

Southern Roots Brewing Company

HISTORY

Southern Roots was originally founded in 2018 by Keith and Kristl Evans, with the first location being opened in downtown Waco, at 8th & Columbus. Built in 1952, the former Pharmacy and one-time attorney's office was converted into a lively Brewpub and Restaurant that features an on-site brewery, dine-in seating for families, and an outdoor turf space for live music and guests with young children who can play games and relax in a safe, clean, family friendly environment.

Since the initial opening of the Waco location, and additional equipment investments to keep up with demand, a second location in Waxahachie was established in January 2022. This location is in a restored Train Depot that was originally constructed in 1907. The building features much of the original wood from initial construction, is painted the original Union Pacific yellow, and prominently features many pieces of the building's history such as the Scale that was used to weigh Cotton as it came off the train, and a blackboard which locals used to keep score on during their Domino matches (the score is still visible). Like Waco, the Waxahachie location contains a full brewery, a dine-in kitchen and an outdoor deck for additional seating.

Southern Roots is mostly owned by Keith and Kristl Evans, their son Dustin Evans, with one additional owner, Scott Thompson. Scott Thompson has worked within the company since inception and is a co-owner of the Waxahachie location.

WHY SOUTHERN ROOTS FOR THIS PROJECT

Southern Roots is a Craft Brewery and Pizza Restaurant that features all on-site brewed beer and signature Pizza Recipes. The primary drivers of success for Southern Roots are three-fold:

- Southern Roots is the right people Keith and Kristl own and operate 6 other businesses, including automotive repair franchises and a home inspection company. With the 2 Southern Roots locations, that brings the total 8 businesses which they independently owned and operated. Their wide range of business experience and expertise allow them to navigate emerging business trends while utilizing past lessons to avoid making costly mistakes.
- 2. Southern Roots becomes a part of the community Southern Roots Brewing Company excels at being engaged in the local community because it is a taproom forward concept. The beer is brewed on-site, to be served in the taproom. This means Southern Roots leans heavily into offering a great restaurant experience, a great taproom culture, and strives to provide a place for all members of the community, whether it be the local running-club meeting spot or the corporate happy-hour destination



3. Southern Roots spends as much time thinking about people who don't drink beer, as much as those that do – Not everyone drinks beer. Some don't like it, some are too young, and some people plainly have no interest in craft beer. But it's important that in space, that everyone feels equally welcome and included. We feature other alcoholic products, non-alcoholic products, and a place that makes locals feel good to call their own, and attractive enough for tourists to visit no matter their feeling towards craft beer. Whether it's a young family with children, out-of-towners looking for a bite to eat, or a business networking event, we provide something for everyone.

OPERATERS AND OWNER'S OF SOUTHERN ROOTS BREWING COMPANY

Keith Evans – Majority owner of Southern Roots/ Chief Executive Officer.

Kristl Evans - Majority owner of Southern Roots/ Chief Financial Officer

Dustin Evans - Minority owner of Southern Roots Waco & Waxahachie/ Director of Operations

Scott Thompson – Minority owner of Southern Roots Waxahachie/ Director of Brewing Operations

Daily Operations are overseen by all owners and appointed managers. Each location is staffed, onboarded, and trained at the store front for their respective roles.



PROPOSAL

TBD Restaurant and Active Use Space

In Association with Southern Roots Brewing Company

1. To purchase the Levi Hackett Building for \$2,000.00, and convert to an active use space featuring food, alcohol, and a possible brewpub.

The *name TBD* space will be a restaurant, open 7 days a week for both lunch and dinner. It will feature live music, game nights and community events, provide a space for networking and business groups, create a space for both work-from-home employees to use or for entrepreneurial incubators, civic organizations, and private event needs. Due to the size and scope of the location, we project to have 20 – 30 employees ranging from entry level workers to professionally skilled labor. 95% of all employees will be hired from within the immediate area. All employee pay will be comparable to, or above, the local wages.

