. Luckily, we own all of our brewing equipment, furniture, and fixtures outright. In addition to the construction and moving/storage expenses, we will have other startup expenses such as interior design, design finishes, some new furniture, operating reserves, etc. which will cost another \$50,000.

This total investment of over \$500,000 is what it will take to open in this location and completely transform a vacant, downtown building.

We will be contributing \$75,000, and the Landlord will be contributing \$350,000. This leaves approx. \$75,000 of unfunded construction costs needed to open in this location. We are seeking this amount from the DIA to completely restore this building and bring a well-known and operational brewery to the heart of the Northbank Core and Elbow Entertainment District.

In order to accommodate our move from Jacksonville Beach to downtown Jacksonville, we must construct our facility in phases. We intend to permit and construct the first phase of our facility (the brew house) without the help of the DIA and will exclude the built square footage from our Retail Enhancement Grant request.

The remainder of the first floor is a 1,278 SF taproom with a 440 SF outdoor patio. The upstairs event space is 2,557 SF. The total SF we are asking for Retail Enhancement Grant funds for are 4,275 SF (taproom, outdoor beer garden, event space).

- The Brew House (Phase I) is 1,278 SF of space. The cost of this portion of construction is \$107,900.00.
- The taproom, outdoor beer garden, event space, and exterior improvements (Phase II) will cost \$328,600.00.

Start-up Expenses							
Legal	\$ 3,500.00						
Construction	\$ 445,000.00						
Equipment Move	\$ 10,000.00						
Rent	\$ 6,500.00						
Inventory	\$ 5,000.00						
Patio Seating Furniture	\$ 5,000.00						
Patio Awning / Planters	\$ 6,500.00						
Deposit	\$ 6,500.00						
Signage	\$ 12,000.00						
Total Start Up Expenses\$ 500,000.00							

Since our ask is only for Phase II, the construction can be summarized as follows for the purpose of this application:



Total Construction		\$ 445,000
Less: Phase I Brewery		\$ 107,900
Remainder		\$ 337,100
Contributions based on Re	emaind	er of \$337,100
Contributions based on Re Landlord Contribution	emaind 54%	er of <b>\$337,100</b> \$ 187,100
Landlord Contribution	54%	\$ 187,100



## THREE YEAR PROJECTED OPERATION PRO-FORMA



### THREE YEAR PROEJCTED OPERATION PRO-FORMA

#### Pro Forma Profit and Loss

	FY 2020	2020 FY 2021		FY 2022
Sales	\$ 585,000	\$	715,000	\$ 860,000
Direct Cost of Goods	\$ 100,000	\$	115,000	\$ 140,000
Other Costs of Goods	\$ -	\$	-	\$ -
Total Cost of Goods Sold	\$ 100,000	\$	115,000	\$ 140,000
Gross Margin	\$ 485,000	\$	600,000	\$ 720,000
Gross Margin %	82.91%		<mark>8</mark> 3.92%	83.72%
Expenses				
Payroll	\$ 177,000	\$	188,000	\$ 200,000
Payroll Taxes	\$ 50,000	\$	54,000	\$ 59,000
Marketing	\$ 5,000	\$	5,500	\$ 6,000
Rent	\$ 79,138	\$	81,305	\$ 83,536
Internet/Phone	\$ 2,500	\$	2,700	\$ 2,800
Insurance	\$ 22,000	\$	18,500	\$ 18,500
Pest Control	\$ 800	\$	800	\$ 800
Utilities/Trash	\$ 5,000	\$	5,300	\$ 5,800
Maintenance	\$ 13,000	\$	13,500	\$ 14,500
Total Operating Expenses	\$ 354,438	\$	369,605	\$ 390,936
Net Profit	\$ 130,562	\$	230,395	\$ 329,064
Profit Margin %	22.32%		32.22%	38.26%



EVIDENCE OF OWNERSHIP (DEED & SUNBIZ SHEET ATTACHED) 228 East Forsyth Street, Jacksonville, FL 32202



COPY OF LEASE AGREEMENT (ATTACHED)



## NOTARIZED STATEMENT FROM PROPERTY OWNER (ATTACHED)



## WRITTEN DESCRIPTION OF IMPROVEMENTS AND MODIFICATIONS



#### WRITTEN DESCRIPTION OF IMPROVEMENTS AND MODIFICATIONS

The exterior of the building at 228 East Forsyth Street will be maintained and restored to maintain its retro vibe and façade. Upgrades such as glass roll-up doors facing Forsyth St, new front door, and new windows will be done on a replacement basis and will not change the overall aesthetic. Other exterior improvements will include an outdoor fire egress from the second floor, which will be on the east side of the building. Adjacent to the building will be the beer garden. As part of the beer garden we will be repurposing the existing "parking hut" and transforming it into a beer a serving station for the outdoor space.

Improvements include the construction of the tap room facing Forsyth Street, the brewery in the rear of the building, and the upstairs event space. These improvements include ADA restrooms, new staircase, and handicap lift for access to the second floor. We will be restoring the beautiful hardwood floors on the interior and will also take advantage of the ample exposed brick and exposed rafters to achieve a rugged yet sophisticated look.

As noted earlier in the application, Phase I of construction will be completed and excluded from this application. The remaining costs of construction are broken down in the table below:

		TOTAL	BREWERY		TAPROOM		EVENT		BEER		
		TOTAL		DREVVERT		TAPROOM		SPACE		GARDEN	
1	DEMOLITION	\$ 3,000.00	\$	1,500.00	\$	500.00	\$	1,000.00	\$	-	
2	CONCRETE/FOUNDATION/MASONRY	\$ 5,000.00	\$	4,000.00	\$	-	\$	-	\$	1,000.00	
3	FRAMING/ DRYWALL	\$ 15,000.00	\$	8,500.00	\$	3,500.00	\$	3,000.00			
4	ELECTRICAL (INCLUDES LIGHTING PACKAGE AND SERVICE)	\$ 55,000.00	\$	10,000.00	\$	22,500.00	\$	18,500.00	\$	4,000.00	
5	PLUMBING (INCLUDES FIXTURES AND TRENCH DRAINS)	\$ 30,000.00	\$	5,400.00	\$	12,300.00	\$	9,300.00	\$	3,000.00	
6	MECHANICAL	\$ 84,000.00	\$	8,000.00	\$	38,000.00	\$	38,000.00	\$	-	
7	BREWERY INSTALLATION	\$ 34,000.00	\$	34,000.00	\$	-	\$	-	\$	-	
8	ELEVATOR	\$ 30,000.00	\$	-	\$	15,000.00	\$	15,000.00	\$	-	
9	STAIRS (INSIDE AND OUTSIDE)	\$ 15,000.00			\$	6,500.00	\$	8,500.00			
10	DOORS/WINDOWS	\$ 16,000.00	\$	4,000.00	\$	7,500.00	\$	4,500.00	\$	-	
11	SPRINKLER	\$ 65,000.00	\$	7,000.00	\$	29,000.00	\$	29,000.00			
12	RAILING/BUILT IN SEATING/PLANTERS	\$ 8,000.00	\$	-	\$	4,000.00	\$	4,000.00	\$	-	
13	FLOORING	\$ 15,000.00	\$	3,000.00	\$	3,000.00	\$	9,000.00	\$	-	
14	GAS	\$ 5,000.00	\$	5,000.00	\$	-	\$	-	\$	-	
15	PAINTING	\$ 9,000.00	\$	3,500.00	\$	2,500.00	\$	3,000.00	\$	-	
16	STRUCTURAL FRAMING	\$ 8,000.00			\$	6,000.00	\$	2,000.00	\$	-	
17	GENERAL CONDITIONS (PERMITTING, REVIEW, DUMPSTERS)	\$ 8,000.00	\$	2,000.00	\$	2,000.00	\$	2,000.00	\$	2,000.00	
18	Month)	\$ -									
19	BUILDER FEE	\$ 40,000.00	\$	12,000.00	\$	12,000.00	\$	12,000.00	\$	4,000.00	
	TOTAL	\$ 445,000.00		,			Ĺ	,			
			\$	107,900.00	\$	164,300.00	\$	158,800.00	\$	14,000.00	



DESIGN FOR STOREFRONT AND INTERIOR (ATTACHED)



## LEGALLY BINDING AGREEMENT WITH A LICENSED CONTRACTOR (ATTACHED)



(2) CONSTRUCTION COST ESTIMATES FOR IMPROVEMENTS



ONE-YEAR CORPORATE TAX RETURNS & THREE-YEAR PERSONAL TAX RETURNS (ATTACHED)



### 2018 CORPORATE TAX RETURN PREFACE

On January 1<sup>st</sup> 2018, then Zeta Brewing Co. temporarily closed down operations to undergo a facelift as well as a re-brand. We underwent a front of house overhaul to move the bar, install a new glycol and long draw tap system as well as moving the brewery wall to allow more space for production equipment.

The re-brand to Ruby Beach Brewing co. was to create a brand with no relationship to our prior restaurant "Zeta" which was established in 2013 as strictly a bar and restaurant. The newly branded Ruby Beach Brewing Co. is beer first focused and brand recognizable from tap handles to cans.

During the closure from January to May 26<sup>th</sup> 2018 we incurred considerable cost in both construction and payroll keeping key employees on board throughout the process. Our taproom income from 2018 is considerably lower based on operations of only 7 months thus showing a reported loss on our 1120s.



