



ONE CITY. ONE JACKSONVILLE.

# City of Jacksonville, Florida

*Lenny Curry, Mayor*

City Hall at St. James  
117 W. Duval St.  
Jacksonville, FL 32202  
(904) 630-CITY  
www.coj.net

## 1748 Bakehouse Summary November 13, 2018

### Company:

Born in the South, Inc.

### Background:

Born in the South, Inc. dba 1748 Bakehouse is an artisan bakery seeking to establish a bakery café at 1748 N. Main St. (southwest corner of 8<sup>th</sup> & Main streets) in Springfield. The project site is a Level 1 Economically Distressed Area (EDA). The principals of 1748 Bakehouse are Mrs. Allison D’Aurizio, President, and Mr. Kurt D’Aurizio, V.P. and Chef. Their Florida Corporation was established in January 2018. Presently they operate a bakery booth at the Riverside Arts Market and market their My Grandmother’s Pies through the internet, and custom bake for several retail locations. 1748 Bakehouse desires to lease and renovate a vacant storefront at 1748 N. Main Street (formerly Carl’s Restaurant) into a 34-seat bakery and restaurant. The private capital investment associated with the project for tax purposes is estimated to be \$295,000. The bakery and restaurant will create six full-time jobs and two part-time jobs.

1748 Bakehouse has stated that the financial assistance from the City of Jacksonville is necessary for the project to be completed.

No. of Jobs To Be Created	Capital Investment	Intangibles
6 new jobs @ an average wage of \$32,000 plus benefits. Additional part time jobs will be created as needed.	Estimated to be up to \$295,000 (Comprising \$217,000 in leasehold improvements and \$78,000 for machinery, equipment, furniture and fixtures, etc.)	Supports the attraction of a new retail business to the Springfield Commercial Corridor and renovates a vacant historical storefront building at the 8 <sup>th</sup> & Main Street intersection.

### Project Rationale & Benefits:

1. Supporting 1748 Bakehouse will introduce a new artisan bakery and restaurant to the developing Springfield Commercial Corridor, six new full-time jobs for the bakers and restaurant staff to serve the needs of the community resulting in the renovation of a vacant storefront within the N. Main Street retail corridor, and increase the commercial tax base.
2. The project will result in a private capital investment of \$295,000 within a Level 1 EDA within the Northwest Area of Jacksonville. The sources of funds include a \$160,000 SBA Loan through Florida Capital Bank, \$55,000 CDAP Loan, \$47,000 Landlord Contribution and \$33,000 Owner’s Equity.

**Project Incentives:**

**The City of Jacksonville proposes to provide:**

- The company is seeking public investment through the City of Jacksonville Commercial Development Area Program Loan in the amount of \$55,000 for a term and amortization of 10 years at the rate of 3 percent interest per annum. To qualify for the Commercial Development Area Program a business must be located within an Economically Distressed Area, as defined by the PIP. The monthly loan payments would be \$531.09 for a term of 120 months. Total repayment of the loan over the term is \$63,730. There is no prepayment penalty for the loan. The loan will be secured by a second assignment of the lease, security interest in the machinery, equipment, furniture and fixtures subordinate to the SBA loan. The CDAP loan proceeds will provide the funds necessary to complete the leasehold improvements needed to renovate the 1,500 sq. ft. vacant retail building at the southeast corner of 8<sup>th</sup> and Main streets. The loan repayment will provide a return of the principal amount of \$55,000 plus interest totaling \$8,730.
- Loan proceeds will be disbursed lump sum to the Company for leasehold improvements only after all other identified funding sources have been fully paid toward the project and substantial completion of the improvements. The Company will provide invoices, proof of payment, and/or other evidence that may be required at the discretion of the Office of Economic Development in order to verify substantial completion and total investment in the project prior to disbursement of City funds.
- The projected ROI based on the PIP approved formula is 1.35:1 for the City of Jacksonville.

**The total amount of City assistance is: \$55,000.**