



REQUEST FOR PROPOSALS (RFP) FOR THE LEASE & OPERATION OF THE STAR THEATRE

Response to pre-submittal questions

October 17, 2023

- Does the Town have an example lease to provide? What are considered the material terms of the lease that need to be included in our Response?

The Town of Stuart has a current lease with Patrick & Henry Community College for use of a portion of the Stuart Fire Department. It is anticipated that the lease for the Star Theatre will closely follow the provisions (if applicable) of this lease and will be revised accordingly.

While the intent of this RFP is to allow the responsive organization to develop terms that meet their needs, the underlying terms are for a lease agreement; therefore, a time period and compensation amount should be proposed. Those terms may be negotiated upon selection of responsive proposal.

- Is there a preferred or required lease start date? The RFP says available for immediate occupancy but is that a requirement?

There is no required start date. Assuming that a recommendation is made at the November Town Council meeting and negotiation can begin on the Lease Agreement, the earliest start date is anticipated to be January 1, 2024.

- Can our Response be contingent on funding applications in process with the ARC, DHCD, and CDBG?
 - What is the Town's current expected timeline for notification of ARC, DHCD, CDBG funding?

Yes. It would be pertinent for the Operator to plan on these projects affecting operation of the Star Theatre.

Anticipated Notification of Funding: December 2023/January 2024

Anticipated Project Start Date: Late Spring of 2024

- We seek clarification on the 24 performance requirements. Specifically, are there any mix requirements regarding type or frequency? Do "performances" as contemplated by this RFP have to be open to the public? Do different time slots of the same "performance" count separately? E.g. would a 5pm and 7:30pm showing of Casablanca be 2 events? Would a Friday 5pm and a Saturday 5pm of the same count separately?

As the Star Theatre is anticipated to be an attraction for tourism to the Town of Stuart, it is worth clarifying that a "performance" is generally seen as a promoted event, with a defined time, open to the general public. There is no required mix of type or genre; however, the Town would like to see the Star Theatre open to the public at least twice per month (assuming there are no obstacles related to construction or renovation).



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- Is quarterly activity report a defined term with minimum required information? If so, does the Town have a template for our submission?

There is currently no template for the required information. The quarterly activity report may require metric reporting, such as tickets sold or attendance reporting, as a condition of future funding requests. The Town of Stuart will work closely with the eventual Operator to develop a report that is acceptable to the Stuart Town Council.

- Would our organization's annual 990 tax return meet the requirement for annual reports?

While a 990 tax return may provide insights to the financial health of an organization, this typically does not meet the scrutiny of a Single Audit. Stuart Town Council may request a summary statement of programming in addition to financial statements.

An audit is not required to respond to this RFP.

- Do the operating entity and lessee need to be the same entity?
 - For liability reasons and protection of our existing tax-exempt status we are exploring structuring options to keep our existing organization legally separate from the leaseholder.

The Town of Stuart is less interested in the legal status of the Operator and more interested in meeting the terms of the Lease. While it is known that the Town can apply for funding on behalf of Town owned facilities, it is uncertain if the Town may apply for operational funding for a for-profit entity. The Town, in most cases, may partner with other non-profit entities, subject to the terms of the various funding agencies that exist.

- Is the rear deck included in the "building shell" as defined by the Town?

The Town of Stuart anticipates that the rear deck structure will require improvements and renovation, as outlined in the Downtown Revitalization Plan. For the purpose of this RFP, please consider the rear deck as a separate structure, not included in the building shell.

- Is the Town willing to warrant emergency egress is up to code and the property meets accessibility regulations upon commencement of a lease?

While there are planned improvements, meant to address egress and other accessibility, the Star Theatre has a current building permit and will not seek to change that status until feasibly possible.



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- What is the required amount of insurance the Town/lease will require (naming the Town of Stuart as additional insured)?

There is no minimum threshold amount of insurance that the Town will require; although, a general liability insurance policy of \$1.0 Million, per-occurrence, is typical for a small business.

- Does the Town have any other exclusive Sponsorship/Advertising agreements currently in place or in discussion?

None in place.

- Can you elaborate on the intention and function of the “The Town of Stuart reserves the right to authorize exclusive sponsorship and advertising agreements for the grounds and exterior of the Star Theatre and all exterior signage”? How do you envision this clause in practice?

The Town of Stuart is currently pursuing a Downtown Revitalization Plan, as mentioned. Portions of this plan will include façade improvements that will likely include the Star Theatre along with adjacent properties. To create a cohesive implementation plan, the Town may pursue funding that requires acknowledgement of the funding agency and/or other private investment. Also, because the Star Theatre is a contributing structure to the Stuart Downtown Historic District, preserving the exterior aesthetic may be a requirement for any historic preservation clauses.

- Are there conditions in our Response that would necessitate future RFPs from the Town? Specifically, regarding lease duration, renewal, and renegotiation.

In the event that the Operator and the Town of Stuart partner to procure funding and/or services for construction improvements, equipment, or other operational needs, additional RFPs may be required to meet funding conditions.

There are no anticipated conditions related to a future lease.

- Are we allowed to use Tony’s dumpster assuming Tony’s will split the cost or can the town make arrangements to pick up trash the morning after an event?

The Town will follow our regularly scheduled refuse pickup. It is recommended that refuse canisters be used to contain weekly trash accumulation. Arrangements can be made in the event of excessive trash.

- What is the current inventory of tables, chairs, and casegoods on the premises?



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The furniture and fixtures on the premises are listed in the RFP.

- There are several items in the basement that have been left there from the previous tenant- will those items be able to be used by the Lessee and if not, will the town be removing those items?

All items left in the basement are considered to be part of the purchase of the Star Theatre by the Town of Stuart.

- Is the electrical system up to date/up to code? What is its amperage rating? What is the voltage rating (208V/240V/400V)? When was it installed? When was it last inspected? Where is the main breaker located? Where are the branch breakers located?

The electrical system was brought up to code as of the building permit that was issued during the last improvement and renovation. Electrical specifications and/or proposed improvements may require inspection by a licensed electrician.



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- Are there any known plumbing leaks & clogs or is the Town aware of any historical issues in this regard?

There are no known current leaks or obstructions.

- Are there existing light/sound rigging points? When were they last inspected?

A conduit has been observed from the sound booth on the second floor to the stage. All current lights and sound equipment are considered "as is" since the purchase of the property.

- What is the age of major mechanical systems on the property?

The HVAC systems are the only mechanical systems of note. All three units are believed to have been installed around 2007. Vipperman HVAC inspected and serviced the units as a condition of purchase by the Town of Stuart.

- The height of the balcony railing wall was raised as a safety issue. Given the historical designation of the building does the Town intend to address this issue or otherwise indemnify the lessee on this matter?

At this time, the Town has no plan to change the height of the balcony railing. The condition of the building is considered "as is" in accordance with the current building permit.