



SPECIAL CITY COUNCIL MEETING AGENDA
Tuesday, December 13, 2022 - 2:30 PM
City Council Chambers, Elks Civic Building - 107 S. Cascade Ave.

1) Call to order by Mayor Dave Frank

2) Roll call by the City Clerk

3) BUSINESS INCENTIVE AGREEMENT FOR THE RATHBONE HOTEL

City Council consideration of a Business Incentive Agreement for the Rathbone Hotel at 33 S. Cascade Avenue in Montrose. *Staff: Anthony Russo, Business Development*

Action: Accept public comment. Consider making a motion to approve a Business Incentive Agreement for the Rathbone Hotel at 33 S. Cascade Avenue as presented.

4) ADAPTIVE REUSE PROJECT AND BUSINESS INCENTIVE AGREEMENT FOR THE POMONA BREWING COMPANY BUSINESS EXPANSION PROJECT

City Council consideration of an Adaptive Reuse Project and Business Incentive Agreement for the Pomona Brewing Company Business Expansion Project. *Staff: Anthony Russo, Business Development*

Action: Accept public comment. Consider making a motion to approve an Adaptive Reuse Project and Business Incentive Agreement for the Pomona Brewing Company Business Expansion Project as presented.

5) Adjournment



CITY OF MONTROSE

OFFICE OF THE CITY MANAGER



William E. Bell, City Manager
Direct Dial: 970.901.8580
E-mail: wbell@ci.montrose.co.us

Summary Sheet

Applicant: Clay Bales

Property: The Rathbone Hotel 33 S Cascade Ave Montrose CO 81401

Total Project Costs: \$5,181,538

TIF Eligible Expenses: \$893,750

Masonry (Historic)	\$720,570
Historic Windows (Above Standard Window Cost)	\$70,000
Fire Suppression	\$53,900
Exterior Improvements (Sidewalk, Landscaping, etc.)	\$49,280

Total Requested (10% of Project Costs) \$500,181

The project is currently over budget by \$1,400,000 due to unforeseen structural concerns as well as changes in the market place. Attached is a letter from Clay Bales, KM Hotels, outlining the issues.

Owner Contribution: \$1,800,000

Traditional Loan Funding: \$3,300,000

Region 10 Funding: \$400,000

Jobs Created: 12

Yearly Budget for Salary: \$375,000

Total Yearly Projected Revenue: \$1,250,000



Dear Mayor Frank and Distinguished Council Members:

First of all, I would like to thank you, for all the help The City of Montrose has given us thus far. This project would not be possible without your involvement. We look forward to returning the favor with a World Class Hotel.

The cost increases since the inception of this project have been two-fold- interest rates and macro-economic factors, as well as literal cost increases to our budget as Styker & Co. continued their due diligence on the building.

When first under contract on the building we had preliminary budgets put together and the total project cost (including purchase of the building) was \$4,400,000. This was also underwritten with the bank terms of 10 months ago, which was priced at 75/25 leverage and 4-4.5% interest. The current package we have at loan committee this week is 60/40 leverage at 7% interest. We have had to inject significantly more equity investment into the project, while also receiving a smaller return due to debt service. The current total project cost is \$5,800,000.

The biggest cost increases that have affected the project are masonry and structural upgrades needed.

The preliminary budget for masonry upgrades was \$200,000 and currently we have a contract for \$720,000. We have made the decision to restore the building bottom to top to the original look, using historical techniques and leaving no stone unturned. Agave Masonry is a highly capable group that we were able to secure during the Winter in Montrose, as their job in Leadville comes to a close for four to six months a year (the historic renovation of the Tabor Opera House). This has allowed us to speed up our overall construction process and secure the highest quality masons in Colorado. We inherited more than originally understood when purchasing the building. There are multiple instances of cement and brick crumbling and falling off the KP Building since we've owned it, and the masons have noted it as well. It was a safety hazard that is also being cured through this large investment.

The structural upgrades we are now proposing are a significant upgrade from our due diligence period. The budget for this has also increased by \$575,000. This includes the earthwork necessary for the micro piling system we will be installing. There is more than 55' until any bedrock is reached under the KP Building, creating a structural need for this high-tech system. Our metals budget for structural upgrades has gone up \$150,000 to accommodate the new proposed system. Lastly, structural concrete has increased more than \$100,000 to accommodate the new proposed system.

I will close with this; we are committed to this investment in the City of Montrose. We hope that this is the first of many we make into this Community. We have not waived on our promise to build this hotel, regardless of all market conditions affecting the project. Thank you for any and all considerations.

Thomas Clay Bales
KM Hotels
Director of Acquisitions & Development
c: (859) 421-8390



Stryker & Company Inc.
236 S. Third St., #319
Montrose, CO 81401
(970)-964-4434 Phone

