

ADDENDUM # 1 2025-01-CMS-F

LEASED SPACE OPERATORS - ARMOURY, VICTORIA HALL, AND TOWN SQUARE CAFÉ/BAR

Closing Date: March 14, 2025, at 10:00:00 AM Local Time (ET)

Bidders are advised of the following and are requested to incorporate into the above noted Bid Document.

This Addenda is being issued for the following purposes:

1. RESPONSE TO QUESTIONS

Question 1: "Are there any penalties for early termination or an exit clause if the business becomes unsustainable?"

Answer 1: An exit clause can be negotiated.

Question 2: "If the location does not meet revenue expectations, can you terminate early without financial repercussions?"

Answer 2: An exit clause can be negotiated.

Question 3: "Would the town be open to a shared success model, where strategic partnerships (like co-branded events, revenue-based rent models, or profit-sharing initiatives) could be mutually beneficial?"

Answer 3: The Town will consider all options.

Question 4: "Instead of fixed payments, is there an option for percentage-based rent (e.g., rent is tied to a percentage of sales)?"

Answer 4: The Town will consider all options; however, a fixed rate is preferred for the Café.

Question 5: "If we decided to sell our business, can we transfer the lease to a new owner, or does the Town require direct approval?"

Answer 5: Leases are non-transferable; however, the Town would enter into a new lease agreement with the new owner, subject to Town approval.

Question 6: "Would the Town consider prioritizing the location as a preferred venue for municipal meetings, community gatherings, or networking events to create a central hub for civic engagement?"

Answer 6: Uncertain to which location this question is related. The Town cannot commit to exclusive or preferred status. The Town is willing to consider utilizing these venues for Town business subject to financial and operational considerations.

Question 7: "What does TMI stand for in the lease terms? Is this a monthly lease costs or annual?"

Answer 7: TMI refers to Taxes, Maintenance and Insurance, and is calculated on a per square foot, per annum basis.

Question 8: "What are the Annual Sales of the **Armoury** the last 3 years?"

Answer 8: The Town does not have this information available.

Question 9: "Can you provide a breakdown of each sales category; Food, Alcohol, Labour, Venue rental, equipment rentals?" (Armoury)

Answer 9: The Town does not have this information available.

Question 10: "Are any of the Armoury's annual sales included in the bar service that is part of the Cafe REO!?"

Answer 10: The Armoury and the Town Square Café/Bar operate independently, with separate financial records.

Question 11: "Are you able to share a contact for Niagara College?"

Answer 11: For the purpose of negotiating equipment and supplies purchases only, the contact person is Donna Laws at dlaws@niagaracollege.ca. The Town may also consider purchasing some equipment and supplies from Niagara College and including that in the lease.

Question 12: "Can you provide a breakdown of each sales category; Food, non-alcoholic beverages, and alcoholic beverages?" (Armoury)

Answer 12: The Town does not have this information available.

Question 13: "Can you distinguish the difference between the retail sales at the cafe and the bar service catering for events within the space?"

Answer 13: The Town does not have this information available.

Question 14: "Can you provide a full list of Large Equipment that would remain in the kitchen for the awarded vendor?" (Armoury)

Answer 14: The following equipment is Town owned and will remain at the Armoury -all items are one (1) unit unless otherwise stated;

- Delfield 3 door stand up fridge
- Convotherm 1/2 size over 610 series
- Convotherm full size over 20.10 series
- Cleveland tilt skillet

- Three (3)- Garland 6 burner
- Delfield 2 drawer refrigeration
- Two (2)- Delfiend 6 drawer refrigeration
- 8 burner garland flattop
- Double fry master deep fryer
- Three (3)- 2 door beverage air fridge
- 1 door beverage air fridge
- Garland master 200 convection oven
- Garland Grill (BBQ) 10 burner
- 3-unit deep fryer
- Fridge LG LFVC2406S
- Stove LG-induction house stove
- Oven-LG LWS3063ST household electric
- Dishwasher LG LSDT998ST

Question 15: "Can you provide a list of what smallware equipment that would remain on the Armoury premises for the awarded vendor (including kitchen equipment, flatware, plateware, chairs, and tables)? If Niagara college is looking to sell this equipment will there be an option to buy it from them upon being awarded the contract?"

Answer 15: This will be determined at the discretion of Niagara College. For the purpose of negotiating equipment and supplies purchases only, the contact person is Donna Laws at dlaws@niagaracollege.ca. The Town may also consider purchasing some equipment and supplies from Niagara College and including that in the lease.

Question 16: "Can you provide the pest report from the past years?" (Armoury)

Answer 16: The Town has a Pest Management service contract in place. The facility receives monthly inspections with no issues reported.

Question 17: "Will the town provide any allowances to help facilitate the transformation of the **Victoria Hall**?"

Answer 17: The Town has an approved budget (\$500,000) to assist with base building rehabilitation work. This does not include allowances to transform the interior space into a desired concept.

Question 18: "How and when will the rent increase?" (Victoria Hall)

Answer 18: This will be negotiated.

