



Economic Development Incentive Committee

240 Columbus Ave
Sandusky, Ohio 44870
419.627.5891
www.cityofsandusky.com

Agenda

July 12, 2022

1:30pm

City Commission Chamber

Live Streamed on [www.Youtube.com/CityofSanduskyOH](https://www.youtube.com/CityofSanduskyOH)

1. Meeting called to order – Roll call
2. Approval of April 26, 2022 minutes
3. Program financial update
4. Review of applications received
 - GSS LLC
 - A Foxy Girl Enterprise LTD
 - MALISCRA LLC
5. Public participation/Comments
6. Reminder of next meeting- September 13th
7. Meeting adjournment

Economic Development Incentive Committee
April 26, 2022
Meeting Minutes

Call to Order:

Chairman Al Nickles called the meeting to order. The Following members were present constituting a quorum: Marcus Harris (designee of Jonathan Holody), Paul Koch, Al Nickles, Brendan Heil, Abbey Bemis. Also present: Jonathan Holody, Community Development Director and interim clerk.

Approval of March 8, 2022 minutes:

Mr. Koch made a motion to approve the minutes as submitted and Mr. Heil seconded. All members were in favor of the motion.

Program financial update:

Jonathan Holody shared that six projects have been approved through the Economic Development Fund totaling \$150,000. Bait House Brewery is an approved project that is awaiting City Commission approval. Approved grants this year include grants to: Tambo Entertainment LLC, Clubhouse No. 3, which opened last week. In regards to fund balance, Jonathan shared that the fund had a balance of \$648,000 at the start of the year. He added they do have to take into account the expected second payment to Small City Taphouse and the \$150,000 already committed this year, which leaves a uncommitted fund balance of just over \$350,000. Mr. Nickles asked if it was Bait House Brewey was tabled. Mr. Holody shared that it was the Kremis project and there is a pause on the Pipe Creek Warf project.

Review of Applications Received:

- **GSS LLC (dba Poulos + Schmid Design Group)**

Mr. Holody asked the Committee to table this application until the next meeting as staff are looking at a few items internally in regards to the application.

- **Sandusky Massotherapy, LLC**

Mr. Holody shared the applicant is from Maria Berardi. Ms. Berardi founded Sandusky Massotherapy 27 years ago and was originally located on Columbus Avenue. Due to its increasing size, it needed to relocate and has identified the property at 521 W. Perkins Avenue for the new location. Mr. Holody went on to add that they will occupy about two thirds of the space and rent about one third of the space to an existing hair salon. This allows Sandusky Massotherapy to remain in the City but also add new services and hire more employees. They have two parts to their project, an interior renovation and an exterior renovation. The grant at this time is focused on the exterior renovation costs. Work would include new signage, awnings, planter boxes and landscaping. The estimated cost of the exterior improvements is \$30,000. Ms. Berardi requested \$10,000 from the Economic Development Fund. Mr. Holody shared that he had initially recommended a grant in the amount of \$8,000, but understands the costs are coming in higher than expected, but will verify the costs as they come in. However, if it's the committee's will to grant Ms. Berardi the full \$10,000 he would have no objection. Mr. Feick shared that both the chair and the vice-chair of the committee need to abstain. Mr. Heil clarified that calling the role is not voting or participating in discussion and someone other than the chair

or vice-chair would need to make the motion. Mr. Heil then asked for clarification as to the amount being request. Mr. Holody shared that the applicant requested \$10,000. His initial recommendation was for \$8,000 given the size of the project, however, he has been hearing the costs are coming in more than, therefore providing the grant in the full amount that Ms. Berardi requested would be in line with past practices. **Mr. Heil made a motion to provide a grant to Sandusky Massotherapy LLC in the amount of \$10,000. Mr. Harris seconded the motion.** Mr. Heil asked if there was any discussion or questions. Mr. Harris asked if the salon mentioned in the description already existed in the space or if they were bringing in a salon to occupy the space. Mr. Holody shared that he believed the salon already existed at that location. Hearing no further questions, the roll was called: **Mr. Harris, yes; Mr. Koch, abstain; Mr. Nickles, abstain; Mr. Heil, yes; Ms. Bemis, yes. The motion passed.**

- **Saucy Brew Works Sandusky LLC.**

Mr. Holody explained that Saucy Brew Works is a company with multiple locations. The umbrella company, Saucy Brew Works, is owned by over 65 individuals but the principal owners include Mr. Brent Zimmerman, Paul Hubbard, Matt Schubeck and Eric Anderson. With the unexpected death of the owner of Zinc and Boomtown, Saucy Brew Works, led by Mr. Zimmerman has negotiated a lease to move into that location and revive that space as one of our location destination locations for food and coffee and now craft beer. Saucy Brew Works anticipates employing 18 individuals at this location. They are going to rebrand the space as a Saucy Brew Works and coffee shop. The project is going to entail a major investment at that location. The total project cost is at just over \$250,000. This consists of over \$80,000 of construction, \$40,000 of signage, \$55,000 of interior equipment including a cooler, draft beer system, payment system and brewing equipment. There are some soft costs involved and also working capital totaling over \$250,000 for the total project costs. The funding for the project is a combination of owner equity and private lending. Mr. Holody recommended a grant from the city in the amount of \$47,500 towards this project. Mr. Holody added this is a key location within the downtown. He went on to share that Brent Zimmerman and his team have done a great job in town thus far having recently completed a major investment in and renovation of the transient rental building on Washington Street. They have proven that they can do large-scale projects here in town. Saucy Brew Works is a successful operation in other cities. Mr. Nickles did share that Mr. Koch is not one of the loan officers at Civista for this project. Mr. Harris asked, in regards to the second phase of the project, will the assistance be part of that or look to come back. Mr. Holody shared that he looks to them to come back for grant funding for their second phase. The second phase has not yet been finalized in terms of what the scope will be. He went on to add that he knows the company is looking at a major exterior expansion including a patio beer garden type feature. With the costs being uncertain and the designs not being finalized they have not included that phase in this request. Mr. Nickles asked Mr. Harris if he was aware of the history of the space to which he responded yes. Mr. Harris went on to add that it is a beautiful space and bringing this brand in he feels will be a good addition to the downtown market as a whole and will be continuing the momentum in the right direction. Mr. Nickles asked the amount that was being requested and Mr. Koch responded \$47,500. Mr. Koch commented that looking at the numbers he didn't feel that the committee should not be in the business of financing inventory and working capital as he felt that was a slippery slope if those were included. He gave the example

