

VILLAGE OF LOMBARD  
REQUEST FOR BOARD OF TRUSTEES ACTION  
For Inclusion on Board Agenda

  X   Resolution or Ordinance (Blue)            *Waiver of First Requested*  
  X   Recommendations of Boards, Commissions & Committees (Green)  
       Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: Scott R. Niehaus, Village Manager

DATE: December 28, 2015 (B of T) Date: January 7, 2016

TITLE: Downtown Restaurant Forgivable Loan; 101 W. St. Charles Road  
(Babcock's Grove House)

SUBMITTED BY: Department of Community Development *MS*

BACKGROUND/POLICY IMPLICATIONS:

Your Economic and Community Development Committee (ECDC) transmits for your consideration its recommendation regarding the attached resolution approving a Downtown Restaurant Forgivable Loan for the property commonly known as 101 W. St. Charles Road.

The ECDC recommended approval of this petition by a vote of 6-0 at its December 14, 2015 meeting.

Fiscal Impact/Funding Source:

Review (as necessary):

Village Attorney X \_\_\_\_\_ Date \_\_\_\_\_

Finance Director X \_\_\_\_\_ Date \_\_\_\_\_


Village Manager X \_\_\_\_\_ Date \_\_\_\_\_

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.



## MEMORANDUM

**TO:** Scott R. Niehaus, Village Manager

**FROM:** William J. Heniff, AICP, Director of Community Development 

**DATE:** January 7, 2016

**SUBJECT: Downtown Restaurant Forgivable Loan; 101 W. St. Charles Road (Babcock's Grove House)**

Please find the following items for Village Board consideration as part of the January 7, 2016 Board meeting:

1. Economic and Community Development Committee (ECDC) memo; and
2. A Resolution Approving a Downtown Restaurant Forgivable Loan for the Property Commonly Known As 101 W. St. Charles Road

The Community Development Department received an application for the Downtown Restaurant Forgivable Loan for 101 W. St. Charles Road. The applicant is seeking to install interior improvements for a new full-service restaurant. The property is located in the Downtown TIF. The total cost of project is \$244,647.91 and is grant eligible up to \$81,549.30 (up to 1/3 of the eligible project costs; not to exceed \$100,000, unless specifically approved by the Village Board). A lien will be placed on the building in the amount of the forgivable loan. One tenth of the forgivable loan is forgiven for each full year that a restaurant is open. The recommendation is subject to the following conditions:

1. Permits must be applied for and received for all of the work.
2. Work must be complete one year from the date of approval by the Village Board of Trustees.
3. Before the grant can be paid out, the petitioner will submit a final receipt (showing the project is paid in full) and waivers of lien from the contractors.

The ECDC recommended approval of this grant request by a vote of 6-0. Please place this resolution on the January 7, 2016 Board of Trustees agenda.

**RESOLUTION**  
**R \_\_\_\_\_**

**A RESOLUTION APPROVING A DOWNTOWN RESTAURANT FORGIVABLE  
LOAN FOR THE PROPERTY COMMONLY KNOWN AS  
101 W. ST. CHARLES ROAD**

WHEREAS, the Village of Lombard (the "Village") disburses funds for the Downtown Restaurant Forgivable Loan Program (the "Program") under the authority of the Village Board of Trustees, and will provide monetary grants to qualified property owners in the Lombard Downtown Tax Increment Financing (TIF) District to enhance and improve buildings and parking areas; and,

WHEREAS, Topaz RG, LLC owned by Stephen J. and Dana Moreau (the "Applicant"), desires to participate in this Program for interior renovations to the building (the "Project") located at 101 W. St. Charles Road, Lombard, Illinois (the "Subject Property") and,

WHEREAS, the legal owner of record of 101 W. St. Charles Road, Lombard, Illinois is Thomas J. Smith (the "Owner"); and,

WHEREAS, the Applicant is a tenant of 101 W. St. Charles Road, Lombard, Illinois; and,

WHEREAS, the Project shall consist of those renovations to the interior of the building on the Subject Property as set forth on Exhibit "A" attached hereto and made part hereof; and,

WHEREAS, the Project will complement and support the Village's plans to maintain a quality Central Business District;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, as follows:

**SECTION 1:** That the Village shall provide the Applicant with a grant of up to eighty-one thousand five hundred forty-nine and 30/100 dollars (\$81,549.30), pursuant to the Program (the "Grant"). Such monies shall be available to the Applicant upon the authorization of the Village's Director of Community Development, after receipt of satisfactory evidence that the Project components have been completed, and that the Applicant has paid all invoices for labor and materials in connection therewith.

**SECTION 2:** The Applicant, as well as any subsequent business or property owner, will perform the following obligations in connection with the Project:

- a. Permits must be applied for and received for all of the work.

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

- b. Work must be complete within one (1) year from the date of approval of this Resolution by the Village Board of Trustees.
- c. Before the Grant can be paid out, the Applicant shall submit a final receipt to the Village (showing the Project has been paid in full), along with waivers of lien from the contractors working on the Project.

**SECTION 3:** The Applicant, and any subsequent business or property owner, shall be required to maintain the subject Property in accordance with all Village codes and ordinances, and obtain any and all necessary licenses and permits required relative thereto.

**SECTION 4:** That the Program Agreement, relative to the Project, attached hereto as Exhibit "B" and made part hereof is hereby approved (the "Agreement")

**SECTION 5:** That the Owner agrees that the Agreement may be duly recorded against the subject Property, to serve as notice upon future purchasers, assigns, estate representatives, mortgages, and all other interested persons of the conditions outlined in the Agreement.

**SECTION 6:** The Village may terminate the Agreement if the Applicant or Owner, or any subsequent business or property owner, fails to comply with any of the terms of the Agreement. In the event of termination, the Owner shall be required to repay any amount of the Grant disbursed.

**SECTION 7:** That the Village President and Village Clerk are hereby authorized and directed to sign, on behalf of the Village of Lombard, the Agreement attached hereto as Exhibit "B".

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2016, pursuant to a roll call vote as follows:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Keith T. Giagnorio  
Village President

Resolution No. \_\_\_\_\_

101 W. St. Charles Road

ATTEST:

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Sharon Kuderna  
Village Clerk

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

**EXHIBIT A**  
**Legal Description**

LOT 2 IN ZITT'S RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 1 IN BLOCK 19 IN THE TOWN OF LOMBARD, BEING SUBDIVISION IN SECTIONS 5, 6, 7 8 AND 18, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 18, 1991 AS DOCUMENT R91-153504, IN DUPAGE COUNTY, ILLINOIS.

PIN 06-07-209-017

**EXHIBIT B**

**DOWNTOWN RESTAURANT FORGIVABLE LOAN PROGRAM AGREEMENT**

This Downtown Restaurant Forgivable Loan Program (hereinafter referred to as the “Agreement”) Agreement is entered into this 7<sup>th</sup> day of January, 2016, by and between the Village of Lombard, Illinois, (hereinafter referred to as the “Village”), Topaz RG, LLC owned by Stephen J. and Dana Moreau (hereinafter referred to as “Applicant”), and Thomas J. Smith (hereinafter referred to as “Owner”), doing business at 101 W. St. Charles Road, Lombard, Illinois (said location being legally described on Exhibit “1” attached hereto and made part hereof – hereinafter referred to as the “Subject Property”), with personal property being secured at 101 W. St. Charles Road, Lombard, Illinois. The Village, the Owner and the Applicant are sometimes referred to herein collectively as the “Parties.”

**WITNESSETH**

**WHEREAS**, the Village, pursuant to Sections 36.50 through 36.55 of the Lombard Village Code, has established a Downtown Restaurant Forgivable Loan Program (hereinafter referred to as the “Program”) and, as such, will provide grants to qualified business owners and property owners in the Eligible TIF Districts (as said term is defined in Section 36.51 of the Lombard Village Code) for interior renovations; and

**WHEREAS**, the Program compliments and supports the Village's plans to maintain a quality Central Business District; and

**WHEREAS**, interior renovations are desirable within the Central Business District and contribute to an economically strong Central Business District; a commercial area where the image, appearance, and environment encourage the attraction of shoppers; and

**WHEREAS**, the Applicant desires to participate in the Program, for proposed interior renovations at the Subject Property; (Program Application No.: **16-01**); with said interior renovations being more specifically described in Exhibit “2” attached hereto and made part hereof (hereinafter referred to as the “Project”);

**NOW, THEREFORE**, in consideration of the foregoing, and other good and valuable consideration, the receipt of which is hereby acknowledged by the Parties hereto, the Parties agree as follows:

**SECTION 1:** The Village shall provide the Applicant with a grant under the Program in an amount not to exceed eighty-one thousand five hundred forty-nine and 30/100 dollars (\$81,549.30) (hereinafter referred to as the “Grant”). Such Grant shall be available to the Applicant, upon the authorization of the Village's Director of Community Development, after the Applicant has constructed the Project, complied with the

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

provisions of this Agreement and Sections 36.50 through 36.55 of the Lombard Village Code, and has paid for the Project. The maximum amount of the Grant, as set forth above, is based upon the Applicant expending no less than two hundred and forty-four thousand six hundred forty-seven and 91/100 dollars (\$244,647.91) in relation to the Project. In the event that the Applicant's expenditures for the Project are less, the Grant shall be reduced such that the maximum amount of the Grant shall not exceed one-third (1/3) of the amount expended by the Applicant in relation to the Project.

**SECTION 2:** The Applicant shall undertake the following in connection with the Project:

- a. Permits must be applied for and received for all of the work.
- b. Work must be complete within one (1) year from the date of approval of the Resolution authorizing this Agreement, by the Village Board of Trustees. (January 7, 2017 completion date).
- c. Before the Grant can be paid out, the Applicant shall submit a final receipt to the Village (showing the Project has been paid in full), along with waivers of lien from the contractors working on the Project.

**SECTION 3:** Upon completion of the Project, the Applicant shall maintain the Subject Property and the business located thereon, in accordance with all applicable federal, state and local laws, rules and regulations.

**SECTION 4:** The Owner hereby consents to the recording of this Agreement to serve as notice to future purchasers, assigns, estate representatives, mortgagees, and all other interested persons of the conditions outlined in this Agreement.

**SECTION 5:** The Owner hereby agrees to be bound by the lien conditions set forth in Section 36.55 of the Lombard Village Code, which are incorporated herein by reference as if set forth in full herein, including, but not limited to, the condition that, upon disbursement of the Grant funds by the Village, no business, other than a restaurant, may operate at the subject Property for a period of ten (10) years from the recording of the lien referenced in said Section 36.55 of the Lombard Village Code, without the consent of the Village.

