TROY
OHIO

TROY CITY COUNCIL
COMMITTEE MEETING
COUNCIL CHAMBERS, CITY HALL
100 S. Market Street, Troy, Ohio

MONDAY, JUNE 10, 2024, 6:00 PM

Community Partnerships Committee **(Marshall [Chm.], Severt, Twiss)**

1. Provide a recommendation to Council regarding a Resolution supporting the Ohio Commission for the United States Semiquincentennial (America250-OH).

Finance Committee **(Severt [Chm.], Schilling, Westfall)**

1. Provide a recommendation to Council regarding the recommendation of the Loan Review Committee that Council authorizes the execution of a subordination loan agreement for 107 W Main LLC to Minster Bank so that the business can finalize a loan to make improvements to the upper floors of the building. The City's loan will remain adequately secured. Consideration of emergency legislation is requested so that 107 W Main LLC and Minster Bank can complete the subordination process as soon as possible to finalize the loan.

2. Provide a recommendation to Council regarding the recommendation of the Loan Review Committee that Council authorizes a Small Business Development Revolving Loan Fund (SBD) to Bonnie Harris Frey, on behalf of Harris Jewelers, Inc., for funds to finance renovations for the recently purchased building at 1780 W. Main Street. The loan request is in the amount of $450,000. Consideration of emergency legislation is requested so that the loan can be closed without delay and the business proceed with the building renovations.

3. Provide a recommendation to Council regarding the recommendation of the Loan Review Committee that Council authorizes a new loan from the CDBG Economic Development Revolving Loan Fund (ED RLF) to Anthony Scott and Jessica Nielsen, on behalf of A. M. Scott Distillery, LLC for funds to finance the purchase of additional restaurant equipment at their location at 9 W. Main Street. The loan request is in the amount of $150,000. Consideration of emergency legislation is requested so that the loan can be closed without delay and the business proceed with the purchase of the additional equipment.

Other Committees/Items may be added.

6-7-2024

Cc: Council
Mayor
Mr. Titterington, Mr. Kerber
Mr. Frigge, Departments, Media

COMMUNITY
PARTNERSHIPS
COMMITTEE

Patrick E. J. Titterington
Director of Public Service & Safety
937-335-1725
Patrick.titterington@troyohio.gov

C.M.C.

MEMORANDUM

TO: Mr. Rozell, President of Council

FROM: Patrick E. J. Titterington, Director of Public Service and Safety

DATE: June 6, 2024

SUBJECT: RESOLUTION SUPPORTING THE OHIO COMMISSION FOR THE UNITED STATES SEMIQUINCENTENNIAL (AMERICA250-OH)

RECOMMENDATION:
That Council enacts a Resolution supporting the Ohio Commission for the United States Semiquincentennial (AMERICA250-OH).

BACKGROUND:
The year 2026 will be the occasion of celebrating America's 250th Anniversary. The City submitted and received approval of an application to become an America 250-Ohio Community. As a part of this designation, a committee will be formed to not only propose programs, projects and events to celebrate the anniversary, but to also provide educational opportunities to acknowledge and celebrate the contributions of Ohioans to the nation over the past 250 years, and to inspire future leaders to follow in their footsteps.

The Troy Foundation, the Troy Area Chamber of Commerce, the Troy City Schools, and the Activate Troy Partnership (ATP) have provided letters of support and a commitment to be partners in the planning and presentation of programs, projects and events.

The next step in the planning process is for Council to enact a Resolution supporting the Ohio Commission for the United States Semiquincentennial. Such Resolution will then be forwarded to the America250-OH Commission.

REQUESTED ACTION:
It would be appreciated if you would assign to a Committee of Council consideration of approving the Resolution.

The TROY FOUNDATION

May 17, 2024

Mr. Patrick Titterington
Director of Public Service and Safety
City of Troy
100 S. Market Street
Troy, OH 45373

RE: America250 – Ohio Commission

Dear Patrick:

On May 9th, I had the pleasure of attending the launch of America250-Ohio's first Trails and Tales – the Ohio Air and Space Trail – right here in Troy, Ohio at the WACO Air Museum and Aviation Learning Center. The trails program will help to celebrate the impact Ohioans have had on the nation's past, present and future, and it was exciting for the first trail to be launched here. America250-Ohio will help to tell the story of Ohio and recognize the many Ohioans who have made an impact on Ohio and the United States. After learning about the Ohio's plans to celebrate, I would like to encourage the City of Troy to become an America250-Ohio Community to be a part of the state and country's celebration.

The history of Troy and its residents is rich with contributions to Ohio and the nation. Becoming an America250-Ohio Community would help Troy to celebrate our past and look forward to the future of our community. Should the City choose to become an America250-Ohio Community, The Troy Foundation would be honored to be a part of a committee to help plan activities to celebrate.

Thank you and I look forward to being involved.

Sincerely,

Melissa A. Kleptz
President and CEO

216 W Franklin Street, Troy, OH 45373 • Ph: 937-339-8935 • Fax: 937-339-8992 • www.thetroyfoundation.org

TROY CHAMBER of COMMERCE

405 SW Public Square
Suite #330
Troy, Ohio 45373
P: 937-339-8769
TroyOhioChamber.com

Patrick Titterington
Director of Public Service and Safety
City of Troy
100 S. Market St.
Troy, Ohio 45373

Dear Mr. Titterington:

As President of the Troy Area Chamber of Commerce, I am writing to express our organization's support for the City of Troy to be named an America 250-Ohio Community. If the City of Troy is chosen as an America 250-Ohio Community, the businesses of Troy, large and small, will benefit greatly.

Since the early 1800's, the City of Troy has been a manufacturing, cultural, social, and retail center of the northern Dayton region and with this designation of an American 250-Ohio Community, our residents and businesses can celebrate this momentous occasion with Ohio and the United States.

The City of Troy, Ohio, with our historic downtown and picturesque Great Miami River waterfront, is an ideal location to celebrate the 250th birthday of our great nation. The America 250-Ohio Commission can be assured that the City of Troy and our community's various non-profit organizations have extensive experience in planning and executing large and impactful events.

The Troy Area Chamber of Commerce would like to thank the America250-Ohio Commission for having the forethought in planning to commemorate this historic milestone in our country's history and we look forward to joining you in the celebration of Ohio and America.

Sincerely,

Joseph A. Graves, President

Our Mission: Empowering Prosperity for Troy, Ohio

TROY
CITY SCHOOLS

Mr. Patrick Titterington
Director of Public Service and Safety
City of Troy
100 S. Market St.
Troy, Ohio 45373

Dear Mr. Titterington,

I hope this letter finds you well. I am writing to express my strong support for Troy becoming an America 250-Ohio Community. As the Superintendent of Troy City Schools, I believe this designation offers tremendous opportunities for our community and our students.

The America 250-Ohio initiative is a unique chance to celebrate and reflect on our nation's 250th anniversary, recognizing the rich history and diverse contributions that have shaped our state and nation. By participating in this program, Troy can showcase its historical significance, promote civic pride, and engage our residents in meaningful commemorations.

For our schools, this initiative provides an invaluable educational platform. Integrating the America 250-Ohio program into our curriculum will enhance our students' understanding of American history and Ohio's pivotal role in it. It offers a hands-on learning experience that goes beyond textbooks, allowing students to participate in community events, historical projects, and collaborative activities that deepen their appreciation for our heritage.

Moreover, this designation can foster a sense of unity and pride within our community. It presents an opportunity for collaboration among local organizations, businesses, and residents, working together to honor our past and envision our future. The celebrations and events associated with America 250-Ohio will not only attract visitors to our city, boosting local tourism and economy, but also create lasting memories for our citizens.

In light of these benefits, I urge the Troy City Council to support the application for Troy to become an America 250-Ohio Community. Your approval will affirm our commitment to education, history, and community spirit, paving the way for a series of enriching experiences for all residents of Troy.

Thank you for considering this important initiative. I am confident that with your support, we can make Troy a proud participant in the America 250-Ohio celebrations, leaving a legacy that will be cherished for generations to come.

Sincerely,

Chris Piper

Chris Piper
Superintendent for Troy City Schools

Activate Troy
Partnership
TROY OHIO

Dear Troy City Council Members,

The Activate Troy Partnership strongly supports the City of Troy's efforts in becoming an America 250-Ohio community to help commemorate the 250th anniversary of the United States. As we approach this significant milestone in our nation's history, reflecting on our shared heritage and celebrating the principles that have shaped our state and country is important.

