

ChariTunes Inc.

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ChariTunes Inc. Response to Governors Island Development Project's RFP

Project Chair, Robyn Ashmen
Stevens Institute of Technology
Babbio Center
Room 320
Hoboken, NJ 07030

Dear Robyn Ashmen,

We are responding to the Request For Proposal regarding the creation of a fully functional Governors Island Development Project. We would like to propose the development of a music festival, funded and operated by our company ChariTunes Inc.

We have outlined the scope of our project proposal, and our experts have detailed plans under the areas of Finance, Marketing, Operations, and Logistics. In this proposal, we have included a breakdown of cost and feasibility as well.

What is stated in the below proposal is a factual representation of our objectives and potential plan upon the go-ahead of the stakeholders involved. I have reviewed the work below, and approve the progression of this request.

Sincerely,

Mausam Patel

Mausam Patel
Corporate Vice President of ChariTunes Inc.

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Executive Summary

Summarily, Charitunes will organize a music festival on Governors Island for the weekend of July 30th, 2021. Local artists will perform for a crowd of approximately 20,000 on play lawn and parade ground. The largest stage will be set up to the far east side of play lawn or the far west of parade grounds, along with a smaller stage in Nolan park or Hammock groove. Our experts agree that setting up folding chairs and outdoor stages will be superior to building an amphitheater on the island as the opportunities do not outweigh the risks. The event will be family friendly, with food truck vendors selling meals for those attending. The trucks will be brought onto the island via ferry. Our marketing team will advertise in the New York Metropolitan area to raise awareness of the project. Guards will work security for the event additionally sufficient fire and EMT services will be available to quickly reach wherever they are needed. Depending on the size of the stage and crowd ChariTunes will make use of various generators to power the festival. Depending on the size of the stage 200-5000kVa would suffice. Ferries that connect the island to Manhattan and Brooklyn will be running frequently in the season to bring people onto and off the island. Golf carts will be utilized in helping the performers move equipment across the island. The total expenses of the event are estimated to equate to \$5,127,000, assuming 20,000 tickets are sold, each ticket will sell for \$175 with all of the proceeds going towards underfunded art programs in NYC school districts.

Proposal Form

Professional Design Services

Governors Island, NYC

Proposal of Charitunes Incorporated (hereinafter called “**PROPOSER**”), organized and existing under the laws of the State of New York doing business as a Corporation, to Governor’s Island Development Project (hereinafter called “**OWNER**”):

In compliance with your Request for Proposals, **PROPOSER** hereby proposes to perform all **WORK** and produce all **SERVICES** in strict accordance with the Request for Proposals, dated August 31, 2020, and at the prices stated below.

By submission of the **PROPOSAL**, said, **PROPOSER** certifies that this **PROPOSAL** has been arrived at independently, without consultation, communication, or agreement as to any matter his **PROPOSAL** with any other **PROPOSER** or with any competitor.

First Year of Services*:

Total Design Fee:	\$766,666.67
Annual Capital Expense Fee:	\$1,340,333.33
Annual Operational Expense Fee:	\$3,020,000.01
TOTAL FIRST YEAR FEE:	\$5,127,000.00

*Annual Fee to be adjusted each subsequent year using the Consumer Price index stipulation.

Corporate Profile

Charitunes incorporated was founded in 1985 by Robert Ure with the intention to raise enough money to assist victims of the Nevado del Ruiz volcanic eruption which devastated the area of Tolima, Colombia leaving thousands homeless. In 1988 a benefit concert was held that raised over \$200 million in donations. Since then Charitunes Inc. has been working tirelessly with various musical talents to organize events and raise funds for victims of natural disasters, wildlife preservation and medical research.

Charitunes Corporate headquarters is located at 29th Third Drive Ave, NJ 07083. We have been in business for over 30 years and during that time have worked with numerous talented artists such as Tame Impala, The Black-Eyed Peas, Ed Sheeran, The Foo Fighters, Bruce Springsteen, Beyoncé, Panic at the Disco, Brockhampton, Green Day and more. Our company raises an average of 110 million dollars a year from music festivals and benefit concerts.

