

# June 4, 2018 BOCC Work Session Admin II Restaurant Lease Space Update

# Background

- BoCC approved renovation including two restaurant lease spaces in 2015
- Construction completion scheduled for Sept. 2018
- Economic Expansion on E. Main Street



## Restaurant Overview

- Open evenings and weekends
- Potential for ABC permits
- Patio seating
- Mix of restaurant styles

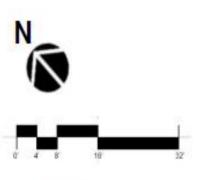














### FIRST FLOOR SPACE





# New Course for Durham County

- Highly Visible "Front Door" to Admin II
- Importance of Successful Tenants
- Challenges With New Restaurants
- Commitment to Select for Success



### Process for Selection of Tenants

- Begin With Guiding Principles
  - Past Board comments
  - Protection of the County's financial interests
  - Advice and Input from our Partners –
     DDI, MSH Consulting Group, The Institute, SCTDC



# Guiding Principles

- Activation of E. Main Street
- Strong Business Plan and Solid Financials
- Diverse and Small Business Participation
- Quality Products at Affordable Prices
- Uniqueness in the Market



### RFQ/P Selection Process

- County to issue Request for Qualifications and Proposal
- Two step RFQ/P process to ensure small businesses are not overburdened
- Technical assistance to be provided by two partners:
  - The Institute
  - Small Business and Technology Development Center



# Selection Process, cont.

- Phase I Qualifications and Business Plan
  - Year 1 Budget and Financing Plan
  - Management Team
  - Restaurant Concept
  - Operations
  - Marketing Strategy
- Committee to select short-list of responses to move into Phase II



# Selection Process, cont.

- Phase II Financial Projections and Proposal
  - Proposed Lease Rate and Tenant Improvements
  - Detailed Capital and Operating Budgets
  - 5-year Projected P&L
- Select 2 finalists to move into Lease negotiations and lease
- Tenants and leases brought to the Board for approval



### **Activities and Timeline**

- June September
  - Advertise RFQ Opportunity
  - Proposers Site Visits
  - Phase I Submittals Evaluated and Short Listed
- October November
  - Phase II Submittals Evaluated
  - Two Tenants Selected
  - Negotiate Lease Agreements
- December-January
  - Board Approval
  - Lease Term and Tenant Improvements Begin



### **Activities and Timeline**

- February May
  - Lease begins
  - Tenant Improvements and upfit will take approximately
     120 days to complete



# Next Steps

- Board will be asked to adopt a Resolution confirming that potential Tenants are authorized to obtain ABC permits.
- Staff will provide updates on RFQ issuance and informal progress updates.
- Board approval of selected tenants and leases







