



CITY OF WASHINGTON, ILLINOIS

Finance & Personnel Committee Agenda Communication

Meeting Date: October 19, 2020

Prepared By: Jon Oliphant, AICP, Planning & Development Director

Agenda Item: TIF Funding Request – Faire Coffee, 101 Washington Square

Explanation: Emily Hartter has submitted an application for TIF assistance to complete interior building improvements within the middle floor of the Denhart's building at 101 Washington Square. Ms. Hartter just signed a lease to eventually open a coffee shop, Faire Coffee. She will also make and serve ice cream as part of the business. She currently has a brick-and-mortar location in Peoria and also operates as a mobile vendor at various locations in the area. She plans to open by Small Business Saturday on November 28.

The improvements would consist of the outfitting of the space to allow for the coffee shop. This includes the creation of a serving bar in the front room, painting of the interior ceiling, adding iron-work to add more focus to the entry archway, electrical upgrades to the back prep room and serving bar, and plumbing upgrades to the front and back rooms. Significant investments will be made in the coffee and ice cream equipment, though these items are typically not eligible for TIF funding.

The prior approved TIF redevelopment agreement at the Denhart's building was approved in 2017, though that assisted with interior and exterior renovations to the Blacksmith and Cornerstone Inn spaces. The application form and supporting materials for the current project are attached for your review and consideration. Brock Heider of Heider Properties, LLC, has consented to this work being completed by Ms. Hartter. The submitted TIF-eligible quotes for the interior build-out and plumbing and electrical portions of the project totals \$25,500.

Fiscal Impact: Staff recommends a 40% subsidy for this project to allow for the reuse of a space within a prominent building on the Square. It will provide funds to bring more people to the Square. Based on this level, a not-to-exceed amount of \$10,200 is recommended to be paid in a single installment. This would be reimbursed from the TIF Fund upon completion of the project and the submittal of the paid invoices. The project is anticipated to take about a month to complete. In order to allow for an opening by the most important time of year for a business, staff requests the allowance for the work to begin prior to the approval of a redevelopment agreement.

Action Requested: A recommendation on a subsidy level at the October 19 Finance and Personnel Committee meeting prior to the drafting of a redevelopment agreement to be placed on the City Council's agenda for a first reading ordinance on November 2.

ELIGIBLE EXPENSES	ESTIMATE	BASE SUBSIDY %	BASE SUBSIDY AMT.	HISTORIC REHAB./SCOPE BONUS %	HISTORIC REHAB./SCOPE BONUS AMT.	TOTAL SUBSIDY %	TOTAL SUBSIDY AMT.	
<u>Exterior Work</u>								
SUBTOTAL		20%						
<u>Interior Work</u>								
Serving bar/painting/archway iron-work	\$ 17,000.00	20%	\$ 3,400.00	20%	\$ 3,400.00	40%	\$ 6,800.00	
Electrical upgrades	\$ 6,000.00	20%	\$ 1,200.00	20%	\$ 1,200.00	40%	\$ 2,400.00	
Plumbing upgrades	\$ 2,500.00	20%	\$ 500.00	20%	\$ 500.00	40%	\$ 1,000.00	
SUBTOTAL	\$ 25,500.00	20%	\$ 5,100.00	20%	\$ 5,100.00	40%	\$ 10,200.00	
TOTALS	\$ 25,500.00	20%	\$ 5,100.00	20%	\$5,100.00	40%	\$ 10,200.00	(NOT TO EXCEED)

PROPOSED REIMBURSEMENT SCHEDULE

Duration: 1 payment

Year 1 \$10,200.00

EXHIBIT B

CITY OF WASHINGTON, ILLINOIS
APPLICATION FOR TAX INCREMENT FINANCING (TIF) ASSISTANCE
PRIVATE REDEVELOPMENT INCENTIVE

Complete this form in its entirety and attach all necessary documents. Submit the completed application to the Planning & Development Department at 301 Walnut Street, Washington, IL 61571. If you have any questions, contact Jon Oliphant, Planning & Development Director at 444-1135 or by email at joliphant@ci.washington.il.us.

