



Department of Planning & Community & Economic Development

Economic Development Division

Matthew B. Mikolajewski, Director

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215 Martin Luther King, Jr. Boulevard
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www.cityofmadison.com/business

Office of Business Resources

Dan Kennelly
(608) 267-1968

Michael Miller
(608) 267-8721

Thomas Otto
(608) 243-01

Ruth Rohlich
(608) 267-4933

To: Common Council & Board of Estimates

From: Ruth Rohlich, Office of Business Resources

Date: February 27, 2017

Subject: Report of the Retail Improvement Grant Staff in Regard to the application for Red Square Flowers and approval of an exception to the "locally" owned requirement.

Summary:

On October 6th, 2015 the Common Council adopted Resolution Number RES-15-00784 approving the Objective and Criteria for the State Street District Improvement Grant Program. The resolution specifies that all Retail Improvement Grants be referred to the Common Council for approval.

Attached for your review are the following Retail Improvement proposal and exception:

- 1. Red Square Flowers**
132 State Street
Retail Contact: Alina Poletskova
See "Attachment 1" for details.

The scope of the work includes upgrades to windows, electrical, flooring, HVAC and restroom updates at an estimated cost of \$62,000.00 total of which \$31,000.00 would be granted through the Retail Improvement Grant Program.

Red Square Florwers will be opening this as a second location. Their first location is at 337 W Mifflin Street. Please note that they will be a new retail establishment on State Street.

This location was the long-time home of Mary's Tailoring. The owner of Mary's tailoring closed after many years of business. The Office of Business resources is working with an employee of Mary's Tailoring to see if we can find a new home for the business.

Recommendation:

Staff recommends approval of the \$31,000.00 eligible for reimbursement through the retail improvement grant.

February 28, 2017

Please note retailers have the ability to apply for additional grant funds up until the \$50,000 maximum per business is met or until the project ends. Red Square Flowers has been approved for \$0. The approval of this recommendation would bring their total to \$31,000.00

Red Square Flowers Project Estimated Cost	\$62,000.00
Match	\$31,000.00
Total City Retail Grant Funds	\$31,000.00

2. Francesca's Collections, Inc.,
644 State Street
<https://www.francescas.com/>

We are requesting an exception be made to allow Francesca's Collections, a national company with many locations, apply for a retail improvement grant.

The Retail Improvement Grant Program was designed to support independent retail to invest in buildings within the target area which is largely State Street. By encouraging current and new retailers to make improvements that would support and strengthen goods retailers we can help maintain a healthy balance between retail and restaurants.

We defined an Independent Retail Business as *"a for-profit business with the majority of the business' ownership being private, by employees, the community, or an area cooperative.*

Preference will be given to businesses registered in Wisconsin.

Franchises or national chains do not qualify as an independent retail business unless the individual franchise owner maintains independent control over business decisions regarding the name and look of the business, including marketing, advertising, logo design and branding decisions. Local retail location makes independent decisions regarding business procedures, practices and policies."

Francesca's Collections would be considered a national chain; however, there are a few nuances that make it more desirable than a traditional chain:

- Francesca's is maintaining a small foot print (1,700 sf), boutique style, of clothing retail layout. This is something that Tangible Consulting expressly identified as desirable in the recommendations they laid out in the Retail Study for State Street coordinated by the City's Planning Department. (p.60)
- Francesca's design style is to make each boutique unique to the area.
- Francesca's is a clothing retailer that could help add to the density of clothing stores in the area, which has been identified as a way to support local retailers on the street by strengthening the marketing of the street as a destination shopping area for women's clothing and accessories.

A few other reasons why we are recommending this change:

- Retail Improvement Grants will only exist until the end of this year. If the program were planned to continue for multiple additional years we may not make this recommendation, however, because there is a planned end to the program and there is still over \$400,000 available we believe encouraging a retailer like Francesca's to make upgrades to a retail space that would support future retail supports the goals of this program.
- Francesca's is negotiating a ten year lease with a renewal option. This is double the requirement of 5 years.
- The space at 644 State Street is in need of major upgrades to continue to accommodate retail. The cost of these upgrades is prohibitive without support from the Retail Improvement program for a retail space of this size.

February 28, 2017

Recommendation:

Staff recommends approval of this exception. If approval is granted, and the lease is signed, we will accept an application from Francesca's. That application will go through the normal approval process.

Conclusion:

Total funds requested	
Total Project Costs	\$62,000.00
Total Applicant Match	\$31,000.00
Total City Retail Grant Funds	\$31,000.00

Thank you,

Ruth Rohlich
Business Development Specialist
rrohlich@cityofmadison.com

February 28, 2017

Attachment 1: Red Square Flowers

**CITY OF MADISON
RETAIL IMPROVEMENT GRANT PROGRAM**



Strengthening Downtown Independent Retail

Department of Planning & Community & Economic Development
Economic Development Division
215 Martin Luther King Jr., Boulevard
Ruth Rohlich 267-4933
rrohlich@cityofmadison.com

PROGRAM APPLICATION

Applicant: ALINA POLETSKOVA Phone: 608 6090976 (cell)
 Business Name: RED SQUARE FLOWERS
 Building Name: _____
 Business Address: 132 STATE ST MADISON WI Zip Code 53703
 E-mail Address: alina@redsquareflowers.com
 Property Owner: Bill Cox
 Address: 130 State street Madison WI 53703
 Name of Grantee: ALINA POLETSKOVA (RED SQUARE FLOWERS)
 Lease Terms: 3 years with option for 2 year extension
 Definition of Project Scope: complete renovation: windows replacement (currently single glass/outdated), no HVAC - adding heating/cooling, floors updates, painting bathroom (next phase), electrical service.

