



PROPOSAL | BEST AND FINAL OFFER

# Exterior food and beverage exclusivity

## SUMMARY + PARAMETERS

On behalf of our collaborative partners, with whom we will participate in the resurgence of Theater on the Lake, **Funded Foods** welcomes this opportunity to articulate its comprehensive vision for revenue enhancement at the expanded shoreline and grounds at Fullerton Avenue and the Lake.

As a supplement to our *NOA Response (3/31/16)*, and the subsequent Clarification Rider (4/29/16) and *Information Request for Expanded Food & Beverage Exclusivity Boundary (5/3/16)*, this proposal herein, shall embody the very spirit of a 'public-private' partnership, whereby **Funded Foods** will elevate their level of participation with

the **Chicago Park District**, and work in tandem to **develop programs, create businesses, and enhance services to the public**, to maximize revenue beyond the scope of the traditional 'food & beverage' or 'concessionaire' models.

- + **FOR PAYMENT SCHEDULE PURPOSES, YEAR ONE OF THE AGREEMENT BEGINS SATURDAY, MAY 27, 2017**
- + **MONTHLY PAYMENT CYCLE**
- + **PLACEMENT AND DATES OF ANY EVENT FEATURES, FOOD AND BEVERAGE KIOSKS/ CARTS OR OTHER OPERATIONS THAT EXTEND OUTSIDE OF THE IMMEDIATE BUILDING PERIMETER REQUIRE ADVANCE APPROVAL BY CHICAGO PARK DISTRICT.**
- + **EXCLUSIVITY MAY NOT BE GUARANTEED DURING EVENTS HOSTED BY CITY OF CHICAGO**



# Performance Diversity



## **THEATER:CHILDREN'S THEATRE AND WORKSHOP**

Our strategy is to develop and foster a year-round theater program in order to help support a refined, 12-month dining and event facility (F&B operation); a tactical pillar of this effort will be to maintain a balanced performance schedule which will encompass as many demographic factors as possible. Diversity in the performance aspect of our operation almost directly translates into diversity of the audience. This will accelerate achievement of scale by helping to defray the extraordinary fixed costs associated with live performances (e.g. sound, lighting, set construction), and also expose other aspects of this beautiful new section of the Lakefront to a segment of the population who may had never contemplated doing so, prior.

We will fuel Theatre on the Lake's renaissance by enhancing traditional favorites such as the Chicago Park District's Summer Theater Series; showcase the best of Chicago's established and "off-Loop" theater companies via our affiliation with The League of Chicago Theatres, an organization which boasts a varied roster of over 200 theatre companies and communities, ranging from "storefronts" with budgets less than \$10,000 to major cultural centers with multi-million dollar productions;

**and we will also introduce a Children's Theater and Workshop, offering matinee performances throughout the year** (during the school year as a field trip destination; day camp/family/tourist/visitor destination during the interim of the school year, in June - August).

Progressive levels of "theatre & performance" classes and "family/toddler" workshops will augment these daytime performances, to be followed with a snack or luncheon for groups (outdoor, weather permitting), who would have the option of pre-ordering (via mobile/web application) from our F&B operation, an array of combination "box lunches", prepared fresh and on-site (non-group attendees will also have the option of pre-ordering via app).

This Children's Visiting Itinerary will extend to schools, local and area day camps, similar children's theatre groups, church/religious organizations, and community groups. The workshop visits will include a 30-minute "behind the scenes" and a brief history of the theatre. Weather permitting, workshop classes may also partake in the outdoor area for extended theatre use.

We do not envision any conflicts to occur with this expanded performance arc; rehearsals and evening performances can be scheduled intermittently, secondary to any ticketed theatre schedule.

Finally, it would be important to note that unless attendees (children + accompanying adults) participate in the "box lunch" or any of our F&B or retail (souvenir) offerings, theater alone, targeted toward this demographic, is typically revenue-neutral. However, while fulfilling our intent to promote diversity in our performances, and elevate this venue and its amenities among the City's premiere cultural destinations for all ages, we feel we have developed a revenue model by which creation of the **Children's Theater and Workshop** is critical to achieving the financial expectations of the **Funded Foods/Chicago Park District** partnership.



