



Request for Letter of Interest
From Qualified Operators for the Putney General Store
February 26, 2010

The Opportunity

The Putney Historical Society (PHS) is seeking viable proposals from qualified operators for the Putney General Store in Putney, Vermont. PHS is seeking potential proprietors who are excited by the opportunity to:

- operate a store which has been a valued community gathering place for over 200 years in the heart of Putney Village (probably the oldest continuously running general store in Vermont).
- provide, at a minimum, basic groceries at affordable prices to area residents.
- operate the store long-term and serve the entire community.
- be the first operator in a brand new building with beautiful timber frame exposed on the interior.
- to own and build a Vermont business that will enjoy tremendous community support.

Respondents will be expected to operate the 1st floor, 2500 square foot village store as a commercial venture. There is also the possibility of additional 2nd floor space. Proposals may suggest complementary uses in addition to those detailed above that will provide additional vitality to the Village.

The Process

The Request for Proposals (RFPs) will be a two-step process.

- **First, interested operators are asked to submit a letter of interest with information outlined in the “response requirements” (page 4) by March 26, 2010.**
- Second, the PHS General Store Task Force will then review all letters of interest in relationship to the evaluation criteria (page 4) and invite potential proprietors that best meet the criteria to interview with a selection committee.
- After interviews the potential proprietor(s) may be asked to develop a full proposal that will cover questions found in attachment A.

- From the responses and interviews, a proprietor to operate the general store will be selected. PHS is prepared to work with the selected proprietor to develop a mutually acceptable agreement. PHS will also require a reasonable deposit and insurance.

Background

Putney Village is a medium/small village, the only commercial center within the Town of Putney (population 2,634). Located on the Connecticut River, in Windham County in southeastern Vermont, Putney is approximately 28 square miles (18,000 acres), bordered by the Vermont towns of Westminster to the north, Brookline to the west, Dummerston to the south, and Westmoreland, New Hampshire to the east across the Connecticut River. The immediately adjoining Vermont towns do not have commercial centers and rely on Putney Village. Further north and south, respectively, are the larger towns of Rockingham and Brattleboro, also with historic downtowns. Additional information about the town can be found at:

http://www.putneyvt.org/files/docs/town_plan08.16.05.doc

There has been a general merchandise store on the site of the Putney General Store, and possibly in the same, c. 1796 building, for over 200 years. The land where the store is located was originally part of the two-acre sawmill property where Charles Kathan was said to have erected the first sawmill in Putney, circa 1765.

The store site is at the central village crossroads of US Route 5 (also known as Main Street) in Putney and the road leading to Westminster West, now known as Kimball Hill. The Sacketts Brook waterfall is directly outside, and can be seen from the back of the General Store.

On May 3, 2008, the Putney General Store, an important historic landmark and heart and soul of the Village of Putney had a serious fire. The loss of the Putney General Store business and the sight of the burned, roofless building were of urgent concern to Putney residents since the fire. The Putney General Store is literally and figuratively the cornerstone of Putney and the surrounding towns (Dummerston and Westminster). There is a strong community desire to have an operating Putney General Store anchoring the village center again. In addition to the store, the central cluster around a small green includes the Putney Tavern (housing the Front Porch Café), the Putney Paper mill, Putney Village Pizza, the Putney Diner, Shear Madness Salon, and the 1872 Town Hall with the Putney town offices.

The Putney Historical Society purchased the building on November 7, 2008 from the previous owners. The PHS set up “4 Kimball Hill Preservation L3C,” a low-profit corporation with the PHS as the sole member, to be the 19th owner of the General Store. After much fundraising including both widespread community and statewide support, the PHS had completed full stabilization of the building. It was about to embark on the rest of the rehabilitation in order to open the new store in the spring when the building burned again on Nov. 1, 2009. This time there was nothing left. However, with even more community support and donations after this second fire, the PHS is planning to rebuild the store on the site. The new design will look similar to the old store and fit in with the surrounding historic village but will be better suited to a modern commercial store operation.

The PHS's intention is to own the building for the foreseeable future, in order to preserve this village asset and ensure a sustainable lease for a successful commercial use as a general store. The goal is to restore economic vitality to the village. **Putney Historical Society has a preference to negotiate a long term lease (15 -20 years) to operate the General Store, though a shorter term lease with renewable options is also a possibility.**

Currently, underway is the design development of the new building. The new proprietor will have the opportunity to have input into the floor plan arrangement and some other details of the new building. At the moment, the store space will be leased in "ready to fit up" condition with the new operator supplying the coolers, fixtures, and equipment. However, there may be a possibility of having the PHS acquire some equipment which could then become part of the lease.

The PHS owns the rights to the name "Putney General Store" which can be offered to the successful operator.

Anticipated Timeline and Application Process:

- Date Issued: February 26, 2010
- Deadline for submissions of letter of interest: March 26, 2010
- Review of letters of interest and invitation to interview by: April 2 , 2010
- Presentation/Discussions with invited applicants: April 5 – 9, 2010
- Negotiations with successful applicant: Mid April, 2010
- Anticipated date of occupancy: Late fall of 2010

PHS retains the right to adjust the schedule presented above. PHS reserves the right to reject all offers. PHS representative, Susan McMahan is available to clarify any points contained in this request. Questions and requests for additional information should be submitted via e-mail to Susan McMahan (susan@sover.net) or by telephone 802.257.4547 x114 (day) or 802.387.2581 (evening). Responses to all questions and any new information about the building will be posted on the Putney General Store web site www.putneygeneralstore.org and emailed to all parties who submit questions and/or request "Response to Questions."

