




MEMORANDUM

TO: Dennis McNicholas, Acting Chairperson
Economic and Community Development Committee

FROM: Jennifer Ganser, Assistant Director of Community Development 

DATE: May 11, 2015

SUBJECT: Downtown Restaurant Forgivable Loan; 18 W. St. Charles Road (Marquette Kitchen & Tap)

The Community Development Department has received an application for the Downtown Restaurant Forgivable Loan Program for Marquette Kitchen & Tap located at 18 W. St. Charles Road. The applicant is seeking to install interior improvements such as framing, electrical, plumbing, gas lines, HVAC, soundproofing, drywall, painting, flooring, and installation of restaurant items and doors. Marquette Kitchen & Tap leased the property at 18 W. St. Charles Road for a period of five (5) years. The first floor is currently vacant.

The property is located in the Downtown TIF. The total cost of project is \$154,045.90 and is grant eligible up to **\$51,348.63**. 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 a 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.

It should be noted that all grant requests paid for by Village of Lombard TIF dollars shall comply with the Illinois Prevailing Wage Act. Therefore, if the grant is approved by the Village Board of Trustees, the applicant shall sign an acknowledgement form indicating that they are aware that this project is subject to prevailing wages.

GRANT REQUEST ELEMENTS

Marquette Kitchen & Tap has submitted architectural plans and three quotes.

<u>Contractor</u>	<u>Price Quote</u>
Finney Decorating	\$190,000.00
William Horvath Carpentry, Inc.	\$177,120.00
Progress Construction & Development Inc.	\$154,045.90

Based on the lowest bid the applicant is eligible to receive up to **\$51,348.63**.

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. The project must comply with the Illinois Prevailing Wage Act. Since the project will be partially funded by grant (from the Downtown TIF) the project must comply with the Illinois Prevailing Wage Act.
2. 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.
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 May 11, 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 18 W. St. Charles Road. The project total is \$154,045.90 and is grant eligible up to **\$51,348.63**. 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. The project must comply with the Illinois Prevailing Wage Act.
2. Permits must be applied for and received for all of the work.

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3. Before the grant can be paid out, Marquette Kitchen & Tap will submit a final receipt (showing the project is paid in full) and waivers of lien from the contractors.

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The Village of Lombard requested that the Lombard Town Centre Design Committee review the applications for a Downtown Restaurant Forgivable Loan and a Downtown Improvement and Renovation Grant for the property at 18 W. St. Charles Road.

Typically our Design Committee only provides comment on proposed improvements that are visible from the public right-of-way such as building facades, signage, streetscape features, landscaping, etc. After reviewing the application materials, it appears most of the proposed improvements are interior renovations that would not impact the aesthetics of the public right-of-way. Therefore, we are not comfortable providing support or opposition from a design standpoint.

We are excited about the potential addition of this business to our downtown and would welcome their future grant application for improvements more relevant to our scope of influence.

Should you have any questions, feel free to call me at the number below.

Sincerely,

Tom Runkle
Lombard Town Centre
Design Committee
630-334-0560

**DOWNTOWN RESTAURANT FORGIVABLE LOAN PROGRAM
PRE-APPLICATION**

1. A. Building Address and Description: 18 W. St. Charles Road

B. Property Identification Number: 0607204040

2. A. Business Owners Name: John Dagon

B. Business Owners Address: 619 Winona Ave Oak Park, IL 60304

C. Business Owners Phone (day time): (773) 550-2684 anytime

D. Business Owners Email: dags1234@yahoo.com

3. A. Property Owners Name: Irene & Don Tuchscherer

B. Property Owners Address: PO Box 61 Lombard, IL 60148

C. Property Owners Phone (day time): (630) 219-3530 day

3. Current Tenant, Building Address, Lease Terms, and Description of Business: (use additional paper if necessary)

A. None

B. _____

C. _____

4. Proposed Improvements associated with the project: See attached plans

5. Plans/Drawings prepared by:

A. Name: Paul Psenka

B. Address: 148 W. Station St. Barrington, IL 60010

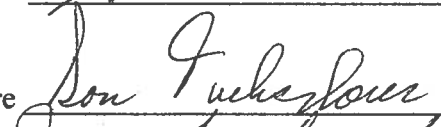
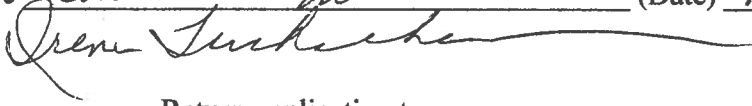
C. Phone (day time): 847-756-4700 day

D. Estimated Cost of the project: \$ _____

6. Statement of Understanding.

- A. The applicant (undersigned) agrees to comply with the guidelines and procedures of the Restaurant Forgivable Loan 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  (Date) 4-23-15

Property Owner Signature  (Date) 4-23-15


Return application to:

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

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1.0

Enterprise

1.1

Company

The organization will be a 49 seat, 1600 square foot restaurant with bar in downtown Lombard, Illinois and organized as an Limited Liability Company. It will be located at 18 West Saint Charles Road. The property for the proposed business will be leased for five years and will be renovated to accommodate the concept using a mixture of private funding and the tax increment financing (TIF) from the City of Lombard. For illustration purposes, three establishments that we aspire to emulate are Sullivan's Public House in Forest Park, Palmer's Place in La Grange and Jimmy's Grill in Naperville. Each of these is established, economically viable and serves as an anchor to their respective downtowns.

1.2

Vision & Mission

Our primary vision is to create a regional destination establishment that will anchor downtown Lombard. It will draw enough customers to spur and support further retail development within the city center's radius. This, in turn, will provide a steady supply of customers to ensure our company's long term viability. In order to execute this vision, we will establish a social gathering place that reflects the period in which downtown Lombard was built. It will be unique in its accommodations as a combination bar & restaurant. Good quality food and beverages will be served at reasonable prices.

