

1-R-13

A RESOLUTION

Authorizing the City Manager to Negotiate a TIF Construction Grant Agreement with Peckish One, LLC for Improvements to City Property located at 623-627 1/2 Howard Street

WHEREAS, the City of Evanston, Cook County, Illinois (the "City"), is a home-rule municipality pursuant to Article VII of the Illinois Constitution of 1970; and

WHEREAS, pursuant to Ordinances 8-O-92, 09-O-92, and 10-O-92, adopted April 27, 1992 in connection with the Howard Ridge Tax Increment Redevelopment Project Area (the "Redevelopment Project Area"), the City Council of the City of Evanston (the "City") adopted the Howard Ridge Tax Increment Area Redevelopment Plan and related redevelopment projects, designated the Redevelopment Project Area, and authorized tax increment finance pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as supplemented and amended, including the predecessor Act thereof (the "TIF Act"); and

WHEREAS, the City of Evanston owns certain real property known as 623-627 1/2 Howard Street, Evanston, Illinois (the "Property"), which is improved with a single story commercial building; and

WHEREAS, the Property is within the Redevelopment Project Area and the City seeks to have the Property renovated partly with TIF funds; and

WHEREAS, Peckish One, LLC would like to lease the Property and renovate the Property with available TIF funds,

~~NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF~~
THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: The City Manager is hereby authorized and directed to execute a TIF Construction Grant agreement ("Agreement") between the City and Peckish One, LLC, an Illinois limited liability company, attached hereto as Exhibit "1" and incorporated herein by reference is the Agreement.

SECTION 2: The City Manager is hereby authorized and directed to negotiate any additional conditions of the Agreement as he may determine to be in the best interests of the City.

SECTION 3: This Resolution 1-R-13 shall be in full force and effect from and after its passage and approval in the manner provided by law.


Elizabeth B. Tisdahl, Mayor

Attest:


Rodney Greene, City Clerk

Adopted: March 18, 2013

EXHIBIT 1

TIF GRANT AGREEMENT

TIF CONSTRUCTION GRANT AGREEMENT

THIS TIF CONSTRUCTION GRANT AGREEMENT (the "**Agreement**") is entered into on this 18 day of March, 2013 ("**Effective Date**"), by and between the City of Evanston, an Illinois home rule municipality, ("**City**"), and Peckish One, LLC, an Illinois limited liability company ("**Peckish One**"), regarding the renovation and occupation of City property located at 623-627 1/2 Howard Street, Evanston, Illinois, legally described in Exhibit "A", which is attached hereto and incorporated herein by reference ("**Property**"). The City and Peckish One shall be referred to herein collectively as the "**Parties**".

RECITALS

WHEREAS, the City desires to foster local businesses and jobs as part of its economic revitalization efforts throughout Evanston and in accord with the TIF Guidelines, as defined herein; and

WHEREAS, the City Property is improved with a one-story commercial building and the City seeks to renovate the Property with TIF grant funds and in accordance with a commercial lease and option agreement between Parties, the term of which are is incorporated herein by reference ("**Commercial Lease and Option Agreement**"); and

WHEREAS, the City has authorized Economic Development Division Staff to manage and administer this Agreement on behalf of the City including, without limitation, authorizing the City Manager to execute this Agreement with Peckish One, thereby establishing the terms, conditions, and requirements for participation in this Agreement in accordance with TIF Guidelines; and

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, and the mutual obligations of the parties as herein expressed, the City and Peckish One agree as follows:

AGREEMENT

I. DEFINITIONS

The following terms shall have the following meanings whenever used in this Agreement, except where the context clearly indicates otherwise. Any ambiguity as to the intended meaning or scope of the terms set forth below will be resolved solely by the City through its designated representative.

- a. "**Completion Date**" means the date that the contractor has finished the Project pursuant to the plans approved by City Council, the City Manager or his/her designee, and to the satisfaction of Peckish One, as evidenced by final payment to the contractor.

