



Department of Community Development

222 Meigs St.
Sandusky, OH 44870
Phone: 419.627.5707
www.ci.sandusky.oh.us

ECONOMIC DEVELOPMENT INCENTIVE COMMITTEE MEETING AGENDA May 15, 2018

- I. Meeting called to order
- II. Approval of minutes 2 - 4
- III. Program financial update 5
- IV. Review of applications
 - a. H & C Building Supplies (affiliated with The Huron Cement Products Co., Inc.) 6 - 24
 - b. Amber Lee Patterson (dba Fancy Me Boutique) 25 - 43
 - c. Luco-Wes Properties, LLC 44 - 78
- V. Reminder of next meeting – June 12th, 2018 at 1:30pm
- VI. Public Participation
- VII. Meeting Adjournment

Economic Development Incentive Committee

April 10, 2018
Meeting Minutes
"draft"

Call To Order

Chairman Nickles called the meeting to order at 1:43 PM. The following members were present: Mr. Paul Koch, Mr. Justin Harris, Ms. Abbey Bemis and Chairman Al Nickles. Ms. Maria Muratori, Development Specialist presented the applications. There were 4 voting members present.

Approval Of Minutes

Mr. Koch moved to approve the minutes from the March 13, 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 April 10, 2018:

ECONOMIC DEVELOPMENT FUNDS										
	2017 Carryover	Repayments	Beginning Balance	Date Approved	Committed	Spent	Revenue	Ending Balance	Total Project Cost	Estimated New Jobs
	\$ 3,557	\$ 104,484	\$ 558,041					\$ 91,822		40
Substantial Development			\$ 370,000							
SandCity, LLC				3/14/2017	\$ 125,000	\$ -	\$ -		\$ 6,845,872	32.5
Renaissance Too, LLC				2/13/2018	\$ 90,000	\$ 150	\$ 125		\$ 738,000	9
Marous Development Group, LLC				3/13/2018	\$ 100,000	\$ 150	\$ 125		\$ 13,005,200	23
Gundlach Sheet Metal Works, Inc.				3/13/2018	\$ 50,000				\$ 900,000	5
								\$ 4,950		
Facade			\$ 70,000							
H2 Property Management				2/13/2018	\$ 35,000	\$ 150	\$ 125		\$ 232,155	0
								\$ 34,975		
Signage			\$ 44,484							
Peerless Stove & Manufacturing Co.				2/13/2018	\$ 9,215	\$ 150	\$ 125		\$ 12,287	0
MJC Services, Inc., DBA Simplicity Camera				2/13/2018	\$ 504	\$ 150	\$ 125		\$ 671	0
Erie County Community Foundation				3/13/2018	\$ 20,000	\$ 150	\$ 125		\$ 737,406	0
								\$ 14,690		
Small Business Assistance			\$ 70,000							
BSL Holdings Ltd.				1/9/2018	\$ 15,000	\$ 150	\$ 125		\$ 29,796	0
Omeca Inc., DBA Cameo Pizza				2/13/2018	\$ 9,500				\$ 38,621	0
Whodini's Great Adventures, LLC, DBA Escape Rooms by Frankindley				2/13/2018	\$ 2,500	\$ 150	\$ 125		\$ 5,000	1
Brew Tours, LLC, DBA San Brew Bike				3/13/2018	\$ 9,300				\$ 21,913	2
								\$ 33,650		
Economic Development - Other Expenditures			\$ 3,557							
								\$ 3,557		
Total					\$ 465,019				\$ 22,367,925	
Ex SandCity					\$ 341,019				\$ 15,722,053	
Leverage	48.0									
Ex SandCity	46.1									
2018 Expenditure										

Ms. Muratori stated that after the previous month's meeting, there was approximately \$92,000 left in the budget. An audit of principle and interest payments received from the program showed an additional \$24,000 (approximate) to be added into the May Financial Statement.

Application Review

Dawn Weinhardt, Erie County Visitor's Bureau, Inc., dba Lake Erie Shores & Islands ("LESI") had applied for a grant for both Small Business Assistance and Signage and Façade. LESI would like to install signage at its new location at 125 East Water Street. LESI would like to have a sign made to fit in the existing indentation of the Water Street entrance just above the second floor windows as well as above the doors of the Shoreline Drive entrance. It would also like to add its logo to the Water Street windows and / or doors. The Small Business Assistance portion of the project has two distinct elements: interactive kiosks and a charging station. The interactive kiosks will provide residents and visitors a method to locate restaurants, lodging, shopping, attractions, parks and other natural areas and more in the Lake Erie Shores & Islands region. Guests will be able to print this information at the Welcome Center and / or send information from the kiosks to their personal devices. The charging station will be available to residents and guests at no charge to recharge cell phones or tablets while gathering information about the region.

The recommended total grant amount of \$14,000.00 (\$10,000 Small Business Assistance and \$4,000 Signage and Façade) is equivalent to approximately 56% of the total project costs (in line with program guidelines) and will leverage private dollars almost 2x. The Small Business Assistance grant is 53% of project costs and the Signage grant is 62% of project costs – both in line with program guidelines. The project completion date is 3/31/19.

These grants are in addition to the grants already awarded to Renaissance Too and the tax abatement request that will also be considered to Renaissance Too.

Mr. Harris moved to approve both recommended grants as submitted. Mr. Koch seconded the motion. With no further discussion, the motion carried with a 3/0 vote; Ms. Bemis abstained.

Application Review

Deborah Neill and Jacqueline Sennish, Mabel & Ethel's Quilt Shoppe, LLC, dba M&E Quilt Shoppe ("M&E") had applied for a grant for Small Business Assistance for their business located at 279 E. Market Street. M&E is looking to expand its offerings to customers which will enhance it as a unique destination. M&E would like to add two (2) Babylock Coronet long arm quilting machines. M&E will work with Pins & Needles as a satellite dealer and receive commission on every sale it makes for a Coronet. M&E will be able to show and sell this product and also will be able to rent time out on these products for customers who need access – this is a service even JoAnn Fabrics does not offer.

The recommended total grant amount of \$8,399.99 is equivalent to approximately 60% of the total project costs (in line with program guidelines) and will leverage private dollars approximately 1.7x. M&E plans to hire one 0.5 FTE in year one and one additional FTE by year three and the project completion date is 7/31/18.

Mr. Harris moved to approve the recommended grant as submitted. Mr. Koch seconded the motion. With no further discussion, the motion carried with a 4/0 vote.

Next Meeting

Chairman Nickles stated that the next meeting will be Tuesday, May 8, 2018 at 1:30PM. Since this is Ms. Muratori's last meeting, Mr. Harris stated that either Mr. Lasko or a designee will present the applications for future meetings.

Public Participation

There was no public participation for this meeting.

Adjournment

With no further business, Chairman Nickles adjourned the meeting at 2:03PM.

