



Department of Community Development

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ECONOMIC DEVELOPMENT INCENTIVE COMMITTEE MEETING AGENDA March 13, 2018

- I. Meeting called to order
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- VI. Public Participation
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Economic Development Incentive Committee

February 13, 2018
Meeting Minutes

Call To Order

Chairman Nickles called the meeting to order at 2:05 PM. The following members were present: Mr. Paul Koch, Mr. Matt Lasko, Mr. Justin Harris, Ms. Abbey Bemis and Chairman Al Nickles. Ms. Maria Muratori, Development Specialist and Debi Eversole, Clerk from the Community Development Department were also present. Sharon Johnson, Sandusky City Resident was also present. There were 5 voting members present.

Approval Of Minutes

Mr. Koch moved to approve the minutes from the January 9, 2018 meeting. Ms. Bemis seconded the motion. The motion carried with a unanimous vote.

Program Financial Update

Ms. Muratori presented the program financial update as of February 13, 2018:

ECONOMIC DEVELOPMENT FUNDS									
	2017 Carryover	Beginning Balance	Date Approved	Committed	Spent	Revenue	Ending Balance	Total Project Cost	Estimated New Jobs
	\$ 3,557	\$ 453,557					\$ 313,532		0
Substantial Development SandCity, LLC		\$ 125,000	3/14/2017	\$ 125,000	\$ -	\$ -	\$ -	\$ 6,645,872	32.5
							\$ -		
Façade		\$ 100,000							
							\$ 100,000		
Signage		\$ 100,000							
							\$ 100,000.00		
Small Business Assistance BSL Holdings Ltd.		\$ 125,000	1/9/2018	\$ 15,000	\$ 150	\$ 125		\$ 29,798	0
							\$ 109,975		
Economic Development - Other Expenditures		\$ 3,557							
							\$ 3,557		
Total				\$ 140,000				\$ 6,675,670	
Ex SandCity				\$ 15,000				\$ 29,798	
Leverage	47.7								
Ex SandCity	2.0								
2018 Expenditure									

Ms. Muratori stated that the final payment of \$125,000 for the city hall project came out in January that will leave roughly \$313,000 for 2018. She added that a re-payment from the Leaking Boot came in so that will show on next month's financial update.

Application Review

Meghan and Richard Hografe, H2 Productions had applied for a Signage and Façade Grant at 225 W. Water Street. The project includes replacing all of the existing windows with historically appropriate windows. This project went before the Landmarks Commission and was approved unanimously for the renovations. The recommendation is for a \$35,000 Signage and Façade Grant which is 15% of the total project cost.

Chairman Nickles asked if the upper floors were apartments. Mr. Lasko stated that the upper floors are apartments and that several of them are not rentable due to the poor conditions of the windows and the water infiltration. The former owner of the building had come to the city requesting grant funding. The city proposed an offer of grant funds but the applicant did not want to keep the historic integrity of the windows so the grant was not awarded.

Mr. Koch moved to approve the grant as recommended by staff. Ms. Bemis seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Jeff Danevich, Houdini's Great Adventures LLC, dba Escape Rooms by Franknicky had applied for a Small Business Grant for his business at 134 E. Adams Street. The project includes an expansion opportunity for the applicant. Mr. Danevich has designed 4 escape rooms in the last 2 years. His experience is very unique as he makes all of the props himself. He is developing new rooms that are estimated to cost \$5,000. The recommendation is for \$2,500, which is 50% of the project cost. He plans to hire a new employee so that the rooms can operate if he is not there.

Ms. Bemis moved to approve the grant as recommended by staff. Mr. Koch seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Michael Waddle and Diane Alexander, MBC Services Inc, dba Sandusky Canvas had applied for a Signage and Façade Grant at their business at 300 Central Avenue. The cost of the proposed sign is \$861.00 and the recommendation is for \$645.75, which is 75% of the project cost. Sandusky Canvas has been in business for 10 years and was formerly on W. Water Street. Mr. Lasko stated that the city gave them assistance at their former location a few years back. At that time, they were renting. This application is for a different project. It is a different location which the applicants have purchased. They will operate the business and also live in the building. There is also space for another business to rent from them.

Mr. Harris moved to approve the grant as recommended by staff. Mr. Koch seconded the motion. Chairman Nickles noted on the record that this is a different project for this applicant. With no further discussion, the motion was approved with a 4/1 vote. Mr. Lasko was opposed.

Matt Keech, Omeca Inc, dba Cameo Pizza had applied for a Small Business Assistance Grant at his location at 702 W. Monroe Street. This is the second phase of the "Topside" project which is specific to fire safety issues including alarm systems, a second exit, firewalls and doors. The total project cost is \$39,000 and the recommended grant is \$9,500, which is approximately 25% of the total project cost. It is important to know that the recent investments into this project are around \$400,000 and if this grant is approved, the city will have contributed \$44,000 towards the project, which is 11% of the total investment. Mr. Lasko added that \$25,000 of these funds went toward the demolition of 2 properties that the city did not have to incur. Mr. Harris asked if this was the final phase or will he request more money at a later date. Mr. Lasko stated that he was not aware of any future projects or requests from this applicant. It was mentioned that the applicant may want to make improvements to the outside dining and patio area.

Mr. Lasko moved to approve the grant as recommended by staff. Mr. Koch seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Bryan Huntley, Peerless Stove & Manufacturing Co has applied for a Signage and Façade Grant for his business at 334 Harrison Street. This is a city owned property that Mr. Huntley currently leases from the city. The applicant has received permission from the city for the proposed signage. Staff recommended that the sign will be movable in case the city will reclaim the property for any reason. The recommendation is for a grant in the amount of no more than \$9215.19, which is 75% of the highest estimate provided. The grant will be scaled down if necessary. The project completion date is 6/30/18.

Mr. Koch moved to approve the grant as recommended by staff. Mr. Lasko seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Robert Hare, Renaissance Too, LLC has applied for a Substantial Development Grant for 125 E. Water Street. The recommendation is for a \$90,000.00 Substantial Development grant; contingent upon obtaining Lake Erie Shores and Islands ("LESI") as a tenant, obtaining additional financial information, obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support. This project will be complete by 3/31/2019. The project will also have to go through the city's Landmark's Commission and City Commission for approval. Lake Erie Shores and Islands would be on the first and second floor and there will be residential on the third floor. The total estimated costs including acquisition is approximately \$1,000,000. The recommended grant would be approximately 9 ½ %.

Mr. Harris moved to approve the grant as recommended by staff with the condition that Lake Erie Shores and Islands is the tenant of the building.

Ms. Muratori stated that the program could possibly assist Lake Erie Shores and Islands with

signage in the future. Mr. Lasko seconded the motion. He added that the vacant buildings will continue to deteriorate without city assistance. With no further discussion, the motion was approved with a vote of 4/0. Ms. Bemis abstained.

Next Meeting

Ms. Muratori stated that the next meeting will be March 13, 2018 at 1:30PM.

Public Participation

Sharon Johnson asked how many times Cameo had been through the program and if this was their last application. Mr. Lasko stated that this is the 3rd request and in the latest conversations with the Mr. Keech, there was no indication that they will have further requests. He added that anyone can apply. Ms. Johnson stated that she felt that new applications should be considered before the ones that come back over and over. Ms. Bemis stated that committee reviews applications as they are received so there are not applications stacked up. Chairman Nickles stated that the Cameo project has really beautified that area.

Ms. Johnson asked if the \$100,000 payment would go back into the Economic Development Fund. Ms. Muratori stated that the amount does not show on the February financial statement but that the money will go back into the fund.

Adjournment

The meeting was adjourned at 3:00PM.

APPROVED:

Debi Eversole, Clerk

Al Nickles, Chairman

[illegible]

2018 Expenditure

March 13, 2018

Economic Development Incentive Committee Summary

Blake Harris and Chris Patterson / Brew Tours, LLC dba San Brew Bike ("San Brew")

APPLICANT: Blake Harris and Chris Patterson
1125 Hollyrood Road
Sandusky, Ohio 44870

CORPORATE STRUCTURE: Limited Liability Company

PRINCIPAL/% OWNERSHIP: Blake Harris – Owner / 50%
Chris Patterson – Owner / 50%

PROGRAM APPLIED FOR: Small Business Assistance

RECOMMENDATION: \$9,300.00 Small Business Assistance grant; contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying a sign for at least one year upon completion noting the City of Sandusky's support. This project will be complete by 6/30/2018.

This project helps with the formation of a brand new business that will create a new amenity for the area. San Brew will attract tourists and residents alike throughout the business district.

BACKGROUND

Mr. Harris is a lifelong resident of the City of Sandusky. He has been a local business owner (drywall contractor) for the past three years. Mr. Patterson is a graduate of the University of Louisville where he received a Bachelor of Arts in Biotechnology with a Minor in Physics and Chemistry. Additionally, Mr. Patterson received a Master's in Business Administration from Thomas More College with a focus on Marketing and Business Management. He is currently the Federal Project Development Lead at Brewer-Garrett Company.

PROJECT DESCRIPTION

San Brew will acquire a 15-passenger quadricycle that is powered by pedaling and/or electric. San Brew will offer 90 minute tours of the business district. This service will offer a unique entertainment option for locals and tourists. The proposed route tour is between Shoreline Drive and Washington Street from North to South and Pearl Street. San Brew will also partner with some of Sandusky's local dining establishments to offer food options.

PROJECT FINANCING

The project sources and uses are as follows:

<u>Uses</u>	
Brew Bike	\$ 15,500.00
Shipping Cost	\$ 3,000.00
Website Development	\$ 3,000.00
Legal Expenditures	\$ 412.95
Total	\$ 21,912.95
<u>Sources</u>	
Owner Equity	\$ 12,612.95
Grant Request - SBA	\$ 9,300.00
Total	\$ 21,912.95

The recommended total grant amount of \$9,300.00 is equivalent to approximately 42% of the total project costs (60% of the Brew Bike acquisition cost) and will leverage private dollars about 2.4x.

The completion of this project will add two additional employees within the City of Sandusky.

FINANCIAL SUMMARY – BUSINESS

The applicants expect Year 1 sales revenue to be approximately \$53,000, with growth expected to be 9-10% annually. Payroll is expected to be about \$12,000 in the first year.

RECOMMENDATION

I recommend a \$9,300.00 Small Business Assistance grant to support this new business project. San Brew will be the original and only party bike and will target patrons enthusiastic for exercise, food, drink and fun.

Applicant / Borrower Company:

BLAKE HARRIS & CHRIS PATTERSON

(Applicant Name)

OWNERS

(Title)

BREW TOURS LLC. D.B.A: SAN BREW BIKE

(Company Name – if different than Applicant Name)

1125 HOLLYWOOD ROAD

(Street Address)

(Suite, Apt, etc.)

SANDUSKY, OHIO 44870

(City, State, Zip)

419-239-3074 / 513-270-1208 sanduskybrewtour@gmail.com

(Phone Number)

(Email)

82-4393051 _____

(Federal Tax ID or last 4 of SSN)

(Fax Number)

- operate: hire drivers, Blake sometimes.
- chief email
- 9300

Existing Business Information:

Type of Business: ☐ Commercial/Retail ☐ Service
☒ Other SERVICE : RECREATIONAL
 Legal Structure: QUADRICYCLE - 15 PASSENGER VEHICLE
 Primary Product or Service: 90 MINUTE DOWNTOWN TOURS
 Date Established: 1/22/2018 NAICS-SIC Code: 5941
 Website (if applicable): _____

Principal Officers / Owners:

Name / Title: BLAKE HARRIS (OWNER)
 Email: sanduskybrewtour@gmail.com Phone: 419-639-3074
 SSN (last 4): 6793 % Ownership: 50%

Name / Title: CHRIS PATTERSON (OWNER)
 Email: sanduskybrewtour@gmail.com Phone: 513-770-1208
 SSN (last 4): 2343 % Ownership: 50%

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Location of Proposed Project:

(Address)

SANDUSKY, OHIO 44870

(City, State, Zip)

ERIE

(County)

If a relocation, indicate from where _____

Project Type:

☐ Renovation

☐ Expansion

☒ Start-Up/New

Applicant / Business Background Information:

Please provide a brief summary about your background and experience. Please also provide historical information regarding the building or property at which the business will operate, including but not limited to the most recent building use (attach additional page if necessary).

BRAD HARRIS: LIFE LONG RESIDENT OF SANDUSKY, OHIO.
LOCAL BUSINESS OWNER / DRYWALL CONTRACTOR FOR LAST THREE YEARS.

CHRIS PATTERSON: GRADUATE OF THE UNIVERSITY OF LOUISVILLE WITH
A BACHELOR OF ARTS, BIOTECHNOLOGY. MINOR IN PHYSICS & CHEMISTRY.
MASTER'S DEGREE IN BUSINESS ADMINISTRATION FROM
THOMAS MORE COLLEGE WITH A FOCUS ON MARKETING &
BUSINESS MANAGEMENT.
FEDERAL PROJECT DEVELOPMENT LEAD AT BREWER-GARRETT CO.

Project Description:

Please provide a brief description of the project to be undertaken for which City assistance is being sought. For existing businesses, please specifically describe the business expansion associated with the project. For new businesses, describe the scope of the project (attach additional page if necessary).

SANDREN BIKE, IS A 15 PASSENGER QUADRICYCLE,
POWERED BY PEDALLING AND/OR ELECTRIC.
WE WILL OFFER 90 MINUTE TOURS OF THE DOWNTOWN
AREA, OFFERING LOCALS AND TOURIST, A UNIQUE
EXPERIENCE IN DOWNTOWN SANDUSKY, WHILE
ENJOYING A TASTY BEVERAGE IN YOUR HAND.

PROPOSED TOURING ROUTE: TOUR WITHIN SHORELINE DRIVE
AND WASHINGTON STREET; PEARL STREET (LOADING DOCK/BOAT RAMP)
AND MEIGS STREET.

Business/Personal References:

Name / Title: JASON NINKE - OWNER OF NINKE LAWN SERVICE
Email: _____ Phone: 419-656-0454
Relationship: FAMILY FRIEND

Name / Title: RYAN WHALEY - LOCAL ENTREPRENEUR
Email: _____ Phone: 970-485-0670
Relationship: PERSONAL

Name / Title: BRANDON CAMP - OWNER OF CAMP CONSTRUCTION
Email: _____ Phone: 419-239-6324
Relationship: BUSINESS

Need for ED Funding:

Applicants must document a need for ED funding in order to make the project occur. Select reason(s) why ED funds are needed for the project, and attach appropriate documentation.

- ☐ Inadequate equity/private lender financing (attach bank letter/documentation of equity unavailability).
- ☐ Unable to pay market interest rates for entire project (include projections showing market rates produce inadequate return on investment.)
- ☒ Incentive financing is needed in order to improve the economics of locating and expanding in Sandusky relative to other communities (show comparative costs analysis to undertake project in Sandusky versus other cities).
- ☐ Other (please specify): _____

Project Source & Use Of Funds:

Break out total project costs by use of funds and allocate each use cost by source (attach additional page if necessary).

Total Project Cost (itemize below):

BREW BIKE - \$15,500

SHIPPING COST - \$3,000

WEBSITE DEVELOPMENT - \$3,000

LEGAL ROOM / FORMATION OF LLC - \$412.95

TOTAL = \$21,912.95

Owner Equity (dollars and source):

\$24,000 FROM FIDELITY
INVESTMENT FUND

Private Lending (dollars, source, and terms):

Request for City Assistance (dollars and type):

\$13,000

SMALL BUSINESS ASSISTANCE GRANT

Project Timeline:

Please outline the project timeline. Please include expected completion dates for items including but not limited to obtaining site control, obtaining financing, and construction.

	<u>Start</u>	<u>Complete</u>	<u>N/A</u>
<u>Site Control</u>	_____		
<u>Financing</u>	<u>2/27/2018</u>		
<u>Construction</u>	<u>2/28/2018</u>	<u>3/28/2018</u>	_____
<u>Other</u>	_____		

Project Impact and Employment:

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue		\$53,000	\$58,000	\$64,000
Annual Payroll		\$12,000	\$12,000	\$14,000
Current Employment (FTE)		2	2	3
Average Pay Per Employee		\$12/hr	\$12/hr	\$12/hr

Project Concept: Use the space below to address the following:

- How does the proposed project relate to a strategic approach to revitalization of the surrounding area?
- Will the project contribute to a change in the market dynamics, economic status, physical appearance or perception of the area?
- Does the project address specific area needs or missing services?

JAN BREW BIKE IS A SMALL LOCAL COMPANY THAT IS COMMITTED TO PROVIDING THE ULTIMATE BREW AND BITES EXPERIENCE BY PARTNERING WITH SOME OF SANDUSKY'S FINEST LOCAL TASTING ESTABLISHMENTS. LOCALS AND TOURIST WILL BE ABLE TO JOIN US ON THE ORIGINAL AND ONLY PARTY BIKE AS WE ROLL THROUGH THE DOWNTOWN AREA, AND SHARE IN OUR ENTHUSIASM FOR EXERCISE, FOOD, DRINK, AND FUN.

WHEN YOU'RE READY FOR SOMETHING REALLY DIFFERENT, BOOK A RIDE WITH JAN BREW BIKE. OUR BIKE WILL MAKE BREWPUB TOURS A UNIQUE GROUP ADVENTURE.

Attachments:

The following should be submitted with your ED Application:

- ☐ Map showing location of Project or business
- ☐ Business plan (if applicable)
- ☐ Three years of historical financial statements(if applicable)
- ☐ Three years of projected financial statements(if applicable)
- ☐ Sources of financing including evidence of private funds and matching funds
- ☐ Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- ☐ Lease agreement,purchase agreement, or proof of ownership (if applicable)

Attestation of Financial Condition

Do you or your business have any of the following:

	YES	NO
Outstanding collections		X
Judgement liens		X
Other court judgements		X
Delinquent taxes		X
Delinquent loans		X
Other tax liens		X
Previous bankruptcy		X
If yes to bankruptcy, has it been fully discharged?		X
Real estate that is tax delinquent		X
Code violations		X
Non-registered rental units		X
Real estate that is in foreclosure		X

Submission Acknowledgment

The undersigned certifies that he/she is authorized to complete, sign and submit this application on behalf of the applicant/owner. Further, the undersigned certifies that the information contained in this application has been reviewed by him/her and that all information, including exhibits, are, to the best of his/her knowledge, complete and accurate and presents fairly the condition of the applicant and project accurately. Intentionally falsifying information in this document constitutes a criminal offense. The undersigned hereby authorizes the City of Sandusky to investigate the credit worthiness and of the undersigned, and/or applicant. The undersigned understands that information submitted to the City of Sandusky as part of this application is considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year.

The undersigned understands that additional information may be required to finalize the approval process, and that, if the project is funded, **Economic Development funds cannot pay for projects completed before grant approval and notice of award.** The undersigned also understands that the submission of the application for financial assistance does not automatically constitute approval.

☒ By checking this box, I acknowledge that I have read, understand, and agree to the policies and procedures outlined in this document. I further agree to be interviewed, photographed and/or have my business photographed for Economic Development marketing purposes. If you have questions, please contact the Department of Community Development.

Company Name: BREW TOURS LLC. D.B.A. SANDBREW BIKE

By: BROCK A. HARRIS (OWNER)

(Print or type name and title)

Brock A. Harris

(Signature)

2-27-2018

(Date)



XIAOXIAN BESTAR E-BUSINESS CO., LTD

萧县百盛达电子商务有限公司

ADD: Ruihao Garden, West Section Of Huaihai Road, Longcheng Town, Xiaoxian, Suzhou, Anhui, China 235200

地址: 中国安徽萧县龙城镇西段的淮海路 369号

Tel:0086-0557-2238889 Phone :0086-15755773660 Email:sales@beerbikemanufacturer.com Sales: Rambo

Proforma Invoice (形式发票)

Buyers Name(买方): Blake Harris
Contract person (联系人): Blake Harris
Email: sanduskybrewtour@gmail.com

Contract No.: BES180228

Telephone: +1419-239-3074

Address: 1125 Hollyrood Road Sandusky, Ohio 44870 USA

Date (日期): FEB ,28, 2018

The undersigned sellers and buyers have agreed to conclude the following transaction according to the terms and conditions stipulated below:

经买卖双方协商一致后同意按照如下条款履行本合同。

1.Item No	2.Description of goods	3.Quantity	4.Unit price	5.Amount
(产品型号)	(产品描述)	(数量)	(单价)	(金额)
BE-S09 16 Seats luxury beer bike	Electric +Pedal version. The free upgrade: Seats with removing the setbacks/ front cover with baggage storage box / Free tools / Cooler box and music players with remote / safety seat belt and reverse mirror / drink holder/comfortable back seat Below parts will be free for you . (1) 5pcs Chain (2) 5pcs Five claw crank (3) 5set Pedal (4) 5pcs Seat tube and Seat tube clip	1	\$15,500.00	\$15,500.00
USB connection	install one more on each side of bike	2	\$0.00	\$0.00
Beer tap	two head beer tap	1	\$0.00	\$0.00
Shipping cost	100% assembly from Dalian port to port Cleveland, Ohio , USA			\$3,000.00
Total (总金额)				\$18,500.00
(美金大写) SAY USD EIGHTEEN THOUSAND FIVE HUNDRED				

6. Shipping mark (唛头): Beer Bike

7. Port of delivery (起运港): DALIAN

8. Port of destination (目的港): Cleveland, Ohio , USA

9. Payment term: Telegraphic Transfer , 50% (9250) deposit in advance, 50% balance before shipping against the picture and (付款方式: 电汇: 50%预付款, 50% 发货前)

10. Delivery Time: in 35 days after we received the 100% payment

(发货时间: 我司银行收到100%付款后35天发货。)

11. 卖方银行汇款路线

(US DOLLARS) BANK INFORMATION:

Beneficiary Bank: BANK OF CHINA, XIAO XIAN BRANCH

(SWIFT CODE : BKCHCNBJ780)

Beneficiary Name: XIAOXIAN BESTAR E-BUSINESS CO., LTD

Bank Address: 7 HUAI HAI ROAD XIAO COUNTY SUZHOU ANHUI PROVINCE ,CHINA

A/BANK COUNT NUMBER:182733316558

The Seller (卖方): 萧县百盛达电子商务有限公司
XIAOXIAN BESTAR E-BUSINESS CO., LTD
曹冰

The Buyers (买方): Blake Harris



WEBSITE DESIGN AGREEMENT

Between SharpFinn Design
and Blake Harris of Brew Tours, LLC

SUMMARY

This contract outlines, in simple terms, an agreement between SharpFinn and the client. It is intended to make clear what is to be expected of each party and how they will work together. Client Brew Tours, LLC, located in Sandusky, Ohio ("Client") are hiring us, SharpFinn ("Company") to:

- Custom Website Design & Development
- Basic SEO services

For the estimated total price of \$3,000.00. 50% Deposit required to begin work.

RESPONSIBILITY OF EACH PARTY

CLIENT: Client has the authority to enter into this contract on behalf of themselves, their company or their organization. Client gives us content and assets needed to complete the project in a timely manner and in the formats requested. Client will review Company's work, provide feedback and approval in a timely manner as well. Deadlines will be agreed upon by both parties in advance. Client also agrees to adhere to the payment schedule set out at the end of this contract.

COMPANY: Company has the experience and ability to complete the project, and will do it all in a professional and timely manner. Company will agree to meet every mutually agreed upon deadline set and maintain the confidentiality of everything delivered by the client.

DESIGN

Company creates responsive websites that adapt to the capabilities of many devices and screen sizes. Company create designs iteratively and use predominantly HTML and CSS, built upon the agreed upon Wordpress platform. Due to this process, the Company will only deliver a static layout of the initial design. Company may use visuals to indicate a creative direction (color, texture and typography.)

Client have plenty of opportunities to review Company work and provide feedback. Company will share a Dropbox or development site with the Client and Company will have regular, contact.

If, at any stage, Client changes their mind about what they want to be delivered or are not happy with the direction Company work is taking, Client agrees to pay for the time Company has spent working with Client until that point and terminate this contract.

TEXT CONTENT

Unless agreed separately, Company is not responsible for providing text or images to be used in your website. Client will provide this content by the agreed upon deadline, otherwise the project time line may be delayed. Company provides professional copywriting and editing services at an additional cost.

GRAPHICS AND PHOTOGRAPHS

Client will supply graphic files in an editable, vector digital format. Client will supply photographs in a high resolution digital format. If the Client needs stock photography for their project, it will be purchased at an additional cost to the Client. Photography services also available at an additional cost.

WORDPRESS, HTML, CSS AND JAVASCRIPT

Company delivers websites developed on Wordpress using HTML, CSS and JavaScript.

BROWSER TESTING

Browser testing will be done to ensure that a person's experience of a design will be appropriate to the capabilities of a browser or device.

Company will test work in current versions of major desktop browsers including those made by Apple (Safari), Google (Chrome), Microsoft (Edge), Mozilla Firefox and Opera. Company will also test to ensure that people who use Microsoft Internet Explorer 11 for Windows get an appropriate experience. Company won't test in other older browsers unless agreed to separately. If Client needs an enhanced design for an older browser, Company can provide a separate estimate for that.

MOBILE BROWSER TESTING

Mobile browser testing Testing using popular smaller screen devices is essential in ensuring that a person's experience of a design is appropriate to the capabilities of the device they're

using.

Company tests designs in: iOS 9: Safari, Google Chrome Android: Google Chrome on Android Emulator

Company won't test in Blackberry, Opera Mini/Mobile, specific Android devices, Windows or other mobile browsers unless we agreed separately. If Client need us to test using these, Company can provide a separate estimate for that.

TECHNICAL SUPPORT

Company agrees to offer technical support for any services purchased through Company by the Client. Company offers website maintenance, hosting, email services, SEO services, social media management and more. Technical support offered for the length of the contract and terminates when the contract terminates.

SEARCH ENGINE OPTIMIZATION (SEO)

Company offers basic SEO services with all websites. Premium SEO services are available at an extra cost.

CHANGES AND REVISIONS

The price at the beginning of this contract is based on the work and deadlines agreed upon by the Client and Company. If Client wants to change or add anything new, Company will provide a separate estimate for additional time spent.

LEGAL

Company can't guarantee that the functions contained in any website will always be error-free and so Company can't be liable to the Client or any third party for damages, including lost profits, lost savings or other incidental, consequential or special damages arising out of the operation of or inability to operate this website and any other web pages, even if Client has advised Company of the possibilities of such damages.

If any provision of this agreement shall be unlawful, void, or for any reason unenforceable, then that provision shall be deemed severable from this agreement and shall not affect the validity and enforceability of any remaining provisions.

INTELLECTUAL PROPERTY RIGHTS

Client guarantees to Company that any elements of text, graphics, photos, designs, trademarks, or other artwork provided for inclusion in the website are either owned by Client,

or that Client has obtained written permission to use them.

Company will maintain all rights to work done and will hold all rights if service is terminated payment in full.

When Company receives your payment, copyright is automatically assigned as follows:

- Client will own the graphics and other visual elements that Company creates for this project. Company will give Client a copy of all files and Client should store them really safely as Company is not required to keep them or provide any native source files that Company used in making them.
- Client will own their company domain(s).
- Client also owns text content, photographs and other data Client provided, unless someone else owns them. Company own the Wordpress files, HTML markup, CSS and other code and we license it to you for use on only this project.
- Company reserves the right to display and link to Client completed project as part of the Company portfolio and to write about the project on websites, in magazine articles and in books about web design.
- Client agrees to maintain footer link to Company website for as long as they continue to use the Company website design.

PAYMENT SCHEDULE

Client understands how important it is as a small business that Client pays the invoices that Company sends you promptly. Client agrees to adhere to the following payment schedule.