- b. **"Director"** means the City's Director of Community & Economic Development, who is responsible for managing and administering this Agreement on behalf of the City.
- c. **"Grant"** means the total amount of the City's grant of TIF monies to Peckish One for purposes of funding TIF eligible activities of the Project, which shall not exceed Two Hundred Thousand Dollars (\$200,000.00) and shall only be for approved improvements the amount approved by City Council.
- d. **"Project"** means the improvements on the Property as proposed by Peckish One and approved by the City Council. Specifically, Peckish One desires to renovate the Property to make it suitable for use as a restaurant and brewery establishment by using TIF funds for said renovation.
- e. **"TIF Eligible Activities"** means activities determined to be eligible for payment from the City's TIF fund under the guidelines of the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et seq.*, as amended.
- f. **"TIF Guidelines"** means the regulations found in the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et seq.*, as amended. All terms not defined herein shall have the meanings set forth in the TIF Guidelines.
- g. **"Total Allowable Expenses"** means the actual costs incurred, paid for, and documented by Peckish One and approved by the Director or his/her designee for the proper performance of the improvement work required by the plans and specifications and/or architectural/design renderings for the Project. Such allowable expenses must be TIF Eligible Activities.
- h. **"Total Project Expenditure"** means the total actual Project costs incurred by and paid for by the City, up to the amount of the Grant, and then payments made by Peckish One after the amount of the Grant has been spent, which includes all costs of construction, materials, & supplies.
- i. **"Vanilla Box Improvements"** means the improvements necessary to bring the Property up to all building Code standards and other basic improvements to bring the Property towards Peckish One's future use of the Property and the Grant will fund said improvements up to the amount of the Grant and TIF Eligible Activities. Attached as Exhibit "B" is the cost estimate for the Vanilla Box Improvements, but is not entire cost estimate for the Project.

II. TERMS OF GRANT

- a. City shall disburse funds in the principal amount of the Grant not to exceed Two Hundred Thousand and no/100 Dollars (\$200,000.00) from the City's Howard Ridge TIF Fund for improvements that are approved for funding for the Project.

- b. The Grant by the City pursuant to this Agreement constitutes a 1-year grant to Peckish One, until the tenant improvements for the Project are fully completed as described herein. If the Total Project Expenditures are greater than Two Hundred Thousand and no/100 Dollars (\$200,000.00), Peckish One shall be solely responsible for any payments to the contractor or subcontractors above the Grant fund amount. If any project costs are determined to not be TIF Eligible Activities, Peckish One must submit payment at its own expense and Grant funds may not be used and Peckish One shall receive no reimbursement from the City for non-TIF Eligible Activities.
- c. The City shall be invoiced directly by the contractors and subcontractors for payment. The Director or his designee shall review the invoices to ensure that the invoice charges are TIF Eligible Activities prior to payment. As currently proposed, the activities planned by Peckish One would qualify as TIF Eligible Activities. The Director or his designee shall promptly respond to the submission of any invoices and shall not withhold unreasonably any designation of TIF Eligible Activities.

III. PECKISH ONE'S RESPONSIBILITIES

- a. Peckish One shall provide a list of all construction activities to the City prior to commencement of work to verify that the project costs are TIF Eligible Activities. Of those activities it will be determined which are eligible expenses for payment by the City and are TIF-Eligible Activities.
- b. Peckish One shall comply with all terms and conditions of this Agreement and all applicable requirements of Federal, Illinois and City of Evanston law, including but not limited to paying contractors and subcontractors Illinois Prevailing wages, if applicable
- c. Peckish One shall ensure that all work done on the Project and paid for with Grant funds are TIF Eligible Activities. The City will separately evaluate whether the project costs are TIF Eligible Activities.
- d. Peckish One shall obtain and submit all required certificates of insurance, as set forth herein, to the City Manager or his/her designee within a period of seven (7) days following the execution of this Agreement.
- e. Peckish One shall be responsible for hiring licensed contractors to complete the Project. The Director or his/her designee may require submission of proof of the State License issued to the selected contractors.
- f. Peckish One shall be responsible for contacting the Director or his/her designee to obtain all City and other approvals and/or permits required for construction and completion of the Project.