APPROVED:

Debi Eversole, Clerk

Al Nickles, Chairman

ECONOMIC DEVELOPMENT FUNDS

[illegible]

May 15, 2018

Economic Development Incentive Committee Summary

John Caporini / H & C Building Supplies (a division of Huron Cement Products Co., Inc.)

APPLICANT: John J. Caporini
2925 Venice Road
Sandusky, Ohio 44870

CORPORATE STRUCTURE: C-Corporation

PRINCIPAL/% OWNERSHIP: Robert David – Owner 30%
John Caporini – Owner 23%
Various Others – Owners 47%

PROGRAM APPLIED FOR: Signage & Facade

RECOMMENDATION: \$2,786.96 Signage & Facade 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 10/31/2018.

This project helps an existing business to enhance signage and related visibility and to be able to more clearly market and promote ongoing special, discounts and other company promotions.

BACKGROUND

Huron Cement was founded in 1947 and currently maintains operations in three facilities in Huron, Sandusky and Bellevue. Originally a hand-made cement block company, the company has shifted its focus to be a maker and supplier of ready-mix concrete, drywall, building materials and landscape supplies. In 1993, Huron Cement established H & C Building Supplies to service North Central Ohio with various building supply needs including ready-mix concrete, stamped concrete, drywall, unilock pavers, patio stones, drop ceilings, steel studs, foundation windows, plastic pipes and various other construction materials. H & C Building Supplies views its main market as existing in Erie, Huron, Sandusky, Seneca and Ottawa counties.

PROJECT DESCRIPTION

H & C Building Supplies is looking to refurbish and relocate its existing sign and to encase the newly located sign within a decorative stone casing. The existing sign is very weathered and sits well above eye level of passing traffic. This makes it difficult for traffic and potential customers to view current specials, sales and promotions offered by the company and the current sign detracts from the overall

aesthetic of the area and building. The sign will be refurbished and moved to ground level, viewable by passing traffic and will be encased in decorative stone in materials and colors similar to the existing building.

PROJECT FINANCING

The project sources and uses are as follows:

Uses

Materials (Stone)	\$	773.92
Excavation and Pouring of Footer Slab	\$	1,800.00
Sign Construction and Installation	\$	3,000.00
Total	\$	5,573.92

Sources

Owner Equity	\$	2,786.96
Grant Request - Signage & Façade Assistance	\$	2,786.96
Total	\$	5,573.92

The recommended total grant amount of \$2,786.96 is equivalent to 50% of the total project costs (in line with program guidelines).

FINANCIAL SUMMARY – BUSINESS

This section is not applicable to signage applications.

RECOMMENDATION

I recommend a \$2,786.96 Signage and Façade grant to support this project. This project will help an existing business with its visibility and marketing efforts. H & C Building Supplies is a longstanding business within the City and valued contributor and employer on the Venice Road Corridor and westside community.

Applicant / Borrower Company:

H & C Building Supplies

(Applicant Name)

JOHN J. Caporini

(Title)

President

(Company Name – if different than Applicant Name)

THE HURON CEMENT PRODUCTS CO. INC.

(Street Address)

617 Main St.

(Suite, Apt, etc.)

(City, State, Zip)

Huron, Ohio 44839 john.c@huroncement.com

(Phone Number)

419-433-4161 ext. 107

(Email)

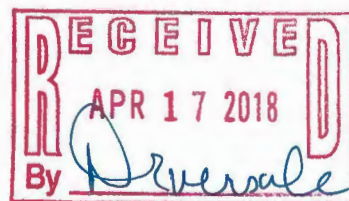
john.c@huroncement.com

(Federal Tax ID or last 4 of SSN)

34-426-8110

(Fax Number)

419-433-4690



Existing Business Information:

Type of Business: ☒ Commercial/Retail

☐ Service

☐ Other _____

Legal Structure: C Corporation

Primary Product or Service: Ready-Mix Concrete / Bldg. Supplies

Date Established: 1947

NAICS-SIC Code: _____

Website (if applicable): www.huroncement.com

Principal Officers / Owners:

Name / Title: John J. Caporini Resident

Email: johnc@huroncement.com

Phone: 419-433-4161 ext. 107

SSN (last 4): 296-46-9220

% Ownership: 23%

Name / Title: Robert David

Email: bobd@huroncement.com

Phone: 419-433-4161 ext. 111

SSN (last 4): _____

% Ownership: 30%

Name / Title: _____

Email: _____

Phone: _____

SSN (last 4): _____

% Ownership: _____

Name / Title: _____

Email: _____

Phone: _____

SSN (last 4): _____

% Ownership: _____

Location of Proposed Project:

2925 Venice Rd

(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).

I have been involved with Huron Cement
full-time, since 1973. I have substantial
Expertise in Ready-mix Concrete and Bldg.
Supplies. I have a B.A. from Muskingum
College, New Concord, Ohio and a Masters from
Northwestern University in Evanston, Illinois.
H+C Bldg. Supplies was established as a store
in 1993 and in 1998 a ready-mix concrete
operation. We sell drywall, drainage, paint
and other hardware-related products.

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 refurbishing our main sign to provide in a better way the products we handle. It will allow us to list specials, which the current sign hampers us.

The sign will be at eye level to capture the attention of passerby motorists. The sign will also compliment the colors of our current building.

Business/Personal References:

Name / Title: Lehigh Hanson

Email: Karen.cox@hanson.com Phone: 610-366-4753

Relationship: material supplier

Name / Title: St. Mary's Cement, Inc.

Email: _____ Phone: 313-849-4588

Relationship: material supplier

Name / Title: Do It Best

Email: _____ Phone: 260-748-5300

Relationship: material supplier

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): _____

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>See Cap's Outdoor Designs quote</u>
<u>Material (stone)</u>	<u>\$773.92</u>
<u>Excavate & pour footer slab</u>	<u>\$1,800.00</u>
<u>Construct sign, labor</u>	
<u>with some diamond cutting</u>	<u>\$3,000.00</u>
<u>TOTAL</u>	<u>\$5,573.92</u>

Owner Equity (dollars and source):

HURON CEMENT \$2786.96

Private Lending (dollars, source, and terms):

N/A

Request for City Assistance (dollars and type):

\$2786.96 - 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>As soon as Application approved - 3 months</u>		
<u>Financing</u>	<u>With approval finances in place</u>		
<u>Construction</u>	<u>3 months from application approval date</u>		
<u>Other</u>			

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

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue				
Annual Payroll				
Current Employment (FTE)				
Average Pay Per Employee				

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?

(N/A for Signage)

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		✓
Judgement liens		✓
Other court judgements		✓
Delinquent taxes		✓
Delinquent loans		✓
Other tax liens		✓
Previous bankruptcy		✓
If yes to bankruptcy, has it been fully discharged?		N/A
Real estate that is tax delinquent		✓
Code violations		✓
Non-registered rental units		✓
Real estate that is in foreclosure		✓

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:

H&C Bldg. Supplies / A Division of
THE HURON Cement Products Co. Inc.