Our management fully believes in the concept of higher density suburban downtown districts that revolve around a business community and public transportation. In addition, the long term trends of energy costs and public sentiment towards greener developments will help push society and its expenditures into areas such as downtown Lombard.

1.3

Management

The founding management possesses over 25 years of direct restaurant/bar operating experience and 55 years of overall business tenure. The bar/restaurant time has been spent in the exact space we are trying to create.

Managing Partner - Doug Stepenske, 47.

Doug currently serves as partner for Judge's Bar in Joliet. He has held this position for three years. As Partner, Doug's duties encompass responsibility for the marketing operation of the

establishment in addition to acting as backup operational manager. He has spent his time in day to day management of the establishment including personnel, supplier and vendor management, On a full time basis, Doug is an Account Executive for a major medical supply company. Doug holds a bachelor's degree in finance from Marquette University.

Managing Partner - John Dagnon, 47.

John has spent 20 years in the financial services industry and is currently Chief Operating Officer for an indirect lender. Much of this tenure has been spent on the financial, operational and marketing side of retailing. He is also partner with Doug in their current bar/restaurant endeavor and manages the operations and financial management of the enterprise. John holds a Bachelor's of Science degree in Finance from Marquette University and a Master's in Business Administration degree from the University of Chicago.

Manager - Greg Roth, 49.

Greg operates Dock Rotz in Minooka. He will serve as a consultant to the new business and will be essential in the start up and initial management phases. Prior to Dock Rotz's, Greg, has operated establishments running the spectrum from fast food to fine dining. His specialty is menu creation and kitchen work process flow.

Resumes and references can be furnished upon request.

1.4

Products

Products offered will be divided into three primary categories: food, beverage and ancillary services. Food will be served from 11:30 am until 10:00 pm and beverages and ancillary services will be offered from 11:30 am until close. The menu will reflect upgraded American bar fare at reasonable prices. It will appeal to all demographic groups in order to capture as much revenue as possible while maintaining quality. Seventy-five percent of the menu will remain constant as these items are tried and true. The remaining 25% of the menu will be variable for the purpose of keeping it fresh. Each of the partners involved are heavily traveled and have numerous regional dishes that it will experiment with to determine which will be palatable to the tastes of the clientele. A family friendly menu geared towards kids will be included. Food will represent 65% of revenue.

Initial menu - See attached file.

Beverages offered will be from a full bar selection. They will be fairly standard to those offered in surrounding establishments, but will also reflect the concept outlined in our menu. Various beverage offerings from other regions will be introduced periodically in order to maintain interest from demographic groups. Beer/Wine/Liquor will represent 35% of revenue.

Ancillary services will include a juke box, cigarettes, automated teller machine and bar style games. These services will be for customer service purposes only and will be a very small part of the company's revenue stream. Establishment hours will be 11:00 am to 1:00 am Sunday through Thursday and 11:00 am to 2:00 am Friday and Saturday.

2.0

Market

2.1

Competitive Advantage

The business will have four primary competitive advantages: dearth of direct competition, location, menu and price. At the present, Lombard does not have an establishment similar to the proposed one within its downtown. There are three taverns with limited menus, restaurants and cafes, but no one organization that combines all three. Conceptually, our bar & restaurant will have appeal to the demographic that populates Lombard. Its location provides easy walking access and proximity to public transportation and this will become even more of an advantage as transportation prices rise. We will be the only establishment with a food and beverage menu which appeals to a wide ranging demographic. The most formidable competition will come from the restaurants along Butterfield Road. However, we will be able to offer prices 10% to 20% lower than their offerings while maintaining similar quality.

2.2

SWOT

<p><u>Strengths</u> Menu flexibility Price Community support Dining experience Management expertise</p>	<p><u>Weaknesses</u> Capitalization New business Start up brand Capacity constraints</p>
<p><u>Opportunities</u> Lack of direct competition Pent up demand Potential market proximity</p>	<p><u>Threats</u> Established competition Macroeconomic conditions Hardened consumer behavior</p>

2.3

Market Size, Growth Rate & Trends

Our market size will reflect those expected nationally close to at population growth. It is predicted that Americans will eat out more and more as a percentage of meals consumed. A recent NPR report stated that making food at home for the generation born in the 2000's will be as foreign as killing, skinning and preparing food is to us today. Locally, the casual dining category our enterprise will fall into represents a total market of over one million primarily from DuPage County and Chicago. This wide market is the opportunity due to the broad appeal of this type of bar & grille. More specifically, over 100,000 customers live within a ten minute drive and just as much within a half an hour train ride. According to an annual study commissioned by a major beverage company, in the first six months of 2014, casual dining facilities experienced a 3% increase in foot traffic and a 3% increase in dollars spent versus 2013. Gains are expected to be 3% to 3.5% annually for casual dining restaurants.

2.4

Target Market

Target consumer markets will be: families, singles and empty nesters in the western suburbs and the west Loop. As a combination restaurant & bar, we will be able to cater to each of these target markets. The facility will easily make the transition from lunch counter to after work gathering place to dinner destination to nightspot.

2.5

Competition

Direct competition consists of casual food and drink servers in the downtown Lombard and other western suburbs, the Oak Brook - Yorktown corridor and downtown Chicago. Indirect competition would be home cooking, fast food and delivery establishments. Lombard residents, however, seem to have two choices downtown for casual dining: a chain restaurant/fast food or local café/tavern. Our establishment will be strategically placed between the two and we will provide an attractive menu at a lower price than casual dining chains. Chain restaurants have the advantage of deep pockets and broad appeal but tend to be saddled with extensive overhead and minimal ability to shift focus as the environment demands. Local cafes and taverns tend to possess attractive individual character but often specialize and lack sophisticated management and marketing techniques. As stated in a prior section, home cooking is predicted to wane as Americans become busier and more detached from the traditional family dinner. New technologies such as laptops, PDAs and mobile phones are creating a new, less personal means of communication and will contribute to the trend away from home cooking.