- g. Peckish One shall be fully responsible for managing, monitoring, and scheduling the construction of the Project, for ensuring compliance with the payment of prevailing wages, if applicable, and for ensuring that all improvements are completed properly and in conformance with the approved project.
- h. Peckish One shall make a good faith effort to use Evanston-based businesses as frequently as is financially feasible when purchasing supplies and/or hiring subcontractors and administrative services providers for the Project. Peckish One shall obtain three (3) estimates for the scope of work for the Tenant Improvements and one (1) estimate must be obtained from an Evanston-based contractor.
- i. Upon completion of the Project, Peckish One shall notify the Director and request inspection of the Project by the Director or his/her designee(s).
- j. After completion of the Project, Peckish One shall submit to the Director or his/her designee a report that includes the following:
 - i. Letter indicating the Project is completed and the Total Cost Expenditures for the Project;
 - ii. All contractor invoices detailing the specific tasks completed in accordance with approved Project;
 - iii. Unconditional lien releases; and
 - iv. Any additional material reasonably requested by the Director or his/her designee.
- k. Peckish One shall maintain the Property in compliance with all applicable provisions of the Evanston City Code of 2012, as amended.
- l. Peckish One shall not be more than one hundred twenty (120) days in arrears with regards to any City utility and/or service bills.

IV. THE CITY'S RESPONSIBILITIES

- a. City shall use up to Two Hundred Thousand and no/100 Dollars (\$200,000.00) for the Grant from the City's Howard Ridge TIF Fund for the Project.
- b. The Director or his/her designee shall review Peckish One's contractors' and subcontractors' sworn statements and accompanying documents, and, if said documents meet all terms, conditions, and obligations under this Agreement and the TIF Guidelines for Eligible Project Costs, the Director or his/her designee shall, in the ordinary course of business, submit prompt payment to contractors and subcontractors.

- c. Within a reasonable time after Peckish One notifies City of the completion of the Project, the Director or his/her designee shall inspect the improvements to ensure they were completed in accordance with approved Project and its guidelines.

V. TIME OF PERFORMANCE

Peckish One shall complete the Project the later of (i) six (6) months after receiving any building permit related to the Project or (ii) December 1, 2013. Failure to complete the Project within six (6) months will result in Peckish One's breach of this Agreement. Requests for additional time and extensions in Project completion time will be granted, but only if submitted in writing prior to the expiration of the Agreement.

VI. INSURANCE

- a. During the entire period in which work on the Project is performed, Peckish One shall obtain and maintain in full force and affect during said period the following insurance policies: (i) Comprehensive General Liability Insurance in a general aggregate amount of not less than \$1,000,000, \$1,000,000 Products and Completed Operations Aggregate, and \$1,000,000 for each occurrence.
- b. All insurance policies shall name the City of Evanston, and their respective elected officials, officers, employees, agents, and representatives as an additional insured.
- c. All deductibles on any policy shall be the responsibility of the primary holder of such policy and shall not be the responsibility of the City.
- d. Peckish One shall provide evidence of required insurance to the Director within seven (7) days after execution of this Agreement.

VII. OBLIGATION TO REFRAIN FROM DISCRIMINATION

- a. Peckish One covenants and agrees for itself, its successors and its assigns to the Project, or any part thereof, that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, marital status, national origin or ancestry, or age or physical or mental disabilities that do not impair ability to work, and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization within reason.
- b. Peckish One agrees that if it hires additional employees in order to perform this contract, or any portion hereof, it will determine the availability of minorities and women in the area(s) from which it may reasonably recruit and it will hire for each

job classification for which employees are hired in such a way that minorities and women are not underutilized while at the same time hiring the most qualified applicants.

- c. Peckish One agrees that in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, sexual orientation, marital status, national origin, ancestry, or disability.

VIII. NO AGENCY CREATED

Peckish One and any contractor, supplier, vendor or any third party hired by Peckish One to complete the Project are not agents of the City. Any provisions of this Agreement that may appear to give the City any right to direct Peckish One concerning the details of the obligations under this Agreement, or to exercise any control over such obligations, shall mean only that Peckish One shall follow the direction of the City concerning the end results of the obligations.

IX. OWNERSHIP OF DOCUMENTS

All documents prepared and submitted to the City pursuant to this Agreement (including any duplicate copies) shall be the property of the City. The City's ownership of these documents includes use of, reproduction or reuse of and all incidental rights thereto. However, the City agrees not to disclose the blueprints or design elements that Peckish One uses for the Project with any competitor or representative of a competitor of Peckish One through a Freedom of Information Act (5 ILCS 140/1 *et seq.*) request.