ATTACHMENT

Please provide photographs and copy of lease, land contract, or deed. Tenants must provide owner's written authorization.

PROJECT BUDGET

List Individual Project Elements: (new flooring, new lighting, restrooms, etc.)	Total Cost	Grant \$	Private \$
<u>WINDOWS</u>	<u>20000</u>	<u>10000</u>	<u>10000</u>
<u>ELECTRICAL</u>	<u>16000</u>	<u>8000</u>	<u>8000</u>
<u>FLOORING</u>	<u>3500</u>	<u>1750-3500</u>	<u>1750</u> (M)
<u>PAINTING</u>	<u>3500</u>	<u>1750</u>	<u>3500 MATCH*</u>
<u>HVAC</u>	<u>16000</u>	<u>8000</u>	<u>8000</u>
<u>BATHROOM UPDATE</u> Total:	<u>3000</u>	<u>1500</u>	<u>1500</u>
Updated 02/15/2016	<u>\$62,000</u>	<u>\$31,000</u>	<u>\$31,000</u>

* Do not include... (partially visible)

**CITY OF MADISON
RETAIL IMPROVEMENT GRANT PROGRAM**

Strengthening Downtown Independent Retail



Department of Planning & Community & Economic Development
Economic Development Division
215 Martin Luther King Jr., Boulevard
Ruth Rohlich 267-4933
rrohlich@cityofmadison.com

- ALL ATTACHED*

Contractor/Supplier: HILL ELECTRIC, ALL COMFORT SERVICES, AYRES
Address: LAKE CITY GLASS, FLOOR COATINGS PRO, PAINTING,

ATTACHMENT

* Bids, estimates, and/or contracts, product brochures, locator map and design drawings, if appropriate.

REMARKS

APPLICANT'S CERTIFICATION

The Applicant certifies that all information in this application and all information furnished in support of this application is given for the purpose of obtaining a grant under the City of Madison Façade Grant Program and is true and complete to the best of the applicant's knowledge and belief.

Signature:  Leina Polekova Date: 02.20.17

Signature: _____ Date: _____

Please send this completed application and accompanying materials:

Economic Development Division
Attn: Ruth Rohlich
215 Martin Luther King Jr. Boulevard, Room 312
P.O. Box 2983
Madison, WI 53701-2983

2/20/2017


**Red Square Flowers and European Gifts, Inc.
Alina A. Poletskova, Agent**

**Cox Rentals, LLC,
By: William R. Cox, Member**

Cox Rentals, LLC approves the following estimates to be attached to Exhibit A on the Lease Agreement dated February 3, 2017 between Cox Rentals, LLC, Landlord and Red Square Flowers and European Gifts, Inc., Tenant.

- 1.) Lake City Glass \$19,600.00
- 2.) All Comfort Services, Inc. \$15,997.00
- 3.) Ayres Painting Co. \$3300.00
- 4.) Hill Electric, Inc. \$15,505.00
- 5.) Flooring Coatings Pro \$3,240.00
- 6.) Bathroom update \$3000.00

**Cox Rentals, LLC
By: William R. Cox, Member**


William R. Cox, Member

2/20/2017

City of Madison
Retail Improvement Grant Program
Department of Planning & Community & Economic Development
Economic Development Division
215 Martin Luther King Jr., Boulevard

Red Square Flowers and European Gifts, Inc.
Agent Alina Poletskova

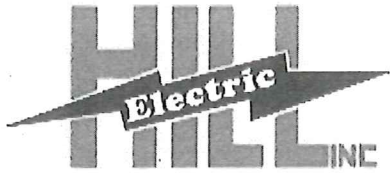
Cox Rentals, LLC
Agent William R. Cox

To the City of Madison Retail Improvement Grant Program,

Cox Rentals, LLC hereby gives Red Square Flowers and European Gifts, Inc., Alina Poletskova, Agent approval to apply for the City of Madison Retail Improvement Grant Program in regard to the retail space located at 132 State Street, Madison, WI 53703.

Cox Rentals, LLC
By: William R. Cox, Member

William R. Cox MEMBER
William R. Cox, Member



ELECTRICAL - VOICE - DATA - FIBER OPTICS

1513 Emil St., Madison, WI. 53713

Phone: 608-256-2983 Fax: 608-256-2012

Commercial
Industrial
Residential

PROPOSAL FOR ELECTRICAL WORK

February 15, 2017

Red Square Flowers
337 W. Mifflin St
Madison, WI 53703
Attn. Alina

Re: Red Square Flowers 132 State St. Madison, WI

We hereby propose to furnish all labor and material necessary to provide the following electrical installation in accordance with the specifications listed, and subject to the conditions of contract stated on the last page of this proposal.