By:

John J. Caporini

President

(Print or type name and title)

John J. Caporini

(Signature)

3/22/2018

(Date)

Cap's Outdoor Designs
223 Fremont Ave. Huron, Oh 44839
419-656-4272

Decorative stamped concrete, concrete, paver and retaining wall installation and construction. Specialized coatings, sealing and designs.

Quotation

Huron Cement
617 Main St.
Huron, Ohio 44839

Descriptions:

Materials:

Pillars, caps and wall units to construct new sign of estate wall and brussels dimensional. \$773.92

Excavate and pour footer pad slab. 8" thick 8x15 estimated. \$1,800.00

Construct sign labor with some diamond cutting. We shall provide glue. \$3,000.00



OPEN MON.-FRI. 8:00-12:30

**JOIN OUR TEAM
DIESEL MECHANIC
CDL DRIVERS
APPLY INSIDE**

2925 Venice Rd





Sent from my iPhone

From: Nathan L. Sedatsh
To: JAY, JAY
Subject: 701 1st St
Date: Wednesday, March 21, 2018 2:07:48 PM

From: nathan sedatsh [mailto:nathan555@yahoo.com]
Sent: Wednesday, March 21, 2018 1:56 PM
To: Nathan L. Sedatsh
Subject: Sign pic







Sent from my iPhone

May 15, 2018

Economic Development Incentive Committee Summary

Amber Patterson (dba Fancy Me Boutique)

APPLICANT: Amber Patterson
330 Bogart Road
Huron, Ohio 44839

CORPORATE STRUCTURE: N/A Personal

PRINCIPAL/% OWNERSHIP: Amber Patterson – Owner 100%

PROGRAM APPLIED FOR: Small Business Assistance Grant

RECOMMENDATION: \$1,500.00 Small Business Assistance grant; contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, participating in no less than eight (8) events within the municipal limits, 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 12/31/2018.

This project helps an existing on-line business develop its physical presence while also bringing a unique shopping experience to event goers within the City. This will also assist the business owner in exploring the financial and market feasibility of moving into a permanent storefront in downtown Sandusky.

BACKGROUND

In 2015, Amber Patterson founded (part-time) Fancy Me Boutique, an online boutique specializing in custom shirts and apparel. Before this endeavor, Mrs. Patterson ran (and still does) an in-home daycare service. Due to the growth of the online business, and desire to develop a presence in which customers can see and touch the apparel, Mrs. Patterson is desiring to create a physical presence.

PROJECT DESCRIPTION

Fancy Me Boutique, historically only an online retailer, is looking to develop a physical presence in the form of a "mobile" boutique. The mobile boutique would consist of a fully furnished and decorated tiny house/barn that is affixed to a trailer and able to be moved from location to location and able to be set up as a vendor at city/private events and functions. Mrs. Patterson is already leasing the tiny house/barn and has fully outfitted and furnished the interior and has purchased initial inventory to begin having a presence at events starting this summer. The final step is to purchase the actual trailer that the mobile boutique will be affixed to. This increased presence will help with their proof of concept and bring increased visibility in hopes of opening a brick and mortar store in downtown Sandusky.

PROJECT FINANCING

The project sources and uses are as follows:

Uses

Shed	\$	3,658.00
Trailer	\$	3,400.00
Interior Shed Buildout	\$	650.00
Advertising & Marketing	\$	1,000.00
Inventory	\$	2,100.00
Total	\$	10,808.00

Sources

Owner Equity	\$	6,308.00
Grant Request - Small Business Assistance	\$	4,500.00
Total	\$	10,808.00

The recommended total grant amount of \$1,500 is equivalent to approximately 14% of the total project costs (in line with program guidelines) and leverages private funds 7x.

FINANCIAL SUMMARY – BUSINESS

Projected sales growth (YR 1 = 7-14k, YR 2 = 15-20k, YR 3 = 25-30k, YR 4 = 50k+).

RECOMMENDATION

I recommend a \$1,500 Small Business Assistance grant to this project conditioned on being present for no less than (8) events within the municipal boundaries in 2018. This project will bring an additional amenity and unique shopping experience to the City – on several occasions during the calendar year. Additionally, the grant assistance will allow the owner to create a physical presence (albeit mobile), beyond the current on-line presence with the expectation of ultimately moving towards a permanent storefront in downtown Sandusky. There is precedent for providing funding to “mobile” businesses in the form of food trucks. Thy typical grant has been for approximately \$2,500 in these instances. Since the mobile boutique is not expected to have an everyday presence, the recommendation is for a lesser amount than past precedent.

Applicant / Borrower Company:

Amber Patterson

(Applicant Name)

Owner

(Title)

Fancy Me Boutique

(Company Name – if different than Applicant Name)

330 Bogart Road

(Street Address)

(Suite, Apt, etc.)

Huron, OH 44839

(City, State, Zip)

(419) 357-8927

AmberFreeman1989@gmail.com

(Phone Number)

(Email)

1116

(Federal Tax ID or last 4 of SSN)

(Fax Number)

Existing Business Information:

Type of Business: ☒ Commercial/Retail ☐ Service
☐ Other _____
 Legal Structure: _____ Internet Sales/Trailer (boutique on wheels) _____
 Primary Product or Service: _____ Retail clothing _____
 Date Established: 2015 NAICS-SIC Code: _____
 Website (if applicable): Fancymeboutique.com _____

Principal Officers / Owners:

Name / Title: Amber Patterson _____
 Email: Amberfreeman1989@gmail.com Phone: (419) 357-8927 _____
 SSN (last 4): 1116 % 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:

(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).

I am the owner and operator of an online boutique, specializing in custom shirt and apparel design. I have been in business since 2015 and have seen steady growth in the business. I am transitioning from childcare to running the boutique full time and thought that it was time to add something new and innovative to the business. The boutique on wheels will allow me to position myself in downtown Sandusky where a lot of business is, but also be mobile to where I can attend different festivals and events throughout the area, all the while expanding and growing the business name. We will have a fully functional shed on a 8x16 flat trailer that we can move from site to site and allow customers to shop right out of the mobile store.

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).

The financial assistance we are seeking will provide us help in purchasing the flatbed trailer which retails for around \$3,500 and also help with our advertising and marketing expenses(\$1,000-\$1,500) to spread the plan for the mobile boutique 2018 to locals and tourists in the Sandusky area. I see this business gaining traction very quickly, as mobile clothing boutiques are very innovative and unique methods to doing business. In addition to the mobile boutique we also plan to add a classic brick and mortar storefront in downtown Sandusky within the next two years. This project will allow us to feel out the market and attract business early on so the business name and products are seasoned with the community before adding more expenses and overhead that come with a storefront.