#### THE OTHER PERFORMING ARTS: MUSIC

Funded Foods feels it has an obligation to honor this venue's history and namesake by promoting live theater; however our affiliations in the arts run deep, and go beyond just the local, admired performing arts theaters to include improvisational comedy troupes and stand-up; also live entertainment producers and artist management, both of which typically involve music, musicians, and their bands.

Live musical performances across all genres will be integral to the resurgence and overall success of Theater on the Lake. At this point, it would be our preference to maintain TOTL as an "open venue", thus avoiding any exclusivity constraints which may exist among artists or record labels when booking talent. We also feel that this gives us the best opportunities to leverage our relationships with producers and talent managers in this space, and round-out the performance calendar with the most popular, desired live acts, which will maximize revenue potential and expose Theater on the Lake to a wide demographic, which is consistent with our theater strategy (diverse performance = diverse audience).

Our unique pedigree amongst other operators will lend a **competitive advantage in elevating Theater on the Lake to become unlike any other performing arts venue. By partnering with the Chicago Park District, we can bring the best of Ravinia, Loop, off-Loop, and children's theater into one glorious setting on Chicago's pristine Lakefront, with a backdrop of a world-class skyline.**

Funded Foods would be honored to call ourselves the company who will lead a collaboration of great, local organizations, and along with the Chicago Park District, usher in a new era of a 'public-private' alliance which will engage patrons from across Chicagoland and visitors from all over the world, and allow Theater on the Lake to become this City's outlet for the most diverse performing arts.

We invest in neighborhoods; we invest in jobs, and we share in culture by providing to communities for our employees and our customers. We want to compliment the theater, actors, musicians, artists and other talents by infusing our companies,

and in order to do so, we need to explore every opportunity to achieve economic stabilization of this project, with a path to success. Below, are some revenue models we feel accomplishes these goals; while ensuring maximum revenues for the Chicago Park District, and shared upside in this venture.

# Marketing & Promotional Revenue Enhancers



## SPORT LEAGUES & SOCIAL CLUBS

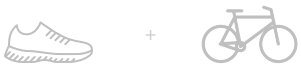
We propose curating seasonal sport membership leagues. In a departure from traditional lakefront sports such as volleyball, which in our opinion have become saturated, our leagues would capitalize on the relatively narrow, yet growing local popularity of **croquet and bocce ball**.

Our pursuit of a more specific demographic (revolving around well-organized sport & activity offerings) will feed the **MARKETING & PROMOTIONAL REVENUE** engine (see below), by massing individuals for an extended period of time (game/event), on a consistent basis (league/schedule), offering a target-rich environment for countless companies - from services to manufacturers to retailers - to “pay-to-play”, or buying access to promote their goods to their target demographic categories.

**It is our intent to host sports leagues during weekday lulls (typically non-holiday Mondays - Thursdays, from 5:30p until closing) utilizing the extended outdoor area.** We foresee a mature, sophisticated sporting clientele to develop from exclusive partnering with social clubs and local

bar/restaurant establishments - blending well with our interior design concept. Weather permitting, we propose to serve and control alcohol consumption within these sports' designated viewing and participation areas, which would propose on the new, infill grassy area, approximately 100 yards south-southeast of the TOTL structure.

As an incentive to promote social clubs and a consistent social setting, we intend on hosting **themed park days**. For example, we would like to include a “park picnic day” whereas we curate picnic baskets (for sale) with our vendors, and, we partner with a blanket company and sell ready-to-eat picnic baskets and park blankets to the public. Guests will be welcomed to bring their own picnics and park blankets as well. **This theme is also applicable, and would recur during Movies in the Park events.**



#### **HEALTH & WELLNESS AND BICYCLE SERVICE PAVILION**

We propose to offer cyclists, pedestrians and runners - or anyone who utilizes the Lakefront Trail - strategically placed (at the far north and far south ends of extended outdoor area) health & wellness pop-up kiosks. The vendor pop-up's will consist of a temporary, rentable structure (sheltered "kiosk/booth"; approximately 8'x10') to facilitate and cater to patrons passing by.