We Propose: Electrical for remodel of space per walk thru (not including electrical service)

TO INCLUDE:

- City of Madison electrical permit
- Design Build
- Parking permits
- Hook up one compressor for the flower cooler (up to a 20 amp unit single phase)
- Hook up one condensing unit on the roof (up to a 50 amp single phase unit)
- Install conduit to the roof from the basement (roof penetration and sealing by others)
- Equipment to work in stairwell
- One furnace connection in the basement (120 volt)
- Install 6 keyless light fixtures in the basement storage room with CFL lamps
- Install track lighting in the store with LED lamps and dimmers (allowance of \$1,200.00 for lamps, dimmers, and light fixtures)
- Install a receptacle for the cash register
- Demo lights and ceiling fan
- Haul away trash (unless owner has dumpster to use, if so deduct \$200.00 from price)

NOT INCLUDED:

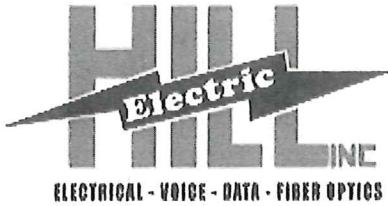
- Low voltage wiring for HVAC
- Any additional HVAC equipment not mentioned above
- Voice/data cabling

The price for the work described above will be: \$7,595.00

We Propose: Electrical Service per city of Madison and MGE

TO INCLUDE:

- City of Madison electrical permit
- Design Build
- Parking permits
- Coordination with MG&E
- Coordination with the city inspector
- Install electrical gear rated for the fault current
- Install a new 200 amp disconnect
- Install a new gutter per MG&E
- Install a 100 amp 3 phase service for Red Square Flowers
- Install a 60 amp service for the apartment
- Install a 60 amp service for the key shop
- Regular work hours figured Monday thru Friday 6 am to 4 pm



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1513 Emil St., Madison, WI. 53713

Phone: 608-256-2983 Fax: 608-256-2012

- Install a new panels and breakers as needed
- Label meters and panels

The price for the work described above will be: **\$7,910.00**

Payment terms: Balance due upon completion of contract and invoicing.

**If any additional electrical work, not covered by this proposal, were ordered by the electrical inspector, there would be an additional charge for that work.

We hope this proposal meets with your approval. Please call if you have questions.
Thank you for calling Hill Electric.

Accepted by Alina Poletskova By Aaron Ramberg
Customer  Estimator/Project Manager

Date 2/20/2017

Hill Electric requires a signed and dated copy of this proposal and attached Conditions of Contract returned to us before any work can begin.
This proposal is void if not accepted in writing within 30 days after this date.

CONDITIONS OF CONTRACT

Wiring Standard – All workmanship and materials are to comply with the requirements of the National Electrical code and the applicable local ordinances and the electrical plans and specifications applicable to the job.

Scope of Work – Unless specifically stated otherwise in this proposal, the scope of work covered by this proposal is limited to that work specifically covered by the electrical drawings and the electrical section of the specifications.

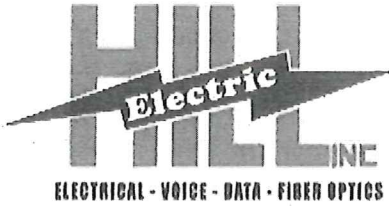
Lighting Fixtures – Unless it is specifically included in the electrical drawings and the electrical section of the specifications or specifically stated in the proposal, the furnishing and installing of electrical lighting fixtures and lamps is not included in this proposal.

Additional Work or Charges – Additional work or charges may be ordered in writing by the customer at any time, for which the customer agrees to pay in addition to the contract price named herein at a price agreed upon or at our regular rates for time and material work.

Written Orders – The electrical contractor shall receive written orders for all additional work or charges signed by an authorized person before proceeding with such extra work or charges.

Payments of Additional Work or Charges – Payments for additional contracts to the original contract shall be made under the same terms and conditions as are embodied in the original contract.

Contract Payments – The electrical contractor shall not be required to proceed with the installation of the work if the payments applying on same have not been made as specified in the contract. Terms of payment on all invoices are Net 30 days, with current interest rates listed on each invoice for balances extending beyond these terms.



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Unavoidable Interruptions – It is hereby mutually agreed that the electrical contractor shall not be held responsible or liable for any loss, damage or delay caused by fire, strikes, civil or military authority or any other cause beyond his control.

Charges to the Electrical Contractor – The electrical contractor shall not be liable for any charges for temporary wiring, electrical energy, heat, job cleanup, hoisting, job telephone, job office or storage space, etc., unless specifically so stated in this proposal.

Liquidated Damages – The electrical contractor shall not be liable of any charges for liquidated damages resulting from delay in completion of the work caused by factors beyond his control.

Transfer of Title – If the customer disposes of the real estate by sale or otherwise, the full amount remaining unpaid on this contract becomes due at once and payable within 48 hours after date of such proposal.

Arbitration – Any controversy or claim arising out of or relating to this contract or the breach thereof, shall be settled by arbitration, in accordance with the rules of the American Arbitration Association. Judgement upon the award rendered may be entered in the highest court of the forum, state or federal, having jurisdiction. Any costs incurred obtaining judgement or collection costs of any kind are the responsibility of the customer incurring the debt.

Lien Rights – As required by the Wisconsin Construction Lien Law, Contractor hereby notifies owner that persons or companies furnishing labor or materials for the construction on owner's land may have lien rights on owner's land and buildings if not paid. Those entitled to lien rights, in addition to the undersigned contractor are those who contract directly with the owner or who give the owner notice within 60 days after they first furnish labor or materials for the construction. Accordingly, owner probably will receive notices from those who furnishing labor or materials for the construction, and should give a copy of each notice received to his mortgage lender, if any. Contractor agrees to cooperate with the owner and his lender, if any, to see that all potential lien claimants are duly paid.

Initializing this form constitutes affirmation of understanding of the contract and these conditions. _____

CONDITIONS OF SUBCONTRACT
AFFIRMATIVE ACTION REQUIREMENTS SUBSECTION

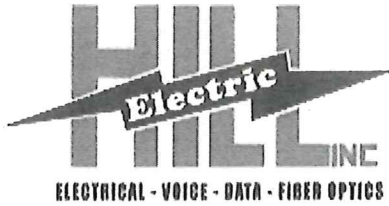
City of Madison AA ARTICLES OF AGREEMENT

ARTICLE I - The contractor shall take affirmative action in accordance with the provisions of this contract to insure That applicants are employed, and that employees are treated during employment without regard to race, religion, color, age, marital status, disability, sex or national origin and that the employer shall provide harassment-free work environment for the realization of the potential of each employee. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship insofar as it is within the control of the contractor. The contractor agrees to post in conspicuous places available to employees and applicants notices to be provided by the City setting out the provisions of the nondiscrimination clauses in this contract.