**SECTION 6:** In the event the Village terminates this Agreement as a result of the Applicant or Owner failing to comply with any of the terms of this Agreement, the Applicant and/or Owner shall be required to repay any amount of the Grant that has been disbursed by the Village. In the event said amount is not repaid within thirty (30) days of the Village's written demand for repayment, interest shall accrue at a rate of two percent (2%) per month on the unpaid amount due until the amount due is paid in full, and the Village shall have the right to record a lien against the Subject Property for said amount, and foreclose upon said lien in the same manner as in regard to a mortgage.



Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

**SECTION 7:** The Applicant and Owner agree not to substantially change the use of the business or interior space for which the Grant was received for a period of not less than ten (10) years from the date the Agreement was executed.

**SECTION 8:** This Agreement shall be binding upon the successors and assigns of the Parties hereto.

VILLAGE OF LOMBARD

\_\_\_\_\_  
By: Keith T. Giagnorio, Village President

\_\_\_\_\_  
Attest: Sharon Kuderna, Village Clerk

APPLICANT

\_\_\_\_\_  
Topaz RG, LLC (Member of the LLC Stephen J. Moreau)

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

APPLICANT

\_\_\_\_\_  
Topaz RG, LLC (Member of the LLC Dana Moreau)

OWNER

\_\_\_\_\_  
Thomas J. Smith

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

STATE OF ILLINOIS        )  
  )SS  
COUNTY OF DUPAGE        )

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO  
HEREBY CERTIFY that Keith T. Giagnorio, personally known to me to be the President  
of the Village of Lombard, and Sharon Kuderna, personally known to me to be the  
Village Clerk of said municipal corporation, and personally known to me to be the same  
persons whose names are subscribed to the foregoing instrument, appeared before me this  
day in person and severally acknowledged that as such President and Village Clerk, they  
signed and delivered the said instrument and caused the corporate seal of said municipal  
corporation to be affixed thereto, pursuant to authority given by the Board of Trustees of  
said municipal corporation, as their free and voluntary act, and as the free and voluntary  
act and deed of said municipal corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Commission expires \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

Resolution No. \_\_\_\_\_

101 W. St. Charles Road

STATE OF ILLINOIS        )

)SS

COUNTY OF DUPAGE        )

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO  
HEREBY CERTIFY that Stephen and Dana Moreau, personally known to me to be the  
managers of Topaz RG, LLC and the same person whose name is subscribed to the  
foregoing instrument, appeared before me this day in person and severally acknowledged  
that he/she signed and delivered the said instrument, as the free and voluntary act of said  
limited liability company and his/her free and voluntary act, for the uses and purposes  
therein set forth.

GIVEN under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Commission expires \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_

Notary Public

Resolution No. \_\_\_\_\_

101 W. St. Charles Road

STATE OF ILLINOIS        )

)SS

COUNTY OF DUPAGE        )

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO  
HEREBY CERTIFY that Thomas J. Smith, personally known to me to be the owners of  
the subject Property, as referenced in the foregoing Agreement, and the same person  
whose name is subscribed to the foregoing instrument, appeared before me this day in  
person and severally acknowledged that he signed and delivered the said instrument, as  
his free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

Commission expires \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

**EXHIBIT 1**  
**Legal Description**

LOT 2 IN ZITT'S RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 1 IN BLOCK 19 IN THE TOWN OF LOMBARD, BEING SUBDIVISION IN SECTIONS 5, 6, 7 8 AND 18, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 18, 1991 AS DOCUMENT R91-153504, IN DUPAGE COUNTY, ILLINOIS.

PIN 06-07-209-017

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road


## **EXHIBIT 2**

The Village of Lombard Community Development Department retains a copy of the complete submittal to the Village. This submittal includes contractor's quotes and a description of the work to be completed as part of the Project. The Applicant proposes to install interior improvements for a new full-service restaurant. Such improvements include, but are not limited to, plumbing, framing, electric, HVAC, windows, doors, bathrooms, and a fire alarm.



## MEMORANDUM

**TO:** Bill Johnston, Chairperson  
Economic and Community Development Committee

**FROM:** Jennifer Ganser, Assistant Director of Community Development 

**DATE:** December 14, 2015

**SUBJECT:** Downtown Restaurant Forgivable Loan; 101 W. St. Charles Road  
(Babcock's Grove House)

The Community Development Department has received an application for the Downtown Restaurant Forgivable Loan Program for Babcock's Grove House located at 101 W. St. Charles Road. The applicant is seeking to install interior improvements for a new full-service restaurant. No exterior improvements are proposed at this time. Babcock's would have the option to come before the ECDC for a Downtown Improvement and Renovation Grant (façade grant) for signage or other exterior improvements if they apply. In 2015, the building owner received a Downtown Improvement and Renovation Grant in the amount of \$12,000.00 for new roof shingles and to paint the exterior trim and soffits.

Babcock's Grove House leased the property at 101 W. St. Charles Road for a period of three (3) years. The first floor was vacated by Café 101 a few years ago.

The property is located in the Downtown TIF. The lowest contractor's bid is \$238,966.00. Permit fees are estimated at \$4,181.91 (1.75% of the project cost) and architect fees can be granted up to \$1,500.00. Therefore the total cost is **\$244,647.91** and is grant eligible up to **\$81,549.30**. The Downtown Restaurant Forgivable Loan Program allows for the Village to grant the petitioner back up to 1/3 of the total project cost, not to exceed \$100,000.00. A lien will be placed on the building (similar to the Downtown Retail Business Grant) in the amount of the forgivable loan. One tenth of the forgivable loan is forgiven for each full year that the restaurant is open.

The Lombard Downtown Revitalization Project Guidebook focuses on aesthetic standards in Section 4. The design recommendations can be applied to numerous buildings in downtown Lombard. Though this building is not called in the Guidebook; a restaurant use is consistent with the Guidebook and will help in downtown revitalization efforts.

The applicant met with the College of DuPage Small Business Development Center, as required for the grant, and attached is the business plan.



Though 101 W. St. Charles Road is a local landmark, the Historical Commission does not review interior improvements. The Village Board approved Code amendments that removed remodeling reviews from their purview.

#### **GRANT REQUEST ELEMENTS**

Dean Pozarycki is the project architect and has submitted an estimated invoice of \$7,000.00. The grant will fund up to 25% or **\$1,500.00**, whichever is less, prior to approval of the architectural renderings. After the architectural renderings are approved, 50% of the fees can be granted. Architectural renderings are approved during the permitting process.

Babcock's has submitted architectural plans for an interior remodel and three quotes. The Building Division is reviewing the architectural plans.

<b><u>Contractor</u></b>	<b><u>Price Quote</u></b>
All Pro Construction Services, Inc.	\$292,200.00
Prairie Construction Inc.	\$238,966.00
Pro One Builders	\$313,980.00

Based on the lowest bid, architectural fees, and estimated permit fees, the applicant is eligible to receive up to **\$81,549.30**.

Staff is supportive of the request for the following reasons:

1. Consistent with the recommendations of the Lombard Downtown Revitalization Project Guidebook.
2. Consistent with past approval for other façade grant requests.
3. Support from Lombard Town Centre.

#### ***Conditions of Approval***

Staff proposes the following conditions be placed on the grant, if approved by the Village Board of Trustees. The conditions would be incorporated into a Resolution, subject to approval from the Village Board of Trustees.

1. Permits must be applied for and received for all of the work. Permits should be applied for with the Building Division and will be ready after the appropriate departments/divisions are able to sign off stating that the project meets code.
2. Work must be complete one year from the date of approval by the Village Board of Trustees.
3. Before the grant can be paid out, the petitioner will submit a final receipt (showing it is paid in full) and waivers of lien from the contractors. This ensures that the project is paid in full before the Village remits the grant funds.

**COMMITTEE ACTION REQUESTED**

This item is being placed on the December 14, 2015 ECDC agenda for consideration. Staff recommends that the ECDC recommend approval to the Village Board for the requested Downtown Restaurant Forgivable Loan being sought for the property at 101 W. St. Charles Road. The project total is \$244,647.91 and is grant eligible up to **\$81,549.30**. As this request is over \$10,000, it requires final approval from the Village Board of Trustees. Said recommendation is subject to the following conditions, by the Village Board of Trustees:

1. Permits must be applied for and received for all of the work.
2. Work must be complete one year from the date of approval by the Village Board of Trustees.
3. Before the grant can be paid out, the petitioner will submit a final receipt (showing the project is paid in full) and waivers of lien from the contractors.

**DOWNTOWN IMPROVEMENT AND RENOVATION GRANT  
PROGRAM PRE-APPLICATION**

1. A. Building Address and Description: 101 W. St. Charles Rd  
B. Property Identification Number: 0607209017  
C. Legal Description of Property: SEE ATTACHED
2. A. Owners Name: Tom Smith + Margaret Smith  
2 SPARK AVE UNIT 2B LOMBARD, IL  
B. Owners Address: ~~520 S. ...~~ 60148  
C. Phone (day time): (630) 253-8223
3. Current Tenant, Building Address, Lease Terms, and Description of Business: (use additional paper if necessary)  
A. STEVE + DANA MOREAU (Tenants)  
101 W. St. Charles Rd, Lombard, IL (Address)  
B. Lease Terms: 3 year lease with a five year option for this specific space.  
C. Business Description: Restaurant specializing in fresh, homemade comfort foods. Also serving beer + wine.
4. Proposed Improvements and Renovations: Window replacement(2) on N.W. side of building, rehabbed entry with new windows extending to meet the stone facade, signage + lighting, new front door.

5. Plans/Drawings prepared by:

- A. Name: Beth Hawley, Interior Designer & Dean Pozorycki (Architect)
- B. Address: 789 N. Park Blvd, Glen Ellyn, IL 16th  
4728 Main St, Danvers, MA, IL
- C. Phone (day time): 331-903-8586 (Beth)  
630-960-1443 (Dean)
- D. Estimated Cost of the Improvement and Renovation: \$ 30,000
- Signage ~~plans~~ are also being provided by Signage Companies*

6. Statement of Understanding.

- A. The applicant (undersigned) agrees to comply with the guidelines and procedures of the Downtown Improvement and Renovation Grant Program and the specific design recommendation of the Director of Community Development.
- B. The applicant must submit detailed cost documentation, copies of building permits, and all contractors waivers of lien upon completion of work.
- C. The applicant, owners, and all contractors must comply with all federal and local regulations (see the attached list).

