

Request for Proposal: Lease/Operation of Restaurant in Over the Rhine
The Crown Building, 1739 Elm Street, Cincinnati, Ohio 45202
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The owners of the Crown Building LLC (Owner/Lessor) seek to identify interested parties to enter into a lease to own and operate a restaurant business on the first floor and lower level of the Crown Building. This downtown historic building has been completely renovated and converted into a mixed-use building with 2nd floor office, and two upper floors of apartments. The street level, basement/lower level is ready for restaurant tenant.

The Crown Building is a development stimulator based on community building in Over The Rhine. Our vision for restaurant concepts includes celebrating the heritage of the neighborhood, articulating with Findlay Market, Brewery District, and drawing upon local resources. The owners are look at business plans that are aligned to the sense of place unique to Over The Rhine. This restaurant opportunity holds potential to contribute to the character of this rapidly growing area serving the neighborhood and attracting visitors from the region and beyond.

Lease pricing will be defined by square footage market rate with consideration given to lessee build out investment and mutual success through leasing period.

Background: Purpose

The Crown Building, located at 1739 Elm Street in the Historic District of Over The Rhine (OTR) has undergone a \$1.5-million rehabilitation. The building renovation was an Ohio and Federal Historic Tax Credit Project (HTC) and is green energy LEED Silver level certified. Build out must meet HTC requirements.

1. Capital Improvements: Status

The Crown Building upper floors are completed and fully occupied. The restaurant space improvements include mechanicals into the building for restaurant finish. The systems installed include mechanical calculations for the first and lower levels for restaurant and public usage. Fire rating to code between 1-2 floors and for lower level restaurant usage has been installed ready for completion to design specification. Mechanical equipment installed includes: 6 HVAC units with ERV for lower level, Sprinkler System, electric panel. Roughed-in restrooms are located on both levels per plans. Restaurant equipment available for installation includes a 10 ft stove hood/exhaust fan, a 3 unit stainless sink and a prep sink. Architectural plans are available to develop to your specifications.

2. Pedestrian Traffic

There is significant potential for a profitable restaurant operation in the Crown Building that is adjacent to the oldest continually operating market in the state of Ohio. The location holds growth potential as the OTR neighborhood is

undergoing a revitalization. Investment of many surrounding historic buildings are completed or in process for mixed use that includes, commercial, offices, retail, restaurants, and residential.

Findlay Market presently experiences approximately 1.3M visitors per year as the 2nd most visited location in Cincinnati. Since 2004, over \$829 million has been invested in redevelopment and new construction projects in downtown Cincinnati and Over-the-Rhine. The completion of a light rail Streetcar system connecting the riverfront, downtown business district and OTR stopping at the Crown Building's front door holds the potential for significant increased pedestrian traffic.

The **Brewery District** development includes a growing community enjoying the beer heritage with Christian Moerlein and Rhinegeist. The revitalization of this a highly desirable downtown historic community makes the Crown Building an excellent location for a successful restaurant.

Restaurant Facility, Utilities and Services

The proposed restaurant space is a total of 4364 sq. ft. and is located in the first floor/street level 2564 sq ft and basement/ lower level 1800 sq ft of the building. Customers will gain access to the restaurant through main entrance on Elm Street. Rear entrance for management and emergency side entrance.

1. Operating Parameters: Limits and Conditions Utility Systems and Services

The restaurant will be served by separate telephone, water, sewage and electric meters and the cost of these services, as well as appropriate trash removal, will be the responsibility of the lessee. The lessee will be responsible for all routine maintenance and cleaning of leased space and equipment and the Elm Street front of the building including storefront facade, windows and sidewalks. The lessee will repair any mechanical problems that serve the the lessee's space including all HVAC, plumbing, and electrical service to the restaurant. The owner will repair other problems identified as structural in nature or connected to others usage.

2. Alcoholic Beverages

It is specifically the intent of the Crown Building LLC that the restaurant NOT be operated, or give the appearance of being operated, primarily as a bar. However, it will permit the service of alcoholic beverages only in support of, and subordinate to, the operation of a restaurant. Alcoholic beverages may be served in the restaurant. Serving alcoholic beverages at this location will be subject to the lessee obtaining appropriate permits from the Ohio Department of Liquor Control. The Crown Building is within an Entertainment District that holds potential for Alcohol Licensing opportunity.