The America-250 commemoration provides us with an opportunity to not just showcase, but to proudly highlight Troy's significant contributions to Ohio's rich history. This is a chance to honor the legacy of the United States and to recognize the contributions of all Americans, past and present. We believe that this historic event will serve as a unifying force, bringing together people from diverse backgrounds to celebrate our shared values and aspirations.

Moreover, the America-250 commemoration will be a time for reflection and celebration and a catalyst for inspiring future generations to continue building upon the foundation laid by those who came before us. The celebration of the America 250 will foster a deep sense of unity and pride in our community, bringing together diverse local organizations, businesses, and residents to participate in the commemoration. This inclusive event will inspire us all, reinforcing our shared purpose and belonging.

This celebration is an opportunity to show our nation's, state's, and Troy's uniqueness, community pride, and togetherness. Our community has put together successful events many times, and we have no doubt that our community partners will again collaborate to make the 250th anniversary of our country a memorable experience for our residents and visitors.

Thank you for considering supporting the City of Troy's efforts to join our state in celebrating this significant milestone in our nation's history. We look forward to 2026!

Sincerely,

Jessica Nielsen

Jessica Nielsen
Secretary, Activate Troy Partnership

Activate Troy Partnership Member Organizations:

City of Troy	Troy City Schools
The Troy Foundation	Troy Development Council
Troy Main Street	Troy Community Works
Troy Area Chamber of Commerce	Miami County

FINANCE COMMITTEE

TROY
OHIO

7 in

Patrick E. J. Titterington
City Director
Patrick.Titterington@TroyOhio.gov

MEMORANDUM

TO: Mr. Rozell, President of Council

FROM: Patrick E. J. Titterington, Director of Public Service and Safety

DATE: May 31, 2024

SUBJECT: **SBD LOAN SUBORDINATION FOR 107 W MAIN LLC**

RECOMMENDATION:
That Council authorizes the Director of Public Service and Safety to execute a subordination loan agreement for 107 W Main LLC to subordinate their mortgage lien position at 107 West Main Street, as the owner has secured private financing to make improvements to the upper floors of the building.

BACKGROUND:
In 2020, Council approved a $100,000 loan from the Small Business Development Revolving Loan Fund (SBD) to 107 W Main LLC for building improvements at 107 West Main Street to renovate the exterior of the building. A first mortgage lien was provided as collateral to cover the $100,000 loan. The loan balance currently sits at approximately $94,000.

In 2022, 107 W Main LLC secured private funding to assist with the second-floor renovations and requested the City of Troy execute a subordination agreement for the new lender, Minister Bank. The requested second position mortgage lien subordination was executed to Minster Bank ($1,875,000).

In 2024, Minister Bank provided additional financing to 107 W Main LLC in the amount of $1,061,000. Additional funding is necessary as the costs associated with renovations were higher than originally estimated. Minster Bank has requested the City of Troy subordinate the second mortgage position lien in favor of Minster Bank's third mortgage lien. The Appraisal Report prepared by Integra Realty Resources shows an anticipated value of the building to increase from $2,750,000 to $3,670,000 by July 1, 2024.

REQUESTED ACTION:
It would be appreciated if you would assign to a Committee of Council authorizing the Director of Public Service and Safety to execute a subordination loan agreement for 107 W Main LLC. In that both 107 W Main LLC and Minster Bank wish to complete the subordination process as soon as possible, consideration of emergency legislation is requested.

TROY
DEVELOPMENT DEPARTMENT

Tim Davis
Development Director
tim.davis@troyohio.gov

TO: Members of the Loan Review Committee

FROM: Tim Davis, Development Director

DATE: May 15, 2024

SUBJECT: Subordination Request (Masonic Temple)

In 2020, Sam O'Neal and Doug Ernst purchased the Masonic Temple located at 107 W. Main under the business name of 107 W Main LLC. The applicants self-funded the renovation project, beginning with the $670,000 purchase of the building. In 2021, they received a small business development loan from the City of Troy of $100,000. The loan funded the renovation of the building which allowed the owner to secure three leases: Ivy Court, Magnolia Mae Boutique, and Speakeasy Miso. The City took a first position mortgage lien as collateral to cover the $100,000 loan. The loan balance currently sits at approximately $94,000.

In 2021, the owners completely leased the first floor and requested a modification to the original loan term from three (3) years to twenty (20) years, which was approved by City Council. The owners proceeded with the second-floor renovations that included up to nine (9) second floor apartments. It was anticipated that the second-floor build-out would not occur until the third year of the project, putting the renovation of the Masonic Temple building ahead of schedule.

In 2022, 107 W Main LLC secured private funding to assist with the second-floor renovations and requested the City of Troy execute a subordination agreement for a new lender, Minister Bank. The requested second position mortgage lien subordination was executed to the private funding provided by Minster Bank ($1,875,000).

In January of 2024, Minister Bank provided additional financing to 107 W Main LLC in the amount of $1,061,000. The additional funding is necessary as the costs associated with renovations were higher than originally estimated. Minster Bank has requested the City of Troy subordinate the second mortgage position lien in favor of Minster Bank's third mortgage lien. Minster Bank will reduce the $1,061,100 loan amount to $961,000 should the City of Troy not accept the proposed subordination. The attached Appraisal Report prepared by Integra Realty Resources shows an anticipated value of the building to increase from $2,750,000 to $3,670,000 by July 1, 2024.

Staff recommends the Loan Review Committee provide a position recommendation to City Council to execute the subordination agreement. To facilitate the new bank loan process, it is requested the subordination agreement be approved as soon as possible by City Council.

MinsterBank

April 4, 2024

Mr. Timothy Davis, Development Director
City of Troy Development
100 S. Market Street
Troy, Ohio 45373

RE: 107 W. Main, LLC (Mason Building)

Dear Mr. Davis,

The City of Troy, Ohio provided financing to 107 W. Main, LLC in the original principal amount of $100,000.00 secured by a mortgage filed for record on July 12, 2021. The proceeds of that loan were used for the exterior renovations at 101-107 W. Main Street, Troy, Ohio (The Mason Building).

On September 22, 2022, Minster Bank provided financing to 107 W. Main, LLC in the amount of $1,875,000 to complete interior renovations to the same property located at 101-107 W. Main Street, Troy, Ohio. The improvements included four retail spaces on the first floor, nine apartment units on the second floor and an event space on the fourth floor. The City of Troy agreed to subordinate their first mortgage described above in favor of the mortgage from 107 W. Main, LLC to Minster Bank. A Subordination Agreement was signed by Patrick F. J. Titterington, Director of Public Service & Safety on May 10, 2023, and filed for record on May 12, 2023. (Copy enclosed)

On January 19, 2024, Minster Bank provided additional financing to 107 W. Main, LLC in the maximum amount of $1,061,000.00. The additional funding was necessary as the costs associated with the renovation of the 26,043 square foot building were higher than originally estimated. Our loan amount was determined using 80% of the appraised value, ($3,670,000), minus the first mortgage balance of $1,875,000, providing $1,061,000 in lendable equity.

The purpose of this letter is to request that the City of Troy subordinate their second mortgage lien ($100,000) in favor of Minster Bank's third mortgage lien ($1,061,000). The remaining 20% equity in the real estate or $734,000 is available as security for the unpaid balance on your original $100,000 note. I have enclosed a copy of the Appraisal Report prepared by Integra Realty Resources, Columbus, dated September 11, 2023 for your reference.

Minster Bank's Loan Policy restricts a maximum 80% combined to loan to value on our two notes. A subordination of mortgage from the City of Troy will allow us to make the entire $1,061,000 available to our mutual borrower. If not, we intend to lower our loan amount by $100,000 to $961,000.

95 West Fourth Street, P.O. Box 90 Minster, Ohio 45865-0090
(419) 628-2351 Toll-free (866) 646-7837 Fax (419) 628-2103
Email: main@minsterbank.com ♦ www.minsterbank.com

If you have any questions or need any additional information, please feel free to contact me at your convenience. Minster Bank appreciates the City of Troy's consideration of our request.

Sincerely,

Daniel F. Heitmeyer
Vice President, Commercial Banking

TROY
OHIO

7 in

Patrick E. J. Titterington
City Director
Patrick.Titterington@TroyOhio.gov

MEMORANDUM

TO: Mr. Rozell, President of Council

FROM: Patrick E. J. Titterington, Director of Public Service and Safety

DATE: May 31, 2024

SUBJECT: **SBD LOAN APPLICATION – HARRIS JEWELER – 1780 W. Main Street**

RECOMMENDATION:
That Troy City Council accepts the recommendation of the Loan Review Committee for a new loan from the Small Business Development Revolving Loan Fund (SBD) to Bonnie Harris Frey, on behalf of Harris Jewelers, Inc., for funds to finance renovations for the recently purchased building at 1780 W. Main Street.