of taking a \$10,000 popsicle stand and they could say they need \$500,000 of working capital as there is no limit to what you say you need for working capital. He added that he was a little nervous that those numbers were in there as with the soft costs. Which essentially accounts for the \$75,000 of the \$250,000. With that being said, he felt the \$47,500 is probably a little high on the grant number for him. Mr. Nickles shared that he would like to echo what Mr. Koch said. The inventory in working capital bothers him and he doesn't think that is what the committee was set up for. Mr. Heil asked what else was being included in the soft costs. Mr. Nickles responded soft cost inventory and working capital. Mr. Heil shared he thought there was something beyond the soft costs and working capital. Mr. Koch shared that he thought the soft costs were architectural fees, design licenses and such. Mr. Heil added that they sometimes do not see that broken out from the construction costs like that as it is part of building. He went on to add that if you take out the inventory and working capital, it is still \$47,000 out of a \$200,000 project which is about a quarter of the project. He went on to add that he does not have a problem with the ask for how they normally evaluate those things. It's still a sizable minority of the amount of the project. It's revamping a bunch of buildings unfortunately shuttered and bringing in vibrancy to that block so he thinks he is leaning towards being in favor of it. It was added by members of the committee that even if you took out soft costs, inventory and working capital it is still \$175,000. Twenty-five percent of that is still \$43,000. Mr. Holody shared that the feedback was helpful. He added that at this level that the committee is in discussion that it will have to go to city commission, so it's important to have the recommendation of the committee, so if the committee is inclined to make a motion for an amount he would encourage them to do so, and he would be happy to take it to city commission with the body's recommendation. **Mr. Heil made a motion to approve a grant in the recommended amount of \$47,500. Mr. Harris seconded the motion. Roll call: Mr. Harris, yes; Mr. Koch, yes; Mr. Nickles, yes; Mr. Heil, yes; Ms. Bemis, yes. The motion passed.**

After the vote, Mr. Koch asked Mr. Holody that when he takes it to commission that he would prefer the \$75,000 in a footnote or something so it shows \$175,000. That way future applications don't come back saying you gave someone inventory or working capital. That way it is clear the committee did not consider it. Ms. Bemis commented that she knows discussion occurred at the last meeting whether building acquisition costs should be included in a project scope as well. She added maybe long term they need to develop some sort of template that is being provided as to what they are considering a part of the scope of the project to make it clear each time. Mr. Koch added even if they are not factoring that into the percentage they are giving, but it's good to know the total investment into the project.

Point of Order from Brendan Heil

Mr. Heil asked to consider the third request under a motion. He added he believed there was a recommendation to table one of the agenda items but no action had been taken. **Mr. Heil made a motion to table GSS LLC (dba Poulos + Schmid Design Group) for one meeting. Mr. Harris seconded the motion. Roll Call: Mr. Harris, yes; Mr. Koch, abstain; Mr. Nickles, yes; Mr. Heil, yes; Ms. Bemis, yes. The motion passed.**

Additional Comments/Question

Ms. Bemis asked Mr. Holody that when he was talking about the massotherapy application, he mentioned they were just focusing on their exterior. Ms. Bemis inquired if they will be applying for the

interior improvements or if they were not interested in that. Mr. Holody shared that he anticipates that they will apply for the interior. He went on to share that there was a timing delay with the committee having to table it at the last meeting.

Mr. Koch asked with it being Mr. Harris' first meeting, if Mr. Harris could provide an introduction of himself. Mr. Harris shared that he is the Diversity and Economic Opportunity Manager for the City of Sandusky. He joined the city in September 2021 and is a Sandusky native. He will be serving as Mr. Holody's designee. He has been in workforce development in Cleveland for the past four years, including helping young people develop, build and scale their businesses.

Public Participation/Comments

Sharon Johnson asked if Ms. Bemis voting was researched legally because she was ex-officio and now she is voting. Ms. Johnson added that Ms. Bemis has a contract with the city. Mr. Nickles asked Mr. Heil for confirmation that Ms. Bemis was voted on by the city commission to which Mr. Heil confirmed. Ms. Johnson shared that she thought it was to renew Ms. Bemis as ex-officio. Mr. Heil said that was incorrect as she was appointed to replace the vacant position. Ms. Johnson reiterated that Ms. Bemis holds a contract with the city. She shared that she does not understand how Ms. Bemis is voting while holding a contract with the city. She added that Ms. Bemis is getting a salary paid by the city and is sitting in on this group. She went on to share that Ms. Bemis is the director of the Port Authority and the director of ECEDC. Mr. Heil shared that he believed some of what Ms. Johnson shared is correct. Ms. Johnson went on to say that some of the things Ms. Bemis is bringing to the table she could have brokered as the director of the port authority and ECEDC. She then comes to this committee to vote on a grant for one of her projects. Mr. Nickles shared that would hope Ms. Bemis would be savvy enough to do as he and Mr. Koch does and abstain if there is something she is involved in. Mr. Nickles asked Ms. Bemis if she agreed with his comment to which Ms. Bemis responded that she would disclose those that she has worked with. She also commented that her employment is different than some professional services and her compensation is in no way tied to project procurement or a percentage of projects that they have worked on. She does not work on a fee basis. Their organization holds a service level agreement with the City of Sandusky. Mr. Koch shared that he has worked with Abbey on several things and has no doubt or hesitation about her character or professionalism and has zero concern. Ms. Johnson shared that she was not commenting on her professionalism, she is aware that all committee members would helpfully disclose conflicts. However, she thought she had read in some paperwork a long time ago. Ms. Bemis is being paid \$30,000 that's part of her salary that the city pays to her and she then comes to this committee and works on behalf of the city voting on these grants. She feels that it doesn't seem right and was wondering if it was legally researched.

Regarding the massotherapy grant Ms. Johnson shared that she did not see in any of the documents any construction estimates, especially the sign. She continued that in the guidelines is a checklist of some of the paperwork they have to have checked and there was nothing checked. No third party cost estimates. Ms. Johnson inquired who was doing the sign. She added the documents from the vendor are missing. In order to calculate the sign cost the committee needs to have the estimate. Ms. Johnson asked where it was. Mr. Holody shared that he does have a signed estimate in the file. Ms. Johnson asked who was doing the sign. Mr. Holody shared the proposal for the sign came from Brady Signs. Mr. Heil interjected and asked if Ms. Johnson had a number of comments she could get through all of them as this is not a question and answer session. Ms. Johnson commented that that is what Mr. Heil says and he is only one part of the committee. Mr. Heil went on to say that Ms. Johnson shared she had a number of comments

and now was the time but it was not a question and answer session with staff. He went on to add that if she would like to ask those questions to the extent that someone decides to answer that is fine to the extent that someone gets back to her is also fine. However, it would be helpful to move things along to get to all of her public comments. Ms. Johnson said Mr. Holody was correct that it was Brady signs and Ms. Berardi should not be getting the grant. She went on that it should have been handed in before the grant was approved. She added that is why she does not like back loading this information because it is not out in the public, it's not transparent. She went on to add the committee needs to back it out of there as she is not sure if Brady is doing the whole façade, the whole outside or just the sign.

