

Proposal for Paint Creek Cider Mill Building Food Service Space

November 11, 2024

Dear Oakland Township Board of Trustees,

Please see the following proposal to operate a food service business within the Paint Creek Cider Mill at 4480 Orion Rd, Rochester, MI.

Introduction of Owner and Current Businesses

My name is Matt Knio. In 1997, I completed my education at the Academie de Versailles in France. I received certification as a Master Artisian in Pastry while both studying and gaining practical experience in a Parisian pastry shop owned by Pastry Chef Claude Baraque.

I own and operate Cannelle bakeries. As of 11.11.2024, I have (5) retail locations in Birmingham, Detroit, Ann Arbor, Farmington, and Keego Harbor. I founded my first location (Birmingham) in 2003 bringing celebrated French techniques and classic desserts with a modern twist. The dedication of my teams often sees Canelle honored with numerous "Best of", including Best of Detroit Hour magazine and Best Bakery in Midwest Living.

To ensure the same exceptional product at all my locations, I operate a MDARD licensed wholesale food processor location where I work with the team nightly. This ensures all items meet my exacting standards and requirements for an unsurpassed customer experience.

Description of Proposed Use of Space

I intend to utilize the space to sell French baked goods, breads, pastries, grab 'n go sandwiches and salads, as well as hand-crafted beverages. Due to my business model, only a relatively small kitchen space is required at each location. This allows me to focus on building spaces that may be utilized by customers and thereby maximize the value of the property to the community.

Please note, due to the highly custom nature of Cannelle locations and the quality of finishes used, I anticipate a minimum spend of \$500,000.00. I have a proven team of local trade and contracting professionals that are ready to commence construction upon approval. Ideally, we would be able to break ground at the end of January 2025.

Matt Knio Managing Member Cannelle

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Funding Source for Project

I would use cash monies on-hand and from my business operations to pay for the project and startup expenditures.

Plan for Intended Business Operations

Preliminarily the following would apply:

Proposed days and hours of operation

Sunday – 7:00 AM – 6:00 PM Monday through Thursday – 6:30 AM – 8:00 PM Friday – 6:30 AM – 10:00 PM Saturday – 7:00 AM – 10:00 PM

Please note, this is consistent with my most recently opened location (Keego Harbor).

Employment Opportunities

I expect to build a team of 12-15 people for operations.

Advertising and Promotional Plans

The key component of our marketing strategy is our web presence, including website and social medial accounts, including Instagram, Facebook, and Tik Tok. Furthermore, we find that satisfied customers are the best marketing tool. As such, we have built a loyal customer base that helps drive our success by introducing new customers to our stores and products. We also cross-promote our locations via our team members and information available in each store.

Management Structure

Each Cannelle location is a separate LLC, and this location would be operated as such. I am the sole managing member of each LLC and am heavily involved in operations. I would employ a team of seasoned employees and new hires to deliver goods and services consistent with the Cannelle brand.

Equipment Required for Business

Pastry Cases
High-Speed Accelerated Cooking Countertop Oven(s)
Dishmachine
Three-Compartment Sink
Hand Sinks
Commercial refrigerators
Merchandising Coolers
Espresso Machine
Coffee Grinder
Sandwich Prep Table with Cooler
Mop Sink

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Special Need for Signage

Approval for exterior lighted signage, whether placed on the building or in the landscaped area fronting the property, is desired. We would work with the Township to ensure the location, design, and use thereof are consistent with the aesthetics of the historical property.

Exterior Use

I plan to install seating on the patio, as well as beautification items such as planters with flowering plants. I would also like to install radiant heaters to ensure the area is suitable for use for a significant portion of the year.

Desired Time Period of Lease

As I invest significantly in building beautiful and comfortable spaces, a minimum lease period of (5) years with an option to extend for an additional (5) years is requested.

Proposed Lease Payment

Please see schedule:

Months 1-24 - \$1,750.00

Months 25-36 - \$1,855.00

Months 37-48 - \$1,965.00

Months 49-60 - \$2,085.00

The lease payment above would include the following utilities – natural gas, electricity, water, sewer, lawn maintenance, and snow removal at the property. Please note that I expect to invest significantly in the space and such improvements will enhance the value of the property.

Township Commitment

In consideration of my proposal, I would like the Township to commit to the following:

- 1. Connection of the food service area to the back-up generator, including all lights and outlets.
- 2. Clean up and sealing of the rear area of the building to ensure pest mitigation.
- 3. Repair or replacement of the patio awning.
- 4. Renovation of the water wheel to make it operational for aesthetic purposes.

If you are intrigued by the above proposal, I would be happy to discuss this opportunity and how Cannelle can become an asset to the Charter Township of Oakland. I am confident that we can reach a mutually beneficial arrangement that serves the community and beyond.

Kind regards,
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