Question 19: "Will there be an exit clause?" (Victoria Hall)

Answer 19: An exit clause can be negotiated.

Question 20: "Are there any incentives or grants available?" (Victoria Hall)

Answer 20: The Town is not at this time offering any specific incentives or grants beyond the approved capital upgrades to the building. However, Council may consider additional incentives for proposals that offer benefits to the community.

Question 21: "We would like to confirm the monthly rent for the **café** space. Please clarify with the information on Page 5 and 6 of Appendix C?"

Answer 21: For the café space only, the lease is based on 885 sq.ft. The monthly rate is approximately \$1,622.50/month for the first year, if the operator is not serving alcohol. The monthly rate is approximately \$1,696.25/month for the first year, if the operator will be serving alcohol. As this is well below the market rate for the area, it is anticipated that there will be annual increases. The full details are open to negotiation.

Question 22: "Does the monthly rent in 1a) include TMI? Also, what utilities are included in the monthly rent, and what utilities are not included?" (Café)

Answer 22: Please see answer 21 for the total lease rate including TMI. This is based on an initial first year rate of \$18.00/sq.ft.(no alcohol served) or \$19.00/sq.ft.(with alcohol served), plus \$4.00 TMI. All utilities are paid by the Town with the exception of internet and telephone (No dedicated telephone line is currently available in the café. The café currently uses a cell phone, which is not provided or paid for by the Town.)

Question 23: "Is a phone line included in the café?"

Answer 23: Not at this time. The current tenant uses a cell phone. A data connection is provided for POS connectivity. The internet fees are paid by the tenant.

Question 24: "Public washrooms within the foyer where the **café** is located, who is responsible for maintaining/cleaning them?"

Answer 24: The Town maintains all washrooms within the facility.

Question 25: "If we choose to bring our own espresso machine, what can be done with the existing espresso machine?" (Café)

Answer 25: The Town will remove and retain ownership of the existing machine and will determine its disposition at a later date. The machine may also be available for purchase.

Question 26: "To obtain an idea of baseline sales, can we please see a few sales reports from the **café** for December 2024, January and February 2025?"

Answer 26: The Town does not have this information available.

Question 27: "Our interest lies with the **café** space only. There was talk during the tour that the town is open to the idea of the Armoury space converting to a restaurant/café, if it makes sense. We would like to know that if we are awarded the café space, and a different vendor is awarded the Armoury space, that we would be the exclusive café (restaurant included) within any of the spaces (Armoury, Town Square, etc.)?"

Answer 27: No exclusivity is offered in this regard.

Question 28: "Will NC transfer the Liquor License? And license for what capacity?"

Answer 28: Niagara College will transfer the Liquor License for The Armoury. The Capacity for the Liquor License is 230 indoors and 120 outdoors.

Question 29: "Is there are fee due for applying for a bid whether you use the bid system or via responding through this email?"

Answer 29: The bid platform (bidsandtenders) will charge a subscription fee. The response can be submitted to procurement@aurora.ca with no fee.

Question 30: "Can modifications be made to this building? For example, making two man-doors on the building?" (Armoury)

Answer 30: Yes, modifications can be made, subject to Town approvals including the Building Division and Heritage Planning.

Question 31: "Can we add outdoor signage to the building (meeting historical requirements)?" (Armoury)

Answer 31: Yes, subject to Town approvals.

Question 32: "Can we add seasonal outdoor soft scaping i.e. planters, a bench, decorations (with approval)?" (Armoury)

Answer 32: Yes, subject to Town approvals.

Question 33: "Do you allow dogs on the outdoor patio space?" (Armoury)

Answer 33: This would be at the operator's discretion, subject to Public Health regulations.

Question 34: "Could we have a separate designated area for waste disposal storage to house garbage, recycling bins, compost, and grease (we would fully manage this component in the space provided)?" (Armoury)

Answer 34: The Armoury has an indoor freezer designed for waste disposal. The grease bin is currently stored outside. If required, a separate space could be negotiated.

Question 35: "How many employees are currently employed by the cafe?"

Answer 35: The café currently employs nine people.

Question 36: "Does Town Square staff security guards oversee the general space inside and outside, during the day and/or night?" (Café)

Answer 36: No, the Town does not provide security guards. The building (ATS) has CCTV and is alarmed.

Question 37: "Would the Town be willing to sign a Non-Disclosure Agreement (NDA) to ensure the confidentiality of the materials shared?"

Answer 37: Please refer to clause "3.13 Municipal Freedom of Information" of the REOI, which addresses confidentiality. As a result, an NDA is not required.

Best Regards,

Procurement Consultant TOWN OF AURORA

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NOTE:

- 1. It is the Respondent's responsibility to ensure that all issued Addenda is received in their entirety. Respondents shall take due notice of the changes and make allowance for same in the Response to be submitted to the Town of Aurora.
- 2. This Addendum shall be attached to and form part of the Documents.

END OF ADDENDUM #1