2.6

Pricing

Exact pricing can be found on the menu. Overall pricing strategy will be to fall under prices found on comparable large establishments and above a comparable in-town tavern. This strategy will reflect our ability to undercut the prices of large restaurants due to less overhead. In addition, our food quality and overall atmosphere will enable us to charge a premium over local taverns. By setting prices in this range, we will be able to become recession resistant, but not recession proof and guarantee a proper return for investors. As stated in the Competitive Advantage section, the overall goal of the menu and its pricing is to offer the quality level of a Butterfield Road Grill at notably lower prices in a non-chain atmosphere that reflects the local character. We expect the average dinner ticket per person to be \$16 or an entrée and two beverages.

3.0

Marketing Strategy

3.1

Local Market

Targeted local markets will be Lombard and Villa Park. Each village hosts a population of working, middle and upper middle class residents that will be the primary targets of the new establishment. In addition, each suburb lacks an establishment that is close in concept to our proposed business. Both Lombard and Villa Park have income (\$70,539 & \$63,642 respectively), home value (\$231,200 & \$217,209 respectively) and education levels above Illinois' state average. In addition, each village possesses a solid mixture of families and singles from the blue and white collar professions. We feel that these are our customers to lose due to pent up demand for an easily accessible bar & restaurant. Therefore, fairly typical and low cost marketing campaigns such as guerilla, flyer distribution, community involvement and local organization support should generate sufficient revenue from these areas. Word of mouth will assist in maintaining this revenue stream since each partner has extensive networks in the immediate geographic area. Due to the broad appeal of our concept, no citizen of our targeted markets will be off limits.

3.2

Regional Market

Regional markets will include Glen Ellyn, Wheaton, Elmhurst, Addison, downtown Chicago and farther reaching suburbs along the Metra line. Most intriguing of these communities is the almost 100,000 residents living within walking distance of the Chicago & Northwestern train station in downtown Chicago. Due to the attached housing boom of 2001 to 2008, this area has

seen an influx of people new to Chicago that do not possess the established buying habits and hardened loyalties of long time residents. In addition, they are familiar with high density consumerism, public transportation and the bar & grille concept where a mixture of people meet. Metra's \$8 weekend fare makes the train cheaper than driving to Lombard. This will be a group targeted through more non traditional methods by partnering with condo associations, building management and public transportation. It is very conceivable to bring these residents out to our establishment (and downtown Lombard) for a day of shopping/ dining, sports viewing or community events such as street festivals and car shows.

Marketing to the residents of the other communities listed will center on the menu. Addison's commercial district will be targeted for the lunch crowd as an option to hot dog stands and Schaumburg's offerings. The establishment will be marketed to Glen Ellyn, Wheaton and Elmhurst's residents as an alternative to their local restaurants.

3.3

Non-Core Demographic Market

In order to support long term revenue projections, we will further refine and pinpoint our marketing efforts to include professional groups, seniors, women, sports leagues and special interest groups. These groups will be targeted using promotions and communications tailored to the common bonds of the population. For instance, we may reserve a night each month with products and services and promotions geared for the particular segment. Then we will use communication methods such as emails, social media, meeting presentations and advertisements to promote the night. We will also partner with other local establishments that cater to these groups for cross marketing opportunities.

We will collect email addresses of those in all of our markets, divide them into targeted segments and communicate to them through this mode. An email will only be sent periodically and when an event or promotion of that segment's particular interest is included.

Revenue Projections

In order to reach our first year's revenue projections, we will need to generate \$1000 per day or 4.4 customers per hour. To achieve our first year's breakeven point, we will need to generate \$666 per day or 2.9 customers per hour. This is realistic. At Judge's, with only beer, wine, liquor and cigarette sales we have been able to achieve revenue of \$523 per day. Four factors contribute to our revenue projections in comparison to what we achieve at Judges:

- 1.) Food will comprise 65% of our sales.
- 2.) Our Lombard restaurant will be open 40% more of the day/night.
- 3.) Market prices are 20% higher in Lombard versus Joliet.
- 4.) Downtown Lombard is a significantly better location in comparison to Joliet.

In addition, no marketing dollars are spent to generate the revenue at Judge's. We expect our marketing efforts in Lombard to have a positive effect on revenue in the range of 20% to 25%.

4.0

Organization

4.1

Partner Compensation

Each partner will be paid a salary and have health insurance benefits plus realize in any dividends that result from the company's performance.

4.2

Ownership Division

The common stock of the organization will be divided as follows:

John Dagnon - 50%
Doug Stepenske - 50%

4.3

Supporting Professionals

Accounting - Larry Lehman, C.P.A. 4732 West 103rd Street Oak Lawn, Illinois 60453
Legal Counsel - Eric Tanquiliut, Esquire. 1206 Candlenut Drive Naperville, Illinois 60540

4.4

Headcount Forecast

Headcount will remain lean initially with the managing partners fulfilling front line positions along with overall management of the business. As revenue and expenses become more dependable, more of the front line positions will be filled by non-managing partner employees. It is estimated that all front line positions will be part time employees.

Full Time Position	2015	2016	2017	2018	2019
Managing Partner	3	3	3	3	3
Bartender	1	1	1	2	2
Wait Staff	1	1	2	2	2
Cook	1	1	1	1	1
Total Full Time	6	6	7	8	8

4.5

Location

Our establishment will be located in the heart of downtown Lombard at 18 West Saint Charles Road and will occupy the ground floor.