ARTICLE II - The contractor shall in all solicitations or advertisements for employees placed by or on behalf of the contractors state that all qualified or qualifiable applicants will be employed without regard to race, religion, color, age, marital status, disability, sex or national origin.

ARTICLE III - The contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided by the City advising the labor union or workers representative of the contractor's equal employment opportunity and affirmative action commitments. Such notices shall be posted in conspicuous places available to employees and applicants for employment.

ARTICLE V - The contractor agrees that it will comply with all provisions of the Affirmative Action Ordinance of the City of Madison, including the contract compliance requirements. The contractor agrees to submit the model affirmative action plan for public works contractors in a form approved by the Affirmative Action Division Manager.



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1513 Emil St., Madison, WI. 53713

Phone: 608-256-2983 Fax: 608-256-2012

ARTICLE VI - The contractor will maintain records as required by Section 39.02(9)(f) of the Madison General Ordinances and will provide the City's Division of Affirmative Action with access to such records and to persons who have relevant and necessary information, as provided in Section 39.02(9)(f). The City agrees to keep all such records confidential, except to the extent that public inspection is required by law.

ARTICLE VII - In the event of the contractor's or subcontractor's failure to comply with the Equal Employment Opportunity and Affirmative Action Provisions of this contract or Sections 39.03 and 39.02 of the Madison General Ordinances, it is agreed that the City at its option may do any or all of the following:

1. Cancel, terminate or suspend this contract in whole or in part.
2. Declare the contractor ineligible for further City contracts until the Affirmative Action requirements are met.
3. Recover on behalf of the City from the prime contractor 0.5 percent of the contract award price for each week that such party fails or refuses to comply, in the nature of liquidated damages, but not to exceed a total of five percent (5%) of the contract price, or five thousand dollars (\$5,000), whichever is less. Under public works contracts, if a subcontractor is in noncompliance, the City may recover liquidated damages from the prime contractor in the manner described above. The preceding sentence shall not be construed to prohibit a prime contractor from recovering the amount of such damage from the noncomplying subcontractor.

ARTICLE VIII - The contractor shall include the above provisions of this contract in every subcontract so that such provisions will be binding upon each subcontractor. The contractor shall take such action with respect to any subcontractor as necessary to enforce such provisions, including sanctions provided for noncompliance.

ARTICLE IX - The contractor shall allow the maximum feasible opportunity to small business enterprises to compete for any subcontracts entered into pursuant to this contract and shall document all good faith efforts. (In federally funded contracts the terms "DBE, MBE, and WBE" shall be substituted for the term "small business" in this article.)



AYREPAI-01

JLENZ01

CERTIFICATE OF LIABILITY INSURANCEDATE (MM/DD/YYYY)
02/17/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER AVID Risk Solutions, Inc. 2501 Parmenter Street Suite 200A Middleton, WI 53562	CONTACT NAME: Connie Williams	
	PHONE (A/C, No, Ext): (608) 827-4525	FAX (A/C, No): (608) 827-4712
E-MAIL ADDRESS: connie.williams@avidrisk.com		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Sheboygan Falls Insurance Company		15148
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED
 Ayres Painting Company
 6848 Schneider Rd
 Middleton, WI 53562

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X		CPP8796098	03/05/2017	03/05/2018	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/OP AGG \$ 2,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			CA8796098	03/05/2017	03/05/2018	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> RETENTION \$ 0			CXY 8796098	03/05/2017	03/05/2018	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
A	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in IH) <input checked="" type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WCY8796098	03/05/2017	03/05/2018	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYEE \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Cox Rentals, LLC is listed as additional insured in respect to general liability per written agreement.

CERTIFICATE HOLDER**CANCELLATION**

Cox Rentals, LLC
 819 Vista Ridge Drive
 Mount Horeb, WI 53572

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Brook J Ryan



3501 East Washington Ave. Madison, Wisconsin 53704
 Direct: 608-204-7690 Fax: 608-244-5531
 E-mail: mbrowne@lakecityglass.com

DATE	PAGE
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PROPOSAL NUMBER	
17-01-017	

To:	Red Square Flowers	Attn. :	Alina Poletskova
Project:	Red Square Flowers	Location:	Madison, WI
Architect:			

PROPOSAL

We Are Pleased to be offering a price for the following: Aluminum Storefront, Glass and Glazing

We have reviewed the following addenda: None

Qualifications and Exclusions:

- Price to furnish and install aluminum storefront in dark bronze anodized.
- Glazing is figured as 1" clear insulated glass with Low E coating on #3 surface.
- Pricing includes and allowance of \$300.00 for head and sill flashing if needed.
- Pricing includes new aluminum Kawneer medium stile door.
- Pricing includes the following door hardware: continuous geared hinge, LCN closer, latch lock, push/pull, cylinder, threshold, and sweep.
- Pricing includes demo.
- Since we could not measure the interior of the space pricing assumes that there is 4 1/2" or more between the face of the round steel columns and the existing glass.
- This price includes shop drawings submitted for approval, these shop drawings will be for our construction purposes only and will not be suitable for submittal for building permits.
- Building permits if needed are not included
- This price does not include repair of any concealed damage or sub- standard existing materials that are uncovered while removing the existing storefront framing.
- This price does not include any masonry or concrete work.