X. INDEMNIFICATION AND HOLD HARMLESS

To the maximum extent permitted by law, Peckish One agrees to and shall defend, indemnify and hold harmless the City, and its respective officers, officials, employees, contractors and agents from and against all claims, liability, loss, damage, costs or expenses (including expert witness fees, reasonable attorneys' fees, and court costs) arising from or as a result of the death of any person or any accident, injury, loss or damage whatsoever caused to any person or property resulting or arising from or in any way connected with the following, provided Peckish One shall not be responsible for (and such indemnity shall not apply to) any negligence or willful misconduct of the City, or its respective officers, officials, active employees, contractors or agents:

- a. The development, construction, marketing, use or operation of the Property by Peckish One, its officers, contractors, subcontractors, agents, employees or other persons acting on Peckish One's behalf ("**Indemnifying Parties**");
- b. The displacement or relocation of any person from the Property as the result of the development of the Project on the Property by the Indemnifying Parties; provided, however, that the City and not Peckish One shall be solely responsible

for terminating any lease and/or the eviction of any individual or business currently inhabiting the Property.

- c. Any plans or designs for the Project prepared by or on behalf of Peckish One including, without limitation, any errors or omissions with respect to said documents;
- d. Any loss or damage to the City resulting from any inaccuracy in or breach of any representation or warranty of Peckish One, or resulting from any breach or default by Peckish One, under this Agreement; and
- e. Any and all actions, claims, damages, injuries, challenges and/or costs or liabilities arising from the approval of any and all entitlements or permits for the improvements by the City, and their respective officers, officials, employees, contractors or agents.

The foregoing indemnity shall continue to remain in effect after the Completion Date or after the earlier termination of this Agreement, as the case may be.

XI. DUTY TO DEFEND

Peckish One further agrees that the hold harmless agreement in Article X, and the duty to defend the City, and their respective officers, officials, employees, contractors and agents, require Peckish One to pay any costs that the City may incur which are associated with enforcing the hold harmless provisions, and defending any claims arising from obligations or services under this Agreement except for any willful misconduct of the City, or its respective officers, officials, representatives, active employees, contractors or agents.

XII. COMPLIANCE WITH LAW

Peckish One agrees to comply with all the requirements now or hereafter in force, of all municipal, county, state and federal authorities, pertaining to the development and use of the Property and construction of the Project, as well as operations conducted on the Property. The Director or his/her designee will not issue any Grant to the Peckish One if there is in violation of any law, ordinance, code, regulation, or permit. The City agrees to cooperate and assist Peckish One in such compliance if the assistance of the City is required.

XIII. TERMINATION

If Peckish One shall fail to cure any Event of Default upon notice and within the time for cure provided for herein, the City may, by written notice to the Peckish One, terminate this Agreement. Such termination shall trigger the "Repayment of Loan" defined herein. Peckish One may not terminate this Agreement without the express written consent of the City.

XIV. NOTICES

All notices permitted or required hereunder must be in writing and shall be effected by (i) personal delivery, (ii) first class mail, registered or certified, postage fully prepaid, or (iii) reputable same-day or overnight delivery service that provides a receipt showing date and time of delivery, addressed to the following parties, or to such other address as any party may, from time to time, designate in writing in the manner as provided herein:

To City: City of Evanston
Director of Community & Economic Development
2100 Ridge Avenue
Evanston, IL 60201
Telephone: 847.448.8100

With a copy to: City of Evanston
Attn: Corporation Counsel, W. Grant Farrar
2100 Ridge Avenue, Room 4400
Evanston, IL 60201
Telephone: 847.866.2937

To Peckish One: Peckish One, LLC
1028 Ashland
Evanston, Illinois 60202

Any written notice, demand or communication shall be deemed received immediately if personally delivered or delivered by delivery service to the addresses above, and shall be deemed received on the third day from the date it is postmarked if delivered by registered or certified mail.

XV. DEFAULT; REMEDIES; DISPUTE RESOLUTION

a. Notice of Default.

In the event of failure by either party hereto substantially to perform any material term or provision of this Agreement, the non-defaulting party shall have those rights and remedies provided herein, provided that such non-defaulting party has first provided to the defaulting party a written notice of default in the manner required herein identifying with specificity the nature of the alleged default and the manner in which said default may be satisfactorily be cured.

b. Cure of Default

Upon the receipt of the notice of default, the alleged defaulting party shall promptly commence to cure, correct, or remedy such default within 90 days and

shall continuously and diligently prosecute such cure, correction or remedy to completion.

c. City Remedies; Repayment of Loan.