KM Hotels
Montrose Colorado

Based on drawings dated: June 2023 and site walks		BLDG. SQ. FT. 17000	STRYKER & COMPANY First Budget Presentation	Updated BUDGETARY Numbers 11/29/2022
CONSTRUCTION DIVISION		STRYKER & COMPANY 11-29-22 Revised Budgetary Pricing	STRYKER & COMPANY Original Budgetary Pricing	NOTES - DESCRIPTION
1	General Conditions	\$ 298,006.00	\$ 298,006.00	Builders Risk, Project Management, Site Supervision. ALLOWANCE for permit/plan review-submitting of permits. Dumpsters, tip fees, porta toilet, cleaning, etc...
2	Existing Conditions	\$ 28,000.00	\$ 28,000.00	
3	Structural Concrete	\$ 160,000.00	\$ 57,850.00	Gyp crete! Structural concrete micro pads
4	Masonry	\$ 720,570.10	\$ 195,000.00	Tuckpoint historical masonry & elevator shaft
5	Metals	\$ 235,000.00	\$ 98,000.00	Structural Steel
6	Woods, Plastics, and Composites	\$ -	\$ -	
6	Rough Carpentry	\$ 262,500.00	\$ 262,500.00	Wood framing of walls, stairs on maine and upper levels
6	Finish Carpentry	\$ 112,000.00	\$ 112,000.00	Interior trim carpentry in units, base, sills, crown
7	Thermal and Moisture Protection	\$ -	\$ -	
7	Dampproofing & Waterproofing	\$ -	\$ -	
7	Insualtion	\$ 63,000.00	\$ 63,000.00	Roof insulation, sound walls, sound floor x 1
7	Roofing & Accessories	\$ 185,250.00	\$ 185,250.00	New Shingle and TPO membrane roof
7	Siding	\$ -	\$ -	
7	Flashing & Sheet Metal	\$ 10,500.00	\$ 10,500.00	
7	Caulking & Sealants	\$ 4,900.00	\$ 4,900.00	
8	Openings	\$ -	\$ -	
8	Doors	\$ 84,000.00	\$ 84,000.00	48 interior doors (hotel room access not included in hdwr)
8	Storefront	\$ 39,000.00	\$ 39,000.00	Storefront glass/frames at entry and some interior
8	Windows	\$ 140,000.00	\$ 140,000.00	New wood/casement windows
8	Glazing	\$ 9,100.00	\$ 9,100.00	Mirrors, interior glazing
8	Louvers & Vents	\$ -	\$ -	
9	Finishes			
9	Sandblasting	\$ -	\$ -	
9	Non-Structural Metal Framing	\$ 12,040.00	\$ 12,040.00	Misc Steel stud framing
9	Stucco	\$ -	\$ -	
9	Drywall	\$ 234,500.00	\$ 234,500.00	Drywall throughout
9	Tile	\$ 168,000.00	\$ 168,000.00	Tile in bathrooms, showers
9	Ceiling Systems	\$ 86,800.00	\$ 86,800.00	Misc Accoustical Ceilings & suspended Gyp in main and upper levels
9	Floor Coverings	\$ 105,000.00	\$ 105,000.00	Carpet, LVT.
9	Wall Coverings	\$ 41,300.00	\$ 41,300.00	Wall Coverings
9	Painting & Specialty Coatings	\$ 147,560.00	\$ 147,560.00	Interior Paint,
10	Specialties	\$ 18,900.00	\$ 18,900.00	Bath hdwr, fire extinguisers, knox box
11	Equipment	\$ -	\$ -	
12	Furnishings	\$ -	\$ -	
12	Furnishings & Window Coverings	\$ 17,500.00	\$ 17,500.00	Window Coverings
12	Cabinets and Countertops	\$ 72,800.00	\$ 72,800.00	Cabinets and marble tops
13	Special Construction	\$ -	\$ -	
14	Conveying Equipment	\$ 79,940.00	\$ 79,940.00	Elevator
21	Fire Supression	\$ 53,900.00	\$ 53,900.00	Fire suppression
22	Plumbing	\$ 288,680.00	\$ 288,680.00	Plumbing, hot water, waste
23	HVAC	\$ 367,080.00	\$ 367,080.00	HVAC
26	Electrical	\$ 266,000.00	\$ 266,000.00	
27	Communications	\$ 10,500.00	\$ 10,500.00	Phone and Data
28	Electronic Safety & Security	\$ 11,900.00	\$ 11,900.00	Camera, Controlled access
31	Earthwork	\$ 175,000.00	\$ -	Micro Piles 30 each and hand excavation
32	Exterior Improvements	\$ 49,280.00	\$ 49,280.00	Misc site improvements, sidewalks, landscaping,
33	Site Utilities	\$ 28,000.00	\$ 28,000.00	Bring in fire line to building from ?
Construction Cost Sub Total		\$ 4,586,506.10	\$ 3,646,786.00	
BONDING AND INSURANCE				
1	PAYMENT AND PERFORMANCE BONDS			
1	Builders Risk			
1	Professional Liability and /or Increased Liability Coverage			
1	Additional warranty period (2yrs total)			
**	OTHER CONSTRUCTION COSTS			
1	Building Permit	\$ 77,000.00	\$ 77,000.00	Did not change amount/portion of this waived?
1	Utility connection Fees			
CONTRACTOR OVERHEAD		\$ 229,325.31	\$ 182,339.30	5.00%
CONTRACTORS FEE		\$ 240,791.57	\$ 191,456.27	5.00%
TOTAL CONTRACT AMOUNT		\$ 4,677,022.60	\$ 4,097,581.57	
Cost per Sq. Ft		\$ 334.07	\$ 292.68	
Owners contingency for unforeseen conditions		\$ 504,515.67	\$ 401,146.46	
TOTAL W/ SUGGESTED CONTINGENCY		\$ 5,181,538.27	\$ 4,498,728.03	
Cost per Sq. Ft		\$ 304.80	\$ 264.63	



33 S Cascade Ave

33 S Cascade Ave

Montrose, CO

The Rathbone Hotel & Parlor Bar

The Building





Building Future State



CITY OF MONTROSE

OFFICE OF THE CITY MANAGER



William E. Bell, City Manager
Direct Dial: 970.901.8580
E-mail: wbell@ci.montrose.co.us

Summary Sheet

Applicant: S&J Development (Tenant: Pomona Brewing Company)

Property: 830 N. Townsend Ave., Montrose, CO 81401 (Old Castle Auto Car Lot)

Total Project Costs - \$1,108,908.64

Total Kitchen Costs - \$126,935

Electrical	\$32,348
Plumbing Grease Trap, Floor Drains, Etc	\$15,825
HVAC Ansul Hood, Make Up Air	\$18,500
New Floor Tile Kitchen Grade	\$7,506
Walk Up Counter Shutter	\$875
Drive Through Service	\$4,250
FF&E Griddle, Fryers, Sinks, Refrigeration	\$30,391

TOTAL REQUESTED ASSISTANCE:

\$109,695

If approved as requested, the applicant will receive \$109,695 to support the purchase of a kitchen to be used by the Pomona Brewing Company. The kitchen will be the property of S&J Development and will remain with the building.

Owner Contribution: \$1,127,036

Traditional Loan Funding: \$90,000

Region 10 SBA Loan: \$50,000

S&J Business Loan for Build-out: \$290,449.12

Pomona Brewery Contribution: \$40,000

Subject: Online Form Submittal: Business Opportunity Fund Pre-Application

Date: Tuesday, November 1, 2022 at 2:42:27 PM Mountain Daylight Time

From: noreply@civicplus.com

To: wbell@cityofmontrose.org, arusso@cityofmontrose.org, dspear@ci.montrose.co.us

Business Opportunity Fund Pre-Application

Get your application started!

Thank you for your interest in the Montrose Opportunity Funds.