- 50% deposit required to begin work
- Remainder of balance due prior to website launch

Company will issue invoices electronically. Company payment terms are 15 days from the date of invoice paid by check, cash or credit card. All proposals are quoted in USD and payments will be made at the equivalent conversion rate at the date the transfer is made.

PLEASE READ CAREFULLY: Interest accrued if payment is more than 14 days late is 5% of the outstanding amount to be automatically added every 7 days, starting from 15th day after receipt of the monthly invoice. *Late fees and penalties may be waived if agreed upon in writing before the penalty is applied to the account. We try our best to work with our clients no matter what situation may arise.*

A \$75 hourly rate shall govern additional work beyond the maximums and scopes specified above and in the project quotation for such services as general Internet orientation education, server or Content Management System maintenance, marketing consulting, design, editing, and art, photo, or graphics services.

ADDITIONAL DETAILS

Client or Company may not transfer this contract to anyone else without the other's permission.

Client or Company both agree to adhere to all relevant laws and regulations in relation to project activities under this contract and not cause the other to breach any relevant laws or regulations.

This contract stays in place and need not be renewed. If for some reason one part of this contract becomes invalid or unenforceable, the remaining parts of it remain in place.

Although the language is simple, the intentions are serious and this contract is a legal document under exclusive jurisdiction of courts of North Carolina.

To indicate your acceptance of this contract, type your name below and click the "Sign Contract" button:

BLAKE HARRIS

Type your name

LAUREN TIURA

Lauren Tiura

✓ Signed Mar 6th, 2018



CITY OF SANDUSKY - POLICE DEPARTMENT

MARCH 8, 2018

Maria Muratori
222 Meigs St.
SANDUSKY, OH 44870

Dear Ms. Muratori,

I met with Mr. Blake Harris and Mr. Chris Patterson on February 15, 2018. Mr. Harris and Mr. Patterson are new entrepreneurs and are interested in bringing their company, Brew Tours, LLC to the Sandusky area. I have confirmed through the law department that their business venture, bicycling while consuming beer is a legitimate business covered in the Ohio Revised Code.

I have reviewed the ORC section and after speaking with the gentlemen and their explanation of business model, I believe it will be a good fit to the downtown Sandusky area. I would encourage the approval of the application for business assistance and support of the San Brew Bike business model.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Orzech", is written over the typed name and title.

John T. Orzech
Chief of Police

Maria Muratori

From: jasonninke@buckeye-express.com
Sent: Thursday, March 8, 2018 12:06 PM
To: Maria Muratori
Subject: Re: Blake Harris and Chris Patterson - Reference

Hello there.....I Have known Blake about all his life, his dad has done a ton of work for me over the years which was always great!!! I'm happy to see Blake putting his mind to some good use!! I am excited to see this and will support him any way i can!! Its great to something new coming to the area!!!

Thanks!!

Jason A. Ninke
President, Ninke Lawn Service Inc.
P.O. Box 1826
Sandusky Ohio 44871-1826
(419) 627-2821

On 2018-03-08 09:25, Maria Muratori wrote:

Hello Mr. Ninke,

Blake Harris and Chris Patterson indicated you as a reference on their economic development grant application with the City of Sandusky. Please speak to the following regarding their Brew Bike project:

- What is your relationship with Blake Harris and Chris Patterson?
- What is your confidence in their ability to successfully launch San Brew Bike?
- Is there any other information you would like to share regarding Mr. Harris and Mr. Patterson?

Thank you for your help.

Maria Muratori | *Development Specialist*
COMMUNITY DEVELOPMENT

Maria Muratori

From: Brandon Camp <campconstruction1@gmail.com>
Sent: Tuesday, March 13, 2018 12:35 PM
To: Maria Muratori
Subject: Re: Blake Harris and Chris Patterson - Reference

Maria,

For eight years Blake Harris was an employee and later a subcontractor for Camp Construction. In his time with the company he exhibited all the qualities desirable of an excellent employee and subcontractor. He has proven that he has the potential and skills to be successful at whatever the task or assignment. We have complete confidence that San Brew Bike will be a success!

Thank you,

Brandon j Camp

Cell: (419) 239-6324

Camp Construction
(419) 656-5495
campconstructionohio.com

PO Box 344
112 South Ave
Castalia, OH 44824

On Mar 8, 2018, at 9:23 AM, Maria Muratori <mmuratori@ci.sandusky.oh.us> wrote:

Hello Mr. Camp,

Blake Harris and Chris Patterson indicated you as a reference on their economic development grant application with the City of Sandusky. Please speak to the following regarding their Brew Bike project:

- What is your relationship with Blake Harris and Chris Patterson?
- What is your confidence in their ability to successfully launch San Brew Bike?
- Is there any other information you would like to share regarding Mr. Harris and Mr. Patterson?

Thank you for your help.

<image001.jpg><image002.png>

Maria Muratori | *Development Specialist*
COMMUNITY DEVELOPMENT
222 Meigs Street | Sandusky, OH 44870
T: 419.627.5891 | F: 419.627.5713

Maria Muratori

From: Ryan Whaley <ryan@greendoormediaworks.com>
Sent: Monday, March 12, 2018 11:45 AM
To: Maria Muratori
Subject: Re: Blake Harris and Chris Patterson - Reference

I know Blake and Chris personally and from community events.

From my experience they'll put plenty of effort into this venture as they have with community events.

I think this is an excellent project and will certainly be successful with Blake and Chris at the helm

Thanks,

Ryan

Ryan J Whaley
ryan@greendoormediaworks.com
419-359-0540

On Mar 8, 2018, at 9:23 AM, Maria Muratori <mmuratori@ci.sandusky.oh.us> wrote:

Hello Mr. Whaley,

Blake Harris and Chris Patterson indicated you as a reference on their economic development grant application with the City of Sandusky. Please speak to the following regarding their Brew Bike project:

- What is your relationship with Blake Harris and Chris Patterson?
- What is your confidence in their ability to successfully launch San Brew Bike?
- Is there any other information you would like to share regarding Mr. Harris and Mr. Patterson?

Thank you for your help.

<image001.jpg><image002.png>

Maria Muratori | *Development Specialist*
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www.ci.sandusky.oh.us

<image003.png> <image004.jpg>

March 13, 2018

Economic Development Incentive Committee Summary

Elizabeth Maiden / Erie County Community Foundation (“ECCF”)

APPLICANT: Elizabeth Maiden, Executive Director
135 East Washington Row
Sandusky, Ohio 44870

CORPORATE STRUCTURE: 501(C)3

PRINCIPAL/% OWNERSHIP: Elizabeth Maiden, Executive Director
Roger Gundlach, Board Chairman

PROGRAM APPLIED FOR: Signage and Façade

RECOMMENDATION: \$20,000 Signage and Façade Grant; contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky’s support. This project will be complete by 11/30/18.

The completion of this project supports ECCF’s efforts to increase foot traffic and improve its exterior appearance. The exterior improvements will present a visual representation of the improved indoor space. It also demonstrates our support and collaboration with philanthropic organizations.

BACKGROUND

In 1995, ECCF was created and received 501(C)3 charitable status. Since that time, it has raised over \$24 million and distributed over \$16 million in grants and scholarships. In 2016, ECCF’s location, a former Key Bank property was sold to Jeff Hipp. ECCF was looking for a permanent location for its offices and negotiated a long-term lease in exchange for complete renovation of the nearly 9,000 square foot first floor. ECCF will also create community meeting space and suites that will available for other nonprofits to lease.

PROJECT DESCRIPTION

ECCF is investing nearly \$700,000 to update and renovate the building at 135 East Washington Row. The façade will be expanded which will increase the attractiveness of the exterior and will also contribute to heating and cooling efficiency. Additionally, ECCF will replace the outdated and faded red awnings with blue metal awnings.

FINANCIAL SUMMARY

Nonprofit contributions vary but were \$2.8 million in the current year. Payroll is approximately \$185,000.

PROJECT FINANCING

The project sources and uses are as follows:

<u>Uses</u>	
Renovations	\$ 562,450.00
Vestibule Entrance	\$ 44,000.00
Leasable Space Upgrade	\$ 50,000.00
Owner Misc.	\$ 30,958.00
Contingency	\$ 50,000.00
Total	\$ 737,408.00
<u>Sources</u>	
Dorn Grant	\$ 500,000.00
Foundation Resource	\$ 100,000.00
Grants, Donors, Board, Staff Contributions	\$ 117,408.00
Grant Request - Signage and Façade	\$ 20,000.00
Total	\$ 737,408.00

RECOMMENDATION

I recommend we provide ECCF with a \$20,000 signage and façade grant to beautify its space and encourage additional foot traffic at this important building along the Washington Row office corridor.

Applicant / Borrower Company:

Elizabeth P. Maiden

(Applicant Name)

Executive Director

(Title)

Erie County Community Foundation

(Company Name – if different than Applicant Name)

135 E Washington Row

(Street Address)

(Suite, Apt, etc.)

Sandusky, OH 44870

(City, State, Zip)

419-621-9690

(Phone Number)

34-1792862

(Federal Tax ID or last 4 of SSN)

bethm@eriefoundation.org

(Email)

419-621-8420

(Fax Number)

Existing Business Information:

Type of Business: ☐ Commercial/Retail ☐ Service
☒ Other Nonprofit Corporation/Philanthropic
 Legal Structure: 501(c)(3)
 Primary Product or Service: Grantmaking & Donor Services
 Date Established: 1995 NAICS-SIC Code: _____
 Website (if applicable): eniefoundation.org

Principal Officers / Owners:

Name / Title: Elizabeth P. Maiden, Executive Director
 Email: bethm@eniefoundation.org Phone: 419-621-9690
 SSN (last 4): 7405 % Ownership: N/A

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Location of Proposed Project:

135 East Washington Row

(Address)

Sandusky, OH 44870

(City, State, Zip)

Erie

(County)

If a relocation, indicate from where _____

Project Type:

☒ Renovation

☐ Expansion

☐ Start-Up/New

Applicant / Business Background Information:

Please provide a brief summary about your background and experience. Please also provide historical information regarding the building or property at which the business will operate, including but not limited to the most recent building use (attach additional page if necessary).

The Erie County Community Foundation was created and received 501(c)(3) charitable status in 1995. Since then, we have raised over \$24 million dollars and distributed over \$16 million in grants and scholarships. Our location, a former Key Bank property, was sold in 2016 to Jeff Hipp. Seeking a permanent location for the Foundation's offices, we negotiated a long-term lease in exchange for complete renovation of the nearly 9,000 square foot first floor. We plan, in addition to our offices, community meeting space and suites available for other nonprofit tenants to rent.

Project Description:

Please provide a brief description of the project to be undertaken for which City assistance is being sought (attach additional page if necessary).

We are investing nearly \$700,000 to update and renovate this old bank building. Our facade is in-set, which was to accommodate the bank's ATM & deposit box. This in-set allows debris and garbage to gather, creating an unattractive and high-maintenance area and contributes to heating and cooling inefficiency. We propose extending our facade to eliminate that space along with replacing the outdated and faded Red awnings with blue metal awnings that would be more attractive and easier to maintain.

Business/Personal References:

Name / Title: Dustin J. Ness, Senior Vp., Wealth Advisor
 Email: dustin.ness@tkh.com Phone: 419-609-3481
 Relationship: Financial Manager

Name / Title: Eric Kochendörfer, Financial Advisor
 Email: eric.kochendorfer@edwardjones.com Phone: 419-626-4444
 Relationship: Financial Manager

Name / Title: Mary Jane Hill, Legal Counsel
 Email: mjhill@flynnpykowski.com Phone: 419-625-8324
 Relationship: Legal Counsel

Need for ED Funding (N/A for Signage):

Applicants must document a need for ED funding in order to make the project occur. Select reason(s) why ED funds are needed for the project, and attach appropriate documentation.

- ☐ Inadequate equity/private lender financing (attach bank letter/documentation of equity unavailability).
- ☐ Unable to pay market interest rates for entire project (include projections showing market rates produce inadequate return on investment.)
- ☐ Incentive financing is needed in order to improve the economics of locating and expanding in Sandusky relative to other communities (show comparative costs analysis to undertake project in Sandusky versus other cities).
- ☒ Other (please specify): Nonprofit organization in need of
raising additional funds to complete the project.

Project Source & Use Of Funds:

Break out total project costs by use of funds and allocate each use cost by source (attach additional page if necessary).

Total Project Cost (itemize below):

<u>Renovations including construction & demolition by JHI</u>	<u>\$562,450</u>
<u>Vestibule Entrance</u>	<u>44,000</u>
<u>Leasable Space upgrade</u>	<u>50,000</u>
<u>Owner Misc. including \$11,605 for awnings</u>	<u>30,958</u>
<u>Contingency of \$50,000</u>	<u>total \$737,408</u>

Owner Equity (dollars and source):

Grant up to \$500,000 from
Dom Foundation, \$100,000 Foundation reserve, Remaining from
grants and donors/board/staff.

Private Lending (dollars, source, and terms):

0

Request for City Assistance (dollars and type):

\$20,000 toward facade
and upgraded metal awnings.

Project Timeline:

Please outline the project timeline. Please include expected completion dates for items including but not limited to obtaining site control, obtaining financing, and construction.

	<u>Start</u>	<u>Complete</u>	<u>N/A</u>
<u>Site Control</u>		1/1/18	
<u>Financing</u>	12/1/16	12/31/18 est.	
<u>Construction</u>	12/1/17	6/1/18 est.	
<u>Other</u>			

Project Impact and Employment (N/A for Signage):

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue*	2,808,892*			
Annual Payroll	184,973	190,522	196,237	247,124
Current Employment (FTE)	3	3	3	4
Average Pay Per Employee	56,666	58,365	60,115	61,918

* nonprofit contributions, very difficult to forecast due to estate gifts. 2016 total was \$1,054,195.

Project Concept (N/A for Signage): Use the space below to address the following:

- How does the proposed project relate to a strategic approach to revitalization of the surrounding area?
- Will the project contribute to a change in the market dynamics, economic status, physical appearance or perception of the area?
- Does the project address specific area needs or missing services?

Across the street from Washington Park, and with the City as our new neighbor, we are consciously making these improvements to our building's facade knowing that foot traffic will increase. Our current vestibule is an eyesore and trash magnet and looks like an outdated bank building. This plan to update the facade eliminates the trash, brightens the building, and presents a visual representation of the improved indoor space.

Attachments:

The following should be submitted with your ED Application:

- ☒ Map showing location of Project or business
- ☒ Three years of historical financial statements (if applicable)
- ☒ Three years of projected financial statements (if applicable)
- ☒ Sources of financing including evidence of private funds and matching funds
- ☒ Third party cost estimates **INCLUDING RENDERINGS**
- ☒ Lease agreement, purchase agreement, or proof of ownership (if applicable)

Attestation of Financial Condition:

Do you or your business have any of the following:

	YES	NO
Outstanding collections		X
Judgement liens		X
Other court judgements		X
Delinquent taxes		X
Delinquent loans		X
Other tax liens		X
Previous bankruptcy		X
If yes to bankruptcy, has it been fully discharged?		X
Real estate that is tax delinquent		X
Code violations		X
Non-registered rental units		X
Real estate that is in foreclosure		X

Submission Acknowledgment

The undersigned certifies that he/she is authorized to complete, sign and submit this application on behalf of the applicant/owner. Further, the undersigned certifies that the information contained in this application has been reviewed by him/her and that all information, including exhibits, are, to the best of his/her knowledge, complete and accurate and presents fairly the condition of the applicant and project accurately. Intentionally falsifying information in this document constitutes a criminal offense. The undersigned hereby authorizes the City of Sandusky to investigate the credit worthiness and of the undersigned, and/or applicant. The undersigned understands that information submitted to the City of Sandusky as part of this application is considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year.

The undersigned understands that additional information may be required to finalize the approval process, and that, if the project is funded, **Economic Development funds cannot pay for projects completed before grant approval and notice of award.** The undersigned also understands that the submission of the application for financial assistance does not automatically constitute approval.

☒ By checking this box, I acknowledge that I have read, understand, and agree to the policies and procedures outlined in this document. I further agree to be interviewed, photographed and/or have my business photographed for Economic Development marketing purposes. If you have questions, please contact the Department of Community Development.

Company Name: Erie County Community Foundation

By: Elizabeth P. Maiden, Executive Director
(Print or type name and title)

Elizabeth P. Maiden 2/28/18
(Signature) (Date)



135 E Washington Row

Current Representation



Imagery ©2018 Google, Map data ©2018 Google 20 ft



135 E Washington Row

Sandusky, OH 44870



At this location

Sandusky-Erie County Community



ERIE COUNTY COMMUNITY FOUNDATION

STATEMENTS OF FINANCIAL POSITION

As of Dates Indicated

Assets

	A	B	C
	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
1 Cash and cash equivalents	\$ 256,117	\$ 200,288	\$ 157,311
2 Investments	24,586,006	20,698,577	19,108,175
3 Contributions receivable, net	73,000	-	625,433
4 Property and equipment, net	1,514	2,444	3,728
5 Beneficial interest in remainder unit trusts	34,006	29,803	28,598
6 Other assets	2,897	4,222	4,250
7 Total Assets	\$ 24,953,540	\$ 20,935,334	\$ 19,927,495

Liabilities and Net Assets

8 Accounts payable	\$ 31,100	\$ 4,391	\$ 3,361
9 Due other agencies	3,171,598	2,917,109	2,842,272
10 Charitable annuity liabilities	39,996	43,881	46,158
11 Grants payable	40,000	53,333	24,166
12 Other	5,192	4,112	3,237
13 Total Liabilities	3,287,886	3,022,825	2,919,194
14 Net Assets			
15 Unrestricted	21,631,649	17,882,706	16,979,703
16 Temporarily restricted	34,006	29,803	28,598
17 Total Net Assets	21,665,655	17,912,509	17,008,301
18 Total Liabilities and Net Assets	\$ 24,953,540	\$ 20,935,334	\$ 19,927,495

This Statement has been internally prepared - unaudited for 12/31/17

01/19/18 RW

ERIE COUNTY COMMUNITY FOUNDATION

STATEMENTS OF ACTIVITIES As of Dates Indicated

Revenues			
	A	B	C
	As of 12/31/2017	As of 12/31/2016	As of 12/31/2015
1 Contributions	\$ 2,808,892	\$ 1,054,195	\$ 1,499,639
2 Investment income	877,558	599,342	807,090
3 Foundation administrative fee revenue	334,874	281,090	273,126
Change in value of charitable			
4 gift annuities	(63)	(4,666)	(9,382)
5 Unrealized loss on property held for resale	-	-	-
Net unrealized and realized gains/(losses)			
6 on long-term investments	1,749,236	778,898	(953,414)
7 Other	21,873	24,696	25,982
8 Total Revenues	5,792,371	2,733,555	1,643,042
Expenses			
9 Grant distributions/program expenditures	1,281,591	1,182,379	802,429
10 Administration fee expense	291,108	239,835	230,103
11 Advertising and publications	20,238	19,619	18,750
12 Depreciation	999	1,283	2,586
13 Dues and subscriptions	5,591	5,775	4,003
14 Hospitality	12,412	11,343	11,725
15 Insurance	1,667	1,667	1,667
16 Professional fees	13,548	16,105	17,888
17 Office expense	28,128	24,798	21,572
18 Payroll and taxes	248,701	220,474	257,741
19 Postage	3,104	3,438	1,428
20 Seminars and conferences	1,720	1,473	6,006
21 Occupancy	16,359	8,980	9,176
22 Telephone	2,476	2,154	1,991
23 Investment fees	104,042	79,742	65,629
24 Youth Council	3,372	3,381	3,254
25 Miscellaneous	4,170	6,901	1,446
26 Total Expenses	2,039,225	1,829,346	1,457,393
27 Change in Net Assets	3,753,145	904,208	185,649
28 Net Assets at Beginning of Year	17,912,509	17,008,301	16,822,652
29 Net Assets at End of Year	\$ 21,665,655	\$ 17,912,509	\$ 17,008,301

This Statement has been internally prepared - unaudited for 12/31/17

01/19/18 RW

ECCF/Key Bank Bldg Project: ECCF Long term lease with lessee Capital Improvements or ECCF Purchase of Key Bank Bldg

Sources of Funds

Dorn Foundation (grant and/or DAF recommendation)	\$500,000
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Possible Other Sources

ECCF general fund	\$200,000
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ECCF directors (including emerti directors), committee members and staff * over 5 years	\$125,000
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Capital Campaign (5-year payout)	<u>\$50,000</u>
----------------------------------	-----------------

\$375,000

Total	<u>\$875,000</u>
-------	------------------

*Assumes 25 individuals at \$500 average

Dorn Foundation's "vision"

- Maintain "as is" existing lobby & ECCF office spaces
- ECCF "take over" existing UBS space
- ECCF perhaps also occupy additional front floor space
- New lavatories to be provided
- Parking space to be provided (part of existing lot and/or Civista lot)
- New exterior signage
- Consider any needed attention to building exterior
- If ECCF purchases building, then lease space to Dorn Foundation and other non-profits

If Dorn Foundation provides a grant to ECCF for John Feick work, the amount will be charged against Dorn Foundation's Grant

**Erie County Community Foundation
Administrative Budget
Proposed for 2018**

		A	B	C	D	E
	Account	Annual Budget 2018	Proposed Changes 2018	Projected Actual As of 12/31/2017	Annual Budget 2017	Actual As of 12/31/2016
1	Administrative Operating Revenue					
2	4026 Administrative endowment support	60,793	14	60,779	60,644	61,570
3	4600 Administrative fee revenue	339,642	8,599	331,043	288,668	281,090
4	4610 Fee for service - administrative	14,837	82	14,755	20,708	18,696
5	4120 Interest income	336	(20)	356	300	322
6	4900 Other income	6,000	-	6,000	6,000	6,000
7	Total Administrative Operating Revenue	421,607	8,674	412,934	376,320	367,678
8	Administrative Operating Expenses					
9	6000 Salaries and wages	190,400	5,434	184,966	184,918	165,650
10	6010 Payroll taxes	14,566	353	14,212	14,146	12,534
11	6020 Workers compensation	237	439	(203)	338	276
12	6030 Employee health insurance	29,922	4,610	25,313	28,048	17,438
13	6040 Retirement plan	28,560	815	27,745	27,738	24,576
14	6050 Staff development	1,500	-	1,500	1,500	765
15	6060 Travel and lodging	1,800	(100)	1,900	1,900	708
16	6090 Contract Staffing	2,000	33	1,968	2,500	2,255
17	Total Personnel Expense	268,984	11,584	257,400	261,087	224,201
18	6110 D & O liability insurance	1,667	-	1,667	1,750	1,667
19	6120 Board development	3,500	3,250	250	250	-
20	6130 Meeting expense	4,140	77	4,063	3,340	2,932
21	Total Board Expense	9,307	3,327	5,980	5,340	4,599
22	6210 Accounting fees	-	-	-	-	630
23	6220 Legal Fees	3,600	(800)	4,400	4,400	2,340
24	6230 Audit fees	9,100	-	9,100	9,100	10,880
25	6240 Bank fees	309	24	285	232	218
26	6250 Filing fees	200	-	200	200	200
27	Total Professional Fees Expense	13,209	(776)	13,985	13,932	14,268
28	6270 Computer technical support	7,500	2,201	5,299	5,000	4,600
29	6280 Website design and maintenance	700	-	700	700	500
30	6290 Software expense	11,138	1,523	9,615	10,443	10,335
31	Total Technical Support	19,338	3,724	15,614	16,143	15,435
32	6310 Office rent	33,775	20,300	13,475	8,105	8,240
33	6320 Equipment rental and maintenance	6,322	(1)	6,322	6,322	5,757
34	6330 Telephone / internet	2,280	3	2,277	2,262	2,154
35	6340 Insurance - property and liability	1,800	797	1,003	1,145	740
36	6350 Office supplies	4,482	432	4,050	4,050	3,887
37	6360 Postage	3,250	333	2,917	2,400	3,438
38	6370 Printing and publication	2,700	(2,166)	4,866	4,580	2,483
39	6380 Dues and subscriptions	6,295	(55)	6,350	6,350	5,775
40	6390 Repairs and Maintenance	10,140	8,482	1,658	600	-
41	6400 Utilities	7,140	7,140	-	-	-
42	6410 Relocation Expenses	1,400	(1,170)	2,570	-	2,330
43	6420 Miscellaneous expenses	380	8	372	372	4,371
44	Total Office and Administrative	79,964	34,103	45,861	36,186	39,175
45	6610 Special events and programs	8,610	(450)	9,060	9,060	8,412
46	6620 Public relations	14,050	(175)	14,225	14,225	16,636
47	6630 Youth council expenses	3,460	(121)	3,581	3,360	3,381
48	Total Community Program Expenses	26,120	(746)	26,866	26,645	28,429
49	Total Expenses	416,922	51,216	365,705	359,333	326,107
50	Net Revenue Over Expenses	4,686	(42,543)	47,228	16,987	41,571
51	Administrative Reserve Fund - Beginning of Year	279,876	47,228	232,648	232,648	191,077
52	Administrative Reserve Fund - End of Year	284,562	4,686	279,876	249,635	232,648

Printed: RW 11/27/17

Ex. Com. Approved 11/3/2017 ; Bd. Approved: 12/8/2017

NOTE: \$819 increase in rent since Ex. Com. Approved due to square footage increase



TIME & MATERIAL BUDGET PROPOSAL

OWNER: Erie County Community Foundation
135 East Washington Row
Sandusky, OH 44870
Attn: Elizabeth Maiden

**BUILDING
OWNER:** Maple City Builders, LLC

REF: Office Renovation

DATE: December 8, 2017 - Revised

PROJECT OVERVIEW

Janotta & Herner is pleased to offer this Time & Material Budget Proposal for the design and construction of an approximately 8,500 SF interior renovation to the current Erie County Community Foundation Offices located in Sandusky, Ohio.

REFERENCE DOCUMENTS

This project is based upon the following reference drawings:

A-1.1 – Floor Plan – dated June 7, 2017

BASE BID

This Time & Material Budget Proposal includes necessary design, labor, material, equipment and permits required for the work described hereafter.

A) GENERAL REQUIREMENTS (01000)

- 1) Prepare working drawings to include the following information:
 - a) Site Plan
 - b) Floor Plan
 - c) Elevations
 - d) Architectural Sections
 - e) Door & Finish Schedules
 - f) Plumbing & Mechanical Drawings
 - g) Electrical & Lighting Drawings
- 2) Obtain necessary local Zoning and Building, Mechanical, Plumbing and Electrical Permits.
- 3) Assist in approval from City of Sandusky Downtown Design Review Board.
- 4) Provide daily cleanup and housekeeping of the construction site and disposal of debris in appropriate containers.
- 5) Provide construction signage for project identification, traffic direction and safety awareness.
- 6) Provide dumpers for construction related debris disposal at an offsite location.
- 7) Utility cost for construction operations are to be paid directly by the Owner.

B) DEMOLITION (02000)

- 1) Provide demolition operations including the following items:
 - a) Remove existing interior concrete as required for new plumbing trenches.

- b) Remove existing ceilings as required.
 - c) Remove any walls as required to complete the renovation project.
 - d) Remove floor coverings throughout the renovated area scheduled to receive new flooring.
- 2) Remove existing cabinetry and casework as required.
 - 3) Remove existing safety deposit boxes within the vault space.

C) CONCRETE (03000)

- 1) Provide concrete patching as required to repair new plumbing trenches.

D) WOOD, PLASTICS & COMPOSITES (06000)

- 1) Provide wood blocking as required for installation of interior specialties and cabinetry.
- 2) An Allowance of \$15,000.00 has been included to provide and install laminate casework in the following areas:
 - a) Restrooms.
 - b) Large Meeting Room.
 - c) Lobby/Waiting.
- 3) Provide and install an architectural wood ceiling panel system in the Lobby/Waiting area.

