

Topic	Status	Article
▼ About this document		Context
• Dick Furnas dick@runningtoplaces.org cell: (607) 227-1870 prepared this document		FYI
• Dick used [square brackets] throughout in an effort to disambiguate and provide further commentary, while leaving original wording intact.		FYI
• This document is a working document which originated to assist R2P deliberations surrounding the Mall Lease.		FYI
• This document has been lightly edited for use by Council, but continues to include items, notably BUDGET, which R2P has identified for attention and may be useful to Council in framing clarifications and negotiations with Landlord		FYI
▼ The Email Trail section is presented in reverse chronological order with the notion that more recent emails probably deserve more weight		FYI
• information from emails was extracted from the original text		FYI
▼ The Lease Notes section gleans comments and suggestions made outside the context of simple email or text documents		FYI
• Lease Notes primarily became available on PDF files marking up the lease		FYI
• Lease Notes are keyed to the sections of the lease		FYI
• The original PDF files were part of the items presented to Council during the consult prior to engagement.		FYI
• Many Lease Note items will be familiar as part of the discussion during the consult		FYI
▼ Dick made most of the assignment of Status Options		FYI
• Dick made up the Status Options on the fly in preparing this document		FYI
• Consider the Status Options to be suggestive, not definitive		FYI
• Dick surely made errors along the way in compiling this document, but hopes that the document has enough redundancy to provide a useful sense of the hopes and dreams of R2P, the Running Home Campaign, and the spirit in which the Mall Lease is being entered.		FYI
▼ Legend for Status Options		
• Word Choice! has important legal ramifications		Word Choice!
• elsewhere better addressed elsewhere		elsewhere
• BUDGET heads up for budget attention		BUDGET
• WIP Work in Progress		WIP
• Concern		Concern
• Clarify		Clarify
• FIX Fix this as needed		FIX
• Negotiate we can scan for these and assign importance		Negotiate
• Perspective		Perspective
• Possibility Strategy idea		Possibility
• Request		Request
• Context for what follows		Context
• ? beats me		?
• PDF external document		PDF
• URL web link		URL
• FYI useful information e.g. contact		FYI
• Action Explicit mention of steps in a process		Action
▼ Resources - Primarily URL links and commentary		
• R2P Website http://runningtoplaces.org/		URL
▼ R2P Collected Documents http://mcp.cc/r2p		URL
▼ About this URL		Context
• The link reveals an Index — Table of Contents of the available files		FYI
• Dick has removed Dropbox links in this document and posted items on web space Dick owns and better understands		Context
• Resources Dick posts there will include the modification date of the file in the filename for better version tracking		Context
▼ What to expect at http://mcp.cc/r2p		
• An interactive version of this document for viewing! Click the triangles to open or collapse the hierarchy		URL
• R2P Marked up Exhibit A showing public areas		URL
• R2P Exhibit A supplement overview of Mall		URL
▼ R2P Collected Comments PDF file		URL
• Links in this PDF are clickable		
▼ R2P Collected Comments OPML file		URL
• The actual source document in which Dick maintains the R2P Collected Comments document		FYI

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<ul style="list-style-type: none"> ▼ This view is friendlier than it appears at first, really! <ul style="list-style-type: none"> • Your Browser will very likely present this in a useful Outline Hierarchy • Levels in the hierarchy can be collapsed or opened • When fully opened the entire document may be searched! 	FYI	
<ul style="list-style-type: none"> ▼ Dick rarely uses this view. Instead has lovely applications which play nice working on the same file, even at the same time. <ul style="list-style-type: none"> • OmniOutliner — Delightful manipulation of the outline similar to a very smart word processor which understands outline hierarchy and structure. • BBEdit — Industrial strength text editor understands the structure of the code. Provides an editable document in a view similar to what a web browser provides, complete with collapsing and opening sections. • iThoughtX — Can produce visualizations of the structure as diagrams 	FYI	
<ul style="list-style-type: none"> • R2P Floor Plan • R2P lease original (PDF of Crude Lease from Mall Management produced by Deb for Dick) • R2P Lease And Other Important Mall Info (Forwarded email from Joey) • R2P is Running Home Brochure 	URL	URL
<ul style="list-style-type: none"> ▼ From Mall <ul style="list-style-type: none"> • Certificate of Insurance Sample • DOCX of Lease from Mall Management • Tenant Design Handbook 	URL	URL
<ul style="list-style-type: none"> • R2P Recent Forms 990 https://990finder.foundationcenter.org/990results.aspx?990_type=&fn=&st=&zp=&ei=263434662&fy=&action=Search 	URL	
▼ Dramatis Personae		
<ul style="list-style-type: none"> • Lilly — Lilly Westbrook lwestbrook@ithaca.edu R2P Vice President • Deb — Deborah Drew parkrdrew@hotmail.com R2P Secretary ▼ Kati — Kati Torello katitorello@gmail.com R2P Board Member <ul style="list-style-type: none"> • Kati used to review Mall leases. • Jim — James Drew jdrew4@twcnyc.nyrr.com R2P President ▼ Rachel Lampert — rdlithaca@gmail.com R2P Development Archangel <ul style="list-style-type: none"> • Emerita of The Kitchen Theater • Jerry — Jerry Dietz jerry@cspmanagement.com R2P Archangel and ex officio Board Member ▼ Dick — Dick Furnas dick@runningtoplaces.org R2P Treasurer and preparer of this document <ul style="list-style-type: none"> • Dick also uses, among others mcp@lightlink.com and ref2@cornell.edu they all land in the same inbox, so don't worry about copying to any others. • Joey — Joey Steinhagen joey@runningtoplaces.org R2P Founder and Artistic Director • Heidi — Heidi Goldstein hjorganics@aol.com R2P Board Member and Mother of Joey • Jack — Jack Goldstein (also at hjorganics@aol.com) R2P ex officio Board Member and Father of Joey • Linda — Linda Harris Ish29@cornell.edu R2P ex officio Board Member and former Treasurer and Finance Manager ▼ Gina — Gina Speno Gina@theshopsatithacmall.com R2P Contact at Ithaca Mall <ul style="list-style-type: none"> • Gina Speno, CRX, CSM Property Management/Leasing The Shops at Ithaca Mall 40 Catherwood Road Ithaca, New York 14850 Office 607-257-5338 Cell 315-374-6664 Gina@theshopsatithacmall.com www.theshopsatithacmall.com 	FYI	FYI