If we establish a brewery, we will brew styles of beer seen around the world to celebrate the diverse cultures and heritages of the citizens of Killeen, and our service men and women stationed at Fort Hood. We will also emphasize and celebrate the story and legacy of Fort Hood, their many deployments across the world, and their service to our country – From the 761st Tank Battalion, Elvis and Jackie Robinson, and every country that Americans have served in. All members of our community will find something to remind them of home, their service to our country, and a place to honor legacy. It will reflect our neighbors, their stories, and why Killeen is *The Great Place* to call home.

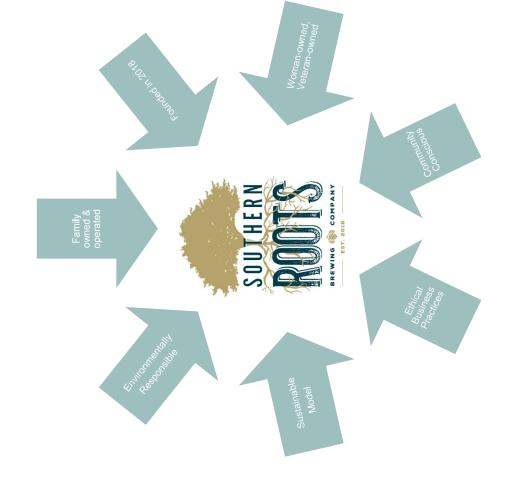
This space will also serve as a magnet for future downtown businesses, tourism, and community events. We will advocate and promote the Downtown Killeen area, the City of Killeen, and serve as brand ambassadors for the community and city. The space will be used to host functions for Fort Hood, local civic organizations, business meetings, and provide internships for soldiers or students looking to break into the Brewing or Hospitality industry. The brewery location will support and host public events such as Car Shows, Fundraisers, Concerts, Vendor pop-up, catered events, and assist the City of Killeen when they host downtown events. Patrons will find a place to host happy hours, attend trivia nights, wedding rehearsal dinners, discover live music and interactive entertainment.

This space will strictly adhere to all federal, state, city, and local guidelines to ensure the business operates equitably and sustainably, recognizing the local community and the City of Killeen (both the downtown area and the greater city) as its major stakeholders.



| Community and Economic Impact | Texas Craft Breweries have an economic output of over \$4 Billion dollars as of 2020 | Approximately 30% of our customers are travelling greater than 10 miles to reach us – This directly impacts nearby businesses | The State Comptroller estimates that Craft Breweries contribute 700 Million dollars in Gross State Product in 2020 | Texas ranks 3rd for economic impact due to breweries. | The economic impact per 21+ adult in Texas is approximately \$209 | Texas ranks 47th in Craft Breweries per capita – This is an underserved market. | Your community deserves a share of this pie! | |
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Who We Are



The Southern Roots Vision Statement

"To be the most accessible, one-of-a-kind Craft Brewery, delivering an experience which allows our guests to explore the world of Craft Beer"

The Southern Roots Mission

Statement "To be a great craft brewery for craft beer enthusiasts, and newcomers alike. Our goal is to provide an exceptional product and experience that travels across the gastronomy of craft beer, while creating Southern Roots fanatics out of every guest who walks through our doors"