## THREE YEAR PROJECTED OPERATION PRO-FORMA



## THREE YEAR PROEJCTED OPERATION PRO-FORMA

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Ruby Beach Brewing Co. 228 East Forsyth Street, Jacksonville, FL 32202

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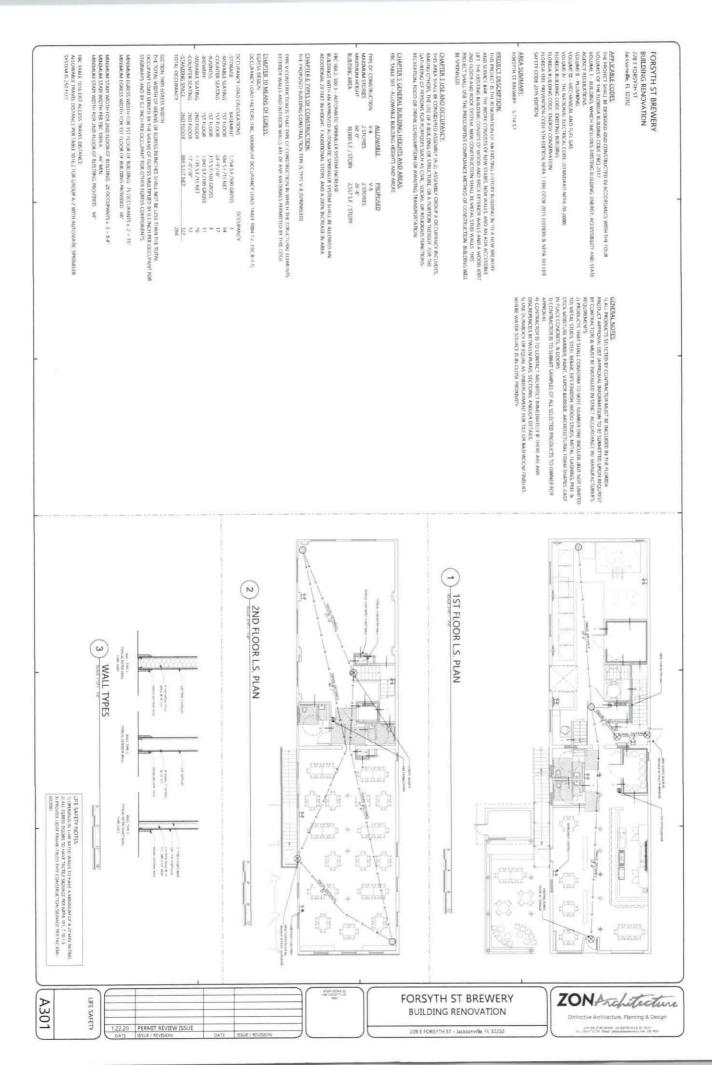
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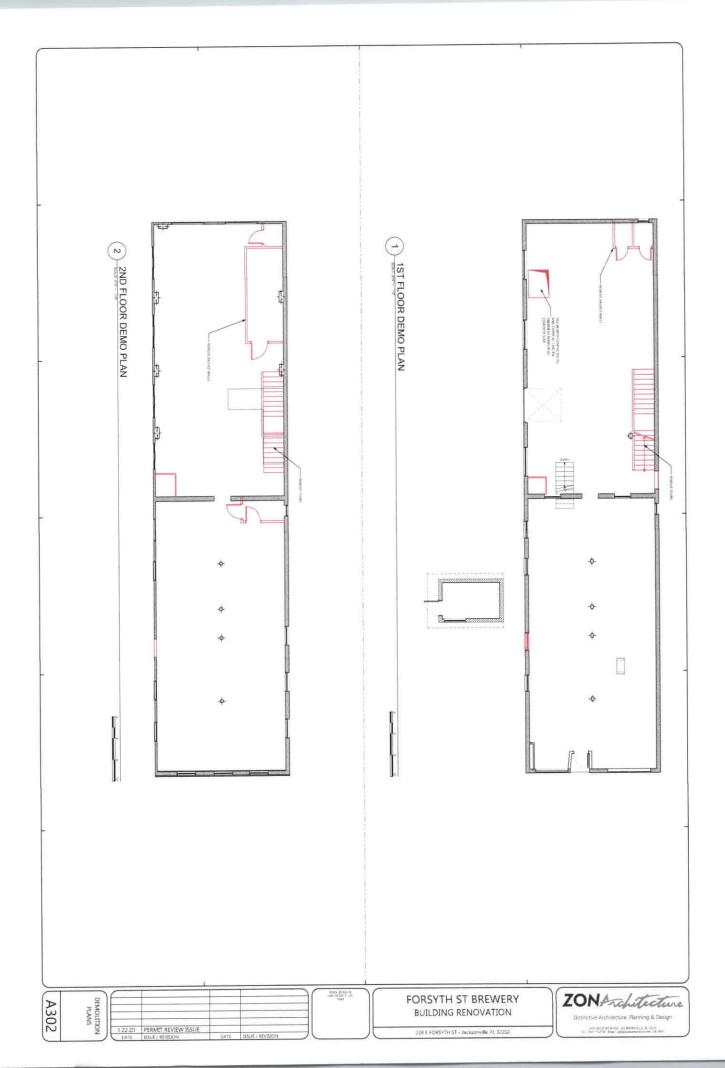


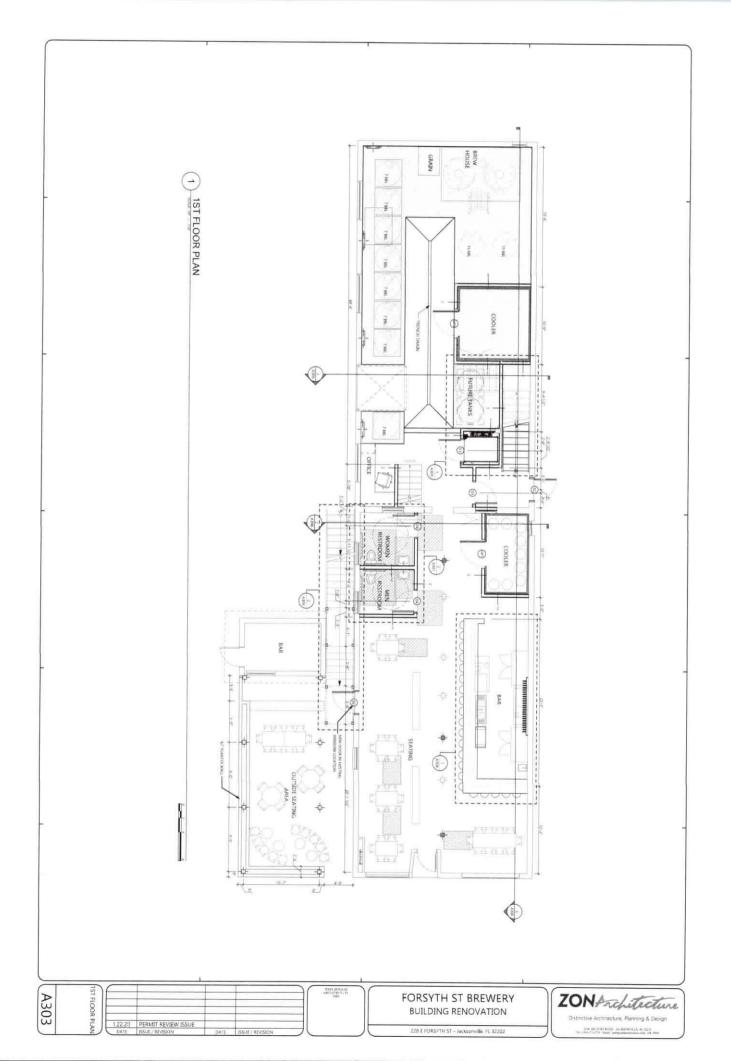
## DESIGN FOR STOREFRONT AND INTERIOR (ATTACHED)