▼ Email Trail		
<ul style="list-style-type: none"> ▼ 2018-08-15 email From: Jim Subject: Running to Places floor plan <ul style="list-style-type: none"> • R2P Floor Plan http://mcp.cc/r2p/R2PFloorPlan2018-08-15.pdf • From: "James K. Drew" <architectsdrew@gmail.com> Date: August 15, 2018 7:31:27 PM EDT To: "gina@theshopsatithaca.com" <gina@theshopsatithaca.com>, "joey@runningtoplaces.org" <joey@runningtoplaces.org>, DEBORAH DREW <parkrdrew@hotmail.com>, Dick Furnas <mcp@lightlink.com>, Lilly Westbrook <lwestbrook@ithaca.edu>, Kati Torello <katitorello@gmail.com>, Hjorganics <hjorganics@aol.com> Subject: Running to Places floor plan 		
<p>Good evening,</p>		

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Thank you all again for the productive meeting last night. Attached are two floorplans, one of the main floor and one of the mezzanine level.		
I will have prints made shortly for the meeting next week.		
Jim		
▼ 2018-08-15 email From: Lilly Subject: Re: Last night's [2018-08-14] meeting		
▼ Using the 'collected comments' report that Dick organized (thank you Dick), we [ad hoc workgroup meeting participants] identified three primary areas of concern that we [R2P] would like revisited and clarified. Those include	Context	
• hours of operation	Clarify	
• definition of gross sales	Clarify	
• early termination	Clarify	
▼ We identified several secondary/tertiary concerns that we would like corrected/clarified. They include everything from	Context	
• our name and the location of the mall	FIX	
• understanding the requirements for our ability to 'sub let' [partner with others to use the space]	Word Choice!	
▼ reporting and reconciliation of sales and fees	Clarify	
• [particular concerns here are definitions and time to prepare the reports]	Concern	
• [when we partner with others, our ability to report properly may be contingent on the ability of the partner to report to us...]	Concern	
▼ responsibility for outside contracts.	Clarify	
• [these seem to be ambiguously present all over the place in the lease, including Rubbish, Recycling, HVAC maintenance, insurance coverage for various eventualities...]	Clarify	
• [any such responsibilities which fall to R2P will affect the budget]	BUDGET	
▼ In addition, we [All Board members were present at this meeting] approved motions to:	Context	
• allocate funds for legal council	FYI	
• authorize Dick to engage legal council on behalf of the Board of R2P for the purpose of this lease negotiation	FYI	
• agreed to hire Emily Rocket as our legal representative.	FYI	
▼ We meet next Tuesday 8/21 JBC 5:30 Our agenda will included [sic]	FYI	
• a report on the status of our drawings and construction documents	FYI	
• a first review of next seasons budget	FYI	
• hopefully an update from our lawyer.	Action	
▼ 2018-08-13 email From: Deb Subject: Re: My thoughts		
• We need to review the "hours of operation" and be clear that a lot of our business will be done after Mall business hours. our Sunday shows would be the most affected by early closing of the Mall. We generally do not leave the theater until after 10:00pm. We need to have a clear understanding of when we are allowed to be in our space. this was a constant problem when we were running to all the other places in town. We had to beg or renegotiate extra time to allow the production team time to work after student work times were done.	Negotiate	
• Also, does the timeline of signing the lease get renegotiated if we are not ready to sign by Sept 1 or are not prepared, ie permits and construction material lead times, architectural and engineering drawings? HVAC, electrical and structural engineers have not yet had the time or ability to get into the space to prepare their documents we will need for permitting. The Mall is allowing 2 "free"months for demolition and construction. Does that start on day of signing or Sept 1?	Clarify	
▼ 2018-08-13 email From: Kati Subject: Re: My thoughts		
▼ Contractual:		
• 1. Spellings, locations, names etc. I [Kati] am sure will be addressed in a final lease.	Concern	
▼ 2. I [Kati] still believe very strongly, regardless of the initial conversations with the lawyers and Mall Management that the definition of Gross sales must be spelled out and the exclusions specifically listed, for the following reasons:	Clarify	
• a. The lease specifically mentions "actual charges for services performed, business conducted..." Section IV.C(a)	Clarify	
• b., referring to same section - if we let another organization use our spacel their revenues earned...from using the space have to be included in our monthly calculations. See IV.C(a) and IV.C(e). They will also be required to provide financial records to confirm those numbers. Section IV.C.(e)	Clarify	
• c. Section IV.C(d) mentions review, audit and controversy along with a 3 year potential look back. Cleaning up these definitions will mitigate the chances of a "Controversy" at least.	Clarify	
• 3. Utilities/Waste Disposal: do we get to inspect bills and calculation to ensure no overbilling and availability of reimbursements of such at the end of each lease year?	Clarify	
▼ 4. Waste Disposal: (and to a lesser extent utilities) do we know if we are required to hire our own service or if the landlord bills for this? The lease is vague and infers that it can either provide it of require us to hire our own; but it would be good to know what current practice is.	Clarify	
• [An actual Formula would be invaluable]	Action	

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<ul style="list-style-type: none"> ▼ 5. Section XIV. Subletting: This \$2,500 fee each time we ask permission to sublet: Does this come into play every time we may consider letting another organization use our space? It would preclude that certainly. We need additional terms or exclusions here as well. <ul style="list-style-type: none"> • [Insurance implications] • [Legal implications] 	Word Choice!	