Rainforest Fund Benefit Concert. (1989-)

Raised \$23 million

Tibetan Freedom Concert, Golden Gate Park, San Francisco (1996)

Raised over \$800,000

The Concert For New York City, Madison Square Garden, New York City (2001)

Raised \$35 million

Tsunami Aid (2005)

Raised \$5 million

Hope for Haiti Now (2010)

Raised over \$61 million for disaster relief in Haiti

Understanding the Project

We understand all the requirements set by the stakeholders.
We seek to bring annual music festival in the summer for local artists,
A temporary annual event that will not impact the environment of Governors Island.
We are here for the long haul contract - 5 years with renewal for following 2 years

As a Stakeholder Group, The City of New York (NYC) and the State of New York (State) in cooperation with the community nonprofit, Friends of Governor's Island, is seeking proposals from firms capable of designing a fully functional Governor's Island Development Project (GIDP). Interested firms are requested to submit statements of experience and qualifications to the Stakeholders Group in regard to providing professional design services for the GIDP. Breakdown of costs to deliver a conceptual design with estimate are to be included in the proposal. Project award is contingent upon funding, feasibility, overall design, adherence to all current environmental codes, ADA accessibility, consideration for the existing landscape and architecture and observance of all demands of the RFP.

Scope of Services Working with all Stakeholders;
Create conceptual planning for an annual music festival utilizing the conceptual design chosen by stakeholders:

- Complete a project timeline - including milestone dates and deadlines
- Provide site amenities and phasing recommendations
- Provide annual capital cost estimate for the facility
- Provide annual operational cost estimate for the facility
- Provide source of and anticipated revenue stream if applicable
- Meetings as required with staff and stakeholders.
- Develop a public relations plan
- Develop a marketing plan

Firms will be chosen on experience, original design, and qualifications, including but not limited to: key personnel qualifications, feasibility, pricing, and space availability.

Experience

ChariTunes Inc. is on a mission to provide both a platform for up-and-coming artists to feature their music, while also serving the community with our ticket sales. This experience offers festival-goers the chance to discover new music in the heart of Governors Island, sample unique food options, and partake in various activities around the grounds.

By giving back to the community, which we find to be the most important aspect of our work, we are setting the stage for what music is really about, and have developed a reputation surrounding this. Our artists, our staff, and everyone that works to make this festival happen are excited to share in this unique experience with our customers.



We know that music festivals are a huge success globally, and we have planned other concert experiences with artists like Ed Sheeran and Rhianna who we work with regularly.

With our past experience in event planning and our expansive network, we have worked with top New York City food services to support the shows and events we put on for our customers

Customers will be provided with the opportunity to sample different food and beverage vendors, that are award-winning around the New York

Metro area and offer representation of various cuisines. We are known for these aspects of our events. We have also worked with various game sponsors, face painting artists, art vendors, and even bars to enhance our offerings. ChariTunes Inc. is ready to provide festival-goers with an unforgettable experience, as we have done in the past, with our events.

Project Scope

Finance:

ChariTunes is aiming to create an amazing music festival that not only optimizes the value to all who attend, but minimizes costs to ensure all necessary components are properly funded and the money raised for charity is maximized. Finance is essential to a business opportunity and includes the responsibilities of budgeting, allocating capital, forecasting revenue, donating the proceeds to charity, choosing the optimal ticket pricing, and so on.

Events such as music festivals have a lot of moving parts and costs associated with its success. These include performers, site hire, staging, utilities, waste disposal, printing and signage, marketing, technology, equipment, insurance, permits and licenses, infrastructure, security, photography and videography, staffing, weather, and more. To cover these costs, revenue must be predicted as best as it can be, derived from tickets, glampers (private tents, toilets, etc.), sponsorships, merchandise, catering, bars, and more. Preparing for all situations and accurately forecasting revenues to match and hopefully exceed costs is key. With everything in mind, the total revenue, costs, and profit for the event are \$11,780,000, \$5,127,000, and \$6,653,000, respectively. The break down for these numbers can be found in the Appendix section as A-1 for Revenues and A-2 for costs.

