

Proposal to Lease and Operate a Café at John Longville Depot

Submitted by:

Nine Eight Five Coffee

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Date: May 20, 2025

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Executive Summary

Nine Eight Five Coffee is honored to present this proposal to lease and operate the café at the historic John Longville Depot. Our vision is to transform the 850 sq ft concession space into a warm, study-friendly, sit-down destination that complements the Depot's legacy while elevating the passenger experience through quality offerings and community-focused hospitality.

Vision & Concept

We aim to create a vibrant gathering place where commuters, students, and residents feel welcomed and inspired. By blending our Colombian-inspired coffee heritage with a modern, comfortable interior—complete with plush seating, communal tables, and curated background music via our 985 Radio platform—we will foster a productive yet relaxing atmosphere unique to Rialto Station.

Management Philosophy

With over three years of café management experience and a proven track record of building engaged, loyal communities at Nine Eight Five Coffee, our leadership team prioritizes consistency, innovation, and teamwork. We invest in thorough barista training, data-driven inventory management, and ongoing staff development to ensure smooth daily operations and exceptional guest interactions.

Customer Service Approach

Our customer service philosophy centers on personalization: greeting each guest by name, offering tailored recommendations, and maintaining an immaculate environment. We actively monitor feedback channels (Google, Yelp, Better Business Bureau) and implement continuous improvement measures to exceed expectations in speed, quality, and hospitality.

Key Proposed Services

- Signature Beverages & Food: High-quality espresso-based drinks, specialty lattes (e.g., honey rose, banana matcha), and a curated pastry selection reflecting local flavors.
- Study & Lounge Environment: Ergonomic seating, abundant charging outlets, reliable Wi-Fi, and soft lighting to support extended stays.
- Retail & Merchandise: Branded 985 Coffee merchandise (mugs, apparel) displayed on custom shelving to enhance brand visibility and ancillary revenue.

Relevant Experience

The owner and lead operator, Abraham Morales, brings five years of hospitality leadership and a deep personal commitment to San Bernardino County. Under his guidance, Nine Eight Five Coffee expanded community engagement through local events, established a social-media-driven following of 10,000+ followers, and maintained a consistent 4.8-star rating across review platforms.

Proposer Identification and Business Structure

Business Name: Nine Eight Five Coffee

Legal Entity: Limited Liability Company (LLC)

Primary Contact: Abraham Morales

Phone: [REDACTED]

Email: [REDACTED]

Business Address: 985 S E ST. San Bernardino, CA. 92408

Year Established: 2021

Business Size: Small, independently owned and operated

Local/Regional/National: Local (San Bernardino, CA)

Ownership Structure: 100% owned by Abraham Morales

Authorized Signatory: Abraham Morales, President

Responsible for lease negotiations and daily operations: Abraham Morales, President

Nine Eight Five Coffee was established to serve as a cornerstone of the San Bernardino community, creating a space where high-quality coffee, community pride, and culture intersect. As a locally rooted, Latin owned café, we bring a unique blend of authenticity, hospitality, and creativity to everything we do. Our commitment to our community and brand integrity ensures we operate with full transparency and accountability as a tenant and partner.

Minimum Qualification Requirements

Over Three Years of Café/Restaurant Management Experience

Nine Eight Five Coffee has been operating since 2021, with leadership bringing over three years of hands-on experience in café management, customer service, and food and beverage operations. Our founder, Abraham Morales, has overseen day-to-day management, employee training, vendor sourcing, marketing strategy, and inventory management. This operational knowledge ensures consistent and scalable performance across all café operations.

Sufficient Financial Capacity to Execute Proposal

We are financially prepared to meet all lease obligations, startup investments, and required tenant improvements outlined in this RFP. Supporting documentation such as tax returns and P&L statements will be included under the 'Financial Ability' section of this proposal.

Detailed Menu Provided

A curated food and beverage menu showcasing our specialty coffee drinks, seasonal items, and light food offerings is included as part of this proposal. The menu reflects our brand's focus on quality, comfort, and cultural authenticity.

Experience and Qualifications

a. Proposer's Overall Experience

I. Experience

Nine Eight Five Coffee has successfully operated in San Bernardino since its founding, cultivating a loyal and growing customer base through a combination of high-quality coffee, warm hospitality, and community-driven branding. Our experience includes launching seasonal menus, managing customer flow during peak hours, and operating within tight spatial constraints—skills that align directly with the environment at the Rialto Depot.

II. Track Record

We have maintained a 4.8-star average across online review platforms, have grown our following to over 10,000 engaged supporters through social media, and consistently generate repeat business through community events, word-of-mouth marketing, and signature drink innovations.

b. Proposer's Management Team

I. Description of Management Team

Led by founder Abraham Morales, our management team includes a front-of-house lead, a barista trainer, and a floor manager. Together, they oversee scheduling, training, inventory, and customer service standards. Each role is designed to support operational consistency, guest satisfaction, and brand alignment.