<ul style="list-style-type: none"> • 6. Section XXIII T. Payment under Protest: We are required to pay fees "under protest" rather than withholding payment if there is a dispute. This section says that once the dispute is resolved the Mall will be required to repay the tenant if resolved in the Tenant's favor but is silent as to when. In many parts of the contract there are time lines and due dates for the tenant "15 days after end of month" for example for Excess Rent calculations and financial statements. Shouldn't there be a timeframe by which the landlord HAS to remit reimbursement of overpayments? 15 days after resolution? 30 days? Something reasonable or the Mall can hold the money as long as they want the way this is worded. 	Clarify	
▼ Clarifications:		
<ul style="list-style-type: none"> • 1. Signage rules Section VI.D. We will need signage so we will need clarification on what the general parameters/practices are before we start to design anything. • 2. What is the current status of waste disposal? Will we contract on our own or pay the Mall a portion of a bill? Lease is very vague. • 3. Are utilities in this section separately metered? 	Clarify	
<ul style="list-style-type: none"> ▼ 4. Are we responsible for our own ISP and WIFI? It's not in the lease so I [Kati] think so but we should be sure. <ul style="list-style-type: none"> • [At meeting of 2018-08-14 Jim said his understanding was yes] 	Clarify	
<ul style="list-style-type: none"> • 5. Pest control: Is there a minimum requirement? Monthly service? Quarterly? • 6. Section XXIII.G HVAC certification of maintenance and good working order is only required when we quit the premises according to the lease. I [Kati] do think we should have an HVAC maintenance/inspection contract for at least a yearly cleaning/inspection - this will reduce the risks of having a large problem or unexpected expense. 	Clarify	
<ul style="list-style-type: none"> • 7. Can we have an HVAC contractor inspect the system before we sign the lease? This is an "AS IS" contract and I [Kati] would hate to walk into an impending disaster - this area of the mall has been unused so long.. Food for thought. 	Clarify	
▼ Budgetary Impacts (monthly):		
<ul style="list-style-type: none"> • 1. Minimum Rent: \$2,500 (first year) • 2. Utilities: \$1,000 • 3. Waste Disposal \$ 125? Alternative? Casella? This also needs to be included in the build out period because it will likely be significant • 4. Internet/WIFI \$ 150? • 5. Pest Control: \$ 50? More? • 6. HVAC contract \$ 150ish per year for lowest level. May want a mid-level that includes an annual cleaning 	BUDGET	
▼ Random Thoughts:		
<ul style="list-style-type: none"> ▼ 1. This Board has decided for the moment that we aren't going to sell "SWAG", however, we should not lose sight that this would be a component of sales. This Board, or a future Board, may re-evaluate the situation and determine that selling SWAG is an important part of name recognition, advertising and revenue enhancements. I [Kati] think we all know that things tend to go in cycles. <ul style="list-style-type: none"> • [Implications fo Gross Sales definition] • [Implications for collection of Sales Tax] • [Implications for Unrelated Business Income] • [Could/should there be a relationship between Gross Sales and Unrelated Business Income?] • 2. We are going to have to take many of the terms of the lease into account if we continue to consider that we will pursue allowing other organizations to use the space on an occasional basis - whether as a friend or as a revenue enhancement or both. The terms of the excess rent stipulations seem to me to say that those organizations revenue reports will have to be part of our monthly revenue reporting. Should they push us over the threshold in a particular month there should be stipulations in any use contract as to what their obligations are for that excess rent. Or an estimate should be built into the rent amount. • 3. It's time for R2P to build a Development budget and plan. We will need it! 	Perspective	
▼ 2018-08-13 email From: Lilly To: Dick Subject: Lease Notes		
<ul style="list-style-type: none"> ▼ I [Lilly] preface this all by saying right now I [Lilly] have no deal breakers. I [Lilly] think we need to look at the WHOLE lease once it comes back to us from the lawyer. I [Lilly] believe-for me- it will probably be a combination of factors that might make me consider a plan 'B'. <ul style="list-style-type: none"> • [You've got a plan "B" ??? Do tell!] <p>My 'B' would include a 'hold please' announcement-we are after all a theatre company- and I [Lilly] would suggest we put the the money in some form of holding account. We would of course need to ask our donors' permissions and if they asked for the money back-we would have to give it back. R2P would continue as we always have while the board considers options for moving forward. It's not ideal by any means, but it will buy us some time.</p> 	Context	
