

- ▼ New Items, here for convenience. They will eventually be moved to their proper location further down.
- ▼ 2018-08-21 email From: Jim Subject: Agenda
- Running to Places
August 21, 2018
5:30 PM Just Be Cause Center
- ▼ AGENDA
- Attendance:
James Drew, President
Lilly Westbrook, Vice President
Deborah Drew, Secretary
Dick Furnas, Treasurer
Heidi Goldstein
Katie Torello
Joey Steinhagen
Guests:
 - Review of previous minutes
Corrections:
Motion to approve:
Second:
Vote:
 - Executive Director report:
School of Rock
Season wrap up
- ▼ Mall Lease:
- ▼ Ad Hoc committee report:
 - Legal Counsel report:
 - Donation report:
 - ▼ Construction Drawings report:
 - Architects Drew status: (preliminary plans review and approval of layout)
 - Engineers status:
 - Insurance for Mall lease:
 - ▼ Background checks for workers:
 - Paid:
 - Volunteer:
 - ▼ Schedule for 2018/19 production
 - Contingency plans
- ▼ 2018-08-21 email From: Jim Subject: Re: Notes from the search for Council [was: Re: Last night's meeting]
- The second floor plan should also be included in the lease documents. Action
- ▼ 2018-08-20 email From: Emily Rockett Subject: Re: Notes from the search for Council [was: Re: Last night's meeting]
- A. Is addressed (sorry – forgot to add to the list) – I took out “in 100% of the Premises, on all business days.” I’m alerting the mall via a comment that you all are not the standard retail business and I think it’s up for negotiation how they and you would like to handle this. Can you suggest more specific parameters that would meet your needs? Action
 - B. I made this more specific (see attached version). I agree that advertising revenues are not appropriate to exclude. FYI
- ▼ 2018-08-20 email From: Kati Subject: Re: Notes from the search for Council [was: Re: Last night's meeting]
- A. I don't see in your list above where you made any adjustments for the hours we are open/permitted to be in the space. I know there are 2 concerns here: 1. that as a Youth Theatre group we are not open to the public every day during normal mall operating hours and 2 that we may need to be in our space later than the normal mall operating hours (tech/strike are two examples of this). I know that most malls have requirements on hours and penalties if you don't meet these requirements so I am concerned that this is addressed properly (Deb Drew has brought this up as well during our meetings).
 - B. I don't think that Direct Donations is specific enough for the exclusions from gross sales. I think that we need to be more specific than that: I believe that we need to specifically reference direct donations, grants and sponsorships. While I would love to see advertising revenues excluded as well; I don't believe that that is appropriate.
 - Thank you for forwarding us your updated draft for our feedback; it is appreciated. We have a Board meeting tomorrow evening so if there are other items you believe we should add to our agenda it would be great to hear from you. Thanks again!
- ▼ 2018-08-20 email From: Emily Rockett Subject: Re: Notes from the search for Council [was: Re: Last night's meeting]
- I have reviewed the lease and all of your comments thereto. I am generally in agreement with Jerry that your organization is getting a very good deal on these premises and you're not going to be able to get everything you would like as a not-for-profit entity when you enter into a commercial lease. That said, I tried to clarify a couple things in the lease revisions. Below is a summary of the changes: Context
 - 1) I corrected small details such as your name and the municipality. FYI