In regards to Saucy Brew Works, Ms. Johnson commented that in order to calculate the signage and the grant, you have to have the signage in here. She went on that it is a sign cost of \$40,000 and she inquired as to who the vendor was and where the vendor estimate was. She added the committee was rubber stamping the grants without an estimate in the paperwork. She questioned the \$40,000 for the sign and who was doing the sign.

In regards to the agenda item that was table, Mr. Johnson said it was another Brady sign. She commented that all three had Brady's hand in it. She added that she was disgusted with it. She went on to say that this is why the committee should not be back loading these documents as they should be up front and if the applicant does not have all of their act together they do not get a grant approved.

Ms. Johnson they commented to Mr. Heil that he as an attorney sits there and lets it happen. Mr. Heil asked Ms. Johnson if she had any additional public comments to which she said she was done. Mr. Heil thanked her for her inaccurate comments and added that the committee does its job, does it correctly, and all of the documents received are public records so there is plenty of transparency. He went on to add that he appreciates her comments and her opinion as to how she would approve and disapprove grants, from his personal view of her comments.

Reminder of next meeting – May 10, 2022

Mr. Nickles asked the committed about the start time of the meeting going forward. Mr. Heil shared as long as the start time does not conflict with other boards and commission meetings he believes staff is flexible. Mr. Nickles asked to move the meeting back to a 1:30 pm start. Committee members agreed to a 1:30 pm start.

Meeting Adjournment

Mr. Nickles asked for a motion to adjourn to which Mr. Heil made the motion. Meeting was adjourned.

APPROVED:

Jonathan Holody, Interim Clerk

Mr. Nickles, Chairman

**City of Sandusky
Economic Development Fund**

Project	d.b.a.	Date Approved	Ordinance	Approved Grant Amount	Total Disbursed
Market Street Collective, LLC	Sandusky Food Hall	12/9/2019	-	\$ 139,620.00	\$ -
Family Health Services, LLC		2/11/2020	20-39	\$ 65,000.00	\$ 32,500.00
2021					
RDJMD, LLC	Ahner Commercial	3/9/2021	21-036	\$ 15,000.00	\$ 15,000.00
Maca Root Juice Bar		4/13/2021	-	\$ 10,000.00	\$ 10,000.00
Wake up and Waffle		4/13/2021	-	\$ 6,000.00	\$ 6,000.00
HDT Operating Co.	Tony's	4/13/2021	21-076	\$ 33,450.00	\$ 33,450.00
Your Turn Special Events, LLC		5/11/2021	-	\$ 2,000.00	\$ 2,000.00
Port Sandusky Restaurant, LLC		5/11/2021	-	\$ 2,500.00	\$ -
Body By Erica Taylor, LLC		5/11/2021	-	\$ 7,500.00	\$ 7,500.00
Venue 634 L.L.C.		5/11/2021	-	\$ 15,000.00	\$ 15,000.00
Dott Investments, Inc.	Kiddie Korral Preschool	7/13/2021	-	\$ 2,500.00	\$ 2,500.00
FSB Properties, LTD	135 - 145 Columbus Ave	7/13/2021	-	\$ 10,000.00	\$ 10,000.00
Derrick's Diner LLC		7/13/2021	-	\$ 3,267.00	\$ -
Cattien LLC (year one)	Small City Taphouse	7/13/2021	21-120	\$ 20,000.00	\$ 20,000.00
Name One Yellowstone, LLC		12/13/2021	21-197	\$ 50,000.00	\$ 50,000.00
Thirty Below Investment Group	Dairy Frost	11/9/2021	-	\$ 2,000.00	\$ -
Sweet Potato Catering, LLC		11/9/2021	-	\$ 10,000.00	\$ -
Everwild Spirits, LLC		12/13/2021	21-198	\$ 100,000.00	\$ 100,000.00
2022					
TrueGrit Fitness, LLC		1/11/2022	-	\$ 5,000.00	\$ -
Tambo Entertainment, LLC	Clubhouse No. 3	2/14/2022	22-022	\$ 60,000.00	\$ 60,000.00
Boeckling Historic Properties, LLC	Boeckling Club	3/8/2022	-	\$ 10,000.00	\$ -
Lake Erie Fisherman, LLC	Lake Erie Fisherman	3/8/2022	-	\$ 2,500.00	\$ -
Bait House Brewery, LLC	Bait House Brewery			\$ 50,000.00	\$ -
Paper Street Holdings, LLC	603 Columbus Ave	4/25/2022	22-084	\$ 22,500.00	\$ 22,500.00
Sandusky Massotherapy, LLC		4/26/2022	-	\$ 10,000.00	\$ -
Saucy Brew Works Sandusky LLC		5/9/2022	22-096	\$ 47,500.00	\$ 22,500.00
2022 Grants Total				\$ 207,500.00	\$ 408,950.00
Fund Balance					
2021 Carryover				\$ 148,375.00	
2022 Allocation				\$ 500,000.00	
Total Funding				\$ 648,375.00	
Small City 2022 Payment				\$ 140,000.00	
2022 Grants Total				\$ 207,500.00	
Balance				\$ 300,875.00	

July 12, 2022

Economic Development Incentive Committee Summary

GSS LLC

Applicant: Stacie Schmid
3709 Scottley Drive
Sandusky, OH 44870

Principal Owners: Stacie Schmid – 100%

Recommendation: \$25,000.00 Economic Development Fund grant to be recommended by the Economic Development Incentive Committee and approved by the City Commission on the condition that the applicant display a sign evidencing City of Sandusky support for one year after project completion. The project improvements will be completed by December 31, 2022.

Project Description

GSS LLC was formed to purchase and own the building at 422 Columbus Avenue. The building had been the home of Sandusky Massotherapy since 2006. GSS acquired the 3,200 square foot building earlier this year and will lease the space to Schmid Design Group, Inc (SDG) for a minimum period of ten years.

SDG will undertake extensive tenant improvements and equipment (furniture) purchases totaling \$241,547.41. The tenant improvements will include a façade upgrade, lighting, windows, and signage. Interior renovations will include new ceiling, lighting, flooring, electrical upgrades and office furniture.

Purchase and renovation of the subject building will modernize an office building and improve the aesthetics along a major gateway into the downtown area. Financial assistance from the City's Economic Development Fund to assist GSS, LLC with a portion of the acquisition costs will support the retention of Sandusky-based firm and position the building for years of productive use.

Project Uses

Building Purchase	\$275,000.00
Tenant Improvements and Equipment	<u>\$241,547.41</u>
Total	\$516,547.41

Project Sources

Private Lender (Cavista)	\$200,000.00
Owner Equity	\$50,000.00
Sandusky Economic Development Fund	\$25,000.00
Tenant (Tenant Improvements and Equipment)	<u>\$241,547.41</u>
Total	\$516,547.41

SANDUSKY ECONOMIC DEVELOPMENT FUND

APPLICATION

Applicant / Borrower Company:

(Applicant Name)

Stacie Schmid, GSS Group LLC.