▼ Requests:		
<ul style="list-style-type: none"> • -Can we get a 'plain term' or 'plain language' lease? Something that is not so dependent on legal speak. • -Can we wordsmith this document to accurately reflect names, dates, and locations. 	Request	
		Request

Topic	Status	Article
<ul style="list-style-type: none"> -Can our lawyer properly describe our organization-Not for Profit, 1 ½ full time employees, volunteer dependent, yearly budget of \$\$, serving 250 kids/year which would bring constant foot traffic from family and friends. 	Request	
▼ Clarifications:	Context	
▼ Utilities accounting:	Context	
<ul style="list-style-type: none"> -Do we get to see the documentation that determines if we have exceeded our monthly allowance of \$1000? 	Clarify	
<ul style="list-style-type: none"> -Do we get reimbursed if we are over our monthly allowance? 	elsewhere	
<ul style="list-style-type: none"> -How long do we have to 'settle up' if we are under? 	Clarify	
▼ Gross Sales accounting:	Context	
<ul style="list-style-type: none"> --Any chance we can make this a 30-day turn around? 	Request	
▼ Rubbish removal-	Context	
<ul style="list-style-type: none"> -Do we need an agreement with an outside contractor? Why if Mall provides removal? 	Clarify	
<ul style="list-style-type: none"> -Will our current disposal method include 'construction waste' from our set construction? 	Clarify	
<ul style="list-style-type: none"> -How does recycling work? 	Clarify	
<ul style="list-style-type: none"> HVAC- maintenance? 	Clarify	
<ul style="list-style-type: none"> Pest Control? 	Clarify	
<ul style="list-style-type: none"> Removal of our property upon lease termination? 	Clarify	
<ul style="list-style-type: none"> -What happens if WE need to terminate the lease? 	Clarify	
<ul style="list-style-type: none"> -Does our current insurance comply? 	Clarify	
▼ Renegotiation/clarification:	Context	
<ul style="list-style-type: none"> -Gross Sales-I [Lilly] would like specific language for what it includes and what it excludes. 	Request	
<ul style="list-style-type: none"> -Rent Partners ('subletting') Can the charge for review be reduced to \$500.? If they are a 'rent partner', would their contribution to our organization be considered 'gross sales'. 	Word Choice!	
▼ -Termination rights-	Request	
<ul style="list-style-type: none"> (I [Lilly] know this has been discussed and determined non-negotiable. I [Lilly] would ask our lawyer for one more pass to remind the Mall the ramifications of a 30-day termination. This could be a PR snafu as we would have to cancel our upcoming production –compromising both income and community good will-in order to evacuate the premises. We have TREMENDOUS community support. Do they really want to be the 'big bad mall' that closes down the kids show? In looking at our production calendar, a 90-day termination would allow us to mount the next production AND arrange for removal of all of our belongings to comply with the notice.) 	Request	
▼ 2018-08-12 email From: Jim Subject: Re: Board Only-Mall Lease meeting		
<ul style="list-style-type: none"> Gross Sales is limited to income derived from ticket and concession sales. Donations, grants, sponsorships and other lines do not qualify as gross income. They are donations not income from sales. This position was discussed and agreed upon with Gina during our meetings. I [Jim] would suggest that the definition of gross sales be added to the lease agreement as indicated above. 	Action	
▼ 2018-08-07 email From: Rachel Lampert Subject: Re: Lease ad hoc workgroup [was: Re: Lease PDF with Comments...]		
<ul style="list-style-type: none"> Dick contacted me about trying to figure out what is "gross sales" are vis a vis fund raised money. 	Context	
<ul style="list-style-type: none"> I [Rachel] am not comfortable with this approach of trying to figure out a way around the wording of the lease. A paid attorney needs to be consulted to determine this. The first conversation needs to be about the legality of a NFP entering into the percentage agreement. 	WIP!	
<ul style="list-style-type: none"> I [Rachel] will find it impossible to ask people for gifts if a percentage is coming off the top until I [Rachel] know the legal ramifications from a contract attorney. 	WIP	
<ul style="list-style-type: none"> There are other issues in the lease that a hired attorney should be negotiating on behalf of R2P. You/the board cannot/should not be the negotiators. This is too critical a contract to do without a consultation. And, Adam has already raised issues. 	WIP	
▼ 2018-08-07 email From: Lilly Subject: Mall Lease meeting notes.		
