



# MORGANTOWN BOARD OF ZONING APPEALS

July 15, 2015  
6:30 PM  
City Council Chambers

## **Board Members:**

Leanne Cardoso, Chair  
Bill Burton, Vice-Chair  
Linda Herbst  
George Papandreas  
Jim Shaffer

## **STAFF REPORT**

**CASE NO:** CU15-05 / South Perk Market / 258 Kingwood Street

### **REQUEST and LOCATION:**

Request by Adam Rosefsky for conditional use approval of a "Neighborhood Convenience Store" use in the R-1A District at 258 Kingwood Street.

### **TAX MAP NUMBER(s) and ZONING DESCRIPTION:**

Tax Map 29, Parcel 447; R-1A, Single-Family Residential District

### **SURROUNDING ZONING:**

R-1A, Single-Family Residential District

### **BACKGROUND and ANALYSIS:**

The petitioner seeks to establish a "Neighborhood Convenience Store" at 258 Kingwood Street. Addendum A of this report illustrates the location of the subject site.

Staff understands the first floor of the subject property was occupied from 1950 until 2001 by *Crestholm Pharmacy*. Prior to the pharmacy, the subject space, which is approximately 592 square feet, was occupied by a general store. The second floor of the subject property contains two dwelling units.

On 29 NOV 2012, the Board approved a conditional "Florist Shop" use for the subject space for *Mountaineer Gardening and Hydroponics* under Case No. CU12-17, which has since been closed.

The nature of the proposed business is to provide an open environment for customers to purchase coffee and baked good items, to peruse and purchase local products, and to provide artisans with a local venue to present their goods. The petitioner has submitted a detailed description and business plan for the proposed "South Perk Market."

The petitioner notes in the application documents that he (Rosefsky, LLC) owns the subject property and he and Ms. Sarah Cochran will form a limited liability company business organization that will own the "South Perk Market" business establishment.

Article 1329.02 provides the following definition for a "Neighborhood Convenience Store":

"Any retail establishment with a floor area of less than 3,000 square feet offering for sale a limited line of groceries and household items intended for the convenience of the neighborhood. The term is to be distinguished from 'gas station mini-mart.' No fuel sales are permitted on site."

Table 1331.05.01 provides that "Neighborhood Convenience Store" uses are permitted in the R-1A District with conditional use approval by the Board.

## **Development Services**

Christopher Fletcher, AICP  
Director

## **Planning Division**

389 Spruce Street  
Morgantown, WV 26505  
304.284.7431



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It is the opinion of the Planning Division that the proposed change in use to a "Neighborhood Convenience Store" does not result in an increase in the intensity of use from establishments that appear to have occupied the subject space on-and-off for the past 70 plus years.

It should be noted that "Liquor Store" and "Restaurant" uses of any type are not permitted in the R-1A District. Staff recommends that the Board stress to the petitioner that the proposed conditional use, if approved, is for a "Neighborhood Convenience Store" and that a limited line of groceries and household items must be offered as the establishment's foremost enterprise.

It should be noted that similar conditional "Neighborhood Convenience Store" use approval was granted by the Board on 19 JUN 2013 under Case No. CU13-10 for the *Green Arch Market* establishment located at 260 Green Street, which is located one (1) block (approximately 250 feet) from the petitioner's site.

### **STAFF RECOMMENDATION:**

The Board of Zoning Appeals must determine whether the proposed request meets the standard criteria for a conditional use by reaching a positive determination for *each* of the "Findings of Fact" submitted by the petitioner.

Addendum B of this report provides Staff recommended revisions to the petitioner's findings of fact (deleted matter struck through; new matter underlined).

Staff recommends approval of Case No. CU15-05 as requested with the following conditions:

1. That to ensure the approved conditional "Neighborhood Convenience Store" use does not detract from the residential character of the neighborhood:
  - a. A limited line of groceries and household items intended for the convenience of the neighborhood must be offered as the establishment's foremost enterprise; and,
  - b. The subject establishment may not be open later than 9:00 PM; and,
  - c. The petitioner must provide, to the satisfaction of the City Engineer, and properly maintain an appropriate public trash receptacle, the area around which the petitioner shall be responsible for keeping free from litter.
2. That the entire window frame on the ground floor facing Kingwood Street, which is further highlighted in the image below, must be filled with window glazing to reestablish the building's commercial storefront; provided, such glazing may not be comprised of a glass block window unit(s).

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3. That all regulated signage for the subject establishment must comply with related standards set forth in Article 1369 "Signs".
4. That the beneficiary of the conditional use approval granted herein shall be specific to the business organization to be formed by Mr. Adam Rosefsky and Ms. Sarah Cochran and may not be transferred without the prior approval of the Board of Zoning Appeals.