*Please complete and submit this simple form to begin the qualification process.
We will be in touch with you shortly about your application.*

General Information

Business Name and/or Property Address: S&J Development, LLC

Primary Contact First Name*: Scott

Primary Contact Last Name*: Stryker

Business Address 1: 830 North Townsend Ave

Business Address 2: *Field not completed.*

City: Montrose

State: CO

ZIP: 81401

Phone Number: 970-209-5138

Email Address: Scott@strykerco.net

How did you hear about the Opportunity Funds? DART

Business Information

Is the business/property currently located in the downtown district? No

If not, when will the business open in the district? 2/1/2023

Business and/or Property Description: S&J Development, LLC owns the property that will be leased out to Pomona Brewing Company, a new brewpub with a full kitchen

Bank Used for Business Purposes:	Alpine Bank
Bank Contact Person:	Jamie Saff
Date of Business Opening/Property Purchase:	2/1/2023
How many people are currently employed by the business?:	8
Federal EIN#:	20-0954390
Business Structure:	Limited Liability Corporation (LLC)
Does the business own the property where it is located?	No
Project Information	
Purpose of Project:	Other
If other, please describe:	Kitchen Buildout
Project Description:	S&J Development, LLC will be constructing and building a new kitchen at 830 N. Townsend Ave. Montrose, CO which will be utilized by Pomona Brewing Company. This project will help in adding additional jobs to the community and increased sales tax revenue while bringing more attention to the North end of town to highlight not only the brew pub but also Colorado Outdoors and the new additions to the Airport.
Please provide a short description of how you would like to use the loan funds:	The funds will be used to build a kitchen for Pomona Brewing Company.
Total Estimated Project Costs:	Project Cost - \$1,108,908.64 Total Assistance Requested - \$109,695 Electrical \$32,348 Plumbing grease trap, floor drains, etc \$15,825 HVAC ansul hood, make up air \$18,500 New floor tile kitchen grade \$7,506 Walk up counter shutter \$875 Drive up Window \$4,250 FF&E griddle, fryers, sinks, refrigeration \$30,391
Proposed Sources of Funds:	S&J Development and Pomona Brewing Company

The following information is required during the application process. Please indicate whether or not you will be willing and able to provide the following information.

A personal financial statement (for anyone owning a 20% or greater stake in the business)	Yes
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Two years of past tax returns	Yes
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Two years of past financial statements	Yes
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Cash flow projections, balance sheet, and income statement for a minimum of twelve months	Yes
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Disclaimer & Signature

I certify that my answers are true and complete to the best of my knowledge and that intentional misrepresentations or omissions may be cause for the rejection of my pre-application.

Your electronic signature below indicates your agreement with the following statements: By typing my name in the following box and clicking submit button I certify the above statements to be true and correct, to the best of my knowledge, and that this information can be used for the purpose of processing my loan pre-application and information.

Applicant Signature:	Scott Stryker
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Email not displaying correctly? [View it in your browser.](#)



11/01/2022

Anthony Russo

Business Development

City of Montrose

Re: Business Opportunity Kitchen Grant Application from S&J Development, LLC's property located at 830 North Townsend Avenue, Montrose.

In accordance with the IGA dated September 19th, 2017, Region 10 will provide analysis for business loan applications, grant applications, and incentive requests for the purpose of economic development.

Background

A Kitchen Grant Application was received on 11/01/2022 to assist with funding for a full kitchen build out including equipment to be leased by Pomona Brewing Company at the address above. The project cost is estimated to be \$126,935.00 based on bids provided by the sub-contractors and equipment suppliers.

This Montrose business is registered with the Colorado Secretary of State and is in good standing on taxes and assessments and has submitted a complete application package. S&J Development LLC is a Real Estate Holding company owned by Scott Stryker. As such it operates as a pass-through entity.

This grant application if approved would be part of a larger partnership project that includes Alpine Bank, Region 10, the applicant, and the owners of Pomona Brewing.

The economic development benefits in approving this application include visual improvement on the North Townsend entrance into Montrose, job growth with an estimated 15 full time equivalents, the addition of a new retail business increasing the tax revenue collection for the City of Montrose. If the current occupant were to fail the property improvements funded by this grant would benefit the next occupant.

Estimates and Costs

As the owner of the property is a General Contractor only one bid was submitted for the project. This is not unusual as the business would not put this project up for bid. As a general contractor and property owner the acceptance of bids from sub-contractors would likely insure the best cost for quality of work will be provided.

The total contract price of the improvements for the turnkey completion of this project is \$410,908.64. This represents all costs associated with converting the property from a used car dealership to a full-service brewery/restaurant property. The kitchen portion of the project is \$126,935.00

Recommendation

Based on the visual improvement on the North Townsend Corridor, creation of a new business, job creation, and partnership in funding I recommend approval of grant funding to assist in the conversion of the property in respect to the kitchen aspect of this overall project. The kitchen portion of the project is 30% of overall costs. The remaining 70 % of the project costs are covered by the applicant..

Sincerely,



Dan Scinto

Business loan Fund Director



Stryker & Company Inc.
236 S. Third St., #319
Montrose, CO 81401
(970)-964-4434 Phone

SUMMARY OF ALL 3 SCOPES OF WORK
POMONA BREWING COMPANY
830 N TOWNSEND AVENUE

Based on drawings dated:		BLDG. SQ. FT.		
		4000		
		Budget	Price Per SF	
1	General Conditions	\$ 50,000.00	\$ 12.50	Builders Risk, Bonding, Design fees Architectural, Structural, MEP. Project Management, Site Supervision. ALLOWANCE for permit/plan review-submitting of permits. Dumpsters, tip fees, porta toilet, cleaning, etc...
2	Existing Conditions	\$ 20,886.12	\$ 5.22	
3	Structural Concrete	\$ 7,047.00	\$ 1.76	
5	Metals	\$ 6,642.00	\$ 1.66	
6	Rough Carpentry	\$ 8,640.00	\$ 2.16	
6	Finish Carpentry	\$ 5,461.56	\$ 1.37	
7	Insualtion	\$ 3,780.00	\$ 0.95	
8	Doors	\$ 13,469.76	\$ 3.37	
8	Storefront	\$ 2,970.00	\$ 0.74	
9	Non-Structural Metal Framing	\$ 2,700.00	\$ 0.68	
9	Dsrywall	\$ 18,565.20	\$ 4.64	
9	Tile	\$ 10,806.48	\$ 2.70	
9	Ceiling Systems	\$ 3,996.00	\$ 1.00	
9	Floor Coverings	\$ 1,998.00	\$ 0.50	
9	Painting & Specialty Coatings	\$ 4,990.68	\$ 1.25	
10	Specialties	\$ 4,374.00	\$ 1.09	
12	Furnishings & Wqindow Coverings	\$ 2,808.00	\$ 0.70	
12	Cabinets and Countertops	\$ 7,560.00	\$ 1.89	
22	Plumbing	\$ 32,400.00	\$ 8.10	
23	HVAC	\$ 40,543.20	\$ 10.14	
26	Electrical	\$ 76,471.56	\$ 19.12	
31	Earthwork	\$ 4,860.00	\$ 1.22	
32	Exterior Improvements	\$ 54,540.00	\$ 13.64	
33	Site Utilities	\$ 3,564.00	\$ 0.89	
Construction Cost Sub Total		\$ 391,341.56	\$ 97.84	Notes:
	BONDING AND INSURANCE			
**	OTHER CONSTRUCTION COSTS			Notes:
1	Building Permit	\$ 7,698.21	\$ 1.92	Included in Division 01 General Conditions 5/8" meter to 1"
1	Utility connection Fees	\$ 7,400.00	\$ 1.85	
		OH		
CONTRACTORS FEE		\$ 19,567.08		
TOTAL CONTRACT AMOUNT		\$ 410,908.64		
Cost per Sq. Ft		\$ 102.73		