<ul style="list-style-type: none"> These are not official minutes. I [Lilly] just tried to capture the conversation in the room. 	Context	
<ul style="list-style-type: none"> We began with a brief discussion of asking Adam to join us at the next Board meeting. We shared ideas about what attributes we are looking for in a lawyer. 	Context	
<ul style="list-style-type: none"> Katie raised the possibility of reaching out to GEWN SEAQUIST. She is a professor at IC We are not sure if she would be willing or able to participate. We could possibly receive some advice from her. 	?	
<ul style="list-style-type: none"> We raised the question of who did Rachel Lambert [sic] Lempert use for the Kitchen renovation. It was noted that that was a building purchase. We are in need of advice for a lease. 	elsewhere	
<ul style="list-style-type: none"> Dick took the liberty and incorporated all notes in a revised lease. (SEE ATTACHED). It was a much easier document to review. 	PDF	
<ul style="list-style-type: none"> Lilly shared the conversation she had with Joey. Noting the sticking pint of the 30 Day lease termination. He noted in the conversation that he does not believe the mall is actively seeking another tenant nor is there is buzz in the media of someone coming to town. 	Perspective	
<ul style="list-style-type: none"> When began to review the lease line by line. We didn't get very far when Dick noted that we are a 501 c and the lease does not currently conform to our charter. 	Perspective	
<ul style="list-style-type: none"> Katie has a significant problem with the termination rights. Katie reminded the group that we could be replaced by a non-retail entity. 	elsewhere	
<ul style="list-style-type: none"> Deb shared with us how she has researched the idea of mixed-use spaces and should someone come along that needs the sq. footage- we could be out. 	elsewhere	

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<ul style="list-style-type: none"> • Dick asked what is the possibility of purchasing insurance against such an event. No one had heard of such a thing but it is certainly worth exploration. 	Possibility	
<ul style="list-style-type: none"> • Heidi raised the idea that any investment had risk. There could be any kind of natural or man-made disaster and our donors would not hold us responsible. 	Perspective	
<ul style="list-style-type: none"> • At this point the group agreed that we need to negotiate one more time. 	elsewhere	
<ul style="list-style-type: none"> • We then came across the article involving 'gross sales'. While we may define our GS as tickets, concessions, merchandise and anyone we may partner with to use our space, Our Partnership Rent is if we choose to allow someone o use our space. 		
<ul style="list-style-type: none"> • ** Please note--We should not ever call this SUBLET we would have to request permission for a sublet (at the cost or \$2500) and there is no guarantee we would receive permission. They would be our Rent Partners. Another detail in the lease we need to confirm. 	Word Choice!	
<ul style="list-style-type: none"> • [Similarly, never use the term Educational Purposes — that invokes a whole category of Code and other requirements] 	Word Choice!	
<ul style="list-style-type: none"> • The lease does not exclude donations, fundraising, donors or sponsors. Unless that is clearly defined, we may not be able to afford this move. 	elsewhere	
<ul style="list-style-type: none"> • We would pay a monthly percentage on those monies if we cannot confirm this exclusion. This is the very nature of how we do business. 	elsewhere	
<ul style="list-style-type: none"> ▼ As we brought the meeting to a close, random ideas and concerns surfaced: <ul style="list-style-type: none"> ▼ Utilities. \$1000. Per month in advance. There is an end of the year accounting and if we did not pay enough we will owe. <ul style="list-style-type: none"> • -Do we have access to documentation to confirm those numbers? • -Do we get a refund if we pay too much? • HVAC_--do we need to retain a contractor with a maintenance contract. • Rubbish removal- do we need to retain a contractor with a maintenance contract. • How much of our operating budget will we need to set aside for contingency?? • Agreed to one more round. • Nominated Katie to be a spokesperson. • Agreed for need of lawyer's services. Dick will reach out to Adam for inquiry with possible invite for retention. 	elsewhere elsewhere elsewhere elsewhere elsewhere elsewhere elsewhere	
<ul style="list-style-type: none"> ▼ 2018-08-08 email From: Jerry Subject: My Thoughts <ul style="list-style-type: none"> • I [Jerry] want to point out here that the lease that has been presented by The Mall is an accurate representation of the terms that had been laid out in bullet point form when the discussions were first taking place about renting the space. These points were widely shared with the Board at that time and the concerns that were expressed were discussed with the Mall's representatives and the decision to proceed both with the project and the lease were predicated on those conversations. 	Perspective	
