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Lark Hotel group buys Rialto Theatre, plans renovation

By Eric Dietrich Chronicle Staff Writer Oct 29, 2015



The Rialto Theater in downtown Bozeman is seen in this April 2015 photo.

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For the first time in years, there's hope on the horizon for downtown Bozeman's long-vacant Rialto Theatre.

The property at 10 W. Main St., vacant since 2006 and entangled in a failed redevelopment scheme for years, has been bought by the investment group behind the renovation of the Lark Hotel, said Thinktank Design Group architect Erik Nelson.

“We’re exploring options and opportunities to bring that space back to life,” Nelson said. “It’s our intent to use it as a community arts and entertainment venue.”

Early plans, filed with the city by Thinktank to solicit feedback, call for renovating the building to include a “Black Box”-style theater space and a “Light Box” event space on a second floor. The firm also wants to add on to the building’s rear, enclosing an existing ghost sign, and rebuild an entry awning on Main Street to replicate the theater’s 1920s-era appearance.

The hope is to create a space suitable for events like lectures, live music and weddings, Nelson said, saying the intent is to complement the larger Ellen Theatre across Main Street. He also said they plan to seek a beer and wine license for the space.

The group hopes to open sometime in 2017, Nelson said.

The theater’s previous buyer, Mary Kay Duffie, had signed a contract to purchase it from Rialto Redevelopment in November 2010, according to court filings. She and her partner, Stephen Michael Rangel, operating as SRO Live, had tried to raise money for what they said was a plan to restore and reopen the theater.

As part of the so-called “[Raise the Rialto](#)” campaign, the couple secured support from several local businesses and [unsuccessfully pursued federal grant money](#) through the Bozeman City Commission.

However, Duffie and Rangel failed to make promised payments on the theater property, spurring Rialto Redevelopment to file suit and a Gallatin County judge to [order the property’s return](#). In another case, federal judge Ralph B. Kirscher concluded that Duffie and Rangel had “engaged in a scheme to siphon as much cash as possible” from a Butte couple by pretending to sell a stake in the Rialto and Butte’s Covellite Theater.

But now, finally, all that appears to be in the theater's past.

"We hope to be good stewards of it," Nelson said. "We know that there's demand for event space.

"We're excited to get things moving," he said.