Pederson Electric, Inc.
390 S. Hillcrest Drive
Montrose, CO 81401
general@pedersonelectric.com

Stryker Company
Pomona Brewing
(Budget Only)

October 10, 2022

	Kitchen	Façade	Tenant	Landlord	
A. Service Equipment & Installation				\$ 4,764	4,764.00
B. Power & Lighting Circuits	\$ 15,000	\$ 3,000	\$ 10,000	\$ 10,063	38,063.00
C. Mechanical Equipment Circuits	\$ 3,328			\$ 4,500	7,828.00
D. Specialty Kitchen Circuits	\$ 12,020				12,020.00
E. Lighting Fixture Package (per concept drawing)	\$ 2,000	\$ 1,000	\$ 2,152	\$ 2,000	7,152.00
F. Temporary Power (budget only)				\$ 500	500.00
G. Electrical Permit				\$ 480	480.00
	\$ 32,348	\$ 4,000	\$ 12,152	\$ 22,307	
	Total Electrical Above:				70,807.00

Items Excluded:

1. Trenching & Backfill
2. Utility services & fees
3. Low voltage cabling or terminations. (i.e. telephone, data, alarm system(s), TV, etc.)
4. Engineering costs or fees (if required)
5. Bar pendant lights & exterior zig-zag cable lighting.

Notes:

This bid is given using current market pricing for electrical equipment and wire.
It is subject to change up or down without notice.

Owner of property to supply some materials for project. Credit for some will be invoiced separately & deleted from contract amount at current market value cost.

Bid per concept electrical drawing dated Oct. 5, 2022 by Pederson Electric, Inc.

This proposal must be signed and returned or replaced by contract.

Non-executed proposals or contract replacement will change project as time and materials (invoiced billings).

To accept proposal, please sign and date

Rod Teansky

Pederson Electric, Inc.



Morris Plumbing & Heating, LLC

16763 6725 Rd
Montrose, CO 81401 US
970-901-8634
keithmorrisplumbing@gmail.com

Estimate

ADDRESS

STRYKER & COMPANY
Pomona Brewery
830 N Townsend
Montrose CO
Plumbing & Gas

ESTIMATE

2196

DATE

10/06/2022

JOB NAME

Pomona Brewery

DATE	ACTIVITY	DESCRIPTION	AMOUNT
10/11/2022	14 Plumbing	Morris Plumbing & Heating LLC proposes work as follows; - PEX water pipe - PVC Waste & Vent - Black Iron Gas Pipe Rough In Plumbing work- - Plumbing for (3) hand wash sinks 2- Floor drains in the Kitchen Area 1- 3 Compartment Sink in Kitchen that will drain to grease trap 1- Drain for Water Heater, Washing Machine, Utility Sink 1- Ice Machine that will drain into floor drain 2- Rinse waters & Drain- Cold Water Only 1- Water Line to Swamp Cooler 1- Drain for the 2 Rinnai Tankless Water Heater 1- Double sink in Brew Area 1- Water Connection for hose bib in Brew Area 1- Hose bib out the south side of building 1- Condensate line from Furnace above the cooler 1- 100 gal Commercial SSBD100199 & 6" B Vent Water Heater included 1- Zum 50 GPM Grease Trap Z11708003IP Gas pipe to; 2-1/2" Gas Main- gas line up to 2" will be pressed Stainless Steel all other rigid black Total BTU load for Entire Building 1,800,000 BTU's 2- Rinnai Tankless Water Heater- 200k x2 1- Boil Kettle 450k 2- Fryers 150k x 2 1- Griddle 12k 1- Firepit 200k 1- Furnace 100k 2- Tube Heater's 60k x 2 1- Commercial Water Heater - 200k btu's - City of Montrose Plumbing & Gas Permit Exclusions: Work not specifically listed above, Tube Heaters, All Fixtures in this rough in estimate, Comm Sinks, Floor Sinks, Rinnai Water Heaters & Install, Piping Brew Equipment, Brewing Equipment & Venting, Exhaust Fans & Kitchen Venting Equipment, Pot Fillers, Trench Drains, Owner Provided Fixtures- no warranty	69,066.55

included, Hot/Cold Hose Bibs, Setting of Appliances & Hooking up, Radon Fans, Vapor Barrier, Temp Water & Heat, Work outside of the foundation, All Excavation Work, trenching, Concrete Cutting, Core Drilling, Pipe Insulation, Copper Pipe, Water Meters, Backflow Preventor & tests unless noted, Outside Fire Pit gas work, HVAC/Venting, Irrigation Line/stubs, Garage Drains, Water Filtration/RO Systems, LEED Certifications, Electrical Work/Line Voltage

10/11/2022	14 Plumbing	- Water Main run 1" Wirsbo Aquapex from the meter to Utility Closet location Excludes; sawcutting & excavation	1,335.00
10/11/2022	14 Plumbing	1- 1" PRV and Backflow- test & report	995.00
10/11/2022	14 Plumbing	- Pex Water pipe & PVC Waste & Vent 2 - Rough In Plumbing in for ADA Restrooms (1-sink, 1-toilet, 1-urinal, 1-Floor Drain Sioux Chief 843-2P) Bathroom Fixtures included for trim out by MPH 2- Delta Lav faucet D520DST- chrome 2- Proflo Wall Mount Lav's 20x18 PF5514Wh 2- Lav Carriers Z1231 2- Urinal PF1815PTWH & Flush Valve S3250401 * The restroom toilets provided by others Excludes; Concrete cutting & Excavation	7,495.75

EXCLUSIONS (unless noted): CONCRETE CUTTING/CORE DRILLING, PIPE INSULATION, RADON FANS, VAPOR BARRIER, SNOWMELT WORK OUTSIDE OF FOUNDATION, WATER METERS, BACKFLOW PREVENTERS, HVAC DUCT VENTING, IRRIGATION LINES, COPPER PIPE, DECK DRAINS PIPING, GREEN CERTIFICATION, SETTING OF APPLIANCES, ROUGH IN, VALVES, FIXTURES, TEMP HEAT/WATER

TOTAL

\$78,892.30

Terms: Due to the Market Instability if at any time during the job there is an extreme increase in material costs, we reserve the right to increase the contract amount to cover that increase. Any changes from the above specifications that requires extra materials or labor will be an additional charge over and above the sum proposed.