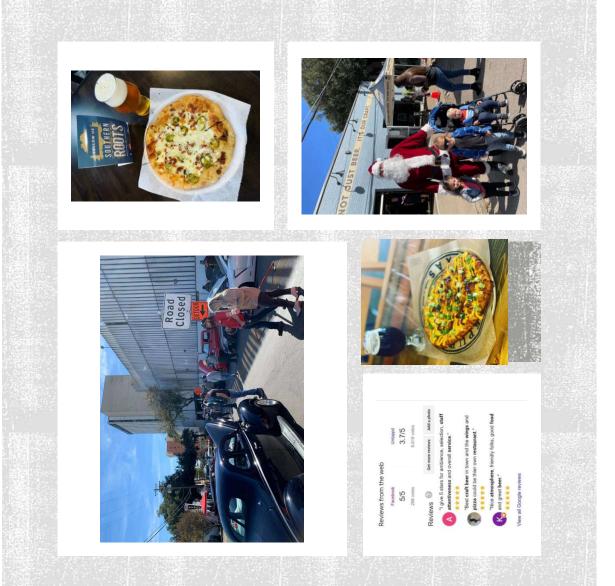


What We Are

Craft Brewpub & Signature Pizza Restaurant

- Brewpub: We brew craft beer for consumption both on-site and off-site
 - We serve our craft beer, select wines, non-alcoholic drinks and offer a full menu of our signature pizzas, salads and appetizers.
- (food, merchandise, etc.) exceeding 51% of our total sales, the state of Blue sign establishment: Due to our sales of non-alcoholic products Texas does not recognize us to be in the same category as a "Bar".
- Open 7 Days a week for lunch, dinner & evening hours.
- Family oriented! With games and non-alcoholic drinks for the kids and lounge chairs for Grandma & Grandpa, everyone is welcome!
- Taproom experience focused We bring people to our location
- Your corporate meeting space, your happy-hour, your place to bring family when they come into town and your wedding rehearsal dinner location. Southern Roots is your Friday night entertainment, your Saturday with friends and your weeknight dinner spot.
- We are as much a place for non-craft beer drinkers as we are for Craft Beer enthusiasts!





What to expect

 Amazing Craft Beer and signature, one-of-akind Pizzas

Whether you're looking for lunch or dinner, a corporate meeting space, a wedding reception, or place to take your family when they come into town, Southern Roots delivers an amazing experience for every occasion

Live Music

Every weekend we feature live, local musicians!