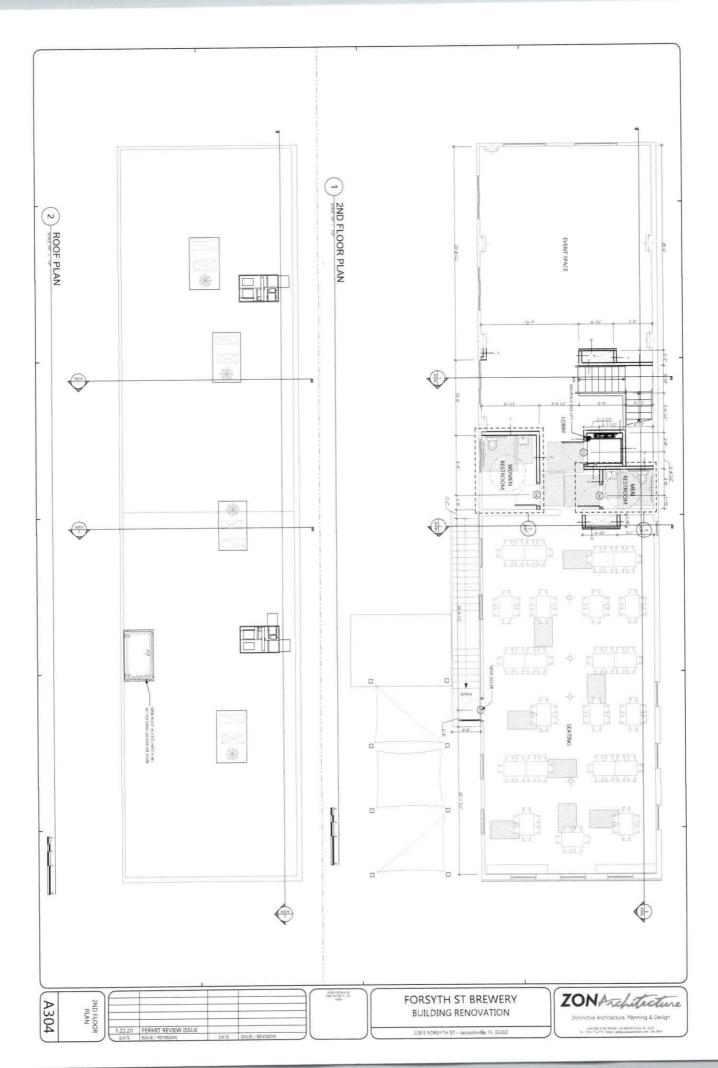


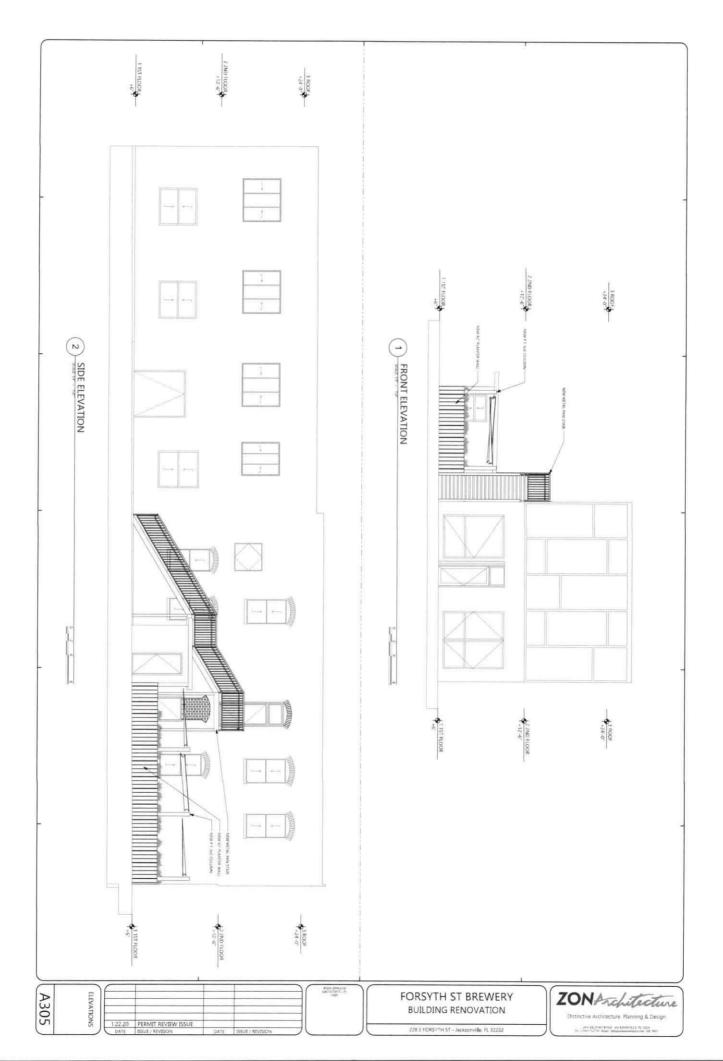


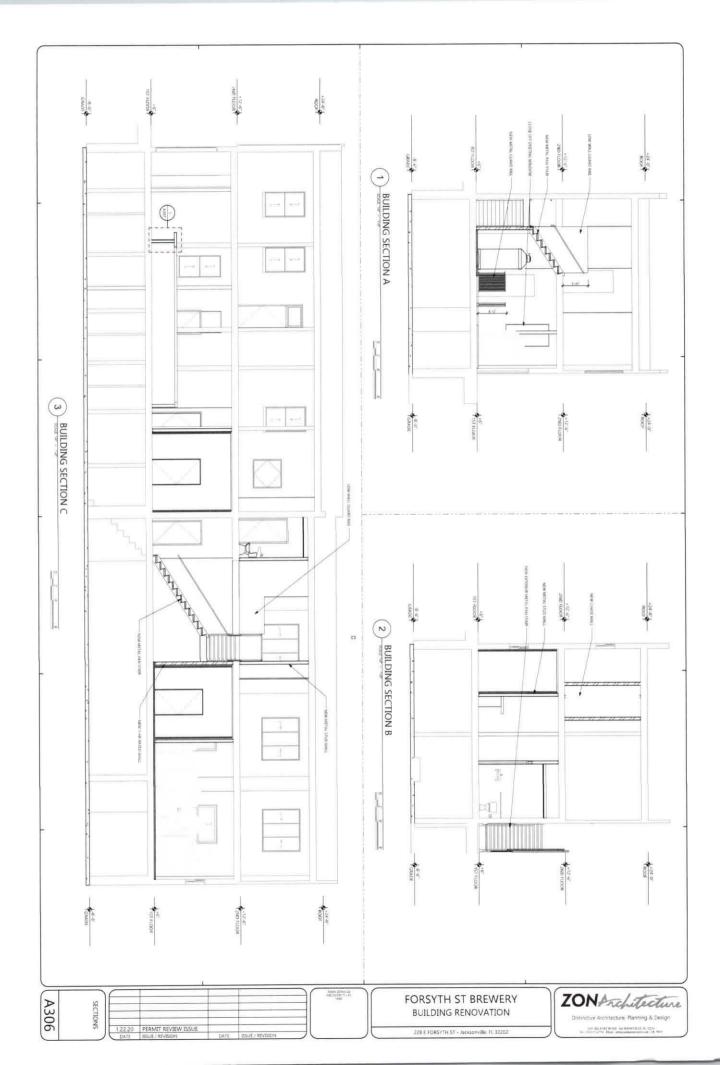


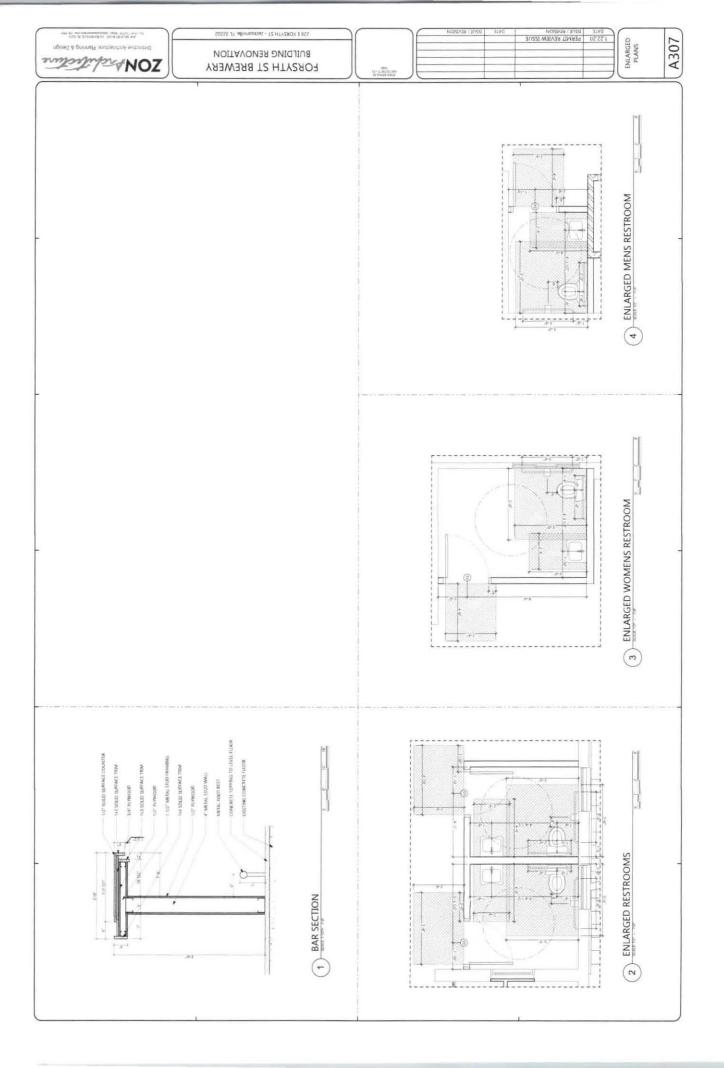