(Title)

Stacie Schmid, Sole Owner of GSS Group LLC.

3709 Scottley Drive, Sandusky, OH 44870

(Phone Number) **419.271.0663 Stacie**

(Email) **schmidgs@bex.net**

(Federal Tax ID or last 4 of SSN)

GSS Group LLC. = 87-3923849



Existing Business Information:

Type of Business: ☒ Commercial ☐ Retail ☐ Service
☐ Other _____

Legal Structure: **GSS Group LLC. = LLC**

Primary Product or Service: **GSS Group LLC. = Property Owner**

Date Established: **GSS Group LLC.: 12/6/21** NAICS-SIC Code: _____

Website (if applicable):

Principal Officers / Owners:

Name / Title: **GSS Group LLC. Stacie Schmid, sole member**

Email: **schmidgs@bex.net**

Phone: **419.271.0663**

SSN (last 4): **6403**

% 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:

422 Columbus Avenue, Sandusky, Ohio 44870

(Address)

Erie County

(County)

If a relocation, indicate from where: **N/A This is the first property purchased by GSS Group LLC.**

Project Type:

☒ **Renovation** ☐ Expansion ☐ Start-Up/New Construction

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).

1. **GSS Group LLC. was formed for the sole purpose of purchasing 422 Columbus Ave. and renting to a Commercial business tenant. The new tenant has signed a 10-year lease. (attached)**
2. **The building on 422 Columbus Avenue is a solid block structure that once housed Ohio Bell. This building was also used for a law firm and most recently Sandusky Massotherapy.**



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).

1. ~~Renovations began May, 2022 to update the exterior and interior of 422 Columbus Ave. The exterior renovations will include a complete façade upgrade, new lighting, new windows, exterior painting, and signage. The interior renovations will include new ceilings, lighting, flooring, walls, windows, paint, millwork, electrical upgrades, etc.~~
2. ~~This building will be rented to a local architecture firm. The renovations will provide a bright and open work environment equipped with all new technology necessary to grow their business and provide optimal client interaction. This space will allow for future growth for the tenant.~~
3. Architectural drawings and proposed budget are attached to this application.

Business/Personal References:

Name / Title: Dustin Ness, Water Street Financial Managing Partner

Email: Dustin.Ness@RaymondJames.com Phone: 419.504.7301

Relationship: Financial Advisor

Name / Title: Carrie Beier, Erie County Board of DD Superintendent

Email: CBeier@eriecbdd.org Phone: 419.626.0208 xt 4120

Relationship: Board Member of Erie County Board of DD

Name / Title: Maria Berardi, Owner of Berardi's Restaurant and Sandusky Massotherapy

Email: _____ Phone: 419.625.0707

Relationship: Lifelong friend

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 of B+C+D should = A**).

(A) Total Project Cost (itemize below):

\$241,547.41 to date in renovations. Spreadsheet Attached

(B) Owner Equity (dollars and source):

N/A

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

GSS Group LLC. has mortgaged the property from Civista Bank.

Purchase Price was \$275,000 and mortgaged amount is \$220,000 for 10 years

(D) Request for City Assistance (dollars and type):

\$20,000.00 reimbursement

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>	04/01/22	7/8/22	
<u>Financing</u>	January 2022	January 2032	
<u>Construction</u>	05/01/22	07/30/22	
<u>Other</u>			

Project Impact and Employment:

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



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?

1. **This block of Columbus Avenue has a mix of buildings that have been improved and some that still need improvement. The proposed plan of renovating and updating 422 Columbus Avenue will indeed relate to the strategic approach of revitalization of the surrounding area. This project will add a thriving architecture firm to the market, enhancing both the physical appearance and economic status of this area. Tenant has 4 full time and one part time employees and will be adding another full-time employee this summer.**
2. **The tenant will be the third architecture firm within the city limits; however, each of these firms specialize in different areas of architecture and collaborate with each other in many aspects of the field. Tenant has maintained a very productive business since inception and has never had to lay off any employees due to limited work.**

Attachments:

The following should be submitted with your ED Application:

- ☐ 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 (if possible)

- X Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- X Lease agreement, purchase agreement, or proof of ownership/site control

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?		NA
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 may be considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year after project completion.

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.

The undersigned understands that if the business or enterprise receiving grant funding moves or relocates to a different location outside of the municipal boundaries of Sandusky within three (3) years from the effective date of the grant agreement, that the grant funding will be rescinded in its entirety and the undersigned waives any right or claim to the awarded funding. This provision does not include businesses or enterprises that cease operations and close or that open up additional locations outside of the municipal boundaries of Sandusky while maintaining their funded location within the Sandusky city limits.

x 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: **GSS Group LLC.**

By: **Stacie Schmid, GSS LLC. Sole Owner**

(Print or type name and title)

Stacie Schmid

(Signature)

07/07/2022

(Date)

GSS Office Building
422 Columbus Avenue
Sandusky, Ohio 44870

7/8/2022

CONSTRUCTION ESTIMATE 7/07/22

SCOPE DESCRIPTION	Budget 3/7/22	Actual as of 7/7/22
1) Demolition and dumpster (by GC)	\$ 3,000	3,000
2) General Contractor (Al Walshek)	\$ 25,000	43,880
3) Permits	\$ 1,000	966.15
4) A/E and Interior Design Fees		8,000
Exterior Work		
5) Windows (Pella Reserve)	\$ 6,500	6,954
6) Masonry and lintels	\$ 2,500	0
7) Screen Wall (Tusing)	\$ 8,000	6,200
8) Painting	\$ 2,000	2,000
9) Signage (Brady)	\$ 2,000	8,495.00
10) Lighting (Bright Focus Sales)	\$ 2,000	Included with interior
Interior Work		
11) Painting	\$ 4,200	4,200
12) Doors/Sidelites/windows (Ahner Comm.)	\$ 12,000	12,241.81
13) WD studs/GWB (By GC)	\$ 2,000	2,000
14) Millwork (MAJ Enterprises)	\$ 7,000	19,473
15) Flooring & Rubb. Base (Tarkett)	\$ 12,000	8,577.02
16) Ceilings (Armstrong and USG)	\$ 9,000	6,182.43
17) Lighting (Bright Focus Sales)	\$ 15,000	12,077.06
18) Electrical (Firelands Elec.)	\$ 8,000	18,445
19) Interior screen walls (Bing)	\$ 3,000	3,401.86
20) Signage (Brady)		5,780.00
21) Wallcovering / tackboards		749.04
22) Phone (Fisher)		900.00
23) Mechanical (Gundlach)		3,000.00
24) Data/Sound/Video (Accurate)	\$ 4,500	4,682.18
26) Furniture (Inspire)	\$25,000.00	60,343.51
27) Total Budgetary Estimate	\$ 153,700	241,547.41



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
12/06/2021	202134003442	DOMESTIC FOR PROFIT LLC - ARTICLES OF ORG (LCP)	99.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

FLYNN PY & KRUSE CO., LPA
165 E. WASHINGTON ROW
SANDUSKY, OH 44870

**STATE OF OHIO
CERTIFICATE**

Ohio Secretary of State, Frank LaRose
4783631

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
GSS GROUP, LLC

and, that said business records show the filing and recording of:

Document(s)

DOMESTIC FOR PROFIT LLC - ARTICLES OF ORG
Effective Date: 12/06/2021

Document No(s):

202134003442



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
6th day of December, A.D. 2021.