BACKGROUND:
Bonnie Harris Frey, on behalf of Harris Jewelers, Inc. (HJI), has submitted a Small Business Development Loan application requesting $450,000 to finance renovations for the recently purchased building at 1780 W. Main Street. HJI is seeking terms of 9.5 years at 4.25% APR, which amounts to $5,021.50 in monthly payments. A request for interest-only payments for the first six months has been made by the applicant. This is intended to allow the repairs to take place, accommodate new office space for additional employees, and allow the company to begin to increase employment before making full payments of principal and interest.

Harris Jewelers has been owned and operated by the Harris family for 76 years. In 2009, Bonnie took over the business and strives to elevate the HJI to a level of prominence in the Miami Valley and across the country. With her team of 14 full-time employees, the full-service jewelry store offers the following services and products on a daily basis: Cleaning & Inspection, Corporate Gifts, Custom Designs, Ear Piercing, Estate Advisory & Evaluations, Financing, Gold & Diamond buying, and in-house jewelry repairs and engravings. HJI will add four full-time employees as a part of this project within three years.

The total investment of approximately $3,204,000 in building purchase and renovation costs is expected to result in a complete restoration to provide a modernized interior. HJI will carry a bank loan with First Financial Bank to cover approximately 86% of the project cost of equity into the overall project. First Financial Bank will hold a first position on the building. The City of Troy loan of $450,000 (14% of the project cost) will hold a second position on the building (appraised at $2.1MM) and also require a Personal Guarantee.

For this project, the applicant is seeking a loan as follows:

- Total project costs of approximately $3,204,000
- Loan principal of $450,000, exclusive of the closing fees which will be paid directly by the applicant
- Loan repayment term of 114 months
- 4.25% simple APR
- Six months of interest only payments
- Collateral will be a second position on the building
- A personal guarantee from Bonnie Harris Frey
- Expedited approval is requested so that the business can proceed with building renovations

The Loan Review Committee reviewed this loan application on May 30, 2024, and recommended it be approved with the above terms. Information considered by the Loan Review Committee is attached.

REQUESTED ACTION:
It would be appreciated if you would assign to a Committee of Council consideration of the SBD loan to Harris Jewelers, Inc. as outlined above. Consideration of emergency legislation is requested so that the loan can be closed without delay and the business can proceed with building renovations.

encl.

TROY
DEVELOPMENT DEPARTMENT

Tim Davis
Development Director
tim.davis@troyohio.gov

TO: Members of the Loan Review Committee

FROM: Tim Davis, Development Director

DATE: May 15, 2024

SUBJECT: Loan Request (Bonnie Harris Frey)

Bonnie Harris Frey, on behalf of Harris Jewelers, Inc, (HJI) has submitted a Small Business Development Loan application requesting $450,000 to finance renovations for the recently purchased building at 1780 W. Main Street at a price of $2,070,000. HJI is seeking terms of 9.5 years at 4.25% APR, which amounts to approximately $5,021.50 monthly payments. A request of interest only payments for the first six months is requested by the applicant. This is intended to allow the repairs to take place, accommodate new office space for additional employees and allow the company to begin to increase employment before making full payments of principal and interest.

Harris Jewelers has been owned and operated by the Harris family for 76 years. In 2009, Bonnie took over the business and strives to elevate the HJI to a level of prominence in the Miami Valley and across the country. With her team of 14 full-time employees, the full-service Jewelry store offers the following services and products on a daily basis: Cleaning & Inspection, Corporate Gifts, Custom Designs, Ear Piercing, Estate Advisory & Evaluations, Financing, Gold & Diamond buying, and in-house jewelry repairs and engravings. Harris Jewelers will add four full-time employees as a part of this project within three years.

The total investment of approximately $3,204,000 in building purchase and renovation costs is expected to result with a complete restoration of the interior to provide a modernized interior (Attachment A). HJI will carry a bank loan with First Financial Bank to cover approximately 86% of the project cost of equity into the overall project. First Financial Bank will hold a first position on the building. The City of Troy, loan of $450,000 (14% of the project cost), will hold a second position on the building (appraised at $2.1MM) and also require a Personal Guarantee.

The financial statements provided show a conservative projected income increase of 10% in sales within the first two years.

Staff recommends approval of the loan with the following terms:

- Total project costs of $3,204,000
- Loan principal of $450,000
- Loan repayment term of 114 months
- 4.25% simple APR
- Six months of interest only payments
- Collateral will be a second position on the building
- Expedited approval is requested so that the business financing can be completed to allow the building improvements to continue.

4/26/24
Received by
TD

CITY OF TROY

SBD REVOLVING LOAN FUND

LIST OF EXHIBITS and SBD APPLICATION

TROY DEVELOPMENT DEPARTMENT

- [ ] Completed application form plus $100.00. Additionally, a loan closing fee of 1.5%, plus any accumulated title search and legal fees are due at closing.

Financial: (Attach as Exhibit A)

- [ ] Detailed business plan for the expansion project;
- [x] Personal financial statement for each individual with at least twenty percent interest in the company;
- [x] Financial statements from prior three years (Balance Sheet and Profit and Loss statements);
- [x] Schedule of Accounts Payable and Receivables;
- [x] Interim financial statement to the nearest quarter;
- [x] Proforma of financial projections on a quarterly basis for the first two years following the loan closing;
- [x] Letter of recommendation or acknowledgement from existing debt-holder(s) regarding this application;
- [x] Statement of the anticipated draw down schedule of SBD funds.

Collateral: (Attach as Exhibit B)

- [x] Recent appraisal or county tax records of any real estate which will be offered as collateral;
- [x] Listing of outstanding liens and mortgages on the property/assets proposed as security;
- [x] Evidence of authority to make improvements such as a deed, qualifying lease, or notarized authorization from the property owner;
- [x] Personal Guaranty;
- [x] If real estate is used as collateral then a recent title exam is required.

Project: (Attach as Exhibit C)

- [x] Detailed estimates for each projected expense of the business expansion;
- [x] Verification of the costs/value of the assets to be funded as part of the total financing package;
- [x] Construction plans for any proposed building improvements;
- [x] Written cost estimates or contracts for building improvements. (PARTIAL)

City of Troy, Ohio
Small Business Development Revolving Loan Fund
Application

TROY DEVELOPMENT DEPARTMENT

PLICANT:

Name	Email Address	Phone Number	Fax Number	Federal I.D.#:
Bonnie Harris Frey	bonnie@harrisjeweler.com	937-681-2934	n/a	295-82-5402

SINESS: (rrower Name)

Name	Email Address	Phone Number	Fax Number	Federal I.D.#:
Harris Jewelers, Inc. & Gem Goddesses LLC	bonnie@harrisjeweler.com	937-335-0055	n/A	34-4414983 and 93-3400898

RRENT ADDRESS

Street	City	State	Zip Code
2343 W. Main St	Troy	OH	45373

W ADDRESS 'elocating):

Street	City	State	Zip Code
1780 W. Main St	Troy	OH	45373

TYPE OF BUSINESS:

☐ PARTNERSHIP ☐ S CORPORATION ☐ LIMITED LIABILITY COMPANY
☐ SOLE PROPRIETOR ☐ C CORPORATION

NAMES AND ADDRESSES OF OTHER OWNERS WITH <u>5%</u> OR MORE OWNERSHIP INTEREST:

Name	Address	City	State	Zip Code	Phone Number
Bonnie Harris Frey	317 W. Staunton Rd	Troy	OH	45373	937-681-2934

Description Of Current Operation:
Harris Jewelers has been owned and operated by the Harris family for 76 years and across three generations. Since their founding in 1946 by Mr. & Mrs. H.M. Harris, customer service has been an integral component of our corporate philosophy. This single-minded dedication to customer satisfaction and service has elevated Harris Jeweler, Inc to a level of prominence in the Miami Valley and across the country. Upon the retirement of Mark Harris in 2009, his daughter and 3rd generation, Bonnie Harris Frey took over at the helm of the business. As the 3rd generation of her family legacy Bonnie strives not only to continue the dedication to customer satisfaction and service started by her grandparents, but to bring personal service that exceeds all expectations combined with the latest technology in the jewelry business. Harris Jeweler is your personal jeweler and with their extensive hand-selected inventory, if they don't have exactly what you are looking for we will create it for you on site in their state of the art custom design studio using their exquisite craftsmanship.