Business Owner Signature [Signature] (Date) 10/3/15

Property Owner Signature [Signature] (Date) 10/5/2015

Return application to:

Village of Lombard  
Community Development Department  
255 E. Wilson Ave., Lombard, IL 60148  
630-620-5746

**101 St. Charles**

# EXHIBIT A

**EXHIBIT "A"**

Description	Labor Cost	Profit	Labor Profit	Material Cost	% Material	Prof %	Overhead	Total Cost
Demolition FRAMING PLUMBING CONCRETE / cutting /repair ELECTRICE INSULATION DRYWALL CARPENTRY TRIM PAINTING HVAC	\$ 4,500.00	0%	-	\$ 1,600.00	0%	-	\$ -	\$ 6,100.00
	\$ 12,800.00		-	\$ 6,400.00		-	\$ -	\$ 19,200.00
	\$ 50,900.00	10%	\$ 5,090.00	\$ 2,600.00	0%	-	\$ -	\$ 58,590.00
	\$ 4,600.00		-	\$ 1,500.00		-	\$ -	\$ 6,100.00
	\$ 26,900.00	10%	\$ 2,690.00	\$ 1,600.00		-	\$ -	\$ 31,190.00
	\$ 2,760.00		-	\$ 450.00		-	\$ -	\$ 3,210.00
	\$ 12,800.00		-	\$ 1,600.00		-	\$ -	\$ 14,400.00
	\$ 18,600.00		-	\$ 6,400.00		-	\$ -	\$ 25,000.00
	\$ 9,900.00		-	\$ 2,500.00		-	\$ -	\$ 12,400.00
	\$ 49,600.00	10%	\$ 4,960.00	\$ 2,800.00		-	\$ -	\$ 57,360.00
TILES INSTALL	\$ 7,800.00		-			-	\$ -	\$ 7,800.00
FRONT WINDOW	\$ 5,400.00		-	\$ 3,800.00		-	\$ -	\$ 9,200.00
FRONT DOOR	\$ 1,500.00		-	\$ 1,900.00		-	\$ -	\$ 3,400.00
CEILING repair	\$ 4,600.00		-	\$ 1,500.00		-	\$ -	\$ 6,100.00
OAK FLOOR	\$ 9,900.00		-	\$ 2,500.00		-	\$ -	\$ 12,400.00
FRONT BUILDING	\$ 1,500.00		-	\$ 1,500.00		-	\$ -	\$ 3,000.00
ALARM SAFTY SYSTEM	\$ 9,800.00	10%	\$ 980.00			-	\$ -	\$ 10,780.00
BRICK REPAIR	\$ 2,500.00	0%	-	\$ 860.00		-	\$ -	\$ 3,360.00
SUSPENDED CEILING	\$ 2,600.00	5%	\$ 130.00	\$ 1,800.00		-	\$ -	\$ 4,530.00
LOW VOLTAGE	\$ 4,600.00	10%	\$ 460.00			-	\$ -	\$ 5,060.00
	\$ -	0%	-			-	\$ -	\$ -
			-			-	\$ -	\$ -
			-			-	\$ -	\$ -
ALLOWANCE MATERIAL			-			-	\$ -	\$ -
tiles	\$ -		-			-	\$ -	\$ -
countertop	\$ -		-	\$ 5,000.00		-	\$ -	\$ 5,000.00
cabinets	\$ -		-	\$ 9,800.00		-	\$ -	\$ 9,800.00
	\$ -		-			-	\$ -	\$ -
Total	\$ 243,560.00		\$ 14,310.00	\$ 56,110.00		-	\$ -	\$ 313,980.00



## PRAIRIE CONSTRUCTION COMPANY

106 S. Oak Park Ave, Suite 209, Oak Park, IL 60302

December 8, 2015

**Mrs. Dana Moreau**  
**101 St. Charles St**  
**Lombard, IL 60148**

Re: Restaurant Renovation at 101 St. Charles St, Lombard

Thank you for allowing us the opportunity to submit this proposal for your home improvement project. Listed below you will find our itemized proposal prepared by Chris Kois.

### PROPOSAL AND AGREEMENT

Prairie Construction Company, Inc. hereby offers to perform the following Work according to provided plans and specifications by Dean M. Pozarzycki, R.A., dated November 12, 2015

### SCOPE OF WORK:

#### 1. ARCHITECTURE AND DESIGN

*Drawings by Owner.*

Drawing will be provided by Dean M. Pozarzycki, R.A.

#### 2. PERMIT EXPEDITING

*Permit expediting by Owner.*

Permit will be provided by Owner/Architect.

#### 3. PERMIT FEES

*Permit fees by Owner.*

Cost of building permit will be paid by Owner.

*Note: Permit fees, which are determined by the Owner's local government, are not included in the total price.*

*We will bill the Owner for the fees when we receive the permit.*

#### 4. TEMPORARY, PROTECTION

*EPA Rules.*

Protect the work area according to EPA Rules: contain the work area, minimize dust, clean up thoroughly.

*Seal area not being demolished.*

Seal off all access to areas that are not being demolished.

*Plastic protection.*

Cover floor areas and furniture with plastic drop cloth.

*Ram-boards on floor.*

Cover floors with ram-boards.

**Price: \$500.00**

#### 5. ASBESTOS

*Note: The following proposal is based on assumption that no asbestos will be found in the structure. If there is asbestos in the existing structure a price adjustment for removing asbestos will be necessary.*

#### 6. DUMPSTER

Provide 20 yard dumpster(s) or haul away debris with dump truck, 2ea.

*Note: In the case a dumpster is not provided, all debris will be hauled away to a dump yard and dumping fees*

phone 708-445-9271  
facsimile 708-218-9477

www.prairieconstructionco.com  
mail@pccgc.com

*paid by a contractor. The below price will still apply.*

**Price: \$1,125.00**

## **7. DEMOLITION**

*AC.*

Remove thru wall AC unit.

*Storefront.*

Remove upper storefront units.

*Walls, Drywall.*

Remove Walls and drywall /plastering as per drawings.

*Window.*

Remove window, 1ea.

*Plumbing.*

Remove plumbing fixtures, 3ea.

Remove existing water heater, 1 ea.

Remove sink and partial wall.

*Flooring.*

Remove flooring in kitchen for installation of new floor joists, 340 sf.

**Price: \$5,000.00**

## **8. FRAMING**

*Floor.*

Repair floor system under kitchen area (install new LVL joists and subfloor), 340sf.

*Walls.*

Install partition walls, 62lf.

Fur-out wall with 2x2's, 270sf.

*Openings.*

Infill wall openings, 3ea.

*Guardrails.*

Provide guardrail at kitchen exit door, 18lf.

Provide handrail at kitchen exit door, 15lf, 15lf.

*Fire escape stairs.*

Install steel plate at underside of fire escape stair as per drawings.

*Inspection.*

Get rough framing inspection.

**Price: \$12,250.00**

## **9. PLUMBING**

*Rough-in.*

Install rough plumbing and trim for bathrooms and kitchen, utility room as per plan.

*Note: Water Heater is included in the proposal and will be provided by GC.*

*Note: Plumbing includes grease trap.*

*Note: We will repair all concrete associated with underground plumbing work.*

*Gas line.*

Provide gas lines and connections as per plan.

*Inspection.*

Get rough plumbing inspection.

Get final plumbing inspection.

**Price: \$23,250.00**

## **10. ELECTRIC**

*Mechanical room.*

Remove existing abandoned electrical conductors.

Remove existing lights, 9ea.

*Lights.*

Provide fluorescent lights, 30ea.

Install light fixtures, 44ea.

*Switches.*

Provide electrical switches, 19ea.

*Emergency lights.*

Provide emergency lights, 5ea.

*Exhaust fans.*

Install exhaust fans, 2ea.

*AC units.*

Provide power for AC units, cooler, air handler, exhaust fan and ANSUL system.

*Panels.*

Install electrical panels, 2ea.

*Service.*

Modify electrical service and pipes.

*Inspection.*

Get rough electric inspection.

Get final electric inspection.

**Price: \$39,500.00**

## **11. VENTILATION AND HVAC**

*Kitchen ventilation.*

Furnish and Installation new hood by HOODMART 10lf for cooking line.

*Note: All the iron work is included in the hood installation.*

Furnish and Install New duct work for exhaust and make-up air.

Furnish and Install new exhaust fan with new wall curb.

Furnish and Install new make-up air duct with louver.

Furnish and install Fire curtain, one layer.

*HVAC.*

Furnish and Install one new air handler.

Furnish and Install New duct work for new air handler.

Furnish and Install two new outdoor ac units By Mitsubishi.

Furnish and Install four new indoor units by Mitsubishi.

Furnish and installation all new coper pips necessary.

Furnish and Install new inline fan with damper and all necessary louvers in basement by Soler Palu.

Furnish and install new bathrooms exhaust fan ductwork.

*Steam radiators .*

Install 4 steam radiators .

*Inspection.*

Get HVAC inspection.

**Price: \$49,875.00**

## **12. FLOORING**

*Tiles.*

Install tiles, 829sf.

*Wood Floor.*

Repair/install salvaged wood flooring, 64sf and refinish existing wood floor, 610sf.

**Price: \$13,125.00**

## **13. WINDOWS**

Provide window at kitchen by JELD-WEN.

Alter 2nd floor bathroom window - make the lower sash fixed.

Provide transom window, 1ea.

**Price: \$1,625.00**

## **14. DOORS**

*Doors.*

Provide doors, solid core, wood, 6ea. Allowance - \$3,000.

*Thresholds.*



Provide thresholds, 3ea.

*Hardware.*

Install door hardware: locks, 7ea. Allowance - \$1,000.

*Door closers.*

Provide door closers, 9ea. Allowance - \$1,000.

Adjust closer at door #1, 1a .

*Safety film.*

Provide safety film for glass at door#1 or replace, 1ea. Allowance - \$600.

**Price: \$10,000.00**

## **15. CEILING**

*Suspended ceiling.*

Provide suspended ceiling system, 400sf.

**Price: \$2,500.00**

## **16. WALL COVERING**

*Drywall.*

Provide drywall.

*FRP.*

Provide FRP, as per plan.

*Tiles.*

Install ceramic tiles, 242sf.