Ohio Secretary of State

July 12, 2022

Economic Development Incentive Committee Summary

A Foxy Girl Enterprise LTD

Applicant: Racquel Pace
1250 Chalet Drive
Sandusky, OH 44870

Principal Owners: Racquel Pace – 100%

Recommendation: \$2,500.00 Economic Development Fund grant to be approved by the Economic Development Incentive Committee subject to indemnification and permitting conditions in the Grant Agreement to be determined by the Law Director, and on the condition that the applicant display a sign evidencing City of Sandusky support for one year after project completion. The project improvements will be completed by July 1, 2023.

Project Description

Racquel Pace is a Sandusky resident, former owner of children's clothing store, and Executive Director of the Center for Cultural Awareness. Ms. Pace also owns A Foxy Girl Enterprise LTD (dba Ramba Mamba Jamba Party Bus).

Ramba Mamba Jamba Party Bus seeks to provide a fun and unique way to experience Sandusky. The company intends to convert a 1990 International 44 passenger school bus into a traveling entertainment venue. The party bus will offer tours and "pit stops" within a 100-mile radius of Sandusky. Operation of the bus will be regulated through the State of Ohio Department of Transportation, which enforces insurance, driver licensure, and inspection requirements.

Ramba Mamba Jamba Party Bus is expected to begin operating in late July 2022. The total project cost to establish the operation is \$23,170.

Financial assistance from the City's Economic Development Fund will allow Ramba Mamba Jamba Party Bus to complete the remaining improvements and tasks needed to begin operating the party bus.

Project Uses

Party Bus Expenses	\$23,170.44
Total	\$23,170.44

Project Sources

Owner Equity	\$20,670.44
Sandusky Economic Development Fund	\$2,500.00
Total	\$23,170.44

SANDUSKY ECONOMIC DEVELOPMENT FUND

APPLICATION

Applicant / Borrower Company:

RACHAEL PACE.

(Applicant Name)

CEO / OWNER.

(Title)

A FOXKY GIRL ENTERPRISE, LTD.

(Company Name – if different than Applicant Name)

1250 CHALET DR.

(Street Address)

(Suite, Apt, etc.)

SANDUSKY, OH 44870.

(City, State, Zip)

419-370-2880

(Phone Number)

87-1854345-

(Federal Tax ID or last 4 of SSN)

rmjpartybus@gmail.com

(Email)

Existing Business Information:

Type of Business: ☐ Commercial ☐ Retail ☒ Service
☒ Other ENTERTAINMENT
 Legal Structure: LIMITED LIABILITY COMPANY
 Primary Product or Service: ENTERTAINMENT / TOURS / PARTY BUS
 Date Established: 7/26/2021 NAICS-SIC Code: _____
 Website (if applicable): BEING BUILT.

Principal Officers / Owners:

Name / Title: RACHUEL PACE / OWNER / CEO.
 Email: RDLTPARTYBUS@GMAIL.COM Phone: 419-370-2880
 SSN (last 4): 3531 % 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:

IT'S A MOBILE BUSINESS.

(Address)

SANDUSKY, OH 44870

(City, State, Zip)

ERIE

(County)

If a relocation, indicate from where _____

Project Type:

☐ Renovation

☐ Expansion

☒ Start-Up/New Construction

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).

PREVIOUS OWNER OF JAHMAN'S CLOSET - CHILDREN'S CLOTHING STORE 2008-2010.

CURRENTLY EXECUTIVE DIRECTOR AT THE ETHEL J. GOLDEN CENTER FOR CULTURAL AWARENESS.

* BUSINESS PLAN ATTACHED.

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).

* PLEASE SEE ATTACHED BUSINESS PLAN.

Business/Personal References:

Name / Title: STEPHANIE'S ALTERATIONS.

Email: N/A.

Phone: 419-621-0953.

Relationship: FRIEND

Name / Title: DR. WILLIAM SCHLOTTERER.

Email: N/A.

Phone: 419-625-7122.

Relationship: FRIEND.

Name / Title: DR. RICHARD KOONCE.

Email: N/A.

Phone: 419-366-4564.

Relationship: FRIEND / COLLEAGUE.

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 of B+C+D should = A).

(A) Total Project Cost (itemize below):

PLEASE SEE ATTACHED
PRO-FORMA IN BUSINESS PLAN.

(B) Owner Equity (dollars and source):

\$11,600 - PERSONAL SAVINGS.

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

NONE.

(D) Request for City Assistance (dollars and type):

\$9,500. - GRANT ASSISTANCE
ECONOMIC DEVELOPEMENT.

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>	_____ <i>NONE.</i> _____		
<u>Construction</u>	_____ <i>NONE.</i> _____		
<u>Other</u> <i>BUS CUSTOMIZATION.</i>	<i>5/9/2022.</i>	<i>5/23/2022.</i>	_____

Project Impact and Employment:

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

** PLEASE SEE ATTACHED PRO-FORMA IN BUSINESS PLAN.*

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?

- APPROACH TO REVITALIZATION IS A UNIQUE OFFER TO A SOMEWHAT "SLEEPY" CITY TO BRING A NEW EXCITING FORM OF ENTERTAINMENT TO THE CITY! THIS BUSINESS WILL ALLOW TOURISTS : VISITORS TO THE CITY TO SEE MORE OF THE CITY, SEE MORE OF WHAT SANDUSKY OFFERS THROUGH OUR TOURS!
- THIS BUSINESS WILL IMMEDIATELY ? DIRECTLY CREATE 5 NEW JOBS THROUGH RMT AND POTENTIALLY CREATE MORE JOBS BECAUSE OF BUSIER BARS : BUSINESSES RMT IS AFFILIATED WITH + DOES BUSINESS WITH!
- MISSING SERVICE? - THIS BUSINESS ADDRESSES THE DESPERATE NEED OF A NEW, UNIQUE PARTY EXPERIENCE! INSTEAD OF JUST WALKING AROUND TOWN BAR HOPPING, THIS BUSINESS FILLS THE GAP OF FUN : EXCITEMENT! IT PROVIDES A SAFE WAY TO TRY OUT MANY OF THE CITY'S BEST WATERING HOLES (RESTAURANTS & WINERIES TO COME!)

