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Staff Report

To: Honorable Mayor and City Council members
From: Mandy Vavrinak, Economic Development Consultant
Re: Eighteen Forty Three on Broadway Incentive Agreement with 918 Holdings, LLC
Date: 9/6/19

BACKGROUND

Mr. Clint McKinney, owner and operator of Toast and Franklin's on Main in Broken Arrow, approached City staff several months ago with the idea of locating a new restaurant in downtown Coweta. Roger Kolman and I met with him to discuss his needs and vision and recommended some locations that fit his parameters. Mr. McKinney decided to pursue one of those recommended locations and has since moved steadily forward in his planning for a restaurant to be tentatively titled Eighteen Forty Three on Broadway, a reference to the founding of the Coweta Mission in 1843. Mr. McKinney is a proven restaurant operator with years of relevant experience. (See accompanying letter from Mr. McKinney)

Traditional financing can be a challenge for independent restaurants because banks often do not want to lend money for a restaurant's fixtures and equipment; this lack of capital can delay or even scuttle restaurant projects. An agreement such as the one proposed can be used by the applicant in obtaining and securing that financing.

Mr. McKinney presents a lower risk than a typical new restaurant due to his history. Providing him with a limited, performance-based incentive via sales tax reimbursement will accelerate his project at a time when momentum is building in the Broadway District, and further investment in the Broadway District will ultimately benefit the entire community.

RECOMMENDATION

Staff recommends the approval of the incentive agreement with 918 Holdings, LLC for an amount not to exceed \$150,000 and not to exceed five years, using one and one-half cents of every three cents the City collects in sales tax from Eighteen Forty Three on Broadway as the funding source.

ATTACHMENTS

Incentive Agreement
Letter from Mr. McKinney