In the event of a material default by Peckish One of the terms of this Agreement that has not been cured within the time frame set forth in Paragraph b above, the City, at its option, may terminate this Agreement or may institute legal action in law or in equity to cure, correct, or remedy such default, enjoin any threatened or attempted violation, or enforce the terms of this Agreement. In the event of a default by Peckish One that occurs after the City has disbursed any Grant funds, the total of such disbursement(s), plus any accrued interest, shall become immediately due and payable. All payments shall be first credited to accrued interest, next to costs, charges, and fees which may be owing from time to time, and then to principal. All payment shall be made in lawful money of the United States. Payments shall be made to City at the address set forth in Article X herein or at such other address as City may direct pursuant to notice delivered to Peckish One in accordance with Article XIV.

d. Peckish One's Exclusive Remedies.

The parties acknowledge that the City would not have entered into this Agreement if it were to be liable in damages under, or with respect to, this Agreement or any of the matters referred to herein, including the Project, except as provided in this Article. Accordingly, Peckish One shall not be entitled to damages or monetary relief for any breach of this Agreement by the City or arising out of or connected with any dispute, controversy, or issue between Peckish One and the City regarding this Agreement or any of the matters referred to herein, the parties agreeing that declaratory and injunctive relief, mandate, and specific performance shall be Peckish One's sole and exclusive judicial remedies except for any willful misconduct of the City, or its respective officers, officials, representatives, active employees, contractors or agents.

XVI. APPLICABLE LAW

The internal laws of the State of Illinois without regard to principles of conflicts of law shall govern the interpretation and enforcement of this Agreement.

XVII. CONFLICT OF INTEREST

- a. No member, official, or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he/she is, directly or indirectly, interested.

- b. Peckish One warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement.

XVIII. NON-LIABILITY OF CITY OFFICIALS AND EMPLOYEES

No member, official, agent, legal counsel or employee of the City shall be personally liable to the Peckish One, or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Peckish One or successor or on any obligation under the terms of this Agreement unless such person shall have acted outside the scope of his or her employment responsibilities.

XIX. BINDING EFFECT

This Agreement, and the terms, provisions, promises, covenants and conditions hereof, shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

XX. AUTHORITY TO SIGN

Peckish One hereby represents that the persons executing this Agreement on behalf of Peckish One have full authority to do so and to bind Peckish One to perform pursuant to the terms and conditions of this Agreement.

XXI. COUNTERPARTS

This Agreement may be executed by each party on a separate signature page, and when the executed signature pages are combined, shall constitute one single instrument.

XXII. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS

- a. This Agreement and the Exhibits and references incorporated into this Agreement express all understandings of the parties concerning the matters covered in this Agreement. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.
- b. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or the Peckish One, and all amendments hereto must be in writing and signed by the appropriate authorities of the City and the Peckish One.

XXIII. NON-ASSIGNMENT

Peckish One shall not assign the obligations under this Agreement, nor any monies due or to become due, without the City's prior written approval, and Peckish One and Peckish One's proposed assignee's execution of an assignment and assumption agreement in a form approved by the City. Any assignment in violation of this paragraph is grounds for breach of this Agreement, at the sole discretion of the City Manager. In no event shall any putative assignment create a contractual relationship between the City and any putative assignee.

XXIV. NO WAIVER

No failure of either the City or Peckish One to insist upon the strict performance by the other of any covenant, term or condition of this Agreement, nor any failure to exercise any right or remedy consequent upon a breach of any covenant, term, or condition of this Agreement, shall constitute a waiver of any such breach or of such covenant, term or condition. No waiver of any breach shall affect or alter this Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect.

XXV. REPRESENTATIONS AND WARRANTIES BY THE CITY

The City represents and warrants that (i) it has good and sole title to the Property, (ii) there are no liens existing against the title as of the date of the execution of this Agreement, (iii) that if any liens are placed against the Property which are not caused by Peckish One and are for actions that occurred prior to the execution of this Agreement, the City will undertake good faiths effort to have those liens removed and (iv) the TIF financing is available and appropriate for this Project and the City will make every effort to have the financing as a TIF Project approved.

XXVI. RIGHT TO INSPECTION

Notwithstanding any other provision of this Agreement, Peckish One shall have the right to inspect the Property for a period of seven (7) days following the execution of this Agreement. If, as a result of the inspection, Peckish One is advised and determines that the cost of bringing the Property up to all applicable use and building Codes exceeds Two Hundred Thousand Dollars (\$200,000), then Peckish One shall have the right to terminate this Agreement by written notice to the City within fourteen (14) days of the execution of this Agreement.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have signed this Agreement as of the date first written above.

