

Sarah Marie Shallenberger intends to purchase a mixed commercial use property located at 4114 Main Street. The property consists of 2 two bedroom apartments and a operational bar at ground level. The purchase price of the property and its active liquor license is \$315,000.00 as per a signed sales agreement. Sarah Marie will contribute \$100,000.00 in capital to be used to purchase the liquor license and account for 20% down payment of the commercial mortgage. Sarah Marie will need to borrow \$215,000.00 in the form of a commercial mortgage to acquire the property. She will also need an additional \$100,000.00 in working capital to be used to renovate the property in its entirety and for start up costs. She plans to renovate the bar first with a reopening date of late February. Then she will renovate the interiors of the 2 apartments causing a rental price increase to \$1000 each.

Executive Summary

The bar/restaurant is a price friendly location for those who seek educated bar-man ship and well crafted cocktails, with an approachable yet notable beer selection, and easy yet technique driven menu items. Pop culture, art, music and skateboarding nuances will account for the subtle design details to create an easy feeling atmosphere that is appreciated by the local 25-35 age range. The bar/restaurant is located at the corner of Main Street and Penn ave, the cusp of Lawrenceville, Bloomfield and Garfield with numerous bus routes and major roadways running past. The bar will be open 7 days week from 5pm to 2am and serve food to its guests until 12am Sunday through Thursday and 1am Friday and Saturday.

The restaurant will strive to source its products from local purveyors in order to support its fellow business community members and stay true to seasonal food offerings. The menu will focus on artisanal sandwiches that are designed and prepared using classical cooking technique. The bar program will feature classic and modern twist craft cocktails that are created to be price conscious so that patrons can receive a well crafted cocktail without having to pay craft bar prices. A well curated beer selection will be offered through 10-15 draft beers and canned only beers. The establishments overall operation goal will be that of using as many environmental friendly options as possible.

The bar/restaurant will be owned and operated by Sarah Marie Shallenberger with kitchen help from Chef Anthony Castine. Sarah Marie has worked in the service industry for over 10 years in various locations across the city and Chef Castine currently holds the title of Chef de Cuisine of fine dining for Restaurant group Sienna Mercato. Together the two will design operation programs that can be easily managed and monitored.

Sales projections for the bar/restaurant assume patronage from an estimated 420 guests a week/60 guest a day. With an estimated per guest check average the bar will see \$10,500.00 in sales per week and \$546,000.00 in sales a year. This equates to \$x.xx per square foot. Total capitalization will amount to \$100,000.00 which will be contributed by Sarah Marie Shallenberger.

Mission:

The mission of this bar/restaurant is to provide its patrons with top quality service, libations, and food without the expense. Many of the new restaurant concepts that have entered this particular area has raised the expectation of clientele but have also become unaffordable by many locals. We hope to bridge the gap and offer what the customers seeks for

what the customer can afford. Our target market being the service industry workers of the surrounding restaurants and bars and the young adults that work for the nearby hospital and robotics organizations. In providing this to our customer we strive to do so through the use and support of local purveyors as well as utilizing as many green or environmentally friendly practices as possible.

Objectives:

Our goal is to provide our customers both new and repeating with exceptional customer service and well curated product. We also hope to educate both the customer and employee of the intricacies of dining and craft barman-ship. With a small and intimate operation we are able to delve into the niches and caveats of the libation and food world. We will encourage our staff to participate heavily in both local and national beer/liquor/dining events. Membership of local chapters of the United States Bartenders Guild and participation with local beer festivals will be highly encouraged of our bar staff. In addition we will encourage our kitchen to expand upon their understandings of classical cooking technique to create designed menu items that are simple yet well thought out.

Financial and Operationally, our goals are as follows:

- Launch the establishment with minimal publicity in early March, allowing word of mouth to drive customer traffic while allowing operational and new restaurant kinks to work themselves out with little harm to our reputation.
- To maintain direct food costs of 25-28% of food revenue
- To maintain beer and liquor costs separately of 25% of liquor and beer revenue.
- To maintain labor costs below 25% of revenue
- To reach sales of \$500,000.00 the first year and \$750,000.000 by year three of plan implantation.