The total price to furnish and install, including taxes is \$ 21,724.00

If project is not awarded within 30 days, price may be subject to change, due to increasing cost from material suppliers.

EXCEPTIONS – IMPORTANT – PLEASE READ!

OUR PROPOSAL DOES NOT INCLUDE THE FOLLOWING:

1. This proposal supersedes any previously given, either written or verbal, is subject to change and may be withdrawn if not accepted within 30 days.
2. Cleaning or washing of any glass, aluminum or other items covered in this proposal and protection of same after installation, and replacement or repair of material damaged by others.
3. Furnishing or installation of any wood, masonry, steel, sub frames, blocking, etc., required for the subsequent installation of our materials or the installation of any electrical, heating, plumbing or other work which may be required except as noted in our quotation.
4. "Paid-if-Paid" Clauses
5. Barricades of all sorts against weather, pilferage or for other reasons.
6. Lake City Glass, Inc will not be responsible for assuring plans and specifications are compliant with building codes
7. Direct Owner Purchase's contracts must be pre-approved by vendors
8. Waiver of subrogation on workers compensation

Accepted: Alina Poletskova

Proposal By:

Mark Sheskey
 Lake City Glass

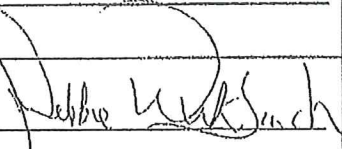
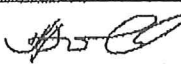
Date: 2/20/2017



3501 East Washington Ave. Madison, Wisconsin 53704
Direct: 608-204-7690 Fax: 608-244-5531
E-mail: mbrowne@lakecityglass.com

DATE	PAGE
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PROPOSAL NUMBER	
17-01-017	



PROPOSAL SUBMITTED TO RED SQUARE FLOWERS	PHONE: 608-609-0976	DATE: 2/13/17
STREET 132 STATE STREET	FAX #:	JOB PHONE:
CITY, STATE, ZIP: MADISON, WI 53703	JOB DESCRIPTION: FORCED AIR HEATING/COOLING	
ATTN: ALINA info@redsquareflowers.com	JOB LOCATION:	
Purchase and Installation of Lennox Furnace, Air Conditioner, and Duct Work <ul style="list-style-type: none"> ❖ Removal of 3 radiators in shop and 1 large radiator in basement below shop ❖ Cap off piping where radiators were removed (boiler piping will not be removed) ❖ 2" PVC for furnace exhaust will run up inside wall of shop to ceiling and then outside ❖ ML193-070 Lennox furnace to be installed in area directly below shop ❖ 13ACX -024 Air Conditioner to be placed on I-Beam on roof of building ❖ Evaporator coil ❖ Gas piping and Thermostat ❖ 4" filter system with return air drawing from lower level ❖ Line set for air conditioner to be installed along stairway wall then through roof ❖ Duct Work and 3) floor grills ❖ 1 year parts/labor warranty, 20 year heat exchanger warranty ❖ Sales tax, city permit <div style="text-align: right;"> <p>\$17,797.00</p> <p>Less - <u>1,000.00</u></p> <p>\$16,797.00</p> <p>Less <u>800.00</u></p> <p>\$15,997.00</p> </div> <ul style="list-style-type: none"> ❖ Does not include engineer, state plans/permits add \$950.00 if needed ❖ Does not include removal of piping in basement ❖ Does not include removal or disposal of through the wall air conditioner ❖ Electrical done by others ❖ Quote contingent on doing work during months of February or March ❖ All Comfort to have full reign, without other contractors scheduled at same time 		
WE PROPOSE TO FURNISH MATERIAL AND LABOR COMPLETE AND IN ACCORDANCE WITH ABOVE SPECIFICATIONS, FOR THE SUM OF:		
PAYMENT TO BE MADE AS FOLLOWS: \$5,000.00 down; balance due upon completion of work		
All material is guaranteed to be as specified. All work is to be completed in a professional manner according to standard practices. Any alteration or deviation from stated specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Worker's Compensation Insurance.	Authorized Debbie Wuksinich Signature 	Note: This proposal may be withdrawn by us if not accepted within <u>10</u> days.
ACCEPTANCE OF PROPOSAL - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work specified, Payment will be made as outlined above	Signature 	Signature _____
Date of Acceptance: <u>2/17/2017</u>	Signature _____	

Contract #: 160123JD1
Customer: Red Square Flowers
Address: 337 W Mifflin St, Madison, WI 53703
Contact: Alina Poletskova
Email: info@redsquareflowers.com
Fax:

Date: January 23, 2017
Sales Rep:
Phone:
Mobile: 608.609.0976
Pages: 3

Job: Red Square Flowers

Project Site Location: 132 State Street

Bidding Sections: For the application of a solid color aggregate casted flexible flooring system on 200 sf of partial concrete and partial plywood. Price is based off assumptions of flooring canvas under the existing carpet.

Coating System: *Flexolith system*

Customer to Provide: *See Floor Coatings Pro ("FCP") Proposal and Standard Contract Terms and Conditions*

Price: (Includes mobilization, material, equipment, labor, Tax) \$3,240.00

Payment Terms for Materials: *See FCP Standard Contract Terms & Conditions*

Payment Terms for Labor and Equipment: *See FCP Standard Contract Terms & Conditions*

Notes: The plywood substrate must be tongue and groove with screws every 3 inches for maximum security of floor.