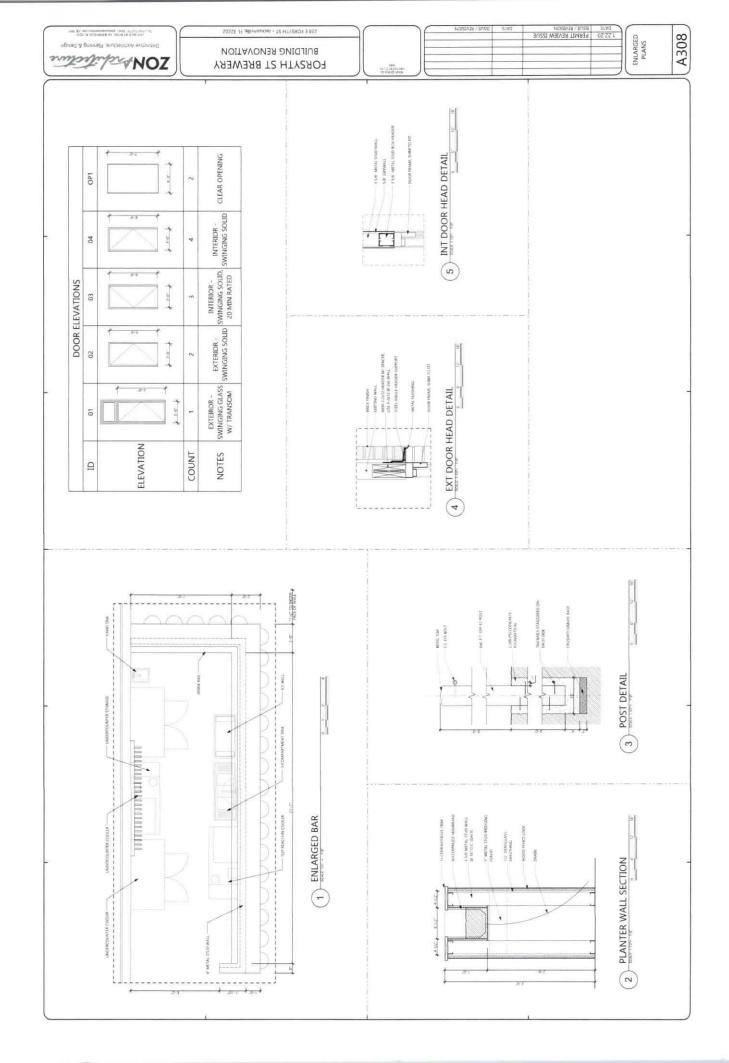


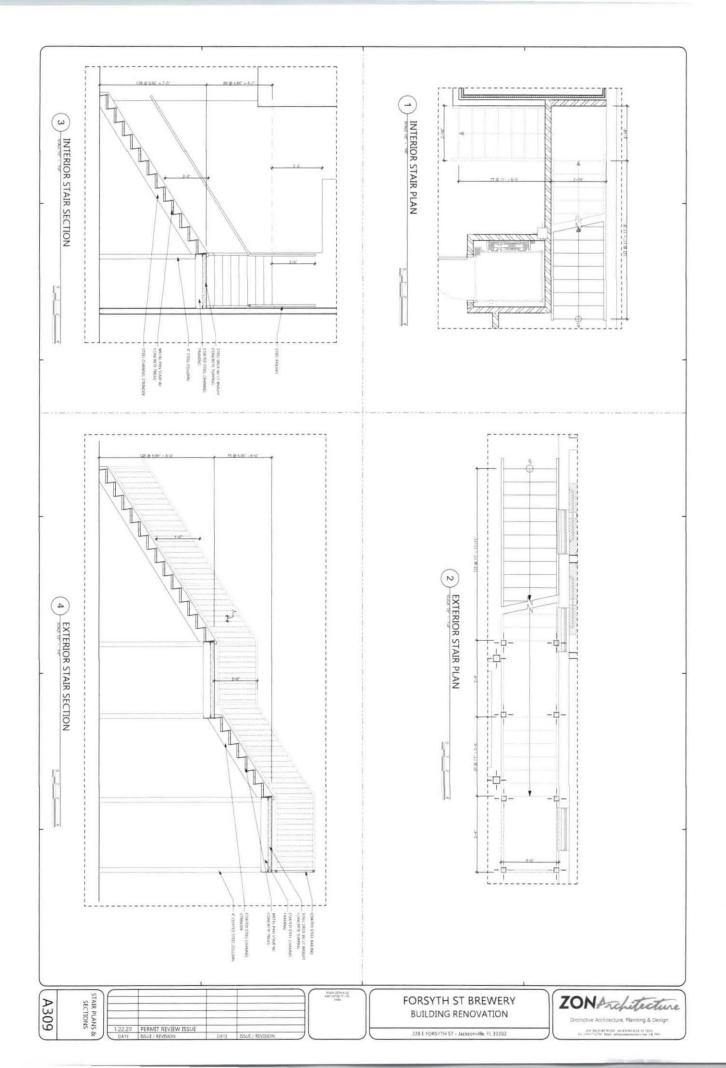


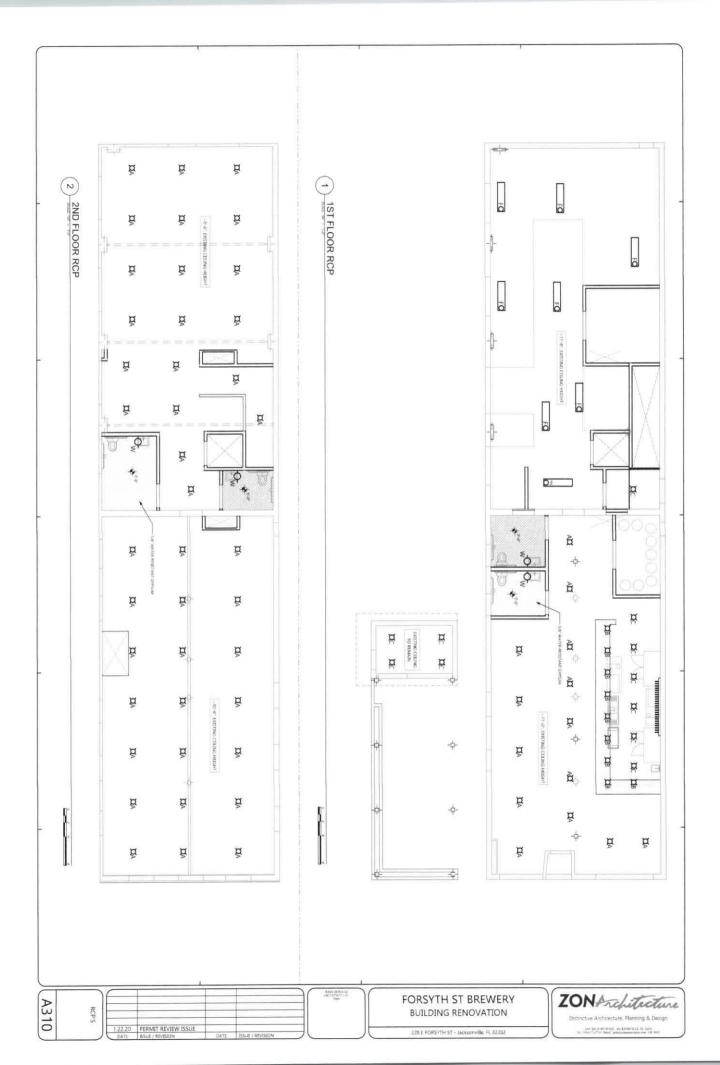


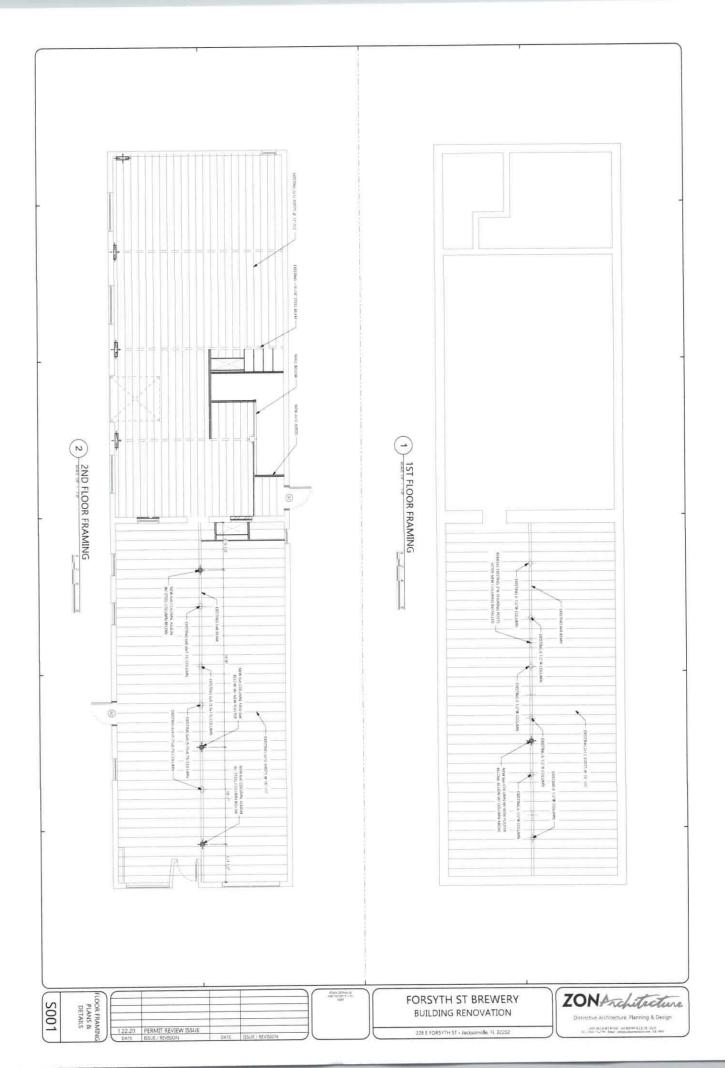