The Bar and Restaurant

The restaurant will focus on specialty sandwich that focus on the use of classical cooking technique and adhere to the basic building blocks of cuisine: Protein, Starch, and Vegetable/ Acidity, Fat, and Texture. Other various sides and dips or easy bar snack will be included to help create a well rounded meal is need be and to help build check averages. An example sandwich might be braised pork belly with escarole and a tomato aioli on thick sliced semolina bread.(play on a BLT). Examples of sides, dips and bar snacks would be smoked beets with crumbled blue cheese and candied pepitas(pumpkin seeds),salumi giardiniera (purreed salumi pieces in olive oil) served with toast and goat cheese, and a bowl of crispy haminy. All items require little to no cooking time resulting in short ticket times and will assist cooks in high volume situations. The longest requirement for these menu items will be in the preparation stage where many things will be prepared to be easily assembled and plated during service. These menu will highlight the use of seasonal offering and will change when necessary to reflect what is currently abundant and available. By following seasonal offerings one will be able to obtain product for the lowest cost because supply outweighs demand.

The cocktail program will focus on using cost effective spirits to create a tiki or west coast style cocktail menu. Beyond maintaining liquor stock to support the menu that bar will also carry the classic spirits needed to create almost any craft cocktail while eliminating a lot of the necessary brands that are not widely used. An example of this would be to carry 2 types of vodka titos(well \$7/a shot) or kettle one(top shelf \$9/shot). Many of the mixers, and syrups used at the bar will be prepared or made in house to help decrease costs. Because these items are

made with high concentrations of sugar they have very long shelf lives. It will be the bar staff's collective responsibility to prepare the necessary syrups and fresh juice supply. The staff will also be encouraged to participate in menu and cocktail development. Staff cocktail creations will make up the ever changing bar menu.

The beer program will focus on a craft beer driven tap line up and can menu. Only draft beers will be sold to avoid unused product costs as well as take advantage of the large profit margin seen by draft beer sales. An example of the 15 draft line up is as follows.

1. Draft cocktail punch*
2. Yuengling
3. Pabst Blue Ribbon
4. Miller Lite
5. stout
- 6 porter
- 7 pale ale
- 8 IPA
9. Double IPA
- 10 Wheat beer
11. white beer
12. sour
13. seasonal
- 14 seasonal
- 15 seasonal

The restaurant

The restaurant is xxxx square feet of ground level space located at the corner of Penn Ave and Main Street. The space was an operating local bar that lacked a kitchen and will need a certain amount of renovation work and kitchen/draft system installation. Sarah Marie plans to add a small yet functional kitchen, 15 tap draft system, and ADA regulation bathroom for disabled patrons. The restaurant its self will focus on mostly bar seating with 6-7 bar height tables located around the perimeter of the bar. The front of the build will be opened up with the installation of retractable glass window allowing for an open air feel. The actual design and ascetics of the bar will be kept clean and simple and the theme or feel of the bar will instead be reflected in the menu design so that the space never becomes dated or stale. The menu will be a pamphlet style menu where the drink menu is located on the first page and the food menu located on the second page. The cocktails with be named after famous and local skateboards and example of this the Nyjah Houston (Kingsman Negroni) the following pages of the menu with list the cocktails of the menu but each page with start with a little informational paragraph about the skateboarder followed by the explanation or history of the cocktail named after him/her. This will allow the customer to understand the connection between the two. For example Nyjah is the worlds top skateboarder of this time. He briefly lived in Puerto Rico with his father. The kingston Negroni is a rum based negroni (made with puerto rican rum). At the header of each page there will be an illustration of the skateboarder in question. This illustration will also act as a marker or tracker that any smartphone can be placed over prompting the smart phone to load a youtube video of that skateboarder skateboarding. This will encourage customer interaction with the concept and the establishment. The bar will also feature a pool table for customer use.

Hours of Operation/Take out food

The establishment will be open for business from 5pm-2am 7 days a week. We plan to open for lunch food service in 6 months time of initially opening. This lunch hour will be from 12pm-2pm and pick up only. Food can be ordered for take out during operational hours. Food will not be eligible for delivery through third party sites.

