

March 08, 2017

To project reviewer(s),

This letter of intent accompanies plans for the rehabilitation and changed use of the property at 1401 Northern Ct, Madison, WI 53703, which is zoned TE. The project, "Imaginary Factory" will require conditional use approval to operate a production facility and tasting room in the TE zoning district. Matthew Tucker (zoning) and the City Attorney have identified the conditional uses as

- Manufacturing, light (liquor/spirits blending operation, bottling facility, labeling/branding, packaging, etc.) *Conditional Use*
- Distillery (distillery) *Conditional Use*
- Tavern (tasting room) *Conditional Use*

The facility would maintain regular production hours 9am-5pm, Tuesday-Friday, with the likelihood that Sunday & Monday would be reserved for one of the larger initial contract production partner businesses. Deliveries of wine, distillate and produce/aromatics would occur 2-3 times a week between 8-4pm in the winter, and 6-8 times a week between 8-4pm spring through fall.

Regular tasting room hours would be Thursday-Saturday, and other days would be reserved for special events & fundraisers. We'd ultimately like to arrive at the following closing hours:

Sunday-Wednesday: any events conclude/doors closed by 10pm

Thursday: close 11pm

Friday: close 12am

Saturday: close 12am

1 yearly exception for New Year's

We would be happy to cap the hours there and not revisit if the above are amenable to neighborhood from the beginning. Alternatively, starting with 10pm Sunday-Wednesday private events; and regular Thursday-Saturday 11pm close, in line with Old Sugar's hours, and revisiting after the facility has been open would be agreeable. We emphasize that we have no interest in crossing the midnight threshold at any point other than New Year's eve.

While not a conditional use within TE, the facility would also be most likely pursuing federal and state winery permits to accommodate the full spectrum of desired production capacities. Per state statute a distillery/rectifier and winery is not required to hold a municipal alcohol license. The core products (liqueurs, cordials and vermouth) will be made by maceration (infusion) & filtration: combining wine & produce with spirits produced by local and regional distilleries. Initially, the facility will not engage in production that involves fermentation and distillation, but will conduct some research and development for future products that involves those processes.

In addition to the core products, the facility will produce items under contract using similar processes and hopes to serve as a business incubator similar to FEED Kitchen, that encourages the creation of other beverage brands and shortens their time to market, and reduces the initial capital commitment required to legally test a product in the wholesale market. Matt Acker, former production manager at Death's Door Spirits, will be assisting with setup of the production facility and development of the incubator model, along with Nhi Le of Gener8tor. Unlocking the entrepreneurial potential of Madison's service industry community beyond conventional bars and restaurants, is one of the core missions of this facility. One such pilot project for this element of the business will be an amaro (bitter digestivo) conceived collaboratively by the group Spirited Women of Madison.

This element of the business is more experimental but draws on the business owner's prior experience attempting to develop contract production arrangements to spin off retailable products he'd conceived with his colleagues as a working bartender & beverage director at bars and restaurants. Facilities purpose built for contract/private label production require minimum commitments ranging between 2,000-5,000 cases. Smaller craft distillers that might be able to offer more hands-on engagement and flexibility in terms of production volume, frequently find themselves weighing potential contract production business against the opportunity cost of focusing on fine-tuning and selling their own product. The beverage business incubator would strive to offer the flexibility and hands-on assistance of a small craft distiller, combined with the focus and efficiency of a purpose-built contract production facility. The tasting room, combined with the facility's relationships with small local retailers like Star Liquor and Cork n' Bottle, along with a select bars and restaurants, will provide the ability to market test products rapidly. Wholesale distribution would initially be handled by a Square Root Wine.

Thank You,

Matt Tills, AIA & Hastings Cameron

Project team:

Architect:

Tills Architecture | Matt Tills | matt@tillsarchitecture.com | 608.235.6240

Owner:

Hastings Cameron | hastings@imaginary.bar | 608.421.4639

Distillery/Production Consultant – production/blending/packaging processes
& business modeling:

Matthew Acker | matthewacker@gmail.com

Distillery Consultants – Fire Code and Federal/TTB Application assistance:

Dalkita (Englewood, CO) | Colleen Moore | colleen@dalkita.com | 303.765.1295

Designers – interior aesthetic cues in production area & tasting room to be echoed on house
product branding & labeling:

Art & Sons | Scott Pauli | scott@artandsons.com

Construction Manager:

Carlson Construction | Chad Carlson | chad@carlsonconstruction.com | 608.575.6933

Project Schedule:

March/April 2017

Federal Application Initiated (6-8 month lead time)

April, 2017	Plan Commission
May, 2017	Begin Construction
October/November, 2017	Federal/State Applications concluded
November/December, 2017	Federal Approvals for core products; production begins
December, 2017	Tasting Room Open to Public, products wholesaled off-site