E) THERMAL & MOISTURE CONTROL (07000)

- 1) Provide sound batt insulation in all new interior partitioning walls.
- 2) Provide caulking at dissimilar materials.

F) THERMAL & MOISTURE (08000)

- 1) Provide solid core wood doors, frames and hardware. Wood doors to be prefinished and include a full height clear glass insert.
- 2) Provide new full height hollow metal frames and glass interior system for the renovated area as required.
- 3) Provide new aluminum and glass entry system to accommodate new Entrance for the second floor. Finishes are to match the existing.

G) FINISHES (09000)

- 1) Provide interior stud and drywall partition walls as shown.
- 2) Provide furring and drywall on the exterior walls of renovated areas as required.
- 3) Provide flooring for the renovated area consisting of:
 - a) Modular carpet tiles in all Office and Corridor spaces.
 - b) VCT in the Restroom area.
 - c) Ceramic tile in the Lobby/Waiting area.
 - d) Provide new rubber base throughout entire renovated space.
- 4) Provide and install a 2' x 2' acoustical ceiling grid and tile system in the renovated area.
- 5) Provide a drywall finished ceiling where required.
- 6) Provide painting of new drywall and hollow metal frames.

H) SPECIALTIES (10000)

- 1) Provide and install necessary semi-recessed wall cabinets and 10 pound ABC fire extinguishers as required by code.
- 2) Provide labor to install Owner supplied interior signage.

3) Provide the following Restroom accessories:

- a) Grab bars.
- b) Mirrors.
- c) Coat hooks.
- d) Toilet paper dispenser.
- e) Soap dispensers.
- f) Paper towel dispenser.
- g) Trash receptacles.

I) MECHANICAL (15000)

Plumbing

- 1) Provide the following plumbing fixtures:
 - a) Two (2) Restroom sinks.
 - b) Three (3) floor mount tank type toilets.
 - c) One (1) wall mounted urinal.
 - d) One (1) utility mop sink.
 - e) Bi-level ADA complaint water cooler with bottle filler.
- 2) Provide gas piping as required for new mechanical units.
- 3) Supply line piping to be copper.

HVAC

- 1) Provide mechanical system as shown on the Mechanical Drawings.
- 2) Provide Restroom exhaust fans.
- 3) Provide necessary refrigerant piping.

Erie County Community Foundation Time & Material Budget Proposal

- 4) Provide programmable thermostat and control wiring with night setback capabilities.
- 5) Test and balance new HVAC system.

J) ELECTRICAL (16000)

- 1) Provide receptacles as desired for renovation.
- 2) Provide LED lighting as desired for renovation.
- 3) Provide exit lighting as required by code.
- 4) Provide exterior lighting at all exterior doors.
- 5) Provide power to:
 - a) Exhaust fans
 - b) HVAC units.
- 6) Provide temporary power and lighting, for construction operations.
- 7) Provide and install data boxes with stub-up conduits and pull strings for data wiring.
- 8) Note: Data wiring by Others.

K) TIME & MATERIAL BUDGET PRICE

Our Time & Material Budget Price to complete the above described scope of work is as follows:

Time & Material Budget Price...\$562,450.00

Erie County Community Foundation Time & Material Budget Proposal

Additional Work:

Vestibule Entrance	\$ 44,000.00
Vestibule Credit (Building Owner Shared Cost 50%)	\$<22,000.00>
Leasable Space Upgrade	\$ 50,000.00
Owner Miscellaneous Items	\$ 30,958.00
Owner Contingency	\$ 50,000.00
Builder's Risk Insurance	\$ 3,500.00
Building Owner Share of HVAC	\$<55,000.00>

Erie County Community Foundation Share	\$663,908.00
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ADA Compliant Restrooms	\$ 38,500.00
Second Floor Access	\$ 7,250.00
Vestibule Entrance (Shared Cost 50%)	\$ 22,000.00
Building Owner Share of HVAC	\$ <u>55,000.00</u>
Building Owner Share	\$122,750.00

Total Estimated Construction Cost	\$786,658.00
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L) EXCLUSIONS

This proposal specifically excluded the cost associated with the following:

- 1) Sales tax.
- 2) Safety, security and A/V systems.
- 3) Data and phone wiring.
- 4) Utility cost for construction.
- 5) Any work to other adjoining units.
- 6) Off-shift work premiums.
- 7) Signage.
- 8) Furnishings and appliances.
- 9) Window treatments.
- 10) Builder's Risk Insurance.

TERMS AND CONDITIONS

A) CONTRACT DOCUMENTS

The Contract Documents consist of this Proposal/Agreement ("Agreement"), the Drawings, the Specifications, all Supplements/Addenda and all Modifications thereafter. A Modification is (1) a written amendment to this Agreement signed by both parties, (2) a Change Order, or (3) a written order for a minor change in the work. This Agreement represents the entire integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements, either written or oral. The Agreement may be amended or modified only by a Modification.

B) CONTRACT TIME AND COMPLETION

The work shall commence within seven (7) days of Janotta & Herner's receipt of the executed Agreement. A detailed progress schedule identifying the proposed in sequences and durations will be provided at the request of the Owner. Substantial Completion ("beneficial occupancy") shall be achieved as expeditiously as reasonably possible.

If Janotta & Herner is delayed in the performance of the work due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own or those for whom Janotta & Herner is responsible, the Contract Time(s) for performances shall be reasonably extended and an adjustment may be made to the Contract Price by Change Order. By way of example, events that will entitle Janotta & Herner to an extension of the Contract Time(s) and an adjustment of the Contract Price include acts or omissions of Owner or anyone under Owner's control (including separate contractors), changes in the Work, Differing Site Conditions, Hazardous Conditions), wars, floods, labor disputes other than related to pay and benefits of Janotta & Herner or anyone for whom it is responsible, unusual delay in transportation, epidemics abroad, earthquakes, adverse weather conditions not reasonably anticipated, and other acts of God.

C) OVERTIME

If the Owner requests that Janotta & Herner perform contract work during overtime hours, there shall be a labor premium cost charged to the Owner for such overtime effort. This labor premium cost for work performed in excess of eight (8) hours per day or on Saturday shall be calculated at 50% of the below listed hourly labor rates. This labor premium cost for work performed on Sunday or holiday shall be calculated at 100% of the below listed hourly labor rates.

D) EXTRA WORK

We will perform Items of Extra Work on a Lump Sum or Cost plus Overhead and Profit basis as follows:

Cost to include:	Labor-Office Engineering	\$75.00/hr.
	Project Manager	\$65.00/hr.
	Field Coordinator/QC	\$50.00/hr.
	Superintendent	\$50.00/hr.
	Tradesman	\$40.00/hr.
	Crane Operator	\$50.00/hr.
	Design Tech	\$40.00/hr.
	Material including tax and delivery	
	Equipment Rental	
	Subcontractor Fees	

Overhead to be 9% of total Cost and Profit to be 6% of Cost plus Overhead. All work performed at Owner's request in excess of eight (8) hours per day or on Saturday shall be calculated at 1-1/2 times the above hourly rates. Sundays or holidays to be calculated at double the above hourly rates.

E) PAYMENT

On or about the first day of the month, Janotta & Herner will submit an itemized statement for the work performed during the previous month and the materials in storage at the site or at Janotta & Herner's shop. Payment in full shall be due 10 days after date of invoice. Late payments shall be subject to a service charge of 1-1/2% per month, or at Janotta & Herner's option, extending the project completion date by one (1) day for every day late on payment.

F) INSURANCE

We carry State of Ohio Workers' Compensation Insurance and liability insurance in the amount of \$1,000,000 with a \$10,000,000 umbrella coverage over these primary limits. Certificates can be furnished upon request.

The Owner shall carry All Risk Builders Risk insurance. Please provide us with an Evidence of Property Insurance Certificate with Janotta & Herner listed as a Loss Payee.

G) JOBSITE FACILITIES

Janotta & Herner to provide temporary construction offices, project sign and field toilet for this project. Owner/Building Owner shall pay all costs associated with utility usage during construction operations.

H) WARRANTY

Janotta & Herner shall warrant all work for one (1) year after the Owner takes beneficial occupancy. Any deficiencies in materials or installation found to be the fault of Janotta & Herner shall be repaired by Janotta & Herner at no expense to the Owner. This Warranty excludes defects caused by abuse, alterations, or failure to maintain the completed work.

I) PREVAILING WAGE

This proposal does not include compliance with wage requirements of the State of Ohio Prevailing Wage Law since we have no reason to believe that Prevailing Wage Requirements apply to this project. However, actions of an Owner or public entity may engage Prevailing Wage Requirements for a project. Therefore, it is highly recommended that the Owner investigate the applicability of Prevailing Wage Requirements for this project in detail and advise Janotta & Herner of any need for compliance and the contract amount will, in turn, be adjusted accordingly. If a retroactive determination is made that Prevailing Wage Requirements did apply on this project, the Owner shall reimburse Janotta & Herner for any additional costs required to comply, in addition to any expenses, administrative costs, fees or penalties associated with the Prevailing Wage issue.

J) NOTICE OF COMMENCEMENT

As part of complying with current Contract law, Owner agrees to file Notice of Commencement within seven (7) days after signing Agreement and to provide Janotta & Herner with a copy of Notice of Commencement within ten (10) days of its filing.

Owner also shall maintain a record of the receipt of all requests for Notices of Commencement and respond to all such requests within ten (10) days of the receipt thereof. On the first day of each month, the Owner shall also forward a current listing of Notice of Commencement requests and responses to Janotta & Herner. The Owner shall also maintain a record of the receipt of all Notice of Furnishings received by the Owner. On the first of each month, the Owner shall forward to Janotta & Herner, a current listing of all Notice of Furnishings that have been received by the Owner from entities associated with the project identifying the date each such Notice was received.

K) HAZARDOUS AND DIFFERING SITE CONDITIONS

Janotta & Herner is not responsible for any Hazardous Conditions encountered at the construction site. Janotta & Herner will stop work immediately in the affected area and duly notify Owner, and if required by law, all governmental or quasi-governmental entities with jurisdiction over the project or site. Upon receiving notice of Hazardous Conditions, the Owner shall take such additional measures as are required to ensure that the Hazardous Conditions are handled, stored, or used in compliance with legal requirements. Such necessary measures may, by way of example, include retaining qualified experts to ascertain the existence of Hazardous Conditions and the remedial measures necessary to render them harmless. Janotta & Herner will resume work at the affected area only after Owner's expert provides written certification that remedial measures have been completed. Janotta & Herner shall be entitled to an adjustment in contract price and/or an extension of contract time to the extent it has been impacted by the presence of Hazardous Conditions. Such adjustments to be agreed by the parties here to in, in writing.

Concealed or latent physical and/or subsurface conditions at the project site that differ from the conditions indicated in any surveys provided to Janotta & Herner or which are of an unusual nature, differing from conditions normally encountered and generally recognized as inherent in the work are Differing Site Conditions. If Janotta & Herner encounters Differing Site Conditions, Janotta & Herner shall be entitled to an adjustment in contract price and/or an extension of contract time to the extent it has been impacted by such Differing Site Conditions. Such adjustments to be agreed by the parties here to in, in writing.

L) OWNER'S RIGHT TO TERMINATION OF THIS AGREEMENT

If Janotta & Herner persistently fails to comply with the material terms of this agreement, for the period of fourteen (14) business days following written notice by the Owner specifying the failure complained of, the Owner may terminate this Agreement and recover the reasonable cost of completion and damages incurred by the Owner less the balance of the Contract Price.

M) CONTRACTORS RIGHT TO STOP WORK OR TERMINATION OF THIS AGREEMENT

Janotta & Herner may stop work for the following reasons:

- 1) Owner's failure to provide financial assurances as; or
- 2) Owner's failure to pay amounts properly due.

Should any of the events listed above occur, Janotta & Herner has the right to provide Owner with written notice that Janotta & Herner will stop work unless said event is cured within seven (7) days from Owner's receipt of notice. If Owner does not cure the problem within such seven (7) day period, Janotta & Herner may stop work. In such case, Janotta & Herner shall be entitled to make a claim for adjustment to the Contract Price and Contract Time(s) to the extent it has been adversely impacted by such stoppage.

Janotta & Herner may terminate the Agreement for cause for the following reasons:

- 1) The work has been stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project, because of court order, any government authority having jurisdiction over the Work, or orders by Owner, provided that such stoppages are not due to the acts or omissions of Janotta & Herner or anyone for whose acts Janotta & Herner may be responsible.
- 2) Owner's failure to provide Janotta & Herner with any information, permits or approvals that are Owner's responsibility under the Contract Documents which result in the work being stopped for sixty (60) consecutive days, or more than ninety (90) days during the duration of the Project.
- 3) Owner's failure to cure the problems set forth in the paragraphs above after Janotta & Herner has stopped the Work.

N) SALES TAX

The above costs include applicable sales tax for material purchases on the basis of our interpretation that the project is a "Construction Contract".

If any portion of the project involves improvement to personal property, the Owner shall advise Janotta & Herner of the value of such work and whether a tax exemption certificate can be provided for the work. An adjustment to the proposed amounts may be required to accommodate proper taxes for this work.

Any changes in the sales tax rate after execution of the Agreement will require an adjustment to the Contract amount.

O) GOVERNMENT APPROVAL

Due to various interpretations possible and the constantly changing requirements, we cannot guarantee that State approval will be granted without changes or contingencies. This building has been designed to meet "The ADA Accessibility Guidelines" to the best of our knowledge but due to various changing interpretations and requirements for the ADA laws, we specifically include only the ADA items that have been indicated in this proposal. Any governmental changes, contingencies or additional requirements may require a change to the proposal amount.

P) MISCELLANEOUS

This Agreement shall be governed by the law of the State of Ohio. Any and all actions and/or causes of action arising out of or related to this Agreement and/or the Contract Documents shall be brought in a Court having jurisdiction over the county in which the project is located.

Whenever this Agreement requires that notice be provided to the other party, notice will be deemed to have been validly given (i) if delivered in person to the individual intended to receive such notice, (ii) four (4) days after being sent by registered or certified mail, postage prepaid to the address indicated in the Agreement or (iii) if transmitted by electronic means, by the time stated in a machine generated confirmation that notice was received at the machine or server of the intended recipient, or (iv) next day if sent by nationally recognized overnight courier.

If any provision or any part of a provision of this Agreement shall be finally determined to be superseded, invalid, illegal, or otherwise unenforceable pursuant to any applicable Legal Requirements, such determination shall not impair or otherwise affect the validity, legality, or enforceability of the remaining provision or parts of the provision of the Agreement, which shall remain in full force and effect as if the unenforceable provision or part were deleted.

Q) PROJECT COMPLETION

A detailed progress schedule identifying the projects proposed in structure sequence and duration from a defined agreement execution date will be provided at the request of the Owner.

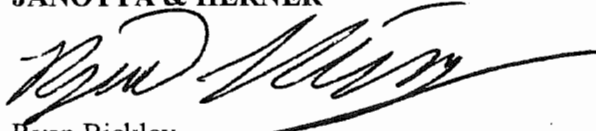
R) ACCEPTANCE

This proposal is valid for acceptance until December 15, 2017 and is thereafter subject to review. However, due to the volatility of the materials market, we reserve the right to review current material pricing and availability prior to final execution of a contract.

Janotta & Herner appreciates the opportunity to present this Time & Material Budget Proposal and we look forward to working with you on this project. Should you have any questions, or if additional information is required, please feel free to contact us at any time.

Respectfully submitted,

JANOTTA & HERNER

A handwritten signature in black ink, appearing to read 'Ryan Bickley', is written over a horizontal line.

Ryan Bickley
Project Manager

COST SUMMARY

<u>Item</u>		<u>Amount</u>	<u>Initial</u>
T & M Budget Base Bid		\$562,450.00	Ry
Additional Work:			
Vestibule Entrance	Add	\$ 44,000.00	Ry
Vestibule Credit (Owner Shared)	Deduct	\$<22,000.00>	Ry
Leasable Space Upgrade	Add	\$ 50,000.00	Ry
Owner Miscellaneous Items	Add	\$ 30,958.00	Ry
Builder's Risk Insurance	Add	\$ 3,500.00	
Building Owner Share of HVAC	Deduct	\$<55,000.00>	Ry
Erie County Community Foundation Share		<u>\$ 610,408</u>	Ry
ADA Compliant Restrooms	Add	\$ 38,500.00	Ry
Second Floor Access	Add	\$ 7,250.00	Ry
Vestibule Entrance (Shared Cost 50%)	Add	\$ 22,000.00	Ry
Building Owner Share of HVAC	Add	\$ 55,000.00	Ry
Building Owner Share		<u>\$ 122,750</u>	Ry
Total Estimated Construction Cost		<u>\$ 733,158</u>	Ry

AGREEMENT

I hereby acknowledge, accept and agree to the provisions described above:

Acceptance by Owner's Authorized Representative:

Signature: Roger M Gundlach
Name: ROGER M GUNDLACH
Title: CHAIRMAN
Date: 12/14/2017

Acceptance by Janotta & Herner Authorized Representative:

Signature: _____
Name: _____
Title: _____
Date: _____

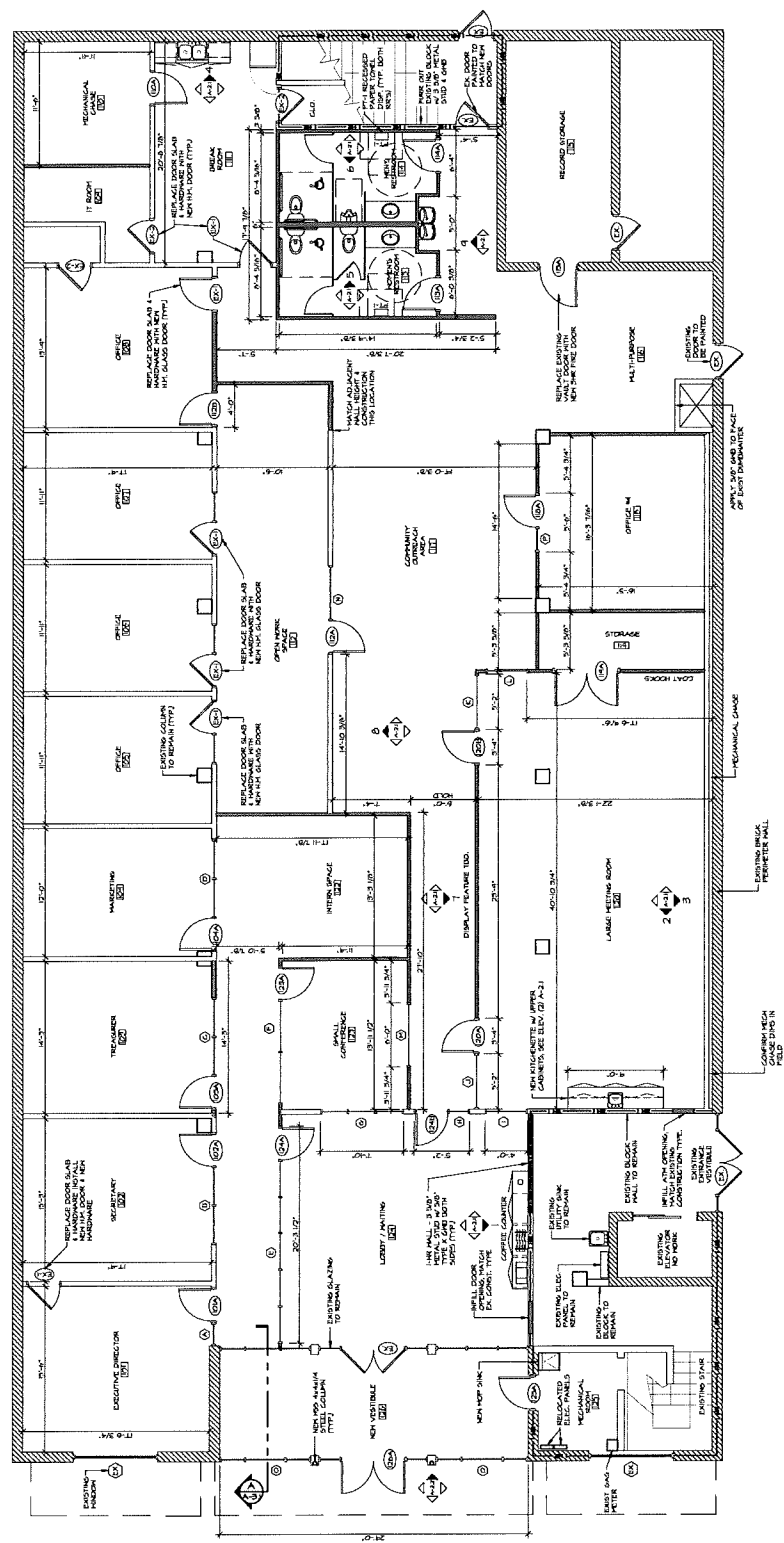
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Jannotta & Bernier
DESIGN BUILD CONSTRUCTION
300 Morris St. Detroit, MI 48227 www.jannotta.com Ph (313) 455-4511 Fax (313) 455-2805

FLOOR PLAN
INTERIOR REVISIONS FOR
EMC COUNTY COMMUNITY FOUNDATION
JANUARY 2017
JHB Job No. 2017-001

Drawn By:	JHB
Checked By:	JHB
Sheet:	A-1.1



FLOOR PLAN
300 - 1100

ALL WORK AND MATERIALS SHALL BE IN ACCORDANCE WITH THE LATEST EDITIONS OF THE BUILDING CODES OF THE STATE OF MICHIGAN. THE DESIGNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE DESIGNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES. THE DESIGNER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE APPROPRIATE AGENCIES.



Janotta & Herner
 DESIGN BUILD CONSTRUCTION
A JHI GROUP COMPANY

**ERIE COUNTY
 COMMUNITY
 FOUNDATION**



9/7/17

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AGREEMENT

This Agreement is dated this 1ST day of NOVEMBER, 2017 by and between Maple City Builders, LLC, 371 Cleveland Road, Norwalk, OH 44857, hereinafter referred to as "Owner" and Erie County Community Foundation, 135 E. Washington Row, Sandusky, OH 44870, hereinafter referred to as "Foundation."

WHEREAS, Owner is the record title holder to the building and real estate located at 135 E. Washington Row, Sandusky, Ohio 44870, Parcel Nos. 56-01253.0000, 56-01254.000, and 56-01255.000 (the "Building").

WHEREAS, the Foundation has leased office space in the Building for many years and wishes to continue to do so.

WHEREAS, the Foundation wishes to renovate the first floor of the Building and then enter into a long-term lease and Owner is willing to allow Foundation to do so, subject to the terms and conditions set forth herein.

Now, therefore, the parties agree as follows:

A. RENOVATION

1. The Foundation has, at its expense, retained Janotta and Herner, a design build firm, to prepare drawings and cost estimates for the renovation of the first floor of the Building ("Plans"). Owner and Foundation will review such Plans prior to commencing construction.
2. Foundation will pay all costs associated with the renovation of the first floor, except as follows:
 - a) Owner will pay the cost to construct two (2) new handicap accessible restrooms (estimated cost is \$38,500.00);
 - b) Owner will pay the cost to have the gas and electric separately metered (i.e. first and second floor to be on separate meters);
 - c) Owner will share the cost to install a new HVAC system for the first floor. Owner's share of the cost will be \$55,000.00. Total estimated cost of the new HVAC is \$156,200.00;
 - d) Owner will pay the cost to reconfigure the side entrance, stairwell and elevator to the second floor (estimated cost is \$7,250.00); and
 - e) Owner will pay one-half ($\frac{1}{2}$) of the cost for a new front vestibule entrance (estimated cost at $\frac{1}{2}$ = \$22,000.00).

3. During the renovation process, Foundation will move its offices to the 2nd floor of the Building, and will continue to pay \$1,750.00 per month to Owner until the Foundation offices move back to the first floor.

B. LEASE TERMS

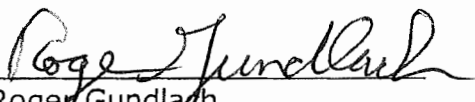
1. Following the completion of the renovations, Owner and Foundation will enter into a long-term lease, with the following terms and conditions:
 - a) Twenty (20) year term, renewable upon agreement of parties for an additional ten (10) year term.
 - b) Rent of \$5.00 per square foot (8,580 sq. ft.), or \$42,900 per year, payable \$3,575.00 monthly.
 - c) Owner to pay water expense and real estate taxes; Foundation to pay gas, electric, telephone and Wi-Fi for the first floor.
 - d) Owner to be responsible for exterior structural maintenance and repair of the Building (including the roof and any siding, gutters, downspouts and leaks) and the parking lot. Foundation will contract for snow plowing the parking lot and shoveling the sidewalks; Owner will be billed for such expenses. Owner will seal coat the parking lot as necessary. The exterior north wall of the building has issues with water penetration that will be resolved by the Owner as soon as possible, before more damage is done to the north wall and the interior of the north wall.
 - e) Foundation will be responsible for all routine maintenance and cleaning on the first floor including the following: janitorial service; trash removal; light bulb replacement; first floor window cleaning; extermination as needed; exterior power washing, raking, landscaping and weeding exterior areas around the building. Foundation will also maintain (repair or replace) the new first floor HVAC system, and the electrical and plumbing systems. Owner will be responsible for repairing/replacing any items in the basement, i.e. plumbing, sump pumps, and power distribution.
 - f) Foundation to have access to the basement for purposes of storing files and storage cabinets and miscellaneous excess pieces of furniture.

- g) Foundation will provide, pay for and maintain signage and new awnings for the first floor exterior of the Building. Owner to approve all signage and the appearance of the new awnings.
- h) Owner will grant Foundation a first right of refusal in the event owner determines to sell the Building, or to lease the 2nd floor of the Building.
- i) Foundation to have reserved parking spaces along the east side of the Building (8 spaces).

Other usual and customary lease terms to be set forth in a written Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement on the date set forth above.

ERIE COUNTY COMMUNITY
FOUNDATION

By: 
Roger Gundlach
Its: Chairperson

MAPLE CITY BUILDERS, LLC

By: 
Jeff Hipp
Its: President

First Floor Usable Space

First Floor	135' x 68'	9,180 sq. ft.
Back Stairs – common area & basement		- 0 -
Second floor stairs, elevator, entrance	approx.	<u>-600 sq. ft.</u>
Total		8,580 sq. ft.

Maria Muratori

From: Kochendoerfer, Eric <Eric.Kochendoerfer@edwardjones.com>
Sent: Tuesday, March 13, 2018 10:58 AM
To: Maria Muratori
Subject: RE: Elizabeth Maiden / Erie County Community Foundation - Reference

Good morning Maria,

Please see my responses below regarding your inquiries. Let me know if you need any additional information!

Thanks,
Eric Kochendoerfer

Eric Kochendoerfer
Financial Advisor
Edward Jones
537 Huron Avenue
Sandusky, OH 44870
(419) 626-4444
www.edwardjones.com

If you are not the intended recipient of this message (including attachments) or if you have received this message in error, immediately notify us and delete it and any attachments.

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For important additional information related to this email, visit www.edwardjones.com/disclosures/email.html. Edward D. Jones & Co., L.P. d/b/a Edward Jones, 12555 Manchester Road, St. Louis, MO 63131 © Edward Jones. All rights reserved.