15% per month on outstanding balances- attorneys fees and collection costs on collection accounts

*Pricing is honored for 5 days

*Send a signed copy of contract/estimate before work starts

*Fixture packages & trim labor is separate from this plumbing contract

Accepted By

Accepted Date

Scott Stryker

From: Shawn Becker
Sent: Tuesday, October 18, 2022 7:33 AM
To: Brian Stahlin
Subject: FW: Pomona Brewery

-----Original Message-----

From: Mike Hansen <hansen.mike60@gmail.com>
Sent: Friday, October 14, 2022 9:06 AM
To: Shawn Becker <Shawn@strykerco.net>
Subject: Pomona Brewery

Sent from my iPhone. Morning Shawn, here is my quote for the brewery. Provide and install 600sf 6x6 red quarry tile with 150 lf base tile, install a antirac membrane on concrete with regular grout for the price of \$7506.00. Tile is 4 to 6 weeks out shipment at this time. Thanks.

WALLWORKS INC.
DRYWALL/STUCCO /PLASTER
ESTABLISHED 1974

COLORADO WALLWORKS INC.

P.O. BOX 1281

MONTROSE CO 81402

(970) 252-9777

(970) 596-9589

Oct. 12, 22

PROPOSAL

Proposal submitted to:

Shawn Becker

Stryker and Company

Montrose, CO 81401

Work to be performed at:

Pomona Brewing

830 North Townsend Ave,

Montrose Co 81401

Framing proposal.

Framing will be 35/8" and 6" 20 ga. studs and track based on wall types W104 and W106. Framing will be to 10'. Price includes rigid x in bathrooms and office. Price includes 7/8" hat channel to 10' in seating area as described in prints. Price excludes framing in kitchen area, price excludes framing in brewing area.

Framing proposal. \$16,187.00

Drywall proposal.

5/8" type X will be hung to 10' on new framed walls. After hanging we will tape, coat and hand texture. Price does not include insulation in the walls or ceiling. Price does not include plywood or high impact sheetrock. Price includes tile board in bathrooms at bottom 4' for tile wainscot. Price includes drywall over hat channel as described on prints. Kitchen area will be finished to level 3 only to accommodate FRP. Price includes hard ceilings in bathrooms and office only. Price excludes drywall in brewing area. Price excludes level 5 smooth.

Drywall proposal. \$14,690.00

ACT proposal for kitchen area.

USG DONN 15/16" white grid and USG 2x4 5/8" vinyl washable tiles installed at 9'. Price does not include insulation above the tiles.

ACT proposal. \$3,700.00

FRP proposal for kitchen area.

White textured FRP and trim in kitchen area to 10'

FRP proposal. \$5,057.00

WALLWORKS INC.
DRYWALL/STUCCO /PLASTER
ESTABLISHED 1974

Payment is to be made as follows. Labor and material draws are to be made every two weeks. Any further changes involving extra costs will be completed only after written change orders are signed and will become an extra charge over and above the contract amount. **Wallworks will carry Workman's compensation insurance. Does not include heat and weather protection. Water, power, and dumpster must be available at site.**

This proposal may be withdrawn if not accepted within 30 days.
Joel McRae
970.596.9589 Cell

Accepted by

Date



Description: Turbo Air STI070LR448A2 Top Mount Low Temperature Self-Contained Indoor
Package - 7,000 BTU
Item Number: 902STI070L2V
Date Added: Jan 01, 0001

1 **\$7049**
/Each



Description: Vollrath 47113 12" Economy Stainless Steel Utility Tong
Item Number: 93647113
Date Added: Jan 01, 0001

4 **\$14.36**
/Each
1-11 12+
\$3.59 3.12

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chairs

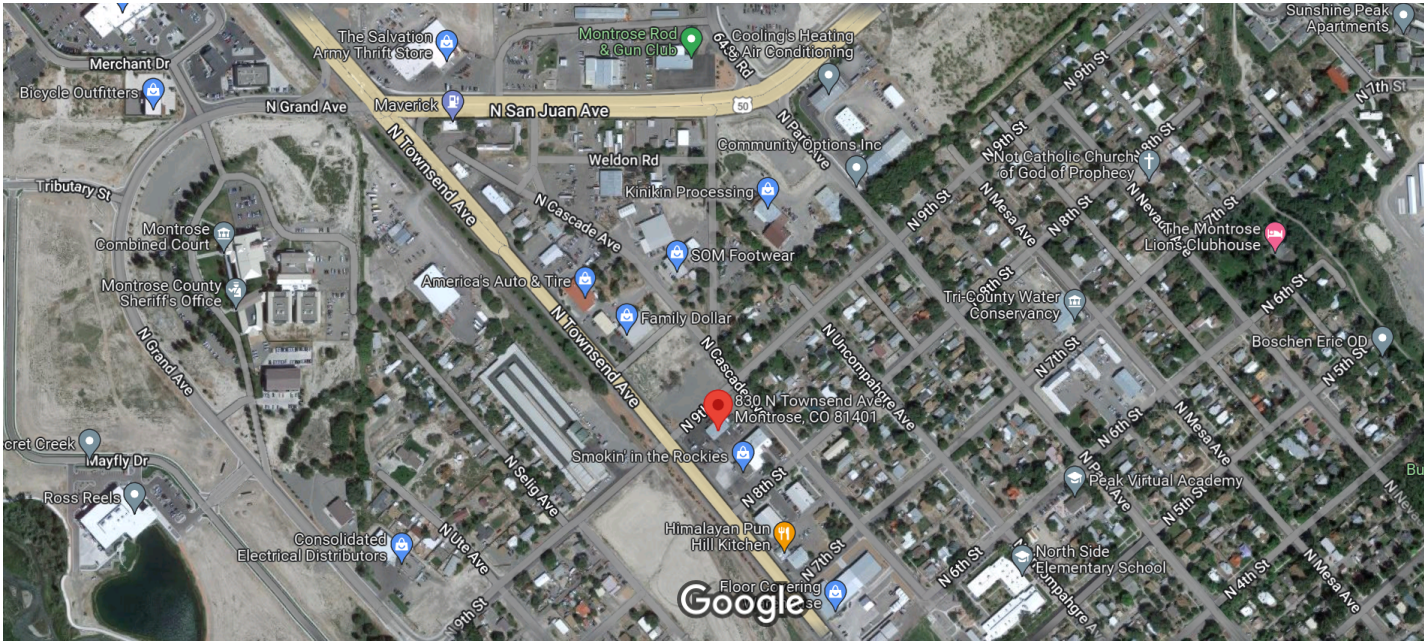
Created By: Kevin McHugh
Date Created: Oct 12, 2022