Enclosures: Application and accompanying exhibits

## **Development Services**

Christopher Fletcher, AICP  
Director

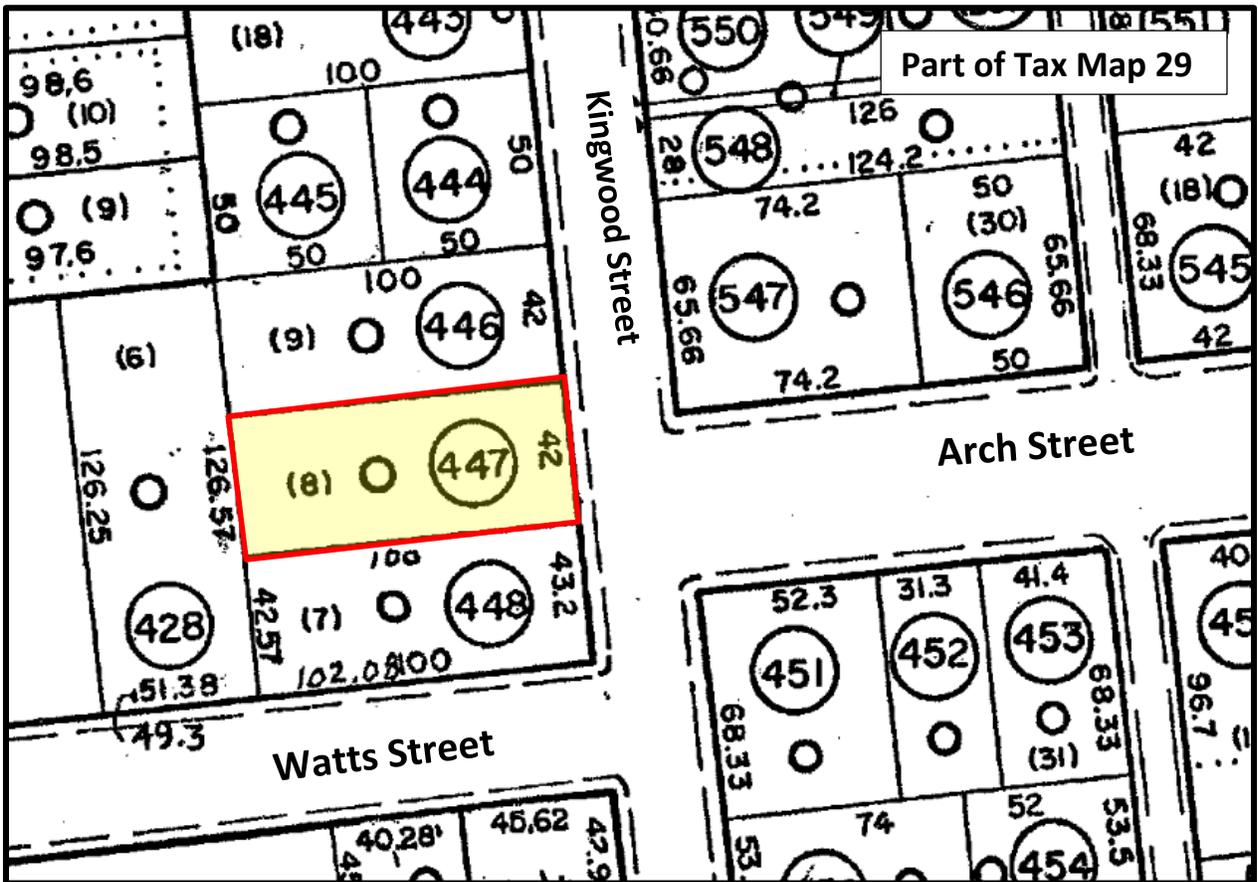
## **Planning Division**

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Morgantown, WV 26505  
304.284.7431

**STAFF REPORT ADDENDUM A**  
**CU15-05 / South Perk Market / 258 Kingwood Street**



Clipped from Google Maps



## STAFF REPORT ADDENDUM B

### CU15-05/ South Perk Mart / 258 Kingwood Street

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Staff recommended revisions to petitioner's Findings of Fact (deleted matter struck through; new matter underlined).

**Finding of Fact No. 1** – Congestion in the streets is not increased, in that:

The majority of traffic will be foot traffic. In order to assist with vehicular traffic there do four exist off street parking spaces. The proposed change in use from a "Florist Shop" use to a "Neighborhood Convenience Store" use does not appear to result in an increase in the intensity of use that requires consideration for the provision of additional on-site parking above that which is currently available as provided in Article 1365.02(B). The subject storefront has been previously occupied by various commercial uses for the past 70 plus years. The existing on-site parking appears to have sufficiently satisfied parking demand for the previous commercial uses.

**Finding of Fact No. 2** – Safety from fire, panic, and other danger is not jeopardized, in that:

There are both front and back entrances from the proposed store in case of accidents. The provided parking allows for clear access on the street and access for emergency vehicles. All related Building Code and Fire Code provisions will be addressed as required by the Code Enforcement Department and the City Fire Marshal.

**Finding of Fact No. 3** – Provision of adequate light and air is not disturbed, in that:

The business is not physically changing any buildings to affect surrounding properties. The business will be opening a previously blocked window to increase natural light within the proposed business space. No addition to the existing structure is proposed that would alter existing light distribution and air flow patterns within the general vicinity.

**Finding of Fact No. 4** – Overcrowding of land does not result, in that:

The business is not making any structural changes to the building or land, therefore no change to existing land use would result in increasing the mass, density, or intensity of the existing structure.

**Finding of Fact No. 5** – Undue congestion of population is not created, in that:

There is sufficient parking and walking space away from the street so as to not affect pedestrian or traffic flow. The historical trend of mixed-uses within the subject structure will continue and therefore not increase existing residential density.

**Finding of Fact No. 6** – Granting this request will not create inadequate provision of transportation, water, sewage, schools, parks, or other public requirements, in that:

There is currently existing parking to sufficiently handle anticipated traffic. The business use of the property will not affect any existing infrastructure.

**Finding of Fact No. 7** – Value of buildings will be conserved, in that:

The business is improving the interior of an existing commercial space and the facility will be returned to its historic (as per the National Registry of Historic Places) use. Occupying the vacant storefront with the proposed "Neighborhood Convenience Store" should serve to reestablish the historical mixed-use activity and vitality that has been enjoyed within the immediate area and Greenmont Neighborhood.

**Finding of Fact No. 8** – The most appropriate use of land is encouraged, in that:

The National Registry of Historic Places lists the original use of this space as a grocery store. Returning the use to a local convenience store is the most appropriate use of the property to fit into the South Park Historic District.



City of Morgantown, West Virginia

APPLICATION FOR TYPE IV SITE PLAN – CONDITIONAL USE

OFFICE USE	
CASE NO.	0415-05
RECEIVED:	6/4/15
COMPLETE:	

(PLEASE TYPE OR PRINT IN BLACK INK)

\$ 75.00 VISA

I. APPLICANT

Name:	South Perk Market	Phone:	304-276 8582
Mailing Address:	258B Kingwood St	Mobile:	
	Street Morgantown WV 26501	Email:	
	City State Zip		

Sarah

PAID JUN 04 2015

II. AGENT / CONTACT INFORMATION

Name:	Adam Rosefsky	Phone:	(304) 581-8613
Mailing Address:	PO Box 391	Mobile:	
	Street Dellslow WV 26531	Email:	adam.rosefsky@gmail.com
	City State Zip		

Mailings – Send all correspondence to (check one):  Applicant OR  Agent/Contact

III. PROPERTY

Owner:	Rosefsky LLC	Phone:	(304) 581-8613
Mailing Address:	PO Box 391	Mobile:	
	Street Dellslow WV 26531	Email:	adam.rosefsky@gmail.com
	City State Zip		

shoblitz@hotmail.com

IV. SITE

Street Address (if assigned): 258 Kingwood Street Tax Map #: 29 Parcel #: 447

Zoning:

Lot Dimensions: Width: 42 Ft. Depth: 100 Ft. Square Footage: 4200 ft.<sup>2</sup>

Shape of Lot:  Corner  Interior  Through  Flag  Irregular  Non-conforming

Existing Use of Structure or Land: The Commercial section of the property has been used as a business office for the last 6 months. Prior to that it was a Hydroponic Gardening Store, A Pharmacy and a Grocery Store.

Proposed Use of Structure of Land: We propose to closely align with the original use of the space by opening a Convenience store.