Applicant name: EMILY HARTTER (please print or type)

Mailing address: 1514 PINE TREE DRIVE, WASHINGTON Daytime Phone: _____

Email Address: emily@fairecoffee.com I would like to receive correspondence by: _____ Mail ☒ Email

1. Applicant interest in property (check one): ☐ Owner/Mortgagor ☐ Purchaser ☒ Tenant

☐ Third-Party (name) FAIRE COFFEE

2. Property owner name: _____

3. Business name(s): _____

4. Project address or location: 101 WASHINGTON SQUARE

5. Property tax ID number(s): _____

6. Current use of property: VACANT

7. Proposed use of property: COFFEE SHOP & SPECIALTY COFFEE ICE CREAM PRODUCTION

8. Choose the applicable project (check all that apply): ☐ New construction ☒ Interior renovation

☐ Exterior renovation/restoration ☐ Relocation ☐ Site improvement ☐ Other

9. Describe the nature of work proposed for the property: renovate front room into a coffee shop which will require adding bar area and all necessary electrical & plumbing. Back room will become prep area & space for specialty coffee ice cream production.

10. Estimated total project cost: \$ 81,000

11. Attach the following documentation to support the project and to complete the application for TIF assistance:

- ☒ Preliminary, itemized cost estimates or quotes from a contractor or design professional;
- ☒ Scaled plans, renderings, and/or photos, as applicable, clearly illustrating the proposed improvements; and
- ☒ A copy of the Warranty Deed, including a legal description and owner name for the property.

12. Sign and date below to complete the application.

Emily A. Hartter
Applicant signature

10/15/20
Date

[Signature]
Property owner signature (if different from applicant)

Date

IMPORTANT: If the Finance Committee votes on a level of assistance, it will be included in a contract agreement between the City and applicant. NO WORK SHALL BEGIN UNTIL THE CONTRACT DOCUMENTS ARE APPROVED BY THE CITY COUNCIL. Any work that begins prior to contract approval shall be ineligible for TIF assistance.

Faire Coffee (Washington Square)			\$81,000
Interior	Interior Build-Out Package		~\$17,000
	Build Prep & Serving Bar in front room		
	Paint interior ceiling & walls light, uplifting color		
	make archway a focal point upon entry, add iron-work		
	commercial sun-shades for windows		
Electrical	Electrical Equipment Package		~\$6,000
	add electrical circuits as needed to back prep room as well as the front serving bar		
	add 3 phase to single phase converter for ice cream production equipment		
Plumbing	Plumbing Equipment Package		~\$2,500
	run water lines to coffee equipment in front room		
	run water lines to ice cream equipment in back room		
	add 3-bay sink in vault		
	install hand-washing sink in back prep room		
Coffee	Coffee Equipment Package		~\$18,000
	(1) Espresso Machine w/ wood panels (Lucca A53 mini-dual boiler)		\$3,000
	(1) Espresso Grinder w/ tall hopper (Eureka Zenith ZT65E)		\$950
	(1) Beverage Steamer		\$2,300
	(1) Coffee Brewer w/ stainless steel funnel (Bunn CWTF15 APS)		\$650
	(1) Coffee Grinder (Bunn 22100.0000 G3 HD)		\$850
	(1) Blender (Blendtec Professional 800) w/ (2) extra jars		\$1,000
	(1) Juice press (Garde MCJ-1 Manual Commercial Citrus Juicer)		\$100
	(1) Fridge; undercounter (Summit 24")		\$950
	(1) Freezer; undercounter (Summit)		\$1,400
	(1) Food Display (Refrigerated)		\$3,300
	(1) Ice cream display freezer		\$1,500
	(2) Rinsers		\$1,000
	(1) Ice box in counter		\$1,000
Prep Room	Prep Room & Ice Cream Production Equipment Package		~\$35,000
	(1) Commercial Ice Cream Batch Freezer with Pasturizer	Bravo Trittico Mechanic 30	\$24,000
	(2) Large Refrigerators	Avantco 54"	\$4,000
	(1) Large Upright Freezer	Avantco 29"	\$1,700
	(1) Large Upright Blast Freezer		\$3,300
	(1) Oven		\$1,400
	(3) Stainless Prep Tables		\$600
Point of Sale	Point of Sale Package		~\$2,500
	(1) Customer Facing Display		\$1,800
	(1) iPad		\$700