It is our intent to offer these sponsorship opportunities, on a rotating basis, to: **running apparel/accessory manufacturers** (*Adidas, Under Armour*) and retailers (*Dick's, Sports Authority, Fleet Feet*); **wearable technology companies** (FitBit, Garmin); **health clubs** (*LA Fitness, Planet Fitness, Chicago Athletic Clubs*); **general health and wellness providers** (*CVS Minute Clinic, Walgreens Healthcare, Athletico, MedSpring*).

To complement any of their vendor-specific products or services, as an extension to our health conscious vendors, we plan to hand select food and beverage companies to facilitate concessions for a related single item, or small menu (i.e. mineral water, pressed juice, energy bars, etc.) to sell to the patrons.

To enhance our proposed **mobile vending kiosks** (included in the *Information Request for Expanded Food & Beverage Exclusivity Boundary on 5/3/16*), we intend to coordinate a bike service pavilion - which will be seasonally operated and staffed by a "bike repair tech" (for minor repair services). It is our intent to offer this as a sponsorship opportunity, on a rotating basis, to **biking/cycling equipment or apparel manufacturers and retailers**. We have not yet determined whether or not bike rental will be included in this operation.

We're confident that our model of massing specific interest groups (e.g. cyclists or runners), identifying a best-in-class or most appropriate product or service manufacturer or provider for that demographic, then pairing the two by selling a **MARKETING & PROMOTIONAL** opportunity, **will reap far greater financial upside (and significantly limit the downside) for Funded Foods and the Chicago Park District than the traditional "retail concessionaire" model.**



#### LAKESIDE EVENTS

With the goal of creating even more excitement (outside of the theater and live performance aspects and the F&B/dining/ special event space at nearby Theater on the Lake), and during applicable times, Funded Foods proposes certain sponsored lakeside events, which, if approved by the Chicago Park District, will be scheduled so as not to interfere nor remove focus from the overall performing arts/theatre community.

Our intent for a lakeside event is to feature water sports - oriented companies, manufacturers or retailers (e.g. wave runners, kayaks, paddle boards; Yamaha, Sea-Doo) with on-lake/in-water demonstrations of their products. Companies can provide on-land service and engage in the general public, while utilizing the direct water view and real-time use of their product. **Lakeside events can be open to any interaction that is safely demonstrated nearby the waterline of the extended geographical area.**

Such promotional events may be held in conjunction with existing Chicago Park District vendors (nearby North Avenue Beach is home to individual operators of Paddle Board lessons and rentals, Kayak rentals, and Jet Ski rentals) in order to market among CPD assets/locations.

To do our best to provide year-round attractions to this extended geographical area, we feel there is adequate space for demonstrations of snowmobile craft in a similar fashion (aside from the in-water aspect) of how we would feature water sports crafts.





## CITY OF CHICAGO EVENTS & THE LAKESHORE LOUNGE

We acknowledge that exclusivity may not be guaranteed during events hosted by the City of Chicago. However, we feel that together, **Funded Foods + Chicago Park District** could develop a plan for specific City-controlled events (e.g. The Annual Air/Water Show), and make a collective proposition to the appropriate City agency (e.g. Department of Cultural Affairs and Special Events, or “DCASE”) as to why the **Funded Foods/CPD** plan will be a win on all fronts.

Because of its size, let’s use the *Air/Water Show* example to elaborate further and to illustrate our concept of how together, we can develop and formalize a plan to enhance our respective revenue streams:

The primary site we would utilize for greater revenue opportunities during the *Air/Water Show* is the new, infill grassy area, beginning approximately 100 yards south-southeast of the TOTL structure (and the adjacent *Outdoor Performance Viewing Area* and the *Food + Beverage Consumption Area* as noted on the Site Plans we’ve provided; this site will also serve as host for **croquet and bocce ball** leagues). This area extends to the southern limits of the Revetment Project, and at

it’s furthest point, the extended geographical area we aim to utilize measures approximately 800’ from the perimeter of the TOTL structure.

Here, we would propose multiple, all-inclusive price points (package deals) for viewing exclusivity, comfort, and food & beverage (including alcohol) controlled consumption for guests. This will include, but is not limited to, a broad range of viewing areas (and pricing tiers), from *General Admission to VIP*, with each step offering varying levels of amenities (e.g. cabana rentals, beach chair/umbrella rentals, towel/blanket rentals, close restroom access via onsite trailers, etc.).