Bonnie followed in her grandfathers footsteps and earned the title of Certified Gemologist Appraiser from the American Gem Society, an honor awarded to less than 1% of jewelers in the world and the most prominent in the jewelry industry. Bonnie and her team of 13 FTE and 1 PTE as a full service Jewelry store offers the following services and products on a daily basis: Cleaning & Inspection, Corporate Gifts, Custom Designs, Ear Piercing, Estate Advisory & Evaluations, Financing, Gold & Diamond buying, In-House Jewelry Repairs, Jewelry Engraving, Jewelry Insurance, Permanent Jewelry, and Watch Battery replacement.

SOURCES		AMOUNT ($)	USES
SBD Loan Requested:		500,000	Renovation-Leasehold Improvem.
Equity Provided:		920,476	" " "
Other Loans:	Bank:	1,800,000	Purchase of R.E. + partial Renovat. cost.
	Bank L.O.C.:		
	Supplier:		
	Other:	648,912	Leasehold Improvements
	TOTAL:	3,869,388	

Description Of Proposed Project

Complete renovation of building and real estate located at 1780 W. Main St, Troy, OH 45373 which was purchased by Gem Goddesses LLC (related RE Entity of Harris Jewelers) as of 11/30/23 and will be the future home of Harris Jewerly. Total renovation to the interior and multiple items related to the exterior of the building to transform it from the past Ruby Tuesday restaurant to a top tier jewerly store. Total costs of renovations is $1,507,389.73, see attached documentation for additional details of costs.

Projected opening of new facility will be Q4 of 2024 or Q1 of 20225.

FINANCIAL PACKAGE REQUESTED: ***All applicants MUST provide 10% of the SBD Loan Amount.***

INDICATE THE STATUS OF OTHER FINANCING AND WHEN IT WILL BE AVAILABLE:

	Name	Address	Contact	Phone Number
LENDER: / DATE:	Summit Funding (Bank lease Dept)	4680 Parkway Dr Suite 300, Mason, OH 45040	Rob Munz	513-605-4085 Funding date TBD per purchase of leasehold improvements
LENDER: / DATE:				

CURRENT DEBT:

	Name	Address	Contact	Phone Number
LENDER:	First Financial Bank 635 S. Market St, Troy, OH 45373		Ed Westmeyer	937-216-3203
Original Loan:	2,800,000 will reduce to $1,800,000	Term: 18 mos interest only & 60 mos P&I amortized for 20 yrs	Payment: Interest only on Bal. & est $13,907	
Remaining Balance:	Current balance : $1,656,000 and available to draw $144,000			
LENDER:				

PROPOSED PROJECT START DATE: 3/13/2024

ESTIMATED DATE RLF LOAN IS NEEDED: 1ST week of June 2024

TOTAL NUMBER OF CURRENT EMPLOYEES: 14 Full Time 1 Part Time

PROPOSED NEW JOBS:
(Enter for each year "new jobs" without totaling the previous year)

1st YEAR	2nd YEAR	3rd YEAR	TOTAL
( )	( )	( )	( )
New Full Time	New Full Time	New Full Time	New Full Time
( )	( )	( )	( )
New Part Time	New Part Time	New Part Time	New Part Time

STARTING WAGE RATE FOR NEW EMPLOYEES:

JOB TITLE	# HIRES	WAGE RATE

SBD Loan Terms

Less than ten years = 50% of Current Prime Rate

Ten to fifteen years = 75% of Current Prime Rate;

Fifteen to twenty years = current Prime Rate.

Requested Loan Term: 9.5 yrs
i.e. 5 years at 2.75%

BY SIGNING THIS FORM, I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

SIGNATURE OF APPLICANT: [signature] DATE: 4/23/24

Gem Goddess - Sources & Uses of Funds - Modified					
Sources	**$**	**%**	**Uses**	**$**	**%**
Real Estate Purchase					
Initial funding at closing	$1,656,000	80%	Purchase Property at 1780 W. Main, Troy	$2,070,000	65%
Cash Equity - at closing*	$414,000	20%			
	$2,070,000	100%			
Real Estate Renovations					
Remaining OOCRE Funds Held	$144,000	13%	Construction - Building improvements	$1,134,745	35%
City of Troy Loan Fund (2nd mtg)	450,000 ~~$500,000~~	44%			
Cash or Home Equity	261,414 ~~$211,414~~	19%			
Cash Equity for renovations	$279,331	25%			
	$1,134,745	100%			
Total Sources:	$3,204,745	100%	Total Uses:	$3,204,745	100%

Need to amend mortgage amount to $1.8MM.

Harris Jewelers - Sources & Uses of Funds					
Sources	**$**	**%**	**Uses**	**$**	**%**
Summit Lease	$261,912		Leasehold improvements	$261,912	
Summit Lease	$387,000		Jewerly Cases	$387,000	
Total Sources:	$648,912		Total Uses:	$648,912	

fIRST
first financial bank

City of Troy
Att: Revolving Loan Fund Committee
100 S Market St
Troy, OH 45373

To who it may concern:

Please accept this letter as acknowledgement that Harris Jewelers, Inc & Gem Goddesses LLC, are current customers and debt-holders of First Financial Bank. I would like to recommend the two entities or co-borrowers for a City of Troy Revolving Loan of $500,000 to support a portion of the required renovations of Harris Jeweler's future building/store located at 1780 W. Main St., Troy, OH 45373.

The Borrowers have a satisfactory banking relationship with the Bank and several financial strengths that supports this project but due to the restraints with the Bank's collateral advance rates related to the renovations and final appraised value the Bank is unable to provide the additional funds required to complete the project.

I've provided the additional SBD application requirements but if you require additional information please do not hesitate to call or email me at (937)216-3203 and ed.westmeyer@bankatfirst.com.

Sincerely,

SVP

Ed Westmeyer
Relationship Mgr, SVP

	1st Year Forecast	2nd Year Forecast	Q1	Q2	Q3	Q4
	9/30/2025	9/30/2026	12/31/2024	3/31/2025	6/30/2025	9/30/2025
Sales	$ 6,135,033	$ 6,135,033	$ 1,533,758	$ 1,533,758	$ 1,533,758	$ 1,533,758
Sales Growth						
Gross Profit	$ 3,638,075	$ 3,638,075	$ 909,519	$ 909,519	$ 909,519	$ 909,519
GPM	59.3%	59.3%	59.3%	59.3%	59.3%	59.3%
Operating Expenses	$ 2,024,561	$ 2,024,561	$ 506,140	$ 506,140	$ 506,140	$ 506,140
Operating Income	$ 1,613,514	$ 1,613,514	$ 403,379	$ 403,379	$ 403,379	$ 403,379
Operating profit margin	26.3%	26.3%	26.3%	26.3%	26.3%	26.3%
Interest Expense	$ 198,403	$ 198,403	$ 49,601	$ 49,601	$ 49,601	$ 49,601
Other Income (expense)	$ 113,701	$ 113,701	$ 28,425	$ 28,425	$ 28,425	$ 28,425
Net Profit	**$ 1,528,812**	**$ 1,528,812**	**$ 382,203**	**$ 382,203**	**$ 382,203**	**$ 382,203**
Depreciation and Amortization	$ 55,976	$ 55,976	$ 13,994	$ 13,994	$ 13,994	$ 13,994
Interest	$ 198,403	$ 198,403	$ 49,601	$ 49,601	$ 49,601	$ 49,601
Add-Backs: RENT	$ 69,069	$ 69,069	$ 17,267	$ 17,267	$ 17,267	$ 17,267
EBITDA	**$ 1,852,260**	**$ 1,852,260**	**$ 463,065**	**$ 463,065**	**$ 463,065**	**$ 463,065**
	$ -	$ -	$ -	$ -	$ -	$ -
Distributions/Contributions	$ (481,661)	$ (481,661)	$ (120,415)	$ (120,415)	$ (120,415)	$ (120,415
Cash Flow Available	**$ 1,370,599**	**$ 1,370,599**	**$ 342,650**	**$ 342,650**	**$ 342,650**	**$ 342,650**
Principal	$ 427,118	$ 427,118	$ 106,779	$ 106,779	$ 106,779	$ 106,779
Interest (RLOC fully draw @ 7.29%)	$ 198,403	$ 198,403	$ 49,601	$ 49,601	$ 49,601	$ 49,601
Total Debt Service	**$ 625,521**	**$ 625,521**	**$ 156,380**	**$ 156,380**	**$ 156,380**	**$ 156,380**
Fixed Coverage Charge	**2.19**	**2.19**	**2.19**	**2.19**	**2.19**	**2.19**
Excess	$ 745,078	$ 745,078	$ 186,269	$ 186,269	$ 186,269	$ 186,269
Comments	**10% growth**	**0% growth/Conservative**				