From:
Sent: Monday, March 12, 2018 12:17 PM
To:
Subject: Elizabeth Maiden / Erie County Community Foundation - Reference

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello Mr. Kochendoerfer (Hi Eric!),

Elizabeth Maiden / the Erie County Community Foundation indicated you as a reference on an economic development grant application with the City of Sandusky. Please speak to the following regarding the foundation's current project:

- What is your relationship with Elizabeth Maiden / the Erie County Community Foundation? ***I previously worked for the organization as Financial Administrator so I am very familiar with the agency. I currently assist the Foundation as a member of the Internship Committee. In addition, I serve as a financial advisor for a portion of their assets.***
- What is your confidence in the foundation's ability to successfully renovate its offices? ***Based on the growing endowed assets of the agency and support from the private foundations, I would expect the office renovation project to be completed.***
- Is there any other information you would like to share regarding Elizabeth Maiden / the Erie County Community Foundation? ***The agency is a strong pillar in Erie County for philanthropic goals of the community. Elizabeth has done a wonderful job getting acclimated with the agency and community.***

March 13, 2018

Economic Development Incentive Committee Summary

Adelbert P. Marous, Jr. /Marous Development Group, LLC, or its assigns ("Marous")

APPLICANT: Adelbert P. Marous, Jr.
7250 Markell Road
Waite Hill, Ohio 44094

CORPORATE STRUCTURE: Ohio Limited Liability Company

PRINCIPAL/% OWNERSHIP: Adelbert P. Marous, Jr., Trustee / Managing Member – 100%

PROGRAM APPLIED FOR: Substantial Development

RECOMMENDATION: \$300,000 Substantial Development Grant; contingent upon obtaining tax credits, securing all other financing, obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support.

This project is transformative and catalytic for downtown and ultimately the City of Sandusky.

This Project will redevelop a currently vacant iconic building in the heart of downtown Sandusky into an expanded 77,000+ square foot, \$13 million mixed-use development consisting of market rate apartments and retail and/or office spaces.

****Assistance greater than \$10,000 requires final approval by the Sandusky City Commission****

BACKGROUND

Marous Development Group, LLC has executed a contingent purchase agreement with Page Development, LLC to acquire the Feick Building, which is a landmark in the downtown Sandusky business district. Marous will acquire, own and redevelop the Feick Building into new market-rate apartments and a new retail space.

Marous is owned by Adelbert P. (Chip) Marous, Jr. who, through his affiliated companies, has for over 38 years executed development and construction services on adaptive reuse projects in Northern Ohio, including the significant catalytic Columbus Avenue Revitalization Project in downtown Sandusky that is currently under construction. Other significant development and construction services on adaptive reuse projects located in Downtown Cleveland include many historic rehabilitation projects such as the Central YMCA, the Bingham Building, Bridgeview Apartments, the Hyatt Regency at the Arcade and the renovated Westin Hotel.

PROJECT DESCRIPTION

The location of the proposed project is 158-160 East Market Street, commonly known as the Feick Building. Marous plans to purchase, restore and redevelop the architecturally distinct historic Feick Building into an exciting, vibrant new 77,000+ square foot, \$13 million mixed-use development consisting of 66 market rate apartments including a new addition over the three-story rear portion of the Feick Building along with newly renovated retail and/or office spaces located in the former bank lobby and other spaces on the ground floor of the building.

The Feick Building is federally registered as a historic building and is eligible for federal historic tax credits. In March of 2018, Marous will seek a \$2 million Round 20 Ohio Historic Preservation Tax Credit award – if awarded, this tax credit will allow the project to move forward.

The target completion date is June 30, 2020. Within six months after completion of construction, Marous anticipates a full lease up of the 66 market rate apartments. In 2018 Marous also plans to secure retail and/or office tenants for the ground level spaces located in the former bank lobby and other ground floor areas.

PROJECT FINANCING

Marous, in addition to the grant request, will also request a ten year, 75% property tax abatement on the improved value of the project upon completion of the redevelopment in addition to requesting a grant from the Chesapeake TIF funds specifically for gap financing to make the project economically viable. Marous anticipates closing on financing in the fourth quarter of 2018, beginning construction of the project in January 2019 and completing construction and tenant occupancy by the first quarter of 2020.

The City of Sandusky grant equates to approximately 2% of the total project costs as outlined below (10% when the additional grant request is considered):

<u>Uses</u>	
Acquisition and Pre-Development	\$ 732,000.00
Direct Hard Costs	\$ 9,601,100.00
Soft Costs	\$ 2,673,100.00
Total	\$ 13,006,200.00
<u>Sources</u>	
Developer Equity	\$ 3,736,200.00
Tax Credit Equity	\$ 3,005,000.00
Senior Debt Financing	\$ 4,965,000.00
Grant Request - Other	\$ 1,000,000.00
Grant Request - Substantial Redevelopment	\$ 300,000.00
Total	\$ 13,006,200.00

FINANCIAL SUMMARY – BUSINESS

The proforma summary for rents and payrolls at the project is as follows:

<u>Proforma Summary</u>			
	Year 1	Year 2	Year 3
Apartment Rents	\$ 601,500.00	\$ 712,600.00	\$ 726,700.00
Retail/ Office Rents	\$ 69,800.00	\$ 83,000.00	\$ 84,300.00
Development Payroll	\$ 157,800.00	\$ 160,920.00	\$ 164,100.00
Retail/ Office Payroll	\$ 748,800.00	\$ 840,200.00	\$ 895,900.00

FINANCIAL SUMMARY – PERSONAL

The trust of Adelbert P. Marous, Jr. is the sole member of Marous and is its primary equity principal / member. As such, the equity holder submitted his personal financial statement.

The equity holder has submitted personal financial statements as of December 31, 2016 to the City for review as part of the grant application process. The equity holder is in fact of sound solvency. Further, the City also received a letter from the CPA of the Equity Holders (Kowall & Company) evidencing immediately available and unencumbered liquidity for the purpose of providing such funds for the developer equity into the project.

RECOMMENDATION

I recommend a \$300,000 grant to assist with this transformational project over a period of three years. This will be structured as a \$100,000 / year grant for three years in 2018, 2019 and 2020.

This is a catalytic project – it will facilitate additional capital investment to rehabilitate other surrounding deteriorated and vacant/underutilized properties. This project fortifies and strengthens an existing historic district by converting a substantial building within a currently blighted city block into a renovated mixed-use development. This project will bring approximately 100 new, income earning residents into the core of the business district while also establishing new Class A retail and/or office space and new jobs. The project will create an estimated 51 new construction jobs (targeting 75% of the work performed by local subcontractors and the local workforce) and 23-28 new permanent jobs. There will be tangible positive economic benefits of higher net worth individuals living, working and spending at the project site and throughout the business district. This project will increase tax revenues for the City of Sandusky.

MAROUS DEVELOPMENT GROUP LLC



FEICK BUILDING REDEVELOPMENT PROJECT

SANDUSKY CITY ECONOMIC
DEVELOPMENT APPLICATION –
SUBSTANTIAL DEVELOPMENT

CITY OF SANDUSKY

PROGRAM YEAR 2018



INTRODUCTION

The Sandusky City Economic Development (ED) programs intend to spur and support economic development activities within the City of Sandusky (“the City”). Financial assistance is available for new or expanding businesses and/or property owners that will positively affect the economic and employment climates in the City and broader Firelands Region.

The City strongly believes that investments in economic development activities are vital to job creation and attracting and retaining a talented workforce to fill newly created or available positions. Increased economic development will also stimulate investments in underutilized or vacant buildings and sites – which will strengthen the real estate market, increase property values, create a more walkable community and improve overall quality of life.

SANDUSKY CITY ECONOMIC DEVELOPMENT PROGRAMS

The City’s intention is for its programs to be fair, straightforward, and easy to navigate. **A pre-application meeting is a requirement of ED assistance.** If you have questions prior to the meeting, please do not hesitate to contact the City’s Development Specialist, Maria Muratori at (419) 627-5891 or mmuratori@ci.sandusky.oh.us. Please note this application and all related materials are subject to public records requests.

Section I - GENERAL TERMS:

FUNDING AVAILABILITY: Approximately \$450,000 is available for calendar year 2018

USE OF FUNDS: ED Funds can be used for the following purposes:

Fixed Assets: examples include new construction or renovation of existing facilities

Non-Fixed Assets: examples include equipment and furnishings

Pre-Development: examples include architectural drawings, surveys, market studies and environmental due diligence.

ELIGIBILITY REQUIREMENTS: The business/property must be located in the City of Sandusky. ED funds are intended, in most instances, to serve as gap financing. In these cases, applicants, prior to application, should attempt to secure private financing, such as traditional bank financing, to finance the project. A Project is eligible to receive ED funds once every five (5) years; however, distinct phases of the same project are eligible. There will be a limited amount of ED funds available for non-profit organizations. All successful applicants/borrowers must provide proof of the ability to secure ownership of the real estate or (preferably) a two (2) year lease agreement in which the project is located. **All projects must meet applicable zoning requirements. All projects that need approvals from other departments, such as Planning and Zoning, must obtain these approvals prior to application review.**

APPROVAL PROCESS: Completed applications will be accepted at any time. The Department of Community Development reviews applications and provides recommendations for approval or denial of grants or loans monthly to the Economic Development Incentive Committee (EDIC) in the month after receiving a completed application. Applications for assistance greater than \$10,000 that are approved by the EDIC will require final approval by the Sandusky City Commission. In this case, we require the applicants to attend the City Commission meeting at which the project is reviewed.

AVAILABLE FINANCING: In most instances, ED assistance is intended to be a secondary financing source and is not intended to cover 100% of a potential project's cost. In these instances, **all other sources of funding must be documented and in place before any ED funds are disbursed.** Grant proceeds are provided directly to third party contractors or on a **reimbursable** basis to the applicant. The City will consider adjustments to the awarded grant amount for substantive changes in the project scope only.

REQUIRED EQUITY: A minimum of 5% owner equity is required, even when other third party sources have been secured. The Department of Community Development or the EDIC may, at its discretion, require a higher equity percentage.

GRANT OR LOAN FEES: **Upon recommendation of approval by the EDIC and prior to loan or grant disbursement, the applicant must remit a \$125 fee that will cover the cost of title and credit bureau reports.**

Applicants may be subject to personal background checks and credit reviews and must sign any waivers to allow the City of Sandusky to share information with relevant lending institutions and obtain credit reports. Requests for funding will be denied if applicants have outstanding collections, judgment liens, other court judgments, delinquent taxes or other tax liens. Any previous bankruptcy must be fully discharged prior to submitting an application.

No person shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with ED funds.

Section II – PROJECT EXCLUSIONS

Individual program categories may have specific and more restrictive eligibility requirements than those listed in this section. The project exclusions outlined in this section generally apply to all applications and projects regardless of the type of financial assistance being requested.

PROJECT EXCLUSIONS: Projects will not be considered for financing assistance if they involve:

1. Financing of businesses that have not identified 100% of the remaining required financing to complete the project outlined in the application. Small businesses and/or startups may be exempt from this provision.
2. Refinancing of existing debts and training costs.
3. Financing of businesses that operate out of a personal residence.

4. Financing of speculative projects, buildings, or activities such as land banking or acquisition of real estate with no planned capital improvements or job creation.
5. Financing of historically unsuccessful ventures or projects with unresolved environmental problems. However, this exclusion does not apply to projects that will address/resolve environmental issues as part of the project scope of work.
6. Financing for businesses with a history of civil rights violations or unfair labor practices.
7. Financing to businesses which are not current with taxes or other loans.
8. Financing to businesses/applicants who are not in good standing on all outstanding forms of City assistance.
9. Financing to projects which cannot demonstrate an ability to repay the loan (if applicable), are intra-family transactions, or involve illegal activities.
10. Financing to projects in which the applicant has ever or currently owns entirely or in part, real estate that is tax delinquent, has code violations, contains non-registered rental units, or is in foreclosure.
11. Financing of projects in which the applicant has been convicted or has a pending conviction of a felony within seven (7) years from the date of application submittal.

Substantial Development

The intent of this program is to spur large scale development and expansion efforts within the City. Mixed-use projects are eligible.

ELIGIBLE USES:

- Environmental remediation
- Demolition
- Physical construction costs (both new construction/expansion or rehabilitation)
- Relocation expenses as part of retention efforts
- Catalytic Projects: ED grants and loans may be used for anchor projects (i.e. standalone attractions); projects that involve large, vacant, troublesome properties; and/or projects that resolve vacant upper floors, subject to the discretion of City staff.

REQUIREMENTS:

- Projects must be in excess of \$500,000 in total costs which can include soft costs. Developer fees will not be considered as part of the total cost.
- City assistance can be up to 10% of total project costs. In the case of Catalytic projects, this cap may not apply.
- Applicants are required to seek approval of enhancements by other administrative bodies, including but not limited to, the Landmarks Commission or the Planning Commission. Applications will not be reviewed until approvals are obtained.
- Contractors utilized must be registered with the City of Sandusky and permits may be required, where applicable.

PREFERENCES:

- Projects that involve the redevelopment of vacant, foreclosed or underutilized sites and buildings, especially projects that focus on creating ready-to-lease commercial space.
- Minority or female owned business enterprises.
- Projects which offer proportionately high employment opportunities to persons of low- and moderate-income households.
- Projects that result in increased job creation and tax revenue (five-year pay-back period preferred – 1.25% income tax rate).
- Projects that leverage a significant percentage of private investment.
- Projects involving the beautification and enhancement of properties listed on the National Register of Historic Places.
- Businesses and/or projects that promote goals and objectives of the City of Sandusky Comprehensive Masterplan and Strategic Plan.
- Commercial/retail and service businesses preferred

TYPE OF FUNDING: Grant, loan, and forgivable loan requests (or a combination of all three) will be considered.

TERM OF LOAN (if applicable): Usually no longer than seven (7) years, but may vary based upon the size of loan, amortization of other financing secured, or the type of collateral provided. Disbursement may occur at the time of loan document execution or with multiple draws.

INTEREST RATE (if applicable): The interest rate will be set by the City and the EDIC but will likely be below market rates. Rates are set commensurate with perceived credit risk and the project's perceived benefit to the community. All rates are fixed for the term of the loan. In the event of a default, borrowers may be subject to a default rate of interest and late fees.

COLLATERAL POSITION (if applicable): Best lien position behind principal lending institution, if applicable. If your project is funded, you will be required to sign a loan agreement which will include security and collateral agreements, a promissory note, and possibly a personal guarantee or mortgage.

TERM OF GRANT (if applicable): Provided directly to third party contractors or on a reimbursable basis to the applicant.

APPLICATION TO FOLLOW ON THE NEXT PAGE

Applicant / Borrower Company:

Adelbert P. Marous, Jr., Trustee

(Applicant Name)

Managing Member

(Title)

Marous Development Group LLC, or its assigns

(Company Name – if different than Applicant Name)

7250 Markell Road

(Street Address)

(Suite, Apt, etc.)

Waite Hill, Ohio 44094

(City, State, Zip)

440-975-8118 x 281

(Phone Number)

82-2686432

(Federal Tax ID or last 4 of SSN)

jspear@vintage-group.com

(Email)

440-918-3834

(Fax Number)

Existing Business Information:

Type of Business: ☐ Commercial/Retail ☐ Service
☒ Other Real Estate Development
 Legal Structure: Ohio limited liability company
 Primary Product or Service: see above
 Date Established: 9/19/2016 NAICS-SIC Code: _____
 Website (if applicable): _____

Principal Officers / Owners:

Name / Title: Adelbert P. Marous, Jr., Trustee / Managing Member
 Email: jspear@vintage-group.com Phone: 440-975-8118 x281
 SSN (last 4): _____ % Ownership: 100%

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Name / Title: _____
 Email: _____ Phone: _____
 SSN (last 4): _____ % Ownership: _____

Location of Proposed Project:

158-160 E. Market Street

(Address)

Sandusky, Ohio 44870

(City, State, Zip)

Erie

(County)

If a relocation, indicate from where _____

Project Type:

☒ Renovation

☒ Expansion

☐ Start-Up/New

Applicant / Business Background Information:

Please provide a brief summary about your background and experience. Please also provide historical information regarding the building or property at which the business will operate, including but not limited to the most recent building use (attach additional page if necessary).

See Attachment A

Project Description:

Please provide a brief description of the project to be undertaken for which City assistance is being sought (attach additional page if necessary).

See Attachment A

Business/Personal References:

Name / Title: Matthew Zone / Councilman City of Cleveland

Email: mzone@clevelandcitycouncil.org

Phone: (216) 664-4235

Relationship: City Councilman of multiple Marous projects

Name / Title: Jeff Ramsey / Executive Director Detroit-Shoreway Community Development Organization

Email: jramsey@dscdo.org

Phone: (216) 961-4242

Relationship: Business client and partner on multiple Marous projects

Name / Title: Robert A. Ranallo, Esq. / Partner Ranallo & Aveni LLC and Mayor of Village of Waite Hill

Email: branallo@ranallolaw.com

Phone: (440) 684-1600

Relationship: Lifelong legal counsel, business advisor and friend

Need for ED Funding:

Applicants must document a need for ED funding in order to make the project occur. Select reason(s) why ED funds are needed for the project, and attach appropriate documentation.

- ☒ Inadequate equity/private lender financing (attach bank letter/documentation of equity unavailability).
- ☒ Unable to pay market interest rates for entire project (include projections showing market rates produce inadequate return on investment.)
- ☒ Incentive financing is needed in order to improve the economics of locating and expanding in Sandusky relative to other communities (show comparative costs analysis to undertake project in Sandusky versus other cities).
- ☒ Other (please specify): See Attachment A1 - Major Factor need for \$1,300,000 of ED funding and
property tax abatement assistance.

Project Source & Use Of Funds:

Break out total project costs by use of funds and allocate each use cost by source (attach additional page if necessary).

Total Project Cost (itemize below): See Attachment B Project Sources and Uses

Owner Equity (dollars and source): See Attachment B Project Sources and Uses

Private Lending (dollars, source, and terms): See Attachment B Project Sources and Uses

Request for City Assistance (dollars and type): (a) \$1,300,000 - City Economic Development and Community Development Funds - See Attachment B Project Sources and Uses and (b) ten (10) year, 75% property tax abatement on improved value of the project.

Project Timeline:

Please outline the project timeline. Please include expected completion dates for items including but not limited to obtaining site control, obtaining financing, and construction.

	<u>Start</u>	<u>Complete</u>	<u>N/A</u>
<u>Site Control</u>	06/23/2017	12/31/2018	
<u>Financing</u>	06/30/2018	12/31/2018	
<u>Construction</u>	01/01/2019	03/31/2020	
<u>Other</u>			

Project Impact and Employment:

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue	See Attachment C - Estimate of Construction Jobs and Wages See Attachment D - Calculation of Estimated Operations Jobs & Receipts See Attachment E - Calculation of Resident Number of Units & Per-Unit Resident Annual Income See Attachment F - Calculation of Estimated Tenants Jobs & Receipts			
Annual Payroll				
Current Employment (FTE)				
Average Pay Per Employee				

Project Concept: Use the space below to address the following:

- How does the proposed project relate to a strategic approach to revitalization of the surrounding area?
- Will the project contribute to a change in the market dynamics, economic status, physical appearance or perception of the area?
- Does the project address specific area needs or missing services?

See Attachment A

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There are no margins, text, or other markings on the paper.

Attachments:

The following should be submitted with your ED Application:

- ☒ Map showing location of Project or business - See Attachment G
- ☐ Three years of historical financial statements (if applicable)
- ☐ Three years of projected financial statements (if applicable)
- ☐ Business tax returns for most recent two (2) years
- ☐ Interim financial statements, not more than 90 days old (if applicable)
- ☒ Sources of financing including evidence of private funds and matching funds - See Attachment H (under separate cover)
- ☐ Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- ☒ Lease agreement, purchase agreement, or proof of ownership (if applicable) - See Attachment I
- ☒ Checking this box certifies that the City has reviewed a personal financial statement and personal tax returns for the most recent two (2) years for the member that holds the largest ownership interest in the company; Alternatively the applicant has submitted a letter from a reputable lending institution stating that it has underwritten the project and that its equity holders are financially viable at the time of the application.

Attestation of Financial Condition:

Do you or your business have any of the following:

	YES	NO
Outstanding collections		x
Judgement liens		x
Other court judgements		x
Delinquent taxes		x
Delinquent loans		x
Other tax liens		x
Previous bankruptcy		x
If yes to bankruptcy, has it been fully discharged?		
Real estate that is tax delinquent		x
Code violations		x
Non-registered rental units		x
Real estate that is in foreclosure		x

Submission Acknowledgment

The undersigned certifies that he/she is authorized to complete, sign and submit this application on behalf of the applicant/owner. Further, the undersigned certifies that the information contained in this application has been reviewed by him/her and that all information, including exhibits, are, to the best of his/her knowledge, complete and accurate and presents fairly the condition of the applicant and project accurately. Intentionally falsifying information in this document constitutes a criminal offense. The undersigned hereby authorizes the City of Sandusky to investigate the credit worthiness and of the undersigned, and/or applicant. The undersigned understands that information submitted to the City of Sandusky as part of this application is considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year.

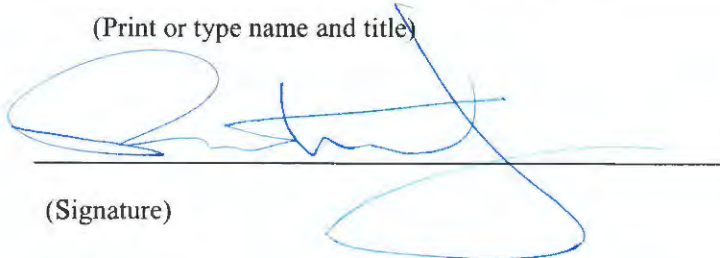
The undersigned understands that additional information may be required to finalize the approval process, and that, if the project is funded, **Economic Development funds cannot pay for projects completed before grant approval and notice of award.** The undersigned also understands that the submission of the application for financial assistance does not automatically constitute approval.

☒ By checking this box, I acknowledge that I have read, understand, and agree to the policies and procedures outlined in this document. I further agree to be interviewed, photographed and/or have my business photographed for Economic Development marketing purposes. If you have questions, please contact the Department of Community Development.

Company Name: Marous Development Group LLC

By: Adelbert P. Marous, Jr., Trustee, Managing Member

(Print or type name and title)


(Signature)

2/28/18
(Date)

Inter-Office Use Only

State the date, time, and City staff member(s) present at the pre-application meeting:

Date of Completed Application Submittal: _____

Staff Reviewer: _____

Date of Committee Review: _____

Approve/Deny: _____

Amount Awarded and terms: _____

CONTACT

Ms. Maria Muratori, Development Specialist
Department of Community Development
222 Meigs Street
Sandusky, Ohio 44870

Phone: 419.627.5891

Email: mmuratori@ci.sandusky.oh.us

MAROUS DEVELOPMENT GROUP LLC

February 28, 2018

Ms. Maria Muratori, Development Specialist
City of Sandusky Department of Community Development
222 Meigs Street
Sandusky, Ohio 44870

**RE: Feick Building Redevelopment Project
158-160 East Market Street, Sandusky, Ohio 44870 (the "Project")**

**Economic Development Application – Substantial Development
Attachment A – Description and Scope of Project - \$1,300,000 Grant Funding
and Property Tax Abatement**

Dear Ms. Muratori:

Pursuant to the above referenced Project and related Economic Development Application for Substantial Development for \$1,300,000 of grant funding and tax abatement assistance requested from the City of Sandusky, with regards to the Applicant / Business Background Information, it is with great pleasure that Marous Development Group LLC has executed a purchase agreement with Page Development LLC to acquire the Feick Building, located in the historic heart of Downtown Sandusky. Marous Development Group LLC, or its affiliated assigns ("Marous") will acquire, own and redevelop the Feick Building into new market-rate apartments along with a new retail space.



Marous Development Group is owned by Adelbert P. (Chip) Marous, Jr., who, along with his affiliated companies, has for over 38 years executed a tremendous amount of development and construction services on adaptive reuse projects in Northern Ohio, including the significant catalytic Columbus Avenue Revitalization Project in Downtown Sandusky currently undergoing significant renovation for new City of Sandusky City Hall administrative offices, along with new retail spaces and market rate apartments. Other significant development and construction services on adaptive reuse projects located in Downtown Cleveland include many historic rehabilitation projects such as; the Central YMCA, the Bingham Building (formerly the Bingham Warehouse), Bridgeview Apartments (formerly the Otis Terminal Warehouse), the Hyatt Regency at the Arcade (formerly the Arcade), and the renovated Westin Hotel (formerly the Bond-Court Hotel). Additionally, Marous Development Group and its affiliated entities are the developers and owners of several award-winning projects in Northeast Ohio. In Cleveland, our portfolio includes the 600+ unit Battery Park residential development, the historic Marshall Place Apartments and EDGE32 Apartments. In the greater Cleveland area, our portfolio includes the Chagrin Riverwalk mixed use development in Willoughby and the Townhomes of Van Aken in Shaker Heights, among other properties in Northern Ohio.

PROJECT OVERVIEW AND GOALS

Through the efforts of Marous Development Group as the developer, Marous will purchase, restore and redevelop the architecturally distinct historic Feick Building into an exciting, vibrant new 77,000+ square foot, \$13.0 million mixed-use development consisting of 66 market rate apartments, including a new addition over the three-story portion of the Feick Building, along with newly renovated retail and/or office spaces located in the former bank lobby and other spaces on the ground floor of the building.

The Feick Building is federally registered as a historic building with the National Park Service and is eligible for federal historic tax credits. In addition, in March of 2018, the Project will seek a \$2,000,000 Round 20 Ohio Historic Preservation Tax Credit award, which if awarded will allow the Project to move forward, along with grant funding assistance needed and requested from the City of Sandusky. Marous is also requesting from the City of Sandusky to provide the Project with a ten (10 year, 75% property tax abatement on the improved value of the Project upon completion of the redevelopment. Marous anticipates closing on financing in the fourth quarter of 2018, commencing construction of the Project in January 2019 and completing construction and tenant occupancy by the first quarter of 2020.

HISTORY OF THE PROJECT PROPERTY

The Feick Building is an eight-story retail and office building located in Sandusky's commercial historic district. It occupies 0.2486 acres of land on East Market Street, just two blocks south of the Sandusky Bay waterfront, one block north of Washington Park and one-half block east of Columbus Avenue, the city's main thoroughfare. Designed in the early twentieth-century commercial style, it carries elements of the Chicago and Prairie styles in its brick treatment and horizontal window banding. Known historically as "Sandusky's Skyscraper," the building was built as, and remains the tallest office building in the city. Overall, the existing building encompasses 61,000 square feet of space oriented in an L-shaped building footprint. The main, eight-story tower portion of the building measures 66 feet along its Market Street frontage and has a depth of 85 feet and includes a partial basement. The three-story, L-shaped portion of the building at the rear, measures approximately 66 feet by 66 feet. Commonly known as the Annex, this part of the building adjoins the south and west elevations of the main tower. Similar to the original footprint, the Annex was designed to allow for future construction of five additional floors.

The Feick Building was designed for George Feick, Sr. in 1908 by the Minneapolis architecture firm of Purcell & Feick (no affiliation). The building was originally constructed as a three-story steel frame building, with foundations engineered for a later expansion. The first floor of the building featured an open floor plan, with a separate lobby on the west wall containing stairs and elevators. Building plans do not indicate what the interior finishes were at that time. Upstairs, the building contained nine small offices – most with anterooms – and a larger corner room at the back of the building, with a single L-shaped interior corridor running east-west from the lobby. The tenant on the floor was the

Lebensberger Men's Clothing Store, who offered "Good Clothes, Hats and Furnishings for Men and Boys." In 1917 the first floor became Jacob Kronthal Clothing and Leo A. Sacksteder Shoes. Uhlman Clothier later occupied the shoe store space.

On the second and third floors was the Sandusky Business College. The college offered all commercial courses necessary for business and was accredited by the National Association of Accredited Commercial Schools. The school accepted both men and women, many of whom were local. Their curriculum focused on subjects such as arithmetic, bookkeeping, grammar, business correspondence, calculations, shorthand, sales, and trading. A simulated office was maintained where students could work. The school also offered students training at the simulated "Feick National Bank" where they learned positions such as cashiers, tellers, and collections. A number of Sandusky's business leaders were trained here, including William O. Loudenslagel, who later purchased the college and was its last owner.