4.6

Facility

The facility will be located in a turn of the century brick storefront. Indoors will include a long bar and bar stools along the east wall, round tall tables in the middle of the space and rectangular tall tables along the west wall and front windows which will open accordion style. Occupying the middle of the space will be a more family oriented room partitioned from the bar area by the bathrooms. In the rear of the indoor space will be the kitchen & storage and men's and women's bathrooms are center east. Nonperishable storage will be built in the basement. The kitchen will have ventilation, cooking, preparation and storage equipment capable of producing the menu items offered. Each bathroom will be handicap accessible and the men's room will have a toilet, a urinal and a sink and the women's room will have a toilet and a sink. Wood floors will be installed and stained a dark brown and tile will be laid in the bathrooms and kitchen. The walls of the primary space will be drywall & wood with large, LCD televisions and historical photograph. Fans will hang from a faux copper antique ceiling.

Overall décor of the inside space will be that of an early 20th century establishment.

Property diagram & initial work estimate - included in accompanying file.

4.7

Systems

Initial systems will manage cash, ordering, inventory, payroll and taxes. Future systems will incorporate CRM, search engine strategy and new customer acquisition.

5.0

Key Risks

5.1

General

The expertise of the partners is essential to the success of the enterprise. However, with three partners, each capable of running the business solo, the risk of a job ending injury affecting the overall health of the company is limited. The business will be insured against property or casualty loss, food service issues and general liability.

5.2

Industry

The restaurant and bar industry can be a volatile one. Consumer's tastes and behaviors can seemingly change with the wind. However, our menu will be malleable enough to respond quickly to changes in consumer tastes (ie., non-fat, Atkins, etc.). A segment of our menu will change regularly in order to satiate these changing preferences. In addition, staffing can be notoriously difficult. We will leverage the seasoned staff of one of our partner's current establishment to ensure a steady stream of quality employees. The casual dining industry is particularly local. While nationally the industry is flat to slightly increasing, individual operators are able to buck negative trends by tapping local knowledge and adjusting accordingly. Lombard will more closely reflect national trends due to its proximity to Chicago and diverse economic base. There is no one business that, if it fails, will take down the entire regional economy. As stated in the Market section, this particular section of the dining industry is recession resistant, but not recession proof. We will run lean enough to get ahead of these trends and cut/add overhead as necessary.

5.3

Macroeconomic

Macroeconomic risks are completely out of our control, but we will take measures to ensure that the proposed establishment will be recession resistant not recession proof. High levels of unemployment, inflation and consumer uncertainty and confidence will affect revenue. Unlike 2008 negative macroeconomic developments are rarely unforeseen. Overhead expenses will be kept low due to stable long term property leases, hands on management to control payroll and very low, if any, debt service. These factors will allow us to adjust expenses as revenue slides during a downturn. In addition, after establishing ourselves as a destination, we will be able to limit marketing expenses without suffering a significant decline in patronage. The company will be a nimble and responsive organization that can react quickly in the face of recessionary conditions. Our pricing, product offering and atmosphere will maintain our position as a value even in less than desirable economic times.

5.4

Organizational

The primary organizational risk is undercapitalization. It is imperative that we have enough cash on hand to get from October to May. In order to mitigate this risk, a working capital line of credit for six months expenses will be opened with a local bank. In addition, the partners have multiple sources of new equity available if needed. Much of the other organizational risks that face a business of this kind have been limited due to the extensive hard industry experience of the partners.

6.0

Timeline (all 2015)

Preliminary plans/estimates	February
Receipt of Certificate of Eligibility	April
Final plans/bids	April
Final Notice to Proceed	May
Acquire building permits	May
Start renovations	May
LLC Organization	Completed
Renovations completed	July
Acquire inventory/furnishings	June
Staff training	June 15-30
Open doors	July 15

7.0

Financial Projections

Generally, we expect the company to turn a profit for the first year and increase profitability on an annual basis from year two. However, due to the seasonal nature of the business, monthly positive performance cannot be guaranteed.

Full financial projections – see accompanying file.

8.0

Future Strategy

8.1

Customer Acquisition

Acquiring new customers and expansion present the best ways to maximize future opportunities in downtown Lombard. Our company will establish a loyal, local clientele but will aggressively and innovatively pursue new customers. New customers to downtown Lombard and the establishment will primarily come from the surrounding suburbs and downtown Chicago. Over 100,000 residents, primarily transients without long held loyalties and behaviors live within walking distance of the Metra terminal in downtown Chicago. In addition, the commercial centers of Addison, Carol Stream and Elmhurst represent a wealth of lunch and after work consumers

8.2

Expansion

Future expansion opportunities fall into two groups: facility and other location. The first chance of expansion will occur within the current facility. The most likely scenario will be establishing an outdoor patio on the front walkway. This would increase capacity 32%. We have also identified opportunities in other retail areas. There are parties that have expressed interest in establishing a clothing store and a high end home furnishing store should we prove that our business model is effective. These endeavors would be started in partnership with other groups and would help solidify downtown Lombard as a shopping destination.

Cost/benefit analyses will be completed before any of these expansion opportunities are undertaken.

8.3

Future Products

Opportunity in this area is limited. Much of this has been discussed as alternate menu items and could be expanded to revolve around downtown Lombard events that either already occur or can be planned. Festivals centered around a theme (music, arts/crafts, kids, sports, etc.) would provide additional revenue sources. We envision a day long music festival with local and regional artists that would make Lombard a destination for music lovers from all over the Midwest. Gaming would be a logical future product should the village choose to approve it in the future.

Salads

House Salad

Mixed seasonal greens, tomato, cucumber, shredded carrots and croutons \$5

Caesar Salad

Crisp Romaine Lettuce, grated parmesan cheese and garlic croutons \$6

Spinach & Mushroom Salad

Fresh spinach with marinated mushrooms, roasted red peppers and toasted pine nuts \$7

Spring Salad

Mixed seasonal greens, cranberries, frosted walnuts, Granny Smith apples and goat cheese \$7

Add grilled chicken \$3, Salmon \$4 or Shrimp \$5 to any salad.