Interest-Only Loan Calculator

Borrower: **Harris Jewelers, Inc.**
1780 W. Main St.
Troy, OH 45373

City of Troy
100 S. Market St.
Troy, OH 45373

Loan Information	
Loan Amount	450,000.00
Annual Interest Rate	4.250%
Term of Loan (years)	9.5
First Payment Date	7/1/2024
Payment Frequency	Monthly
Compound Period	Monthly
Interest-Only Period (years)	0.5
Payment Type	End of Period
Rounding On	Yes

Summary	
Rate (per period)	0.354%
Number of Payments	114
Years to Pay Off	9 6/12
Total Payments	551,885.05
Total Interest	101,885.05
Est. Interest Savings	(4,159.12)

Traditional Loan Payment	4,804.61
Interest-Only Payment	**1,593.75**
Payment After IO Period	**5,021.50**

Amortization Schedule

No.	Due Date	Payment	Additional Payment	Interest	Principal	Balance
						450,000.00
1	7/1/24	1,593.75		1,593.75	0.00	450,000.00
2	8/1/24	1,593.75		1,593.75	0.00	450,000.00
3	9/1/24	1,593.75		1,593.75	0.00	450,000.00
4	10/1/24	1,593.75		1,593.75	0.00	450,000.00
5	11/1/24	1,593.75		1,593.75	0.00	450,000.00
6	12/1/24	1,593.75		1,593.75	0.00	450,000.00
7	1/1/25	5,021.50		1,593.75	3,427.75	446,572.25
8	2/1/25	5,021.50		1,581.61	3,439.89	443,132.36
9	3/1/25	5,021.50		1,569.43	3,452.07	439,680.29
10	4/1/25	5,021.50		1,557.20	3,464.30	436,215.99
11	5/1/25	5,021.50		1,544.93	3,476.57	432,739.42
12	6/1/25	5,021.50		1,532.62	3,488.88	429,250.54
13	7/1/25	5,021.50		1,520.26	3,501.24	425,749.30
14	8/1/25	5,021.50		1,507.86	3,513.64	422,235.66
15	9/1/25	5,021.50		1,495.42	3,526.08	418,709.58
16	10/1/25	5,021.50		1,482.93	3,538.57	415,171.01
17	11/1/25	5,021.50		1,470.40	3,551.10	411,619.91
18	12/1/25	5,021.50		1,457.82	3,563.68	408,056.23
19	1/1/26	5,021.50		1,445.20	3,576.30	404,479.93
20	2/1/26	5,021.50		1,432.53	3,588.97	400,890.96
21	3/1/26	5,021.50		1,419.82	3,601.68	397,289.28
22	4/1/26	5,021.50		1,407.07	3,614.43	393,674.85
23	5/1/26	5,021.50		1,394.27	3,627.23	390,047.62
24	6/1/26	5,021.50		1,381.42	3,640.08	386,407.54
25	7/1/26	5,021.50		1,368.53	3,652.97	382,754.57

No.	Due Date	Payment	Additional Payment	Interest	Principal	Balance
26	8/1/26	5,021.50		1,355.59	3,665.91	379,088.66
27	9/1/26	5,021.50		1,342.61	3,678.89	375,409.77
28	10/1/26	5,021.50		1,329.58	3,691.92	371,717.85
29	11/1/26	5,021.50		1,316.50	3,705.00	368,012.85
30	12/1/26	5,021.50		1,303.38	3,718.12	364,294.73
31	1/1/27	5,021.50		1,290.21	3,731.29	360,563.44
32	2/1/27	5,021.50		1,277.00	3,744.50	356,818.94
33	3/1/27	5,021.50		1,263.73	3,757.77	353,061.17
34	4/1/27	5,021.50		1,250.42	3,771.08	349,290.09
35	5/1/27	5,021.50		1,237.07	3,784.43	345,505.66
36	6/1/27	5,021.50		1,223.67	3,797.83	341,707.83
37	7/1/27	5,021.50		1,210.22	3,811.28	337,896.55
38	8/1/27	5,021.50		1,196.72	3,824.78	334,071.77
39	9/1/27	5,021.50		1,183.17	3,838.33	330,233.44
40	10/1/27	5,021.50		1,169.58	3,851.92	326,381.52
41	11/1/27	5,021.50		1,155.93	3,865.57	322,515.95
42	12/1/27	5,021.50		1,142.24	3,879.26	318,636.69
43	1/1/28	5,021.50		1,128.50	3,893.00	314,743.69
44	2/1/28	5,021.50		1,114.72	3,906.78	310,836.91
45	3/1/28	5,021.50		1,100.88	3,920.62	306,916.29
46	4/1/28	5,021.50		1,087.00	3,934.50	302,981.79
47	5/1/28	5,021.50		1,073.06	3,948.44	299,033.35
48	6/1/28	5,021.50		1,059.08	3,962.42	295,070.93
49	7/1/28	5,021.50		1,045.04	3,976.46	291,094.47
50	8/1/28	5,021.50		1,030.96	3,990.54	287,103.93
51	9/1/28	5,021.50		1,016.83	4,004.67	283,099.26
52	10/1/28	5,021.50		1,002.64	4,018.86	279,080.40
53	11/1/28	5,021.50		988.41	4,033.09	275,047.31
54	12/1/28	5,021.50		974.13	4,047.37	270,999.94
55	1/1/29	5,021.50		959.79	4,061.71	266,938.23
56	2/1/29	5,021.50		945.41	4,076.09	262,862.14
57	3/1/29	5,021.50		930.97	4,090.53	258,771.61
58	4/1/29	5,021.50		916.48	4,105.02	254,666.59
59	5/1/29	5,021.50		901.94	4,119.56	250,547.03
60	6/1/29	5,021.50		887.35	4,134.15	246,412.88
61	7/1/29	5,021.50		872.71	4,148.79	242,264.09
62	8/1/29	5,021.50		858.02	4,163.48	238,100.61
63	9/1/29	5,021.50		843.27	4,178.23	233,922.38
64	10/1/29	5,021.50		828.48	4,193.02	229,729.36
65	11/1/29	5,021.50		813.62	4,207.88	225,521.48
66	12/1/29	5,021.50		798.72	4,222.78	221,298.70
67	1/1/30	5,021.50		783.77	4,237.73	217,060.97
68	2/1/30	5,021.50		768.76	4,252.74	212,808.23
69	3/1/30	5,021.50		753.70	4,267.80	208,540.43
70	4/1/30	5,021.50		738.58	4,282.92	204,257.51
71	5/1/30	5,021.50		723.41	4,298.09	199,959.42
72	6/1/30	5,021.50		708.19	4,313.31	195,646.11
73	7/1/30	5,021.50		692.91	4,328.59	191,317.52
74	8/1/30	5,021.50		677.58	4,343.92	186,973.60
75	9/1/30	5,021.50		662.20	4,359.30	182,614.30
76	10/1/30	5,021.50		646.76	4,374.74	178,239.56
77	11/1/30	5,021.50		631.27	4,390.23	173,849.33
78	12/1/30	5,021.50		615.72	4,405.78	169,443.55
79	1/1/31	5,021.50		600.11	4,421.39	165,022.16
80	2/1/31	5,021.50		584.45	4,437.05	160,585.11