Prompted by the steady growth of the local economy, and as evidence of his family's own financial prowess, a five-story addition was constructed on top of the original three-story Feick Building and the storefront was reconfigured in 1923. Loudenslagel moved the business college to the Schmidt Block on East Market Street at that time, and the ground floor became the home of Sandusky's "hometown" bank, the Citizen's Bank, of which George Feick, Sr. was the founding director. With this renovation, the storefront and bank lobby were clad in marble that suited the more conservative banking functions. Plans were prepared by George Feick & Sons Company, and were clearly not designed or detailed by any of the Purcell partnerships.

The renovated Feick Building offers the community the opportunity to celebrate its past while enabling future growth, and blends small business and residential together harmoniously based on the mixed-use functions demonstrative of what a successful community of this size is inherently all about. Population and job loss over decades reduced the occupancy for so many buildings in the historic downtown, which are evident by many buildings in downtown Sandusky that have little or no occupancy, are in disrepair and in need of new investment. Thankfully, although the Feick Building in particular has sat vacant for a long time, the building is structurally sound and demolition has been avoided but, like others in Sandusky, they have fallen into disrepair and loss of office and retail tenants; however if given the opportunity with a critically needed City of Sandusky Economic Development and Community Development funding assistance, Marous will rehabilitate this underutilized, historic architectural asset so that its potential, vibrancy, craftsmanship and its collective significance can go from vision to the realization of the community-at-large.

ECONOMIC AND COMMUNITY BENEFITS

Economic Benefits

Given its prime location in the centralized Downtown, the Project's redevelopment will place this long-time vacant building into its highest and best use and will generate a

positive economic impact locally for the City of Sandusky, regionally for Erie County and for the State of Ohio. The redeveloped mixed-use component will bring approximately 100 new, income earning residents into the core of Downtown Sandusky, while also reestablishing new Class A retail and/or office space and new jobs. The Project will create an estimated 51 new construction jobs and 23-28 new permanent jobs into the Downtown core. The construction and permanent operations jobs, together with new income earning and tax paying residents, are estimated to generate over \$38 million in payroll income over the next six and one-half years of construction and operations at the Project. The positive economic benefits of higher net worth individuals living, working and spending at the Project as well as at local businesses within the surrounding vicinity will be a tremendous boost to the economy and will increase tax revenues for the City of Sandusky, Erie County and State of Ohio.

Community Benefits

Catalytic Project. The redeveloped Feick Building will be a catalyst for additional capital investment to rehabilitate several other surrounding deteriorated and vacant properties and increase occupancy of these buildings, while adding additional jobs and residents to Downtown Sandusky for the benefit of the entire Sandusky community. The economic development domino effect will also attract new construction development throughout downtown Sandusky on vacant land.

Developer's Commitment. As the committed affiliated developer of the neighboring Columbus Avenue Revitalization Project, Marous Development Group has committed to additional investment in the City of Sandusky with the Feick Building being its second large project in excess of \$12 million to be undertaken in the City of Sandusky within the last two years, and Marous has expressed to the City of Sandusky Commissioners, City Manager, Chief Development Officer and the public-at-large its strong desire and commitment to continue to play a major role toward additional revitalization and development efforts within the community. Marous' goal with this Project is to continue its public-private partnership with the City of Sandusky already established with the Columbus Avenue Revitalization Project and continue on other projects for years to come. For over 38 years, Mr. Marous, his family and his companies have not just invested in properties, but more importantly have invested in the communities and established long-term relationships with the people in those communities. This is evidenced by the Marous family's longstanding track record in Willoughby and Cleveland, Ohio where the Marous family has invested in hundreds of millions of dollars in development and construction projects. It is Marous' goal to continue this same process to benefit the people in the City of Sandusky, as Marous has done with the Columbus Avenue Revitalization Project and will do with the Feick Building Redevelopment Project. Marous will seek to have the majority of its construction jobs, approximately 75%, performed by local subcontractors and the local workforce. Hundreds of additional construction and permanent jobs would also benefit the community of Sandusky with future additional investments by Marous in other projects.

Surrounding Economic Boost. The new jobs created at the Feick Building in the downtown core, along with roughly 100 new residents in the apartments, and the visitors to all these spaces, will boost existing businesses and attract new businesses where people will shop, dine and use the services provided by such businesses.

Reduction in Crime. New economic development, the creation of new jobs and the vibrancy of people living, working, dining, shopping and relaxing on the downtown streets naturally reduces the level of crime in redeveloped areas because an active and involved community keeps an eye out, quickly reports mischief or mischief simply stays away. Marous Development Group has personally seen this transformation of reduced crime in its development areas in Cleveland and elsewhere over the last decade. With added tax revenue benefits from the proposed development, the City can invest in more police presence and/or establish a Downtown Alliance organization similar to that which exists in the City of Cleveland. With reduced crime, people feel safe and thus choose to move their homes and/or their businesses back to downtown, spurring the growth and expansion of the economic development cycle.

Philanthropic Community Giveback. For over 38 years it has been the life mission of Mr. Marous, his family, and through his companies, to give back to the communities in which it works and is located, evidenced by its long list and track record of making significant donations to, and getting involved with several nonprofits and charitable organizations whose mission is to improve the lives of individuals and the condition of the community at large. Mr. Marous is committed to do the same as part of its future plans in the City of Sandusky and its community organizations in need.

ANTICIPATED OR SECURED TENANTS

Within six months after completion of construction, Marous anticipates a full lease up of the 66 market rate apartments, which represent over 82% of the Project's mixed-use development. In 2018 Marous also plans to secure retail and/or office tenants for the ground level spaces located in the former bank lobby and other ground floor areas. The retail and/or office leases, along with the apartments will result in anticipated 100% occupancy of the Project upon completion of the certified rehabilitation.

PROJECT SCOPE

The following provides a general overview of the substantial development work to be performed for the Project.

Exterior of The Feick Building

This rehabilitation project proposes to fully stabilize, repair and rehabilitate the building envelope. Inappropriate storefront alterations will be removed so that contemporary, yet historically compatible, storefront and entries can be installed, careful masonry cleaning and restoration will be performed, decorative elements will be refurbished. Windows will be replaced or restored, depending on location and condition. A new addition will be built

on top of the existing three-story portion of the building to accommodate additional apartment units.

The intent for the building's exterior way finding is to provide adequate lighting, signage and protection to accommodate the new tenants of the buildings and, in addition to meeting the Secretary of the Interior's Standards for Rehabilitation, meet the City of Sandusky's guidelines for signage and streetfront lighting. Once tenant lease agreements are finalized for the ground floor retail and/or office, and final design approved by the Ohio State Historic Preservation Office ("SHPO") and the City of Sandusky, new signage will be introduced and installed on the building.

Interior Renovations and Addition

The east entrance and east side of the first floor interior of the Feick Building's former bank lobby will be restored for new retail and/or office use, while the west entrance and west side of the first floor interior area will be restored for the apartments entrance lobby and resident amenity spaces. The upper seven floors of the existing eight-story building will be adaptively used for new residential apartments, and the addition over the existing three-story portion of the building will contain new finishes complimentary to the renovated spaces. In order to meet code-required egress and vertical circulation functions within this building, a new stair and elevator structure will be constructed at the rear of the building.

The former bank hall at street level will retain all of its premier historic finishes including the ornate ceiling, which altogether, provide a most unique interior to any future tenant. Surviving historic finishes on ceiling, window openings, and walls will be retained, cleaned and, where missing, re-instated.

The upper floors surviving portion of the historic circulation pattern will be retained along with the terrazzo floor, which will be repaired where needed, cleaned and polished. Existing doors and transoms will be retained, although they will be fixed-in place where not needed for proposed apartment configuration occurring beyond the corridor wall.

The building's existing plumbing system will be removed and equipped throughout with new plumbing supply and waste systems, new plumbing fixtures and related equipment. A new fire suppression system that conforms to current code and fire safety requirements will also be installed. All damaged or unused HVAC and electrical equipment and service lines will be removed and all new electrical service and HVAC and distribution throughout the building installed. All plumbing, fire alarm, HVAC and electrical installations will be approached in a manner that will have minimal impact and not compromise existing remaining historic fabric.

CONCLUSION

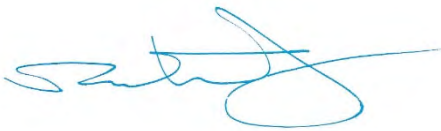
In conclusion, the Feick Building's redevelopment accomplishes the following goals for the City of Sandusky community, Erie County and the State of Ohio:

- Rehabilitates, enlarges and re-engages a historic structure in the Downtown business district and newly registered Downtown Sandusky Commercial Historic District into its highest and best use;
- Fortifies and strengthens an existing historic district by converting an iconic eight-story building in the city into an economic engine;
- Creates new jobs - 51 temporary jobs through construction and 23-28 permanent operations jobs into the centralized Downtown area;
- Provides a catalyst for continued Downtown redevelopment;
- Solidifies Marous Development Group's commitment and desire to continue to play a major role of investment, revitalization, development and philanthropic efforts for the benefit of the people of Sandusky;
- Promotes an economic boost, additional growth and anticipated reduction in crime in the immediate surrounding vicinity;
- Provides significant dollars in direct economic benefit to the State, County and City from new tax revenues;
- With the \$1,300,000 of funding assistance and tax abatement assistance from the City of Sandusky, the Project will provide the City with a return on its investment over a period of time.

Should the you have any questions or needs, please contact me at 440-975-8118 x281 or by email at jspear@vintage-group.com.

Sincerely,

Marous Development Group LLC

A handwritten signature in blue ink, appearing to read 'Adelbert P. Marous, Jr.', with a stylized, flowing script.

Adelbert P. Marous, Jr., Trustee, Managing Member

MAROUS DEVELOPMENT GROUP LLC

February 28, 2018

Ms. Maria Muratori, Development Specialist
City of Sandusky Department of Community Development
222 Meigs Street
Sandusky, Ohio 44870

**RE: Feick Building Redevelopment Project
158-160 East Market Street, Sandusky, Ohio 44870 (the “Project”)**

**Economic Development Application – Substantial Development
Attachment A1 – Major Factor Need for \$1,300,000 of ED Grant Funding and
Property Tax Abatement**

Dear Ms. Muratori:

As discussed in “Attachment A – Description and Scope of Project”, Marous Development Group LLC has executed a purchase agreement with Page Development LLC to acquire the Feick Building, located in the historic heart of Downtown Sandusky. Marous Development Group LLC, or its affiliated assigns (“Marous”) will acquire, own and redevelop the Feick Building into new market-rate apartments along with a new retail space.

Marous will rehabilitate the historic Feick Building, including a new addition over the three-story portion of the building, into an exciting and vibrant, new \$13.0 million mixed-use development consisting of 66 new market rate apartments, along with newly renovated retail and/or office spaces located in the former bank lobby and other spaces on the building’s ground floor.

The Feick Building is one of Sandusky’s architecturally distinct historic buildings, but has fallen upon deterioration, disrepair and loss of office and retail tenants, rendering the building entirely vacant for several years.

Because of the magnitude and complexity of the Project’s redevelopment, its significant financial capital requirements and costs for rehabilitation, while providing for achievable market rate revenues and net operating income to service debt requirements and adequate investment returns, the underlying financial assumptions and underwriting do not make the redevelopment of the Project possible without Marous Development Group’s ability to obtain (a) City of Sandusky funding assistance in the amount of \$1,300,000 through the City’s Economic Development (ED) and Community Development (CD) grant programs, as well as (b) a ten (10) year, 75% tax abatement for the Project.

As such, receipt of both of the requested \$1,300,000 City grant funding and tax abatement are a major factor in Marous Development Group’s decision to invest in this Project and rehabilitate this historic building and construct the related addition.

No rehabilitation work will commence until Marous completes its acquisition of the

Ms. Maria Muratori, Development Specialist
City of Sandusky Department of Community Development
February 28, 2018
Page 2

building and all financing is in place, all anticipated to be completed in the fourth quarter of 2018. In our opinion, the Feick Building in its current condition is stabilized in all material respects with regards to weather resistant enclosures and structural stability, which should be adequate to prevent further deterioration.

With critically needed financial assistance under the City's ED and CD grant program, Marous will return this historic building to the vibrancy and greatness it once was while restoring and re-energizing downtown Sandusky and its entire community of residents, businesses and business owners, and sparking a catalyst for additional investment and rehabilitation of other vacant buildings and future development.

Should the you have any questions or needs, please contact me at 440-975-8118 x281 or by email at jspear@vintage-group.com.

Sincerely,

Marous Development Group LLC

A handwritten signature in blue ink, appearing to read 'Adelbert P. Marous, Jr.', with a stylized, flowing script.

Adelbert P. Marous, Jr., Trustee
Managing Member

MAROUS DEVELOPMENT GROUP LLC

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Feick Building - 158-160 E. Market Street
Mixed Use Adaptive Re-Use Development
Sandusky City Economic Development Application - Substantial Development

Attachment B - Project Sources & Uses

Sources:

Developer Equity	\$ 3,736,200
Tax Credit Equity	3,005,000
City of Sandusky Economic Development & Other Grant Funding	1,300,000
Senior Debt Financing	4,965,000

Total Sources of Funds	\$ 13,006,200
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Uses:

Building & Parking Acquisition & Pre-Development Costs	\$ 732,000
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Total Direct Hard Costs

Hard Cost - Renovation & Tenant Improvements	\$ 9,166,200
Hard Cost Contingency	434,900

Total Direct Hard Costs	\$ 9,601,100
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Soft Costs

Architectural / Engineering / Environmental	\$ 652,000
Permits, Fees & Bonding	54,000
Financing Costs / Survey / Title	175,600
Construction Interest	202,800
Legal & Accounting	200,000
Real Estate Taxes / Insurance	54,900
Pre-Opening Management, Marketing & Commissions	192,900
Development Overhead	1,073,900
Miscellaneous/Contingency	67,000

Total Soft Costs	\$ 2,673,100
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Total Uses of Funds (Project Costs)	\$ 13,006,200
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Feick Building - 158-160 E. Market Street
Mixed Use Adaptive Re-Use Development
Sandusky City Economic Development Application - Substantial Development

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Attachment C - Calculation of Estimated Construction Jobs

Total Hard Costs	\$ 9,601,100		
Estimate % Labor Dollars	50%		
Total Estimated Labor Dollars	\$ 4,800,550		
Divided by Estimated Hourly Rate	\$ 45.00		
Estimated Total Project Labor Hours	106,679		
Divided by Yearly Hours	2,080		
Estimated Construction Jobs (FTEs)	51		
Estimated Construction Timeline			
Start	1/1/2019		
End	3/31/2020		
= 15 month duration			
= 80% Jobs in Year 1	41	80%	
= 20% Jobs in Year 2	10	20%	
= 0% Jobs in Year 3	0	0%	
= 0% Jobs in Year 4	0	0%	
= 0% Jobs in Year 5	0	0%	

MAROUS DEVELOPMENT GROUP LLC

**Feick Building - 158-160 E. Market Street
Mixed Use Adaptive Re-Use Development
Sandusky City Economic Development Application - Substantial Development**

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Attachment D - Calculation of Estimated Operations Jobs & Receipts

NOTE: Operations Jobs included herein pertain to the FTE's to operate (i.e. manage) the Project and the building, which also include management, leasing, engineering and maintenance required to operate the Apartments component of the mixed-use Project and the direct Apartments lease revenue income therefrom. Operations Jobs pertaining to the Retail & Office Operations of such businesses are included in Attachment D5 - Tenants Jobs.

	Sq Ft	Use
Retail / Office	8,283	Retail / Office
Apartments	42,166	Residential
Total	50,449	

Operations Year	Operations Jobs	
	FTE's	Hourly Wage
1	3	\$ 25.29
2	3	\$ 25.79
3	3	\$ 26.30
4	3	\$ 26.83
5	3	\$ 27.37

Year	Operations Receipts (e.g. Rents)	
1	\$	671,300
2	\$	795,600
3	\$	811,000
4	\$	826,800
5	\$	842,900

OPERATIONS JOBS AND HOURLY WAGES - SUPPORTING DATA

OPERATIONS RECEIPTS (E.G. RENTS) - SUPPORTING DATA

YEAR 1				
D3. OPERATIONS	#	Salary	Payroll	Average
Director of Property Mgt	0.6	\$90,000	\$54,000	\$ 43.27
Apts-Property Mgr/Leasing Agent	0.6	\$50,000	\$30,000	\$ 24.04
Admin	0.6	\$35,000	\$21,000	\$ 16.83
Engineer	0.6	\$51,000	\$30,600	\$ 24.52
Maintenance/Cleaning	0.6	\$37,000	\$22,200	\$ 17.79
Total	3	\$263,000	\$157,800	\$ 25.29

YEAR 2				
% Increase 2.0%				
D3. OPERATIONS	#	Salary	Payroll	Average
Director of Property Mgt	0.6	\$91,800	\$55,080	\$ 44.13
Apts-Property Mgr/Leasing Agent	0.6	\$51,000	\$30,600	\$ 24.52
Admin	0.6	\$35,700	\$21,420	\$ 17.16
Engineer	0.6	\$52,000	\$31,200	\$ 25.00
Maintenance/Cleaning	0.6	\$37,700	\$22,620	\$ 18.13
Total	3	\$268,200	\$160,920	\$ 25.79

YEAR 3				
% Increase 2.0%				
D3. OPERATIONS	#	Salary	Payroll	Average
Director of Property Mgt	0.6	\$93,600	\$56,160	\$ 45.00
Apts-Property Mgr/Leasing Agent	0.6	\$52,000	\$31,200	\$ 25.00
Admin	0.6	\$36,400	\$21,840	\$ 17.50
Engineer	0.6	\$53,000	\$31,800	\$ 25.48
Maintenance/Cleaning	0.6	\$38,500	\$23,100	\$ 18.51
Total	3	\$273,500	\$164,100	\$ 26.30

YEAR 4				
% Increase 2.0%				
D3. OPERATIONS	#	Salary	Payroll	Average
Director of Property Mgt	0.6	\$95,500	\$57,300	\$ 45.91
Apts-Property Mgr/Leasing Agent	0.6	\$53,000	\$31,800	\$ 25.48
Admin	0.6	\$37,100	\$22,260	\$ 17.84
Engineer	0.6	\$54,100	\$32,460	\$ 26.01
Maintenance/Cleaning	0.6	\$39,300	\$23,580	\$ 18.89
Total	3	\$279,000	\$167,400	\$ 26.83

YEAR 5				
% Increase 2.0%				
D3. OPERATIONS	#	Salary	Payroll	Average
Director of Property Mgt	0.6	\$97,400	\$58,440	\$ 46.83
Apts-Property Mgr/Leasing Agent	0.6	\$54,100	\$32,460	\$ 26.01
Admin	0.6	\$37,800	\$22,680	\$ 18.17
Engineer	0.6	\$55,200	\$33,120	\$ 26.54
Maintenance/Cleaning	0.6	\$40,100	\$24,060	\$ 19.28
Total	3	\$284,600	\$170,760	\$ 27.37

D3. OPERATIONS RECEIPTS (E.G. RENTS)					
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Retail / Office	\$ 69,800	\$ 83,000	\$ 84,300	\$ 85,700	\$ 87,000
Apartments	\$ 601,500	\$ 712,600	\$ 726,700	\$ 741,100	\$ 755,900
Total	\$ 671,300	\$ 795,600	\$ 811,000	\$ 826,800	\$ 842,900

MAROUS DEVELOPMENT GROUP LLC

Feick Building - 158-160 E. Market Street
Mixed Use Adaptive Re-Use Development
Sandusky City Economic Development Application - Substantial Development

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Attachment E - Calculation of Resident Number of Units & Per-Unit Resident Annual Income

Operations Year	Number of Residential Units	Average Per-Unit Resident Annual Income
1	66	\$ 82,500
2	66	\$ 84,200
3	66	\$ 85,900
4	66	\$ 87,600
5	66	\$ 89,400

RESIDENTS - YEAR 1

Use Type	Units	Average Annual Wage per Resident	Payroll	Average
Apartments - Market Rate	66	\$ 82,500	\$ 5,445,000	\$ 82,500

RESIDENTS - YEAR 2

% Increase 2.0%				
Use Type	Units	Average Annual Wage per Resident	Payroll	Average
Apartments - Market Rate	66	\$ 84,200	\$ 5,557,200	\$ 84,200

RESIDENTS - YEAR 3

% Increase 2.0%				
Use Type	Units	Average Annual Wage per Resident	Payroll	Average
Apartments - Market Rate	66	\$ 85,900	\$ 5,669,400	\$ 85,900

RESIDENTS - YEAR 4

% Increase 2.0%				
Use Type	Units	Average Annual Wage per Resident	Payroll	Average
Apartments - Market Rate	66	\$ 87,600	\$ 5,781,600	\$ 87,600

RESIDENTS - YEAR 5

% Increase 2.0%				
Use Type	Units	Average Annual Wage per Resident	Payroll	Average
Apartments - Market Rate	66	\$ 89,400	\$ 5,900,400	\$ 89,400

	Cleveland Marshall Place Apartments	Willoughby Chagrin River Walk Apartments	Sandusky Feick Building Apartments
2010-2014 5 Yr FactFinder Median Family Income	\$ 32,568	\$ 67,095	\$ 44,441
2010-2014 5 Yr FactFinder Per Capita Income	\$ 17,436	\$ 30,288	\$ 21,725
Property Ratio of # of Residents to Units	1.70	1.45	1.50
Per Capita Income Times # of Residents to Units Ratio	\$ 29,641	\$ 43,918	\$ 32,588
Actual/Estimated Income Per Resident	\$ 61,372	\$ 76,000	\$ 55,000 (a)
Actual/Estimated Income Per Unit	\$ 104,333	\$ 110,200	\$ 82,500 (b)
Actual/Estimated Income Per Unit vs Per Capita Units	352%	251%	253% (c)
% of Residents Earning Over \$50,000 Annually	69%	46%	60% (d)
% of Residents Earning Over \$60,000 Annually	27%	35%	25% (e)

(a) Represents Actual/Estimated Income per Resident

(b) Represents Actual/Estimated Income per Unit based on Ratio of Residents to Units - USE FOR MARKET RATE UNITS

(c) Represents that Marous' Actual/Estimated Target Market Tenants in the Urban Setting Earn Above the Fact Finder Statistics

(d) Represents that a significant amount of Marous' Target Market Tenants earn above \$50,000 Annually

(e) Represents that approximate 1/4 to 1/3 of Marous' Target Market Tenants earn above \$60,000 Annually

MAROUS DEVELOPMENT GROUP LLC

Feick Building - 158-160 E. Market Street
Mixed Use Adaptive Re-Use Development
Sandusky City Economic Development Application - Substantial Development

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Attachment F - Calculation of Estimated Tenants Jobs & Receipts

NOTE: Tenants Jobs included herein pertain to the FTE's by the Project's tenants to operate their businesses and do not include the FTE's for management, leasing, engineering and maintenance required to operate the Apartments component of the mixed-use Project. Such FTE's and receipts (i.e. revenues) for the Apartments have been included in Attachment D3 Operations information.

	<u>Sq Ft</u>	<u>Use</u>
Retail / Office	8,283	Retail / Office
Apartments	42,166	Residential
Total	<u>50,449</u>	

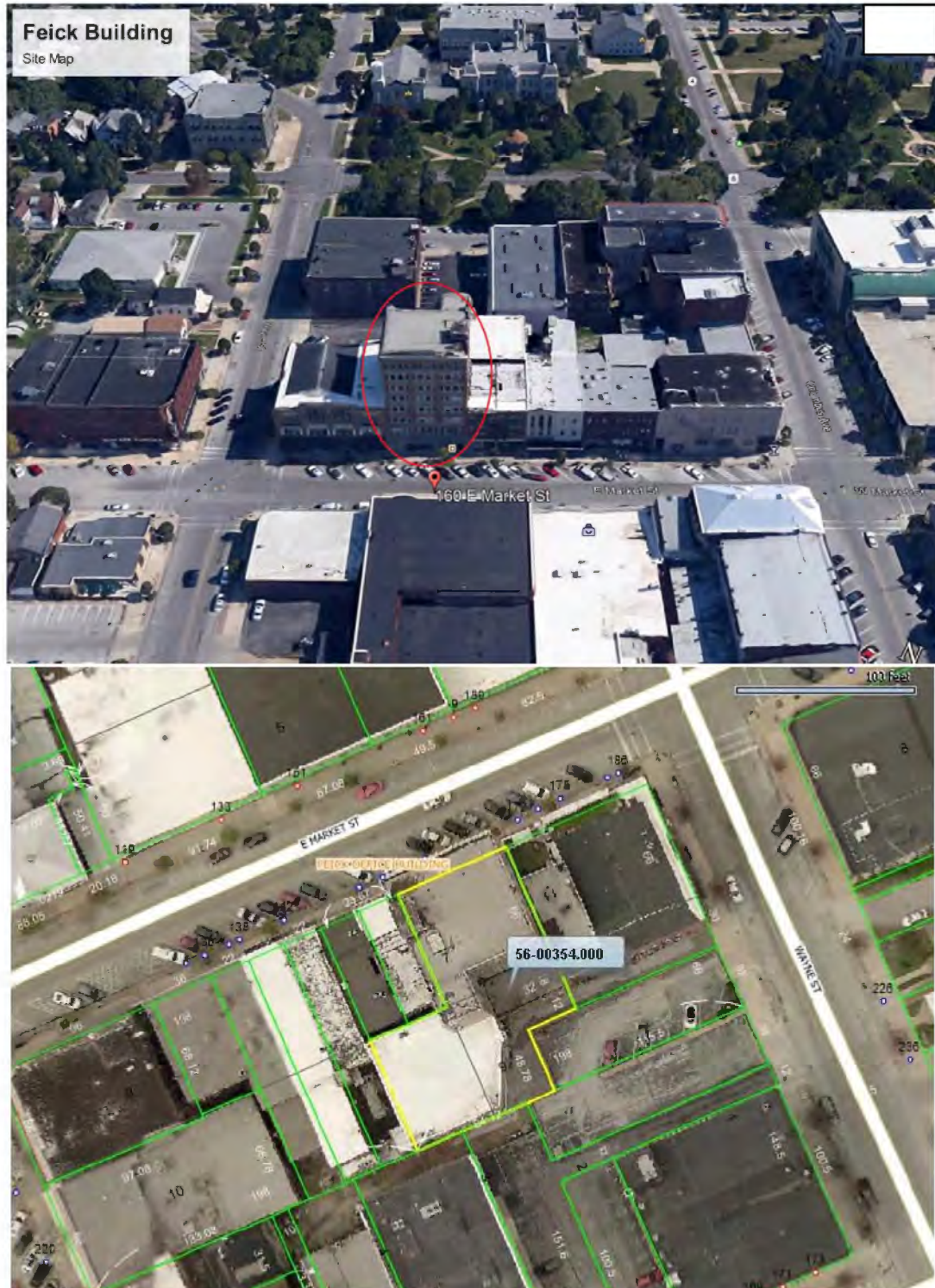
TENANT JOBS - FTE'S / WAGES / PAYROLL / OPERATIONS RECEIPTS (E.G. SALES)

	% Increase		2.0%			
	RETAIL / OFFICE					
<u>YEAR</u>	<u>FTE's</u>		<u>Hrly Wages</u>		<u>Payroll</u>	<u>Sales</u>
1	20.0	\$	18.00	\$	748,800	\$ 2,500,000
2	22.0	\$	18.36	\$	840,200	\$ 2,550,000
3	23.0	\$	18.73	\$	895,900	\$ 2,601,000
4	24.0	\$	19.10	\$	953,600	\$ 2,653,000
5	25.0	\$	19.48	\$	1,013,200	\$ 2,706,100

MAROUS DEVELOPMENT GROUP LLC

Feick Building Redevelopment Project 158-160 East Market Street, Sandusky, Ohio

Sandusky City Economic Development Application – Substantial Development Attachment G – Map Showing Project Location



7250 MARKELL ROAD · WAITE HILL, OH 44094

SANDUSKY CITY ECONOMIC DEVELOPMENT APPLICATION - SUBSTANTIAL DEVELOPMENT
ATTACHMENT I

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT ("Agreement"), dated June 23, 2017, between **PAGE DEVELOPMENT LLC**, an Ohio limited liability company, ("Seller") and **MAROUS DEVELOPMENT GROUP LLC**, an Ohio limited liability company, its successors and/or assigns ("Buyer").