Marketing/PR:

ChariTunes is looking to execute a marketing and promotion outreach plan to best capture the demographic we have identified as our target. In this, we will strategically select talent that best represents the goals of our music festival. Specifically, we will conduct a local artist search using a third-party vendor in the New York Metropolitan area that will act as a liaison between Charitunes and the varying entertainment agencies that promote these artists. The talent vendor will put in selected artist inquiries upon approval from ChariTunes, and negotiate and settle contracts in a timely fashion. Further, the talent vendor will be responsible for continuing to serve as the primary communicator between ChariTunes and the artists/agencies.

In terms of marketing, responsibilities include utilizing online avenues and social media to reach the target market of the music festival. In order to leverage these platforms to translate into ticket sales, the marketing team will create social media partnerships with influencers as well as brands to excite potential patrons of the lineups and different food vendors the festival will offer. In addition to this, the marketing team is responsible for advertising in the New York Metro area, and making the surrounding community aware of the festival. This will be done by printed brochures and signage in the community.

Security:

ChariTunes recognizes that security is very important at such an event, and therefore we will provide 200 guards, so that adequate search of persons entering the concert and we can ensure the safety of everyone at the event. Security checkpoints will be located immediately off of the ferry entrance as well as at the entrance to the event itself. We will also have gates put up to separate the crowd from the stage. Other guards will be patrolling the event and making sure nothing runs amok at the event. In addition to this we will be showing “if you see something, say something” messages throughout the event to ensure the maximum security at the event.

Sanitation:

ChariTunes will provide 200 portable toilets and 3 sewage pump-out trucks in order to keep the grounds sanitary and allow for an enjoyable time at the event. In addition to this, the water will be tested before and during the event to make sure that we can provide it to the patrons. Food trucks will obtain their permits from the Department of Health and many trash receptacles will be placed throughout the event grounds. Everything at the event will be looked over by a public health inspector to make sure everything is up to code.

Operations:

While Governor’s Island does utilize a standard distribution of power, due to the quantity of electricity needed, ChariTunes will be making use of various generators to power the festival. Small stages will only need 200-300kVa generators (for an audience with ~5000 people), while larger stages will require anywhere from 1000kVa to 5000kVa generators. Other locations around the island that require power will use smaller generators (<200kVa).

ChariTunes will employ hundreds of different workers to handle the many tasks that arise before, during and after the festival. Front-of-house employees will include a hospitality manager, box office manager, food vendor manager, and crowd control staff. Event-coordinating staff will include a site manager, production manager (with a stage manager and stage crew), security manager, and a VIP manager. Other useful personnel would be a sanitation manager, sponsorship manager, social media manager, and photographer. As for unions, New York is a “right-to-work” state, but some hired workers may be a part of one. The most common unions for events are the International Alliance of Theatrical Stage Employees (IASTE) and Teamsters.

Police officers and emergency services will help the festival run as smoothly as possible. ChariTunes will make contact with local law-enforcement to determine the appropriate quantity of officers needed for the event. These officers will be provided with dot maps and deployment grids that maximize efficiency and safety. Depending on the projected number of attendees, an on-site holding area may be required.

Secure ingress and egress plans must also be established. ChariTunes, with the assistance of the Fire Department of Governor's Island, will ensure that relevant fire codes are adhered to, such as the International Fire Code (IFC) and the National Fire Protection Association Code. In addition to this, fire extinguishers will be readily available at the following locations: Onstage, within tents larger than 400 sq feet, near food trucks and near all generators. Due to the projected scale of the festival, medical services will need full life-saving support on-site. To achieve this, nurses, paramedics and ambulances will be positioned in their most effective locations. The standard logic is that those seeking medical attention should have to walk for no longer than 5 minutes, or an $\frac{1}{8}$ of a mile, to reach an EMT.

Logistics:

Hosting a music festival on Governors Island presents us with an interesting challenge logically. With a possible 20,000 people coming to the island, as well as the need to transport other resources onto and off of the island in a timely manner, this project requires logistical planning in order to run as smoothly as possible.

Two stages will be constructed on the southern coast, and angled away from each other as to not muddle the sound. The stages will face North to minimize noise complaints from Brooklyn, and to allow the hills to act as a good area for guests to view the shows from. It will take 2 days leading up to the festival to construct them, and an additional 2 days after to deconstruct the stage.