<ul style="list-style-type: none"> ▼ In the more recent emails that I [Jerry] have read I [Jerry] have seen two major areas of concern emerge that I [Jerry] would like to comment on specifically; the clause that would allow the Landlord to give notice and end the lease in the event they identified a higher paying tenant and the additional rent clause which provides for a certain percentage to be paid if R2P proceeds exceed a certain level of income in any given month. <ul style="list-style-type: none"> • As to the first point of lease termination, we were told by The Mall that this point was non-negotiable. We attempted to soften the potential harm from this clause by asking for a pro-rated refund of the improvements R2P would make to the space (i.e. if the lease was canceled 5 years into the 10 year term then The Mall would rebate 50% of the improvements R2P made). When we were told The Mall wouldn't accept this proposal Joey, quite reasonably pointed out, that the space had been sitting for over 10 years without a significant tenant being identified. This coupled with the fact that there exists a great deal of space at the mall, much better located and easier to work with, that The Mall can (and has to) lease long before they figure out a tenant for the old movie theater spaces. Think about the old Sears space and what about Bon-ton?! We decided that while this was a possibility that, given the current state of retail today, it was a low percentage risk, and we were prepared (I [Jerry] thought) to accept that. 	Perspective	
<ul style="list-style-type: none"> • As to the additional rent concerns this, too, was discussed amongst ourselves. To be clear this is a 'sales-driven' clause. In our conversation with The Mall we were transparent and indicated that, while the space would enable R2P to enjoy longer runs of the shows it produced, it was the intention of R2P to sublease the space to other theater companies for their performances and that R2P would derive additional revenue from this. We did the math on this and arrived at the conclusion that there were perhaps a few months where this sales clause might kick in. The dollar amount was not perceived as onerous and the decision was we were prepared to deal with it. I [Jerry] think it is a stretch to think that our fundraising efforts (i.e. monies raised for this move or down the road to support the mission of the organization) could be construed as being 'sales' and thus be subject to this rent percentage calculation. Certainly ask The Mall about it but I'd be very surprised if that was their interpretation. For the record, if I'm wrong, then I'm in complete agreement that that would be cause to step back from this lease. 	Perspective	
<ul style="list-style-type: none"> • I [Jerry] know I've gone on very long with my thoughts and I [Jerry] have just a little bit more to say. We all know this is an amazing opportunity for R2P, and I [Jerry] truly mean ALL. The community has backed this idea wholeheartedly. The monies raised to date speak to the deep respect and gratitude that people feel for what R2P (and, yes, Joey) have done for our community. I [Jerry] wish I [Jerry] could tell you that landlords wrote leases that are tenant-friendly but it's not how the game is played. This may be even more so in commercial leases where so much more responsibility is placed on the tenant. I [Jerry] also wish we could create a situation for R2P that is 100% risk averse. That, too, is regrettably not realistic. As a responsible group of individuals you/we have to weigh the amount of risk against the benefits to the organization. For myself, and as someone with a significant stake in the game, I [Jerry] feel the benefits far outweigh the risks. Several of you have asked for my opinions in the past and I [Jerry] am grateful that they have been valued. 	Perspective	
<ul style="list-style-type: none"> • in the end The Mall will only go so far and finally just say 'take it or leave it'. You are all smart people, you've proven that - now we have to be brave and believe we can do this. 	Perspective	
<ul style="list-style-type: none"> ▼ 2018-07-27 email From: Dick Subject: Lease PDF with Comments from Dick [was: Re: Lease and other important mall info!] 		
<ul style="list-style-type: none"> ▼ see summary PDF document collecting these and other comments <ul style="list-style-type: none"> • Running in Places Theatre Company_ithaca.all_edits&comments_Notes_displayed.pdf 	context PDF	

Topic	Status	Article
<ul style="list-style-type: none"> ▼ 2018-07-26 email From: Kati Subject: Re: Lease and other important mall info. <ul style="list-style-type: none"> • Page 1 #2: Percentage rent - Is this in addition to the \$2,500 per month? Does monthly gross sales include donations, grants, pledges? These items are not specifically included on page 2 nor are they specifically excluded on page 4. These should be specifically excluded on page 4 in my humble opinion. Clarify • I [Kati] believe in reading this section that concession sales will be included in that monthly gross receipts calculation. We should note that for future reference and ensure that our internal controls over such are significant enough not to cause troubles with the reporting requirements. Clarify ▼ Section VIII: Utilities & Rubbish Disposal: Context <ul style="list-style-type: none"> • We have to pay \$1,000 per month in advance for utilities; in addition to the rent. Is this in the budget or projections? elsewhere • The same goes for waste disposal (not \$1,000). at the end of each lease year the landlord will provide a statement showing the usage and any average or underage of payment and one party has to reimburse the other for the difference. I [Kati] don't see where it confirms tenant can review the actual bills; but we may want that. This could get costly. (pages 8-9). elsewhere ▼ 2018-07-26 email From: Joey Subject: Lease and other important mall info. <ul style="list-style-type: none"> ▼ Forwarded from Gina Speno Context <ul style="list-style-type: none"> • From: Gina Speno <Gina@theshopsatithacmall.com> Context <ul style="list-style-type: none"> Subject: New lease Running to Places Date: July 