Management and Organization

Owner Sarah Marie Shallenberger will act as the sole manager for the first 3 years of business. Sarah Marie Shallenberger holds ten years of extensive service industry and management experience. She worked for local B2 restaurant group located in Shadyside under various positions but held the title of bar/beer manager upon her resignation. She left to open The Beer Market located on the north shore as their corporate beer buyer. She was in charge of all bar related activity and events as well as the ordering, organization, pricing and serving of beer at the location. The location boasted 50 rotating taps and over 600 bottles. She also held weekly meeting with numerous beer reps to maintain proper seasonal beer offerings. She then left The Beer Market to join Sienna Mercato located in Downtown Pittsburgh where she assisted them in opening all three floors and concepts of the Sienna Mercato Building at 942 Penn Ave. She currently holds a position as server/bartender at their latest concept Mezzo located on the 2nd floor of the building. Sarah Marie Shaffer also owns a residential multi unit in Lawrenceville located at 299 Main Street and is familiar with the duties of being a Land lord and maintaining a rental property. She Also co owns a retail store located at 4116 Main street called Overcast Skateboard Shop. She is responsible for all of the financial, business, and payroll duties for this particular business.

Sarah Marie will over see the bar program directly and handle all meetings with regard to food and libation product. The staff will be encouraged to participate in the menu creations but all final menu drafts must be approved by Sarah Marie. Sarah Marie Shallenberger will be the sole person responsible for the success of the business until positions and appropriate job titles can be established. The kitchen will be organized by Chef Anthony Castine who holds the title of Executive Chef of fine dining at Sienna Mercato. He will assist in the building and organization of the new kitchen. he will also handle initial hiring process for kitchen employees and the relationship building with local purveyors and product suppliers. Chef Castine will also over see the initial menu development and cooking operations until an appropriate candidate can be promoted.

The bar will require 3 staff members who are required to work 4 days a week or equivalent 38 hours a week. The kitchen will require 3 staff members required to work 5 days a week or 35 hours a week. See attached projected staff schedule.

Target Customer

The bar restaurant is located at the corner of Penn Ave and Main Street at the cusp of Lawrenceville, Bloomfield, and Garfield. Near by are several bus lines and major city road ways making accessibility from outside neighborhoods very convenient. The bar is also located in a highly populated residential area that is still growing yet. Less then a mile away a large hotel is being built as well as several new construction apartment buildings. The bar is also with in

walking distance to the Children's Hospital. Our target bar customer is the 25-30 year old young professional who isn't in the height of his or her career but is still an active member of the Pittsburgh night life and enjoys libations and prepared food at least 3 times a week. These people expect great service and product but cannot necessarily afford the new establishments around the Lawrenceville area. Our target lunch customer will be one who works at the near by hospital who only has time to pick up food. With only pizza places nearby to feed these employees at lunch we hope to provide them with healthier options that they can purchase for around the same price.

Marketing

The marketing platform will be fairly simple and cost effective. Utilizing first and foremost a well curated Instagram presence that will be handled by a design studio for a small monthly cost. There will also be a Photo Booth present on the bar floor where guests are encouraged to use the machine to take photos and post them on social media and hang them on the walls of the bar. This will once again encourage direct customer interaction which creates a level of loyalty. Likewise in order to use the smart phone tracker that is located on the menu to load skateboard videos the customer must load the bar's personal phone app. This will connect the person app login to their personal Facebook page which will assist further in creating a data base of customers so that if need be we can contact or connect with them in the future about large events and new menu releases. Lastly the owner Sarah Marie Shallenberger is a personal member of the the United States Bartenders Guild and will use this connection to host USBG official events at the bar. These events focus on specialized topics of libation and bartending techniques and will bring a certain level of reputation to the bar itself as well as encourage an increase in customer traffic the day of the event. These events are marketed by the USBG who has the budget to do so on a grander scale.

The Rental Units

The property also contains 2 two bedroom apartments above the bar. The entrance to these apartments is not seen by the bar entrance and the tenants will have a high level of privacy despite the nature of the business below. The current layouts of the apartments is very dated and not attractive. The apartments are currently occupied for \$550/month. Sarah Marie will have the walls of the apartments removed leaving only the load bearing beams. In doing so the floor plans of the apartments will be opened up into a loft style feel with updated bathroom and kitchen amenities. Upon completion of the renovations the apartments will be considered much more attractive to renters and will be priced at \$1000/month. The estimated \$2000/month will be used entirely towards the monthly mortgage payments and utilities. The bar will also pay the building \$500/month (variable) rent. The monthly rent is variable to allow for the bar to lessen its operating costs when necessary i.e. in the first initial months of business. Once the nature of the business increases the rent will be increased to act as an outlet for additional taxable profits. By putting this taxable money back into the equity of the property the owner Sarah Marie Shallenberger will avoid paying the income tax on this money while paying off her loan for the property sooner than intending allowing for her personal equity of the property to increase.