Attachments:

The following should be submitted with your ED Application:

- ☒ 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 (if possible)
- ☐ Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- ☒ Lease agreement, purchase agreement, or proof of ownership/site control

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
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>
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	<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 may be considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year after project completion.

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.

The undersigned understands that if the business or enterprise receiving grant funding moves or relocates to a different location outside of the municipal boundaries of Sandusky within three (3) years from the effective date of the grant agreement, that the grant funding will be rescinded in its entirety and the undersigned waives any right or claim to the awarded funding. This provision does not include businesses or enterprises that cease operations and close or that open up additional locations outside of the municipal boundaries of Sandusky while maintaining their funded location within the Sandusky city limits.

☒ 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: THE FOXXY GIRL ENTERPRISE, LTD.

By: RACHEL PACE - CEO/OWNER.

(Print or type name and title)

Rachel Pace
(Signature)

5/3/2022
(Date)

RAMBA MAMBA JAMBA
THE ULTIMATE PARTY EXPERIENCE

Business Plan

Submitted to:

The City of Sandusky

Economic Development Fund

Racquel Pace
1250 Chalet Dr.
Sandusky, OH 44870
419-370-2880

Statement of Purpose

Ramba Mamba Jamba, (A Foxy Girl Enterprise, LTD) (referred to from hereon in as the "Company") Is established as a Limited Liability Company at 1250 Chalet Dr, Sandusky, Ohio 44870, with the expectation of rapid expansion in the entertainment industry. The Company solicits \$9,500 in funding for financial backing to be able to introduce its one of a kind, new service (described below) to include miscellaneous startup expenses, working capital, inventory, and equipment.

Business Description

The Company is formed as Limited Liability Company under Ohio state laws and headed by Racquel A. Pace. The Company will employ 5 full time employees.

RAMBA MAMBA JAMBA, is a start-up business that will offer a **desperately** needed change from the typical party bus and entertainment experience. Ramba Mamba Jamba will transform the party bus industry and offer an unapparelled *party on wheels* experience to guests from all backgrounds and from all over the country.

The Company is prepared to introduce the following service to the market:

Party Bus: Enjoy the shores of Lake Erie in Sandusky, OH; known for its many attractions including water, wildlife and amusement parks while touring on the Ramba Mamba Jamba and get ready to paint the town red! Ramba Mamba Jamba is all about a different, exceptional party bus experience, making friends and having the best time of your life! Sandusky is an expanding tourist area, our guests will come from all over the country for this experience! When you hop aboard the Ramba Mamba Jamba whether you are hanging out with friends, celebrating a birthday, anniversary, honeymoons or any life event, the party is all about you! Party goers will go to the Ramba Mamba Jamba website to select their specific party time and provide payment online. Since many of the party goers will be tourist, pickup will conveniently be at local hotels. During a 2 hour "party tour" we will "pit stop" for 30 minutes at 3 of our favorite bars and watering holes in Sandusky. Included is a complimentary Jamba shot glass and complimentary shot at each bar, drink, and food specials will be offered at Happy Hour prices. The 30-minute time at each bar will be filled with great music, dancing, enjoying your favorite beverage and FUN!! After all stops have been made and the tour is over, party goers will safely be delivered back to the hotel of which they were picked up.

Special events will be handled according to the plan of the guest securing Ramba Mamba Jamba for their event.

Don't miss the bus!

Business Mission

To offer a desperately needed change from the typical party bus and experience that is safe, fun and offers cities a different kind of entertainment that will exceed customer expectations.

Marketing Plan

RAMBA MAMBA JAMBA has researched the area and determined there is no entertainment like Ramba Mamba Jamba being offered within a 100-mile radius of the home operating area.

As a pre-qualifier to starting this business, we have personally contacted our target customers to assess the need and desire. Because of the personal contact and the full explanation of the services we will provide, we have secured verbal commitments from bar owners that are eager for their bar to be one of the "pit stops" contingent on the start-up of this business.

Marketing methods will include direct mail and sales, strategically planned newspaper advertisements, our website and social media promotions. The appearance of our well-maintained equipment and uniformed, professional looking staff will provide positive "word-of-mouth" recommendations.

Target Markets

The Company's major target markets are as follows:

Guests from all over the country, both young and old, celebrating **all** life occasions.

Below is a list of the people and organizations that we have specifically designed our products and services for:

- * Couples / Young Adults
- * Corporate Organizations
- * Political Parties/Politicians
- * Households/Families
- * Schools (High Schools, Colleges and Universities)
- * Sport Organizations
- * Entrepreneurs and Startups
- * Sororities and Fraternities
- * Children's Parties

The estimated number of potential clients within the Company's geographic scope is 50,000.

Promotional Strategy

The Company will eagerly promote sales using a guerilla marketing strategy using the following methods:

- Leveraging the use of social media advertising and presence
- Maintain partnerships with local hotels, bars, restaurants, and businesses to advertise to their customers
- Use billboards and automated texting software to announce specials and discounts
- Send introductory letters alongside our brochure to corporate organizations, religious organizations, schools, households, and key stake holders in Sandusky, OH.
- Advertise Ramba Mamba Jamba in relevant event related magazines, newspapers, TV, and radio stations
- Engage direct marketing approach
- Encourage word of mouth marketing from loyal and satisfied clients
- Join local chambers of commerce and industry with the aim of marketing our business
- Create a reward program targeted at locals
- A grand opening campaign will be planned and fully executed within 45 days of the business open date.

All bookings will be made through the Ramba Mamba Jamba website, which provides a secure method of payment and loss prevention.

Competition

Currently, RAMBA MAMBA JAMBA has NO competitors operating in the area. RMJ is a new and UNIQUE business whose only competition at this time are party buses that must be rented ahead of time and only takes a party of people to and from one destination; and brick and mortar bars, which requires party goers to get in their vehicles and drive to another destination - which we know is very unsafe and not recommended. RAMBA MAMBA JAMBA will be the FIRST of mobile entertainment in the area!

In the entertainment industry, customers make choices based upon:

- * Safety
- * Affordability
- * Guided tour of the city
- * Family activity
- * Adult only activity
- * Ramba Mamba Jamba will be the first in Sandusky, OH .

We believe that the Company has the following competitive advantages:

The opportunities in the party bus industry are massive considering the number of special events, weddings, parties, birthdays etc. that take place daily in the United States. Parents and families are seeking adventures that are safe, clean, in a controlled, secure environment and we are ready to take advantage of any opportunity that comes our way! Hopping around a new town as a tourist could not be made any easier and locals will see their city in a way that they never have before.

RAMBA MAMBA JAMBA will operate out of the owner's residence at 1250 Chalet Dr. Sandusky, OH. Equipment, inventory will be stored in a secured building to be rented. The overhead costs for the additional use of this building will be affordable. This business does not need to be located in a high traffic area to be successful. It does not depend on customers visiting a facility to conduct business.