In the lead up to the event the Coursen ferry, owned by the Trust, has the capacity to transport 36 cars and 1,100 passengers in one trip. This space for vehicles will allow us to move any materials and heavy equipment needed to construct the stage or other structures such as tents in the lead up to the event. We can transport all emergency vehicles, and security equipment over the morning of Friday to prepare, and by midday begin transporting our food vendors and the talent, and finally begin bringing guests that evening. We will begin taking vendors and emergency vehicles off the island after it closes on Saturday, and continue over the course of two days.

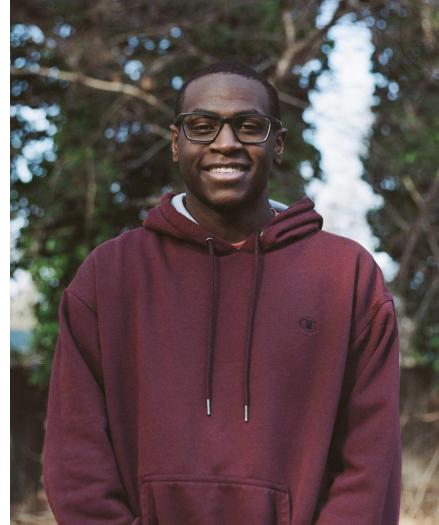
Food trucks will be our principal form of food vendor for the event. Local food trucks will be sought after and selected, with designated locations for the event to try and minimize

competition between similar food styles. We are aiming for around 100-150 food trucks at the event. Water will be accessible on site for those who bring water bottles, or wish to refill water bottles sold by vendors.

The Courses and the Governors 1 will be the main mode of transportation of guests during the event. Both of these will transport people from lower Manhattan, allowing for easy access from the World Trade Center Station. Other ferries will transport guests from Brooklyn. Before the Governor 1 the the island's infrastructure allowed for 20,000 visitors a day, but with Governor 1 allowing for an extra 1,000 guests an hour, this allows the ferry infrastructure to cope with the concentration of guests at opening and closing, easily handling 20,000 guests.

Project Team

My name is Garrett Chestnut and I am 34 years old. I am a co-Operations SME for ChariTunes, Inc. I graduated from Stevens Institute of Technology with a Bachelor's degree in Business & Technology and a Master's in Engineering. As my first major project, I built an immensely successful flooring company from the ground up, and eventually sold it. Before joining ChariTunes, I played crucial roles in developing and funding skyscrapers in New York City, marathons, press conferences, private label brands, corporate research labs, charity events, and even more. I've had a hand in several other projects, such as a massive concert series in Times Square. Working at ChariTunes has combined my love of philanthropy, music and strategy.



My name is Reilly Fitzgerald and I am a subject matter expert in the logistics department of Chartiunes Inc. I am from Pigeon Forge Tennessee and now reside in Hoboken NJ and have recently begun work at Charitunes full time. I attended Texas A&M and obtained a degree in logistics, and a minor in architecture. I started my career working to further develop infrastructure in various developing regions in China over the past 10 years, where most recently I was called upon to manage the logistics of constructing a hospital in Wuhan over the span of 10 days to combat the rise of the novel coronavirus in the region. I have moved to Hoboken and began work for ChariTunes because I believe the project has great potential to help a lot of people and I want to be a part of it.



My name is Alex Heifler and I am 47 years old. I am a project manager for Charitunes, Inc. I graduated from Stevens Institute of Technology with an MBA. Before beginning my career I spent 2 years traveling around the world, learning multiple languages and making many connections. I had 10 years of work experience with Comcast before working with

ChariTunes. I have always enjoyed working with my teammates and music, so Charitunes gave me a great opportunity to put those skills to use.

My name is Pramukh Nadig and I am a 28 year old co-Operations SME for ChariTunes Inc. I grew up in Stamford, Connecticut and attended Stevens Institute of Technology, where I earned my Bachelor's of Science in Operations Management. After that my career brought me to Pennsylvania where I bounced around from nonprofit to nonprofit, and after 6 years I decided it was best to move back to New York City and I'm excited to be planning this event with ChariTunes Inc.