Included within this new, premiere viewing area for patrons and guests, will be a designated area for the Chicago Park District to use during said event, at its pleasure (e.g. for officials, employees, families, contest winners, My Chi Parks app point champs - anyone the Chicago Park District sees fit to share their venue with, free of charge).

Ancillary revenue enhancement during the *Air/Water Show* would also include these aforementioned amenities to those

outside this premiere viewing area, however on an a-la-carte/one-off basis during viewing of the show.

Outside of major events, and coexisting alongside the croquet and bocce ball leagues can be a more stable, high-amenity area for simply just sitting or laying out in the sun...a grassy sundeck if you will, as some find sitting/laying amongst or on sand a nuisance. We would designate a small area on this new infill site as a “lakeshore lounge”, complete with cabanas and lawn chairs (available to rent), food and beverage service (“delivered” from the F&B operation in the TOTL structure), and nearby comfort station/restroom access (via on site, trailer restrooms; to avoid an 800’ walk back to the structure if camped out at the far, south end). By creating and designating some exclusivity for those willing to pay for it, we can say that the Lakefront not only remains open and free, but offers something for everyone, at any time. If allowed to move forward, the Funded Foods + Chicago Park District ‘public-private’ alliance will make every effort to capture revenue otherwise lost, as a result of the lack of these available options for the public.

# Enjoy weekly activities throughout the entire season



PERFORMING ARTS



SPORT LEAGUES & SOCIAL CLUBS



HEALTH & WELLNESS POP-UPS



BICYCLE SERVICE PAVILION



LAKESIDE EVENTS



CHICAGO EVENTS & LAKESHORE LOUNGE

**AUG**

**TUESDAY**



**SATURDAY & SUNDAY**



**SEPT**

**THURSDAY**



**SATURDAY & SUNDAY**



**OCT**

**THURSDAY**



**SATURDAY & SUNDAY**



**PERFORMING ARTS**



**SPORT LEAGUES & SOCIAL CLUBS**



**HEALTH & WELLNESS POP-UPS**



**BICYCLE SERVICE PAVILION**



**LAKESIDE EVENTS**



**CHICAGO EVENTS & LAKESHORE LOUNGE**

# Marketing and promotional revenue sharing proposal

Many of the ideas contained herein, will fall into the **MARKETING & PROMOTIONAL REVENUE** pot, which we propose sharing equally (50/50) with the Chicago Park District.

Because its salient to this proposition, please allow this a brief digression to a slightly different arrangement at Mariano Park; a 70/30 revenue split (in the Chicago Park District's favor) for marketing + promotion proceeds, which has already been codified.

We've lowered the Chicago Park District's share to a level we feel is commensurate with some of the natural, logistical, and operational challenges which exist on the Lakefront (as opposed to an urban, infill location at an intersection of two major streets). However, we are confident that this Lakefront destination presents a much greater upside to **MARKETING & PROMOTIONAL REVENUE** than could ever be reasonably predicted in an urban setting.

We hope you agree that we have demonstrated a certain degree of aptitude in our plans to promote and monetize the newest gem in your portfolio of assets. This entire opportunity at Fullerton and the Lake - from its performance arts aspect, dining & special event space, and sheer aesthetic beauty of the final, redeveloped building we contemplate - to the enhanced geographic area and grounds we were tasked with maximizing the revenue potential for - is one, giant marketing platform, with thousands of candidates from which to choose, that will fulfill its revenue potential.

At this time, our Base Annual Use Fee will remain unchanged; it is our anticipation that our collective **MARKETING & PROMOTIONAL REVENUE ENHANCEMENTS** will yield gross proceeds of \$400,000 annually in the first twelve months of operations (May '17 - May '18), from which Funded Foods and the Chicago Park District will share equally, a 50/50 revenue split.

**FUNDED FOODS (DOEJO) + RED ZONE MARKETING + CHICAGO PARK DISTRICT**...*the digital, the traditional, and the civic, all working together as a means to achieve this goal in a subtle, tasteful, and respectful manner, so as not to detract nor interfere with the pristine nature of our natural Lakefront.*

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