Organization Plan

Management

Racquel Pace has been a resident of Sandusky, OH for 45 years, was a previous business owner of a children's clothing store - Johmani's Closet and is currently the Executive Director of a non-profit organization in Sandusky, OH, which makes her uniquely qualified to operate a for profit business.

Personnel

RAMBA MAMBA JAMBA will hire 5 part time employees. All employees will be well trained in all aspects of the business, the equipment usage and maintenance, and customer relations. Employees will be provided uniforms and be expected to maintain a clean and neat appearance.

Summary

RAMBA MAMBA JAMBA will be a unique party bus experience that will surprise the industry and immediately become an entertainment leader in the Sandusky area with rapid expansion statewide and eventually nationwide.

Industry Overview

In the United States, the entertainment industry presently makes \$1,100,000 dollars in sales.

With drinking and driving laws becoming increasingly stricter, people are looking for entertainment experiences that take the risk out of their night out. Ramba Mamba Jamba is not your typical party bus experience. Our experience provides guests with a safe, unforgettable, ultimate party experience on wheels without the worries of logistics of getting from place to place! Guests can sit back, relax, and enjoy scenery and the ride!

According to news outlets, mobile businesses are a growing trend, and here's why:

* The "Pit Stop" party bus is entertainment that's convenient, safe and a lot of fun!

* These days people love to party, and Ramba Mamba Jamba is the ultimate joy ride with 40-45 friends which makes it more exciting!

* Steep rise in demand for "out of the box" entertainment for adults and children

* Americans devote approximately 5.4% of the average U.S. household paycheck to entertainment.

* Cost effective - What's better than sharing the cost of your party with 40 people?

Ramba Mamba Jamba Party Bus

Current Expenses

1990 International 44 passenger school bus	\$3,000
Insurance downpayment (April)	\$2,785
Title	\$250
Sound system	\$779.40
Motorcoach Inspection	\$105.00
Vinyl lettering & application (business name)	\$279.12
PUCO registration	\$315
Insurance (May)	\$1,121.44
Insurance (June)	\$1,121.44
Insurance (July)	\$1,121.44
Supplies (shot glasses, beads etc)	\$559.28
Mktg Hotcards (Vistaprint)	\$86.77
Customization labor	\$1,650
Equipment rental	\$68.27
Customization Supplies (paint, brushes, tape, drill etc)	\$1,378.28
Fuel	\$100.00

TOTAL: **\$14,720.44**

Expected Upcoming Expenses

Additional lighting	\$400.00
Marketing (Radio, billboards, hotcards etc)	\$1,000
Uniforms	\$350
Karaoke Screen	\$700
Fuel & Maintenance	\$1,000
Working Capital	\$5,000
Total:	\$8,450

GRAND TOTAL:

\$23,170.44



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
07/27/2021	202120703476	DOMESTIC FOR PROFIT LLC - ARTICLES OF ORG (LCP)	99.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

RACQUEL A PACE
1250 CHALET DR.
SANDUSKY, OH 44870

STATE OF OHIO CERTIFICATE

Ohio Secretary of State, Frank LaRose
4719512

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
A FOXXY GIRL ENTERPRISE LTD

and, that said business records show the filing and recording of:

Document(s)

DOMESTIC FOR PROFIT LLC - ARTICLES OF ORG

Effective Date: 08/01/2021

Document No(s):

202120703476



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
27th day of July, A.D. 2021.

Ohio Secretary of State

July 12, 2022

Economic Development Incentive Committee Summary

MALISCRA LLC

Applicant: Craig Hecht
222 46th Street
Sandusky, OH 44870

Principal Owners: Craig Hecht – 50%
Usa Hecht – 50%

Recommendation: \$3,000.00 Economic Development Fund grant to be approved by the Economic Development Incentive Committee on the condition that the applicant display a sign evidencing City of Sandusky support for one year after project completion. The project improvements will be completed by July 1, 2023.

Project Description

MALISCRA LLC owns and operates the Manor Motel at 2428 Columbus Avenue, Sandusky, Ohio. The Manor Motel features 14 rooms. The motel is prominently located at a major gateway into the City of Sandusky.

MALISCRA seeks to undertake exterior property repairs to ensure the continued attractiveness and viability of the motel. The repairs include painting, stucco repair, and post repair. The total cost of the repairs is \$7,000.

The prior owner of the property, USBIR LLC, received \$2,157.45 in Sandusky Economic Development grant funds in 2019 for the replacement of new awnings at the property.

Financial assistance from the City's Economic Development Fund will allow MALISCRA to repair the Manor Motel building and maintain the facility as a viable part of Sandusky's tourism economy.

Project Uses

Exterior Building Repairs	\$7,000.00
Total	\$7,000.00

Project Sources

Owner Equity	\$4,000.00
Sandusky Economic Development Fund	\$3,000.00
Total	\$7,000.00

SANDUSKY ECONOMIC DEVELOPMENT FUND

APPLICATION

Applicant / Borrower Company:

CRAIG HECHT

(Applicant Name)

OWNER - MANOR MOTEL

(Title)

(Company Name – if different than Applicant Name)

MALISORA LLC PCL HON ERIE COUNTY AUDITORS
WEBSITE # 57-00090.000

(Street Address)

222 46TH ST

(Suite, Apt, etc.)

SANDUSKY, OH 44870

(City, State, Zip)

419-973-2937

(Phone Number)

7604

(Email)

CRAIG.HECHT@YAHOO.COM

(Federal Tax ID or last 4 of SSN)

Existing Business Information:

Type of Business: ☒ Commercial ☐ Retail ☐ Service
☐ Other _____
 Legal Structure: _____
 Primary Product or Service: 14 Room MOTEL
 Date Established: JULY 2019 NAICS-SIC Code: _____
 Website (if applicable): _____

Principal Officers / Owners:

Name / Title: CRAIG HECHT
 Email: CRAIG.HECHT@YAHOO.COM Phone: 419-973-2937
 SSN (last 4): 7604 % Ownership: 50%

Name / Title: LISA HECHT
 Email: CRAIG.HECHT@YAHOO.COM Phone: 419-552-8549
 SSN (last 4): 2206 % Ownership: 50%

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

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

Location of Proposed Project:

2428 COLUMBUS AVE

(Address)

SANDUSKY, ON 44870

(City, State, Zip)

ERIE

(County)

If a relocation, indicate from where _____

Project Type:

☒ Renovation ☐ Expansion ☐ Start-Up/New Construction

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).