*SS covering.*

Provide SS wall covering at kitchen, 141sf.

*Baseboards.*

Provide baseboards and HVAC lines enclosure per drawings.

*Casings.*

Provide door and window casing, 7ea.

**Price: \$20,438.00**

## **17. BATHROOM ACCESSORIES**

Install bathroom accessories. Bathroom Accessories will be purchased and delivered by Owner.

**Price: \$625.00**

## **18. COUNTERTOP**

Install counter base as per plan, including finish carpentry of the bar (finish wood panels). Countertop will be purchased and delivered by Owner.

**Price: \$4,250.00**

## **19. STORE FRONT**

Provide upper storefront window glass, as per drawings.

**Price: \$4,125.00**

## **20. ANSUL R102**

Supply and install an Ansul R102 hood fire suppression system.

**Price: \$6,875.00**

## **21. FIRE ALARM**

Provide Fire Alarm.

**Price: \$10,625.00**

## **22. PAINTING AT WALLS, CEILING AND DOORS**

*Intumescent paint.*

Paint with intumescent paint, 2 coats, 1300sf, Allowance for E-84 paint - \$7000.

*1 coat.*

Paint with primer and paint, 1 coat, as per drawings.

*2 coats.*

Paint with primer and paint, 2 coats, as per drawings.

*Epoxy.*

Paint with epoxy paint, as per drawings.

**Price: \$16,250.00**

### **23. ADDITIONAL MATERIALS AND FIXTURES TO BE PURCHASED BY GC - ALLOWANCES**

*Bathroom accessories.*

Bobrick grab bar , 3ea. Allowance - \$30 per 1ea.

Bobrick toilet paper holder, 3ea. Allowance - \$60 per 1ea.

Bobrick Mirror, 3ea. Allowance - \$100 per 1ea.

Bobrick Sanitary Napkin Disposal, 3ea. Allowance - \$165 per 1ea.

*Plumbing fixtures.*

Toto Urinal Spud, 1ea. Allowance - \$200 per 1ea.

Toto Sensor Urinal Flush Valve, 1ea. Allowance - \$700 per 1ea.

Toto Toilet, 3ea. Allowance - \$300 per 1ea.

Toto Toilet Seat, 3ea. Allowance - \$30 per 1ea.

*Tiles.*

Floor tiles, 829sf. Allowance - \$4 per 1sf.

Wall tiles, 242sf. Allowance - \$4 per 1sf.

Grout and sealer. Allowance - \$300.

*Electrical fixtures.*

Track lights, 8ft, 3ea. Allowance - \$374 per 1ea.

Track lights, 6ft, 3ea. Allowance - \$276 per 1ea.

Track lights, 4ft, 4ea. Allowance - \$216 per 1ea.

Track lights, 2ft, 2ea. Allowance - \$171 per 1ea.

*HVAC.*

Steam Radiators, SV24-36, white, Ward Hill, 4ea. Allowance - \$880 per 1ea.

*Ordering and handling.*

Charge for ordering and handling. Allowance - \$1,000.

**Price: \$15,215.00**

### **24. PORTABLE TOILET/BATHROOM FACILITY**

Provide chemical portable toilet (allowance \$150 per 1 month) - this charge will be deducted from contract if owner allocate bathroom facility for workers' use during construction, 3month.

**Price: \$563.00**

### **25. FINAL INSPECTION**

*Get final building inspection.*

### **26. EXCLUSIONS**

Furnish of all kitchen, bar and cooler equipment described in equipment schedule.

Fire alarm monthly monitoring and wireless communicator.

Security system.

Providing fire shutter for 2nd floor bathroom window.

Disposal of unused AC unit.

Exterior signage for basement door.

### **27. CLEAN-UP**

*Daily clean-up.*

Place all waste in heavy-duty contractor bags and seal. Broom sweep construction site at end of each day.

*Final clean-up.*

Remove all construction equipment and debris, vacuum clean remodeled spaces, wash all glass surfaces on all new windows.

*Touch-up.*

Touch-up paint all painted surfaces which have been marred by construction activities.

**Price: \$1,250.00**

**TOTAL: \$238,966.00**

This is our complete price including all construction materials, equipment and labor for the entire project as per above specifications. If any item(s) of work is not listed above, it has not been included in the price.

Note: "Install" in above description refers to "Provide materials, equipment and labor" unless otherwise specified.

Owner shall walk through the project and check the proposal for any missing items or changes he or she wish to make, so the parties can be clear about Scope of Work: and price before we get started. If an item(s) of work has been inadvertently omitted, we will document this item(s) and its cost(s) in a written Change Order.

*An allowance is how much is set aside to be spent on a particular type of item(s), such as plumbing fixture(s), tiles or carpet. Allowance includes material, tax and shipping or delivery charges. Allowance doesn't include materials needed to install allowance item(s), such as glue, nails, brackets, boxes. Owner has to verify all selections and provide Prairie Construction Company, Inc. and subcontractor(s) with proper information for purchasing or ordering. The total contract value will be adjusted for differences between the estimated and purchased items*

Items to be purchased and delivered by Owner: countertop

*Items purchased by Owner shall be delivered to job site before the work begins*

This price is valid within 30 days.

**PAYMENT TERMS**

First Payment 20% (\$45,143.00) will be issued as a mobilization fee at the signing of the proposal.

All future Payments shall be based on progress invoices.

Final payment will be issued 3 business days after Completion Date.

*Late payments will be assessed a delinquent charge at legally permissible rates (1.5% per month) and costs of collection including court costs and attorney fees.*

Labor is guaranteed for 1 year. Materials are warranted as specified by the manufacturer.

Feel free to contact us with any questions.

To accept this proposal, just date and sign one copy of this proposal and return it to us.

Sincerely,

President

Mac Daracz

**OWNER ACCEPTANCE OF PROPOSAL AND AGREEMENT TO CONTRACT**

The above offer including the prices, specifications and attached General Condition of the Contract are hereby accepted. Prairie Construction Company, Inc. is authorized to supply and perform the Work as specified in the Proposal and we will abide by all terms of this Contract. I also acknowledge that I have received from Contractor a copy of the pamphlet entitled HOME REPAIR: KNOW YOUR CONSUMER RIGHTS.

Accepted by: \_\_\_\_\_

Date: \_\_\_\_\_

## **Agreement between Owner and Contractor**



**All-Pro Construction Services, Inc.  
16W347 83<sup>rd</sup> St., Suite B  
Burr Ridge, IL 60527**

**(630) 323-5300  
Fax : (630) 323-5330**

**Proposal submitted to:  
Babcock's Grove House  
101 W. St. Charles Road  
Lombard, IL 60148  
Attn: Steve/Dana**

**December 4, 2015**

**We propose to furnish all material, labor, and equipment in accordance with Architect's plans and specifications, Sheets A-1, A-2, A-3, A-4, A-6, A-7, A-8, A-9 dated 10/12/15 and prepared by DEAN M. POZARZYCKI, R.A., Architects for the project and pursuant to the following scope of work:**

See Exhibit 'A' - Scope of Work attached hereto and made part of this agreement.

**EXCLUSIONS:** Architectural/Engineering Fees, Builders Risk Insurance, Performance and Payment Bond, Building Permit Fees, Foodservice Equipment.

**ADDS:** Any additional work outside the scope of this proposal or prepared drawings, shall be issued in writing and shall be transmitted via facsimile, emailed, or personally hand delivered to the Contractor for approval and the immediate scheduling of the project.

All of the above work to be completed in a substantial and workmanlike manner by experienced and insured craftsman.

**ALL FOR THE SUM OF \*\*\* TWO HUNDRED NINETY-TWO THOUSAND AND TWO HUNDRED DOLLARS (\$292,200.00) \*\*\***

ANY alteration or deviation from the above specifications involving extra cost of material or labor will only be executed upon written orders for the same, and will become an extra charge over the sum mentioned in the proposal. All agreements must be made in writing.

THIS proposal is made subject to your acceptance within (30) days from the date hereon, and to final approval by an authorized officer of this company after the same shall have been accepted and finally approved, shall constitute a contract between us.

**ACCEPTANCE OF PROPOSAL.** The above prices, specifications, and conditions are satisfactory and are hereby accepted. All-Pro Construction Services is authorized to do the work that is specified.