3. Type of Food

High quality full service restaurant required (no plastic or paper table service allowed). Breakfast, lunch, dinner and evening and weekend service desired (lunch, dinner and weekend service required).

4. Entertainment

Entertainment will be permitted only in support of and subordinate to restaurant operations. The type of entertainment must be appropriate to the clientele of the building, including young children. The hours during which entertainment will be permitted will be regulated by the normal business hours and with consideration to building usage.

5. Sole Operation

To help ensure the success of the lessee's operations, will not permit another restaurant/bar facility to locate and operate within the Crown Building.

6. Lease Structure

The financial terms and length of the lease will be negotiated with the prospect lessee, identified through this RFP process. The terms will identify market value and structured long term success in the restaurant development. Crown Building LLC will not permit the lessee to sublease the restaurant facility.

7. Operations and Maintenance

It is the responsibility of the lessee to make any improvements, subject to prior approval of the Owner. Plans must be submitted in writing for owner and HTC review. The lessee is required to operate and maintain the restaurant in compliance with all relevant federal, state and local codes, rules and regulations.

8. Smoking

Smoking by restaurant patrons or employees will not be permitted anywhere within the Crown building or on premises as required by law.

9. Additional Considerations

Outdoor rear patio space and sidewalk dining is usage consideration.

Request for Proposal

Response Elements:

The response for the RFP should include the following information:

- ❖ Name, addresses and telephone number of the prospect lessee.
- ❖ Compete resume of prospective lessee and all principal personnel to be involved in the management and operation of the restaurant.
- ❖ Evidence of personal experience of the lessee and principal personnel specifically with management and operation of restaurant facilities.
- ❖ Financial statements of the prospective lessee indicating sufficient resources available for successful promotion, management and operation of the restaurant facility. Structured investment schedule.
- ❖ Identify desired time period of lease and renewal options
- ❖ Include a general business plan for restaurant operations and describe any plans for advertising or promoting restaurant operations to the public. Also describe any plans for community and/or restaurant related events.
- ❖ Describe any improvements planned by the lessee for the restaurant including equipment, furnishings etc.
- ❖ Description of the concept planned for restaurant operations
- ❖ Include the days the restaurant will be open for business each week and the hours of operation expected for each week and weekend day
- ❖ Provide a sample menu showing the type of food to be served (i.e. breakfast, lunch, dinner and/or after dinner) with proposed pricing information.
- ❖ Note the hours during which each meal will be served
- ❖ Note whether alcoholic beverages will be served and so describe how such service will be integrated into the restaurant operation.
- ❖ Note if entertainment is planned as part of restaurant operations and if so describe the type of entertainment and proposed schedule.
- ❖ Names, businesses, addresses and contact information of legal, business, financial planning, and design advisors contracted in the lessee restaurant development team.
- ❖ Names, addresses and telephone numbers of at least (3) three references of individuals with direct knowledge of the experience of the lessee and principals involved in restaurant management and operation.

Evaluation Criteria

Criteria for evaluation will include:

1. Primary selection criteria:

- ❖ Quality of concept and business plan
- ❖ Fit with redevelopment project principles and objectives
- ❖ Fit with project and downtown tenant mix
- ❖ Experience of owner and operator
- ❖ Financial capability

Additional criteria:

- ❖ References
- ❖ Innovate ideas or plans to promote use of the restaurant facility
- ❖ Other factors deemed relevant by Owners.

Selection will be made on basis the Primary Selection Criteria outlined above. Strong consideration will be given to the overall desirability of the proposal, experienced success in restaurant industry and financial strength. The Owner has the right to reject any and all proposals.

In selecting the lessee Owners will consider all of the information provided by the respondents to the RFP as well as reference checks and other information derived from any investigation performed.

The financial terms will be based upon market rate in OTR and length of the lease negotiated with the prospect lessee for mutual success identified through this RFP process.