Recitals:

A. Seller owns certain real property located in the City of Sandusky, Ohio and commonly known as The Feick Building located at 158-160 East Market Street; containing PPN #56-00354.000; and collectively containing approximately 61,000+/- square feet of building on .249 +/- acres.

B. Buyer desires to purchase from Seller and Seller desires to sell to Buyer the real and personal property of Seller, including all improvements and rights pertaining thereto as herein identified in its "as is" condition.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, Seller and Buyer hereby agree as follows:

Section 1. Property to be Transferred. Subject to, and upon the terms and conditions hereof, and upon the basis of the agreement, representations and warranties contained herein, Seller shall sell, transfer, assign and deliver to Buyer, and Buyer shall purchase and acquire from Seller, Seller's entire right, title and interest in and to the following described property:

(a) The following "Real Property": (i) the land, more particularly described on **Exhibit "A"** attached hereto and made a part hereof (the "Premises"); (ii) all appurtenant rights, air rights, privileges and easements thereunto belonging; (iii) the building currently existing on the Premises (the "Building"); and (iv) all other buildings, structures, fences, landscaping, shrubbery, fixtures and improvements owned by Seller and located on the Premises;

(b) The personalty (the "Personalty") around and about the Premises, and in Seller's possession if not around and about the Premises, including but not limited to all personal property not owned by tenants or the personal property of Lance Warner or his immediate relatives, including but not limited to furniture, tools, equipment and furnishings;

(c) All of Seller's right, title and interest in and to that certain Lease With Option to Purchase agreement between Seller and The Citizens Banking Company dated March 1, 2010 pertaining to the adjacent parking lot located on PPN #56-00183.000 and #56-00184.000, which is attached hereto as **"Exhibit B"** (the "Parking Lot LPO Agreement");

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the date first set forth above.

SELLER:


PAGE DEVELOPMENT LLC
An Ohio limited liability company



By: Lance C. Warner, Sole Member

BUYER:

MAROUS DEVELOPMENT GROUP LLC
an Ohio limited liability company



By: Adelbert P. Marous, Jr., Trustee,
Managing Member

Maria Muratori

From: Jeff Ramsey <Jramsey@dscdo.org>
Sent: Tuesday, March 13, 2018 5:07 PM
To: Maria Muratori
Subject: FW: Adelbert Marous, Jr. / Marous Development Group - Reference

Maria,

In response to your questions below:

What is your relationship with Mr. Marous?

Detroit Shoreway Community Development Organization (DSCDO) has worked closely with Marous Brothers Construction for nearly twenty years. DSCDO is a community based, non-profit developer and owner of affordable housing, market rate housing, and commercial property. Marous Brothers Construction has worked as General Contractor and as a Design/Builder on numerous DSCDO projects, including the historic renovation of the Capital Theatre and most recently the Lofts at Lion Mills – which adaptively reused a vacant commercial building to a thirty-six (36) unit affordable apartment building.

What is your confidence in Mr. Marous / Marous Development Group's ability to successfully redevelop a 77,000+ square foot building in downtown Sandusky?

As President of Marous Brothers Construction, Chip Marous has proven to be an incredible partner and I cannot stress enough the upmost confidence DSCDO has in his company's ability to produce a quality development. As leaders in Design/Build and Historic Preservation, Marous Brothers Construction never fails to bring cutting edge technology and service to their projects and partners. Beyond being industry leaders in construction and design, Marous Brothers Construction has a commitment to the neighborhoods and partners they serve. DSCDO is a non-profit organization, and Marous Brothers Construction has consistently donated to and participated in our annual fundraisers and community events for many years.

Is there any other information you would like to share regarding Mr. Marous / Marous Development Group?

I have no doubt that Chip Marous and the rest of the team at Marous Brothers Construction will successfully redevelop your 77,000 square foot building in downtown Sandusky. They are accustomed to projects of this size and scope, and you will be very satisfied with the end result. MBC is very fair in its pricing. The company started as a carpentry contractor. The company's expertise in historic preservation and the quality of the finish work results is amazing. The company's due diligence prior to commencement of construction and their expertise in construction management results in very few change orders. Projects have always been completed on time and under budget resulting in savings for the owner. We believe Marous Brothers Construction Co. has the highest integrity and we strongly recommend the company.

Please let me know if you have any further questions.

Regards,



Jeffrey M. Ramsey | Executive Director
Detroit Shoreway Community Development Organization
6516 Detroit Avenue, Suite 1 | Cleveland, OH 44102

Phone: 216-961-4242 ext. 210

Fax: 216-961-8830

Email: jramsey@dscdo.org

www.detroitshoreway.org



From: Maria Muratori [<mailto:mmuratori@ci.sandusky.oh.us>]
Sent: Thursday, March 08, 2018 3:37 PM
To: Jeff Ramsey <jramsey@dscdo.org>
Cc: agoldman@marousbrothers.com; Anya Kulcsar <akulcsar@dscdo.org>
Subject: RE: Adelbert Marous, Jr. / Marous Development Group - Reference

Jeff,

Whenever you can get it to me is fine. Thank you.

Sincerely,
Maria

From: Jeff Ramsey [<mailto:jramsey@dscdo.org>]
Sent: Thursday, March 8, 2018 3:37 PM
To: Maria Muratori
Cc: agoldman@marousbrothers.com; Anya Kulcsar
Subject: Re: Adelbert Marous, Jr. / Marous Development Group - Reference

Maria,

When do you need this by? I am on vacation until monday and will not be able to get to this until wednesday. Will that work?

Jeff

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Maria Muratori <mmuratori@ci.sandusky.oh.us>
Date: 3/8/18 12:27 PM (GMT-06:00)

To: Jeff Ramsey <jramsey@dscdo.org>

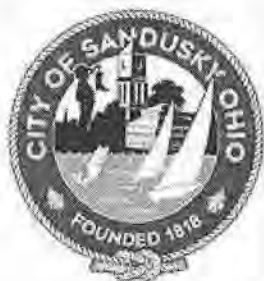
Subject: Adelbert Marous, Jr. / Marous Development Group - Reference

Hello Mr. Ramsey,

Mr. Marous indicated you as a reference on his economic development grant application with the City of Sandusky. Please speak to the following regarding the project at 158-160 East Market Street in Sandusky, Ohio:

- What is your relationship with Mr. Marous?
- What is your confidence in Mr. Marous / Marous Development Group's ability to successfully redevelop a 77,000+ square foot building in downtown Sandusky?
- Is there any other information you would like to share regarding Mr. Marous / Marous Development Group?

Thank you for your help.



Maria Muratori | *Development Specialist*
COMMUNITY DEVELOPMENT
222 Meigs Street | Sandusky, OH 44870
T: 419.627.5891 | F: 419.627.5713
www.ci.sandusky.oh.us



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NOTICE: This electronic message transmission and all attachments transmitted with it are intended for the use of the individual or entity that is the intended recipient and may contain legally privileged, protected, or confidential information. If you are not the designated recipient please be aware that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this electronic transmission in error, please notify us by telephone (419.627.5844), collect, or by reply electronic mail and promptly destroy the original transmission and any copies. Delivery of this message and any attachments to any person other than the intended recipient(s) is not intended in any way to waive confidentiality or a privilege. Thank you. Law Department, City of Sandusky, Ohio.

March 13, 2018

Economic Development Incentive Committee Summary

Ross Boesch / Gundlach Sheet Metal Works, Inc.

APPLICANT: Ross Boesch
910 Columbus Ave.
Sandusky, Ohio 44870

CORPORATE STRUCTURE: C Corporation

PRINCIPAL/% OWNERSHIP: Roger Gundlach, President – 75.5%
Andrew Gundlach, Secretary – 12.5%
Terry Gundlach, Chairman – 12%

PROGRAM APPLIED FOR: Substantial Redevelopment

RECOMMENDATION: \$50,000 Substantial Redevelopment Grant; contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support. This project will be complete by 3/31/19.

The completion of this project meets several goals laid out in the Strategic Plan. Specifically, it helps to support a business for future expansion.

BACKGROUND

Gundlach Sheet Metal Works, Inc. ("Gundlach") has been serving the HVAC needs of the greater Sandusky area for over 125 years. Gundlach is now a sixth generation company. Its business segments include: residential service and installation, commercial HVAC design and engineering, commercial HVAC construction and service, sheet metal duct fabrication, commercial refrigeration, industrial fabrication and HVAC controls and building automation. Gundlach currently employs about (45) full-time employees (this number fluctuates seasonally). Over time, Gundlach has expanded, purchasing several adjacent lots. Currently, Gundlach needs more office space, large equipment warehousing, additional parking and increased fabrication area. Instead of expanding or relocating outside of Sandusky, Gundlach is attempting to expand at its current location.

PROJECT DESCRIPTION

This is phase two of the project reviewed by the committee in 2017 (the acquisition and demolition of multiple blighted and troubled properties on Neil and Division Street). On the newly acquired property,

Gundlach is building a 6,250 square foot storage structure. This structure will house one employee and help improve the flow of semis and delivery trucks.

Gundlach will also renovate the current warehouse space into usable offices. The current office layout is inefficient and outdated. The renovations will allow Gundlach to consolidate its entire office staff in one large space and also add ADA compliant restrooms and entry. This renovation will allow Gundlach to hire more sales and engineering staff.

PROJECT FINANCING

<u>Uses</u>	
Acquisition preparation and construction of warehouse	\$ 600,000.00
Office remodel	\$ 300,000.00
Total	\$ 900,000.00
<u>Sources</u>	
Owner Equity	\$ 400,000.00
Line of Credit	\$ 450,000.00
Grant Request - Substantial Redevelopment	\$ 50,000.00
Total	\$ 900,000.00

I recommend a grant of \$50,000, an amount equivalent to 6% of the total project cost, leveraging private funds 18x.

The project is expected to be completed by 3/31/19.

FINANCIAL SUMMARY – BUSINESS

Gundlach is expected to demonstrate sales growth of almost 12% for its fiscal year ending 3/31/18. Additionally, employment is expected to increase by five (5) within the next two years with payroll expanding by over \$500,000 in the same time period. The new positions will be in engineering, sales and support.

RECOMMENDATION

I recommend a \$50,000 substantial redevelopment grant to assist with this project. This project is a continuation of Gundlach's commitment to the City of Sandusky. This project solidifies Gundlach's commitment for years to come and allows this local business to hire additional professional and skilled employees.

Applicant / Borrower Company:

Ross M. Boesch

(Applicant Name)

Business Manager

(Title)

Gundlach Sheet Metal Works, Inc.

(Company Name – if different than Applicant Name)

910 Columbus Ave

(Street Address)

(Suite, Apt, etc.)

Sandusky, Ohio 44870

(City, State, Zip)

419.626.4525

(Phone Number)

34-4424374

(Federal Tax ID or last 4 of SSN)

rboesch@gundlach-hvac.com

(Email)

419.626.9365

(Fax Number)

Existing Business Information:

Type of Business: ☐ Commercial/Retail ☒ Service
☐ Other _____
Legal Structure: C Corporation
Primary Product or Service: Commercial/Residential HVAC Construction & Service
Date Established: 1889 NAICS-SIC Code: 238220
Website (if applicable): www.gundlachsheetmetal.com

Principal Officers / Owners:

Name / Title: Roger M. Gundlach, President
Email: roger@gsmwi.com Phone: 419.626.4525
SSN (last 4): 1101 % Ownership: 75.5

Name / Title: Andrew M. Gundlach, Secretary
Email: andy@gsmwi.com Phone: 419.626.4525
SSN (last 4): 9414 % Ownership: 12.5

Name / Title: Terry W. Gundlach, Chariman
Email: tgundlach@gundlach-hvac.com Phone: 419.626.4525
SSN (last 4): 5712 % Ownership: 12

Name / Title: _____
Email: _____ Phone: _____
SSN (last 4): _____ % Ownership: _____

Location of Proposed Project:

910 Columbus Ave

(Address)

Sandusky, Ohio 44870

(City, State, Zip)

Erie

(County)

If a relocation, indicate from where

Project Type:

☒ Renovation

☒ Expansion

☐ Start-Up/New

Applicant / Business Background Information:

Please provide a brief summary about your background and experience. Please also provide historical information regarding the building or property at which the business will operate, including but not limited to the most recent building use (attach additional page if necessary).

Gundlach Sheet Metal Works, Inc. has been serving the HVAC needs of the greater Sandusky area for 129 years.

We perform in most areas of the heating and air conditioning industry such as: Residential service and installation, commercial HVAC design and engineering, commercial HVAC construction and service, sheet metal duct fabrication, commercial refrigeration, industrial fabrication and HVAC controls and building automation. We also perform residential plumbing service and installation. We currently employ about 45 full time employees. GSM started out as a small company working out of a single store front on Columbus Ave. We are now a sixth generation company and have expanded by purchasing adjacent properties on Columbus, Neil and Division. Unfortunately we are in need of more office space, large equipment warehousing, additional parking and more fabrication area.

Project Description:

Please provide a brief description of the project to be undertaken for which City assistance is being sought (attach additional page if necessary).

GSM has already undertaken the acquisition and demolition of multiple blighted and troubled properties on Neil and Division St. In working with the City of Sandusky, we have restructured and rezoned our properties to accomodate the first phase of our proposed expansion, a 6250 square foot storage structure. This structure should see full completion by early April, and will eventually house one employee, whom we have already hired, but have inadequate space for efficient operations. The new facility and site layout, with the help of the city's planning, improves the flow of semis and delivery trucks to our facility by bringing them on site, as opposed to our current design that required us to unload them in the street. This is very hazardous to our employees, the delivery drivers and the general public. We can also control the path larger trucks take when exiting our facility. The second phase of our of project is to renovate our current warehousing space into usable offices. Currently our office space is scattered around our facility, very inefficient and outdated. With the proposed renovations, we will be able to consolidate our entire office staff in one large space, create a more productive atmosphere and add ADA compliant restrooms and entry way. With our continued growth, we need to hire more sales and engineering staff but cannot due to inadequate space.

Business/Personal References:

Name / Title: Jim Miller / Civista Bank

Email: jomiller@civistabank.com Phone: 419.625.4121

Relationship: Primary Business Lender / Customer

Name / Title: Bill Springer / Industrial Nut Corp

Email: bspringer@industrialnut.com Phone: 419.625.8543

Relationship: Customer

Name / Title: Rhonda Wight / Refrigeration Sales Corp.

Email: wight@refrigerationsales.net Phone: 216.525.8100

Relationship: Carrier Distributer

Need for ED Funding:

Applicants must document a need for ED funding in order to make the project occur. Select reason(s) why ED funds are needed for the project, and attach appropriate documentation.

- ☐ Inadequate equity/private lender financing (attach bank letter/documentation of equity unavailability).
- ☐ Unable to pay market interest rates for entire project (include projections showing market rates produce inadequate return on investment.)
- ☐ Incentive financing is needed in order to improve the economics of locating and expanding in Sandusky relative to other communities (show comparative costs analysis to undertake project in Sandusky versus other cities).
- ☒ Other (please specify): With the help of ED funding for our current project, the company
will be in a more favorable position to hire additional staff and potentially address additional
projects. These projects will continue to improve GSM's functionality and add to the beautification of it's physical location.

Project Source & Use Of Funds:

Break out total project costs by use of funds and allocate each use cost by source (attach additional page if necessary).

Total Project Cost (itemize below): \$900,000

Estimated \$600,000 for aquistition, preparation and construction of new 6,250 sq. ft. storage facility.

Estimated \$300,000 for reconfiguring and remodeling of office space, including facade renovation.

Itemized spreadsheet attached.

Owner Equity (dollars and source): _____

\$400,000 Cash Reserve

Private Lending (dollars, source, and terms): _____

\$500,000 Line of Credit (letter attached)

Request for City Assistance (dollars and type): \$90,000

\$90,000 is based on the 10% max allowable by the ED program. Gundlach Sheet Metal will graciously accept whatever assistance that the commission deems appropriate to improve our facility allowing us to continue to grow and thrive in the City of Sandusky.

Project Timeline:

Please outline the project timeline. Please include expected completion dates for items including but not limited to obtaining site control, obtaining financing, and construction.

	<u>Start</u>	<u>Complete</u>	<u>N/A</u>
<u>Site Control</u>	Properties aquired over last decade with most recent being late 2016		
<u>Financing</u>	Using existing credit line		
<u>Construction</u>	Summer 2017	End of 2018	3/31/19
<u>Other</u>			

Project Impact and Employment:

Fiscal year ending March 31

	2017	2018 E	2019	2020
	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue	\$8,050,000	\$9,000,000	\$9,500,000	\$10,000,000
Annual Payroll	\$2,650,000	\$2,856,000	\$3,138,000	\$3,367,000
Current Employment (FTE)	43	45 - 15 office - 30 field	48	50
Average Pay Per Employee	\$61,628	\$63,467	\$65,375	\$67,340

- hire 5-6 new: engineering, sales, support
- already done 2:
 - part/mat coordinator (in warehouse when done)
 - acctg asst
 - doesn't include Ross

Project Concept: Use the space below to address the following:

- How does the proposed project relate to a strategic approach to revitalization of the surrounding area?
- Will the project contribute to a change in the market dynamics, economic status, physical appearance or perception of the area?
- Does the project address specific area needs or missing services?

The proposed project is a continuation of GSM's commitment to the City of Sandusky. By keeping the longest family-owned business operating in the heart of the City, cleaning up the surrounding area and being an example for neighboring property owners, GSM pledges their future to the City. The property acquired along Neil and Division Streets were blighted and troublesome properties. GSM has been acquiring adjacent properties for over a decade to prepare for our future in the City. Our location is situated at the entrance to the downtown corridor, making it one of the first impressions of our City. This combined project allows the premier HVAC company in the City to continue to grow right where it has been rooted over 125 years. With continued growth we will hire additional skilled trades positions, as well as engineering, sales and support staff. These positions will provide exceptional pay and benefits to provide for additional families in our community.

- Windan:

Kept almost 100% of biz

Kept all emp + hired more
need controller + proj mgr ASAP
replace new pos.

Union
- Erie, Huron, Sandusky, + 1 more county

Attachments:

The following should be submitted with your ED Application:

- ☒ Map showing location of Project or business
- ☐ Three years of historical financial statements (if applicable)
- ☐ Three years of projected financial statements (if applicable)
- ☒ Business tax returns for most recent two (2) years
- ☐ Interim financial statements, not more than 90 days old (if applicable)
- ☒ Sources of financing including evidence of private funds and matching funds
- ☒ Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- ☒ Lease agreement, purchase agreement, or proof of ownership (if applicable)
- ☒ Checking this box certifies that the City has reviewed a personal financial statement and personal tax returns for the most recent two (2) years for the member that holds the largest ownership interest in the company; Alternatively the applicant has submitted a letter from a reputable lending institution stating that it has underwritten the project and that its equity holders are financially viable at the time of the application.

Attestation of Financial Condition:

Do you or your business have any of the following:

	YES	NO
Outstanding collections	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Judgement liens	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other court judgements	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Delinquent taxes	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Delinquent loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other tax liens	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Previous bankruptcy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If yes to bankruptcy, has it been fully discharged?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Real estate that is tax delinquent	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Code violations	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Non-registered rental units	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Real estate that is in foreclosure	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Submission Acknowledgment

The undersigned certifies that he/she is authorized to complete, sign and submit this application on behalf of the applicant/owner. Further, the undersigned certifies that the information contained in this application has been reviewed by him/her and that all information, including exhibits, are, to the best of his/her knowledge, complete and accurate and presents fairly the condition of the applicant and project accurately. Intentionally falsifying information in this document constitutes a criminal offense. The undersigned hereby authorizes the City of Sandusky to investigate the credit worthiness and of the undersigned, and/or applicant. The undersigned understands that information submitted to the City of Sandusky as part of this application is considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year.

The undersigned understands that additional information may be required to finalize the approval process, and that, if the project is funded, **Economic Development funds cannot pay for projects completed before grant approval and notice of award.** The undersigned also understands that the submission of the application for financial assistance does not automatically constitute approval.

☐ By checking this box, I acknowledge that I have read, understand, and agree to the policies and procedures outlined in this document. I further agree to be interviewed, photographed and/or have my business photographed for Economic Development marketing purposes. If you have questions, please contact the Department of Community Development.

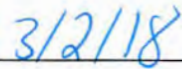
Company Name: Gundlach Sheet Metal Works, Inc.

By: Ross M. Boesch, Business Manager

(Print or type name and title)



(Signature)



(Date)

Inter-Office Use Only

State the date, time, and City staff member(s) present at the pre-application meeting:

3/2/18 8am Maria

Date of Completed Application Submittal: 3/2/18

Staff Reviewer: M Muratori

Date of Committee Review: _____

Approve/Deny: _____

Amount Awarded and terms: _____

CONTACT

Ms. Maria Muratori, Development Specialist
Department of Community Development
222 Meigs Street
Sandusky, Ohio 44870

Phone: 419.627.5891

Email: mmuratori@ci.sandusky.oh.us



October 31, 2017

Mr. Roger M. Gundlach, President
Gundlach Sheet Metal Works, Inc.
910 Columbus Ave
Sandusky, OH 44870

Dear Roger:

This letter is to confirm that Gundlach Sheet Metal Works, Inc. has a One Million Dollar (\$1,000,000.00) line of credit with Civista Bank. This line is secured by an assignment of accounts receivable and inventory.

If you need any additional information concerning this line of credit, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul M. Koch', is written over a horizontal line.

Paul M. Koch
Commercial Lender, Vice President
Civista Bank
100 E. Water St.
Sandusky, Ohio 44870

Form **8879-C****IRS e-file Signature Authorization for Form 1120**

OMB No. 1545-0123

For calendar year 2015, or tax year beginning 04/01/15, ending 03/31/16

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-C and its instructions is at www.irs.gov/form8879c.**2015**Department of the Treasury
Internal Revenue Service

Name of corporation

GUNDLACH SHEET METAL WORKS, INC.

Employer identification number

34-4424374

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	2,465,369
2	Taxable income (Form 1120, line 30)	2	237,778
3	Total tax (Form 1120, line 31)	3	75,984
4	Amount owed (Form 1120, line 34)	4	
5	Overpayment (Form 1120, line 35)	5	12,336

Part II Declaration and Signature Authorization of Officer (Be sure to get a copy of the corporation's return)

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2015 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize PAYNE NICKLES & COMPANY to enter my PIN 24374 as my signature
ERO firm name do not enter all zeros
on the corporation's 2015 electronically filed income tax return.

☐ As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2015 electronically filed income tax return.

Officer's signature ▶ ROGER M. GUNDLACH Date ▶ 08/15/16 Title ▶ PRESIDENT

Part III Certification and Authentication**ERO's EFIN/PIN.** Enter your six-digit EFIN followed by your five-digit self-selected PIN.34536944870

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2015 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ KEVIN D. KIEFFER, CPA Date ▶ 08/15/16

ERO Must Retain This Form — See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-C** (2015)

U.S. Corporation Income Tax Return

For calendar year 2015 or tax year beginning 04/01/15, ending 03/31/16
Information about Form 1120 and its separate instructions is at www.irs.gov/form1120.

OMB No. 1545-0123

2015

A Check if:

- 1a Consolidated return (attach Form 851) ☐
b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

TYPE OR PRINT

Name
GUNDLACH SHEET METAL WORKS, INC.

Number, street, and room or suite no. If a P.O. box, see instructions.

910 COLUMBUS AVENUE

City or town, state, or province, country, and ZIP or foreign postal code

SANDUSKY

OH 44870

B Employer identification number

34-4424374

C Date incorporated

01/01/1950

D Total assets (see instructions)

\$ 2,624,564

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

Income	1a Gross receipts or sales	1a	7,662,462
	b Returns and allowances	1b	
	c Balance. Subtract line 1b from line 1a	1c	7,662,462
	2 Cost of goods sold (attach Form 1125-A)	2	5,282,698
	3 Gross profit. Subtract line 2 from line 1c	3	2,379,764
	4 Dividends (Schedule C, line 19)	4	
	5 Interest	5	4,042
	6 Gross rents	6	
	7 Gross royalties	7	
	8 Capital gain net income (attach Schedule D (Form 1120))	8	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	13,900
10 Other income (see instructions—attach statement)	10	67,663	
11 Total income. Add lines 3 through 10	11	2,465,369	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions—attach Form 1125-E)	12	430,241
	13 Salaries and wages (less employment credits)	13	739,991
	14 Repairs and maintenance	14	57,867
	15 Bad debts	15	14,052
	16 Rents	16	1,282
	17 Taxes and licenses	17	116,040
	18 Interest	18	5,230
	19 Charitable contributions	19	5,140
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	87,046
	21 Depletion	21	
	22 Advertising	22	120,395
	23 Pension, profit-sharing, etc., plans	23	21,447
	24 Employee benefit programs	24	122,336
	25 Domestic production activities deduction (attach Form 8903)	25	23,517
	26 Other deductions (attach statement)	26	483,007
	27 Total deductions. Add lines 12 through 26	27	2,227,591
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	237,778
	Tax, Refundable Credits, and Payments	29a Net operating loss deduction (see instructions)	29a
b Special deductions (Schedule C, line 20)		29b	
c Add lines 29a and 29b		29c	
30 Taxable income. Subtract line 29c from line 28 (see instructions)	30	237,778	
31 Total tax (Schedule J, Part I, line 11)	31	75,984	
32 Total payments and refundable credits (Schedule J, Part II, line 21)	32	88,320	
33 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	33		
34 Amount owed. If line 32 is smaller than the total of lines 31 and 33, enter amount owed	34		
35 Overpayment. If line 32 is larger than the total of lines 31 and 33, enter amount overpaid	35	12,336	
36 Enter amount from line 35 you want: Credited to 2016 estimated tax 12,336 Refunded <input type="checkbox"/>	36		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

Signature of officer **ROGER M. GUNDLACH**

Date

PRESIDENT

Title

Paid Preparer Use Only

Print/Type preparer's name

KEVIN D. KIEFFER, CPA

Preparer's signature

KEVIN D. KIEFFER, CPA

Date

08/15/16

Check ☐ if self-employed

PTIN

P00569226

Firm's name

PAYNE NICKLES & COMPANY

Firm's EIN

34-1664586

Firm's address

422 W. MARKET ST.

Phone no.

SANDUSKY, OH

44870-2410

419-625-4942

Form **8879-C****IRS e-file Signature Authorization for Form 1120**For calendar year 2016, or tax year beginning 04/01/16, ending 03/31/17

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-C and its instructions is at www.irs.gov/form8879c.**2016**

Name of corporation

GUNDLACH SHEET METAL WORKS, INC.

Employer identification number

34-4424374

Part I Tax Return Information (Whole dollars only)

1	Total income (Form 1120, line 11)	1	3,070,428
2	Taxable income (Form 1120, line 30)	2	437,924
3	Total tax (Form 1120, line 31)	3	148,894
4	Amount owed (Form 1120, line 34)	4	
5	Overpayment (Form 1120, line 35)	5	38,147

Part II Declaration and Signature Authorization of Officer. Be sure to get a copy of the corporation's return.

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2016 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize PAYNE NICKLES & COMPANY to enter my PIN 24374 as my signature
ERO firm name do not enter all zeros
on the corporation's 2016 electronically filed income tax return.