Business/Personal References:

Name / Title: Leah Wechter / Business Owner
 Email: gatheringgroundscoffeehouse@yahoo.com Phone: (419) 677-1537
 Relationship: Friend

Name / Title: Blake Harris / Business Owner
 Email: Ohio.drywalltie@gmail.com Phone: (419) 239-3074
 Relationship: Friend/Business Owner

Name / Title: Carmen Patterson / Nursing instructor
 Email: patterson.carmen@yahoo.com Phone: (419) 202-4862
 Relationship: Mother in Law/ Nursing instructor

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): _____

Cost of shed (8x16)- \$3,658.00 (already purchased)

Cost of trailer (8x16 flatbed)- \$3,400.00 plus fees and taxes

Cost of advertising (Facebook ads, internet ads, local ads)- \$1,000-\$1,500

Cost of additional inventory- \$2,100 (already purchased)

Cost of material to design the shed interior- \$650 (already purchased)

Owner Equity (dollars and source): _____ **Roughly \$6,200 (savings)**

Private Lending (dollars, source, and terms): _____ **Shed financing- \$168mth (48 mths)**

See attached documents

Request for City Assistance (dollars and type): _____ **\$4,500 cash investment**

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>	01/2018	03/2018	
<u>Financing</u>	01/2018	04/2018	
<u>Construction</u>	02/2018	04/2018	
<u>Other</u>			

Project Impact and Employment:

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue	\$7,000- \$14,000	\$15,000- 20,000	\$25,000- \$30,000	\$50,000+
Annual Payroll	\$0 (owner/ operator)	1 employee @\$10/hr 20hr wk. May-Oct. \$4,800 yr.		
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?

One of the many things the downtown area can benefit directly from is having more retail clothing shops downtown. Although some have started to come back there is still room for plenty more. By giving the clothing boutique a unique twist in putting it on wheels, we are attracting new generation shoppers and even business entrepreneurs who are always looking for the next big thing or trendy idea. A mobile clothing boutique brings spark to the downtown area and brings a dynamic that will be SURE to captivate the attention of tourists from all over. This boutique will also guide us directly into a storefront in the downtown area which hopefully can come as soon as spring of 2019. The idea of the mobile boutique has already gotten positive feedback from local businesses who have gotten sound bites of the project rumored to touchdown summer of 2018.

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:

Outstanding collections

Judgement liens

Other court judgements

Delinquent taxes

Delinquent loans

Other tax liens

Previous bankruptcy

If yes to bankruptcy, has it been fully discharged?

Real estate that is tax delinquent

Code violations

Non-registered rental units

Real estate that is in foreclosure

YES	NO
	*
	*
	*
	*
	*
	*
*	
*	
	*
	*
	*
	*

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.

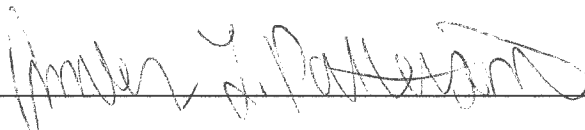
The undersigned understands that additional information may be required to finalize the approval process, and that, if the project is funded, **Economic Development funds cannot pay for projects completed before grant approval and notice of award.** The undersigned also understands that the submission 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: Fancy Me Boutique

By: Amber Lee Patterson Owner and Operator

(Print or type name and title)

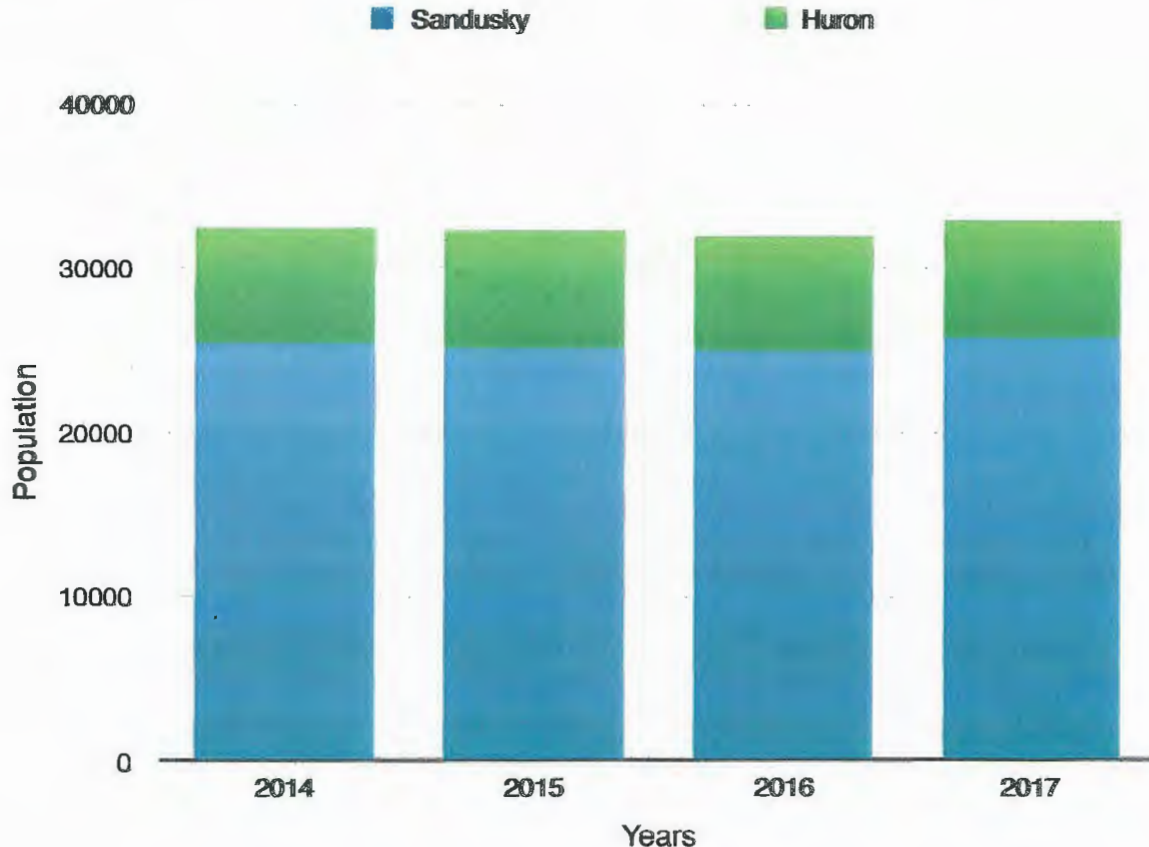


(Signature)

03-04-18

(Date)

The financing provided to my mobile boutique will attract shoppers to the downtown Sandusky area because of the uniqueness and products offered by Fancy Me. We plan to use a portion of the funding to market to people who shop but have not frequented the downtown area. This way it is bringing new customers and people to the area. We will do this through targeting tools via Facebook that allow you to specify the group of people you want your ads to show to. This is based on their social interests, online spending trends and what they are typically searching online and have interests in. This will allow us to bring in a diverse range of people. We also have a plan to hire 1-3 people to help with the boutique downtown which also adds more jobs to our local economy. Alternatively with locating the boutique in other cities in the area there is not a mutual benefit to the city and the mobile boutique as there is with Sandusky and Fancy Me Boutique on Wheels. This is mainly because of the population difference between Sandusky and other areas. Take Huron for example. This smaller city is in close proximity of Sandusky, but as depicted in the chart below, Sandusky has a population nearly 4x's greater than that of Huron. Statistics also show that in terms of diversity, Sandusky has a population that is 30% minority with a total population median age of 38. Huron shows a population that is just 4% minority with a total median population age of 43 (suburbanstats.org). These statistics are crucial in diversifying your product line and having a wide range of people to market to. The more diverse and wider the scope, the greater the odds are of appealing to a bigger portion of the population. Based on these statistics, it is beneficial for both the city of Sandusky and Fancy Me Boutique to operate within the confines of Sandusky most of the time.