Available Dressings

Light Italian, Ranch, Blue Cheese, Honey Mustard, Balsamic Vinaigrette or French

Wraps

Brushetta Chicken Wrap

Grilled chicken with tomato, basil, fresh mozzarella cheese, mixed greens and balsamic vinaigrette wrapped in a spinach tortilla \$9

Turkey Club Wrap

Sliced turkey with lettuce, tomato, bacon, provolone cheese and red pepper aioli wrapped in a flour tortilla \$9

Beef Fajita Wrap

Strips of tender beef grilled with fajita seasoning, red & green peppers, onion, shredded lettuce, cheddar cheese and a green chile sauce wrapped in a jalapeno tortilla \$10

Veggie Wrap

Grilled portabella mushroom, roasted red pepper, cucumber, zucchini and spinach with balsamic mayo wrapped in a tomato basil tortilla \$8

Sandwiches & Burgers

Ribeye Steak Sandwich

Six ounce ribeye stean grilled and topped with carmelized onions and Swiss cheese \$11

Rueben

Corned beef or turkey with sauerkraut and 1000 Island dressing on a marble rye \$9

Mahi Mahi

Grilled mahi mahi with tomato, lettuce and red onion with a cucumber mayo on a pretzel roll \$11

Chipotle Chicken Sandwich

Chipotle marinated chicken breast with roasted red peppers, spinach & onion \$9

Western Burger

Angus beef patty grilled with sautéed mushrooms, grilled onions and topped with Jack Daniels BBQ sauce \$11

Taco Burger

Ground angus beef with taco seasoning topped with guacamole, lettuce, tomato, onion and pepper jack cheese \$10

Veggie Burger

Marinated portabella mushroom with cucumber, roasted peppers, carrots and lettuce topped with avocado aioli \$9

Build Your Own Burger (turkey, beef or portabella mushroom) \$9
(choose any three additional items \$1 each)
Mushrooms/chili/cheese/bacon/egg/red peppers/jalapenos/pickles/BBQ sauce/grilled onion

All wraps, sandwiches & burgers come with a choice of:
Kettle chips, potato salad, coleslaw, cottage cheese, pasta salad or fruit
Gluten free buns available for any sandwich for \$1

Soups

Soup of the day cup \$4, bowl \$6

Desserts

Chocolate or Blonde Brownie

Grilled brownie served warm with vanilla ice cream and chocolate sauce \$5

Fruit Plate

Seasonal fresh fruit served with strawberry yogurt dipping sauce \$5

Kid's Menu

Under construction

All of MKT's food is certified organic, anti-biotic free and free range.

	Build Out	2015	2016	2017	2018	2019
Revenue						
Sales- Food/Drink	\$0	\$360,000	\$378,000	\$396,900	\$416,745	\$437,582
Sales - Other	\$0	\$13,680	\$14,090	\$14,513	\$14,949	\$15,397
COGS	\$0	\$154,800	\$162,540	\$170,667	\$179,200	\$188,160
Other cost of sales	\$0	\$7,020	\$7,354	\$7,704	\$8,071	\$8,456
Gross Margin	\$0	\$211,860	\$222,196	\$233,042	\$244,422	\$256,363
GM %	0	58.85%	58.78%	58.72%	58.65%	58.59%
Expenses						
Payroll	\$0	\$59,400	\$61,182	\$63,017	\$64,908	\$66,855
Payroll Taxes	\$0	\$4,752	\$4,895	\$5,041	\$5,193	\$5,348
Ice Machine Lease	\$0	\$1,320	\$1,320	\$1,320	\$1,320	\$1,320
Marketing	\$0	\$5,000	\$5,000	\$6,000	\$6,000	\$6,000
Depreciation	\$0	\$17,135	\$17,135	\$17,135	\$17,135	\$17,135
Electric	\$0	\$12,000	\$12,360	\$12,731	\$13,113	\$13,506
Water/Sewer	\$0	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351
Gas	\$0	\$3,000	\$3,090	\$3,183	\$3,278	\$3,377
Insurance	\$0	\$3,483	\$3,657	\$3,840	\$4,032	\$4,234
Build Out	\$171,350	\$0	\$0	\$0	\$0	\$0
Sales Taxes	\$0	\$11,025	\$11,576	\$12,155	\$12,763	\$13,401
POS Lease	\$0	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400
Office Supplies/Postage	\$0	\$360	\$371	\$382	\$393	\$405
Licenses	\$0	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
Garbage	\$0	\$1,200	\$1,236	\$1,273	\$1,311	\$1,351
Exterminator	\$0	\$420	\$433	\$446	\$459	\$473
Cable/Internet/Phone	\$0	\$4,200	\$4,326	\$4,456	\$4,589	\$4,727
Beer Lines	\$0	\$780	\$803	\$828	\$852	\$878
Bar Supplies	\$0	\$4,500	\$4,635	\$4,774	\$4,917	\$5,065
Bank Card Processing	\$0	\$5,400	\$5,562	\$5,729	\$5,901	\$6,078
Alarm	\$0	\$480	\$494	\$509	\$525	\$540
Rent/Property Taxes	\$0	\$15,000	\$15,500	\$16,000	\$16,500	\$17,000
Other	\$0	\$12,000	\$13,800	\$15,870	\$18,251	\$20,988
Total Operating Expenses	\$171,350	\$167,055	\$173,011	\$180,362	\$187,151	\$194,431
Gross Profit	-\$171,350	\$44,805	\$49,185	\$52,680	\$57,271	\$61,932
EBITDA	-\$171,350	\$61,940	\$66,320	\$69,815	\$74,406	\$79,067
Interest	\$0	\$0	\$0	\$0	\$0	\$0
Taxes	\$0	\$8,871	\$9,739	\$10,431	\$11,340	\$12,263
Net Profit	-\$171,350	\$35,934	\$39,446	\$42,249	\$45,931	\$49,670
Net Profit/Sales	0	9.98%	10.44%	10.64%	11.02%	11.35%