No.	Due Date	Payment	Additional Payment	Interest	Principal	Balance
81	3/1/31	5,021.50		568.74	4,452.76	156,132.35
82	4/1/31	5,021.50		552.97	4,468.53	151,663.82
83	5/1/31	5,021.50		537.14	4,484.36	147,179.46
84	6/1/31	5,021.50		521.26	4,500.24	142,679.22
85	7/1/31	5,021.50		505.32	4,516.18	138,163.04
86	8/1/31	5,021.50		489.33	4,532.17	133,630.87
87	9/1/31	5,021.50		473.28	4,548.22	129,082.65
88	10/1/31	5,021.50		457.17	4,564.33	124,518.32
89	11/1/31	5,021.50		441.00	4,580.50	119,937.82
90	12/1/31	5,021.50		424.78	4,596.72	115,341.10
91	1/1/32	5,021.50		408.50	4,613.00	110,728.10
92	2/1/32	5,021.50		392.16	4,629.34	106,098.76
93	3/1/32	5,021.50		375.77	4,645.73	101,453.03
94	4/1/32	5,021.50		359.31	4,662.19	96,790.84
95	5/1/32	5,021.50		342.80	4,678.70	92,112.14
96	6/1/32	5,021.50		326.23	4,695.27	87,416.87
97	7/1/32	5,021.50		309.60	4,711.90	82,704.97
98	8/1/32	5,021.50		292.91	4,728.59	77,976.38
99	9/1/32	5,021.50		276.17	4,745.33	73,231.05
100	10/1/32	5,021.50		259.36	4,762.14	68,468.91
101	11/1/32	5,021.50		242.49	4,779.01	63,689.90
102	12/1/32	5,021.50		225.57	4,795.93	58,893.97
103	1/1/33	5,021.50		208.58	4,812.92	54,081.05
104	2/1/33	5,021.50		191.54	4,829.96	49,251.09
105	3/1/33	5,021.50		174.43	4,847.07	44,404.02
106	4/1/33	5,021.50		157.26	4,864.24	39,539.78
107	5/1/33	5,021.50		140.04	4,881.46	34,658.32
108	6/1/33	5,021.50		122.75	4,898.75	29,759.57
109	7/1/33	5,021.50		105.40	4,916.10	24,843.47
110	8/1/33	5,021.50		87.99	4,933.51	19,909.96
111	9/1/33	5,021.50		70.51	4,950.99	14,958.97
112	10/1/33	5,021.50		52.98	4,968.52	9,990.45
113	11/1/33	5,021.50		35.38	4,986.12	5,004.33
114	12/1/33	5,022.05		17.72	5,004.33	(0.00)

TROY OHIO

Patrick E. J. Titterington
City Director
Patrick.Titterington@TroyOhio.gov

7 in

MEMORANDUM

TO: Mr. Rozell, President of Council

FROM: Patrick E. J. Titterington, Director of Public Service and Safety

DATE: May 31, 2024

SUBJECT: **CDBG ED RLF LOAN APPLICATION – A. M. Scott Distillery, LLC – 9 W. Main Street**

RECOMMENDATION:
That Troy City Council accepts the recommendation of the Loan Review Committee for a new loan from the CDBG Economic Development Revolving Loan Fund (ED RLF) to Anthony Scott and Jessica Nielsen, on behalf of A. M. Scott Distillery, LLC, for funds to finance the purchase of additional restaurant equipment at their location at 9 W. Main Street.

BACKGROUND:
In 2023, Anthony Scott and Jessica Nielsen, on behalf of A. M. Scott Distillery, LLC, received a CDBG Economic Development Revolving Loan Fund (ED RLF) for $300,000 to finance equipment for their new location at 9 W. Main Street. A. M. Scott Distillery LLC currently operates as a blender and bottler of fine spirits including vodka, gin, and bourbon. The business operation also includes Provisions Co., which is a retail store selling home/kitchen, barware/cocktails, apparel, and other Ohio inspired items.

A. M. Scott Distillery, LLC is now seeking an additional ED RLF loan in the amount of $150,000, with a term of seven years at 4.25% APR. The total project investment of $600,000 in equipment is expected with a result of thirty new jobs (full and part-time). The CDBG ED RLF Program requires at least 18 full-time employees to be hired with 8 of the 18 employees being low-to moderate income. The loan request is submitted because the commercial banks that the business owner sought out did not want to provide a loan for just the equipment alone, as financing for building repair has been secured. A. M. Scott Distillery, LLC will provide $150,000 in equity (25% of the project cost).

For this project, the applicant is seeking a loan as follows:

- Total project costs of approximately $600,000
- Loan principal of $150,000, exclusive of the closing fees which will be paid directly by the applicant
- Loan repayment term of 84 months
- 4.25% simple APR
- Collateral will be a UCC lien on all of the business assets
- A personal guarantee from Anthony Scott and Jessica Nielson
- Language will be included to provide for the City to recall the loan if stated equipment is not purchased and installed
- Expedited approval is requested so that the business can proceed with the purchase of additional equipment.

The Loan Review Committee reviewed this loan application on May 30, 2024, and recommended it be approved with the above terms. Information considered by the Loan Review Committee is attached.

REQUESTED ACTION:
It would be appreciated if you would assign to a Committee of Council consideration of the CDBG ED RLF loan to A. M. Scott Distillery, LLC as outlined above. Consideration of emergency legislation is requested so that the loan can be closed without delay and the business can proceed with the purchase of additional equipment.

encl.

TROY
DEVELOPMENT DEPARTMENT

Tim Davis
Development Director
tim.davis@troyohio.gov

TO: Members of the Loan Review Committee

FROM: Tim Davis, Development Director

DATE: May 15, 2024

SUBJECT: Loan Request - A. M. Scott Distillery, LLC

In 2023, Anthony Scott and Jessica Nielsen, on behalf of A. M. Scott Distillery, LLC, received a CDBG Economic Development Revolving Loan Fund (ED RLF) application for $300,000 to finance equipment for a new location at 9 W. Main Street. A. M. Scott Distillery, LLC, operates as a blender and bottler of fine spirits including vodka, gin, and bourbon. The business operation also includes Provisions Co., which is a retail store selling home & kitchen, barware, and cocktails, apparel, and other Ohio inspired items.

Anthony Scott and Jessica Nielsen, on behalf of A. M. Scott Distillery, LLC are seeking an additional ED RLF loan in the amount of $150,000, with a term of seven years at 4.25% APR, which amounts to approximately $2,204.30 monthly payments.

The total investment of $600,000 in equipment is expected with a result of thirty new jobs (full and part-time). The CDBG ED RLF Program requires at least 18 full-time employees to be hired with 8 of the 18 employees being low -to moderate income. The loan request is submitted because the commercial banks that the business owner sought out did not want to provide a loan for just the equipment alone, as financing for building repair has been secured. A. M. Scott Distillery, LLC will provide $150,000 in equity (25% of the project cost).

Staff recommends approval of the loan with the following terms:

- Total project costs of $600,000
- Loan principal of $150,000
- Loan repayment term of 84 months
- 4.25% simple APR
- Collateral will be a UCC lien on all of the business assets
- A personal guarantee from Anthony Scott and Jessica Nielson
- Expedited approval is requested so that the business can begin the purchase of equipment

TROY DEVELOPMENT DEPARTMENT

CITY OF TROY
SBD REVOLVING LOAN FUND
LIST OF EXHIBITS and SBD APPLICATION

- [ ] Completed application form plus $100.00. Additionally, a loan closing fee of 1.5%, plus any accumulated title search and legal fees are due at closing.

Financial: (Attach as Exhibit A)

- [ ] Detailed business plan for the expansion project;
- [x] Personal financial statement for each individual with at least twenty percent interest in the company;
- [x] Financial statements from prior three years (Balance Sheet and Profit and Loss statements);
- [ ] Schedule of Accounts Payable and Receivables;
- [x] Interim financial statement to the nearest quarter;
- [x] Proforma of financial projections on a quarterly basis for the first two years following the loan closing;
- [ ] Letter of recommendation or acknowledgement from existing debt-holder(s) regarding this application;
- [ ] Statement of the anticipated draw down schedule of SBD funds.

Collateral: (Attach as Exhibit B)

- [ ] Recent appraisal or county tax records of any real estate which will be offered as collateral;
- [ ] Listing of outstanding liens and mortgages on the property/assets proposed as security;
- [x] Evidence of authority to make improvements such as a deed, qualifying lease, or notarized authorization from the property owner;
- [ ] Personal Guaranty;
- [ ] If real estate is used as collateral then a recent title exam is required.

Project: (Attach as Exhibit C)

- [x] Detailed estimates for each projected expense of the business expansion;
- [ ] Verification of the costs/value of the assets to be funded as part of the total financing package;
- [ ] Construction plans for any proposed building improvements;
- [ ] Written cost estimates or contracts for building improvements.