Above you will see just some of the social media response and feedback we have gotten since the announcement of the boutique on wheels! The community is ecstatic!



6060 Hickory Hills Rd
Cumming GA 30041
877-413-7965

Quote #Q-4762
1/21/2018

Billing

Spencer Patterson

Ohio
patters32@gmail.com
4192395407

Shipping

Pickup from Toronto ON

Order Items

Name	Description	Price
Trailer - 16ft	New 16' x 90" Tiny House Trailer, 2" x 6" x 1/8" Frame, 2" x 2" Runners, 1" x 3" Cross Members (16" On-Center), Tandem 5200 lb Axles Equipped w/ Electric Brakes, Radial Tires, Complete Running and Brake Lights, 2 5/16" Coupler, 2K Jack, Breakaway Kit, Safety Chains, 7-Way Connector, Black, MFG Warranty. Conforms to all US and Canada Motor Vehicle Safety Standards.	\$3,250.00 USD
Trailer Frame - Upgrade Custom Width 22ft and Over	***UPGRADE*** Extend the width of the trailer to the dimension specified	\$300.00 USD
Customs Charge	Customs Charge	\$145.00 USD
Trailer Bonuses	Up to an \$800 value. See https://www.tinyhomebuilders.com/tiny-house-trailers#trailer-bonuses for full details.	\$0.00 USD

Make checks payable to:

Tiny Home Builders
6060 Hickory Hills Rd
Cumming GA 30041

Subtotal	\$3,695.00 USD
Tax (0%)	\$0.00 USD
Delivery	\$0.00 USD
Total	\$3,695.00 USD

Thank you for your business!

- Quotes are valid for 30 days
- A \$1000 minimum deposit is required. Once your order is confirmed by email or phone and it enters our production queue your deposit is no longer refundable. We accept checks, credit cards, and PayPal. There are no fees for any of these payment methods on the first \$1000 paid. After \$1000, there is a 3% fee on credit cards and PayPal transactions.
- Your balance is due when you pick up or prior to delivery of your trailer.
- You have 30 days to take delivery of your trailer once you are notified that it has been completed. If you are not able to take delivery of your trailer within 30 days you will be assessed a storage fee of \$5 per day. If you are not able to take delivery of your trailer within 60 days we may attempt to sell your trailer to a new buyer.
- Any timeline given is an estimate and not a guarantee. Please verify the completion of your trailer prior to making any arrangements for pickup.
- By placing an order with us you are deemed to have read, understood, and agreed to these terms and conditions. If you are unclear on any aspect of these terms, please contact us prior to placing your order.

RENTAL PURCHASE AGREEMENT AND DISCLOSURE STATEMENT

THIS AGREEMENT made and entered on this 9TH day of JAN, 2018, by and between **HORIZON BARN RENTALS, LTD.**, an Ohio limited liability company, having its principal place of business at 9756 Twp. Rd. 554, Holmesville, OH 44633, hereinafter referred to as Lessor, and the following Lessee:

SPENCER PATTERSON
 Name 54579342
 Driver's License Number
330 Bogart Rd. Huron, Ohio 44839
 Street Address City, State & Zip
419-239-5407
 Home Phone
419-357-8927
 Cell Phone
Erie
 Mailing Address (if different from above) City, State & Zip
 County E-mail

For and in consideration of the mutual covenants and conditions contained herein, Lessor and Lessee do agree as follows:

1. **Description of Property.** Lessor hereby leases to Lessee and Lessee does hereby leases from Lessor the following described rental property (hereinafter referred to as Property):

a. The property to be rented and the subject of this agreement is described as follows:

Serial # _____ Size 8X16 Style Mission Color (s) Black roof trim + Gray

b. The cash price of the property is \$ 3610.00, plus applicable sales tax.

c. The property is NEW ☒ USED (check one).

d. Initial Rental Payment. Your Initial Rental Payment due when you sign this Agreement includes the following charges:

Monthly Rent	Sales Tax	Damage Waiver	Security Deposit	CRA	TOTAL RECEIVED
<u>150.42</u>	<u>10.16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160.58</u>

Cash Reserve Account. You can reduce the amount of your monthly payment by depositing money into a

Cash Reserve Account ("CRA"). If you deposit \$ _____, your reduced rental payment will be \$ _____

+ _____ (sales tax) + _____ (damage waiver) = \$ _____. If Agreement terminates, the CRA funds will be returned less any amount owed to us.

If Lessee makes 48 monthly payments for a total payment of \$ 7320.00, not including sales tax, ownership of the Property shall transfer to Lessee

Rental Ownership Term ☐ 24 months ☐ 36 months ☒ 48 months

2. **Rental Terms.** The following are the terms and conditions of this Agreement and include the information required to be disclosed pursuant to the laws of the State of Ohio:

a. This rental agreement is for a month to month tenancy. Lessee may renew this Agreement for consecutive monthly terms by making lease payments in advance for each additional month Lessee wishes to lease the Property in the amount and by the date stated above. The total payments do not include other charges, such as late payments, default, redelivery, or reinstatement fees, and the Lessee should read this contract for an explanation of these charges. All payments are due on the 5th of the month. All checks shall be made payable to Horizon Barn Rentals, Ltd.

b. Lessee may purchase the Property at any time by paying Lessor 50 percent (50%) of the remaining amount of the total payments listed in this paragraph, which shall be calculated at the time of such early purchase (exclusive of taxes, reinstatement, and other charges).

c. Upon receipt of 48 monthly payments or the purchase option payment as specified in 2(c), and if Lessee otherwise complies with this Agreement, Lessor shall transfer ownership of the Property to Lessee. If any part of a manufacturer's express written warranty, if any, covers the Property at the time Lessee acquires ownership of the property, it shall be transferred to Lessee if allowed by the terms of the warranty.

d. If Lessee fails to make a timely lease payment within ten (10) days past the due date, Lessee shall incur a \$20.00 late charge for each occurrence. Lessee agrees to pay to Lessor a \$30.00 service fee for each check that is returned by Lessee's bank for any reason without being paid. In the event that Lessee's check is returned to Lessor without payment, then Lessee must make all future payments from guaranteed funds.