ATM/Jukebox/Games/Cigarettes

One cook @ \$10/hour, two servers @ \$5/hour

	Build Out	2015	2016	2017	2018	2019
Cash from Operations						
Cash Sales - Food/Drink	\$0	\$360,000	\$378,000	\$396,900	\$416,745	\$437,582
Cash from Other Sales	\$0	\$13,680	\$14,090	\$14,513	\$14,949	\$15,397
Total Cash from Operations	\$0	\$373,680	\$392,090	\$411,413	\$431,694	\$452,979
Additional Cash Received						
Cash from Owners	\$122,200	\$0	\$0	\$0	\$0	\$0
Cash from Village - Forgivable Loan	\$42,900	\$0	\$0	\$0	\$0	\$0
Cash from Village - Façade Grant	\$6,250	\$0	\$0	\$0	\$0	\$0
Cash from Village - Sprinklers	\$0	\$0	\$0	\$0	\$0	\$0
Refunded Taxes	\$0	\$0	\$0	\$0	\$0	\$0
New Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0
New Long-Term Borrowing	\$0	\$0	\$0	\$0	\$0	\$0
Sale of Current Assets	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Long-Term Assets	\$0	\$0	\$0	\$0	\$0	\$0
New Investment Received	\$0	\$0	\$0	\$0	\$0	\$0
Total Additional Cash Received	\$171,350	\$0	\$0	\$0	\$0	\$0
Total Cash Received	\$171,350	\$373,680	\$392,090	\$411,413	\$431,694	\$452,979
Expenditures						
COGS	\$0	\$154,800	\$162,540	\$170,667	\$179,200	\$188,160
Other	\$0	\$7,020	\$7,354	\$7,704	\$8,071	\$8,456
Expenses	\$0	\$149,920	\$155,876	\$163,227	\$170,016	\$177,296
Total Cash Spent on Operations	\$0	\$311,740	\$325,770	\$341,598	\$357,288	\$373,912
Additional Expenditures						
Additional Taxes Paid	\$0	\$8,871	\$9,739	\$10,431	\$11,340	\$12,263
Repayment of Current Borrowing	\$0	\$0	\$0	\$0	\$0	\$0
Repayment of Long-Term Borrowing	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Current Assets	\$0	\$0	\$0	\$0	\$0	\$0
Purchase Long-Term Assets	\$171,350	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0
Total Additional Expenditures	\$171,350	\$8,871	\$9,739	\$10,431	\$11,340	\$12,263
Total Cash Spent	\$171,350	\$320,611	\$335,509	\$352,029	\$368,627	\$386,175
Net Cash Flow	\$0	\$53,069	\$56,581	\$59,384	\$63,066	\$66,805
Cash Balance	\$0	\$53,069	\$109,650	\$169,034	\$232,101	\$298,905

2015 2016 2017 2018 2019

Assets

Current Assets	2015	2016	2017	2018	2019
Cash	\$53,069	\$109,650	\$169,034	\$232,101	\$298,905
Accounts Receivable	\$0	\$0	\$0	\$0	\$0
Inventory	\$12,900	\$13,545	\$14,222	\$14,933	\$15,680
Other Current Assets	\$0	\$0	\$0	\$0	\$0
Total Current Assets	\$65,969	\$123,195	\$183,257	\$247,034	\$314,585

Long-Term Assets	2015	2016	2017	2018	2019
Long-Term Assets	\$171,350	\$171,350	\$171,350	\$171,350	\$171,350
Accumulated Depreciation	\$17,135	\$34,270	\$51,405	\$68,540	\$85,675
Total Long-Term Assets	\$154,215	\$137,080	\$119,945	\$102,810	\$85,675

Total Assets	\$220,184	\$260,275	\$303,202	\$349,844	\$400,260
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Liabilities & SEQ

Liabilities

Current Liabilities	2015	2016	2017	2018	2019
Accounts Payable	\$12,900	\$13,545	\$14,222	\$14,933	\$15,680
Current Borrowing	\$0	\$0	\$0	\$0	\$0
Other Current Liabilities	\$0	\$0	\$0	\$0	\$0
Total Current Liabilities	\$12,900	\$13,545	\$14,222	\$14,933	\$15,680

Long-Term Liabilities

Long-Term Borrowing	\$0	\$0	\$0	\$0	\$0
Other Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0
Total Long-Term Liabilities	\$0	\$0	\$0	\$0	\$0

Total Liabilities	\$12,900	\$13,545	\$14,222	\$14,933	\$15,680
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SEQ

Paid-in-Capital	\$171,350	\$171,350	\$171,350	\$171,350	\$171,350
Retained Earnings	\$0	\$35,934	\$75,380	\$117,629	\$163,561
Earnings	\$35,934	\$39,446	\$42,249	\$45,931	\$49,670
Total SEQ	\$207,284	\$246,730	\$288,979	\$334,911	\$384,580

Total Liabilities & SEQ	\$220,184	\$260,275	\$303,202	\$349,844	\$400,260
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Indoor Space

Tearout/debris removal	\$5,000
Plumbing	\$12,500
Electrical	\$15,000
Carpentry/drywall/insulation	\$20,000
Bar	\$25,000
Ceiling - metal/frame	\$9,500
Flooring - repair/refinishing	\$15,500
Doors	\$6,500
Tiling	\$1,500
HVAC	\$2,500
Hood Installation	\$2,000
Sprinklers	\$0
Paint/stain	\$5,000
GC fee	\$10,000
Total Indoor	<u>\$130,000</u>