My name is Julia Nelson and I am a 34 year old co-Logistics SME for ChariTunes Inc. I grew up in New Providence, New Jersey and attended Stevens Institute of Technology where I earned my Bachelor's of Science in Logistics with a minor in Civil Engineering. After graduation, my career moved me down to North Carolina as a team leader, project and logistics SME working to build and develop underfunded school districts. After spending 10 years down there, and learning as much as I could from my former colleagues and employer, I have recently moved back to New Jersey and I am excited to be continuing my career with ChariTunes Inc.



My name is Mausam Patel, and I am 32 years old. I am the Marketing and Public Relations SME and Corporate Vice President for ChariTunes Inc. Originally from Sparta, New Jersey, I attended Stevens Institute of Technology to pursue a degree in Marketing. I spent the start of my career working in the fashion industry, as a Brand Creative at Ralph Lauren. After gaining valuable experience in this role, and utilizing the connections I had made in entertainment and fashion, I decided to shift my career and head Marketing for

ChariTunes Inc. I have spent a few years in this role, and I have grown in both my skills as a marketer and publicist. I am excited for my future with this company!

My name is Jacob Southren and I am a 40 year old co-Finance SME for ChariTunes Inc. I grew up in Randolph, New Jersey and attended Stevens Institute of Technology, graduating with a bachelor of science degree in finance. Upon graduating, I went to work at Brown Brothers Harriman where I obtained 15 years of work experience doing budgeting and revenue forecasting for the asset/wealth management business. After years in this role, I decided I wanted to take on something new. ChariTunes Inc. presented a unique opportunity for me to switch industries while allowing me to bring my financial expertise and apply it to a different type of budgeting. This is my third year in such a role and I really like it and have done very well.



My name is Brandon Wang and I am a 35 year old co-Finance SME for ChariTunes Inc. I am originally from Old Bridge, NJ and I found my love for a city scene when I graduated from Stevens Institute of Technology in Hoboken, NJ studying Quantitative Finance. After graduation, I was working for the Federal Reserve Bank of New York as the VP of Operations. Deciding that I had enough time in the financial district of New York City after 10 years, I set my eyes out on a charitable company and ended up at ChariTunes Inc. which ended up being one of the best decisions of my life. All of the opportunities given

to me and the welcoming staff at ChariTunes Inc. have made my experience here unforgettable and I would not have it any other way.



Appendices

A-1: Financial Breakdown for Revenues

Description	Units	Price	Revenues
Tickets	20,000	\$175.00	\$3,500,000.00
Ticket glampers	2,000	\$225.00	\$450,000.00
Sponsorships	10	\$30,000.00	\$300,000.00
Merchandise	8,000	\$20.00	\$160,000.00
Catering	14,000	\$20.00	\$280,000.00
Bars	40,000	\$30.00	\$1,200,000.00
Total (1 Day)			\$5,890,000.00
Total (2 Days)			\$11,780,000.00

A-2: Financial Breakdown for Costs

Description	Units	Price based on other music festivals	Costs
Main Performers	2	\$100,000.00	\$200,000.00
Up-and-Coming Performers	43	\$10,000.00	\$430,000.00
Site hire	129	\$3,000/acre	\$387,000.00
Contractors		\$2,500,000.00	\$416,666.67
Permits and fees		\$3,000,000.00	\$500,000.00
Equipment rental		\$2,000,000.00	\$666,666.67
Payroll taxes and employee benefits		\$1,000,000.00	\$166,666.67
Marketing	-		\$620,000.00
Building, supply and office expenses		\$2,000,000.00	\$333,333.33
Utility bill		\$1,100,000.00	\$366,666.67
Safety expenses		\$1,200,000.00	\$200,000.00
Ticket servicing		\$1,000,000.00	\$166,666.67
Photography and videography		\$50,000.00	\$100,000.00
Staffing		\$3,000,000.00	\$500,000.00
Maintenance		\$200,000.00	\$33,333.33
Ferry Transportation		\$40,000	\$40,000.00
Total			\$5,127,000.00