APPLICATION FOR TYPE IV SITE PLAN – CONDITIONAL USE

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V. STRUCTURE

Proposed Setbacks: Front: \_\_\_\_\_ ft. Rear: \_\_\_\_\_ ft. Side A: \_\_\_\_\_ ft. Side B: \_\_\_\_\_ ft.  
 Proposed Height of Structure: \_\_\_\_\_ No. of Proposed Off-Street Parking Spaces: \_\_\_\_\_  
 No. of Dwelling Units (if applicable): \_\_\_\_\_ No. of Bedrooms: \_\_\_\_\_ No. of Employees: \_\_\_\_\_  
 Square Footage of all Proposed Structures (please explain): \_\_\_\_\_

VI. SITE PLAN

A Site Plan (8 copies), drawn to scale, that includes the following elements must accompany the application if not provided above in Sections IV and V:

- (a) The actual dimensions, size, square footage, and shape of the lot to be built upon as shown on an actual survey by a registered design professional licensed by the State of West Virginia.
- (b) The exact sizes and locations on the lot of existing structures, if any;
- (c) The location, square footage, and dimensions of the proposed structure or alteration;
- (d) The location of the lot with respect to adjacent rights-of-way;
- (e) The existing and proposed uses of the structure and land;
- (f) The number of employees, families, housekeeping units, bedrooms, or rental units the structure is designed to accommodate;
- (g) The location and dimensions of off-street parking and means of ingress and egress for such space;
- (h) Height of structure;
- (i) Setbacks;
- (j) Buffer yard and screening, if applicable;
- (k) Location of garbage collection area and screening;
- (l) Location of existing and/or proposed signs, if applicable;
- (m) Roadway typical detail for internal roadways, if applicable;
- (n) Location and size of stormwater management facilities; and,
- (o) Utility lines and easements, if applicable.



**APPLICATION FOR  
TYPE IV SITE PLAN – CONDITIONAL USE**

OFFICE USE	
CASE NO.:	CUIS-05
RECEIVED:	_____
COMPLETE:	_____

**VII. SUPPLEMENTAL PLANS AND EXHIBITS**

Applicants **MUST** also submit the following plans and exhibits, unless waived by the Planning Director:

- (a) Drainage plan and drainage calculations that bear the name, address, signature and seal of a registered professional engineer licensed by the State of West Virginia, with floodplain zones clearly denoted, a typical of all swales, and a design of the drop inlets.
- (b) If applicable, design of stormwater management facilities and drainage calculations that bear the name, address, and seal of a registered professional engineer licensed by the State of West Virginia that meet the requirements of the City Zoning Ordinance, the City Stormwater Management Ordinance, and all other applicable local, state and federal regulations.
- (c) Parking and Landscaping Plan
- (d) Sign Plan
- (e) Approved WV Division of Highways Access Permit, if applicable
- (f) Sediment and erosion control plan as approved by the West Virginia Department of Environment Protection and the City of Morgantown
- (g) Approved State of West Virginia NPDES General Permit for Storm Water Associated with Industrial (Construction) Activity, if applicable
- (h) A traffic impact study, if required by the City Engineer
- (i) The Planning Director may require the applicant to submit additional information concerning the lot or neighboring lots to determine conformance with, and provide for the enforcement of, the City Zoning Ordinance.
- (j) The Planning Director may require the applicant to submit, in the case of accessory structures or minor additions, dimensions shown on plans relating to the size of the lot and the location of the structure(s) thereon be based on an actual survey prepared a registered design professional licensed by the State of West Virginia.

Applicants submitting a conditional use application in accordance with Article 313.05 "Building Height and Use" within the B-4 General Business District **MUST** also submit the following analyses:

- (a) An air flow analysis conducted by a licensed architect or profession engineer, describing the estimated impact of the proposed building on existing patterns of air flow in the general vicinity; and how those impacts may affect existing properties with a 300 foot radius of the site.
- (b) An analysis of the impacts of the proposed building on sunlight distribution in the general vicinity, with special emphasis on predicting light blockage and shadow casting onto all properties with a 300 foot radius of the site. Such analysis shall be conducted by a licensed architect or professional engineer.
- (c) An analysis of the potential of "stepping back" upper floors as a technique to avoid negative impacts with respect to light and airflow, and to minimize the canyon effect of non-recess tall buildings. Such analysis shall be conducted by a licensed architect or professional engineer.
- (d) An infrastructure and traffic analysis predicting the impacts of the building on water, sewer, drainage, electrical and gas infrastructure, on transportation levels of service (including transit) for impacted streets, and on fire suppression capabilities of the city. Such analysis shall be conducted by a licensed architect or professional engineer.



**APPLICATION FOR  
TYPE IV SITE PLAN – CONDITIONAL USE**

<b>OFFICE USE</b>	
CASE NO.	<b>CU15-05</b>
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COMPLETE:	_____

**VIII. FINDINGS OF FACT**

The Board of Zoning Appeals may grant the request only if each of the Conditional Use Findings of Fact Criteria is determined to be in the positive. Applicants must give their own responses to the criteria statements provided below.

**This Conditional Use is within the fitting character of the surrounding area and is consistent with the spirit, purpose, and intent of the Zoning Ordinance, because,**

**1. Congestion in the streets is not increased, in that:**

The majority of traffic will be foot traffic. In order to assist with vehicular traffic there are four existing off street parking spaces.

**2. Safety from fire, panic, and other danger is not jeopardized, in that:**

There are both front and back entrances from the proposed store in case of accidents. The provided parking allows for clear access on the street and access for emergency vehicles.

**3. Provision of adequate light and air is not disturbed, in that:**

The business is not physically changing any buildings to affect surrounding properties. The business will be opening a previously blocked window to increase natural light within the proposed business space.

**4. Overcrowding of land does not result, in that:**

The business is not making any structural changes to the building or land, therefore no change to existing land use.

**5. Undue congestion of population is not created, in that:**

There is sufficient parking and walking space away from the street so as to not affect pedestrian or traffic flow.



APPLICATION FOR TYPE IV SITE PLAN – CONDITIONAL USE

OFFICE USE	
CASE NO.	CM15-05
RECEIVED:	
COMPLETE:	

VIII. FINDINGS OF FACT (cont.)

6. Granting this request will not create inadequate provision of transportation, water, sewage, schools, parks, or other public requirements, in that:

There is currently existing parking to sufficiently to handle anticipated traffic. The business use of the property will not affect any existing city infrastructure.

7. Value of buildings will be conserved, in that:

The business is improving the interior of an existing commercial space and the facility will be returned to its historic (as per the National Registry of Historic Places) use.

8. The most appropriate use of land is encouraged, in that:

The National Registry of Historic Places lists the original use of this space as a grocery store. Returning the use to a local convenience store, is the most appropriate use of the property to fit into the South Park Historic District.

IX. ATTEST

I hereby certify that I am the owner of record of the named property, or that this application is authorized by the owner of record and that I have been authorized by the owner to make this application as his/her authorized agent and I agree to conform to all applicable laws of this jurisdiction. I certify that the information submitted herein and attached hereto is true and accurate and understand that if found otherwise may result in the denial of this request or subsequent revocation of any and all related approvals. The undersigned has the power to authorize and does hereby authorize City of Morgantown representatives on official business to enter the subject property as necessary to process the application and enforce related approvals and conditions.