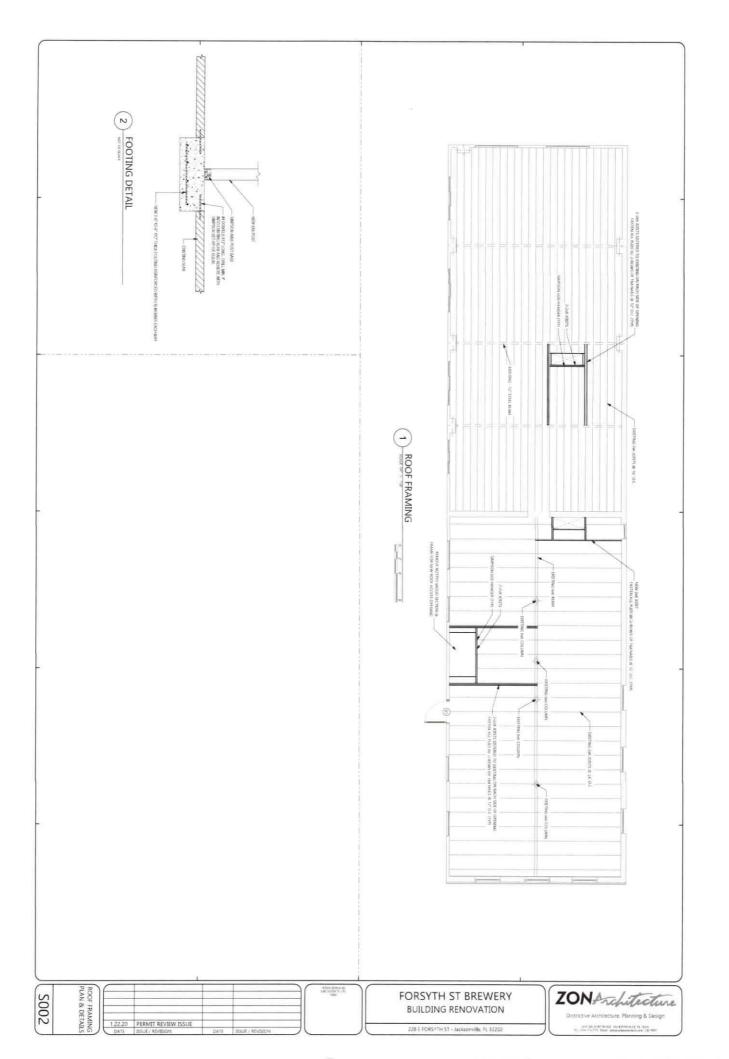




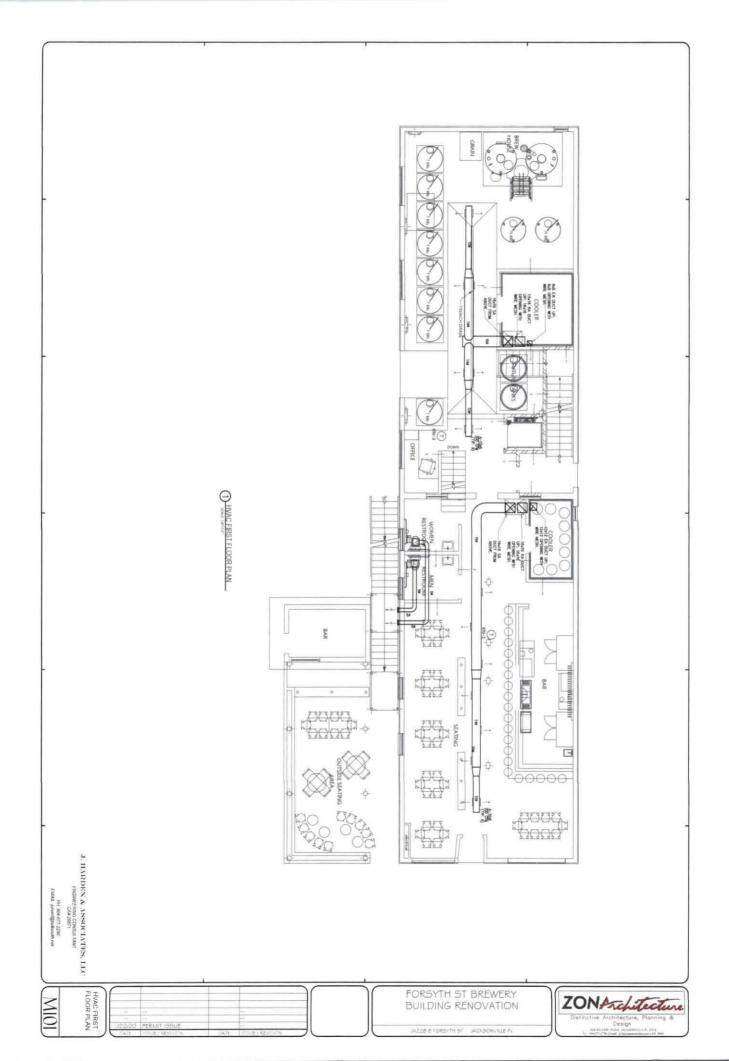


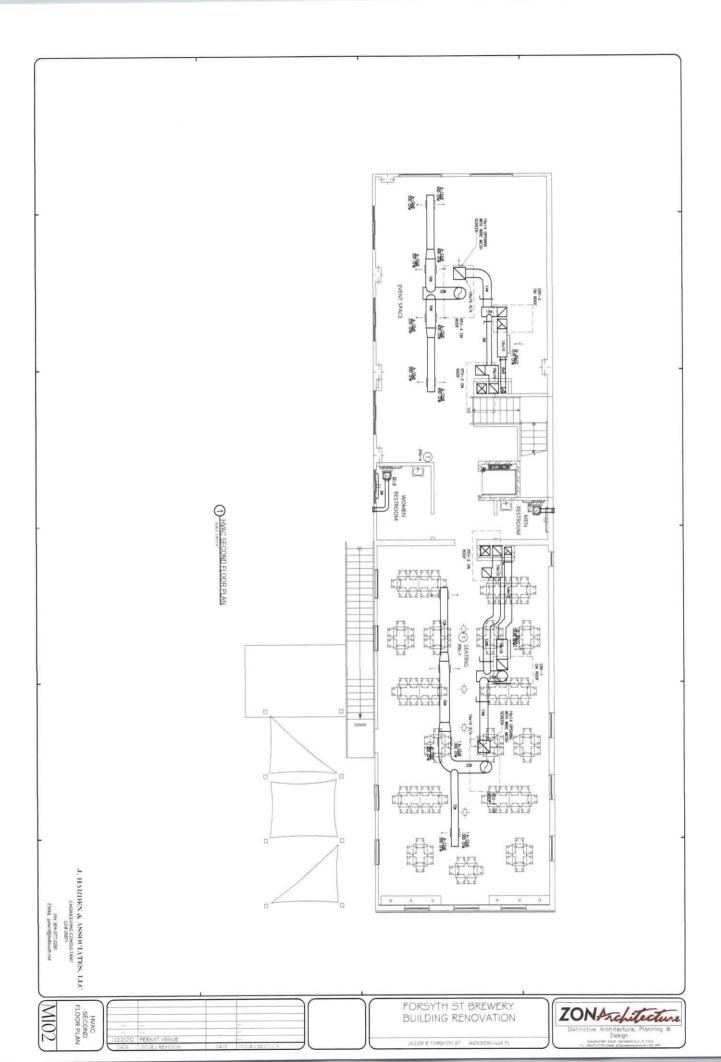


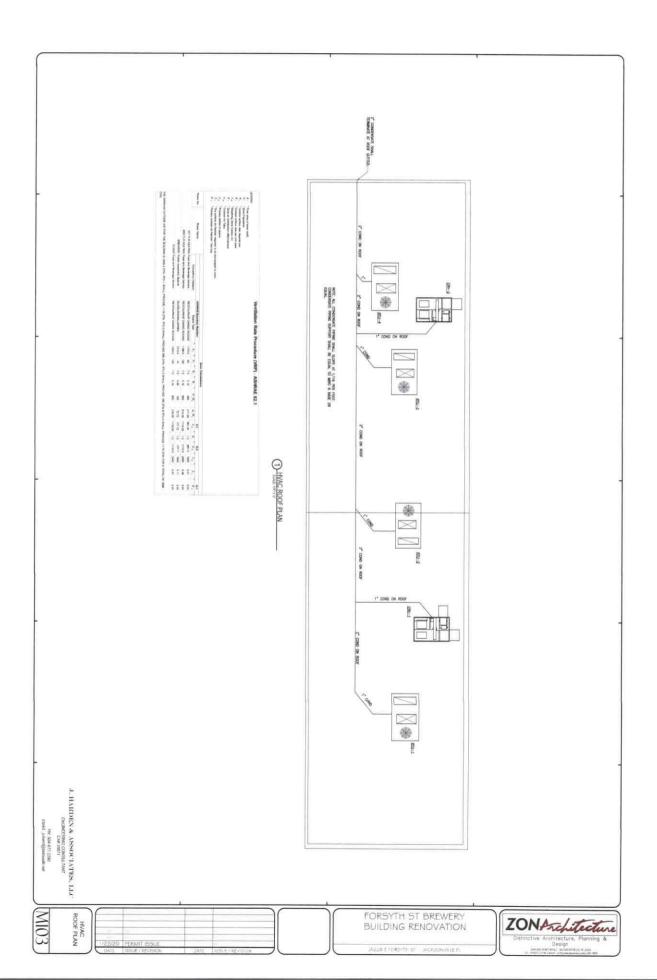