Customer Signature \_\_\_\_\_ All-Pro Signature \_\_\_\_\_

Customer Signature \_\_\_\_\_ Date of Acceptance \_\_\_\_\_

#### LEGAL CONSIDERATIONS

1. The client warrants that he or it is the legal and/or beneficial Owner of the premises and/or that he is an agent for the Owner or if a tenant that he has authorization or permission from the Owner to have the agreed work performed.
2. If this instrument be signed by more than one person every obligation of the Client shall be joint and several, irrespective of the use of verbs importing the singular number.
3. This instrument constitutes the entire agreement between parties, no variations from this agreement shall be effective unless it be in writing and signed by the parties hereto.
4. This agreement shall not be binding on the Contractor unless accepted in writing by an officer of the Contractor, and when so accepted this contract and all the provisions thereof shall have to and be binding upon the parties hereto and their heirs, executors, administrators, successors and assigns.
5. The parties agree that the Contractor is not responsible for the relocating of or damage to any concealed piping, fixtures, wiring, or other equipment.
6. Owner certifies that premises are free of building code violations and/or letters of complaint from the Bureau of Inspection other than the ones stated in this contract agreement.
7. Owner shall maintain appropriate fire, theft and liability insurance on the work and premises noted on the face of this contract, and contractor shall carry workmen's compensation and public liability insurance on said work.
8. Contractor shall not be liable for any damage or loss caused by faulty design or installation other than our own, and such liability shall not extend to any loss not the direct result of said faulty design.
9. Contractor shall not be liable for any damage or delays caused by strikes, lockouts, embargoes, fires, car shortages, floods, hurricanes, snow accumulation, other severe weather problems or other causes beyond our control. The time for delivery of materials or doing the work hereunder shall be extended for the time of delay by reason of any said causes.
10. Owner shall assume the risk of any loss or damage resulting from theft, misuse, fire, flood, corrosion or from any other cause, except our own act, to materials delivered upon the premises or installed by Contractor, and Owner shall reimburse Contractor for any such loss or damage.
11. Owner shall furnish no labor or materials for us or on our account without our written authorization.
12. Contractor shall not be responsible for any new or used equipment supplied by Owner that does not function properly.
13. All salvage materials shall be property of Contractor.
14. No return of merchandise shall be made by the Owner to the Contractor without the supplier's written consent procured in advance by Owner.
15. Owner will pay the reasonable value for any loss of Contractor's time due to any delays caused by Owner, his agents, employees, or anyone connected with the premises.
16. This Agreement does not contemplate overtime work; and if any becomes necessary or is ordered by the undersigned, an additional cost shall be added to the contract price, any work done or ordered in addition to that specified will be considered an extra, and unless specifically quoted in writing, the work shall be done on a time and material basis (time to be computed from leaving office until return and all prices for such time and material shall be computed from the normal charges used by the Contractor for the type of work performed).
17. Upon request Contractor shall supply waivers of lien, both for his labor and materials, as payments are received by him.
18. All rights and remedies of the Contractor herein are cumulative and the use of one or more shall not exclude or waive the right to the use of any other remedy.
19. No mechanics lien or other lien has been waived or otherwise discharged by Owner, and Owner will do nothing during the term of this agreement to waive or discharge any such lien or lien right.
20. All right, title and interest in and to the property, materials, equipment and fixtures installed under this contract shall remain the property of the Contractor until payment in full has been made under this contract.
21. The acceptance of a note or notes, or other security for the payment of the amount or amounts due hereunder shall not affect the contractor's right to a mechanic's lien for the work performed under the terms hereof.
22. To secure all sums herein agreed to be paid, or upon default in any of the terms of this contract, the client hereby jointly, and severally and irrevocably, authorize any attorney of any court or record to appear for them, in any such court in term time or vacation, at any time hereafter and confess judgment without process against the undersigned, or any of them, in favor of the Contractor, payee or holder of this contract and/or note, for such amount as may appear to be unpaid or owing hereon, together with costs and reasonable attorney's fees, and interest at the rate of 12% per annum and to waive and release all errors which may intervene in any such proceeding, and to consent to immediate execution upon any such judgment, and that any execution that may be issued on such judgment may be immediately levied upon and satisfied out of any personal property of the undersigned, or any of them, and to waive any and all right of the client, or any of them, to have the personal property first taken and listed upon to satisfy any such execution; and further agree that no appeal or writ or error shall be prosecuted on the judgment entered by virtue hereof, and that no proceedings in equity shall be filed to interfere in any manner with the operation of said judgment or execution issued thereon; hereby ratifying and confirming all the said attorney may do by virtue hereof.
23. In the event of cancellation of this contract by the Owner prior to the start of work, for any reason whatsoever, the Contractor shall receive ten (10%) percent of the total contract price as liquidated damages, and not as a penalty.

#### TERMS

24. On or before the tenth (10th) and the twenty fifth (25th) day of each calendar month, ninety percent (90%) of the value of our materials delivered to the job site and of our work performed during the next preceding bi-weekly period, shall be paid by you to us. Thirty (30) days following the completion of our work embodied in this proposal, you will make final payment to us. If on account of delay by you or other trades or for any cause beyond our control, we are unable to complete our work, you shall pay us in full, on or before the tenth (10th) or the twenty fifth (25th) day of the calendar month following the month in which work was suspended, for all materials delivered or in transit and all work performed by us up to the time of suspension of the work. If payments are not made in accordance with the terms hereof, we may suspend work until such payments are made. Your failure to make any payment within thirty (30) days of its being due hereunder shall constitute a material breach of this contract, and we shall thereupon be entitled to terminate the contract and to collect from you all damages incurred by us by reason of your breach, including lost profits. All costs or expenses incurred by us in collecting any sum due under this proposal, whether by suit or otherwise, including reasonable attorney's fees shall be paid by you.
25. The Owner hereby certifies that he has read this contract, that the meaning thereof has been explained to him and that he understands the said contract; that there is no misunderstanding between the parties, verbal or otherwise. The Owner further certifies that the Contractor has made no representations other than as expressly set forth in writing in this contract.

#### GUARANTEE

26. Any and all complaints respecting the work performed or materials furnished shall be made by the Owner to the Contractor specifically in writing, sent by registered or certified mail to the Contractor's business address within thirty (30) days after final work is done by the Contractor, otherwise all said work and materials furnished by the Contractor shall be deemed to have been conclusively accepted by the Owner.
27. Contractor guarantees his labor for one year, his material as specified by Manufacturer's Warranty.
28. Contractor shall make no service calls and shall not make good on any guarantee unless all payments by Owner are current as of the date of notification of complaint, if any.

DATE: DECEMBER 2, 2015  
 PROJECT: BASCOCK'S GROVE HOUSE  
 CORN OF PARK & ST. CHARLES, LOMBARD, IL 60148

**EXHIBIT 'A'**  
**SCOPE OF WORK, CLARIFICATIONS & QUALIFICATIONS**

ITEM #	DESCRIPTION	QTY	UNIT	ALLOWANCE	INCL / EXCL
	This estimate is based on the following scope of work:				
1.	<b>01 GENERAL REQUIREMENTS</b>				
a)	Supervision				Incl
b)	General Liability / Workers Compensation Insurance				Incl
c)	Mobilization and Demobilization				Incl
d)	Temporary Facilities & Controls				Incl
e)	Dumpsters and Debris Removal				Incl
f)	Clean-Up				Incl
2.	<b>02 SELECTIVE DEMOLITION</b>				
	<b>Basement</b>				
a)	BASMENT: Remove Toilet Room walls. Remove existing gypsum board ceiling to expose joists and existing plumbing				Incl
	<b>1st Floor</b>				
b)	1st FLOOR - Remove plaster wall down to wood lath, remove plaster & wood lath at ceiling, remove existing partition walls, remove Oak flooring for re-use, remove existing ceramic tile to subfloor, remove existing FRP, remove ex. gypsum/gypsum at Bathroom to studs, remove existing gypsum board at ceiling in Bathroom, remove Doors, Frames & Hardware as per plans and specs				Incl
3.	<b>03 SELECTIVE DEMOLITION</b>				
	<b>Basement</b>				
a)	BASMENT: New 4" Concrete replacement Slab to match existing slab as per plans and specs				Incl
b)	Remove existing DNWH and Water Closet				Incl
c)	Sawcut, trench and backfill for new underground plumbing piping as per plans and specs				Incl
4.	<b>04 METALS</b>				
a)	EXTERIOR: Remove and replace with new 1 1/2" Dia. Pipe Rail at Stairs and new 42" H Balusters at 4' o.c.				Incl
5.	<b>05 FRP</b>				
	<b>1st Floor</b>				
a)	Furnish and install new FRP at 104 Service Bar, 109 Hall - East, South, West walls, 110 Hall - North, East walls, 111 Hall, North, South, East, West walls, 112 Men's Urinal - South, West walls, 113 Kitchen - North, South, East, West walls as per plans and specs				Incl
6.	<b>06 ROUGH CARPENTRY</b>				
	<b>Basement</b>				
a)	Stair joist repairs and remove fire charring from existing joists. Apply Latex Primer				Incl
b)	Furnish and install new wood stud partition walls and gypsum board partitions walls and ceilings as per plans and specs				Incl
	<b>1st Floor</b>				
c)	Furnish and install new wood stud partition walls and gypsum board partitions walls and ceilings as per plans and specs				Incl

**EXHIBIT 'A'**  
**SCOPE OF WORK, CLARIFICATIONS & QUALIFICATIONS**

ITEM #	DESCRIPTION	QTY	UNIT	ALLOWANCE	INCL / EXCL
7.	<b>07 PAINTING</b>				
a)	<b>Basement</b> ROOM 06 - Apply INT-FC-1 Intumescent Paint				Incl
b)	<b>1st Floor</b> ROOM 101, 102, 103, 104, 109 - Apply INT-FC-1 Intumescent Paint				Incl
8.	<b>07 INSULATION</b>				
a)	Furnish and install R-2 Insulation as per plans and specs				Incl
9.	<b>08 DOORS, FRAMES &amp; HARDWARE</b>				
a)	Furnish and install Solid Core Wood Doors & Frames as per plans and specs				Incl
b)	Furnish and install and/or adjust and repair existing hardware as per plans and specs				Incl
c)	Furnish safety film on doors with glazing if not tempered glass				Incl
10.	<b>09 ACoustICAL CEILING</b>				
a)	Furnish and install Vinyl Surfaced Gypsum Board White Ceiling Tile as per plan and specs				Incl
b)	Furnish and install Faced Acoustical White Ceiling Tile as per plan and specs				Incl
11.	<b>09 PAINTING</b>				
a)	Paint ceiling in Vault Room with White Epoxy Paint				Incl
b)	Paint walls and ceilings as per plans and specs				Incl
c)	Paint doors and frames				Incl
d)	Paint baseboard				Incl
12.	<b>09 QUARRY TILE</b>				
a)	Furnish and install 6x6 Quarry Tile and 6" Base with Epoxy Grout as per plans and specs				Incl
13.	<b>09 TILING</b>				
a)	Furnish and install ceramic tile at 103 Order Area, 104 Service Bar and 110 Hall walls as per plans and specs				Incl
b)	Furnish and install ceramic floor tile, Soft Grout, and 4" tile base, thin set with epoxy grout as per plans and specs				Incl
c)	Furnish and install 6x6 non-slip concrete floor tile, thin set encaustic cement tile as per plans and specs				Incl
d)	Furnish and install ceramic tile and 4" base at 112 Men's Urinal and 105 Urinal Toilet as per plans and specs				Incl
14.	<b>09 WOOD FLOORING</b>				
a)	Install previously removed portion of wood flooring as per plans and specs				Incl
b)	Sand and refinish all existing wood floors				Incl
c)	Furnish and install wood base and boxed wood base as per plans and specs				Incl
15.	<b>10 TOILET ACCESSORIES</b>	2	EA		Incl
a)	Furnish and install mirrors, urinal screens, 18" Grab Bars, 36" Grab Bars, 42" Grab Bars and Toilet Tissue Dispensers				
16.	<b>16 PLUMBING</b>				
a)	Plumbing demo as required				Incl
b)	Furnish and install Grease Interceptor, cleanout, floor drain, and plumbing fixtures as per plans and specs				Incl
c)	Domestic Water Piping				Incl
d)	Sanitary Waste & Vent Piping				Incl
e)	4" Grease Line up to new Greasy Sanitary above				Incl