Bar/Kitchen Equipment

New	\$10,350
Used	\$4,250
Total Equipment	<u>\$14,600</u>

Outdoor Space

Concrete piers	\$0
Facade	\$5,000
Signage	\$7,500
Total Outdoor Space	<u>\$12,500</u>
<u>Total Buildout</u>	\$157,100
<u>Furnishing</u>	
Tables/Chairs	\$4,750
Kitchen Utensils	\$500
Dinnerware	\$500
Television/Sound	\$4,000
Glassware	\$500
Total Furnishing	<u>\$10,250</u>

Inventory

	\$4,000
Total	\$171,350

Bar/Kitchen Equipment List

Grill/Griddle	\$1,250	Used
Refrigerator	\$750	Used
Freezer	\$750	Used
Prep Table	\$500	Used
Sink	\$250	Used
Hand Sink	\$150	Used
Oven	\$500	Used
Hood	\$1,500	New
Total Kitchen	\$5,650	
Barrel Cooler	\$2,900	New
Bottle Cooler (2)	\$4,800	New
Sink	\$1,150	New
Freezer	\$100	Used
Total Bar	\$8,950	

FINNEY DECORATING - 9634 W. 194TH PLACE - MOKENA, IL (708)



Project Proposal

Prepared for: Marquette Tap

Marquette Top - proposal - Kimbrae.cdf | Download

2 of 4

- Framing including all labor & materials. Interior and exterior.
 - Bar to be framed, and wrapped in a wood finish stained to customers color.
 - Electrical including all labor & materials. * Owner to purchase complete lighting package T.V.'s & mounts. *
 - Plumbing including all labor & materials. * We will purchase hot water tanks and in:
 - Bathrooms to stay existing,
 - Mechanical area to stay existing.
 - Install new gas lines to kitchen area.
 - Install new plumbing to bar & kitchen area.
 - Install all new glycol beer lines.
 - HVAC including, insulation all labor & materials for supply lines & diffusers into drop included. *
 - Install all new soundproofing material in front half.
 - Drywall & finish taping all labor & materials included.
 - Painting all labor & materials included.
 - Install new drop ceiling as needed thru out entire store.
 - Install all flooring. * Owner to provide flooring of own choice *
 - Install new cooler, grease trap & oven hood exhaust fan.
 - Not included in proposal bid : sprinkler system, fire alarm.
-

FINNEY DECORATING

Additional Information Pertaining To This Proposal

- We are fully licensed, insured & bonded.
- All work will be completed in a timely manner.
- Proposal is valid for 30 days.
- Approval of changes are needed.
- Job cost quoted does not include permit fees.

Conditions Of Proposal

- 1/3 Payment to start work.
- 1/3 Payment after drywall install.
- 1/3 Payment after final walk thru.

Total Job Cost : \$ 190,000.00



Project Proposal

Prepared for: Marquette Tap - Front Facade

Prepared by: Mark Finney

April 21, 2015

Project Location

18 W. St. Charles Street

Lombard, IL

FINNEY DECORATING

Project Outline

- Demo entire front of store, awning, glass, etc.
- Repair concrete as needed.
- Install all new aluminum frame.
- Install all new glass & doors according to print. * Architect fees not included ^

Additional Information Pertaining To This Proposal

- We are fully licensed, insured & bonded.
 - All work will be completed in a timely manner.
 - Proposal is valid for 30 days.
 - Approval of changes are needed.
 - Job cost quoted is for non-union.
 - Job cost quoted does not include permit fees.
 - Dumpster fees included.
-

FINNEY DECORATING

Conditions Of Proposal

- 1/2 Payment to start work.
- 1/2 Payment after final walk thru.

Total Job Cost : \$ 47,800.00

Authorized Signature  Date 4-21-15

Authorized Signature _____ Date _____



William Horvath Carpentry, Inc.

General Contractor
 406 Oak St.
 Mount Prospect, IL 60056

Estimate

Date	Estimate #
4/22/2015	305

Name / Address

Marquette Kitchen & Tap
 18 W St. Charles Street
 Lombard, IL 60148

Terms	Project
50% due upon accep...	

Item	Description	Cost	Total
contract	FRONT FACADE REMODEL for 18W St. Charles St Lombard	0.00	0.00
GC Fee	Provide safety barricades and proper signing where required to block off sidewalk in work zones	500.00	500.00
Demolition	Remove and haul away from site all existing wall material on the interior and exterior of the front wall	14,500.00	14,500.00
Concrete	Excavate and install new concrete trench where required as per plan	11,500.00	11,500.00
Carpentry	Construct new opening to accept new aluminum frame with specified glass and limestone as per plan	8,900.00	8,900.00
glass	Furnish and install all new glass and doors as per plan	8,700.00	8,700.00
contract	INTERIOR DEMOLITION for 18W St Charles		0.00
Demolition	Remove and haul away from site all interior finishes as per plan	6,900.00	6,900.00
Carpentry	Carpentry labor and material to build walls as per plan	7,500.00	7,500.00
plumbing	Furnish all labor and material for the plumbing as specified on plan including new gas lines where required No work with existing or remaining plumbing systems included. Any necessary rodding either by customer choice or as a result of construction debris on all existing waste and vent lines, will be done at an additional cost on a time and material basis. New hot water tank will be provided Existing restrooms to remain Existing mechanical room to remain Fire sprinkling not included	28,000.00	28,000.00
ANY ALTERATIONS FROM THE ABOVE SPECIFICATIONS WILL BE AN EXTRA CHARGE OVER AND ABOVE THE ESTIMATE		Total	

Signature _____

William Horvath Carpentry, Inc.

General Contractor
 406 Oak St.
 Mount Prospect, IL 60056

Estimate

Date	Estimate #
4/22/2015	305

Name / Address

Marquette Kitchen & Tap
 18 W St. Charles Street
 Lombard, IL 60148

Terms	Project
50% due upon accep...	