Adam Rosefsky

Type/Print Name of Applicant/Agent

[Signature]

Signature of Applicant/Agent

4 June 2015

Date

- Conditional Use Petition Fee of \$75 must accompany application

CW15-05

**SOUTH PERK**

# South Perk Market

South Park Market for Local and Unique Products

258 B Kingwood Street  
Morgantown, WV 26501

p. 304-581-8613

Adam.rosefsky@gmail.com  
shoblitz@hotmail.com

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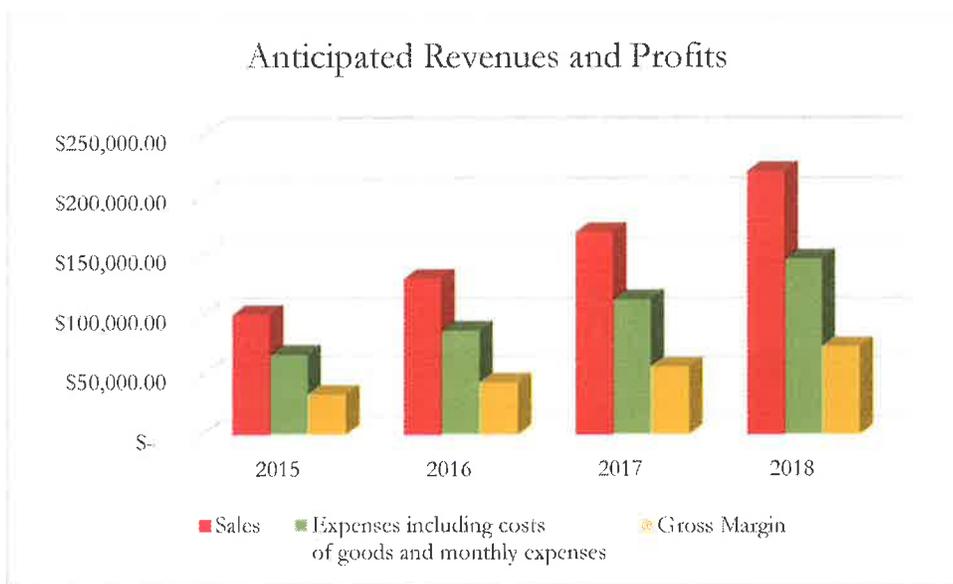
## Executive Summary

The South Park area of Morgantown is an eclectic mix of students, professors and professionals with expendable income who enjoy a preference for locally sourced, healthy and organic products. This immediate area is primarily residential and has a dearth of options for obtaining these products without a long walk or drive to the big box stores.

South Perk Market will provide bagged and fresh brewed coffee sourced from local roasters as well as local teas, premade artisan baked goods, juices, snacks, newspapers, household goods such as locally made pottery, and local hand crafted beers and wines.

Additionally, it will provide small seating areas where customers can relax, work and utilize free WiFi.

### Highlights



### Objectives

1. To make South Perk Market the preferred stop for area residents to procure local made and sourced bagged and brewed coffees, teas, snacks and unique household items
2. To show a small profit by the end of year one
3. To enjoy slow steady growth as the name and reputation grows.

## **Mission Statement**

South Perk Market will set a precedent for local standards. The convenience store will provide an open, friendly environment for customers to get a quick grab and go coffee and baked good on their way to school or work, to peruse and purchase local products, and to provide local artisans with a local venue to present their goods.

## **Keys to Success**

South Perk Market's keys to success are:

- 1) The only market in the area to focus on local and organic produced goods and services
- 2) The only market in the area to provide fresh brewed coffees and teas to residents on their way to work and school
- 3) Participation of local artisans to spread the word and bring in customers
- 4) Prime location for local and foot traffic

## **Description of Business**

South Perk Market is a startup venture that will occupy a space currently owned by one of the partners. It is located along one of the main walking and driving paths from South Park to downtown business areas, the PRT as well as the University's downtown campus.

South Perk Market will also offer a variety of local made artisan foods such as baked goods, sandwiches peperoni rolls, etc. as well as coffee and tea drinks for customers in a hurry. Along with these offerings, there will be a deluxe coffee bar, varieties of bagged teas and coffees, bagged snacks, cold drinks and other items. Unlike other convenience stores, you will have the option to peruse the without hurry or discomfort. A few tables and a counter with bar stools will be established in the front for a view of the neighborhood and there will be tables in the back for quiet and privacy for those who wish to take a break. This will help to meet the customer's needs for goods and still provide some relaxation to their day.

## **Company Ownership/Legal Entity**

South Perk Market will be an LLC Partnership between Adam Rosefsky and Sarah Cochran. Adam Rosefsky currently owns the property where South Perk Market will be located. Sarah Cochran is a lifelong local resident of Morgantown, with strong connections to the community and many of the local artisans. Sarah will have the day to day operations of South Perk Market and Adam will provide facilities and financing.

**Location**

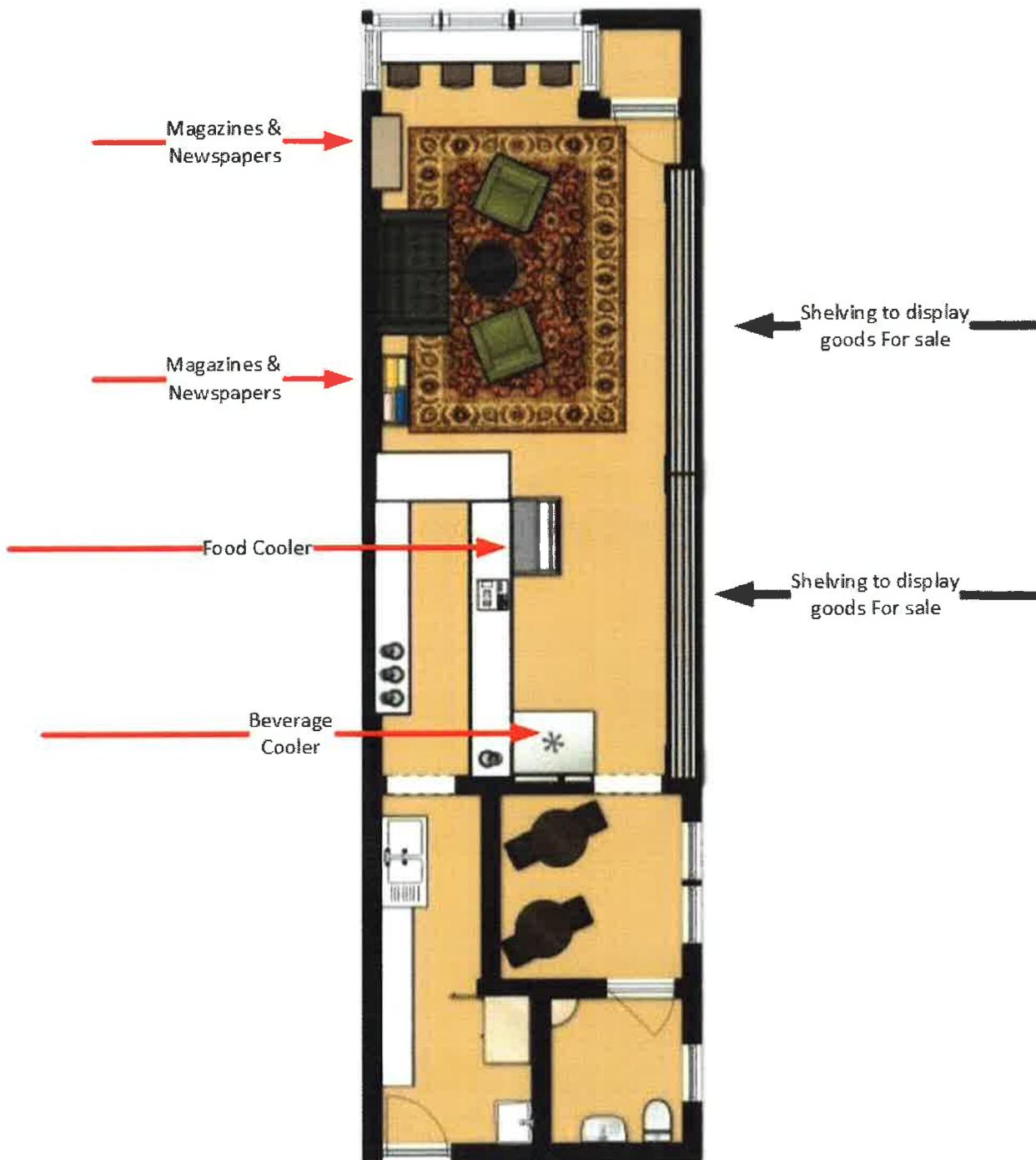
In 1950, Emil Ferrara, converted a grocery store into the Crestholm Pharmacy. He ran that pharmacy for 49 years. The Crestholm Pharmacy and the grocery store before it are specifically identified in the Department of Interior National Registry of Historic places as one of the few nonresidential locations in the South Park Historic District.