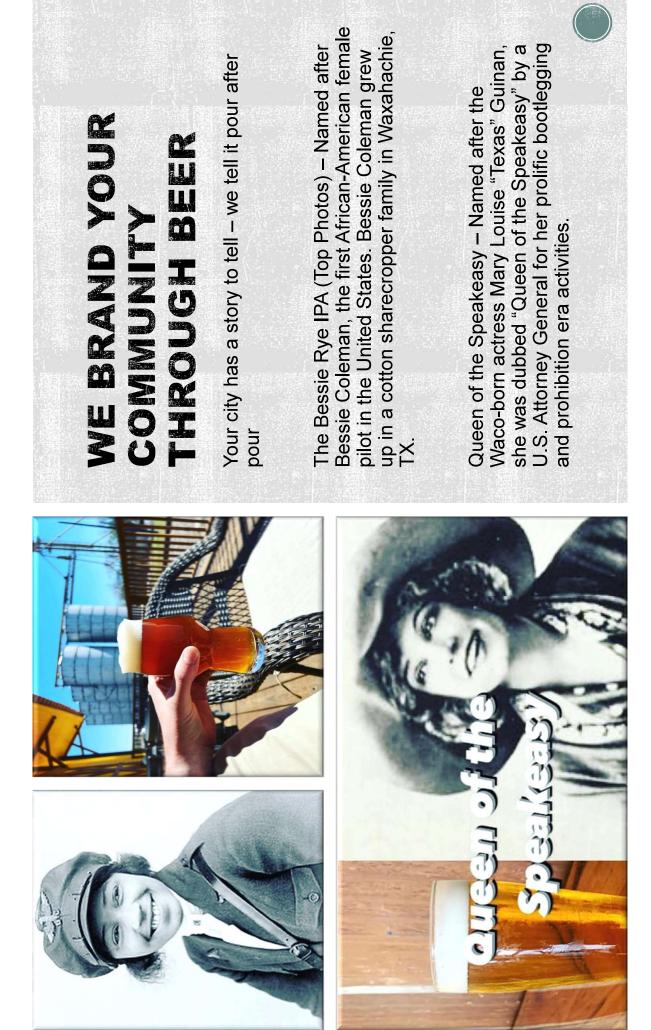
∎ Fun

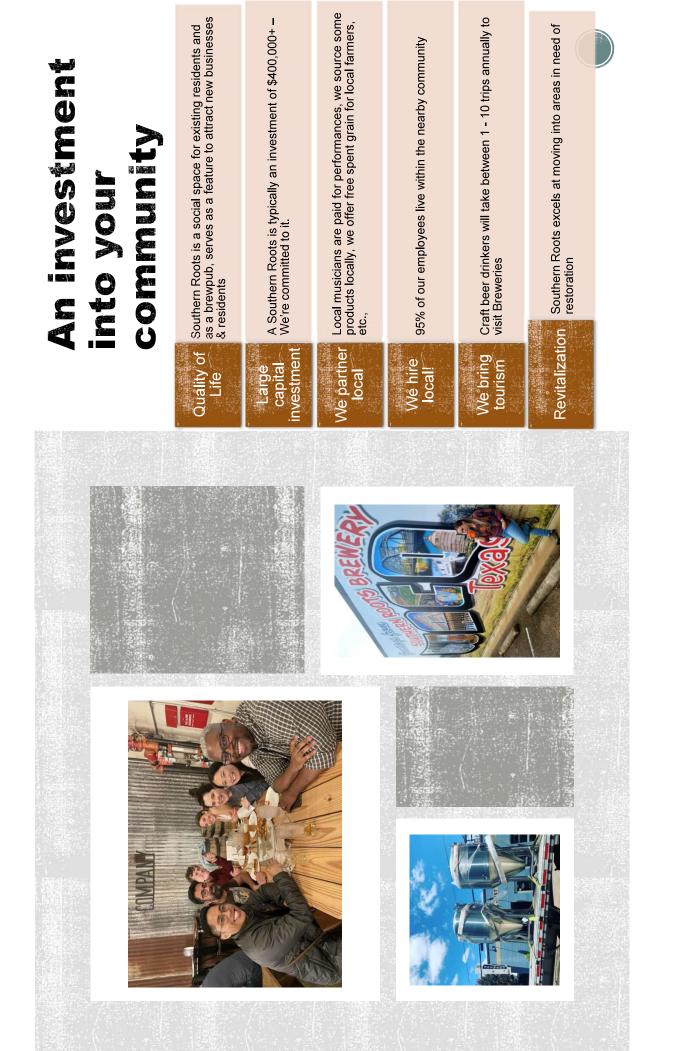
Southern Roots hosts everything from trivia nights, running club meet-ups, and musical bingo, to sponsored car shows, crawfish boils, beer festivals, Oktoberfest celebrations, and downtown beer strolls! Southern Roots hosts 1 large public event, quarterly

A business you can be proud of

Southern Roots proudly represents your community. From the service we provide to the beer we create – Southern Roots is an ambassador for your city.