Item	Description	Cost	Total
electrical	Demo electrical as needed to accommodate new layout as per plan Provide correct piping for lighting and power per plan Provide exit and emergency lights as noted Provide exhaust fans for bathrooms, ducting by others Hang all customer supplied lighting All circuits to branch from existing panel No electrical engineering included No data stubs included No fire alarms included	18,860.00	18,860.00
HVAC	Furnish and supply branch takeoffs from existing trunk line to new ceiling mounted diffusers Kitchen exhaust hood ducting included with fire rated insulation	28,000.00	28,000.00
Insulation	Furnish and install insulation where required per plan	2,100.00	2,100.00
Drywall	Furnish and install new drywall per plan; taped and sanded to accept paint	6,900.00	6,900.00
Painting	Apply (2) coats of premium finish to all walls where required per plan Stain and seal new case work for bar area	5,560.00	5,560.00
Millwork	Furnish and install new doors and casing where required, with commercial door hardware	15,000.00	15,000.00
Flooring	Allowance of \$4900 to construct new bar included Furnish and install 2-1/4 x 3/4" Western Red Oak strip flooring per plan, to be finished on site with (2) coats of an anti slip finish. Labor only to install all new VCT & ceramic tile.	9,000.00	9,000.00
finish carpentry	Furnish and install new suspended ceiling as per plan	10,800.00	10,800.00
contract	Allowance for exhaust hoods with fire suppression	6,000.00	6,000.00
ANY ALTERATIONS FROM THE ABOVE SPECIFICATIONS WILL BE AN EXTRA CHARGE OVER AND ABOVE THE ESTIMATE		Total	

Signature _____

William Horvath Carpentry, Inc.

General Contractor
 406 Oak St.
 Mount Prospect, IL 60056

Estimate

Date	Estimate #
4/22/2015	305

Name / Address

Marquette Kitchen & Tap
 18 W St. Charles Street
 Lombard, IL 60148

Terms	Project
50% due upon accep...	

Item	Description	Cost	Total
contract	Allowance for walk in cooler	5,800.00	5,800.00
plumbing	Allowance for Glycol Drat beer system	6,300.00	6,300.00
GC Fee	General Contracting fee 12%	20,400.00	20,400.00
ANY ALTERATIONS FROM THE ABOVE SPECIFICATIONS WILL BE AN EXTRA CHARGE OVER AND ABOVE THE ESTIMATE		Total	\$221,220.00

Signature _____



PROGRESS CONSTRUCTION & DEVELOPMENT, INC.

CONTRACT PROPOSAL 4.22.2015

PROGRESS CONSTRUCTION & DEVELOPMENT, INC. is hereby a Contract Proposal for the following owner: John Dangnon 18 W. St Charles St

Item	Description	Amount	Comments
A	Demolition	\$ 3,000.00	Includes removal of all existing structures and services ready to start construction
B	Framing	\$ 7,000.00	Kitchen, ceilings, partition walls, bars, exterior walls, also includes batt sound insulation in front half of restaurant and some insulation for restroom walls
C	Plumbing	\$ 18,000.00	All drainage for HVAC, kitchen sinks, floor drains, and bar sinks. All water supplies for kitchen equipment, bar equipment, and new restroom fixtures. This also includes an allowance of \$1,000 for decorative fixtures. Does not include purchase of kitchen equipment.
D	HVAC	\$ 6,000.00	5 ton unit to remain as existing. All new ductwork with supplies and all new duct work with returns included.
E	Electrical General lighting and outlets	\$ 18,000.00	This includes lighting control, all electrical for decorative lighting, installation of decorative lighting, includes track, cans, and general fluorescents as well as emergency lighting. Also includes all electrical for MEP's and kitchen requirements.
F	Electrical low voltage	\$ 1,000.00	This includes running cable for POS, sound system, video cameras, wifi, and telephone. Also includes terminating all ends ready to be plugged in or on.
G	Drywall	\$ 5,000.00	All drywall and FRP

H	Painting	\$ 3,000.00	This includes paint up to 3 colors on wall surfaces. Does not include any wood work refinishing.
I	Flooring	\$ 8,450.00	\$9.00 per square foot allowance for all flooring.
J	Black iron and hoods	\$ 15,000.00	All black iron from hood to above roof line per city code. This would also include hood and make up air unit.
K	Millwork General	\$ 15,000.00	This includes all baseboard, crown molding, door casing, weinscoating, die wall on bar, bar top, back bar, general shelving and server stations.
L	Millwork Doors	\$ 5,000.00	Allowance for doors. Swing doors for kitchen, fire rated doors, New entrance door on side of building
M	Storefront Windows	\$ 15,000.00	windows along East walls
N	Storefront Masonry	\$ 9,000.00	openings for black iron and ductwork and new front entrance and windows.
O	Tin ceiling	\$ 4,000.00	Copper or faux tin ceiling on 600 sq ft
P	Walk in cooler	\$ 8,000.00	6' X 6'5" walk in cooler. Condensor remoted to outside location to be determined.

Q	Glycol system	\$ 3,000.00	
R	decorative walls and finishes	\$ 4,000.00	Wallpaper, decorative tile, wood paneling, and curtains.
S	Water service	\$ -	Existing to be used
T	Electrical service	\$ -	Existing to be used
U	General conditions & Labor but not limited to; lifts, cranes, scaffolding, patching, caulking, temp barricades, alley and sidewalk obstruction permits, portable toilets, parking, loading, general labor, heating, etc.	\$ 7,372.50	
V	Decorative Lighting	By owner	
W	All permits and plans	by owner	
X	Outdoor Signage	by owner	
Y	GC profit, Overhead, & Supervision	\$ 23,223.38	
	TOTAL	\$ 178,045.88	TOTAL