☐ As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2016 electronically filed income tax return.

Officer's signature ▶

ROGER M. GUNDLACH

Date ▶

08/16/17

Title ▶

PRESIDENT

Part III Certification and Authentication**ERO's EFIN/PIN.** Enter your six-digit EFIN followed by your five-digit self-selected PIN.34536944870

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112**, IRS e-file Application and Participation, and **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶

KEVIN D. KIEFFER, CPA

Date ▶

08/16/17

ERO Must Retain This Form — See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-C** (2016)

U.S. Corporation Income Tax Return
For calendar year 2016 or tax year beginning 04/01/16, ending 03/31/17
▶ Information about Form 1120 and its separate instructions is at www.irs.gov/form1120.

OMB No. 1545-0123

2016

- A Check if:**
- 1a Consolidated return (attach Form 851) ☐
- b Life/nonlife consolidated return ☐
- 2 Personal holding co. (attach Sch. PH) ☐
- 3 Personal service corp. (see instructions) ☐
- 4 Schedule M-3 attached ☐

**TYPE
OR
PRINT**

Name
GUNDLACH SHEET METAL WORKS, INC.

Number, street, and room or suite no. If a P.O. box, see instructions.
910 COLUMBUS AVENUE

City or town, state, or province, country, and ZIP or foreign postal code
SANDUSKY OH 44870

B Employer identification number

34-4424374

C Date incorporated

01/01/1950

D Total assets (see instructions)

\$ 3,104,666

E Check if: (1) Initial return (2) Final return (3) Name change (4) Address change

Income	1a Gross receipts or sales	1a	8,057,277		
	b Returns and allowances	1b			
	c Balance. Subtract line 1b from line 1a	1c	8,057,277		
	2 Cost of goods sold (attach Form 1125-A)	2	5,089,506		
	3 Gross profit. Subtract line 2 from line 1c	3	2,967,771		
	4 Dividends (Schedule C, line 19)	4			
	5 Interest	5	403		
	6 Gross rents	6			
	7 Gross royalties	7			
	8 Capital gain net income (attach Schedule D (Form 1120))	8			
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9	1,500		
10 Other income (see instructions—attach statement)	SEE STMT 1		10	100,754	
11 Total income. Add lines 3 through 10			11	3,070,428	
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions—attach Form 1125-E)			12	543,007
	13 Salaries and wages (less employment credits)			13	785,074
	14 Repairs and maintenance			14	25,782
	15 Bad debts			15	6,370
	16 Rents			16	1,500
	17 Taxes and licenses			17	129,453
	18 Interest	CLIENT COPY		18	13,493
	19 Charitable contributions	SEE STMT 2		19	7,131
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			20	225,880
	21 Depletion			21	
	22 Advertising			22	142,019
	23 Pension, profit-sharing, etc., plans			23	20,536
	24 Employee benefit programs			24	124,892
	25 Domestic production activities deduction (attach Form 8903)			25	43,311
	26 Other deductions (attach statement)	SEE STMT 3		26	564,056
	27 Total deductions. Add lines 12 through 26			27	2,632,504
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			28	437,924
Tax, Refundable Credits, and Payments	29a Net operating loss deduction (see instructions)	29a		29c	
	b Special deductions (Schedule C, line 20)	29b			
	c Add lines 29a and 29b				
	30 Taxable income. Subtract line 29c from line 28. See instructions			30	437,924
31 Total tax (Schedule J, Part I, line 11)			31	148,894	
32 Total payments and refundable credits (Schedule J, Part II, line 21)			32	187,336	
33 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input checked="" type="checkbox"/>			33	295	
34 Amount owed. If line 32 is smaller than the total of lines 31 and 33, enter amount owed			34		
35 Overpayment. If line 32 is larger than the total of lines 31 and 33, enter amount overpaid			35	38,147	
36 Enter amount from line 35 you want: Credited to 2017 estimated tax 38,147 Refunded <input type="checkbox"/>			36		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below? See instructions. ☒ Yes ☐ No

Signature of officer **ROGER M. GUNDLACH**

Date

PRESIDENT

Title

Paid Preparer Use Only

Print/Type preparer's name

KEVIN D. KIEFFER, CPA

Preparer's signature

KEVIN D. KIEFFER, CPA

Date

08/16/17

Check ☐ if self-employed

PTIN

P00569226

Firm's name

PAYNE NICKLES & COMPANY

Firm's EIN

34-1664586

Firm's address

**422 W. MARKET ST.
SANDUSKY, OH**

44870-2410

Phone no.

419-625-4942

	6250 sq ft
Budget Price	\$ 398,500.00
Add Windows	\$ 4,500.00
4500 Sq Ft parking	\$ 27,000.00
JHI Total	\$ 430,000.00

Property Acquisition	\$ 37,348.00	118 Division, Baaske, Reising
Title / Survey Work	\$ 3,000.00	Hartung
Electrical	\$ 30,500.00	Quoted
HVAC & Plumbing	\$ 8,090.12	Current Costs
Modular Office -Bath	\$ 8,740.00	Wall/roof package only. +labor
Bathroom Build	\$ 1,215.52	Bathroom Fixtures.+labor
Interior Panels	\$ 2,500.00	+labor
Utility Pole Relocate	\$ 6,543.33	\$3585.88 ATT \$2957.45 Ohio Edison
Data / Alarm / Phone	\$ 3,480.45	Alarm and Cameras
Builders Risk Ins.	\$ 741.00	Final
Tree/Stump Removal	\$ 2,473.50	Final
Connex Boxes / Move	\$ 2,125.00	\$550 crane move. \$80 del/pickup. \$85&110/month
Shed Move and Grade	\$ 300.00	
Storage / Shelving	\$ 10,000.00	Budget
Demolition	\$ 14,252.85	Fox, Permits, Abateco. Less City Grant \$5,432 & \$4000
Temp Fencing	\$ 3,793.15	Estimated
Other Permitting	\$ 673.25	Final
Fencing	\$ 17,809.72	Signed Contract
Extras Subtotal	\$ 153,585.89	
Current Est. Total	\$ 583,585.89	
Add. Labor Cost (est.)	\$ 17,000.00	
Est Total	\$ 600,585.89	

Office Remodel Budget Sheet

	Phase I	Phase II	Total	Notes
JHI Base Budget	\$ 118,800.00	\$ 29,700.00	\$ 148,500.00	80% / 20%
Electrical	\$ 30,000.00	\$ 1,000.00		Ballpark estimate
Flooring	\$ 21,000.00	\$ 15,000.00	\$ 36,000.00	Vinyl 6-8 / Carpet 3-4 / Tile 11-13
Painting	\$ 18,000.00	\$ 11,500.00	\$ 29,500.00	Budget Quote
Furniture	\$ 20,000.00	\$ 5,000.00	\$ 25,000.00	3k per space / 5k for conf
Plumbing	\$ 5,000.00	\$ -		Ballpark estimate
Mechanical	\$ 7,500.00	\$ 1,000.00		Ballpark estimate
Skylights	\$ 16,500.00	-	\$ 16,500.00	3 6'x6' skylights (\$5500 each)
Totals	\$ 236,800.00	\$ 63,200.00	\$ 300,000.00	

Maria Muratori

From: Ross Boesch <rboesch@gundlach-hvac.com>
Sent: Friday, March 2, 2018 2:53 PM
To: Maria Muratori
Subject: Gundlach Project

Maria,

The labor for the warehouse would be the \$17,000 that is the second to last line item and \$4995.07 of the "HVAC & Plumbing" line item. So on the warehouse, the total is \$21,995.07.

For the offices, labor will be about \$2500 of the plumbing and \$3000 of the mechanical for a total of \$5500.

The overall reduction for labor would be about \$27500.

Sincerely,

Ross M. Boesch

Health and Safety Director
Human Resources Manager

Gundlach Sheet Metal Works Inc.

910 Columbus Avenue
Sandusky, Ohio 44870
Office: (419) 626-4525
Cell: (419) 656-9404
Fax: (419) 626-9365



Heating
Ventilation
Air Conditioning
Custom Sheet Metal

GUNDLACH
Sheet Metal Works Inc.

www.gundlach-hvac.com

CONFIDENTIAL NOTICE WARNING: Unauthorized interception of this electronic communication could be a violation of the law. The attachments accompanying this electronic transmission contain confidential information belonging to the sender, which is legally privileged. The information is intended only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this message is strictly prohibited. If you have received this communication in error, please immediately notify (419) 626-4525.

Lance A. Boesch Painting, LLC
205 Douglas Drive
Sandusky, Ohio 44870
(419) 626-9448
(419) 366-0547



February 12, 2018

Gundlach Sheet Metal
Columbus Avenue
Sandusky, Ohio 44870

Preliminary pricing:

Phase I

-Painting of ceiling, walls, trim & doors

Labor & material: \$ 18,000.00

Phase II

-Remove wall coverings throughout

-Painting of ceiling, walls, trim & doors

Labor & material: \$ 11,500.00

R.J. Beck Protective Systems Inc.
300 Industrial Parkway, P.O. Box 814
Norwalk, OH 44857 US
(419) 668-3056



PROPOSAL # 9736
DATE 12/20/2017

ADDRESS
Gundlach Sheet Metal Works
Inc.
910 Columbus Avenue
Sandusky, OH 44870

SHIP TO
Gundlach Sheet Metal
Works Inc.
910 Columbus Avenue
Sandusky, OH 44870

Please detach top portion and return with your payment.

P.O. NUMBER

B8512G	1	1,899.00	1,899.00T
Bosch B8512G Alarm Panel. We will upgrade the alarm panel in the main building. This panel will use cell and network communication to the central station. All of the devices from the older system will interface into new. Note some components may need to be upgraded if they are bad.			
1 B 8512 G with enclosure and back up battery			
1 Large enclosure			
1 B 660 popex conversion module			
1 B 440 cellular 2 way communication device			
1 B 450 bus expansion unit for cell unit			
1 antenna			
1 installation set up and programming			
1 network communications unit			
Alarm System Sales	1	1,800.00	1,800.00T
new building			
Run wiring to new building from panel			
1 enclosure			
1 B 208 expansion module			
1 power supply with battery			
3 Nascom Stainless Steel man door switches			
3 Nascom track mounted overhead door switches			
2 Bosch motion detectors			
1 D 928 English keypad with back box			
1 all wiring set up and installation			
B920	1	250.00	250.00T
Bosch B920 Keypad installed new building 2nd keypad			

TERMS: balance due upon completion.

SUBTOTAL	3,949.00
TAX (6.75%)	266.56
TOTAL	\$4,215.56

I hope we may be of service to you. Please contact me at (419) 668-3056 if you have any questions. If you approve of the work quoted, please sign below and return a copy to us.

Sincerely,

Robert J. Beck
President

R.J. Beck Protective Systems Inc.
300 Industrial Parkway, P.O. Box 814
Norwalk, OH 44857 US
(419) 668-3056



PROPOSAL # 9731
DATE 12/19/2017

ADDRESS
Gundlach Sheet Metal Works
Inc.
910 Columbus Avenue
Sandusky, OH 44870

SHIP TO
Gundlach Sheet Metal
Works Inc.
910 Columbus Avenue
Sandusky, OH 44870

Please detach top portion and return with your payment.

P.O. NUMBER

CCTV/ Video Sales

1 Hik Vison Turbo NVR 4 camera one tera byte
4 2mps color mini turret cameras
1 Save4 power supply
Installation set up and wiring.
note client to provide own monitor. NVR placed in new building,,

1 1,340.00 1,340.00T

TERMS : ; balance due upon completion.

SUBTOTAL
TAX (6.75%)
TOTAL

1,340.00
90.45

\$1,430.45

I hope we may be of service to you. Please contact me at
(419) 668-3056 if you have any questions. If you approve of
the work quoted, please sign below and return a copy to us.

Sincerely,

Robert J. Beck
President

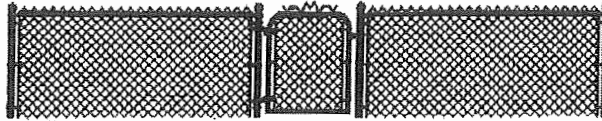
bob@rjbeck.com
DUNS # 029356110 Federal ID# 34-1374581
HubZone # 18481 SBA ID# P0391218

I authorize the above work to be done as quoted and
authorize payment to R.J. Beck Protective Systems Inc.

Accepted By

Accepted Date 2/14/18

bob@rbeck.com



I authorize the above work to be done as quoted and
authorize payment to R.J. Beck Protective Systems Inc.
www.adkins-group.com

2226 WEST GARRISON STREET
419-334-3082
adkinsfence@glis.cc

PROPOSAL/CONTRACT

Page 1 of 1
10/11/2017

Accepted By
Customer Information:

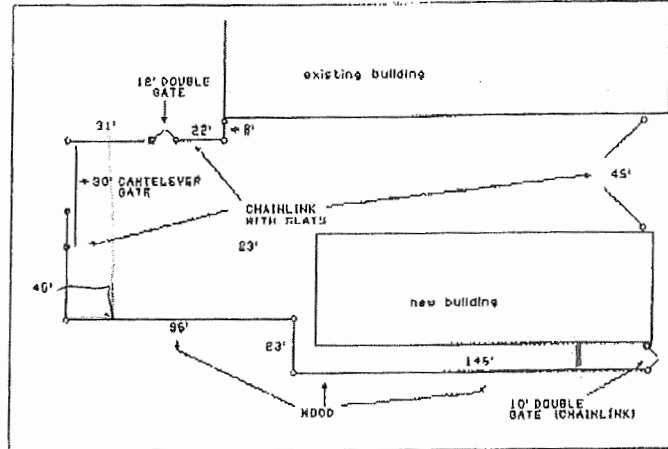
Gundlach
910 Columbus Ave.
Sandusky, OH 44870
419-626-4525

Accepted Date: 2/14/17
JOB INFORMATION

Install 6' high, chainlink fence
with slats & 6' high, solid, wood
fence.

Notes:

- 203'-CHAINLINK: 2 End Posts, 1 Corner Post, 9 Gate Posts, 3 Double Gates, 1 Cantilever Gate
- 263'-WOOD: 2 End Posts, 2 Corner Posts
- MATERIAL:
 - 72" 9 GA. CHAIN LINK FABRIC
 - 1 5/8" X 21' SS20 TOP RAIL
 - 3" X 8' SS20 TERMINAL POST
 - 2 1/2" X 8' SS20 LINE POST
 - 4" X 10'6" SCHEDULE 40 GATE POST
 - 8 5/8" X 10' SCHEDULE 40 GATE POST
 - 72" WHITE PDS PRIVACY SLAT (75% blockage)
 - 1-45', 1-10', 1-12' DOUBLE GATE
 - 72" X 30' 2 1/2" SCHEDULE 40 CANTILEVER GATE
 - 4" X 4" X 8' TREATED WOOD POST
 - 2" X 4" X 16' TREATED WOOD RUNNER
 - 1" X 6" X 6' TREATD WOOD PICKET



Add 48 for using credit card, processing fee.
Customer to have lines cleared of any items that would interfere with fence installation such as bushes, trees, etc..
Dirt from holes will be scattered out or put in piles.
All prices based on normal dirt digging. If air compressor or spud bar is needed to dig holes, there will be an additional charge of \$15.00 per hole.

ADKINS FENCE CO. agrees to guarantee above fence to be free from defects in materials and workmanship for one year.

ADKINS FENCE CO. shall advise the customer as to local zoning regulations but responsibility for complying with said regulations and obtaining any required permits shall rest with the customer. ADKINS FENCE CO. will assist the customer, upon request, in determining where the fence is to be erected, but under no circumstance does ADKINS FENCE CO. assume any responsibility concerning property lines or in any way guarantee their accuracy. If property pins cannot be located it is recommended that the customer have the property surveyed.

ADKINS FENCE CO. will assume the responsibility for having underground public utilities located and marked. However, ADKINS FENCE CO. assumes no responsibility for unmarked sprinkler lines, or any other unmarked buried lines or objects. The customer will assume all liability for any damage caused by directing ADKINS FENCE CO. to dig in the immediate vicinity of known utilities.

The final billing will be based on the actual footage of fencing built and the work performed. Partial billing for materials delivered to the job site and work completed may be sent at weekly intervals. Adjustments for material used on this job and adjustments for labor will be charged or

credited at the currently established rates. Additional charges for any extra work not covered in this contract that was requested by the customer will also be added. The full amount of this contract along with any additional charges will become payable upon completion of all work whether or not it has been invoiced.

A finance charge of 2% per month (or a minimum of \$1.00), which is an annual percentage rate of 24%, shall be applied to accounts that are not paid within 10 days after completion of any work invoiced. All materials will remain the property of ADKINS FENCE CO. until all invoices pertaining to this job are paid in full. The customer agrees to pay all interest and any costs incurred in the collection of this debt. Upon default in any payment by purchaser, ADKINS FENCE CO. may enter upon purchaser's property and remove said goods.

Approved & Accepted for Customer:

Archie M. Gault
Customer

11/2/17
Date

Contract Amount: \$ 17809.72

Down Payment: \$ 9000.00

Balance Due: \$ 8809.72

Accepted for ADKINS FENCE CO.:

Salesperson

Date



Office: 800.636.3873 Cell: 513-252-4096

Fax: 800.594.3245

Email: den.arnold@panelbuilt.com



*Manufacturer of Structural Panelized
Buildings, and Structural Steel Mezzanines*

TO: Ross Boesch

JOB: Gundlach In Plant & Restroom

PROPOSAL NO: 66513C #1 (ADJ) DATE: December 18, 2017

12' x 18' x 9' 3 WALL IN-PLANT OFFICE with LOAD BEARING ROOF

BASE AMOUNT OF PROPOSAL: \$ 7,765.00

Installation: ADD \$ 2,565.00

Stamped Structural, not Electrical, Drawings: ADD \$ 1,200.00

Freight to 44870: ADD \$ 975.00

OPTIONS:

1. Modular Wiring Package: ADD \$ 570.00
 - a. Installation: ADD \$ 135.00

CLARIFICATIONS & EXCLUSIONS:

- Permitting (If Required) By Others
- Foundations and/or Footers By Others
- Equipment Rental Provided By Customer

Shipment: Approximately 3-4 weeks after PBI receipt of signed approvals.

Dear Ross,

We are pleased to present this proposal for your consideration. Below are the details and specifications for your project, as well as our standard terms and conditions. If you have any questions, need any changes, or would like to see any additional options, please give me a call – I'm here to help!

Thank you,

Denny Arnold



PROPOSAL AGREEMENT

OWNER: Gundlach Sheet Metal Works Inc.
910 Columbus Avenue
Sandusky, Ohio 44870
Attn: Ross Boesch
Roger Gundlach

REF: Proposed 6,250 SF Storage Building
910 Columbus Avenue
Sandusky, Ohio 44870

DATE: August 11, 2011 (Updated October 31, 2017)

PROJECT OVERVIEW

Janotta & Herner is pleased to offer this Proposal for the Design and Construction of the proposed 6,250 SF Storage Building located at 910 Columbus Avenue in Sandusky, Ohio.

In addition to the above described Base Bid, additional values have been provided for the following alternates:

Alternate # 1: Add exterior windows for natural light.

Alternate # 2: Add an additional asphalt parking area to the South of the existing buildings.

REFERENCE DOCUMENTS

- 1) Reference Documents include:
 - a) Preliminary Site Plan, Floor Plan and Elevations.

BASE BID

This Proposal includes the cost for design, labor, material, equipment and permits required for the work described hereafter:

A) GENERAL REQUIREMENTS (01000)

- 1) Prepare Stamped Construction Drawings to include the following information:
 - a) Title Sheet
 - b) Site Plan
 - c) Grading Plan
 - d) Utility Plan
 - e) Floor Plan
 - f) ADA Details
 - g) Elevations
 - h) Cross Sections
 - i) Door, Window & Finish Schedules
 - j) Foundation Plan
 - k) Pre-Engineered Building Drawings.
 - l) Mechanical Plan (Per GSM, add to Permit Set)
 - m) Plumbing Plan (Per GSM, add to Permit Set)
 - n) Electrical Plan (Per GSM, add to Permit Set)
- 2) Pay for the required Building, Mechanical, and Electrical Permits through the City of Sandusky Building Department.
- 3) The Erie County Plumbing Permit would be submitted for and paid for by the Owner.
- 4) City of Sandusky Zoning changes, Variances (as required), Planning Commission and Off-street parking; submittal and approval to be handled by GSM.
- 5) Provide Project Management to provide construction scheduling, purchasing of materials and obtaining of qualified subcontractors.
- 6) Provide fulltime onsite construction superintendent.
- 7) Site and building layout as it relates to new construction.

Gundlach Sheet Metal Works – Proposal Agreement

- 8) Janotta & Herner has an established safety program with a Safety Coordinator. We have an ongoing Safety Program for all employees as well as onsite safety inspections to maintain state, federal and local safety regulations.
- 9) All Janotta & Herner employees are drug tested during pre-placement and randomly through local Agencies.
- 10) Provide concrete cylinder testing of concrete pours.
- 11) Provide temporary onsite Office for construction operations.
- 12) Provide daily cleanup to maintain a clear and hazard free worksite. All debris to be removed from site and properly disposed of.
- 13) Provide temporary Restroom and Storage Facilities for construction operations.
- 14) Basic electrical and water for construction operations to be accessed from existing onsite facilities.

B) SITE WORK & DEMOLITION (02000)

- 1) Existing house(s) demolition by others. Including all required permits and hazardous material abatement. Assumes the basements or crawl spaces of these structures would be backfilled in order to be used as engineered fill under the proposed building foundations, floor slab or drive areas.
- 2) Remove and dispose of existing exterior concrete and asphalt as required for installation of building, utilities, parking and drives. All removed concrete and asphalt to be disposed of offsite.
- 3) Excavate and backfill for the following:
 - a) Building foundations and piers.
 - b) Exterior concrete.
 - c) Utilities.
 - d) Parking and drive areas.
 - e) All excavations to be backfilled with premium self-compacting stone fill.

Gundlach Sheet Metal Works – Proposal Agreement

- 4) Site work for utilities to include:
 - a) Storm water drainage modifications and upgrades to include:
 - Downspouts along the East and West elevations would be tied to underground piping, which would be tied to the City of Sandusky storm water system.
 - Pre-cast concrete catch basins would be furnished and installed throughout parking and drive areas. Catch basins would be tied to underground piping, which would be tied to the City of Sandusky storm water system
 - b) Electrical service by the Owner.
 - c) Telephone service and spare conduits would be installed by the Owner as/if needed.
 - d) Water and sanitary would be stubbed and “rough” into new building for a future restroom. Final exterior termination points of these utilities need to be further reviewed.
- 5) Building, parking and drive areas sub-base to consist of a minimum of 6” of compacted #304 stone topped with an additional 2” of compacted #57 stone.
- 6) Asphalt drives and parking (approximately 18,000 SF) to be fine graded, 5” asphalt to be placed in (2) lifts. Asphalt would be striped as needed. This does not include the alternate car parking area to the South of the existing buildings.
- 7) Perimeter of areas disturbed during construction to be finish graded and seeded.

C) CONCRETE (03000)

- 1) Install reinforced concrete footings for building foundations. Concrete footings to have a minimum of 3000 PSI compressive strength. Footers include rebar reinforcement.
- 2) Install reinforced concrete column pads and piers as required. Concrete pads and piers shall have a minimum of 3500 PSI compressive strength. Column pads and piers include rebar reinforcement.

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- 3) Provide and install a 6" thick concrete floor reinforced with 6" x 6" - #10 welded wire mesh. Concrete to be a minimum of 3500 PSI compressive strength, a smooth trowel finish would be applied. Prior to an application of one (1) coat of a water based curing/sealer, floor would be sawed.
- 4) Concrete aprons to be placed at the exterior of all overhead doors and walk doors. Concrete details to be similar to interior floor other than a "broom" versus a smooth trowel finish.

D) MASONRY (04000)

- 1) Foundation walls to be four (4) courses of standard 8" masonry.
- 2) All exterior walls include one (1) course of standard masonry above finished floor.
- 3) All masonry includes a required vertical and horizontal reinforcement.

E) METALS (05000)

- 1) Provide and install twelve (12) 6" diameter concrete filled pipe bollards at the interior and exterior of the new overhead doors and select areas for protection.

F) THERMAL & MOISTURE PROTECTION (07000)

- 1) Provide and install 1-1/2" thick rigid board insulation from finish floor extending below grade by a minimum of 2' at perimeter of foundations.
- 2) Roof insulation to be a double layered system with a thickness of 12". A WMP-50 vapor barrier would be used on the underside.
- 3) Walls to be insulated using 8" thick insulation with WMP-50 vapor barrier. Thermal tape would also be installed between the outside face of the wall framing and wall sheeting.

H) DOORS AND WINDOWS (08000)

- 1) Furnish and install three (3) 3'-0" x 7'-0" hollow metal door frames with steel doors. Doors include ADA compliant hardware.
- 2) Two (2) 12'-0" wide x 14'-0" high and (1) 12'-0" x 12'-0" insulated sectional overhead doors with high lift tracks and operators. These overhead doors also include window lights, self-reversing safety strips, weather-stripping and bottom seals. Overhead doors would be factory pre-finished. Note: Final placement of these doors to be verified.
- 3) Furnish and install a "fixed" exterior window at the future Shipping Office location. This window would include insulated, tinted glazing with a thermally broken aluminum frame. Size to be 4'-0" wide by 4'-0" high.

I) FINISHES (09000)

- 1) Finishes to include:
 - a) Floor to remain exposed concrete.
 - b) Walls and ceiling to be exposed prime painted structural framing and WMP-50 faced insulation.
 - c) Walk doors and pipe bollards to be finished painted.

J) SPECIALTIES (10000)

- 1) Surface mounted fire extinguishers are to be furnished and installed per City of Sandusky Fire Departments recommendations.

K) PRE-ENGINEERED BUILDING (13000)

- 1) Pre-engineered building dimensions are as following:
 - a) Eave height would be 18'-0" with a 1/2:12 roof pitch.
 - b) Building would be a symmetrical gable.

Gundlach Sheet Metal Works – Proposal Agreement

- c) Building would be 50'-0" wide with clear span frames.
- d) Length to be 125'-0" and bay spacing to be five (5) at 25'-0"
- 2) Building to be designed to meet all code requirements, including a 5.0 PSF collateral load.
- 3) Building steel to ship with factory applied shop primer.
- 4) Building structure to utilize tapered sidewall columns and rafters.
- 5) Roof systems to be 24" wide, 24 gauge galvalume standing seam roof system. Finish would be galvalume.
- 6) Wall systems to be 26 gauge prefinished "accent" panels with a 70% Kynar finish.
- 7) Building to be complete with all trims and flashings. All trims and flashings to be 70% Kynar finish.

L) MECHANICAL (15000)

Sprinkler

- 1) Assume fire suppression is not required.

Heating and Ventilation

- 1) By GSM.
- 2) Required framing, trims and flashings by Janotta & Herner for wall or roof mounted equipment.

Plumbing

- 1) Gas piping by GSM.
- 2) Rough-in of future restroom by GSM. Excavation and backfill by J&H.

M) ELECTRICAL (16000)

- 1) Electrical System by Owner, including design, engineering and drawings.