Image	Item	QTY	Pricing
	Description: Advance Tabco TT-306-X 30" x 72" 18 Gauge Stainless Steel Work Table with Galvanized Undershelf Item Number: 109TT306 Date Added: Jan 01, 0001	2	\$599.98 /Each
	Description: Ashland PolyTrap APGI-100 250 lb. Grease Trap with Threaded Connections Item Number: 141APGI100 Date Added: Jan 01, 0001	1	\$1969 /Each
	Description: Lancaster Table & Seating Alloy Series Green Metal Indoor / Outdoor Industrial Cafe Barstool with Vertical-Slat Back and Drain Hole Seat Item Number: 1648MCAFEGRN Date Added: Jan 01, 0001	10	\$699.90 /Each
	Description: Lancaster Table & Seating Alloy Series Seafoam Metal Indoor / Outdoor Industrial Cafe Barstool with Vertical-Slat Back and Drain Hole Seat Item Number: 1648MCAFEFSM Date Added: Jan 01, 0001	10	\$699.90 /Each 1-9 10+ \$69.99 62.94
	Description: Lancaster Table & Seating Chair / Barstool 2-1/2" Seafoam Vinyl-Padded Seat for Metal Frame Chairs Item Number: 164CUSHMTLSF Date Added: Jan 01, 0001	1	\$16.49 /Each
	Description: Avantco Silver 2 Bulb Free Standing Heat Lamp / Food Warmer with Pan and Grate - 120V, 500W Item Number: 177W62PG Date Added: Jan 01, 0001	1	\$78.49 /Each
	Description: Avantco A-35F-HC 39 1/2" Solid Door Reach-In Freezer Item Number: 178A35FHC Date Added: Jan 01, 0001	1	\$2499 /Each
	Description: Avantco A-35R-HC 39 1/2" Solid Door Reach-In Refrigerator Item Number: 178A35RHC Date Added: Jan 01, 0001	1	\$2299 /Each
	Description: Avantco AWT-48F-HC 48" Worktop Freezer with 3 1/2" Backsplash Item Number: 178AWT48FHC Date Added: Jan 01, 0001	1	\$1799 /Each
	Description: Avantco SS-PT-36-HC 36" 2 Door Stainless Steel Refrigerated Sandwich Prep Table Item Number: 178SSPT36HC Date Added: Jan 01, 0001	1	\$1599 /Each
	Description: Avantco Ice UC-F-210-A 26" Air Cooled Undercounter Full Cube Ice Machine - 222 lb. Item Number: 194UCF210A Date Added: Jan 01, 0001	1	\$2099 /Each
	Description: Cooking Performance Group G48T 48" Gas Countertop Griddle with Thermostatic Controls and 48", 2 Drawer Refrigerated Base - 120,000 BTU Item Number: 35148GTHRBNL Date Added: Jan 01, 0001	1	\$3619 /Each
	Description: Micro Matic DP-120D-45GR 5" x 45" Stainless Steel Surface Mount Drip Tray with Glass Rinser Item Number: 379DP120D45G Date Added: Jan 01, 0001	2	\$764.98 /Each
	Description: Choice 9" x 8" Stainless Steel Right Handle French Fry Scoop Item Number: 407FFR8 Date Added: Jan 01, 0001	2	\$11.38 /Each 1-11 12+ \$5.69 5.49

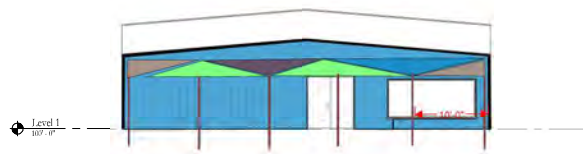
	Description: Metro C537-HFC-4-GY C5 3 Series Heated Holding Cabinet with Clear Door - Gray Item Number: 461C537HFC4G Date Added: Jan 01, 0001	1	\$2914 /Each
	Description: Steelton 24" x 48" 18 Gauge 430 Stainless Steel Work Table with Undershelf and 2" Rear Upturn Item Number: 522ETSG24482 Date Added: Jan 01, 0001	2	\$349.98 /Each
	Description: Steelton 17" x 15" Wall Mounted Hand Sink with Gooseneck Faucet and Side Splashes Item Number: 522HS1715S Date Added: Jan 01, 0001	3	\$428.97 /Each
	Description: Steelton 36" 16-Gauge Stainless Steel Two Compartment Commercial Utility Sink - 18" x 21" x 14" Bowls Item Number: 522US21821 Date Added: Jan 01, 0001	1	\$359.99 /Each
	Description: Main Street Equipment Natural Gas 70-100 lb. Stainless Steel Floor Fryer - 150,000 BTU Item Number: 541FF100N Date Added: Jan 01, 0001	2	\$1798 /Each
	Description: Regency 48" Mobile Gas Connector Hose Kit with 2 Elbows, Full Port Valve, Restraining Device, and Quick Disconnect - 3/4" Item Number: 600GKM3448 Date Added: Jan 01, 0001	3	\$344.97 /Each
	Description: Regency 104" 16 Gauge Stainless Steel Three Compartment Commercial Sink with Stainless Steel Legs, Cross Bracing, and 2 Drainboards - 20" x 30" x 14" Bowls Item Number: 600S3203020X Date Added: Jan 01, 0001	1	\$1149 /Each 1-4 5+ \$1149 1034.1
	Description: Regency 16 Gauge Stainless Steel 12" x 48" Heavy Duty Solid Wall Shelf Item Number: 600WS1248HD Date Added: Jan 01, 0001	2	\$219.98 /Each 1-4 5+ \$109.99 99.99
	Description: Regency 16 Gauge Stainless Steel 18" x 48" Heavy Duty Wall Shelf Item Number: 600WS1848HD Date Added: Jan 01, 0001	2	\$599.98 /Each 1-4 5+ \$299.99 269.99
	Description: Regency 16 Gauge Stainless Steel 18" x 72" Heavy Duty Wall Shelf Item Number: 600WS1872HD Date Added: Jan 01, 0001	1	\$344.99 /Each 1-4 5+ \$344.99 309.99
	Description: Rubbermaid FG288600CLR Bouncer® 64 oz. Clear Plastic Utility Scoop Item Number: 690FG2886CLR Date Added: Jan 01, 0001	1	\$11.49 /Each 1-5 6+ \$11.49 11.22
	Description: C Pure Oceanloch-M Water Filtration System with Oceanloch-M Cartridge - 1 Micron Rating and 1.67 GPM Item Number: 790OCLOKITM Date Added: Jan 01, 0001	1	\$139.99 /Each 1-5 6+ \$139.99 133.92
	Description: Tablecraft BSC0610 6-10 oz. Stainless Steel Ice Scoop Item Number: 808BSC0610 Date Added: Jan 01, 0001	2	\$20.98 /Each 1-11 12+ \$10.49 9.78
	Description: Tablecraft FCB1218A 18" x 12" Assorted Color Flexible Cutting Board - 6/Set Item Number: 808FCB1218A Date Added: Jan 01, 0001	1	\$16.99 /Set 1-5 6+ \$16.99 16.55