- e. Lessee is responsible for maintaining the Property in proper condition for the duration of the lease. Lessee shall not permit the Property to be altered for the construction of shelves, addition of equipment and accessories, or the placing of signs thereon and shall not permit the Property to be affixed to any real property in any such manner that the same cannot be removed without damage to the Property. Lessee is responsible for the fair market value of the Property if it is lost, stolen, damaged, or destroyed, except as otherwise provided herein.
- f. **Damage Waiver.** If you choose this option and by paying the fee, you will not be responsible if the Property is damaged or destroyed by fire, storm, flood or other acts of God. You must notify Lessor within 24 hours of any loss or damage. You must be current on all rental payments and other fees due to Lessor. Theft and mysterious disappearance are not covered by this program. You are still liable for intentional or willful acts or gross negligence on the part of Lessee or Lessee's family or agents.
3. **Security Deposit.** At the time of the execution of this agreement, Lessee shall pay to Lessor a security deposit in the amount stated above to be held by Lessor as security for the performance of all terms of this agreement and including, but not limited to, the payment of a redelivery charge. Such deposit shall be refunded, without interest, only on the expiration of the term of this lease, if all the obligations of Lessee have been performed or discharged. Lessor may from time to time use the proceeds of the deposit to apply towards any breach by Lessee of the terms of this lease and, in the event of such application, upon demand to Lessor, Lessee shall restore the deposit to its original amount within ten (10) days of demand by Lessor.
4. **Non-payment.** If Lessee fails to make two (2) consecutive payments, Lessee voluntarily surrenders the Property back to Lessor subject to the terms outlined in this agreement.
5. **Property Location; Easement.** The Leased Property shall be kept at Lessee's address shown above. It may not be moved from that address without the written consent of Lessor, which consent shall not be unreasonably withheld. Lessee grants to Lessor license upon Lessee's real property for ingress and egress to the Property for the purpose retrieving the Property in the event of default. Lessor shall use reasonable care to not damage or destroy Lessee's real or personal property during the process of recovering the Property. However, in the event that Lessor causes damage to Lessee's property, Lessee waives any claim for any such damages. Lessee acknowledges that the granting of such license and waiver is a material term of this Agreement and an additional consideration for the rental the Property.
6. **Insurance; Condition of Property; Inspection.** Lessee shall maintain liability and hazard insurance on the building for the duration of the lease. The parties agree that Lessee has examined the Property, knows the condition thereof, and has agreed to lease the same, in "as is" condition and Lessor has made no representations or promises of any kind or nature as to the condition, quality, suitability, or fitness or purpose of the Property. Notwithstanding the terms hereof, to the extent prohibited by Ohio law, no exclusion, modification, or limitation herein of any implied warranty of merchantability or fitness for a particular purpose otherwise applicable to this transaction or any remedy provided Lessee by law, including the measure of damages, shall apply where Lessee is a natural person or sole proprietorship. Lessor shall have the right to examine and inspect the Property at all reasonable times.
7. **Surrender; Voluntary Termination.** Lessee may terminate this agreement without penalty by voluntarily surrendering the Property in good repair upon expiration of any lease term. In that event, Lessor shall pick up the Property for a fee of \$150.00. Lessor shall give Lessee 5 days advance notice of the date of pickup and Lessee shall have all belonging removed from said Property. Lessee agrees to return the Property to Lessor in the same condition the Property was in on the date it was leased, normal wear and tear excepted, and all payments made shall be deemed fair leased value. Lessor shall retain all lease payments made. In the event of termination of the lease by Lessee, Lessee will still owe Lessor any past-due lease payments.

Initials

By executing this agreement, Lessee agrees that:

- Lessee has read and understands this agreement and the terms and conditions on the reverse side of pages 1 and 2, including reinstatement rights and the requirement of binding arbitration.
- Lessee has been given a signed and legible copy with all blanks filled in.
- Lessee has received the Leased Property in good condition.
- Lessee hereby acknowledges Lessor maintains the right to assign this contract to a third party and further agrees to remit lease payments to such party if so assigned.

NOTICE: THIS LEASE-PURCHASE AGREEMENT IS REGULATED BY STATE LAW AND MAY BE ENFORCED BY THE ATTORNEY GENERAL OR BY PRIVATE LEGAL ACTION.

HORIZON BARN RENTALS, LTD

Agent

Vendor's Business Name

Castle Barn Sales

Courtesy Line

LESSEE

(please print legibly)

4211

May 15, 2018

Economic Development Incentive Committee Summary

Adam White / Luco-Wes Properties, LLC

APPLICANT:	Luco-Wes Properties, LLC / Adam White 3301 Bardshar Road Sandusky, Ohio 44870
CORPORATE STRUCTURE:	Limited Liability Company
PRINCIPAL/% OWNERSHIP:	Adam White – Owner 100%
PROGRAM APPLIED FOR:	Small Business Assistance Grant
RECOMMENDATION:	\$2,480.00 Small Business Assistance 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 12/31/2018.

This project helps an existing property owner who has shown a successful track record of tenanting the space with food and beverage uses and provides a nice neighborhood amenity for the near west side.

BACKGROUND

Adam White, 100% owner of Luco-Wes Properties, LLC purchased the mixed-use property at 904 W. Adams Street in 2015 for \$162,500. The property, for decades, maintained food and beverage uses on the ground floor such as "Vicki's" and "Tony G's" and houses two apartments on the upper floors. Since Mr. White's purchase, he has moved in the Sandusky Athletic Club, and recently leased space to Derrick's Diner – who recently moved to a completely renovated building on Warren Street. Since purchase, Mr. White has made some improvements including insulation, added site security and motion lighting, and some new and refurbished kitchen equipment.

PROJECT DESCRIPTION

With the recent departure of Derrick's Diner to Warren Street, Mr. White is looking at undertaking certain improvement items to meet current Erie County Health Department standards, and just as importantly, to elevate and modernize the space to attract a new food and beverage tenant. The planned improvements include new kitchen subflooring and tile, finishing the drywall and further insulating the space, installation of a washable wall surface throughout the kitchen space and the installation of new energy efficient/LED lighting in the kitchen and dining spaces. Given the success of Derrick's Diner, this property can serve as a great incubation space for new food and beverage and/or

restaurant operators. Further, it provides a nice neighborhood amenity for folks not wanting to travel to more trafficked and popular dining areas either downtown or on Route 250 for example.

PROJECT FINANCING

The project sources and uses are as follows:

Uses

Construction (new sub-floor and tiles, finish drywall and paint (washable), repairing and painting windows, new kitchen and dining lighting	\$	10,780.00
Total	\$	10,780.00

Sources

Owner Equity/Line of Credit	\$	8,300.00
Grant Request - Small Business Assistance	\$	2,480.00
Total	\$	10,780.00

The recommended total grant amount of \$2,480.00 is equivalent to approximately 23% of the total project costs (in line with program guidelines).