Topic	Status	Article
<ul style="list-style-type: none"> 2) I expanded the termination period from 5-15 days noting that due to the nature of your organization you might need more notice to make a decision on whether you could bump the rent. I do not know if the Landlord will go for this and, frankly, I think it's something you can afford to give on. 	Possibility	
<ul style="list-style-type: none"> 3) I included what I believe is an appropriate definition of gross sales - specifically excluding direct donations. This should keep your donors happy. You will, I understand, need to change the way you do your accounting in order to comply with the landlord's requirements. 	WIP	
<ul style="list-style-type: none"> 4) I expanded the permitted uses. Please make sure this list includes everything you need it to (page 2, Article 1, section I.) 	Action	
<ul style="list-style-type: none"> 5) I changed the signage provision to say that landlord's approval shouldn't be unreasonably withheld or delayed given that signage is very important to R2P and will change with some frequency. I think your collective best bet with that regardless of whether the landlord agrees to this change is to ask for permission for new signage as far as possible before a show so you can maximize your odds of securing permission in a timely fashion. 	Action	
<ul style="list-style-type: none"> 6. In section XIV, I attempted to cover your allowing other theater entities use of the space by calling such uses "joint productions". Let me know if that covers what you want it to cover. "Rent partners" sounds entirely too much like subletting to me. 	Action	
<ul style="list-style-type: none"> 7. On page 22, I made an exception for recording the lease for instances where it is required by applicable law. They can't reasonably argue with that. 		
<ul style="list-style-type: none"> Let me know how you wish to proceed. I am available should you have further questions. 	Action	
▼ 2018-08-16 email From: Dick Subject: Re: Last night's meeting		
▶ Preamble	Context	
▼ Dick set up a web site with a short, easy URL: mcp.cc/r2p/	FYI	
<ul style="list-style-type: none"> to which Dick posted various documents, including those referred to in CollectedComments, along with CollectedComments itself, for viewing or download. 	Context	
<ul style="list-style-type: none"> File names are intended to be self-explanatory, include the date Dick got the file and are time stamped accordingly so all the columns of the display have the best information Dick had and will sort properly. 	Context	
<ul style="list-style-type: none"> Whence the super short URL? This site uses web space Dick has for Microcomputer Power (mcp) which is set up as a carbon copy (cc) of Dick's main website. 	Context	
<ul style="list-style-type: none"> If anyone feels these documents should be behind a password, let me know and I can arrange it. I wanted to start with simple access for ease of use and comment. 	Action	
<ul style="list-style-type: none"> Note that I carefully provided the URL as something you must copy and paste into your browser. Why? A recognizable URL in an email passing through gmail, hotmail, or aol, for example, can easily become a priority for inspection for malicious content and then indexed for prompt availability in search engines. 	Context	
▼ 2018-08-16 email From: Dick Subject: Notes from the search for Council [was: Re: Last night's meeting]		
<ul style="list-style-type: none"> In anticipation of our Board Meeting Tuesday, 21 August, I [Dick] thought it might be useful to pull together some notes from my search for Council. The ad hoc workgroup got a document with notes about individual candidates which does not seem appropriate to disseminate further. We [R2P Board] have chosen Emily Rockett and that phase is done. 	Context	
<ul style="list-style-type: none"> However, I [Dick] learned a lot about lawyers, leases and relevant processes which could provide valuable context and perspective with decisions we [R2P Board] shall soon be making. 	Context	
<ul style="list-style-type: none"> None of the lawyers was particularly enthusiastic about meeting with us as a productive use of their time and R2P resources. They liked what R2P had already pulled together and felt they already had a sense of our intent. We [R2P] are in a "get it written" phase and that means written words. Talking, not so much. 	Context	
<ul style="list-style-type: none"> Jerry's assessment of plausible risks and palpable benefits made it unlikely that we [R2P Board] would encounter any real deal breaker, with the possible exception of including direct donations in Gross Sales. 	Perspective	
<ul style="list-style-type: none"> Since the Word document did not come from The Mall's lawyers, it was merely a draft pulled together sloppily (as we [R2P Board] all have observed) with the expectation that Tenant's Lawyer will mark it up, clean up various details and send it back to Landlord's Lawyer 	Perspective	
<ul style="list-style-type: none"> The process of finalizing is essentially never face to face, and at this stage, prior to a signing, is done by email between the lawyers. 	FYI	
<ul style="list-style-type: none"> The sloppiness in the document R2P got might very well be what's known in Dick's world as a "Bozo Filter". A "Bozo Filter" helps asses with whom one is working. In Dick's business Dick offers a few nice freebies which require some digging to discover. If someone inquires about one or another of them, Dick knows the potential customer is serious, and is able to research on their own. 	Perspective	
<ul style="list-style-type: none"> There was general skepticism that income to a non-profit could be considered Gross Sales. We [R2P Board] are looking to Emily to sort that out for us. 	Perspective	
<ul style="list-style-type: none"> Editing the lease to acknowledge R2P is a 501(c)3 automatically highlight a variety of areas R2P has already identified. 	Perspective	
▼ Termination Clause		
<ul style="list-style-type: none"> I [Dick] use the expression "Match or Die" to refer to the terrifying prospect we [R2P Board] all have recognized about the Landlord's Right to Terminate the lease. "Match or Die": "Match" highlights the fact that matching an offer is an option; "or Die" is our worst fear of what could happen if invoked by the Landlord. 	Context	
<ul style="list-style-type: none"> Fun fact -- The Ithaca Farmer's Market has a "Match or Die" clause with the City of Ithaca. Both parties are well aware that implementing it would be "problematic". 	Perspective	
<ul style="list-style-type: none"> A "Match or Die" clause is standard to every commercial lease. 	FYI	
<ul style="list-style-type: none"> *Any* rental R2P might find would have it. 	FYI	
▼ Just because Landlord *can* do it that way, doesn't mean Landlord *would* do it that way -- Landlord just won't put it in a lease.	Perspective	
<ul style="list-style-type: none"> [This *could* actually work to our advantage, since any details in the lease would be contractual.] 	Perspective	

Topic	Status	Article
<ul style="list-style-type: none"> ▼ *Q:* What might constitute a "Match" we [R2P] would have to make? 	FYI	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • *A:* Price per square foot for commercial real estate is 2-3 times what we [R2P] are paying. 	FYI	
<ul style="list-style-type: none"> • Some paranoia is healthy, but... 	Perspective	
<ul style="list-style-type: none"> ▼ We [R2P] may very well be dealing with a Landlord genuinely interested in experimenting with how to use space in the Mall. Here's the evidence: 	Perspective	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Rent is incredibly low per square foot 	Perspective	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • The 5% per year compounded growth rate of the rent still only brings the rent up to about 1.5 times our initial rate at the end of the ten years. 	Perspective	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Landlord already has SPCA Annex as a Tenant. SPCA is also a 501(c)3 	Perspective	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • Landlord is considering another non-profit (R2P) as a tenant -- that is already big 	Perspective	
<ul style="list-style-type: none"> <ul style="list-style-type: none"> • R2P is learning about Commercial Real Estate, Landlord is learning about non-profits in contrast to ordinary retail. 	Perspective	
<ul style="list-style-type: none"> • Just for perspective, if we [R2P] were looking to finance a purchase with a 20 year fixed rate mortgage on \$420,000 at 4%, our monthly payment would be \$2545. 	FYI	
<ul style="list-style-type: none"> ▶ About this document 	Context	
<ul style="list-style-type: none"> ▶ Legend for Status Options 		
<ul style="list-style-type: none"> ▶ Resources - Primarily URL links and commentary 		
<ul style="list-style-type: none"> ▶ Dramatis Personae 		
<ul style="list-style-type: none"> ▶ Email Trail 		
<ul style="list-style-type: none"> ▶ Lease Notes 		
<ul style="list-style-type: none"> • What do we need at signing? 	Clarify	