II. Management Team Experience

Abraham Morales brings over five years of experience in hospitality and entrepreneurship, including café management, staffing, and vendor relationships. His lifelong service and work within churches has also shaped his strengths in hospitality, communication, and problem-solving—skills that have proven invaluable in customer-facing environments. Our barista lead has over three years of experience in specialty coffee, and the back-of-house coordinator previously worked in small business food service logistics.

Beyond our daily operations, Nine Eight Five Coffee is deeply committed to giving back to the city we serve. We host annual “Feed the Homeless” events in collaboration with the San Bernardino County Probation Department, providing meals and essential supplies to those in need. Every holiday season, we also organize toy drives—last year alone distributing over 15,000 toys to children and families throughout our city. These initiatives reflect our belief that business and community should grow together, and that meaningful impact happens when local businesses step up to lead with purpose.

III. Other Experience

Abraham Morales has managed multiple small businesses in food and retail sectors, gaining insight into cost control, lease negotiations, and customer satisfaction. There is no pending litigation, and no previous café or restaurant ventures have failed under his direction.

c. References

I. Reference Contact Information

Alexa Guitierrez, Kali Roasters, [REDACTED]

Arely Moreno, Inland Empire Regional Chamber of Commerce, [REDACTED]

Supervisor Joe Baca Jr, [REDACTED]

Edward Montoya Jr. Rialto City Council member [REDACTED]

II. Reference Association

Each reference listed is a vendor, partner, or property owner with direct experience working with Nine Eight Five Coffee.

III. Operation

Each reference has observed operations of similar size, with annual revenues consistent with the expectations of the proposed Depot café.

Operations Plan

a. Overall Plan

Our operational approach is centered on providing a high-quality sit-down café experience tailored to everyday train commuters utilizing public transportation. We plan to use the full 850 sq ft space for a well-designed customer flow that includes bar seating, study nooks, and communal tables—creating a warm, welcoming environment that encourages guests to stay and engage. Through thoughtful design and daily operations grounded in efficiency, we aim to elevate the station’s role as a local destination, not just a transit point.

b. Food/Retail/Amenities/Activities

I. Food and Beverage

Our menu will include signature espresso drinks, specialty seasonal beverages, fresh pastries, and light breakfast items. Highlight drinks include our Banana Matcha, Honey Rose Latte, and Café de Olla Cold Brew—crafted to reflect local and cultural flavors.

II. Retail

We will offer branded merchandise including mugs, tumblers, T-shirts, and tote bags. Shelving and displays will be installed tastefully within our footprint to enhance the guest experience without interrupting foot traffic.

III. Amenities or Activities

Amenities include free Wi-Fi, plentiful power outlets, and curated background music through 985 Radio. We will explore small-scale community pop-ups and art displays over time to deepen public engagement.

c. Hours of Operation

Proposed Hours:

Monday–Friday: 6:00 AM – 6:00 PM

Saturday–Sunday: 8:00 AM – 4:00 PM

These hours meet the City's minimum requirements, with flexibility to extend as demand increases.

d. Layout

Our proposed layout includes a redesigned bar for better workflow, lounge seating with couches and tables, and a retail wall for merchandise. A layout diagram will be submitted with renderings to reflect traffic flow, seating zones, and interior finishes that balance comfort with durability.

e. Marketing Plan

Marketing will be driven through social media, community partnerships, and targeted promotions to train commuters and students. We will leverage our existing online audience and promote the Depot as both a café and cultural anchor within the community.

f. Daily Operations

I. Management Plan

Led by Abraham Morales, day-to-day operations will include opening/closing procedures, shift management, inventory control, and real-time customer feedback monitoring.

II. Staffing Plan

Initial staffing includes 4–6 trained baristas and 1 shift lead. All team members will undergo training in food safety, customer service, and equipment handling. Staff will be cross trained to ensure coverage and consistency.

III. Plan for Job Opportunities

We aim to hire locally, providing entry-level jobs and growth opportunities in hospitality. Our staff will reflect the diversity and culture of Rialto.

IV. Plan for Fluctuating Demand

Staff scheduling will be adjusted seasonally and by train schedules, with additional coverage during peak hours, events, and weekends.

V. Maintenance and Cleaning

Daily cleaning checklists, monthly deep cleans, and routine equipment maintenance will ensure a safe and inviting environment.

VI. Delivery

Deliveries will be scheduled during off-peak hours (before 7 AM or after 2 PM) and managed through side access to avoid disrupting train station traffic.