FINANCIAL SUMMARY – BUSINESS

Projected rental revenue (YR 1 = 6k, YR 2 = 6K, YR 3 = 6k). This does not include Sandusky Athletic Club rental revenue nor the projected economic output of the Sandusky Athletic Club or the potential tenant.

RECOMMENDATION

I recommend a \$2,480.00 Small Business Assistance grant to support this project. This project will help an existing property owner attract a new food and beverage tenant and provide a nice additional amenity for the near west side of downtown.

Small Biz Assistance

The City of Sandusky, Ohio

Applicant / Borrower Company:

Adam White

(Applicant Name)

Owner

(Title)

Luco-Wes Properties

(Company Name – if different than Applicant Name)

904 W. Adams St.

(Street Address)

B

(Suite, Apt, etc.)

Sandusky, OH, 44870

(City, State, Zip)

(419) 239-3605

(Phone Number)

46-4736760

(Federal Tax ID or last 4 of SSN)

Awhite1080@live.com

(Email)

(Fax Number)

Existing Business Information:

Type of Business: ☒ Commercial/Retail ☐ Service
☐ Other _____
Legal Structure: LLC
Primary Product or Service: Leasing Kitchen
Date Established: 2-05-2014 NAICS-SIC Code: _____
Website (if applicable): _____

Principal Officers / Owners:

Name / Title: Adam White / owner
Email: Awhite1080@Live.com Phone: (419) 239-3605
SSN (last 4): 0707 % 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:

904 W. Adams St.

(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).

Applicant / Business Background Information:

I purchased this commercial and residential property in December 2015. It caught my eye because of the potential for local commerce and for its location close to downtown shops and dining. This property offered two upstairs apartments with a large commercial space (a bar) on the main level. Immediately upon purchasing the building, I leased out the commercial space. The main space, the bar, was leased to "Sandusky Athletic Club" and remains in an ongoing lease. The kitchen space was leased to "Derrick's Diner". Derrick's Diner was recently awarded an opportunity with the City of Sandusky to expand his business elsewhere, so I am renovating and improving the space for new, potential renters.

Before I purchased the building, it was used as a local bar, called "Tony G's". It was owned and ran by Anthony Gonzales, who purchased it in February 2011. Vicki Rogers ran the business under the name "Vicki's Bar" before that, since 2003.

Project Description:

The project to be undertaken is a commercial kitchen space. The business has been existing for the past 3 years under the name "Derrick's Diner" and has proven to be a success in the downtown Sandusky area. There are four areas of renovation that the business needs in order to meet Erie County Health Department requirements. For the past 2 years owning the property, I have made many ongoing repairs and improvements, but funds have restricted me from improving all the areas that are truly needed. The flooring needs to be repaired for holes and weak boards, including missing and broken tiles. Drywall is unfinished and has holes in some areas. The unfinished drywall causes heat and air conditioning to escape, losing money and lacking energy efficiency. In addition, because the space is a commercial kitchen, the walls need to have a washable surface. The old wood windows in the kitchen have chipping paint. They are difficult to keep clean and are not physically appealing to customers admiring the building from the outside. Lastly, the lighting in the space is not bright enough and it does not provide adequate lighting throughout the kitchen and dining spaces. The Health Department has noted areas of shadowing because of the inadequate lighting throughout the space.

I have done my best to maintain the commercial equipment for the past 2 years of ownership. I have added insulation to the entrance room and to the area above the kitchen (from the floor in the apartment upstairs). I have added energy saving LED motion lighting in the parking lot for safety of employees and customers. Despite my ongoing efforts to improve the property, there are still an abundance of areas that I am not financially able to fix. Assistance from this city program would allow my business to meet a quality standard of service that it deserves to have. These improvement would be used immediately for an incoming business.

Name / Title: Derrick Moore

Email: _____

Phone: 567-219-1488

Relationship: Previous tenant to this location

Name / Title: Taylor Kingseed

Email: _____

Phone: 419-366-8046

Relationship: Current upstairs tenant at current property-1

Name / Title: Austin Harpel

Email: _____

Phone: 419-984-5373

Relationship: Current upstairs tenant at current property-2

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): 10,780⁰⁰

Owner Equity (dollars and source): 8,300⁰⁰

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

Request for City Assistance (dollars and type): (max 6090 / 15,000) 2,480⁰⁰

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>Already own Building</u>		
<u>Financing</u>	<u>Line of Credit Already Secured</u>		
<u>Construction</u>	<u>July 1st</u>	<u>Jan 1st 2019</u>	
<u>Other</u>			

Project Impact and Employment:

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue	1K YTD	6K	6K	6K
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

Project Concept:

My goal with this property is join the revitalization effort for downtown Sandusky. We have an amazing city with an abundance of positive attributes to offer locals and tourists. The portion of my business that needs renovated has been growing to be a family-friendly, hometown restaurant. Derrick's Diner has become popular for Sandusky families as a great place to walk in and enjoy amazing food. As Derrick leaves very soon for his business expansion, it is my goal to bring another small business into the space. The updated space would benefit a new entrepreneur/small business. It would also allow locals to continue enjoying themselves close to home. It is important for our local economy to give small businesses a space to begin and grow.

To keep the kitchen up to code with the Erie County Health Department, there are many improvements that must be made with the flooring, drywall, washable surfaces, and lighting. These renovations will improve the physical appearance of the kitchen and dining room spaces. More importantly, the requested renovations are crucial to consumer health and safety. I want the business to be perceived as a positive, clean-looking space. But, I mostly want the area to be safe and energy efficient.

The requested project addresses specific area/city of needs for new entrepreneurs. Because the space has a small kitchen and another small room (dining room), it is ideal for someone who wants to start their own business. Someone hoping to open a restaurant or commercial kitchen of their own would benefit from starting it at this location. The low-cost rent would be feasible for a new business owner.

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		✓
Judgement liens		✓
Other court judgements		✓
Delinquent taxes		✓
Delinquent loans		✓
Other tax liens		✓
Previous bankruptcy		✓
If yes to bankruptcy, has it been fully discharged?		✓
Real estate that is tax delinquent		✓
Code violations		✓
Non-registered rental units		✓
Real estate that is in foreclosure		✓

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: LUco-Wes Properties

By: Alan White (owner)

(Print or type name and title)

Alan White

(Signature)

3-16-18

(Date)

MOYER CONSTRUCTION,LLC
BRADLEY MOYER
P.O. BOX 788
SANDUSKY OH 44870
419-656-1258

Proposal Submitted To:
Name: MR. ADAM WHITE
Street: 3301 BARDSHAR RD.
City: SANDUSKY State: OH
Telephone Number: 419-239-3605

Work to be Performed at:
Street: 904 W. ADAMS ST.
City: SANDUSKY State: OH
Date of Plans: Open
Date: 07 APRIL 2018

We hereby propose to furnish the materials and perform the labor necessary for the completion of covering walls with washable sheeting, new flooring, drywall repair, and some misc. repairs in kitchen area. per owners instruction.