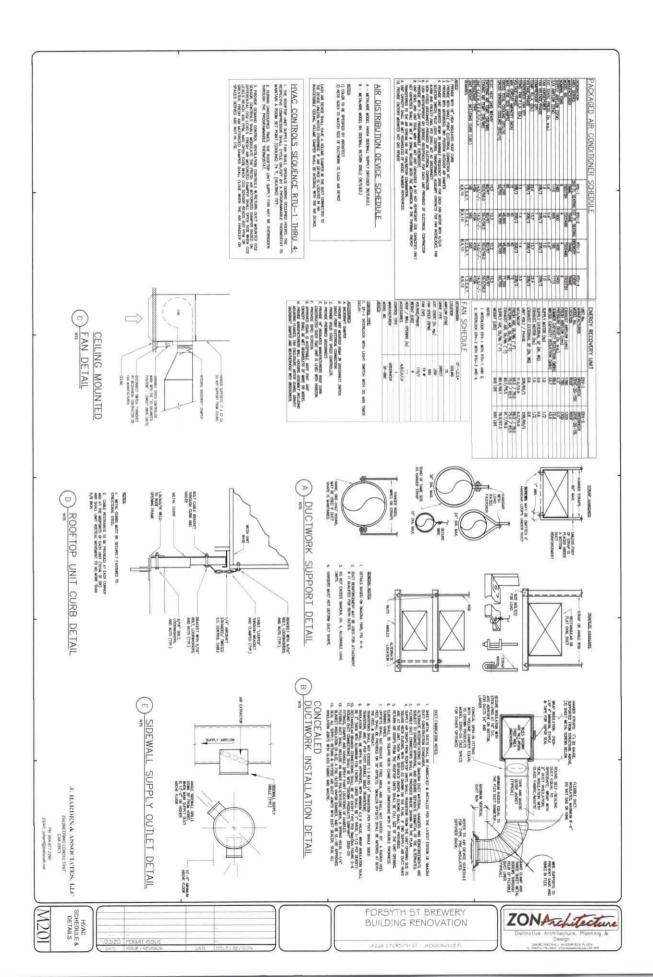


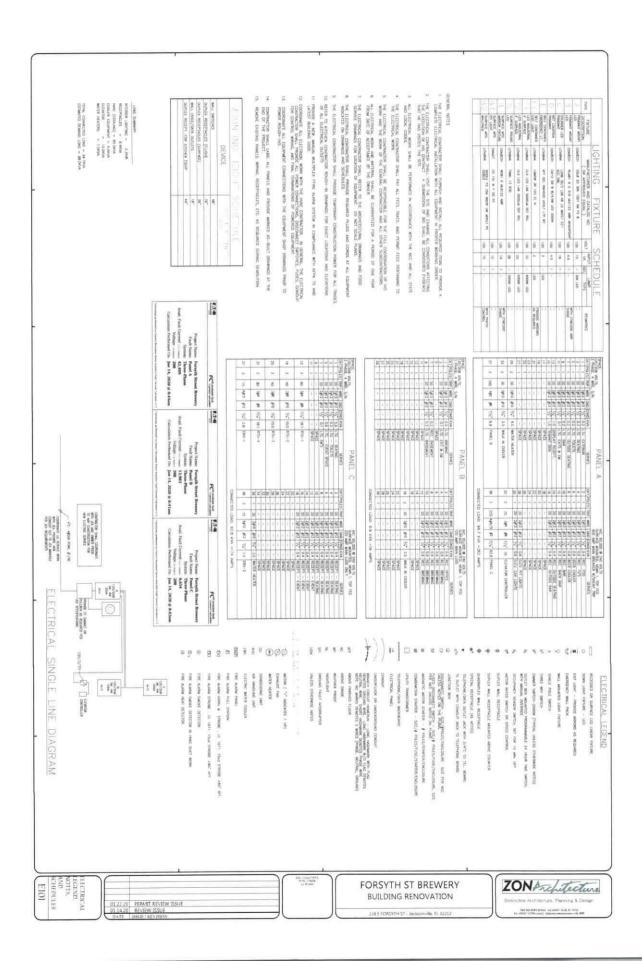
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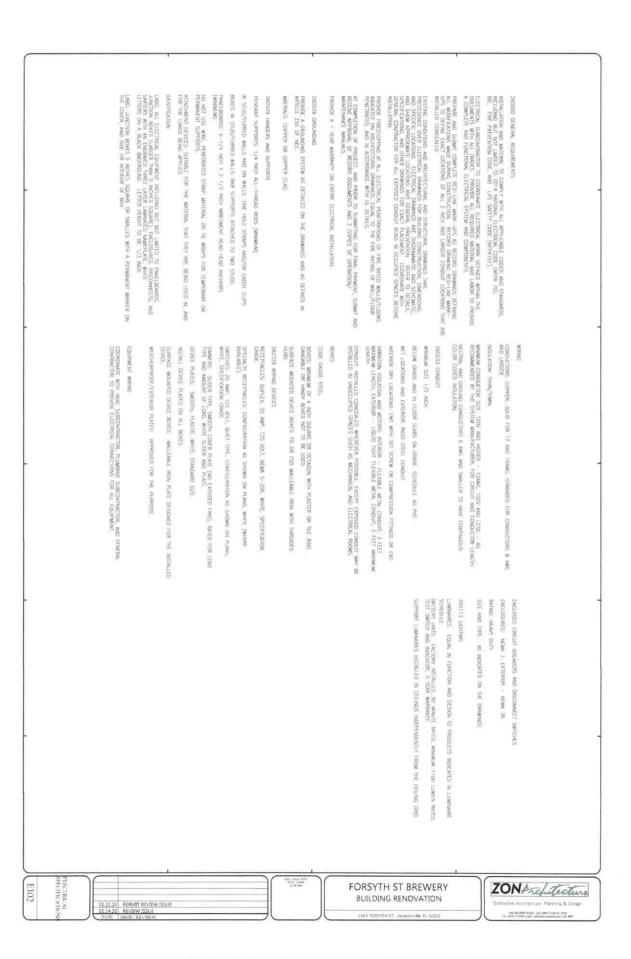