Letters of interest are to be submitted in both electronic and hard copy files. Electronic letters are due by 4 pm on March 26, 2010 e-mailed to susan@sover.net an attachment using Microsoft Word, Excel, and/or Acrobat PDF. Hard copies of completed letters of interest should be mailed, postmarked no later than March 26, 2010 and sent to:

Putney Historical Society
ATTN: Putney General Store
P.O. Box 233
Putney, VT 05346

Selection and Evaluation Criteria

Letters of interest will be evaluated first by the selection committee of the PHS General Store Task Force, which includes community members and representatives of PHS. The committee will make its recommendations, and PHS Executive Board will make the final selection.

Additional experts may be consulted or included in the selection committee. Reference checks and due diligence will be completed as part of the application review.

Evaluation Criteria:

- **Collaboration with community and PHS**
- **Venture definition and viability**– Is the venture well defined? Can it be implemented at the Putney General Store? Is the venture compatible and or complement other businesses in Putney Village?
- **Consistency with objectives**
- **Management capacity** – Can the respondents make this happen? What is their previous experience and capacity?
- **Completeness and clarity of letter of interest**
- **Financial capacity** – Does the respondent have the financial sources well thought out or in place to bring their proposal to fruition?

Response Requirements

Address each of the following items in your response. Letters should be at least 12 pt type with no less than 1” margins. Please label each relevant section with the number listed in boldface below.

1. Provide name, address, phone and e-mail for respondent.
2. Briefly describe your proposed business venture, its services and products and its anticipated market.
3. Identify the business model and your roles and responsibilities.
4. Outline the investment required to bring the proposal to fruition and its sources.
5. Describe how you would like to collaborate with PHS and the community.

Feel free to let us know any **other relevant information** about you or your interest.

Other Requirements and Information

Applicants are expected to comply with all laws, ordinances, permits, and regulations that may in any way affect the proposed venture. Any changes to the local permit and/or additional permits, licenses or approvals required by federal, state, or local laws are the responsibility of the applicant. Putney’s current zoning is on line at:

http://www.putneyvt.org/files/docs/Zoning_Regulations.9.07web.doc

The successful applicant will be required to carry Comprehensive General Liability Insurance in the name of Putney Historical Society at a level of \$1,000,000 per occurrence and \$2,000,000 in aggregate. Any future changes to the business plan or operation will be subject to review by PHS. PHS will make this award without any discrimination on the basis of race, sex, religion, sexual orientation, color, age, creed or national origin. PHS expects the selected proprietor to act in the same fashion. The successful respondent is expected to be an independent contractor and not an employee of PHS.

All expenses incurred in the preparation and submission of the letter of interest or future proposals in response this request shall be borne by the applicant.

Attachment A- Information Required for Full Proposals (By invitation)

The following information, at a minimum, will be required for applicants invited to submit a full proposal

1. **Describe the Venture** - Identify the products and services you intend to provide. Explain why you have opted for these products and/or services. Describe your market for these items. Describe what adaptations, if any, will be needed to offer these products or services at Putney General Store. Detail how you expect to use and care for the store.
2. **Info about proprietor(s)** – Tell us about the proprietor(s) and his or her experience with similar ventures. Describe the legal entity that will be responsible for the business and its professional advisers. Describe specific roles and responsibilities relative to start-up and ongoing operation of the venture. Please attach resumes for the business principals. Provide references regarding prior ventures including at least three references for each principal.
3. Describe how you expect to **operate the venture** – provide information about hours and schedule of operation, who will staff the operation, and number of employees and their roles and responsibilities. If complementary uses or services are included in the proposal, please include a description of special parking or delivery needs.
4. Provide a **timeline** for the period from initial occupancy through full operation. Define specific dates and milestones.
5. **Describe financial capacity** – Describe plan for financing the venture and what resources are available. Any confidential personal financial information should be included on its own individual page, clearly marked at the top as “confidential.” This information will be destroyed after the review process.
6. Outline any **contingencies and requirements** for successful implementation – Identify any financial and insurance requirements, supplier or vendor terms, regulatory permits and/or other contingencies that must be satisfied in order to undertake this project successfully. Detail your plans for obtaining them. Define the relationship you would like with PHS, the length of the relationship, and the suggested terms. Identify how you intend to work with the community. Outline, as well, those areas where you expect to exercise complete control.
7. Is there anything associated with the proposed business that would affect the store use; i.e., delivery dock, refrigeration room, mail order space, electrical or high tech requirements, etc.?
8. Is there any aspect of the proposed business that may affect fire insurance, Department of Fire Safety, etc.?
9. **Financial information** – describe key assumptions impacting your financial projections. Outline break-even targets, if you know them.

10. **Financial Projections**

- Provide a projected sources and uses budget for any capital expenses required for the project. Please provide documentation for any funding coming from others. If you intend to provide in excess of \$10,000 for the project, please provide evidence of available resources or a commitment of funds letter. Any confidential personal financial information should be included on its own individual page, clearly marked at the top as “confidential.” This information will be destroyed after the review process.
- Provide a three-year projected profit and loss summary.
- Provide a projected cash flow for the venture’s first three years. Year 1 should show monthly projections. Years 2 and 3 may be quarterly.

11. **Assurances** - Provide a signed version of the Assurance Form.