Google Maps

830 N Townsend Ave



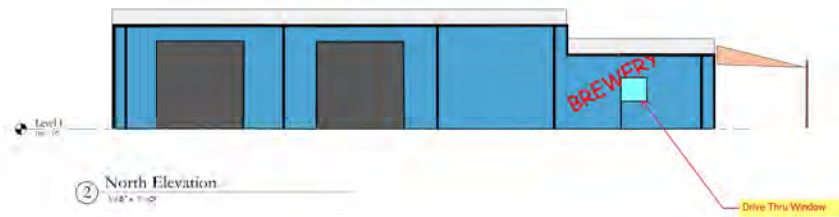
Imagery ©2022 Google, Imagery ©2022 Maxar Technologies, USDA/FPAC/GEO, Map data ©2022 200 ft



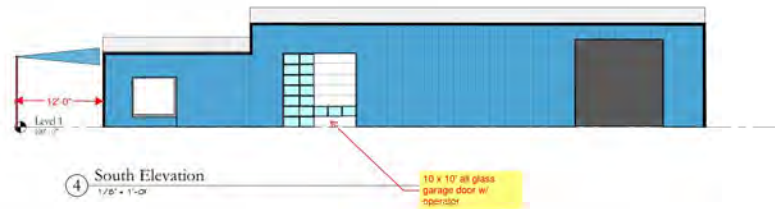
① West Elevation
1/8" = 1'-0"



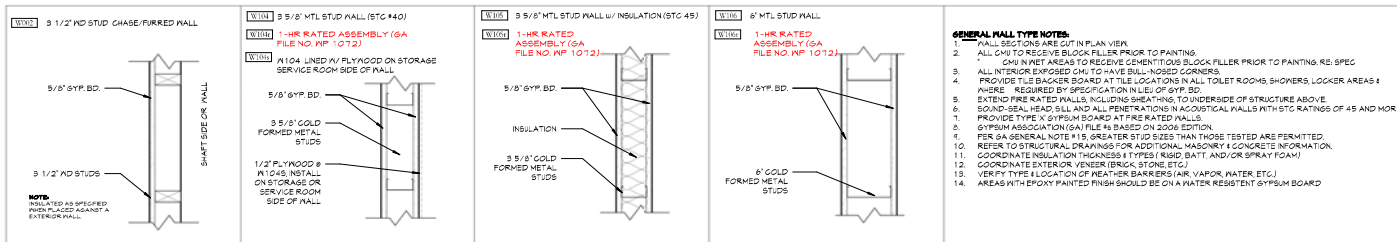
③ East Elevation
1/8" = 1'-0"

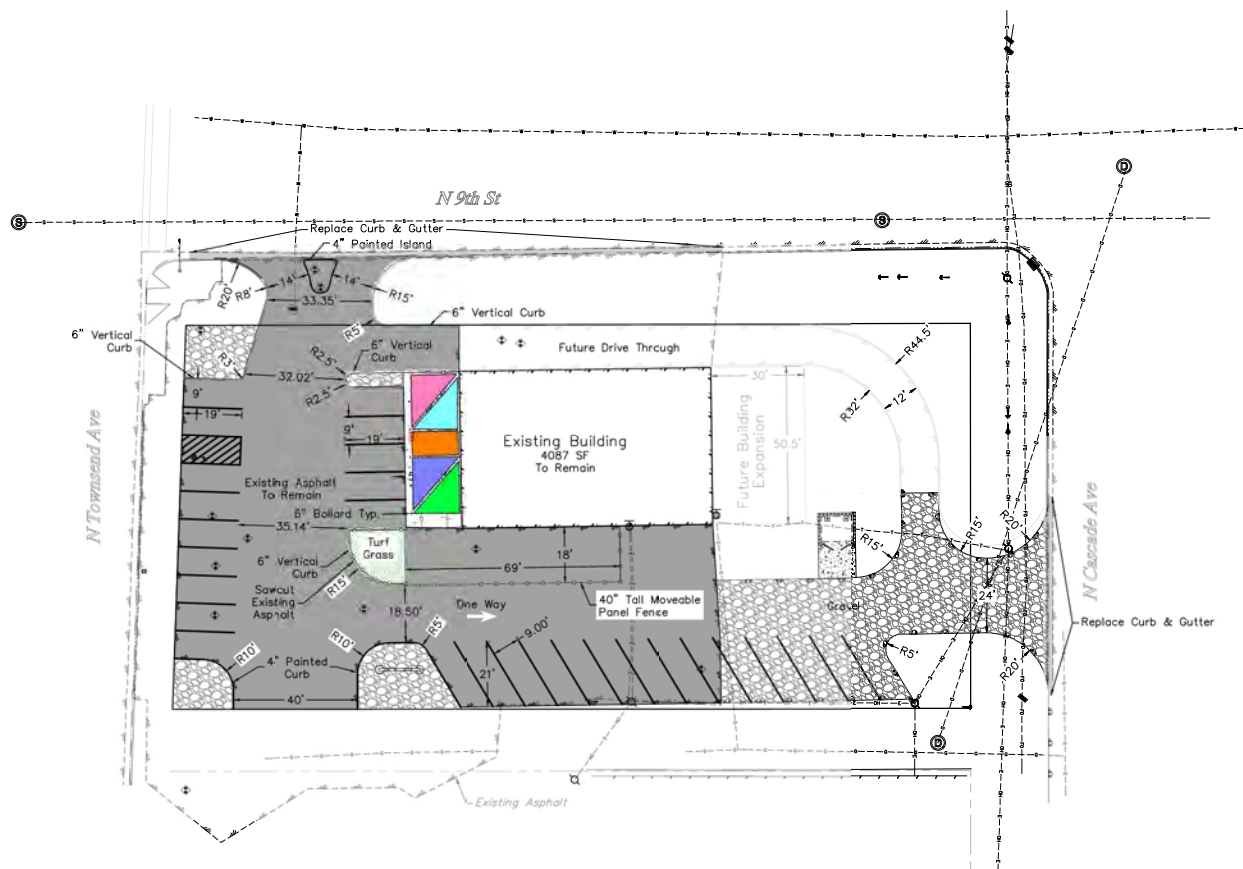


② North Elevation
1/8" = 1'-0"



④ South Elevation
1/8" = 1'-0"





- Notes:
- Existing asphalt to remain. All portions requiring removal for improvements shall be saw cut.
 - Bollards shall be 6" Diameter with a 3' bury depth and 8"-6" exposed above finished grade. Bollards shall be placed 2' back from the face of concrete patio to face of bollard. The bollards shall serve as parking protection and double as string light support.