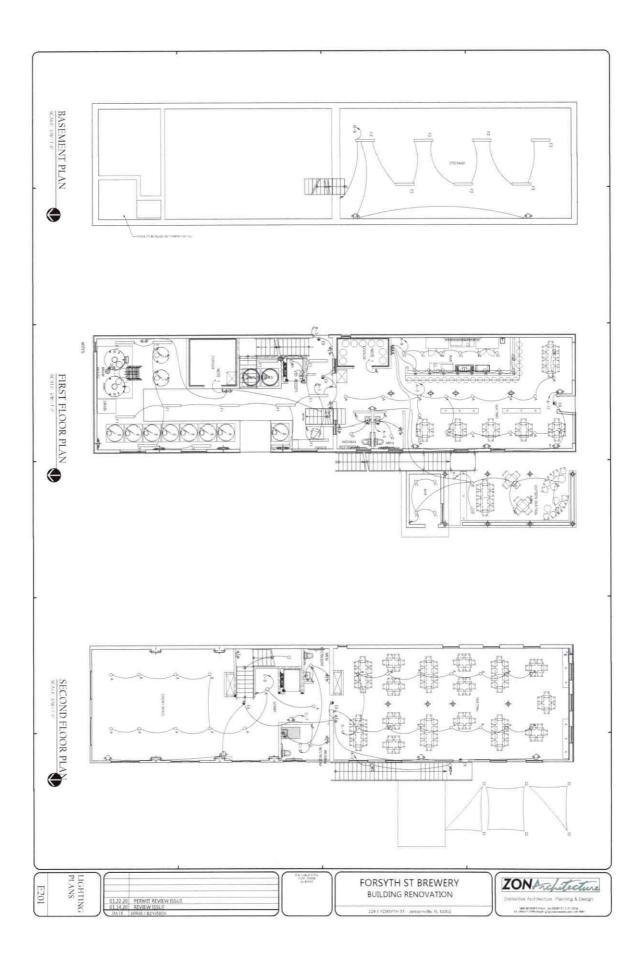


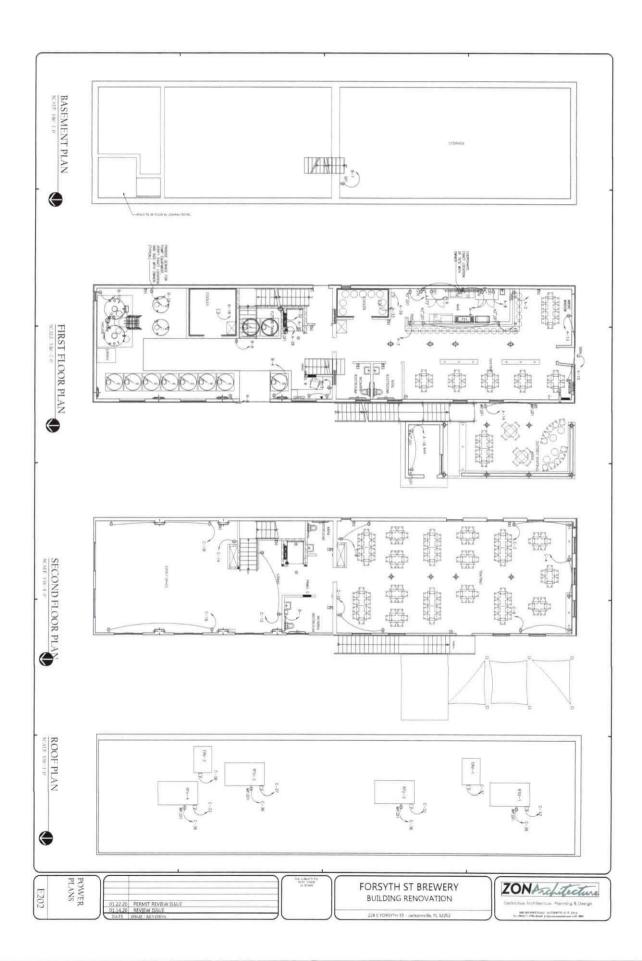


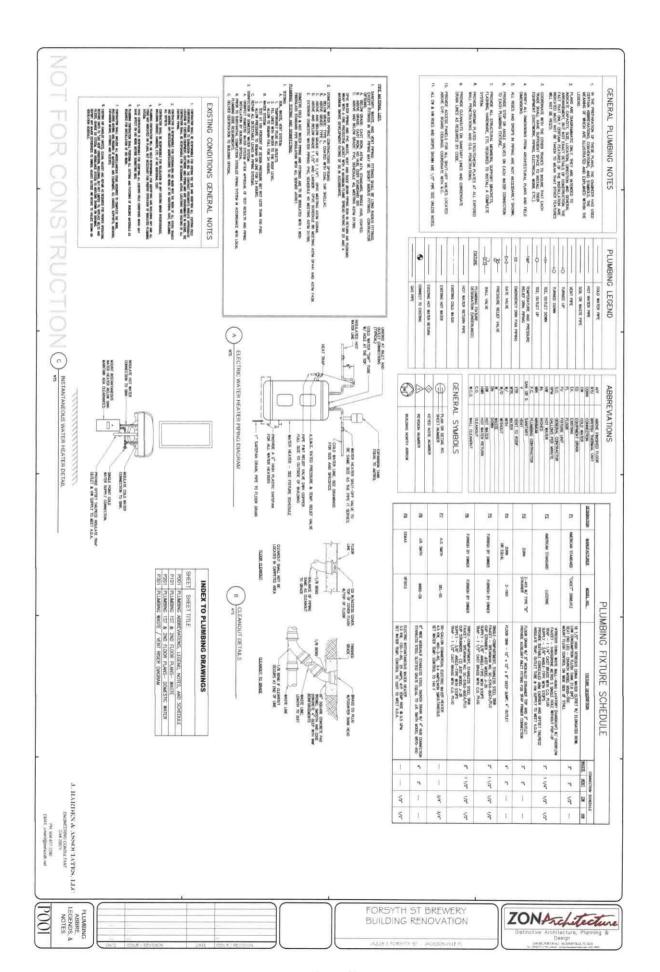


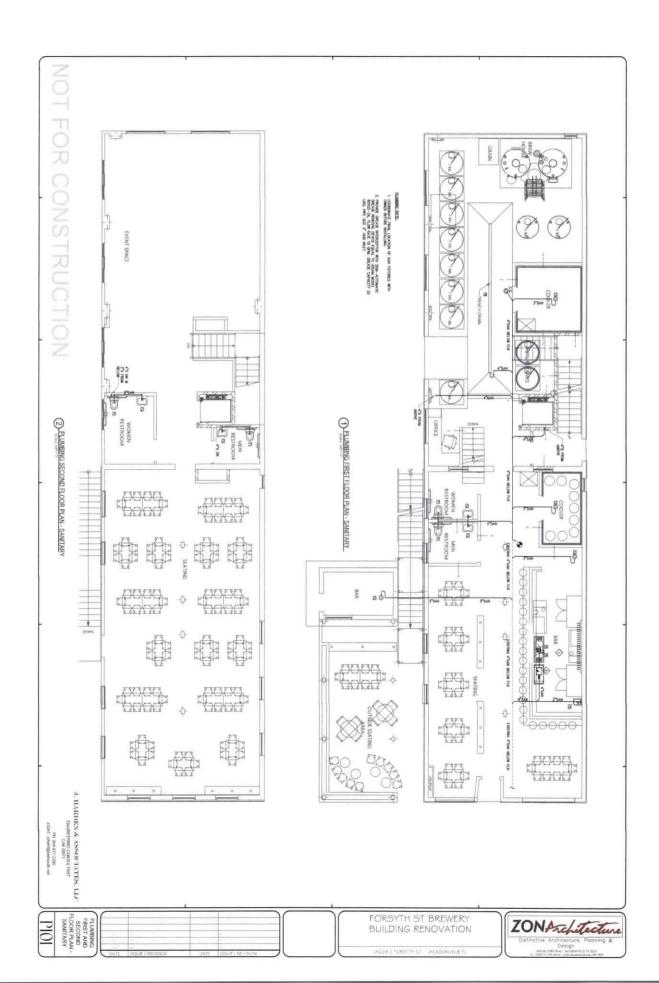


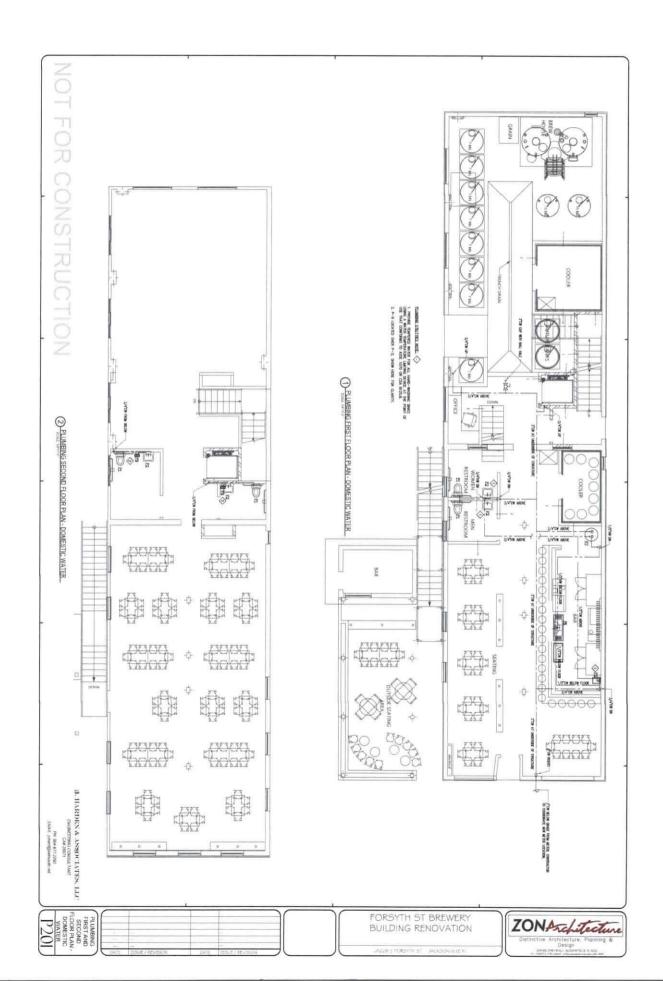


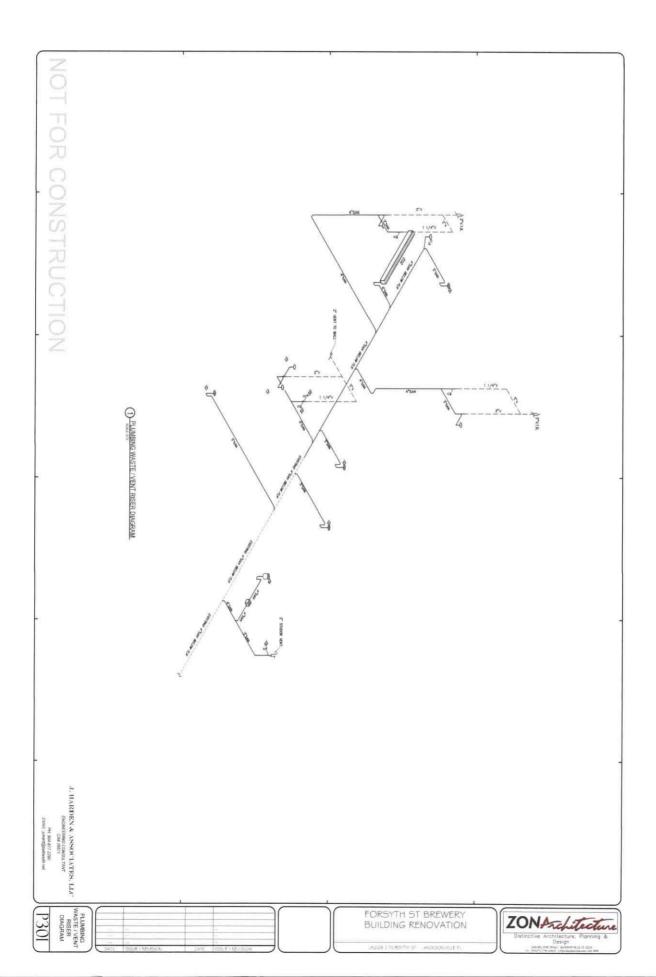


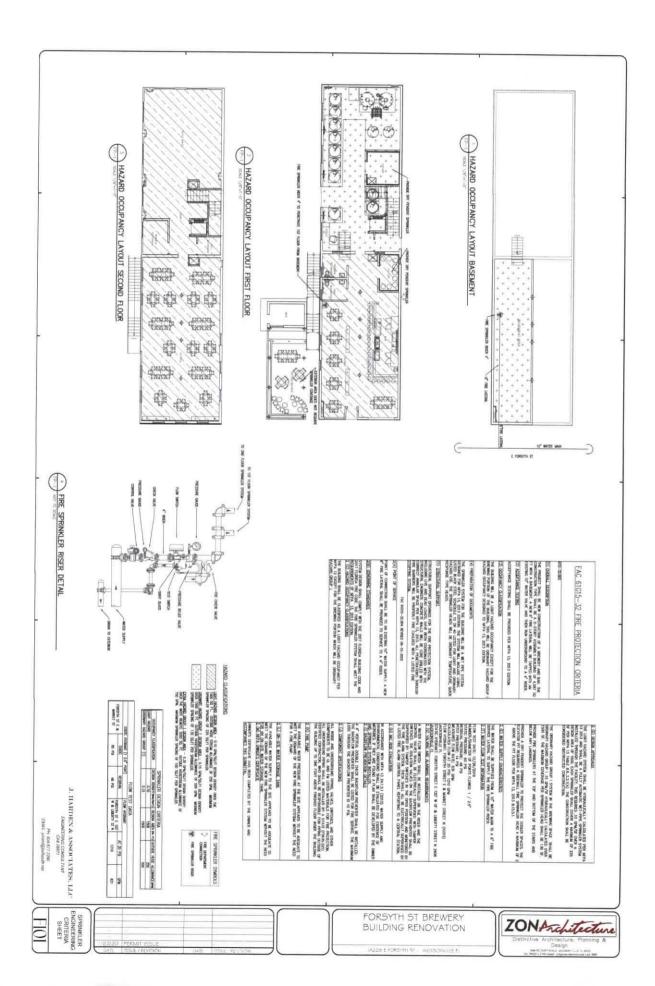












### **Retail Enhancement Grant**

Restaurant, retail, creative office space in the Northbank Core Retail Enhancement Area? Consistent with the Downtown Master Plan? Consistent with the Downtown Overlay Zone? Used to retain an existing business or attract a new business? Expand the ad valorem by stimulating investment in older, Downtown properties? Expand state and local sales tax base by increasing sales for new and existing shops? Decrease renovation costs incurred for modernizing retail space in older, commercial properties? Improve the interior appearance and utility of street level storefronts? Apply with all applicable city codes, and ordinances, DDRB guidelines? Plans and specs approved by DIA? Work completed within 6 months from date of permitting? All permits obtained as required by COJ Planning Department, Development Services Division? Property owner applicant willing to execute a forgivable promissory note and subordinate mortgage?

mortgage?

Tenant applicant willing to execute a forgivable promissory note and personal guarantee?

Are funds being used for remodeling, renovation, rehabilitation, installation, or additions to the interior or exterior of the commercial building? (Not maintenance and repair.)

Does the renovation project cost exceed \$10,000?

Is the award capped at \$20 sf, and not more than 50% of the total construction costs?

Does the proposed use create or retain a minimum of 2 or more FTE for a period of 5 years?

Is the applicant relocating from one downtown space to another downtown space? If so under what terms or conditions?

Is the proposal for construction of a new building?

Is the proposal for adult entertainiment, single serve package store, B2B, non-profit, or government agency? **Eligible fund uses include:** 

Interior demolition or site preparation costs as part of a comprehensive renovation project. Permanent building improvements, which are likely to have universal functionality. Items including but not necessarily limited to demising walls, exterior lighting, code compliant restrooms, electrical wiring to the panel,HVAC systems.

Improvements to meet Fire and Life Safety codes and/or Americans with Disabilities Act requirements.

Exterior improvements including signs, painting, or other improvements to the outside of a building.

Sanitary sewer improvements.

Grease traps.

Elevator Installation which services the retail.

#### Ineligible uses include:

Temporary or movable cubicles or partitions to subdivide space.

Office equipment including computers, telephones, copy machines, and other similar items.

Renovating space on a speculative basis to help attract new tenants. (Note: This provision can be waived pursuant to the recommendation of the Program review committee and approval by the DIA Governing Board).

Moving expenses.

Working capital.

#### Does the application include:

A copy of the property tax bill or deed to confirm ownership of the property?

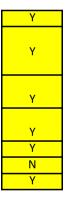
A legally valid and binding new lease for a period of at least five years with use restricted to an allowable retail use?

If the tenant is paying for the improvements, the lease must provide for a minimum of free rent, discounted rent, or equivalent thereof in lieu of the property owner having to share the cost of the improvements.

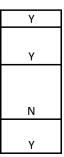
A detailed written description and scaled elevation drawing depicting the size, dimension, and location of the improvements and modifications, with samples when applicable?

1
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A legally binding agreement with a licensed and qualified contractor?

Unless the property owner is the applicant, a notarized statement from the property owner authorizing the construction and improvements?

Evidence that the applicant is prepared to do business by including with the application the following required items:

- o Business Plan to include:
  - § Concept and target market
  - § Advertising/marketing plan
  - § Source of cash/capital and cash flow analysis
  - § Summary of management team's skills and experience