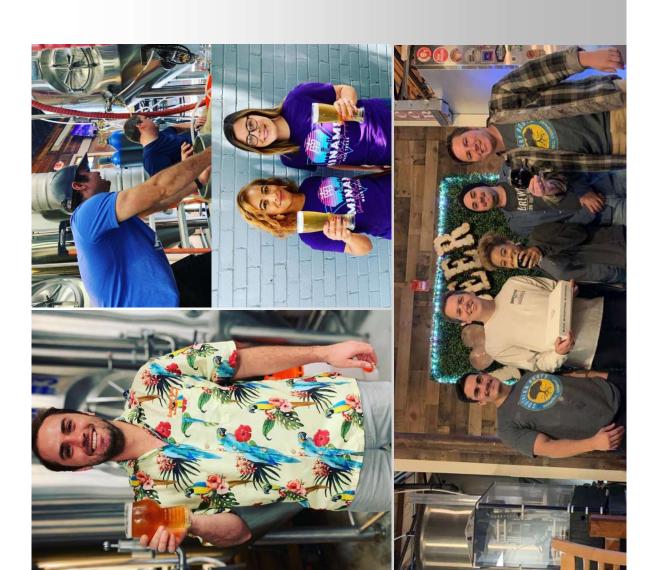






Who visits a Southern Roots...and from

- According to a study by University of Massachusetts-Amherst, 32% of Brewery guests are considered nonlocal, or tourist, during their visit.
- The Millennial & Gen-X cohort are the largest group of Craft Beer consumers, with most surveys suggesting 33 to 35-year-olds being the average age of a visitor.
- Typically married, college-educated or higher income earners.
- Our events (Gears & Beers Car Show, Beer on the Brazos, etc.,) bring hundreds to thousands of visitors from all over the state!
- We estimate that we have a 60-mile radius of customers on any given day based on credit card zip codes



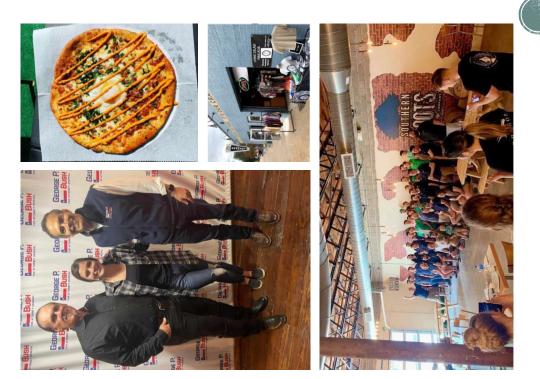
We bring jobs (and paychecks)

- Staffing by the numbers
- Kitchen Staff: Average of 7 12 combination of part-time & fulltime team members with an average pay of \$13.50 per hour (starting pay is \$12 per hour for all team members)
- Bartending Staff: Average of 6 10 combination of part-time & full-time team members, with an average pay of \$22 - \$30 per hour
- Brewhouse Staff: 2 3 Part-time team members at an average pay rate of \$14 - \$16 per hour/ 1 – 2 Full-time employees at salary range between \$40,000 - \$60,000 per year.
- Management: Managers are full-time employees with a pay range of \$50,000 to \$60,000 with additional conferred benefits (healthcare, PTO, etc.). This includes store front managers, event and hospitality managers, and operations managers.
- Retention Average time of employment is 8 14 months across all part-time operations.
- Growth All senior positions and co-owners are from within the company



The Southern Roots Difference It's not just the Beer

- Brewers Association showed that respondents who visit a brewery on account of it being family friendly, had an average of 17 visits! Eamily Friendly – A recent survey performed by the American
- Food According to a study of Brewery visitors performed by the Graduate program at the University of North Carolina, 60% of brewery visitors listed food options as the primary driver for their visit.
- Quality Expertly crafted brews and food prepared using fresh ingredients in kitchen that consistently ranks A+ during health inspections.
- Experience The average Google review for Southern Roots Brewing Company across separate locations is 4.6 stars.
- Community Whether it's the local art meet-up, social or civic organization, Southern Roots is a community hub.











Southern Roots Waco

- Opened in October 2019
- Location originally built in 1952 as a pharmacy
- 7 BBL Brewhouse
- 24 employees





Original building



Southern Roots Waxahachie

- Opened in January 2022
- Originally built in 1907 as a Train Depot
- 5 BBL Brewhouse
- 16 Employees















Sources

- http://libres.uncg.edu/ir/uncg/f/francioni uncg 0154m 10955.pdf
- https://www.brewersassociation.org/insights/the-demographics-of-brewery-visitors/
- https://comptroller.texas.gov/economy/fiscal-notes/2021/nov/brew.php
- https://texascraftbrewersguild.org/impact/