**EXHIBIT 'A'**  
**SCOPE OF WORK, CLARIFICATIONS & QUALIFICATIONS**

ITEM #	DESCRIPTION	QTY	UNIT	ALLOWANCE	INCL / EXCL
f)	Sewcut, trenching, backfilling and concrete patchback as required				Incl
g)	Provide required Plumbing rough-in and hook-up for Food Service Equipment as per plans and specs				Incl
12.	<b>12. HVAC</b>				
a)	HVAC demo as required				Incl
b)	Furnish and Install Design/Build HVAC System				Incl
c)	Furnish and Install new duct work, registers, diffusers, grilles as required				Incl
d)	Furnish and Install Kitchen Hood and Ansul System				Incl
e)	Provide required HVAC rough-in and hook-up for Food Service Equipment as per plans and specs				Incl
13.	<b>13. ELECTRICAL</b>				
a)	Electrical demo as required				Incl
b)	Furnish and Install Design/Build Electrical System				Incl
c)	Provide a Single Line Drawing and a Panel Load Diagram/Schedule for all power & lighting				Incl
d)	Furnish and Install new Electrical Disconnect				Incl
e)	Furnish and Install Light Fixture Package as per plans and specs				Incl
f)	Install only Decorative Light Fixtures provided by Owner				Incl
g)	Provide temporary power as needed				Incl
h)	Provide required electrical power and hook-up for Food Service Equipment as per plans and specs				Incl





DEAN M. POZARZYCKI, R.A.  
ARCHITECT

ARCHITECTURE \* LAND USE \* PLANNING  
4725 MAIN STREET, DOWNERS GROVE, IL 60015  
830-660-1443

21 May 2015

Mr. Steve Moreau  
116 N. Charlotte  
Lombard, IL

RE: Architectural Services for restaurant build-out modification to structure located 101 W. St. Charles Ave., Lombard, Illinois.

Dear Steve;

Per our conversation at the Job site of 101 W. St. Charles Ave., Lombard on 20 May, I send this proposal for Architectural services for your Project.

The existing Tenant Areas are not occupied. You have a generalized concept of what your initial thoughts are for the Build-out improvements of your restaurant in a two-phased concept where this part of the Project only involves the first phase (approximately 1081 net sq. ft. dining/service area and 304 sq. ft. new kitchen). The Scope of Project anticipates modification to adjacent non-occupied tenant space to the contiguous south for a new commercial kitchen. You do not have "existing building plans".

Please ask your landlord for a copy of the Survey of the Property, I will need a copy for my use when authoring drawings for building permits. It is important that such Survey show existing topography and underground utilities (technically it should be current within the last three years).

At the site, you described what you felt may be necessary modification to the building, and anticipate further adjustments to said. It is your intent to keep modifications down to a minimum.

Based upon our meeting on 20 May, there are multiple jurisdictional approvals that will be required to obtain approvals from (Lombard, and DuPage Health Department). This will require our assisting you in various meetings with said jurisdictions before final technical drawings are completed. I propose the architectural services to be provided in two Phases as follows:

**ARCHITECTURAL PHASE 1, Preliminaries and Design Development:**

**A) Site Analysis:** Measuring the existing building as necessary for my architectural services. Code review as necessary for proposed modifications which will include energy code, plumbing code, ADA code, mechanical, and electrical modifications as inclusive to the architectural scope.

**B) Site and Building Layout:** Refining site parameters (if applicable) to graphically arrive at proposed site plan modifications (ADA entrance modifications may be an issue), utility and building service needs, fire separation requirements to contiguous tenants, etc.). With the intended use as a restaurant, you will need to provide detailed information regarding kitchen equipment needs of your restaurant. I will need specification data for my accompaniment with you to meetings with the Health Department, and you should have a basic concept Menu readied for such DuPage Health Department meetings. You will pay for all "preliminary meeting fees" that may be required (such is not in our proposal of architectural services).

**C) Preliminary Drawings:** From our pending design development meetings (using the as-built) drawings of the structure that we will develop from field measurements) we will prepare a series of Preliminary Drawings, which sole purpose will be to more concisely present what the intended use for the property is. These **will not** be sufficient as the "technical drawings" necessary to submit for jurisdictional approvals, they are intended to only refine in general terms the basic specific nature of interior floor plan modifications. We will complete Preliminary architectural drawings as defined below,

- Preliminary Site Plan
- Preliminary floor plan(s)

- Preliminary Building Section(s) if necessary
- Preliminary Elevations if necessary

**PHASE 2, Technical Drawing Process:**

Upon your approval of the Design Development Drawings, and receipt of Village and DuPage "general acceptance", and are accepted by your Landlord, we will complete architectural drawings as defined below, to result in Construction Drawings for final subcontractor estimating and application for permits.

**A) Technical Design and Construction Drawings:** We will complete architectural drawings as defined below, to result in Construction Drawings for final contractor estimating and application for building permits.

- Cover Sheet with Code Data and site plan information
- Interior Demolition Plan (if applicable)
- Floor plan(s)
- Exterior Elevations
- Room and door schedule
- sections/ and related details
- Plumbing Plan (and related schematic drawings)
- Heating schematic information
- Electrical plan
- Fire alarm/suppression schematic if applicable) (see note below)
- ComCheck energy code report

Please note that our fire suppression Schematic (if necessary for your project ), is only a simple fire suppression criteria drawing (schematic in nature) for purpose of initially assisting licensed subcontractors in the general Scope of their Work and that such is not a complete fire alarm/suppression document. Thus, the Fire alarm/suppression schematic drawings will not be acceptable to the local Fire Prevention Bureau for final fire permits. Your Project will still require the actual Fire Alarm/Suppression Sub-contractor to make his own shop drawings and calculations, which they will have to submit during the building permitting process.

When the construction drawings are completed and are approved by you, I will provide you with "sealed" construction drawings for your use in obtaining a building permit. I will be available to assist in the application of permits; however, all applications and fees are not included in the cost of architectural services. Permit Application will require you to have the Landlord sign the Permit Application, which will be your responsibility to secure.

Explicitly **Not Included** in Scope of Architectural Services are: Cost Estimates, Surveys, Civil Engineering (if applicable), Permit Fees, bidding/ negotiations for construction, review of contractor pay requests, etc.. Permit and application fees are not part of Architectural Services. Also explicitly **not included** are extensive construction observation services,

I offer to provide the above Architectural Services based upon a Lump Sum fee (as defined further) plus reimbursable expenses. A retainer of \$2,000.00 (two thousand dollars) is necessary to begin our services which will go toward our fees below; however, full payment is due and payable upon completion of each respective Phase.

- Phase 1; Design Development.....Lump Sum fee \$2,500.00 plus reimbursable expenses,
- Phase 2; Technical Drawings .....Lump Sum fee \$4,500.00 plus reimbursable expenses

Reimbursable expenses (copies of drawings, consultant fees, etc.,) are unable to be predicted, however, from similar projects in the past, you should be prepared to spend near \$500.00 for prints by the time drawings are complete, and near \$1,000.00 should a Civil Engineer be necessary (if required by the Village).

If the Building Department requires modifications to the Permit Drawings, said drawing modifications will be provided as part of the above cost (you will be responsible for reimbursable print costs during such Technical Document re-submissions). However, if after the construction drawings are completed; modifications to the drawings not part of the Village permit review process at start of submissions to them that are Owner based Revisions transcribed into the construction documents, shall be made at an hourly basis. Current hourly rates are \$159.00 per hour for Principal time and \$68.00 per hour for Technical (drafting) rate depending upon services needed, and shall occur only upon prior estimate of cost for additional service, and only upon written pre-approval by you.

Drawings are instruments of service, and as Architect, I retain all Copyrights of instruments of service. No CAD files will be made available. An archive PDF copy of our permit drawings will be given to you at time the sealed drawings

are given to you, however, said shall not be distributed to any other Party without my express written approval. Terms and conditions are incorporated by reference to the A.I.A. Owner/Architect contract for Projects of limited scope.

We will schedule a start of field measuring upon receipt of a signed copy of this Letter Form Proposal/Agreement and retainer, and upon receipt of drawings and Survey identified above.

If you have any questions please advise. Again, thank you for this opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dean M. Pozarzycki', with a large, stylized loop at the end.

Dean M. Pozarzycki, R.A.  
Cel (630) 532-2399  
(630) 960-1443

The above is agreed to:

\_\_\_\_\_  
Mr. Steve Moreau, Tenant

\_\_\_\_\_  
Date



## **Business Plan, November 2015**

**Steve & Dana Moreau, TOPAZ RG, LC**

## **Executive Summary**

Topaz Restaurant Group, LLC is a business that repurposes historic properties into restaurant destinations that become sources of community pride. The company is a multi-member LLC with equal ownership between us, Steve and Dana Moreau, long-time Lombard residents (18 years) with deep community connections.

**Vision:** Our company vision is to lease and/or buy historic properties and develop them into establishments that become a popular destination for a Village or community. Doing Business As (DBA) Babcock's Grove House, we will begin as a single unit of operation to accommodate 47 guests inside with addition seating for 40 outdoors.

**Mission:** Our mission is to provide value by offering fresh quality ingredients served by a welcoming team in a relaxed and fun atmosphere. We expect to use our location to celebrate our Lombard history and heritage by investing and developing a new restaurant concept that will revitalize the downtown commercial area and bring families and residents to the area.

**Location:** This business plan will outline key implementation activities to launch Babcock's of Lombard, a local eat and drinkery serving a creative take on midwestern comfort foods. The first floor of a 150+ year old building, formerly home to the Babcock's Grove House/Lombard Hotel, located at 101 West St. Charles Street in Lombard, is 1,800 square feet in size, will be developed into the restaurant, with projected open date in Q1 2016.

The proposed Babcock's of Lombard is in a prime, highly visible location, with sufficient downtown parking. It is anticipated that both daily drive-by and foot traffic in excess of 14,000 people will help drive awareness and interest in the restaurant. In addition, there are over 100,000 residents within a 10-mile radius with medium incomes of \$86,000.

**Experience:** Steve has spent his entire career in the restaurant and retail foodservice industries and has successfully launched multiple new concepts and opened restaurants all over the world. Dana has held several senior executive roles with startups and Fortune 500s, with deep expertise in marketing and communications.

**Service & Décor:** The sit-down, quick casual restaurant will provide a transitional interior that ties together the past and the present. The concept will be a fresh take on the original Inn and will incorporate cool and quirky elements of our Village's past into the menu, design and our service. The architect will include natural wood; tile and lighting will create an eating environment that is fun and exciting.