26, 2018 at 3:42:18 PM EDT To: joey@runningtoplaces.org Cc: Beth Tanner <beth@theshopsatithacmall.com> ▼ Please find attached the following items: Context <ul style="list-style-type: none"> • . The new Lease Agreement – please review and have two sets printed, signed and notarized. Action • . Please return both sets to my office along with the first month's rent and security deposit; payable to Ithaca Mall Realty LLC. Action • . An updated insurance certificate for this space will need to accompany the signed agreements. Action • Gina Speno, CRX, CSM Property Management/Leasing The Shops at Ithaca Mall 40 Catherwood Road Ithaca, New York 14850 Office 607-257-5338 Cell 315-374-6664 Gina@theshopsatithacmall.com www.theshopsatithacmall.com FYI ▼ Forwarded from Gina Speno Context <ul style="list-style-type: none"> • From: Gina Speno <Gina@theshopsatithacmall.com> Context <ul style="list-style-type: none"> Subject: tenant buildout Date: July 26, 2018 at 3:52:01 PM EDT To: joey@runningtoplaces.org Cc: Beth Tanner <beth@theshopsatithacmall.com> ▼ Here are a few things to review: Context <ul style="list-style-type: none"> ▼ · Demo permit/building permit: As the Landlord we are required to apply for these permits. Action <ul style="list-style-type: none"> • o A complete set of demo plans and building plans will need to be submitted with each application. The cost of the permit is based on the total cost of the project; please provide this amount to us. Action • o We will need the General Contractors information and a list of all the sub-contractors being used. Action • o A sample insurance is attached for the General Contractor, please share this with them. They need to supply us a certificate and they need to supply the Village of Lansing a certificate. Action ▼ · Pre- Construction Meeting: Context <ul style="list-style-type: none"> • o Once we submit the plans for review to the Village of Lansing and our Tenant Coordination person, we should schedule a meeting with your GC to review various other elements. Action • o Once you have possession of the space and you have a GC contacted, we do require they install the barricade and coming soon signage should be placed on the barricade. Action ▼ · Signage: Context <ul style="list-style-type: none"> • o Store signage should be submitted at any time and does not require a permit. Action ▼ Lease Notes <ul style="list-style-type: none"> • "Tenant" is Running to Places Theatre Co. Limited, a 501(c)3 Charitable Organization registered in New York State FIX ▼ I Basic Lease Provisions I <ul style="list-style-type: none"> • A situated in ... Ithaca FIX IA ▼ C Lease Term IC <ul style="list-style-type: none"> ▼ 3 Landlord's Termination Right IC 3 		

Topic	Status	Article
<ul style="list-style-type: none"> change 5 to 15 business days 	Negotiate	
<ul style="list-style-type: none"> “said third party” <ul style="list-style-type: none"> except where pursuant to other terms of this agreement... Note: Page 21 #S.Relocation Note: What about if a production is planned, advertised, tickets sold, etc.? Commitment to work with tenant to terminate lease after such event. 	Concern	
<ul style="list-style-type: none"> D Rent: (Article IV) <ul style="list-style-type: none"> 1. Minimum Rent (Article IV) <ul style="list-style-type: none"> This amounts to 5% per year compounded Annually 2. Percentage Rent (Article IV, Section B): 	BUDGET	I D I D 1
<ul style="list-style-type: none"> I. Permitted Use: (Article IX) <ul style="list-style-type: none"> Note: Keep this simple here. The Premises shall be used for conducting business therein in fulfillment of the tenants' mission and as set forth in Article IX and for not other purpose without prior written consent of the Landlord. Such consent shall not be unreasonably withheld. 	Negotiate	I I
<ul style="list-style-type: none"> J. Company Name 	FIX	I J
<ul style="list-style-type: none"> M. Notice Address <ul style="list-style-type: none"> 1. Tenant 	FIX	I M I M 1
<ul style="list-style-type: none"> II Premises <ul style="list-style-type: none"> (“Shopping Center”) is not shown in its entirety Should any utility work impact or disrupt the operations of the tenant, the Landlord shall make every effort to provide advance notification of such work. 	FIX Negotiate	II II A II B
<ul style="list-style-type: none"> IV Rent <ul style="list-style-type: none"> B Percentage Rent C Gross Sales <ul style="list-style-type: none"> (a) Definition of Gross Sales (b) Gross Sales Exclusions (c) Reporting of Gross Sales <ul style="list-style-type: none"> Any relaxation of the speed of reporting would be welcome (a) Monthly <ul style="list-style-type: none"> Question: If you do not have a full time accountant, is this reporting onerous? Can we minimize extra work here by using reports already in place? (b) Yearly <ul style="list-style-type: none"> Can we minimize extra work here by using reports already in place? (c) Delivery of Reports <ul style="list-style-type: none"> If upon filing of such statement, the Landlord shall refund any overpayment of Additional Rent with a maximum of \$100 late payment fee charge deducted from refund. (f) Tenant's failure to comply <ul style="list-style-type: none"> Can't imagine anything intentional, but gotta run a tight ship 	Clarify Clarify Request Concern Concern Concern Negotiate Concern	IV IV B IV C IV C (a) IV C (b) IV C (c) IV C (c) IV C (c) (a) IV C (c) (a) IV C (c) (a) IV C (c) (b) IV C (c) (c) IV C (c) (c) IV C (c) (f) IV C (c) (f)