City of Troy, Ohio
Small Business Development Revolving Loan Fund
Application

TROY DEVELOPMENT DEPARTMENT

APPLICANT:

Name	Phone Number	Fax Number
A.M. Scott Distillery, LLC	937-400-8625	

Email Address	Federal I.D.#:
scott.kinney@scottdistillery.com	87-4192478

BUSINESS:
(Borrower Name)

Name	Phone Number	Fax Number

Email Address	Federal I.D.#:

CURRENT ADDRESS

Street	City	State	Zip Code
214 S Mulberry Street	Troy	Ohio	45373

NEW ADDRESS
(if relocating):

Street	City	State	Zip Code

TYPE OF BUSINESS:

☐ PARTNERSHIP ☐ S CORPORATION ☒ LIMITED LIABILITY COMPANY
☐ SOLE PROPRIETOR ☐ C CORPORATION

NAMES AND ADDRESSES OF OTHER OWNERS WITH 5% OR MORE OWNERSHIP INTEREST:

Name	Address	City	State	Zip Code	Phone Number
Jessica Nielsen	same as above				
Vance Vair	same as above				

Description Of Current Operation:

A.M.Scott Distillery currently operates as a blender and bottler of fine spirits including vodka, Gin, Bourbon, and Rum. Operations also include ProvisionsCo which is a retail store selling home and kitchen items, barware, cocktails, apparel, and other Ohio inspired items. Most recently we are soon opening The Mayflower, a bar, restaurant, and live entertainment venue in downtown Troy.

Description Of Proposed Project

A. M. Scott Distillery is converting the existing Mayflower building in downtown Troy into a restaurant/speakeasy/entertainment venue. The venue will include a speakeasy, restaurant/entertainment area and a rooftop bar. Combined seating will be about 300. Furniture and fixture (FFE) costs for the venue have exceeded budget requiring additional sources of capital.

FINANCIAL PACKAGE REQUESTED: ***All applicants MUST provide 10% of the SBD Loan Amount.***

SOURCES		**AMOUNT ($)**	**USES**
SBD Loan Requested:		~~$300,000~~ $150,000 TR	Purchase additional furniture and fixtures
Equity Provided:			
Other Loans:	Bank:		
	Bank L.O.C.:		
	Supplier:		
	Other:		
	TOTAL:		

INDICATE THE STATUS OF OTHER FINANCING AND WHEN IT WILL BE AVAILABLE:

LENDER:
DATE: Name Address Contact Phone Number

LENDER:
DATE: Name Address Contact Phone Number

CURRENT DEBT:

LENDER: Name Address Contact Phone Number

Original Loan: Term: Payment:

Remaining Balance:

LENDER: Name Address Contact Phone Number

Original Loan: Term: Payment:

Remaining Balance:

LENDER: Name Address Contact Phone Number

Original Loan: Term: Payment:

Remaining Balance:

LENDER: Name Address Contact Phone Number

Original Loan: Term: Payment:

Remaining Balance:

PROPOSED PROJECT START DATE: April 1, ~~2023~~ 2024

ESTIMATED DATE RLF LOAN IS NEEDED: ~~May~~ August 1, 2024

TOTAL NUMBER OF CURRENT EMPLOYEES: ______ Full Time 6 Part Time

PROPOSED NEW JOBS:
(Enter for each year "new jobs" without totaling the previous year)

	1st YEAR	2nd YEAR	3rd YEAR	TOTAL
New Full Time	(20)	(2)	(2)	(2)
New Part Time	(30)	(3)	(3)	(3)

STARTING WAGE RATE FOR NEW EMPLOYEES:

JOB TITLE	# HIRES	WAGE RATE
Bartender	10	$7-$17/hr
Servers/host/runners	28	$5-$12/hr
Kitchen	9	$17/hr
Managers	3	$50,000-$75,000/yr

SBD Loan Terms

Less than ten years = 50% of Current Prime Rate	Ten to fifteen years = 75% of Current Prime Rate;	Fifteen to twenty years current Prime Rate.

Requested Loan Term: 7 yr
i.e. 5 years at 2.75%

BY SIGNING THIS FORM, I CERTIFY THAT THE ABOVE INFORMATION IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

SIGNATURE OF APPLICANT: ______________________ DATE: 4/16/24

Anthony M. Scott, Managing Member

A.M. Scott Distillery, LLC
ProForma
(2024-2026)

	2024	2025	2026
Ordinary Income/Expense			
Income			
AM Scott Distillery Spirits	1,354,000	1,742,000	2,157,000
Online Channel	35,000	37,000	39,000
Mayflower F&B Sales	1,524,000	2,200,000	2,400,000
Provisions Co at the Mayflower	213,000	224,000	236,000
Scotty's Bottle Parlor	66,000	70,000	74,000
ProvisionsCo at The Clock Tower	35,000	37,000	39,000
Total Income	3,227,000	4,310,000	4,945,000
Cost of Goods Sold			
AM Scott Distillery COGS	455,000	571,000	707,000
Provisions at Mayflower COGS	99,000	104,000	109,000
Mayflower COGS	558,000	824,000	886,000
Scotty's Bottle Parlor COGS	36,000	39,000	41,000
Total COGS	1,148,000	1,538,000	1,743,000
Gross Profit	2,079,000	2,772,000	3,202,000
Expense			
Cocktail Consulting	4,000	4,000	4,000
Marketing	32,000	34,000	36,000
Marketing and Sales Expenses	17,665	27,000	29,000
Subscriptions	6,000	10,000	11,000
Auto and Truck Expenses	12,000	13,000	14,000
Service Charges and Fees	59,000	90,000	94,000
Business Licenses and Permits	8,000	12,000	13,000
Charitable Contributions	18,000	19,000	20,000
Computer and Internet Expenses	19,000	20,000	21,000
Continuing Education	1,000	2,000	3,000
Live Entertainment	15,000	19,000	22,000
Excise Taxes	17,000	18,000	19,000
Depreciation Expense	43,000	59,000	60,000
Non-Capital Equipment	35,000	43,000	45,000
Insurance Expense	22,000	30,000	32,000
Interest Expense	23,000	25,000	27,000
Labor - AM Scott Distillery	538,000	762,000	765,000
Labor - AM Scott Management	513,840	540,000	564,000
Meals and Entertainment	13,000	15,000	16,000
Office/Retail/Prod. Supplies	20,000	23,000	25,000
Payroll Expenses	5,000	6,000	7,000
Postage and Delivery	1,000	2,000	3,000

A.M. Scott Distillery, LLC
ProForma
(2024-2026)

	2024	2025	2026
Ordinary Income/Expense			
Professional Fees	70,000	76,000	80,000
Rent Expense	196,950	291,000	313,000
Repairs and Maintenance	15,000	19,000	21,000
Sales and Marketing Expenses	19,000	20,000	21,000
Taxes	2,000	3,000	4,000
Utilities	21,000	32,000	34,000
Total Expense	1,746,455	2,214,000	2,303,000
Net Ordinary Income	332,545	558,000	899,000
Other Expense			
Investors Guaranteed Payment	100,000	0	0
Total Other Expense	100,000	0	0
Net Income	232,545	558,000	899,000
	7.2%	12.9%	18.2%

Troy City Loan Equipment Status List			
A.M. Scott Distillery LLC - Mayflower			
Vendor	**ITEM NAME**	**QTY**	**Purchase Price**
Amazon	Crytal Wall Sconce Gold	4	$ 641.96
Amazon	Wall Light Sconces	5	$ 246.05
Amazon	Thick Red Carpet Runner	1	$ 40.22
Amazon	Cordless Table Lamps	5	$ 385.15
Amazon	Cordless Table Lamps	4	$ 308.12
Amazon	Cordless Table Lamps	3	$ 231.09
Amazon	Cordless Table Lamps	5	$ 385.15
Amazon	Blackout Roller Shade	5	$ 262.15
Amazon	Lamp Shades Chandelier	4	$ 190.40
Amazon	Cordless Table Lamps	6	$ 414.66
Amazon	Cordless Table Lamps	1	$ 67.99
Webstaurant	8 Tap Kegerator Beer Dispenser	1	$ 3,295.69
Webstaurant	Regency 30x48 16 Gauge Stainless Steel Work Table with Sink	1	$ 649.00
Webstaurant	Ava Mix Commericial Blender with touchpad	1	$ 561.47
Webstaurant	Steelton 84" 18- Gauge Stainless Three Compartment COmmercial	1	$ 459.99
Webstaurant	Regency Bowl Underbar hand Sink 14 1/2" X 18 3/4"	1	$ 211.04
Webstaurant	Regency 3 bowl Underbar Sink 60'x 18 3/4	1	$ 439.64
Webstaurant	Regency 4 bowl underbar Sink 72" X 18 3/4	1	$ 611.10
Webstaurant	Regency Wall Mount Faucet with 10' Swing	1	$ 59.99
Webstaurant	Regency Wall Mount Faucet with 8" Swing	2	$ 117.98
Webstaurant	Regency 17" X 15" Wall Mounted Hand Sink	2	$ 153.58
Webstaurant	Waterloo Wall Mounted 4" and 6" Swing Spout	1	$ 99.99
Webstaurant	Pre Rinse Faucet	1	$ 389.99
Webstaurant	Regency Single Aluminum Swinging	1	$ 395.91
Webstaurant	Avantco Ice Full Cube Ice Machine	1	$ 3,324.60
Webstaurant	Flat Lein Napkins	1	$ 280.54
Webstaurant	Kichen Smallwares		$ 925.20
Webstaurant	Misc		$ 8,100.00
Restaurant Supply	Platers	72	$ 1,403.95
Restaurant Supply	Platers	24	$ 468.80
Home Dept	Tray Tables	50	$ 758.74
Adventure in Brew	Kegs	16	$ 1,677.34
Kegnado	Keg Mixers	2	$ 1,269.99
Trimark	Hobart Dishwasher	1	$ 25,549.00
Dark Star Marble 8	Mayflower Kitchen Granite	1	$ 1,745.10
Dark Star Marble 8	Dora Station Granite	1	$ 989.21
Dark Star Marble 8	Mayflower Bar and Bath		$ 6,778.03
LVS	Stage Lights		$ 14,654.53
LVS	Network Cabling		$ 1,620.85
Home Dept	Wall paper		$ 1,928.00
Lightspeed	POS System		$ 610.95
Build.com	Wine refergator	2	$ 3,938.42
Esty	Menus	80	$ 4,223.31
Concrafted	Gold Staircase		$ 16,300.00
Atlantic Welding	Roof Canopy		$ 35,603.00
Trimark	Glassware		$ 3,864.00
Trimark	Silverware		$ 3,223.00
Dayton Fireplace	50' Allusion Platinum Electric Fireplace	1	$ 1,699.00
			$ 151,553.87