South Perk Market will be located in this historic site and will convert it back to its original use, a convenience store.

This location ideal to take advantage of the walking traffic and maintain the integrity of the original uses of this historical location. The site has 4 off street parking spots to ensure that converting the use back to its original use as a store will not interrupt traffic and parking in the neighborhood.

**Interior**

The intimate interior will allow for customer to browse products, order and purchase goods and beverages as well as providing both an open seating area in the front and a more private seating area in the rear.



### Hours of Operation

We anticipate peak hours will be when people are on their way to school and work, so we will be open Monday through Friday from 7:00 am until 3:00 pm. Weekends from 10:00 am until 2:00pm. As our customer base demands are more solidly identified, we will expand or contract our hours to properly reflect the needs of the community and the profitable hours.

## Products and Services

We will be providing local and artisanal coffees, teas, premade food items as well as beverages and home goods such as locally made pottery mugs, coffee and tea preparation items, newspapers as well as traditional snacks, beer and wine, cigarettes and vapor supplies.

### Food and Beverage:

- Brewed Coffee, Espresso, and Tea
- Grab and go lunch options (these would all be pre-packaged and outsourced from local restaurants or bakers and would include pastries, muffins, breads, salads, and sandwiches.)
- Smoothies
- Bottled juices and soda
- Whole bean coffee
- Loose leaf tea
- Locally made cheese
- Crackers
- Chocolate and Candies
- Spices
- Locally grown fruits and vegetables
- At a later point there is the potential to include Wine and Beer in the selection

### Housewares, etc.:

- Tea and Coffee accessories (French Press, Tea balls, etc.)
- Locally made coffee mugs
- Medicinal Teas
- Essential Oils
- Locally made all natural Health and Beauty products
- Cigars and a small variety of cigarettes
- Newspapers
- Books from West Virginia authors and press
- Other locally made products that will vary depending on availability such as artwork, CD's, jewelry, and knitted products.

## Suppliers

The suppliers will play a big role in the market since all goods will be outsourced. The suppliers will be contracted as wholesale or commissioned based on the products offered.

- Some potential suppliers are as follows:
- Tracy Strother- baked goods and grab n go
- Mockingbird Hill Farm- fresh produce, granola, preserves, loose leaf tea
- Jill Haney- Doterra essential oil sales rep
- Finca La Despensa- whole bean coffee
- Birch Root Farms- Goats milk soap
- Green Heron Herbs- Natural Beauty products
- Rogue and Wench pottery
- Hilljenny Herbs- medicinal herbs
- All Things Herbal Market

## Service

In addition to the traditional convenience items, we will be providing fresh brewed coffee, coffee and espresso drinks, teas and other hot beverages.

## Management

Sarah Cochran has been involved in coffee house and convenience stores for many years in all levels from server, counter and manager. Her experience in the industry will allow her to effectively manage and operate South Perk Market. Adam Rosefsky brings years of experience as a personnel manager, project manager and independent business man. Their combined experience and expertise will provide for a solid foundation to manage and run South Perk Market

## Financial Management

Since the property is owned by one of the partners, a significant amount of monthly cost (rent) is removed from the profitability equation. Our inventory plan will be to follow a just in time model of procurement, meaning that we will maintain a minimal amount of goods on the shelf and replenish on an as needed basis. This will remove a significant amount of capital stuck in inventory.

Additionally, we anticipate working with many of the artisan vendors to provide their goods on a consignment basis. This will further reduce inventory costs, risk and expenses in the event that products do not sell.

### Start-Up/Acquisition Summary

South Perk Market will have a minimal start-up costs. The facility already exists, and the build out to configure the store will be less than \$2,000. Initial cost of equipment is also anticipated to be low since many of the fixtures already exist, and simply need to be moved. We anticipate an additional \$3,000 for all physical equipment outfitting of the facility including furniture and fixtures. Legal and paperwork costs are anticipated to be less than \$2,500.

Initial inventory costs are anticipated to be approximately \$3,000 based on our model of JIT procurement, Consignment and daily/weekly replenishment of artisan premade foods.

