Letter of Intent

May 20, 2024

Pinhalla Pinball Pizzeria is a Pinball venue with a Pizzeria attached to serve food and beverages to our clientele. Pinhalla Pinball Pizzeria is the second venue of Vancouver Island Arcade Amusements Inc. Our first venue is Quazar's a very successful arcade located in Trounce Alley downtown Victoria. Quazar's does not have any food or beverage service to speak of and despite having great ratings for an arcade it does consistently get comments about the lack of ability for customers to have an adult beverage when playing. When we were designing Pinhalla we thought we would correct this, but we never wanted to become a bar. That is not something that works with our desires for our venue or for the practicality of our business.

Our pinball machines are worth hundreds of thousands of dollars and are the lively hood of the business. We do not want drunk people around that inventory. We take pride in the machines that we have to offer and the fact that they are all original machines with original parts and not replicas using new electronics to simulate the old machines. That means that if a person gets a high score on one of our tables it is eligible for National and International recognition as it has been completed on an accredited Pinball Table. To be honest that may not mean a lot to you or I but it mean everything to a serious pinball player and to serious pinball clubs and teams.

Our pinball business is what makes us different from other places in Victoria, because that is our focus. The collection of over 30 pinball tables that has been curated at Pinhalla puts us on an International standing. We understand business as well and we saw the opportunity to reach an underserved market in Chinatown by providing fresh hot pizza. Along with this we would like to provided beverages, both alcohol and non alcohol. We have secured a pop supplier and are set up to sell liquor, wine and beer. We have in place a limited but sophisticated cocktail and zero proof cocktails program to satisfy both the alcohol and non-alcohol pallets. Our investment group included members of the local restaurant ownership and management groups and they have very high standards and do not do anything half way. So are bar and food programs are very well thought out and meticulously executed to ensure that the clientele gets the best product and service possible. That includes fancy drinks with or without alcohol, appetizers, salads, mains, and even some very nice dessert.

But all of this comes with rules. No food or beverages on the pinball tables, be nice to your neighbours and treat them like you would like to be treated or better and no running on the premises. All of which is to create an atmosphere of positivity and to protect the machines.

In summary the focus of our business is to provide a pinball (an arcade) experience with food and beverage that our current customers have asked us to provide.

So on to the questions.

Describe the primary focus of your business including any functions and services your establishment will provide if liquor service is not the primary business focus.

At the time of this application our business hours are Wednesday and Thursday and from 4:00 PM to 11 PM, Friday and Saturday 11:30 AM to 11:00 PM and, Sunday 11:30 AM to 10 PM. We do plan to open 7 days a week starting in June and the hours will depend on how busy we are. We are planning to test opening until midnight on the weekends. The business focus will not shift to a liquor focus at any time of day. The focus will be continue to be pinball and pizzeria as long as we are open.

Pinhalla will offer several types of entertainment to supplement the pinball and the food and beverage business. There will be a DJ on Saturday nights to help set the mood but we do not have a dance floor. There will be a trivia night during the slower times of the year and a Pinball league night year round. Pinhalla is also offering online trivia that players can access through their phone or other personal devices at their table.

Pinhalla Pinball Pizzeria will be a fully functioning pizzeria selling pizza by the slice and by the pie for eat in, take out, and delivery. Our menu also includes appetizers, salads and desserts. In addition Pinhalla has a solid selection of zero proof cocktails and beers as well as Spinnakers Sodas on tap and a selection of other non alcoholic beverages and teas. All food and beverages are available during all operating hours.

Pinhalla is located at the bottom of Chinatown on the lower end of Fisgard Street. The building was formally a pawn shop and it started it's life as a tractor store. At the moment it is isolated by parking lots on either side and Fisgard Street in Front. The neighbourhood is a mix of commercial, residential, and industrial. New buildings have been coming into the area for the last 10 or so years with commercial on the ground floor and residential above. That seems new but it is only repeating what is common in the area where the old warehouses from over a 100 years ago have been turned into homes on the upper floors and business on the ground floors. The mix of businesses are from retail sales and restaurants to services such as tattoo shops and massage or acupuncture. We fit into the mix very well as we bring in a new energy and excitement without challenging for market share with any of the existing businesses.

Our business model does not really expect to have any issues with noise as we will not be having any live music and will be able to control the volume of the music that we do have. As for the normal issues with a Liquor Primary license of a mass exodus of people at closing, we do not anticipate that to be a problem for noise or other types of disturbance as we are only offering liquor service in addition to pinball and pizza. We will be focused on operating more like a restaurant and not like a bar. Patrons will be leaving more organically as they finish up their games or drinks or food. Many will have come to Pinhalla prior to going out for the evening and will have left before we close. Pinhalla Pinball Pizzeria first applied for a Food Primary Liquor License but because of the Pinball Tables have been advised to apply for the Liquor Primary. Our hours of

operations will also help to avoid a mass exodus at the end of the night. Even if we decided to stay open until midnight some nights, the people that want to drink seriously will have gone somewhere else before then as we will have had last call long before closing. If there is a problem we have a person working at the door who will be able to defuse the problem and get people moving along. He is backed up by our staff in the building.

We have already put up signs asking our patrons to be quiet when leaving our establishment and respect the neighbours. We will continue with that. We have also made an effort to get to know some of our neighbours and have asked them to keep us informed of anything that they notice so that we can deal with it as soon as possible.

We are requesting the Family Food service to allow accompanied minors on premise until 10 PM. The Family Food Service Declaration has been completed and uploaded.

If you have any questions or concerns please feel free to contact me directly at <u>778-533-9425</u> or <u>awickens@shaw.ca</u>

Sincerely yours,

Andrew Wickens

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Hours of Operation vs: Hours of Sale Proposed.

May 24, 2024

Pinhalla's current hours are 4 PM to 10 PM Wednesday and Thursday.

11:30 AM to 11 PM Friday and Saturday and 11:30 to 10 PM on Sunday.

We do expect to expand to 7 days a week and to try staying open on Friday and Saturday until Midnight. I have requested the later closing times during the week to allow for private events that will run later into the evening but will not be open to the public. I have request 2 AM on Friday and Saturday because I can not help myself from being overly optimistic at how successful Pinhalla is going to be and there will be a need to keep it open later than midnight. The other reason for the later closing hours is so not to run afoul of the last call rules. I have always had a issue with the need to make a customer rush their last drink at the end of the night even if they purchased it an hour before closing. It just does not fit in with good customer service or serving it right principles.

Again if we are operating as planed the venue will not be full of people drinking or partying until the end of the night and if we only have a few customers that would like to finish up their beverage or meal quietly as we go about our cleaning up I do not have an issue with that. As long as we are not breaking any rule or laws and they are not holding up the staff from finishing their jobs.

I just thought I should explain why the requested hours did not match the hours that we are proposing to be open.

Sincerely yours,

Andrew Wickens