6848 Schneider Rd.
 Middleton, WI 53562
 (608) 831-7438
 info@ayrespainting.com

Estimate

Date
1/31/2017

Name
Red Square Flowers 132 State St. Madison, WI 53703

Project site
Red Square Flowers 132 State St. Madison, WI 53703

Description	Labor and materials
Remove all slat wall and dressing room material. Dispose of offsite.	1,760.00
Repair screw holes. **If boards were glued more repairs may be necessary, increasing the price.	
Repair underside of header at storefront: scrape, seal, mud, sand, prime and texture to match.	
Prep and paint all walls and ceilings, two coats.	
Back of house stairwell/hallway: Scrape all loose areas. Seal one coat. Prep and paint all walls and ceilings, one coat.	770.00
Back of house bath: Scrape all loose areas. Seal one coat. Prep and paint all walls and ceilings, one coat.	330.00
Back of house storage area: Scrape all loose areas. Seal one coat. Prep and paint all walls and ceilings, one coat.	440.00
Total	\$3,300.00



116 East Dayton Street P: 608.825.0094 kontextarchitects.com
Madison, WI 53703 P: 608.251.7515
F: 866.926.9351

January 25, 2017

Alina Poletskova
Owner
Red Square Flowers
333 West Mifflin Street
Madison, WI 53703

RE: Proposal for Professional Services
Red Square Flowers Build-Out
132 State Street
Madison, WI

Dear Alina,

KONTEXT is pleased to submit this proposal for professional design and construction administration consulting services as they pertain to the lease space buildout for Red Square Flowers at 132 State Street, Madison, WI.

Our proposed scope of services follows. For purposes of brevity and consistency, KONTEXT architects, llc. will refer to itself as KONTEXT including consultants, and Alina Poletskova as Client.

SCHEMATIC DESIGN & PROGRAMMING:

KONTEXT shall provide Façade Alterations Approval Assistance

- Assist the Client in pursuing special considerations required by governing authorities. These may include:
 - Urban Design approval for changes to a façade in an Urban Design District. This assumes the façade changes do not greatly depart from the existing façade proportions and materials, and only require staff approval, not a full Urban Design Commission meeting.
- Gather and analyze data including facility plans, and other documentation in the Client's and KONTEXT's possession relevant to inform alterations. Field verify as necessary, includes first floor only.
- Review with the Client alternative approaches to design and construction of the Project.
- Based on the mutually agreed-upon program, schedule and construction budget requirements, prepare for approval by the Client, Schematic Design Documents consisting of drawings and other documents illustrating the scale and relationship of Project components.
- One meeting included.
- Represent the Client as project manager.
- Establish arguments and alternative approaches to governing authority's requirements for approval by the Client. Advise the Client on the potential impact of these arguments on the Client's program.

- Upon approval of the arguments Assemble pertinent data, complete applications, and submit to governing authorities.
- Meet and communicate with governing authorities in order to facilitate review process, respond to requests for information, and to present arguments when necessary.

PERMIT DOCUMENTS:

KONTEXT shall:

- Based on the existing plans and any further adjustments in the scope or quality of the Project by the Client, prepare, for approval by the Client, Permit Documents consisting of Drawings setting forth the necessary detailed requirements in order for the Client to acquire a building permit. This includes building design only.
- This is not a change of use of the space per building or zoning codes, so unless walls or doors are relocated or rebuilt as part of the project it will not require plan review.
- Assist the Client in connection with the Client's responsibility for filing documents required for the approval of governmental authorities having jurisdiction over the Project, including the City of Madison Zoning and Plan Review. (Building permit will be acquired by others.)
- Tenant move-in date is June, 2017.

BIDDING AND CONSTRUCTION AND OBSERVATION:

KONTEXT shall:

- Provide a total of 1 site visit in order to observe construction and to complete a certificate of compliance, when appropriate, as part of the Owner's responsibility to acquire occupancy permit.

Additional Services may include:

- Redesign resulting from value engineering or other construction cost reductions measures or exploration.
- Record Drawings
- Modifications to any approved documents requested and approved by Client.
- Modification to any approved documents required by governing authorities for any change in scope of work defined in said documents.
- Subsequent or additional bid or proposal solicitation.

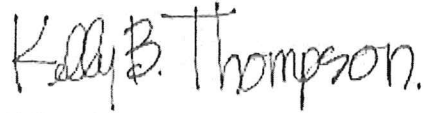
The fee for rendering professional services shall is itemized below, which includes Plan Review fees and Document Duplication and billed per the Standard Terms and Conditions. Reimbursable expenses and additional services shall be billed according on a Fixed Fee Basis per the Standard Terms and Conditions.

Our services can commence on the basis of your verbal authorization to proceed and receipt of \$1,500 retainer which will apply to the first invoice along with a written confirmation for our files.

Façade Alterations and Approval Assistance	\$2,000
<u>Permit Documents, Bidding and Construction Observation</u>	<u>\$1,800</u>
Total	\$3,800

Thank you for this opportunity to provide services for you. If you should have any questions, please don't hesitate to call.

Respectfully yours,



Kelly B. Thompson
Principal Architect


Attachments:

Standard Terms and Conditions

ACCEPTED:

The above selected scope of services, prices, and conditions are satisfactory and hereby accepted.

Alina Poletskova, Red Square Flowers

Signature  _____

Title CEO _____

Date of acceptance 2/20/2017 _____

STANDARD TERMS AND CONDITIONS

Performance

The terms and conditions stated herein shall be binding upon all assignees, heirs, partners, subsidiaries, limited liability company members, association members, employees, agents and representatives and any person or party intended to be or claiming to be a third party beneficiary of the services performed pursuant to this Agreement.

