

Grocery store checklist of documents/ steps necessary to evaluate projects based on previous City Requests for Qualifications.

Agenda Item 210090, Prepared for Jan 6, 2022 City Commission meeting by staff in the Office of Strategic Initiatives.

	Received	City Comment
1. Submission of named partners and LLCs	Multiple	City staff have received multiple LLCs with different partners. Unsure on the stability of the LLCs. See attached table for findings.
2. Professional reference for similar projects in character/ complexity from developer and supermarket operator	Partial	3 General references were received and 1 reference for a similar project. Developer - Mr. DeGeneste's reference was for the Ocala grocery store project, which is not completed. Supermarket Operator - There were no references for a similar project provided by the initial supermarket operator.
3. Detailed explanation of project and how incentives will be used	Received	Response is vague. Documentation states that sales agreement for the property is contingent upon City incentives.
4. Demonstration of past work on projects similar character/ complexity	None by developer	Developer has not completed a similar project. Initial supermarket operator has history of opening/maintaining grocery stores.
5. Community engagement post 90 –day pause since last engagement conducted on 8/28/21	Pending	Developer provided cell phone number for follow-up calls. Chamber of Commerce is conducting a survey on behalf of developer, results expected by 12/31/21.
6. Demonstration of experience of previous complex agreement (city incentives and forgivable loans)	Received – Acquisition and Development Agreement with the City of Ocala	Document is dated 5-16-2016 and is unsigned. No updated copy provided.
7. Market study/ gap analysis/ Environmental/ Feasibility study	None conducted by developer. None submitted.	
8. Appraisal of Property	Not conducted	City unsure of market value of property.
9. Multi-year Business Plan	None submitted	
10. Recruitment plan for additional tenants to fill vacant space in plaza	None submitted	Documentation states Developer will engage the pharmacy also used in Ocala.
11. Evidence on revenue assumption	None submitted	

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12. Plan for sustainability considering 2 previous grocery store failures in same location		Developer believes that Bravo’s business model is different than other grocery stores and therefore the store will be successful.
13. Detailed Pro Formas	High levels docs were submitted	Items are incomplete or not realistic. For example, estimated cost of electricity, roof and HVAC maintenance, etc. Developer was given the opportunity to update pro formas. He did not resubmit.
14. Financing plan/ structure to include all forms of debt and equity	None submitted.	Developer provided narrative that estimates project to cost over \$7,500,000. Accounting for the City’s contribution, the rest would come from a Property Assessed Clean Energy (PACE) program. City can’t evaluate full financing plan because one was not submitted.
15. Provide any projections or other material that has been shared with lenders or equity investors	Received documents pertaining to Ocala location	Staff cannot verify or validate is a similar agreement would apply to other lenders or equity investors for the Gainesville location.
16. Architectural drawings/renderings	None conducted/ None submitted	
17. Entity asking for incentives		The Developer has submitted and changed the LLC on multiple occasions. The most current LLC provided does not exist in Sunbiz, so It is unclear who the partners are (as of 12/18/2021). See attached table for notes.
18. List of permits, approvals, consents or other agreements that may be needed from any government entity beyond City of Gainesville	Anticipates only needed a certificate of occupancy	City staff finds this to not be a complete list.
19. Provide any additional concession, leasehold interest or license agreement which is contemplated with any related entity or third-party entity, including, but not limited to, retail leasing and grocery store/supermarket lease	None.	Documents contain statements that a lease will need to be obtained from Grocer (Bravo). Also stated is that the building needs to be LEED certified if the same bank is to be used as proposed in Ocala.

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20. Flowchart of relationship between developer and other entities/ equity partners	None submitted	
21. Five years of financial statements for the Development Entity	None submitted	Unsure why an unsigned, expired, pre-approval letter for a different project that included a previous partner that has since dropped out of the project was submitted. Staff unsure if entity can get financing for 2 projects that could be active at the same time.
22. List of pre-construction professionals <i>retained</i>	List of professionals received	Staff verified that most of the contacts listed were NOT retained. Only cursory discussions occurred. See Contacts and Reference Check document.
23. List and description of any pending or threatened claims, lawsuits, arbitrations, or investigations	Response was favorable, that the development team has no claims, lawsuits, etc.	Staff was not able to verify.
24. Purchase and Sale Agreement or option to purchase property	Incomplete	An addendum to the contract was submitted. Staff has not seen the completed contract.
25. Leases of current tenants in plaza	Submitted	
26. If Plaza is to be managed by a professional management company, submit draft agreement	None submitted	
27. Evidence of no bankruptcies or other finance issues for past 10 years	No evidence, only statement that no financial issues were present in history.	
28. Identify all milestones and preconditions necessary to proceed with development and project timeline	Received	Developer has not revised his timeline to reflect the changes during the 90 day pause. Staff questions completion of project by May 2022 is unrealistic.
29. Entity signing the promissory note		Fred Washington only.

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Grocery Store SunBiz Review

Entity	Link	Result	Mention	Notes:
Gainesville Food Security LLC	https://search.sunbiz.org/Inquiry/CorporationSearch/SearchResults/EntityName/Gainesville%20Food%20Security%20LLC/Page1?searchNameOrder=GAINESVILLEFOODSECURITY	Does not exist	final (002), page 1	Supermarket Due Diligence REVISED 2
Southern Accommodations LLC	https://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=SOUTHERNACCOMMODATIONS%20LL70001222190&accregistrationid=17000122219-c2ea4acc-856e-4775-a9fa-b63972782&searchTerm=southern%20accommodations&listNameOrder=SOUTHERNACCOMMODATIONS%20LL70001222190	Active	final (002), page 3	Supermarket Due Diligence REVISED 2
Southern Accommodations Paradise Park Plaza LLC	https://search.sunbiz.org/Inquiry/CorporationSearch/SearchResults/EntityName/southern%20accommodations%20paradise%20park%20plaza/Page1?searchNameOrder=SOUTHERNACCOMMODATIONS%20PARADISE	Does not exist	page 1	Term Sheet 7.8.21, page 1
FEW Grocers LLC	https://search.sunbiz.org/Inquiry/CorporationSearch/SearchResults?InquiryType=EntityName&inquiryDirectionType=PreviousList&searchNameOrder=FEWCONSTRUCTION%203074120&searchTerm=FEW%20grocers&entityId=307412&listNameOrder=FEWCONSTRUCTION%203074120	Does not exist	final (002), page 6	Supermarket Due Diligence REVISED 2
SHW Grocers LLC	https://search.sunbiz.org/Inquiry/CorporationSearch/SearchResultDetail?inquirytype=EntityName&directionType=Initial&searchNameOrder=SHWGROCERS%20P210000736930&accregistrationid=amp;e21000073693-7a8629a0-2ec8-4dcc-94b6-e1b309163336&searchTerm=SHW%20grocers&listNameOrder=SHWGROCERS%20P210000736930	INC, not LLC Active	final (002), page 7	Supermarket Due Diligence REVISED 2 Josephine Hart listed as officer and/or director of the corporation: https://search.sunbiz.org/Inquiry/CorporationSearch/ConvertTiffToPDF?storagePath=COOR%5C2021%5C0817%5C40718794.tif&documentNumber=P21000073693