N) PRICE

Our Price to complete the above described scope of work is as follows:

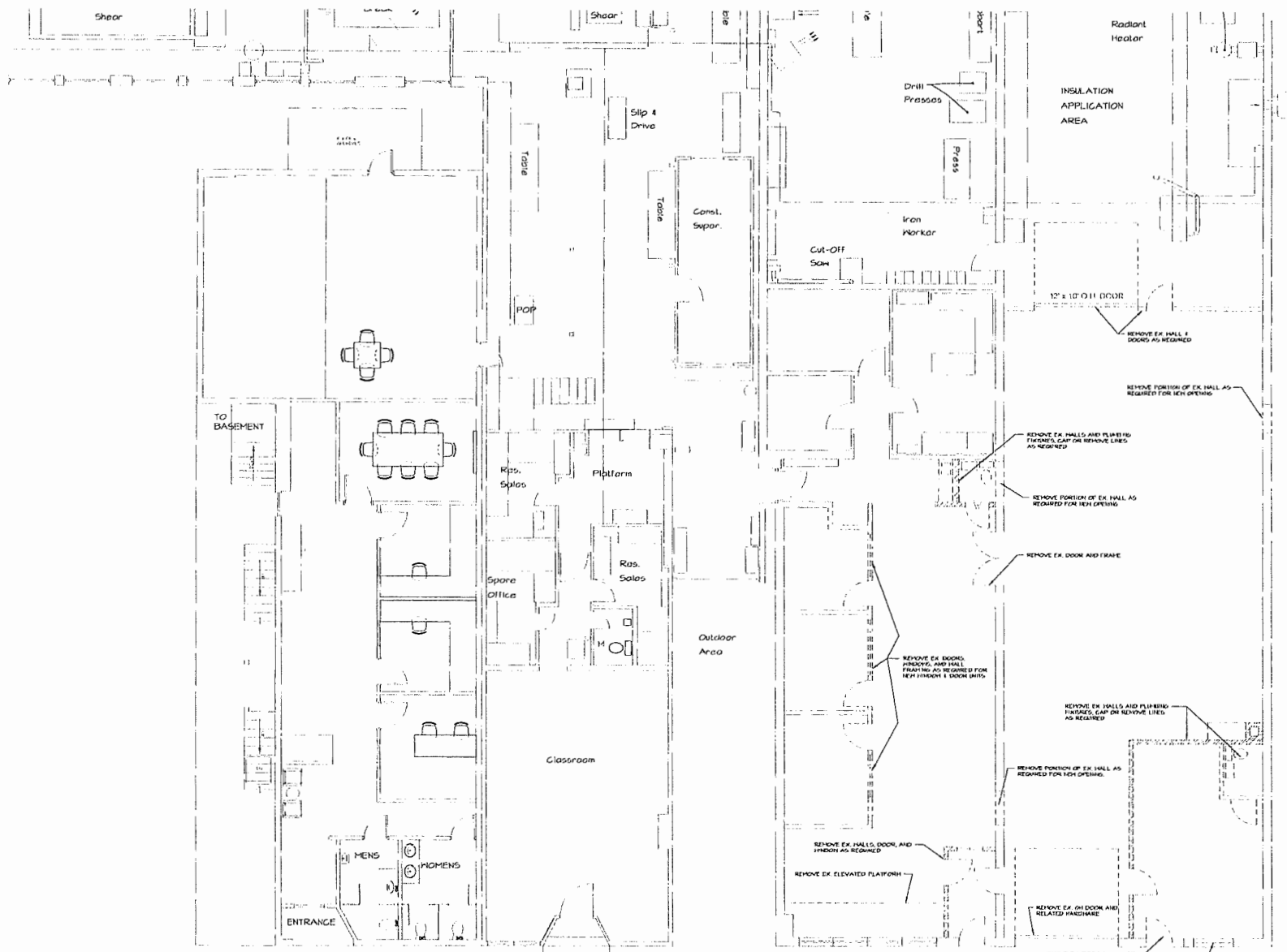
Price...\$ 398,500.00

O) EXCLUSIONS

This Proposal specifically excludes the cost associated with the following items:

- 1) Mechanical, plumbing and electrical systems by Owner.
- 2) Telephone, data, or security systems.
- 3) Winter protection.
- 4) Prevailing Wages.
- 5) Performance Bond.
- 6) Storm water retention or quality systems.
- 7) Builder's Risk Insurance.
- 8) Tap, meter or utility fees.
- 9) Furnishings, signage and other specialized items.
- 10) Change in zoning and zoning variance s by Owner.
- 11) Temporary or permanent fencing and gates.
- 12) Proposal is valid for thirty (30) days.

ALL WORK AND MATERIALS PROVIDED BY JANOTTA & HERNER ARE AND SHALL REMAIN THE SOLE AND EXCLUSIVE PROPERTY OF JANOTTA & HERNER. EXCEPT AS INDICATED BY A NOTE, NO PART OF THIS DOCUMENT IS TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM. WITHOUT THE WRITTEN PERMISSION OF JANOTTA & HERNER. THIS DOCUMENT IS THE PROPERTY OF JANOTTA & HERNER AND IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREIN. IT IS NOT TO BE LOANED, REPRODUCED, COPIED, OR IN ANY MANNER DISSEMINATED TO ANY OTHER PARTY. IT IS TO BE KEPT IN A SAFE PLACE AND NOT TO BE DESTROYED OR DISCARDED AS A TRASH ITEM.



DEMO PLAN
8'0" x 11'0"

date	description
5/2/11	PRELIMINARY
2/16/11	PRELIMINARY

Janotta & Herner
ARCHITECTS
300 Morris St., Moraine, Ohio 44447
www.janottnh.com Ph: (419) 465-4111 Fax: (419) 465-2890

AN OFFICE RENOVATION FOR
GUNDLACH SHEET METAL
810 COLLEGE AVE.
SANDUSKY, OHIO

drawn by:
JLK
job no.
ESTIMATE
sheet:
A-1.1

ALTERNATES

Alternate # 1 – Add fixed exterior windows for natural light. Windows would be 3'-0" high by 10'-0" long. Sill elevation would be placed at 12'-0" above finished floor. Framing would be mill finished aluminum with "Low E" insulated glazing. Sub frames would be 8" cold formed framing, all required trims and flashings are included. These could be placed anywhere desired.

Add to Base Bid Budget: **\$ 1,500.00**
(Per Unit)

Alternate # 2 – Add an additional asphalt car parking lot to the South of the existing buildings. This area (4,500 SF) would include partial demo of existing hard surface, site work, storm water work (piping & catch basins), 4" asphalt, striping, precast parking blocks, new entry apron etc.....

Add to Base Bid Budget: **\$ 27,000.00**

TERMS & CONDITIONS

A) INSURANCE

We carry State of Ohio Workers' Compensation Insurance and liability insurance in the amount of \$1,000,000 with a \$10,000,000 umbrella coverage over these primary limits. Certificates can be furnished upon request.

The Owner shall carry All Risk Builders Risk insurance. Please provide us with an Evidence of Property Insurance Certificate with Janotta & Herner listed as a Loss Payee.

B) WARRANTY

Janotta & Herner shall warrant all work for one (1) year after the Owner takes beneficial occupancy. Any deficiencies in materials or installation found to be the fault of Janotta & Herner shall be repaired by Janotta & Herner at no expense to the Owner. This Warranty excludes defects caused by abuse, alterations, or failure to maintain the completed work.

C) PREVAILING WAGES

This proposal does not include compliance with wage requirements of the State of Ohio Prevailing Wage Law since we have no reason to believe that Prevailing Wage Requirements apply to this project. However, actions of an Owner or public entity may engage Prevailing Wage Requirements for a project. Therefore, it is highly recommended that the Owner investigate the applicability of Prevailing Wage Requirements for this project in detail and advise Janotta & Herner of any need for compliance and the contract amount will, in turn, be adjusted accordingly. If a retroactive determination is made that Prevailing Wage Requirements did apply on this project, the Owner shall reimburse Janotta & Herner for any additional costs required to comply, in addition to any expenses, administrative costs, fees or penalties associated with the Prevailing Wage issue.

D) NOTICE OF COMMENCEMENT

As part of complying with current Contract law, Owner agrees to file Notice of Commencement within seven (7) days after signing Agreement and to provide Janotta & Herner with a copy of Notice of Commencement within ten (10) days of its filing.

Owner also shall maintain a record of the receipt of all requests for Notices of Commencement and respond to all such requests within ten (10) days of the receipt thereof. On the first day of each month, the Owner shall also forward a current listing of Notice of Commencement requests and responses to Janotta & Herner. The Owner shall also maintain a record of the receipt of all Notice of Furnishings received by the Owner. On the first of each month, the Owner shall forward to Janotta & Herner, a current listing of all Notice of Furnishings that have been received by the Owner from entities associated with the project identifying the date each such Notice was received.

E) SALES TAX

The above costs include applicable sales tax for material purchases on the basis of our interpretation that the project is a "Construction Contract".

If any portion of the project involves improvement to personal property, the Owner shall advise Janotta & Herner of the value of such work and whether a tax exemption certificate can be provided for the work. An adjustment to the proposed amounts may be required to accommodate proper taxes for this work.

Any changes in the sales tax rate after execution of the Agreement will require an adjustment to the Contract amount.

F) GOVERNMENT APPROVAL

Due to various interpretations possible and the constantly changing requirements, we cannot guarantee that State approval will be granted without changes or contingencies. This building has been designed to meet "The ADA Accessibility Guidelines" to the best of our knowledge but due to various changing interpretations and requirements for the ADA laws, we specifically include only the ADA items that have been indicated in this proposal. Any governmental changes, contingencies or additional requirements may require a change to the proposal amount.

G) COMPLETION

A detailed progress schedule identifying the projects proposed in structure sequence and duration from a defined agreement execution date will be provided at the request of the Owner.

H) ACCEPTANCE

Janotta & Herner appreciates the opportunity to present this Proposal and we look forward to working with you on this project. Should you have any questions or if additional information is required, please feel free to contact us at any time.

Respectfully submitted,

JANOTTA & HERNER

Mike Garvin
Project Manager

Gundlach Sheet Metal Works – Proposal Agreement

COST SUMMARY

<u>Item</u>	<u>Amount</u>	<u>Initial</u>
Base Bid	\$ 398,500.00	RG
Alternate #1 – (3) Windows on East Elevation	Add: \$ 4,500.00	RG
Alternate #2 – South Car Parking Lot	Add: \$ 27,000.00	RG
	Total: \$ 430,000.00	RG

AGREEMENT

I hereby acknowledge, accept and agree to the provisions described above:

Acceptance by Owner's Authorized Representative:

Signature: Robert M Gundlach
Name: ROBERT M GUNDLACH
Title: PRESIDENT
Date: 11/3/2017

Acceptance by Janotta & Herner Authorized Representative:

Signature: Michael J. Garvin
Name: MICHAEL J. GARVIN
Title: PROJECT MANAGER
Date: 12-15-17



BUDGET PROPOSAL

OWNER: Gundlach Sheet Metal Works Inc.
910 Columbus Avenue
Sandusky, Ohio 44870
Attn: Ross Boesch

REF: Renovation of Existing Offices
910 Columbus Avenue
Sandusky, Ohio 44870

DATE: September 6, 2017 (February 16, 2018)

PROJECT OVERVIEW

Janotta & Herner is pleased to offer this Budget Proposal for the proposed renovation of the existing office areas located at 910 Columbus Avenue in Sandusky, Ohio. This will be referred to as the Base Bid Budget.

In addition to the above described base bid budget, additional values has been provided for the following alternates:

Alternate # 1 – Add skylights in existing roof system.

Alternate # 2 – Add an acoustical grid ceiling throughout the new office area.

REFERENCE DOCUMENTS

- Demo Plan (A-1.1) dated 2/16/18.
- Proposed Floor Plan (FP-1) dated 2/16/18.

BASE BID BUDGET

This Budget Proposal includes the cost for design, labor, material, equipment and permits required for the work described hereafter:

A) GENERAL REQUIREMENTS (01000)

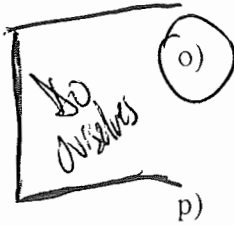
- 1) Prepare Stamped Construction Drawings to include the following information:
 - a) Title Sheet
 - b) Site Plan for Location of Renovations
 - c) Demo Plan
 - d) Floor Plan
 - e) Architectural Details and Sections.
 - f) ADA Details
 - g) Door, Window & Finish Schedules
 - h) Mechanical Plan (Per GSM, add to Permit Set)
 - i) Plumbing Plan (Per GSM, add to Permit Set)
 - j) Electrical Plan (Per GSM, add to Permit Set)
- 2) Pay for the required Building, Mechanical, Plumbing and Electrical Permits through City of Sandusky Building Department.
- 3) Provide Project Management to provide construction scheduling, purchasing of materials and obtaining of qualified subcontractors.
- 4) Provide fulltime onsite construction superintendent.
- 5) Janotta & Herner has an established safety program with a Safety Coordinator. We have an ongoing Safety Program for all employees as well as onsite safety inspections to maintain state, federal and local safety regulations.

- 6) All Janotta & Herner employees are drug tested during pre-placement and randomly through local Agencies.
- 7) Provide daily cleanup to maintain a clear and hazard free worksite. All debris to be removed from site and properly disposed of.
- 8) Provide temporary Storage facilities for construction operations.
- 9) Basic electrical and water for construction operations to be accessed from existing onsite facilities.

B) SCOPE OF WORK

- 1) Work would be sequenced as follows:
 - a) Work South of the existing separation wall would be performed and completed prior to the work North of the separation wall. This would be done to lessen the impact on GSM's daily operations
- 2) Demolition to occur as needed, all removed debris to be placed in dumpsters as provide by GSM. This would include:
 - a) Concrete as required for new underground plumbing.
 - b) Concrete as required for the construction of an ADA compliant entry way.
 - c) Selected masonry, wall framing, windows, doors, drywall, flooring and ceilings to accommodate layout of new floor plan.
- 3) New Construction to include:
 - a) Excavate and backfill for new underground plumbing.
 - b) Re-pouring/overlay of floor slab as needed. The entire area South of the existing separation wall would be brought to a matching elevation of the existing offices to the North. New floor slab to be 3500 PSI concrete with a smooth trowel finish.
 - c) New wall framing would be steel studs (3 5/8" & 6"), placed on 16" centers. All framing to be insulated for sound and covered with 5/8" drywall.

- d) In areas without acoustical ceilings, the stud walls would extend to 9'-0". In areas with acoustical ceilings, the perimeter stud walls would extend to existing roof deck, interior walls in these areas would extend to 9'-0".
- e) New drywall to be taped, finished, sanded, primed and ready for paint.
- f) New ceilings to be a 2 x 2 grid with 5/8" tegular ceiling tiles. Ceilings would be installed in the restrooms, vestibule, HR office and coat closet. The remainder of the office areas would remain open to the existing roof framing system. Ceiling heights in restroom and coat closet would be 8'-0". The vestibule and HR office ceiling heights would be 9'-0".
- g) Painting and staining would be by others, this work by others would need to include:
 - Drywall, doors, door frames, roof framing, roof decking, masonry walls, and door frames to be finish painted.
- h) New Flooring and floor base, including demo as required, would be by others.
- i) Wall Openings would be in-filled and created as needed.
- j) All exterior windows to have plastic laminate material installed on sills.
- k) The existing Lobby would be renovated into a conference room. Existing Product Display platform would be removed.
- l) The remainder of the existing office areas to remain unchanged with the exception of new aluminum and glass partitions walls in three (3) offices and the wall separating the new conference room and existing open office areas.
- m) New ADA restrooms to include baked enamel floor and wall mounted partitions; stainless steel accessories to include grab bars, mirrors, TP dispensers, soap dispensers and paper towel dispensers.
- n) ADA parking spaces to be designated and properly marked. Restrooms to include ADA signage as well.



o) Coffee Area to include five (5) lineal feet of base cabinets, top cabinets, and countertop. Cabinets and countertop finish to be plastic laminate.

- p) Aluminum and glass to be used in the following interior areas:
- Vestibule to reception area door system.
 - HR office entry door and interior window (extends from finished floor to door height -7'-0").
 - Eighteen (18) lineal feet of wall system and entry door at the 12' x 10' office. The height of this system would be 9'-0".
 - Sixteen (16) lineal feet of wall system and entry door at the 10' x 12' office. The height of this system would be 9'-0".
 - Three (3) existing offices would have ten (10) lineal feet of wall system and entry doors installed in place of existing finished walls. The height of these walls would match the existing ceiling grid height.
 - Fourteen (14) lineal feet of wall system and entry door would be installed at the new conference room location. The height of this system would match the existing ceiling height.
 - The aluminum and glass systems above would include un-insulated 1/4" glass and either bronze or clear anodized un-insulated aluminum framing.
- q) The existing overhead door would be removed. This opening would be in-filled with an aluminum and glass storefront system. This system would utilize insulated glass and thermally broken framing.
- r) The existing window at the new HR office location would be replaced with a new larger unit with similar specifications as the new Storefront system.
- s) New entry way to include a decorative exterior canopy with a projection of 4'-0". This new aluminum and glass entry door would be ADA compliant, specifications would be similar to the new storefront system above.

- t) Existing main aluminum and glass entry door to remain as a secondary entry point. A decorative canopy would be added over this entry way, this canopy would match the new entry canopy.
- u) Existing exterior windows in the new conference room would remain unchanged.
- v) A new exit/entry door would be added in the existing South exterior wall, this door would utilize a hollow metal frame and insulated steel door. Door and hardware would be ADA compliant.
- w) HVAC changes by GSM
- x) Plumbing changes by GSM.
- y) Electrical changes by GSM.

C) BUDGET PRICE

Our Budget Price for to complete the above described scope of work is as follows:

Base Budget Price:...\$ 148,500.00

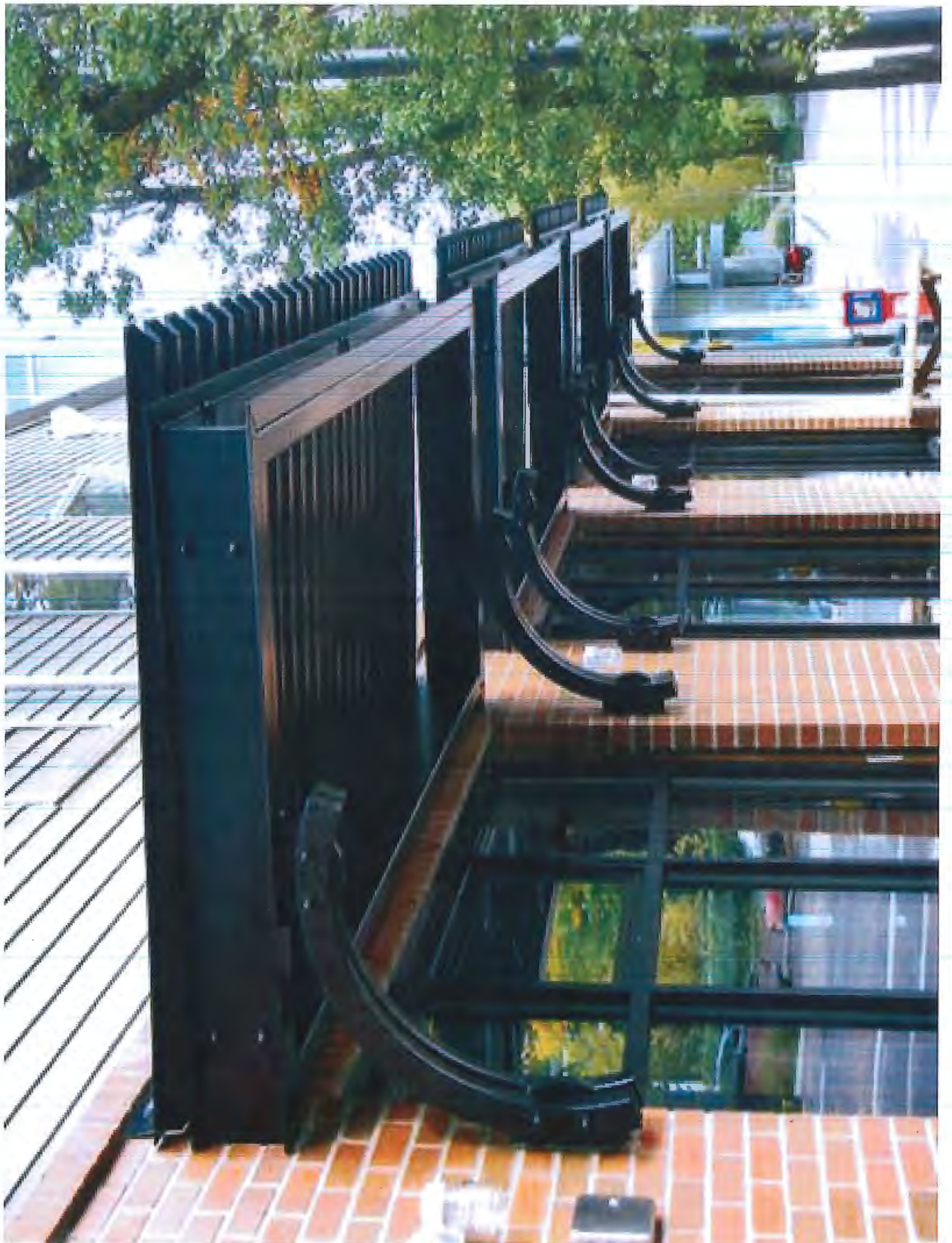
Alternate # 1 – Add Skylights in Existing Roof System.

Modify existing roof framing, roof deck and roof system to install an insulated skylight with approximately twenty five (25) square feet. Roof framing to be left to run through skylight opening.

Add to the Base Bid Budget:...\$ 5,500.00
(per unit)

*Excl. Plan
incl.*




















Alternate # 2 – Add an acoustical grid ceiling throughout the new open area versus leaving this area open to the existing roof framing and deck.

In lieu of leaving the new open office areas open to the existing wood roof truss and decking. A 2 x 2 acoustical grid ceiling grid and tile system would be added throughout this area at 9'-0". This ceiling system would be similar to the finished areas in the base bid description above.

Add to the Base Bid Budget:...\$ 15,000.00

D) EXCLUSIONS

This Budget Proposal specifically excludes the cost associated with the following items:

- 1) Mechanical, plumbing and electrical systems by Owner.
- 2) Telephone, data, security etc... systems and wiring.
- 3) Removal or disposal of any hazardous materials such as lead paint, asbestos, etc...
- 4) Upgrading of any additional areas for code or ADA compliance other than those described above.
- 5) Office furniture, service counters, work stations, cubicles, wall coverings, window treatments, etc...
-  6) Any modifications or new penetrations through the existing roof.
- 7) Painting (including prep), floor coverings, floor base, exterior/interior signage (other than ADA signage),

TERMS & CONDITIONS

A) INSURANCE

We carry State of Ohio Workers' Compensation Insurance and liability insurance in the amount of \$1,000,000 with a \$10,000,000 umbrella coverage over these primary limits. Certificates can be furnished upon request.

The Owner shall carry All Risk Builders Risk insurance. Please provide us with an Evidence of Property Insurance Certificate with Janotta & Herner listed as a Loss Payee.

B) WARRANTY

Janotta & Herner shall warrant all work for one (1) year after the Owner takes beneficial occupancy. Any deficiencies in materials or installation found to be the fault of Janotta & Herner shall be repaired by Janotta & Herner at no expense to the Owner.

This Warranty excludes defects caused by abuse, alterations, or failure to maintain the completed work.

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H) ACCEPTANCE

Janotta & Herner appreciates the opportunity to present this Budget Proposal and we look forward to working with you on this project. Should you have any questions or if additional information is required, please feel free to contact us at any time.

Respectfully submitted,

JANOTTA & HERNER

Mike Garvin
Project Manager



57-00934.000

On Call for Air and Gas

WAYNE ST

S ELM ST

S MADISON ST

E PARK ST
COLUMBUS AVE

W PARK ST

HAYES AVE

4

Accuterra
Map Engine

100 Feet

Data For Parcel 57-00934.000

Base Data

Parcel: 57-00934.000
Owner: GUNDLACH SHEET METAL WORKS INC
Address: 908 COLUMBUS SANDUSKY OH 44870



[+] Map this property.

Tax Mailing Address If you have a mortgage this may be the mortgage company's address.

Mailing Name: GUNDLACH SHEET METAL WORKS INC
Address: 910 COLUMBUS AVE
City State Zip: SANDUSKY OH 44870

Geographic

City: SANDUSKY CITY
Township:
School District: SANDUSKY SD

Legal Legal Annual Tax is for Tax Year 2017 Payable 2018

Legal Acres:	1.0986	Homestead Reduction:	NO
Legal Description:	43 44 45 46 COLUMBUS AVE WH 5&6 OL1 DIVISION ST W END 64 66 68 WAYNE ST 70 NEIL ST	2.5% Reduction	NO
Land Use: Download descriptions.	480 - COMMERCIAL WAREHOUSES	Foreclosure:	NO
Neighborhood:	45708	Board of Revision:	NO
Number Of Cards:	1	New Construction:	NO
Annual Tax (Does not include delinquencies.):	\$1,265.34	Divided Property:	NO

Notes

Notes: MAP NUMBER: 4
 PERSONAL PROPERTY DISTRICT: 22-0320

Report Discrepancy

GIS parcel shapefile last updated 2/26/2018 10:12:02 PM.

The CAMA data presented on this website is current as of 2/26/2018 9:02:41 PM.



REFRIGERATION SALES CORPORATION

9450 Allen Drive, Suite A, Valley View, OH 44125

216.525.8200 • 866.894.8200

www.rsc2go.com

March 12, 2018

Dear Ms. Muratori,

I'm delighted to provide a reference for the Gundlach family and Gundlach Sheet Metal. Gundlach Sheet Metal has been a client of RSC since 1976. They have met the requirements for Factory Authorized Dealer designation and most recently (March 2017), Roger Gundlach, earned the coveted Dealer Hall of Fame Award from Carrier Corporation. Our relationship with Gundlach goes back to 1976 and each generation in the Gundlach family has brought energy, expertise and excellence to the Gundlach family business. RSC has benefited greatly from the professionalism and business acumen of this company.

Andrew Gundlach has completed many complex jobs using our products and controls and is top notch in his field. He has never disappointed or left a job incomplete. Andrew has completed many hours of training and is always willing to learn new technology and take on challenging jobs.

I am very confident in the team at Gundlach to successfully renovate their offices and expand their footprint. Gundlach has achieved much success in the 40 plus years we have been partnering with them. Their accomplishments have been many and continue to impress us.

They are a great partner for RSC and represent our products with the highest level of expertise and professionalism.

Sincerely,

Rhonda Wight

Service Speed • Expertise • Relationships

Maria Muratori

From: Miller, James O. <jomiller@civistabank.com>
Sent: Monday, March 12, 2018 11:27 AM
To: Maria Muratori
Subject: RE: Gundlach - Reference

Maria

Their company is as old as the bank. I believe their original account number with us was #3. You could not ask for a better or more successful Sandusky company. They do what they say they are going to do. I am confident enough in them that I would do business with them on a handshake.

Jim

JAMES O. MILLER

Chairman of the Board

CIVISTA BANK | civistabank.com | 100 E. Water St, Sandusky, OH 44870
Office: 419.627.4555 | x10155

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From: Maria Muratori [<mailto:mmuratori@ci.sandusky.oh.us>]
Sent: Monday, March 12, 2018 11:23 AM
To: Miller, James O. <jomiller@civistabank.com>
Subject: Gundlach - Reference

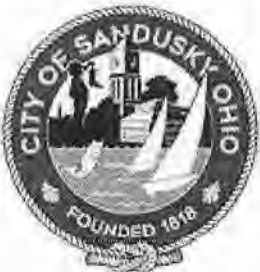
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Hello Mr. Miller,

Gundlach Sheet Metal Works, Inc. indicated you as a reference on its economic development grant application with the City of Sandusky. Please speak to the following regarding its current project:

- What is your relationship with Gundlach?
- What is your confidence in its ability to successfully expand its existing footprint and renovate its offices?
- Is there any other information you would like to share regarding Gundlach Sheet Metal Works, Inc?

Thank you for your help.



Maria Muratori | *Development Specialist*
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