THE CITY OF EVANSTON,
an Illinois home rule municipal corporation

By: Wally Bobkiewicz

Its: City Manager, Wally Bobkiewicz

PECKISH ONE LLC,
an Illinois limited liability company

By: Jamie Evans

Its: Manager, Jamie Evans

By: Debbie Mussell Evans

Its: Manager, Debbie Mussell Evans

Approved as to form:
By: Brent Jensen
Counsel

ATTACHMENT:
Exhibit A – Legal Description of Property

Return this form to:
City of Evanston
Director Community & Economic Development
2100 Ridge Avenue
Evanston, IL 60201

Exhibit A

LEGAL DESCRIPTION OF PROPERTY

LOTS 7, 8 AND 9 IN BLOCK 1 IN NILES HOWARD TERMINAL ADDITION, BEING A SUBDIVISION OF THE SOUTH 6.25 FEET CHAINS (412 ½ FEET) OF THAT PART OF THE NORTHEAST ¼ OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING WEST OF THE RIGHT OF WAY OF THE CHICAGO AND NORTH WESTERN RAILROAD COMPANY, IN COOK COUNTY, ILLINOIS.

Common Address: 623-627 1/2 Howard Street, Evanston, Illinois

PIN: 11-30-209-025-0000

EXHIBIT B

VANILLA BOX COST ESTIMATE



PROPOSED RESTAURANT
Preliminary Project Construction Budget
Base Cost (Vanilla Box)
623-627 1/2 W. HOWARD STREET
EVANSTON, IL

Prepared by: Douglas E. Lasch, AIA - Faith Environ Studio
 For: PeckishOne LLC
 February 18, 2013

1	SITE DEVELOPMENT & EXTERIOR	QUANTITY	UNIT COST	
a.	Exterior Brick, Window, & Door Renovations	280 lf	\$75.00	\$21,000.00
b.	New Signage	Allowance	\$4,000.00	\$4,000.00
				Subtotal
				\$25,000.00
2	INTERIOR CONSTRUCTION:			
a.	Asbestos Abatement	Allowance	\$20,000.00	\$20,000.00
b.	Interior Demolition	4,278 sf	\$4.00	\$17,112.00
c.	New Interior Remodeling - Drywall & Floor Repairs, prime paint coat	3,955 sf	\$25.00	\$98,875.00
d.	New Interior Remodeling - Toilets	323 sf	\$165.00	\$53,295.00
e.	Misc. Patching & Repairs	Allowance		\$5,000.00
				Subtotal
				\$194,282.00
3	Electrical			
a.	Service Entrance: new 400 A 120/208 overhead			
b.	New Subpanel: 200A 120/208V			
c.	New Fire Alarm System			
d.	HVAC connections			
e.	General Lighting (minimal lighting, exterior decorative lights, sign connection)			
				Allowance
				\$80,000.00
				Subtotal
				\$80,000.00
4	HVAC			
a.	(2) 7.5 ton RTU's			
b.	(1) 5.0 ton RTU			
c.	(1) 4.0 ton RTU			
d.	(1) Make up air unit (approx. 6,000 cfm)			
e.	(1) 6400 cfm Kitchen Exhaust (incl. black iron)			
f.	(1) 750 cfm Dishwasher Exhaust			
g.	(3) small Toilet Room Exhausts			
h.	(3) 3 KW Cabinet Wall Heaters			
i.	Natural gas piping for HVAC & Kitchen equipment			
				Allowance
				\$125,000.00
				Subtotal
				\$125,000.00
				CONSTRUCTION SUBTOTAL
				\$424,282.00
5	PERMITS & FEES			
a.	Architectural/Engineering Fee	8.5%		\$36,063.97
b.	Construction Permits & Fees	1.5%		\$6,364.23
c.	General Contractor Overhead & Profit	10.0%		\$42,428.20
d.	General Conditions	6.0%		\$25,456.92
e.	Legal Fees	Allowance		\$10,000.00
				Subtotal
				\$120,313.32
				PRELIMINARY CONSTRUCTION BUDGET TOTAL
				\$544,595.32