KONTEXT architects llc and its employees will exercise the degree of skill and care expected by customarily accepted practices and procedures. No warranties, expressed or implied, are made with respect to KONTEXT's performance, unless agreed to in writing. KONTEXT is not a guarantor of the project to which its services are directed, and its responsibility is limited to work performed for the client. KONTEXT is not responsible for acts or omissions of the client, nor for third parties not under its direct control. KONTEXT shall not be liable for any reason for any special, indirect or consequential damages including loss of use and loss of profit. KONTEXT may rely upon information supplied by the client engaging KONTEXT, or the contractors or consultants involved, or information available from generally accepted reputable sources, without independent verification. At no time shall KONTEXT be responsible for consultation services pertaining to hazardous materials including but not limited to asbestos, mold, and lead.

Client shall promptly notify KONTEXT of any claim for loss or damage which is alleged to have resulted from any action, error or omission of KONTEXT in performing its services. Client shall give KONTEXT reasonable opportunity to inspect and investigate the premises before any work to remove or remediate the existing work is performed. The failure of Client to give KONTEXT prompt notice and the reasonable opportunity to inspect and investigate the premises shall mean KONTEXT has no liability for the cost of any repairs or remedial action or for any other loss or damage claimed by Client.

These Standard Terms and Conditions shall continue in full force and effect during, as well as after, the completion or termination of KONTEXT's employment. These Standard Terms and Conditions shall control any conflicting term or condition unless KONTEXT shall agree in writing.

KONTEXT shall not have control over or charge of and shall not be responsible for construction means, methods, techniques, sequences or procedures, or for safety precautions and safety programs in connection with the project, since these are solely the responsibility of others. KONTEXT shall not have control over or charge of acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other non KONTEXT persons performing portions of the project.

KONTEXT's assumes no liability for services performed under this Agreement.

Value Engineering

If the Client engages the services of a Value Engineer or similar consultant to review the Construction Documents prepared by the KONTEXT or sub-consultants, these services shall be at the Client's sole expense and shall be performed in a timely manner so as not to delay the orderly progress of the KONTEXT's services. The Client shall promptly notify the KONTEXT of the identity of the VE and shall define the VE's scope of services. All recommendations of the VE shall be given to the Consultant for review in advance, and adequate time will be provided for the Consultant to respond to these recommendations.

If KONTEXT objects to any recommendations made by the VE or similar consultant, it shall so state in writing to the Client, along with the reasons for objecting. If the Client, in spite of the KONTEXT's objections, requires the incorporation of changes in the Construction Documents, the Client agrees, to the fullest extent permitted by law, to waive all claims against KONTEXT and to indemnify and hold harmless KONTEXT from any damages, liabilities or costs, including reasonable attorney's fees and costs of defense, which arise in connection with or as a result of the incorporation of such design changes required by the Client.

In addition, KONTEXT shall be compensated for services necessary to incorporate recommended value engineering changes into reports, drawings, specifications, bidding or other documents. KONTEXT be compensated as an Additional Service for all time spent to prepare for, review and respond to the recommendation of the VE. KONTEXT's time for performance of its services shall be equitable adjusted.

Use of Reports, Drawings, Etc.

KONTEXT retains Ownership of letters, reports, drawings, specifications, test data and notes. These documents or parts thereof may not be reproduced in advertisements, brochures, or sales material, nor used by the client for any purpose other than the purpose for which they were prepared, nor by third parties, without the written permission of KONTEXT. Conclusions by KONTEXT based on test results are limited to the specific conditions for which the tests were performed.

KONTEXT shall have no liability for Client's use of or reliance on KONTEXT's reports, drawings or other instruments of service on future projects for which KONTEXT is not retained to provide services.

Agreement(s) referencing these terms and conditions shall not be assigned or transferred without express written consent of KONTEXT.

Proposals

Proposals expire 120 days after submission to a client unless a different expiration limit is included in the proposal. KONTEXT may withdraw or modify a proposal at any time prior to acceptance by the client.

Fixed Price Contracts

Where KONTEXT and the client have agreed to a fixed price contract, the following terms and conditions are specifically excluded: Time Charges, Expenses, Equipment Usage, Affiliated Consultants, and Subcontracted Services. Progress payments will be arranged with the client. Other stated billing terms remain in effect.

Billing Terms

Net. 15 days.

Lien Law Notice

As required by Wisconsin construction lien law, claimant hereby notifies Client that persons or companies performing, furnishing, or procuring labor, services, materials, plans, or specifications for the construction on Client's land may have lien rights on Client's land and buildings and buildings paid.

Those entitled to lien rights, in addition to the undersigned claimant, are those who contract directly with the Client or those who give the Client notice within 60 days after they first perform, furnish, or procure labor, services, materials, plans, or specifications for the construction. Accordingly, Client probably will receive notices from those who perform, furnish, or procure labor, services, materials, plans, or specifications, for the construction, and should give a copy of each notice received to the mortgage lender, if any. Claimant agrees to cooperate with the Client and the Client's lender, if any, to see that all potential lien claimants are duly paid.

Time Charges

Accrued on an hourly basis, unless other arrangements are established. No increase in rates for overtime. No charge for out-of-town travel time of professional staff outside of normal 8-hour workday unless time is productive.