## Marketing

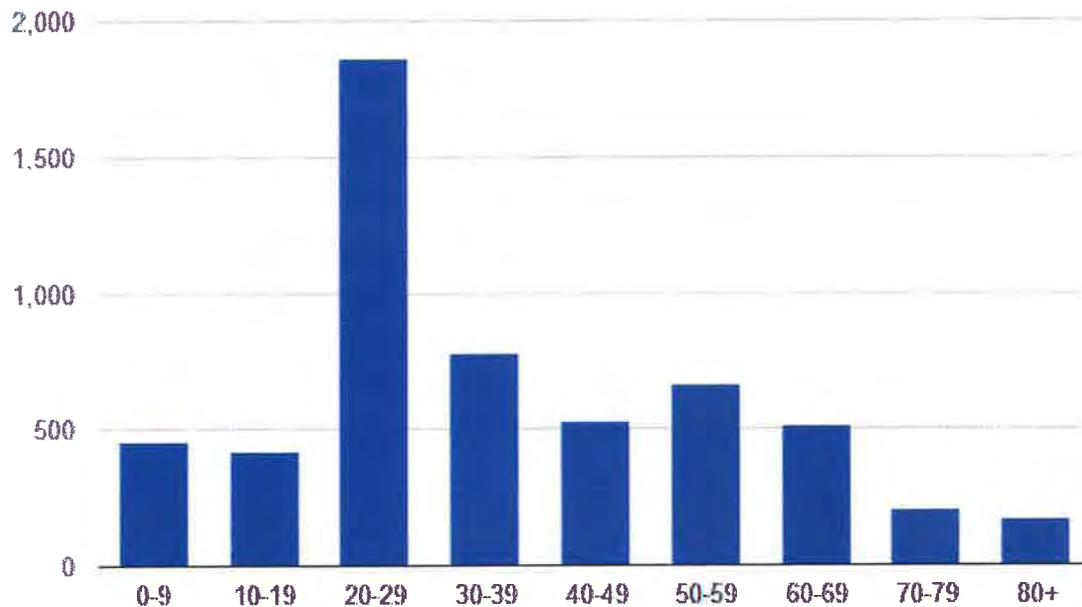
### Market Analysis

The South Park area of Morgantown contains approximately 5,500 people in a relatively small (approximately .15 square miles) and close knit community. The median income in South Park is about 20% higher than in Morgantown in general meaning that there is a significantly higher amount of disposable income by local residents. Additionally, the majority of residents in the area are between the ages of 20-29, with a high long term residence rate. Both of these statistics fall directly into line with our market strategy.

	South Park	Morgantown	West Virginia
<b>Population</b>	5,615	26,756	1,885,078
<b>Median Household Income</b>	\$45,568	\$37,243	\$40,762
<b>Average Household Net Worth</b>	\$472,833	\$310,622	\$327,086
<b>Long-term Residents (5+ years)</b>	37%	32%	39%
<b>Annual Turnover</b>	24%	24%	16%
<b>Median Age</b>	34 years	30 years	41 years

## Age Distribution for South Park

Show Data



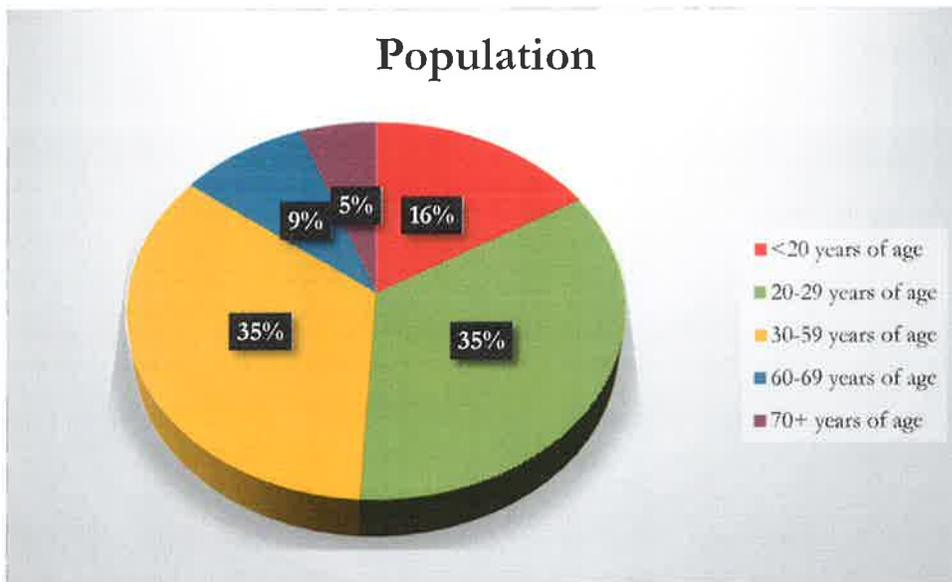
### Market Segmentation

Our strategy is geared at 2 primary market segments, the college and young professionals (20-29) and the older more stable career and professional (30-59).

We believe that the younger 20-29 age college and young professionals are looking for a quick good local morning hot beverage with a grab and go type breakfast and lunch that they can take quickly as they make their way to work and class. After class this same demographic would want a place to get something quick for lunch and afternoon beverage either hot or cold. Additionally this demographic is looking for a place to sit, relax and get work or homework done in the afternoons during lunch or before heading home.

The older demographic of the 30-59 demographic also falls into the quick hot beverage and grab and go breakfast on the way to work, however this demographic additionally has a higher expendable income, and would shop for artisan teas, coffees and other similar specialty items.

These 2 demographic groups make up 70% of the South Park population and account for approximately 4,000 people in all within a short walk of South Perk Market



### Competition

There are 3 not dissimilar stores in a nearby area, but none actually provide the same goods and services:

- 1) Green Arches Market is a convenience store that focuses primarily on fresh cooked meals with a small collection of basic and sundry items. Their hours are focused more to the afternoon and evening dinner crowd and does not service the early morning and afternoon crowds looking for artisanal and unique items.
- 2) The Chestnut Brew Works provides beer and food on the weekend evenings. We don't consider them to be in the same market space as us, but we will be approaching them on reselling their products.
- 3) New Day Bakery offers artisanal breads and pizzas but doesn't truly offer the true grab and go variety we plan to carry nor do they offer hot beverages nor the convenience items we plan to offer. Additionally, we hope to offer their products as part of our selection of local goods.

### Pricing

Our pricing is based on competitive offerings from similar market places further afield. We anticipate on providing our hot beverages at the largest margins and lowering margins on more commonly available products. Our target is 30% profit on all goods and services after expenses and fees.

### Strategy and Implementation

Since the space is already owned by one of the partners, we have a distinct advantage over other similar types of business in that we have immediately reduced our operating expenses. We plan

to start small and slowly expand as business and opportunity allows. We are keeping our initial costs as low as possible to maintain a positive cash flow and low inventory costs.

# Financial Plan

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## Financial Plan

1. Growth will be moderate and cash flows will be steady
2. Marketing will be minimal since South Perk Market will rely on convenient location, word of mouth, and social media
3. The company will use tight inventory controls to manage costs

## Important Assumptions

- 1) Initial costs of build out and setting up the store will be considered sunk costs by one of the partners. Repayment of these fees will come out of profits (as they are gained) and will not be considered as part of the cash flow of the business.
- 2) Rent will not be paid as this will also be the contribution of one of the partners, and will not be included in the overall cash flow of the operation.
- 3) There will be no initial direct employee costs because the partners (primarily Sarah) will be operating the market on a daily basis. If business needs dictate, we could add temporary or part time employees as needed.