All work will be performed on a time and material basis, consisting of \$38.00 / hr. / man plus the cost of any materials used, with payments to be made as follows: An advance payment of **\$5,750.00** with any remaining amounts to be made upon invoicing and or the request for a draw. Approximate cost **(\$10,780.00)**

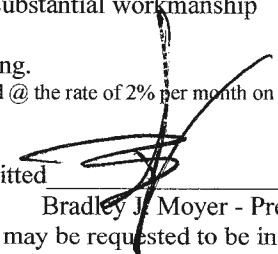
All materials not used become the property of Moyer Construction, LLC. (If supplied)

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanship manner.

Payment in full will be made upon the completion of job upon final invoicing.

Terms: Balance due upon completion of job. A Finance Charge of 24% annually is computed @ the rate of 2% per month on any account over 30 days.

Respectfully Submitted


Bradley J. Moyer - President

Any alteration or deviation from above specifications involving extra costs may be requested to be in writing, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control. Owner to carry fire, tornado, and other necessary insurance upon above work. Workman's Compensation Insurance on above work to be taken out by Moyer Construction, LLC.

NOTE: This proposal may be withdrawn by us if not accepted within 30 days.

ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Signature _____

Date _____

Signature _____

ORIGINAL APPOINTMENT OF AGENT

The undersigned authorized member(s), manager(s) or representative(s) of

LUCO-WES PROPERTIES, LLC

Name of Limited Liability Company

hereby appoint the following to be Statutory Agent upon whom any process, notice or demand required or permitted by statute to be served upon the limited liability company may be served. The name and address of the agent is

Adam White

Name of Agent

3301 Bardshaw Rd

Mailing Address

Sandusky

City

Ohio

State

44870

ZIP Code

ACCEPTANCE OF APPOINTMENT

The undersigned, Adam White named herein as the statutory agent

Statutory Agent Name

for LUCO-WES PROPERTIES, LLC.

Name of Limited Liability Company

hereby acknowledges and accepts the appointment of agent for said limited liability company

Statutory Agent Signature

Adam White

Individual Agent's Signature / Signature on Behalf of Corporate Agent

☐ If the agent is an individual and using a P.O. Box, check this box to confirm that the agent is an Ohio resident.

By signing and submitting this form to the Ohio Secretary of State, the undersigned hereby certifies that he or she has the requisite authority to execute this document.

Required

Articles and original appointment of agent must be signed by a member, manager or other representative.

If authorized representative is an individual, then they must sign in the "signature" box and print their name in the "Print Name" box.

If authorized representative is a business entity, not an individual, then please print the business name in the "signature" box, an authorized representative of the business entity must sign in the "By" box and print their name in the "Print Name" box.

Adam White
Signature

By (if applicable)

Adam White
Print Name

Adam White
Signature

By (if applicable)

Adam White
Print Name

Adam White
Signature

By (if applicable)

Adam White
Print Name

[Print](#) | [Back](#)

Erie County GIS



Notes



January 18, 2018

Adam White
Luco-Wes Properties, LLC
3301 Bardshar Rd.
Sandusky, OH 44870

Re: Additional Financing for 902 W. Adams St., Sandusky

Dear Mr. White,

Per your request, I reviewed your file to determine if it was possible to take out an additional loan on the above referenced property. Based on the appraisal that was completed on 11/11/15, there does not appear to be sufficient equity at this time to support any additional debt.

If you have any questions, please feel free to contact me.

Sincerely,
Vacationland Federal Credit Union

A handwritten signature in black ink, appearing to read 'Brett Gerber', with a long, sweeping horizontal line extending to the right.

By: Brett Gerber
SVP, Business Lending
2911 Hayes Ave.
Sandusky, OH 44870
419-609-2709
bgerber@vlfcu.org

Cc: File


FIFTH THIRD BANK
 (NORTHWESTERN OHIO)
 MD1MOC2J-CC 3150 CINCINNATI, OH 45263
 097613

ADAM J WHITE
 3301 BARDSHAR RD
 SANDUSKY, OH 44870

LINE OF CREDIT STATEMENT

STATEMENT DATE JANUARY 29, 2018
 ACCOUNT NUMBER [REDACTED]
 PAYMENT DUE DATE FEBRUARY 25, 2018
 MINIMUM PAYMENT DUE 0.00
 NEW BALANCE 0.00
 MATURITY DATE FEBRUARY 25, 2027

Fifth Third Equity FlexlineSM

AMOUNT
 ENCLOSED \$ _____

FIFTH THIRD BANK
 PO BOX 740778
 CINCINNATI, OHIO 45274-0778

⑆511160345⑆00864165154⑈

RETAIN THIS PORTION FOR YOUR RECORDS

STATEMENT DATE	PAYMENT DATE	CREDIT LINE	AVAILABLE CREDIT	MINIMUM PAYMENT DUE
01/29/18	02/25/18	8,300.00	8,300.00	0.00

SUMMARY

HISTORY SUMMARY

DATE	DESCRIPTION OF TRANSACTIONS, ADVANCES, PAYMENTS, AND CREDITS	AMOUNT
01/01/18	RATE CHANGE *APR* = 5.5000000	
01/25/18	UNALLOC PAYDOWN	65.00 CR

INTEREST RATE SUMMARY

	ANNUAL PERCENTAGE RATE	DAILY PERIODIC RATE	AVERAGE DAILY BALANCE	DAYS IN CYCLE	FINANCE CHARGE
ACCOUNT LINE OF CREDIT	5.250000	0.0143835	0.00	2	0.00
LINE OF CREDIT	5.500000	0.0150684	0.00	29	0.00

ACCOUNT SUMMARY

ACCOUNT	PREVIOUS BALANCE	ADVANCES AND DEBITS	FINANCE CHARGE	PAYMENTS AND CREDITS	NEW BALANCE	MINIMUM PAYMENT DUE
LINE OF CREDIT	65.00	0.00	0.00	65.00	0.00	0.00

ACCOUNT	PREVIOUS BALANCE	ADVANCES AND DEBITS	FINANCE CHARGE	PAYMENTS AND CREDITS	NEW BALANCE	MINIMUM PAYMENT DUE
00864165154	65.00	0.00	0.00	65.00	0.00	0.00

TRACK YOUR EQUITY LINE REWARDS POINTS BY LOGGING IN TO ONLINE BANKING AT 53.COM OR CALL 800-449-2142 FOR INFORMATION.

NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION ABOUT YOUR RIGHTS WHEN YOU HAVE A DISPUTE CONCERNING THE BILLING ON THIS ACCOUNT.

EQUITY LINE STATEMENT CUSTOMER SERVICE: 800-972-3030
 BILLING INQUIRY ADDRESS: 5050 KINGSLEY 1MOC2J, CINCINNATI OHIO 45263

Fifth Third Equity FlexlineSM

