UNCC 811 Call before you dig. CALL 2 BUSINESS DAYS IN ADVANCE. BUSTERS AND DIG DEPT. OF EXCAVATE FOR THE MARKING OF UNDERGROUND MEMBER UTILITIES.	#### #### #### NORTHING: #### EASTING: #### ELEVATION: #### DATUM SOURCE: ####	SCALE (FEET) 0 #### HORIZONTAL VERTICAL: #### CONTOUR INTERVAL: ####	PROJECT PHASE: #### <table border="1"> <thead> <tr> <th>NO.</th> <th>DATE</th> <th>REVISION</th> <th>BY</th> </tr> </thead> <tbody> <tr> <td>###</td> <td>###</td> <td>###</td> <td>###</td> </tr> <tr> <td>###</td> <td>###</td> <td>###</td> <td>###</td> </tr> <tr> <td>###</td> <td>###</td> <td>###</td> <td>###</td> </tr> </tbody> </table>	NO.	DATE	REVISION	BY	###	###	###	###	###	###	###	###	###	###	###	###	DATE ISSUED: ####	PRELIMINARY	RIVER CITY CONSULTANTS 215 Main Avenue, Suite 201 Grand Junction, CO 81501 Phone: 970.241.4722 Fax: 970.241.5541 DRAWN BY: #### PROJECT: #### CHECKED BY: #### ORIGINAL SHEET SIZE: ####	#### #### #### ####
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CONFIDENTIAL

POMONA BREWING COMPANY

BUSINESS PLAN

Prepared August 2022

CONTACT INFORMATION

Chelsea McHugh
mchugh.chelsea@gmail.com
www.pomonabrewingco.com

830 North Townsend Ave
Montrose, CO 81401, United States
970-901-5595

Executive Summary

Opportunity

Problem

Currently, on North Townsend in Montrose, CO, there are no businesses that offer customers craft beer and food in a true brewery atmosphere that has indoor and outdoor seating and live music on the weekends. Pomona Brewing Company (PBC) will provide just that. High-quality hand-crafted beer, delicious food, live music, and the best customer service that is found in Montrose. PBC located just 8 blocks North of Main Street and only 1.2 miles from Montrose Regional Airport and just blocks east of the Colorado Outdoors Project. The most recent traffic count is 17,000 cars daily that travel by this location.

Solution

Pomona Brewing Company's hand-crafted beer, food, and customer service standards will be personally handled by the owners that have a combined industry experience of over 25 years. The beer offerings will be changing to meet seasonal and customer input, however, a handful of "core" beers that have been determined by the owners will be present year-round. The owners will stay in tune with industry trends and will adjust offerings based on these trends. Customer service will be the cornerstone of the business. The goal is to have personal interaction with every customer that enters the building with the owners and future staff. We believe building relationships with our customer base is equally, if not more important, than the product itself. However, we are very confident that the product along with this high level of customer service will ensure years of success.

Market

With our North Townsend location and close proximity to Main Street, the airport, and Colorado Outdoors, we are well situated to serve many core groups: downtown office and city workers, students on campus at CMU, tourists visiting and traveling through Montrose, and locals looking for a great lunch/dinner option and a cold beverage. The target audience age group is very vast, from 21-60+. We feel that PBC will create an inviting environment/experience for this demographic in our beer and food offerings, ambiance, and live music.

Company

Overview

Pomona Brewing Company is a soon to open, locally owned Craft Brewery/Brewpub that will be located at 830 North Townsend Ave. in Montrose, CO and is co-owned by Chelsea and Kevin McHugh. The business is set up as a S-Corp and 51% owned by Chelsea McHugh and 49% owned by Kevin McHugh. No outside investors are involved at this point and time. Financing is being requested from Region 10 and Alpine Bank.

Chelsea and Kevin will work in tandem in all operations, brewing, and social media platforms. Kevin and Chelsea are originally from Denver and have lived in Montrose for the past 4 years. Many will recognize both of them as they were co-owners of San Juan Brews on Main Street. They have developed deep relationships with the beer crowd and fully anticipate for those patrons to frequent Pomona Brewing Company.

Team

Management team

The management team for Pomona Brewing Company will consist of the two members, Chelsea and Kevin McHugh. They were co-owners and helped operate the brewery aspect of San Juan Brews. The "experience" is of the utmost importance with Chelsea and Kevin. From the time that a person arrives until they leave how was their experience. This is from greeting, to service, conversation, and departure.

Advisors

Chelsea and Kevin have forged relationships with many people in the industry. While co-owning San Juan Brews, they have met many people that are held high in the industry and community alike. Chelsea and Kevin have met other owners of breweries and have built an impressive network within the industry.

Execution

Marketing & Sales

Marketing Plan

As recent co-owners of San Juan Brews, Chelsea and Kevin have made a name for themselves and the beer that is brewed. Pomona Brewing Company hopes to expand and grow the momentum that has made the beer portion of San Juan Brews successful. Chelsea and Kevin have formed very close and warm relationships with many of the "regulars" that frequent San Juan Brews. Word of mouth advertising is one of the best compliments a business can attain. There will be a buzz around Pomona Brewing Company due to the number of people that know Chelsea and Kevin. In addition, PBC will utilize the many platforms of social media to help capture audiences of all ages. PBC will implement a community charity program that gives back to local non-profits, hold events that are community based, and help sponsor a variety of community programs. On premise, we are seeking a local mural painter to work with us to have a side of our building done in a mural that represents not only our name but the community of Montrose. Also, we are getting a very large grain hopper to put out front near Townsend Ave. that will have our logo and be a landmark for the property.

Sales Plan

Pomona Brewing Company will be equipped with tablets running the familiar Square Register point of-sale app. We accept payments by Visa, MasterCard, American Express, Apple and Google Pay. We also have a small till to accept cash payments and make change. The staff keeps a tip jar on the counter, but there is no pressure for customers to tip. Many do only because they enjoy our craft beverages and food and want to provide a little extra thanks to our staff

Operations

Pomona Brewing Company recently secured a five-year lease at 830 North Townsend Ave., Montrose, CO. This location is located just north of all main street businesses, and 1.2 miles south of the Montrose Regional Airport and just East of the Colorado Outdoors Project. The building itself is 4,000 sq. ft. and will be upgraded to house the brewery and also outdoor patios that will feature outdoor seating, cornhole, and a community firepit. There are four garage

doors located within the building and will be updated as well and also multiple skylights in the ceiling of the building.