  - § Number of job positions created
- o Three-year projected operating pro-forma
- o Design for the storefront and interior
- o Plan for merchandising (inventory levels, brands)

o Minimum one-year corporate (as to a property owner applicant) and three year's personal tax returns (as to a tenant applicant) (exceptions will be considered for start-ups to accept three year's personal tax returns).

### **Evaluation Criteria:**

Does the proposal include reuse, rehabilitate or restore historic architectural elements to retain the charm and character of older buildings and incorporate design principles sensitive to neighboring building structures? Does the business plan adquately evaluate and support the feasibility of the proposal in each of the following areas?

**Financial feasibility** Product and market research Growth potential Job creation Financial need or gap financing analysis

## The Project Evaluation Criteria and allocated points are listed below:

- Business Plan (see point breakdown below) (up to 30 points) 1.
- § Plan shows good short-term profit potential and contains realistic financial projections (up to 5 points) 5 P § Plan shows how the business will target a clearly defined market and its competitive edge (up to 10 points) 10 § Plan shows that the management team has the skills and experience to make the business successful (up 5 P to 5 points) § Plan shows that the entrepreneur has made or will make a personal (equity) investment in the business 5 P venture (up to 5 points) § Number of job positions created in excess of the required two (2) positions (up to 5 points) 5 P 2.(a) Expansion of the local property tax base by stimulating new investment in older, Downtown properties (up to 5 points) 5 p 2.(b) Expansion of the local property tax base by stimulating new investment in older, Downtown properties (If the property is a historic property – maximum of 5 additional points) 5 p 3. Expansion of the state and local sales tax base by increasing sales for new or existing shops (up to 5 points) 5 P **Total Points**

# **Review and Award Procedure**

Applicant complete and submit application form with all required supporting documents to the DIA CEO. 1. Processing of the application will not commence until the application is deemed complete.

Applicant schedules a meeting with DIA staff to review the project. 2.

3. DIA staff will review the project and provide comments to the applicant relating to any application requirement deficiencies.



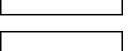




Y
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Points	4
Points	9
Points	5
Points	4
Points	5
points	4
points	4
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Points	5
	40

Date	



4. If the application requirements have been met, the DIA staff, including the DIA CEO, will evaluate the project utilizing the Project Evaluation Criteria and present the application, project budget, and recommended Grant amount to the Retail Enhancement Review Committee for review and approval.

5. If the application and Grant amount is approved by the Retail Enhancement Review Committee, the committee will recommend that the application move forward for consideration by the DIA Board at the next regularly scheduled Board meeting.

6. DIA Board approves, modifies, or rejects Retail Enhancement Review Committee's recommendation. If approved or modified, DIA staff is directed to work with the Office of General Counsel to prepare a grant agreement, utilizing the form approved by the DIA, and other applicable security documents for signature by the applicant. The agreement shall identify the approved scope of work and amount of the Grant.

7. Applicant or contractor(s) must secure a building permit and approval from the Downtown Design Review Board for the complete scope of work, and contractors must be registered with the City.

8. Upon completion of the project and final approvals of all required inspections, the applicant may request reimbursement of eligible expenses. Reimbursement for improvements will require proof of payment (lien waivers, contractor affidavit).

9. A request for reimbursement payment in accordance with the approved disbursement schedule or upon completion of the project and final inspection and acceptance by the DIA a one-time lump sum payment will be submitted to the DIA staff for approval. The payment request will be processed within thirty (30) business days from receipt.