<ul style="list-style-type: none"> VI Construction <ul style="list-style-type: none"> C Tenant's Construction <ul style="list-style-type: none"> Yes this is a tight timeline. What about subsequent construction or alterations of space pending fundraising, etc. <ul style="list-style-type: none"> Can we Triage construction and its approval in stages to assure enough of the space is ready for December? D Signage <ul style="list-style-type: none"> What is “exterior” approval may not be unreasonably withheld 	Concern Possibility Clarify Negotiate	VI VI C VI C VI D VI D VI D
<ul style="list-style-type: none"> Common Areas <ul style="list-style-type: none"> See Appendix to confirm Public Restrooms 	Clarify	VII VII A
<ul style="list-style-type: none"> VIII Utilities and Rubbish Disposal <ul style="list-style-type: none"> A Utility Charges <ul style="list-style-type: none"> We have to pay \$1,000 per month in advance for utilities; in addition to the rent. Is this in the budget or projections? The same goes for waste disposal (not \$1,000). at the end of each lease year the landlord will provide a statement showing the usage and any overage or underage of payment and one party has to reimburse the other for the difference. I [Kati] don't see where it confirms tenant can review the actual bills; but we may want that. This could get costly. (pages 8-9). If other/all tenants leave the mall does the responsibility for utilities go to 100%? Perhaps limit to % square footage ratio to the rest of the mall 	Concern BUDGET Negotiate Negotiate	VIII VIII A VIII A VIII A

Topic	Status	Article
▼ IX Use of Premises by Tenant		IX
▼ A Tenant's Use of Premises		IX A
▼ Would be helpful to communicate a simple vision statement here to guide use: Tenant's Use of Premises.	Clarify	
• Running To Places Theatre Company R2P is a youth theatre company, fostering a safe and supportive community which provides opportunities for the development of life skills to all interested youth through theatre.	Clarify	IX A
• The premises shall be principally used for conducting business in fulfillment of the mission of the tenant including but not limited to: theatrical or other performing arts productions, performances, rehearsals, training/ lessons; scenery, props & costume construction, and storage; dressing rooms, administrative offices, etc.	Negotiate	IX A
• Furthermore, as a not-for-profit community arts organization, the tenant may from time to time contract with any subtenant, licensee, concessionaire or other rental occupant as may be required for generating revenue, community engagement or other private events or activities as may be approved by the R2P Board of Directors.	Negotiate	IX A
• Any use of the premises outside of the scope of the above noted activities shall require prior written consent of the Landlord. Such approval shall not be unreasonably withheld.	Negotiate	IX A
▼ B Operation of Business		IX B
• Tenant is a 501(c)3 Charitable Organization. As a youth community theatre organization, tenant agrees to be open as required, consistent with its mission.	Negotiate	IX B
▼ XI Repairs and Alterations		XI
▼ A Repairs by Landlord		XI A
• The charges for such repairs shall be limited to the actual structure leased by tenant, and shall be amortized over the reasonable life of such repairs.	Negotiate	XI A
▼ ? Repairs by Tenant	Concern	XI ?
• No Section number.	FIX	XI ?
▼ Alterations or improvements by Tenant	Concern	XI E
• Section out of Sequence	FIX	XI E
▼ D Removal of Improvements	Concern	XI D
• Section out of Sequence	FIX	XI D
• What about seats? False floors? Anything else we care about?	Concern	XI D
▼ XII Indemnity and Insurance		XII
▼ B Tenant's Insurance	BUDGET	XII B
• All certificates of insurance required of Tenant pursuant to this Article shall name each Landlord entity as well as the Namdar Realty Group LLC as Additional Insureds and Certificate Holders.	Action	XII B 7
▼ XIII Damage and Destruction		XIII
• Let's be sure our insurance covers this stuff!	BUDGET	XIII
▼ XIV Assignment and Subletting		XIV
• This whole section potentially threatens some of our collaboration plans depending on definitions.	Word Choice!	XIV
▼ "Tenant shall not permit any business to be operated in or from the Premises by any concessionaire or licensee without the prior written consent of Landlord, which consent Landlord may withhold in its sole discretion."		XIV
• If you remove this sentence, all other activities could be covered by Section IX A.	Negotiate	XIV
▼ XVII Notices		XVII
• No Email or Fax?	Clarification	XVII
• Contrast with XXIII O Counterparts	Clarification	XVII
▼ XXIII Miscellaneous Provisions		XXIII
▼ C Broker's Commission		XXIII C
• Is anyone getting a Broker's Commission?	Concern	XXIII C
▼ O Counterparts		XXIII O
• "In order to facilitate the agreements contemplated by this Lease, signatures transmitted by facsimile machine or signatures transmitted via e-mail in a "PDF" format may be used in place of original signatures on this Lease"	Clarification	XXIII O
• Contrast with XVII Notices	Clarification	XXIII O
▼ R Joint and Several Liability		XXIII R
• Tenant is R2P Only, correct?	Clarification	XXIII R
▼ S Relocation		XXIII S
▼ "Tenant to another premises "		XXIII S
• Tenant and any sub-tenants, if any, to other suitable premises	Negotiate	XXIII S
▼ Y Recording		XXIII Y

Topic	Status	Article
<ul style="list-style-type: none"> ▼ “This Lease shall not be recorded in any public records office or department by Landlord or Tenant.” 		XXIII Y
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • As a 501(c) 3 R2P may have reporting or disclosure requirements which differ with this clause 	Clarify	XXIII Y
<ul style="list-style-type: none"> • Missing pages 23, 24, 25 	Clarify	Page 22
<ul style="list-style-type: none"> • What do we need at signing? 	Clarify	