LIFELONG RESIDENT OF THE CITY OF SANDUSKY

GRADUATE OF THE OHIO STATE UNIVERSITY WITH DEGREE IN
BUSINESS ADMINISTRATION

EMPLOYED BY THE ERIE COUNTY ENGINEERS AS COMPUTER
DRAFTSMAN FOR 32+ YEARS

OWNED/MANAGED 8 APARTMENTS IN SANDUSKY FOR 30 YRS

CURRENTLY BUILDING IS BEING USED AS A 14 ROOM
MOTEL (ROOMS VARY IN SIZE) FOR DAILY + WEEKLY GUESTS

AS OF JULY 2022 WE WILL HAVE OWNED THE MOTEL
3 YRS.

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).

- ① PRESSURE WASH / PROFESSIONALLY PAINT 3 STAIRCASES / SUPPORT POSTS ON PREMISES
- ② RE-WORK ⑦ SUPPORT POSTS FOR ③ STAIRCASES
- ③ FIX EXPOSED / CRACKED SURFACE OF STUCCO ON SOUTH DOMINANT SIDE OF MOTEL FACING PERKINS AVE
- ④ PRESSURE WASH FENCE AROUND PARKING LOT TO PROFESSIONALLY PAINT

Business/Personal References:

Name / Title: LARRY RIEDY / FRIEND / INDEPENDANT CONSTRUCTION CONTRACTOR

Email: _____ Phone: 419-656-1832

Relationship: FRIEND

Name / Title: MIKE KARNIOTIS

Email: _____ Phone: 419-366-5567

Relationship: FRIEND - SANDUSKY LIONS CLUB

Name / Title: LINDA EWERS

Email: _____ Phone: 419-679-6255

Relationship: FRIEND - ST. PAUL LUTHERAN CHURCH

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 of B+C+D should = A).**

(A) Total Project Cost (itemize below):

PREP/PAINT PERIMETER FENCE	1250.00
PREP/PAINT (3) STAIRWELLS/LANDINGS ON PROPERTY	3650.00
REPAIR (7) POSTS + INSTALL BASE PLATES SUPPORTING	150.00
STAIRWELLS	350.00
STUCCO/REPAIR PATCHES ON MOTEL EXTERIOR	1600.00
OVERALL MATERIALS	
	<u>\$7,000.00</u>
	TOT

(B) Owner Equity (dollars and source): \$ 3,500 - SAVINGS ACCOUNT

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

(D) Request for City Assistance (dollars and type):

\$ 3,500 - 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>ASAP</u>		
<u>Financing</u>			
<u>Construction</u>	<u>ASAP</u>		
<u>Other</u>			

Project Impact and Employment:

	Current Year	Year One	Year Two	Year Three
Annual Sales Revenue		70,000	68,000	
Annual Payroll		0	0	
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?

THE LOCATION OF THE MANOR MOTEL IS IN A HIGH
PROFILE "GATEWAY" INTERSECTION OF COLUMBUS + PERKINS AVE
INTO THE CITY OF SANDUSKY. AS SANDUSKY IS A TOURIST TOWN
THIS CORNER NEEDS TO BE PROPERLY MAINTAINED TO HELP
SUPPORT A POSITIVE IMAGE OF SANDUSKY

Attachments:

The following should be submitted with your ED Application:

- ☐ 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 (if possible)
- ☐ Third party cost estimates, **INCLUDING RENDERINGS** (if applicable)
- ☐ Lease agreement, purchase agreement, or proof of ownership/site control

PROOF OF OWNERSHIP AS FOUND ON ERIE COUNTY AUDITOR'S WEBSITE
 PCL# 57-00090.000 - SEE TAX MAILING ADDRESS IS SAME AS
 THAT OF CRAIG + LISA HECHT PROPERTY HOMESTEAD - PCL #
 57-04854.000

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

*

* WAITING ON ANSWER FROM MY ACCOUNTANT
 IN REGARDS TO IF I OWE 2-3 MONTHS OF
 PRIOR STATE SALES TAX
 I CURRENTLY HAVE A CREDIT OF + \$2000.00
 WITH THE STATE OF OHIO REGARDING SALES TAXES

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 may be considered a public record. The undersigned also agrees to display signage showing City support on their property for up to one (1) year after project completion.

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.

The undersigned understands that if the business or enterprise receiving grant funding moves or relocates to a different location outside of the municipal boundaries of Sandusky within three (3) years from the effective date of the grant agreement, that the grant funding will be rescinded in its entirety and the undersigned waives any right or claim to the awarded funding. This provision does not include businesses or enterprises that cease operations and close or that open up additional locations outside of the municipal boundaries of Sandusky while maintaining their funded location within the Sandusky city limits.

☐ **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: MAJISORA LLC

By: CRAIG HECHT - OWNER

(Print or type name and title)

Craig Hecht
(Signature)

6/6/2022
(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

Jonathan Holody, Director of Community Development
Department of Community Development
240 Columbus Avenue
Sandusky, Ohio 44870

Phone: (419) 627-5707
Email: jholody@ci.sandusky.oh.us



DATE	DOCUMENT ID	DESCRIPTION	FILING	EXPED	CERT	COPY
05/22/2019	201914103066	DOMESTIC FOR PROFIT LLC - ARTICLES OF ORG (LCP)	99.00	0.00	0.00	0.00

Receipt

This is not a bill. Please do not remit payment.

MALISCRA
ATTN: CRAIG A. HECHT
222 46TH ST.
SANDUSKY, OH 44870

STATE OF OHIO CERTIFICATE

Ohio Secretary of State, Frank LaRose
4339175

It is hereby certified that the Secretary of State of Ohio has custody of the business records for
MALISCRA LLC

and, that said business records show the filing and recording of:

Document(s)

DOMESTIC FOR PROFIT LLC - ARTICLES OF ORG
Effective Date: 05/20/2019

Document No(s):
201914103066



United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio this
22nd day of May, A.D. 2019.


Ohio Secretary of State

Contractors Invoice

From RT Construction -

WORK PERFORMED AT

217 NEIL ST, SANDUSKY, OH

The Manor Motel

2428 Columbus Ave

ATT: RICO TINOCO

Sandusky, Ohio 44870

DATE

May 28th 2022

YOUR WORK ORDER NO.

0182

OUR BID NO.

0

DESCRIPTION OF WORK PERFORMED

- * Painting Fence in Rear of Building \$1,250.⁰⁰
- * Painting all rails, stairs, and landings \$3,650.⁰⁰
- * Stucco Repair / patches \$350.⁰⁰
- * Repair post and install base plate \$150.⁰⁰
- * Above pricing is for Labor only.
- * Materials are additional \$1,600.⁰⁰ to complete job provided above.
- * Materials and Labor \$7,000.⁰⁰

It is understood to be as specified, and the above work was performed in accordance with the drawings and specifications provided for the

work completed in a substantial workmanlike manner for the agreed sum of Seven thousand

Dollars (\$ 7,000.⁰⁰).

Amount due and payable by:

5

28

2022

Contract ☐ Proposal

No.

0182

Dated

5

28

2022