Fee Schedule

Project Administrator	\$65.00 per hour
Technician and Drafting	\$80.00 per hour
Project Architect	\$105.00 per hour
Project Manager / Consulting	\$130.00 per hour
Principal Architect	\$145.00 per hour

Expenses:

Public transportation; subsistence and out-of-pocket expense incurred during travel; communications; reproduction and shipping charges:

Cost plus 10% (Invoiced as an Expense Service Fee);

Expended materials for field and laboratory investigations; rental equipment; fees advanced on client's behalf:

Cost plus 10% (Invoiced as an Expense Service Fee);

Company or personal auto: Mileage to be paid at current federal rate;

*I am only including
the pages needed for
grant. Lease is available
in its entirety by e-mailing
rrrohlicl@cityofmadison
CO*

COMMERCIAL LEASE AGREEMENT

This Lease Agreement is entered into this 3RD day of February, 2017 (the "Effective Date"), between Cox Rentals, LLC, of Madison, Wisconsin, hereinafter referred to as Landlord, and Red Square Flowers and European Gifts, Inc., hereinafter referred to as Tenant.

RECITALS

The parties recite and declare:

- A. Landlord is the owner of the developed property described below, and Landlord desires to lease the property for use as a retail floral store. Landlord's agent is William R. Cox who shall be permitted to act in all instances under this Lease Agreement as and for the Landlord of the premises.
- B. Tenant desires to locate a retail floral and European gift store in Landlord's property. Tenant's agent is Alina A. Poletskova who shall be permitted to act in all instances under this Lease Agreement as and for the Tenant of the premises.

In consideration of the mutual covenants contained in this Lease Agreement, the parties agree as follows:

DESCRIPTION OF PREMISES

Landlord leases to Tenant the premises located on the first floor of the building at 132 State Street, Madison, Wisconsin 53703 (the "Building"), consisting of approximately 215 square feet of floor space, and a portion of the basement consisting of approximately 215 square feet of locked storage.

PURPOSE

Tenant shall use the premises for the exclusive purpose of operating a retail flower and gift sales business ("Tenant's Business") and for no other purpose. Tenant shall conduct Tenant's Business during all usual working hours exclusively for the activities of Tenant's Business.

Tenant shall not use the premises for any purpose in violation of any federal, state, or municipal statute or ordinance, or any regulation, order or directive of a governmental agency, as such statutes, ordinances, regulations, orders, or directives now exist or may hereafter exist, concerning the use and safety of the premises.

RESTRICTIONS ON USE

Tenant shall not conduct any activity that is unlawful, hazardous, or that would increase the premiums for insurance of Landlord for the Building or the premises.

Tenant shall be solely liable for any damage to persons or property that may be caused by the negligence or intentional act of Tenant, or the employees, agents, business invitees or customers of Tenant.

All advertising material that is affixed to the exterior portions of the Building by Tenant shall be submitted to Landlord for approval prior to installation (which such approval shall not be unreasonably withheld, conditioned, or delayed), and all advertising material installed shall be removed by Tenant on surrender of the premises. Landlord reserves the right to require Tenant to remove any exterior sign from the premises, which, in the reasonable judgment of the Landlord, may be objectionable.

Tenant shall not remove any fixtures or personal property belonging to the Landlord from the premises without the written consent of the Landlord.

RESERVATIONS BY LANDLORD

Landlord shall have the right to enter the premises upon at least twenty-four (24) hours' prior notice to Tenant at any reasonable hour to inspect the premises, to make repairs, alterations, or modifications as may be required, and to insure that the terms and conditions of this Lease Agreement are being fully and faithfully executed by the Tenant, provided ~~however that no such~~ notice shall be required in the case of an emergency, in which event, notice as reasonably possible after Landlord learns of such emergency. Landlord shall make efforts to make repairs, alterations, or modifications to the Building or premises at times that do not impact the operation of Tenant's business.

OK. 3yr
lease w/ 2
year option

TERM OF LEASE

The term of the lease shall be for three (3) years, commencing March 1, 2017 (the "Commencement Date"), and terminating February 29, 2020 (the "Initial Term"). Tenant shall have the option to renew the lease for one (1) additional term of two (2) years on the same monthly rent and other terms as provided in the last 21 months of the Initial Term of the lease (the "Option"). Tenant shall provide written notice to Landlord of Tenant's intention to exercise the Option at least six (6) months prior to the end of the Initial Term of the lease.

NOTICE AND PAYMENTS

Any and all notices, policies, general information or payments required under the terms of this Lease Agreement may be sent to, made to, or conveyed to Landlord c/o Landlord's agent, William R. Cox at 819 Vista Ridge Dr., Mount Horeb, WI 53572.

RIGHT OF FIRST OFFER

The premises is located adjacent to another rental unit that is part of the Building commonly referred to as 130 State Street. During the term of this Lease Agreement, and provided Tenant is not then in default and the current Landlord has not sold the Building, Landlord agrees that in the event the current occupant of 130 State Street vacates, Landlord agrees that, before soliciting any offers to lease 130 State Street from third parties or listing 130 State Street for rent, Landlord will contact Tenant and give Tenant an opportunity to offer to lease 130 State Street. In the event Landlord and Tenant cannot agree on mutually acceptable terms by which Tenant will rent 130 State Street within fifteen (15) days after Landlord first contacts Tenant, then Landlord shall be free to negotiate with other parties and enter into a lease agreement with someone other than Tenant ("Tenant's Right of First Offer"). Tenant's Right of First Offer shall terminate (a) upon a default by Tenant of Tenant's obligations under this Lease Agreement, (b) termination of this Lease Agreement, or (c) upon the sale of the Building by Cox Rentals, LLC.

TENANT:

RED SQUARE FLOWERS AND EUROPEAN GIFTS, INC.

By: 

Alina A. Poletskova, President

LANDLORD:

COX RENTALS, LLC

By: 

William R. Cox, Authorized Member