**Food:** Babcock's of Lombard will appeal to patrons because of its wholesome ingredients and thoughtful preparation, with ingredients sourced locally, including herbs and vegetables grown in our garden. Core items include fresh (not frozen) juicy burgers, fresh salads, roast chicken and Babcock's original specialties. Beverage offering will include craft beer, wine and rotating soda options. Babcock's will seek a full-bar liquor license and projects per customer spent at \$12.

**Projections:** The business plan projects that six employees will be hired to staff the restaurant that includes a full-time restaurant and kitchen manager. Year one sales revenue is expected to exceed \$375,000 and grow 16% by year 3 to reach \$438,000.

This redevelopment project will require an investment of approximately \$300,000, with owners Steve and Dana Moreau assuming the majority of this investment risk. Monthly cash flow projections suggest

break-even will occur in the first full month of operation and profit at the end of first full operating quarter. The owners are assuming the majority of the risk for this venture and expect to self-finance the redevelopment of the property and restaurant kitchen to launch the new concept. We are requesting assistance from the Village of Lombard in the amount of \$100K with proceeds that will be used to hard and soft redevelopment costs outlined later in this document (exact request will come with grant application once all bids are secured). This will demonstrate support from the Village to help the business owner improve the building, build a kitchen from scratch and create a destination to attract residents to the downtown location.

## **TABLE OF CONTENTS**

### **1.0 Babcock's of Lombard Overview**

- 1.1** Mission and Vision
- 1.2** About Us
- 1.3** Menu

### **2.0 Our Lombard Location**

- 2.1** Competitive Advantages
- 2.2** SWOT
- 2.3** The Market
- 2.4** Demographics
- 2.5** Competitors
- 2.6** Pricing

### **3.0 Running the Business**

- 3.1** Employees
- 3.2** Systems
- 3.3** Ambiance
- 3.4** Hours
- 3.5** Service Style

### **4.0 Marketing and Promotions**

- 4.1** PR
- 4.2** Social
- 4.3** Community
- 4.4** Word of Mouth

### **5.0 Possible Risks**

### **6.0 Financials**

### **7.0 Timeline**

### **8.0 Future Plans**

## **1.0 Welcome to Babcock's of Lombard**

Babcock's of Lombard is a local eat and drinkery serving a creative take on Midwestern comfort foods. It is the first restaurant concept developed by Topaz Restaurant Group, LLC owned by long-time Lombard residents, Steve and Dana Moreau. Babcock's of Lombard will begin as a single unit of operation located on the first floor of 101 W. St. Charles St, Lombard, IL in the old Lombard Hotel. It will host approximately 47 guests inside with seating for an additional 40 outdoors.

The property is being leased for 3 years with an option for an additional five years and will be renovated to accommodate a restaurant location. We anticipate using both private funding and village TIF funds.

### **1.1 Vision and Mission**

#### **Babcock's Mission**

1. To provide real value through thoughtful selection and preparation of fresh, quality ingredients delivered by a welcoming team in a relaxed and fun atmosphere
2. To celebrate our Lombard history and heritage and further revitalize our historic downtown thereby enhancing our "Lilac Pride"

#### **Babcock's Vision**

1. To become a popular destination restaurant that Lombardians will associate with positive memories of home, no matter where their lives take them.
2. To become the restaurant equivalent of the scent of lilacs, a true taste of Lombard

### **1.2 About the Owners – More than three decades of restaurant experience**

Steve and Dana Moreau and their two sons have lived in Lombard for more than 17 years. They've coached park district soccer, headed the PTA and many activities and served on Village Committees. Dana is a former Trustee who served on the strategic downtown plan working committee. In addition, they also possess more practical experience.

#### ***Steve Moreau (GM)***

Steve has spent his entire career in the restaurant and retail foodservice industry. He has worn every hat in the business from early days as a dishwasher, to General Manager, to Senior Vice President of Operations for an international food brand. He has helped start new concepts and opened restaurants all over the world. He holds a BS in Restaurant Management from University of IL, Champaign-Urbana.

#### ***Dana Moreau (Marketing, Guest Experience)***

Dana Moreau worked her way through high school and college in a variety of restaurant and bar positions. After receiving her undergraduate degree, she started a marketing career specializing in branding, digital marketing and digital solutions that span two decades. Dana has held several senior executive roles working with diverse companies from start-ups to Fortune 500s. She holds a BA in Communications from UW, Madison and an MS in Communications from Northwestern University.



### **1.3 Menu Overview**

#### **Wholesome Ingredients, Thoughtful Preparation**

Babcock's will specialize in quality, not quantity resulting in a menu with just the right amount of options. When possible, we will source our ingredients locally, including a few herbs and vegetables grown in our garden. We aim for fresh, wholesome and homemade versus pre-prepared and frozen. Our beef will be 100% vegetarian fed Angus. Our chicken will be hormone and antibiotic free. Our salad greens will be organic. Beers will be sourced locally. If we wouldn't feed it to our own family, we won't be serving it to our guests.

Beverage offerings will include craft beer, wine and soda that will rotate regularly by season to maintain an on-trend stance. Babcock's seeks a full bar liquor license so we can maintain flexibility for special occasions and limited time offers.

Core items will include juicy burgers, fresh salads, roast chicken as well as a few Babcock's original specialties, seasonal offerings and a host of traditional and non-traditional sides. Vegetarians and vegans will find a number of options. For competitive reasons, we choose not to disclose specifics of our full menu until closer to opening.

Food will be offered, "to stay" or as "take-away". Food will represent approximately 80% of sales with beverages including wine and beer making up the rest. We have no plans to sell ancillary items, just food and drink.

### **2.0 Our Lombard Location - 101 W. Saint Charles St.**

Babcock's of Lombard is located at the busy intersection of W. Saint Charles St. and Park Ave. It will occupy the first floor of the historic Lombard Hotel in the old Café 101 space. Its kitchen will be built out in the back half of the former Slick and BJs locations. The space maintains its historic tin ceilings and large windows with views of the downtown. The basement has also been rented out for additional storage and potential future expansion.

### **2.1 Competitive Advantages**

Babcock's claims numerous competitive advantages that will help attract and maintain a steady customer base.

#### **Location**

- Highly visible location at Main and W. St. Charles
- Desirable outdoor seating for up to 40 that is shaded afternoon through evening
- Convenient train station access (and viewable from passing commuter trains)
- Storied historical building that evokes nostalgia and curiosity
- 

#### **Local Owners with Extensive Experience**

- Owners have more than three decades of restaurant and marketing experience
- Owners live in Lombard and are well connected
- Long time Lombardian owners have a good feel for the village and are uniquely qualified to provide the right concept for our neighbors (built in focus groups!)

#### **Family Friendly Concept**

- Downtown Lombard has a variety of good restaurants with more opening soon. However, many are more tavern than grill. Babcock's, while not child specific, is family centered. Food is at the forefront. Beer and wine are also available. Our goal is to keep pricing affordable for all.

### **Food & Service Emphasis**

- Babcock's will focus on quality versus quantity of options. Food will be made fresh and onsite. The menu will change with the seasons to ensure optimal flavor local sourcing
- The customer experience will be paramount. We strive to be both efficient and welcoming to all our guests. We will keep our posted hours and go above and beyond to ensure repeat customers.

## **2.2 SWOT**

<b><u>Strengths</u></b> <ul style="list-style-type: none"> <li>• Location</li> <li>• Food &amp; Beverage Quality</li> <li>• Unique Menu Offerings</li> <li>• Experienced Management</li> <li>• Extensive Outdoor Seating</li> <li>• Historical Interest &amp; Atmosphere</li> <li>• Large Local Friend &amp; Neighbor Support</li> <li>• Growing Social Media Presence</li> <li>• Family Friendly Atmosphere</li> </ul>	<b><u>Weaknesses</u></b> <ul style="list-style-type: none"> <li>• Limited Interior Seating</li> <li>• Current Consumer Behaviors</li> <li>• Limited Parking (Car and Bike)</li> <li>• Limited Downtown Foot Traffic</li> <li>• Limited Number of Downtown Businesses (not a destination location, yet)</li> </ul>
<b><u>Opportunities</u></b> <ul style="list-style-type: none"> <li>• New Niche Concept</li> <li>• Underserved Neighborhood</li> <li>• High Commuter Traffic</li> <li>• Special Events</li> <li>• Partnerships with other Local Businesses and Community Groups</li> <li>• Additional in-building space to grow</li> <li>• Potential Ballroom Catering</li> </ul>	<b><u>Threats</u></b> <ul style="list-style-type: none"> <li>• Increased Competition (although initially we believe this will be a positive)</li> <li>• Rising Ingredient Costs</li> <li>• Rising Labor Costs</li> <li>• Bad weather (high season is too hot, cold, rainy, etc.)</li> <li>• Reliable Help</li> <li>• Capitalization</li> </ul>

## **2.3 The Market**

The downtown Lombard market is enjoying a resurgence of interest from new foodservice operators. Despite new and existing establishments, Lombardians remain underserved.

In the 2009 Strategic Plan conducted by Houseal Lavigne Associates, resident focus groups were conducted to obtain opinions and ideas for downtown development. The majority of residents and businesses expressed a desire for a larger mix of uses. Residents stated that the Downtown needed more shopping, dining and entertainment and specifically expressed the need for the following:

- Brew pub/tavern, Theatre and family restaurant were identified as the most underrepresented uses
- Residents suggested more outdoor dining and drinking establishments

Given the recent recession, little in the downtown has changed since this study.

Babcock's will target local Lombardians first and foremost. Our market is a mix of families, empty nesters, seniors and pre-teens/teenagers that are looking for a snack after school or during the summer. This market accounts for more than 50% of the households in Lombard (+10,000)

Glen Ellyn will be the second town targeted, as it is close by and one of the two original towns that comprised Babcock's Grove. While Glen Ellyn has its own host of great downtown restaurants, residents are always looking to try something new, especially concepts that cater to families. Many frequent Praga and are anxious to see another attractive concept emerge in Lombard. Villa Park, Addison and Wheaton will quickly follow.

Subgroups targeted primarily for lunch will include local municipal and school professionals and local businesses within a five-mile radius.

Importantly, Babcock's is not targeting a specific "class" of people, meaning we are not distinguishing blue collar, white collar, etc. It is geared towards anyone who wants great food, a cool atmosphere and a welcoming dining experience. The price point will make it accessible to all.