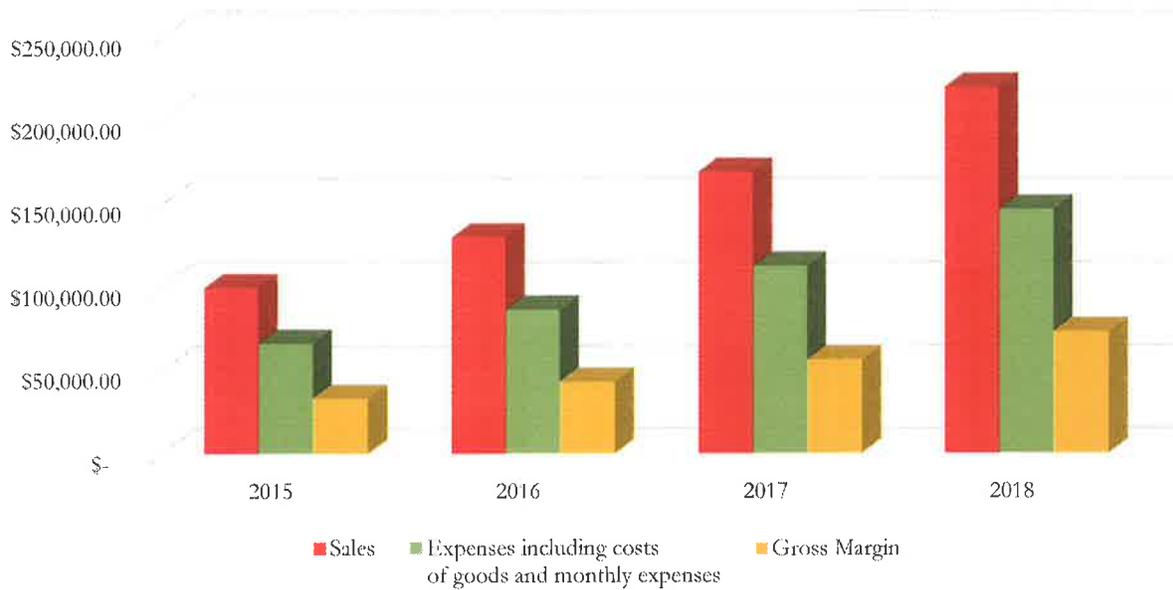
## Break-even Analysis

Since initial costs are not included in the initial cash flow, it is anticipated that there will be an immediate breakeven point.

## Projected Profit and Loss

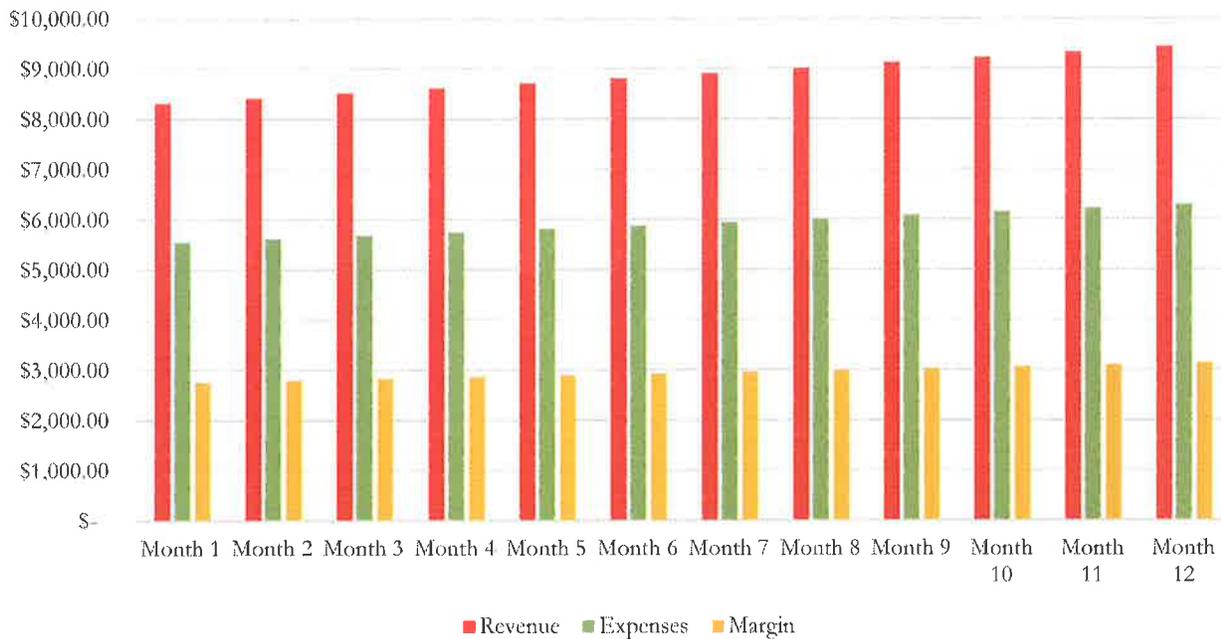
The following table and charts show the projected Annual Profit and Loss (assuming 30 percent annual growth over 4 years), Monthly Profit and Loss (assuming 1.15% monthly growth) and Annual Gross Margin for South Perk Market

### Anticipated Annual Revenues and Profits



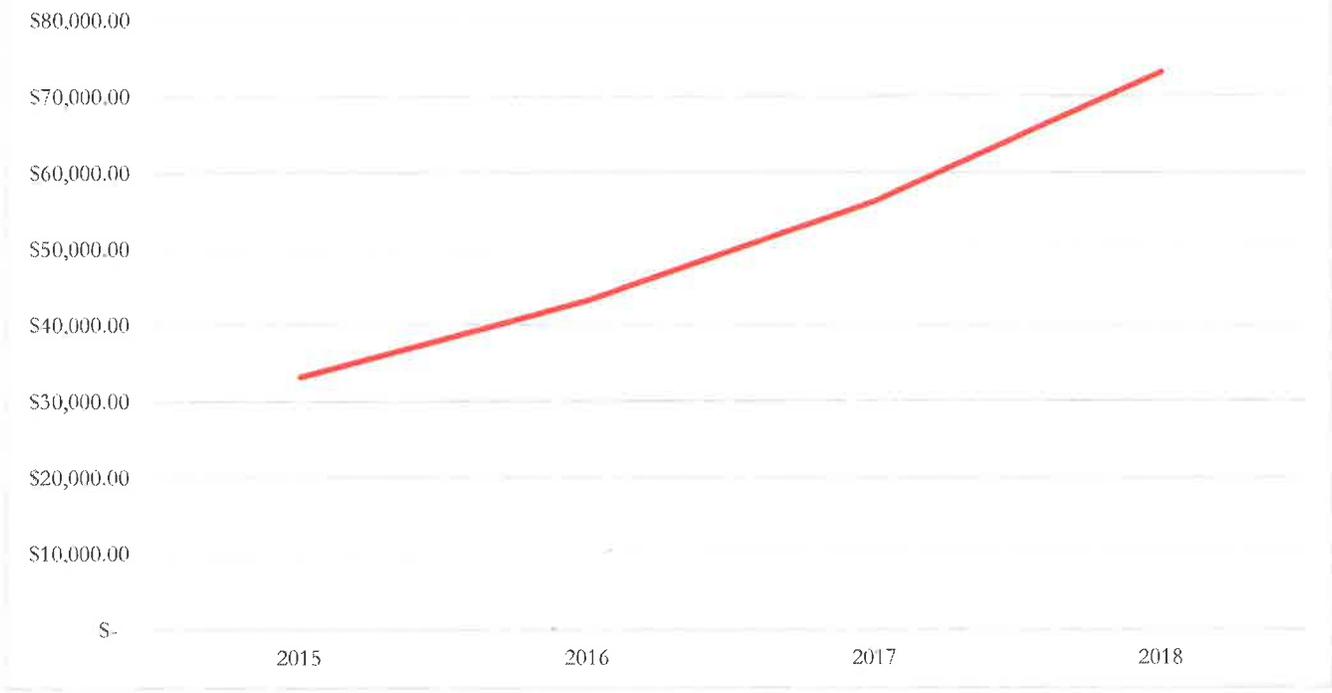
Annual Revenue and Profits assumes a 30% annual Growth