Interest-Only Loan Calculator

Borrower: **A.M. Scott Distillery - Loan 2**
9 W. Main Street
Troy, OH 45373

City of Troy
100 S. Market St.
Troy, OH 45373

Loan Information	
Loan Amount	150,000.00
Annual Interest Rate	4.250%
Term of Loan (years)	7
First Payment Date	7/1/2024
Payment Frequency	Monthly
Compound Period	Monthly
Interest-Only Period (years)	0
Payment Type	End of Period
Rounding On	Yes

Summary	
Rate (per period)	0.354%
Number of Payments	78
Years to Pay Off	6 6/12
Total Payments	171,935.27
Total Interest	21,935.27
Est. Interest Savings	1,745.45

Traditional Loan Payment	2,067.63
Interest-Only Payment	531.25
Monthly Payment	**2,204.30**

Amortization Schedule

No.	Due Date	Payment	Additional Payment	Interest	Principal	Balance
						150,000.00
1	7/1/24	2,204.30		531.25	1,673.05	148,326.95
2	8/1/24	2,204.30		525.32	1,678.98	146,647.97
3	9/1/24	2,204.30		519.38	1,684.92	144,963.05
4	10/1/24	2,204.30		513.41	1,690.89	143,272.16
5	11/1/24	2,204.30		507.42	1,696.88	141,575.28
6	12/1/24	2,204.30		501.41	1,702.89	139,872.39
7	1/1/25	2,204.30		495.38	1,708.92	138,163.47
8	2/1/25	2,204.30		489.33	1,714.97	136,448.50
9	3/1/25	2,204.30		483.26	1,721.04	134,727.46
10	4/1/25	2,204.30		477.16	1,727.14	133,000.32
11	5/1/25	2,204.30		471.04	1,733.26	131,267.06
12	6/1/25	2,204.30		464.90	1,739.40	129,527.66
13	7/1/25	2,204.30		458.74	1,745.56	127,782.10
14	8/1/25	2,204.30		452.56	1,751.74	126,030.36
15	9/1/25	2,204.30		446.36	1,757.94	124,272.42
16	10/1/25	2,204.30		440.13	1,764.17	122,508.25
17	11/1/25	2,204.30		433.88	1,770.42	120,737.83
18	12/1/25	2,204.30		427.61	1,776.69	118,961.14
19	1/1/26	2,204.30		421.32	1,782.98	117,178.16
20	2/1/26	2,204.30		415.01	1,789.29	115,388.87
21	3/1/26	2,204.30		408.67	1,795.63	113,593.24
22	4/1/26	2,204.30		402.31	1,801.99	111,791.25
23	5/1/26	2,204.30		395.93	1,808.37	109,982.88
24	6/1/26	2,204.30		389.52	1,814.78	108,168.10
25	7/1/26	2,204.30		383.10	1,821.20	106,346.90

No.	Due Date	Payment	Additional Payment	Interest	Principal	Balance
26	8/1/26	2,204.30		376.65	1,827.65	104,519.25
27	9/1/26	2,204.30		370.17	1,834.13	102,685.12
28	10/1/26	2,204.30		363.68	1,840.62	100,844.50
29	11/1/26	2,204.30		357.16	1,847.14	98,997.36
30	12/1/26	2,204.30		350.62	1,853.68	97,143.68
31	1/1/27	2,204.30		344.05	1,860.25	95,283.43
32	2/1/27	2,204.30		337.46	1,866.84	93,416.59
33	3/1/27	2,204.30		330.85	1,873.45	91,543.14
34	4/1/27	2,204.30		324.22	1,880.08	89,663.06
35	5/1/27	2,204.30		317.56	1,886.74	87,776.32
36	6/1/27	2,204.30		310.87	1,893.43	85,882.89
37	7/1/27	2,204.30		304.17	1,900.13	83,982.76
38	8/1/27	2,204.30		297.44	1,906.86	82,075.90
39	9/1/27	2,204.30		290.69	1,913.61	80,162.29
40	10/1/27	2,204.30		283.91	1,920.39	78,241.90
41	11/1/27	2,204.30		277.11	1,927.19	76,314.71
42	12/1/27	2,204.30		270.28	1,934.02	74,380.69
43	1/1/28	2,204.30		263.43	1,940.87	72,439.82
44	2/1/28	2,204.30		256.56	1,947.74	70,492.08
45	3/1/28	2,204.30		249.66	1,954.64	68,537.44
46	4/1/28	2,204.30		242.74	1,961.56	66,575.88
47	5/1/28	2,204.30		235.79	1,968.51	64,607.37
48	6/1/28	2,204.30		228.82	1,975.48	62,631.89
49	7/1/28	2,204.30		221.82	1,982.48	60,649.41
50	8/1/28	2,204.30		214.80	1,989.50	58,659.91
51	9/1/28	2,204.30		207.75	1,996.55	56,663.36
52	10/1/28	2,204.30		200.68	2,003.62	54,659.74
53	11/1/28	2,204.30		193.59	2,010.71	52,649.03
54	12/1/28	2,204.30		186.47	2,017.83	50,631.20
55	1/1/29	2,204.30		179.32	2,024.98	48,606.22
56	2/1/29	2,204.30		172.15	2,032.15	46,574.07
57	3/1/29	2,204.30		164.95	2,039.35	44,534.72
58	4/1/29	2,204.30		157.73	2,046.57	42,488.15
59	5/1/29	2,204.30		150.48	2,053.82	40,434.33
60	6/1/29	2,204.30		143.20	2,061.10	38,373.23
61	7/1/29	2,204.30		135.91	2,068.39	36,304.84
62	8/1/29	2,204.30		128.58	2,075.72	34,229.12
63	9/1/29	2,204.30		121.23	2,083.07	32,146.05
64	10/1/29	2,204.30		113.85	2,090.45	30,055.60
65	11/1/29	2,204.30		106.45	2,097.85	27,957.75
66	12/1/29	2,204.30		99.02	2,105.28	25,852.47
67	1/1/30	2,204.30		91.56	2,112.74	23,739.73
68	2/1/30	2,204.30		84.08	2,120.22	21,619.51
69	3/1/30	2,204.30		76.57	2,127.73	19,491.78
70	4/1/30	2,204.30		69.03	2,135.27	17,356.51
71	5/1/30	2,204.30		61.47	2,142.83	15,213.68
72	6/1/30	2,204.30		53.88	2,150.42	13,063.26
73	7/1/30	2,204.30		46.27	2,158.03	10,905.23
74	8/1/30	2,204.30		38.62	2,165.68	8,739.55
75	9/1/30	2,204.30		30.95	2,173.35	6,566.20
76	10/1/30	2,204.30		23.26	2,181.04	4,385.16
77	11/1/30	2,204.30		15.53	2,188.77	2,196.39
78	12/1/30	2,204.17		7.78	2,196.39	(0.00)