We plan for very little paid marketing and will rely on location visibility not only from the street but from the Metra to help generate additional awareness of Babcock's outside Lombard, especially for those communities further west on the West line.

#### **Additional market facts**

- IDOT reports that over 14,400 vehicles cross the intersection of St. Charles Road and Park Avenue each day
- There are 100+ condominiums within one-quarter mile of the space.
- Over 100,000 people reside within a ten mile radius of the locations

#### **2.4 Specific Lombard Demographics** Lombard Demographics follow.

General Demographics	
Total Population	43,492
Male	20,969
Female	22,523
Hispanic (of any race)	2,987; 6.8%
Not Hispanic	40,516; 93.2%
2040 Estimated Population *	59,883
Median Age	40.8
Total Households	17,971
Average Household Size	2.39
Households with one or more people under 18 years	4,830; 26.9%
Households with one or more people 65 years and over	4,584; 25.5%
Median Household Income	\$88,873
Median Family Income	\$88,739
Per Capita Income	\$33,738
Total Housing Units	19,033
Occupied	17,971; 94.4%
Vacant	1,062; 5.6%
Owner Occupied	13,032; 72.5%
Renter Occupied	4,939; 27.5%
Median Home Value	\$241,700
High School graduate (includes equivalency)	8,594; 21.5%
Some College, no degree	8,999; 22.8%
Associate's Degree	2,448; 8.0%
Bachelor's Degree	8,352; 27.2%
Graduate or Professional Degree	4,350; 14.2%
Percent high school degree or higher	93.7%
Percent bachelor's degree or higher	41.4%

Source: U.S. Census Bureau, 2008-2013 American Community Survey, 5-yr estimates. All educational attainment data is for the population 25 and older.

\* Source: Chicago Metropolitan Agency for Planning

## 2.5 Competitive Landscape

### Yorktown Centre

Though it is the center of town, the area from Main Street to Elizabeth and from Grove to Maple has a very limited selection of restaurant choices for a community the size of Lombard. The strongest restaurant presence in Lombard can be found at Yorktown Center and its periphery. Many top-tier chains have operations in this area. Almost every style of dining is represented from fast food-focused food courts to fine dining at the Capital Grille. However, this is a fifteen minute drive for much of the downtown area and not always convenient.

### Roosevelt Rd. Corridor

The next closest options are on Roosevelt Road, still an eight-minute drive from the intersection of St. Charles Road and Park Avenue. These competitors are not as numerous but are very family focused and therefore, are a larger threat. Concepts include Buffalo

WildWings (Wings and beer), Casa Real (Mexican) and Roundheads (Pizza), Buona Beef (burgers and sandwiches).

#### **North Avenue Corridor**

There is an extreme lack of restaurants other than fast food in this area. The one exception is Bauer House, which features some similar food items but is a completely different vibe than Babcock's.

#### **Downtown Lombard**

There are a number of existing competitors in downtown Lombard but there is still room for more. Additional activity in the downtown will give it a more vibrant feel and attract more residents and those from neighboring communities and will ideally, increase business for all. While not exhaustive, current and future downtown Lombard dining establishments include the following:

##### **Family Diners**

- Main Street Café

##### **Deli/Sandwiches**

- Shannon's
- Bricks

##### **Ethnic**

- Lom Ling

##### **Bakeries/Coffee Houses**

- Balkan Bakery
- Corner House

##### **Pizza**

- Bricks

##### **Fine Dining**

- Praga

##### **Bar/Bar & Grill/Cocktails**

- Bonton
- Punky's
- O'Neils
- Vino Cellar
- Marquette
- Former Capones locations (Sports Bar?)
- 

## **2.6 Pricing**

Babcock's pricing will be competitive and provide a good value for the money. We want families to be able to enjoy a nice meal without breaking the bank. Sandwich, salad and specials pricing will range from \$5 - \$14 depending on ingredients. Sides will range from \$2 - \$5. Beverages (alcoholic and non) will range from \$2 - \$10. Anticipated average check amount is \$12/guest.

### 3.0 Running the Business

#### 3.1 Employees

Staffing will be lean in the early days. Steve will oversee overall operations and front of the house and another full time will oversee the kitchen. The remaining staff will be part-time. As business grows additional staff will be added as needed.

#### 2016 Staffing Requirements

Manager: 1 FTE

Kitchen Manager: 1 FTE

Cooks/Dishwashers: 2 PT

Front of the House: 2 PT

#### 3.2 Systems

Systems will manage cash flow, inventory, POS, ordering, payroll and taxes.

The use of systems will be critical to achieving and maintaining positive cash flow. Each aspect of our operation will be managed through the daily use of basic restaurant systems and the adjustment of those systems based on a combination of data analysis and subjective evaluation of trends. Examples of the systems include:

Daily	Weekly	Monthly
Production forecast	Sales forecast	Inventory
Labor forecast	Order guides	Income statement
Cash reconciliation	Team scheduling	GL reconciliation
Sales analysis	Labor / Payroll analysis	
Menu mix	AR/AP reconciliation	

#### 3.3 Facility

Babcock's of Lombard will be a 47-seat indoor/ 40 seat outdoor quick casual restaurant with a transitional interior that ties together the past and the present. The atmosphere will be a fresh take on what the original Inn may have become had it remained a hospitality location and evolved into a restaurant today. We will incorporate cool and quirky elements of our village's past into the menu, design and possibly even our service. We are working with a local interior designer on final finishes.

Table seating will be available indoors with ample patio seating available when weather permits. Natural wood, tile and strategic lighting will create an environment that is both fun and relaxing.

The facility will have two restrooms, one ADA compliant. The old vault will house the walk-in cooler and dry storage. The kitchen will have ventilation and grease traps installed along with standard equipment. We will maintain the kitchen door and window, quite unique to a restaurant kitchen, to allow for natural light to increase employee satisfaction with their environment.

#### 3.4 Hours of Service

Babcock's will serve lunch and dinner six days per week May through August and five days per week the balance of the year.

**Anticipated May – August days/hours:**

**Tues – Sat: 11AM - 10PM**

**Sunday: 12PM - 8PM**

**Anticipated Sept – April days/hours:**

**Tues – Thurs: 11AM - 9PM**

**Friday & Saturday: 11AM – 10PM**

### **3.5 Service Style**

Service quality is an integral part of each customer's value equation. Babcock's will offer a hybrid service model to accommodate time of day and schedules. The interior will feature a walk up counter where guests will make their selections and place orders. Initial drink orders will be given to each guest at the counter along with a large order number.

Food will be delivered to the guest's tables using the number system. This will allow for efficient servicing of lunch patrons, many of who will have a limited timeframe given work/child obligations.

Unlike traditional quick casual, service will continue with staff visiting tables to refresh drinks and offer desserts, additional beverages, etc. which can be paid for at, and delivered to, the tables. This will allow diners to linger with friends into the evening hours as they enjoy food and beverages. We believe this model of service will allow us to maintain competitive pricing while providing the friendly welcoming approach that is core to our business model. It also is "lunch" friendly as many of those visiting downtown during the noon hour are teachers, medical workers, etc. with limited lunch timeframes that cannot always accommodate full-service sit down.

### **4.0 Marketing and Promotions**

Initial efforts will capitalize on local word of mouth. As of this week, we already have 515+ Facebook "likes" and a 3.9 star review despite being nowhere near close to opening. Response from the community has been overwhelming and humbling and we plan to do our best to make the town proud. Along with word of mouth, we plan to do the following:

#### **PR**

- Babcock's will work with local media to promote the restaurant opening, new menu items, special events, promotions and partnerships.

#### **Social Media**

- Social Media will be ongoing and will primarily be used to communicate new menu items, new flavors and monthly promotions and/or events. We will also use these channels to maintain a dialogue with our customers – to get ongoing feedback to be sure we stay on the right track.

### **Community & Special Events**

- Babcock's will actively participate in special events like cruise nights, sports viewing parties, Spooktacular, etc. We also plan to host a few Babcock's special events with distribution partners throughout the year.

### **Paid Advertising**

- Local will be very limited

## **5.0 Possible Risks**

Risk is inherent to the restaurant industry and Babcock's of Lombard will not be immune to it. However, our experience and preparation will mitigate them. Among them are the possibilities of a slip and fall resulting in injury on the premises or an incidence of food borne illness. Either event could not only be a tragedy for the person or people directly involved but would also be costly for the business and have a negative effect on the business's reputation. Additionally, a failure to identify the correct pricing structure or menu selections could result in declining sales. Unseasonably wet or cold weather during the summer months would result in lost sales that could not be recovered. Disruptions to our supply chain or an ingredient recall could be damaging to sales and reputation. Growing competition could dilute the market or be more appealing to the limited pool of customers in the downtown area. Finally, if we do not meet or exceed our customer's expectations, the business will not thrive.

## **6.0 Financials**

By maintaining a lower price-point we will need a higher guest flow to meet our revenue projections. Our expectation is to break even in the first full month of operations and to begin showing profit by the end of our first full operating quarter. Since our guest flow is so heavily impacted by our outdoor seating, fiscal 2016 will show our strongest sales spread over the second and third quarters.

We project a per person average of approximately \$12.00 and an average guest flow of 115 per day. At this volume we will reach annual net sales of \$345,000 in our first year.

See Appendix 1.0 (Income Statement Forecast)

## **7.0 Timeline**

Preliminary Plans/Estimates	August
Final Plans and Bids	November
Start Construction	Nov/December
Acquire Furnishings	October-December
Renovations Completed	February
Obtain Inventory	February/March
Staff Training	February
Grand Opening	February/March



## **8.0 Future Plans**

If successful, we have plans for one to two additional concepts (also rooted in historical themes) for the basement as well as the front half of the old Slick and BJs location. We believe both will be attractive to Lombard patrons and those beyond our lilac borders.



Lombard Town Centre is extending their support for the forgivable loan for a new establishment at 101 W. St. Charles Rd. Babcock's Grove House has been planning to open a restaurant for many months. Although our design committee does not review plans for aesthetics for interiors, we are excited about this potential new restaurant.

Steve and Dana Moreau have shared their business concept and design with LTC and we are impressed with their knowledge and commitment to the downtown and their business. They have spent many months in planning and ways to create a destination restaurant while being respectful to the historic location and budget.

We are pleased to be able to support their funding request and welcome future grant application for improvements to the exterior of the property as well.

Sincerely,

A handwritten signature in black ink, reading "Sarah Richardt". The signature is written in a cursive, flowing style.

Sarah Richardt  
Executive Director