VII. Start-Up

Startup operations will include recruitment, installation of equipment, inspections, and a soft opening. Staff will be trained and tested on workflow efficiency, customer service, and cleanliness prior to the public opening.

g. Proposed Capital Improvements

Capital improvements include a new coffee bar counter, upgraded equipment (grinders, espresso machine, fridges), custom furnishings, lighting upgrades, electrical outlet installation, and minimal signage. Renderings will reflect a modern but warm atmosphere aligned with 985 Coffee's identity and the historical character of the Depot.

6. Business Plan and Pro Formas

Startup Investment Breakdown (Estimated \$40,000–\$50,000):

- Equipment (\$15,000–\$18,000): Commercial espresso machine, grinders, refrigerator, POS system.
- Furnishings (\$8,000–\$10,000): Custom bar counter, mixed seating (couches, stools, benches), retail display.
- Build-Out & Improvements (\$6,000–\$8,000): Flooring, paint, electrical outlets, lighting.

- Branding & Marketing (\$2,000): Signage, window decals, launch marketing materials.
- Permits & Licensing (\$1,000–\$2,000): Health department, fire inspection, business license, insurance.
- Inventory & Opening Costs (\$7,000–\$10,000): Initial inventory, uniforms, training, software setup.

Two-Year Financial Projections:

Year 1 (Conservative Estimate):

- Gross Revenue: \$240,000–\$300,000
- Cost of Goods Sold (COGS): \$72,000–\$90,000 (30%)
- Payroll: \$72,000–\$85,000 (30–35%)
- Rent + Utilities: \$28,000–\$30,000
- Marketing, Insurance, and Other Overhead: \$8,000–\$10,000
- Net Profit: \$30,000–\$50,000

Year 2 (Growth Estimate):

- Gross Revenue: \$300,000–\$360,000
- Net Profit: \$45,000–\$70,000

Assumptions:

- Startup cost kept lean by leveraging existing vendor relationships and efficient build-out strategy.
- Revenue driven by unique brand experience, social media marketing, and commuter engagement.
- Operational efficiency and modest fixed overhead allow sustainable long-term growth.

7. Financial Ability

Nine Eight Five Coffee is financially capable of executing this proposal. Funding will come from retained earnings, ongoing business revenue, and available credit lines. We have provided documentation including profit/loss statements and can meet insurance requirements.

We are fully prepared to carry out leasehold improvements and operate sustainably long-term.

8. Proposed Terms and Financial Terms

Nine Eight Five Coffee proposes the following lease and financial terms in alignment with our proposed investment, build-out, and long-term operation plans at the John Longville Depot:

a. Lease Term:

We are prepared to enter into a 5-year lease agreement with the City of Rialto, with an option to extend an additional 3 years based on performance and mutual agreement.

b. Rent Proposal:

We propose an initial base rent of \$1,500 per month with annual increases of 3% over the term of the lease. This reflects our anticipated monthly revenue, the location's transit-based traffic, and our significant capital investment.

c. Rent Abatement Request:

To support the up-front capital investment required to furnish, brand, and improve the space, we respectfully request a 3-month rent abatement period to cover the build-out and pre-opening operations.

d. Capital Investment:

Our capital improvement investment will total approximately \$65,000–\$85,000, including equipment, branding, construction, and technology installation. This investment will directly benefit the Depot's overall appeal and tenant mix.

e. Exclusivity Clause:

To ensure the success of our café and avoid market saturation within the Depot, we request limited exclusivity for espresso-based drinks and specialty coffee beverages within the property.

f. Utilities and Shared Services:

We understand utility responsibilities will be outlined in the lease. We are prepared to pay pro-rata share of utilities and services as determined appropriate.

g. Insurance:

We will maintain all insurance coverage as required by the City of Rialto, including general liability, property, and workers' compensation insurance. A certificate of insurance will be submitted prior to occupancy.

h. Flexibility and Collaboration:

We are open to negotiating mutually beneficial lease structures and working closely with the City to enhance the overall function and identity of the John Longville Depot.

Cost Proposal – Nine Eight Five Coffee

To: City of Rialto – Bid Management System

Subject: RFP 25-041 – John Longville Depot Café Lease

Per the requirements of the RFP, Nine Eight Five Coffee respectfully submits the following cost proposal for consideration.

Proposed Lease Terms

- Base Rent: \$1,500 per month
- Term: 5 years, with a 3-year renewal option upon mutual agreement
- Annual Rent Escalation: 3%
- Requested Rent Abatement: 3 months (for build-out and launch period)
- Utilities: Tenant to pay pro-rata share of utilities and services

This proposal reflects our commitment to making a substantial capital investment to improve and activate the Depot space, while providing long-term value and vibrancy to the community.

Sincerely,

Abraham Morales

President, Nine Eight Five Coffee