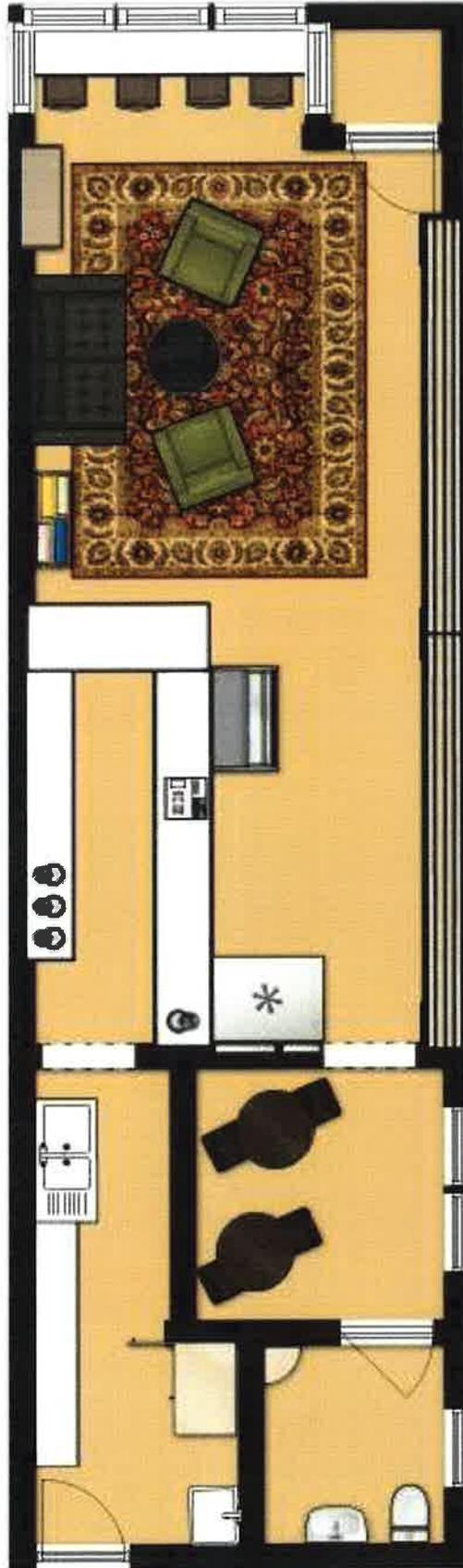
### Monthly Revenue Expenses and Margin



Monthly Revenue, Expense and Margin assumes a monthly growth rate of approximately 1.15%

### Gross Margin





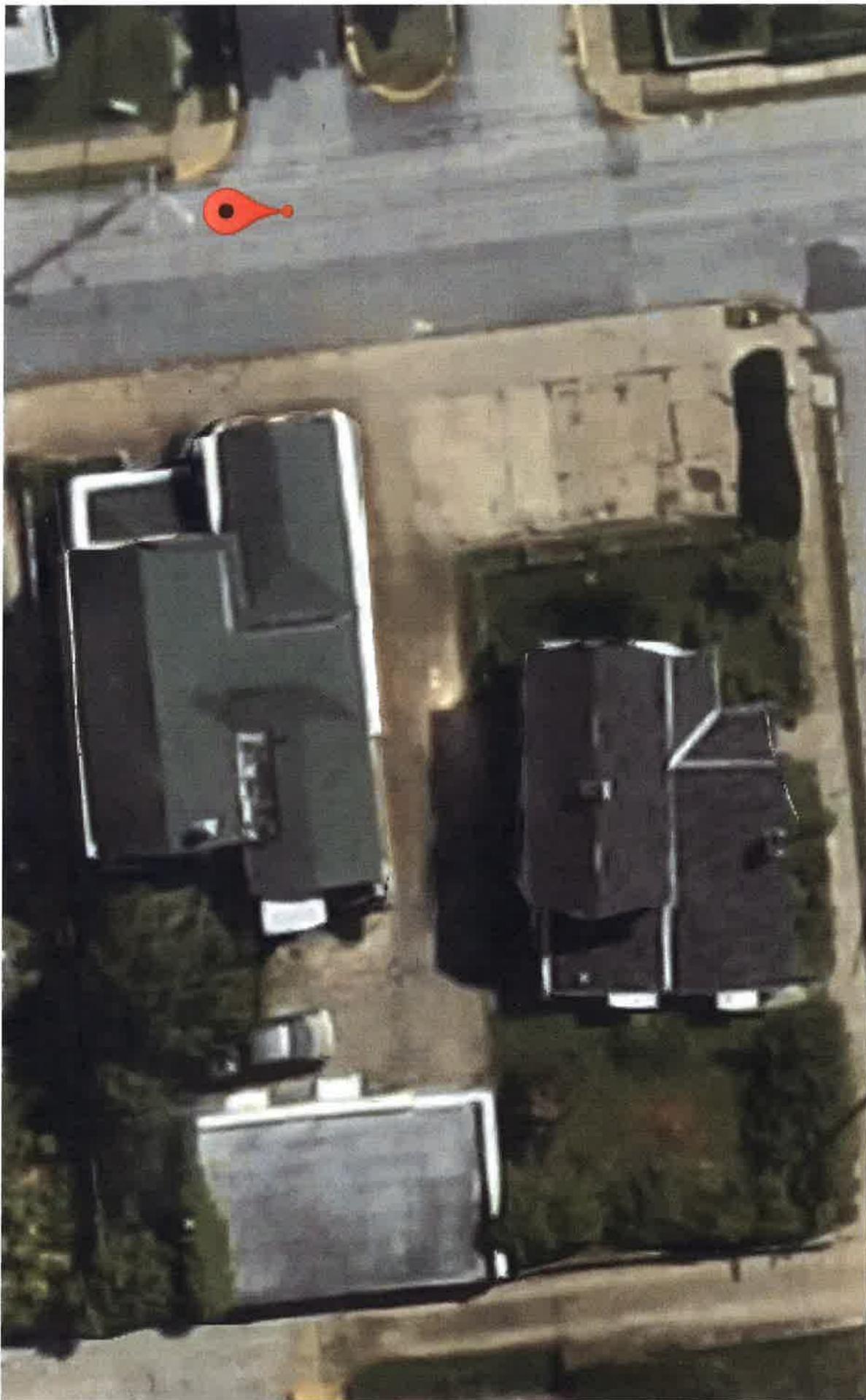
0ft

12ft

24ft



CW15-05



314 Arch St  
Morgantown, West Virginia  
Street View - Jul 2012



Quis-05