



September 27, 2005

Mr. Lee Sheehy
Executive Director
Minneapolis Department of Community Planning and Economic Development
105 Fifth Avenue, Suite 200
Minneapolis, MN 55401

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Dear Mr. Sheehy:

The purpose of this letter is to formally request your assistance in revising the terms of Artspace Projects' Option Agreement and Ground Lease Agreement (the "Agreements") for the property currently owned by the City of Minneapolis and located at 516 Hennepin Avenue South. The current Agreements terminate on October 31, 2005 and Artspace respectfully requests an extension of two years on the Agreements. The extension to October 2007 would reconcile the land purchase closer to the completion of the construction phase of the project.

Significant progress has been made on the Minnesota Shubert Center project, including the award of \$1 Million in funding by the State of Minnesota Legislature in 2005 and First Priority ranking by the City of Minneapolis for the project's 2006 capital bonding request. We currently have \$13.5 million committed to date of the \$37 million needed. Artspace's request for this extension will allow predevelopment work on the project to continue and the project application for capital bonding to be submitted.

We continue to work on the operational development of the project in addition to the capital campaign. We have 20 arts organizations who are anxiously awaiting the opening of the facility as their new performance home. Companies include the James Sewell Ballet, Minnesota Dance Theatre, Zenon Dance Company, Ballet Arts Minnesota and the Saint Paul Chamber Orchestra among others. We currently have 30 community leaders serving on the Minnesota Shubert Center Steering Committee (list attached) who are working on marketing, friendraising and fundraising efforts. We have also begun our arts, technology and education programming which has been recognized for its innovative efforts in Minnesota.

Please feel free to call if you have questions.

Sincerely,

L. Kelley Lindquist
President

C.C. George Kissinger
CPED

250 Third Avenue N
Suite 500
Minneapolis, MN 55401
612.333.9012 Phone
612.333.9089 Fax

510 Sixth Avenue S.
Suite 501
Seattle, WA 98104
206.271.0380 Phone
206.405.4244 Fax

Minnesota Shubert Performing Arts and Education Center Steering Committee

Gloria Sewell, *Chair, Board Member, Artspace Board*

Mary Ellen Alden, *Board member, Minnesota Dance Theatre, community volunteer*

John Alexander, *Business Development Advisors, Inc.*

Ford Bell, *President, Minneapolis Heart Foundation*

Blythe Brenden, *Brenden Mann Foundation, community volunteer*

Carol Burton, *Former President, Friends of the Art Institute, community volunteer*

Sandra Cornelius, *Community volunteer*

Sage Cowles, *Board Member, Merce Cunningham Dance Company*

Holly Dahl, *Chair, Lakeville Public School Board*

Todd Fliginger, *Neiman Marcus*

Shannon Gale, *Community Volunteer*

Linda Gode, *Owner, Thornhill Estate and Events*

J. Brooks Goldade, *Sr. Account Manager, Select Comfort*

Barbara Goldner, *Former President, Friends of the Art Institute, community volunteer*

Kathie Goodale, *Teacher, Ballet Arts, community volunteer*

Michelle Grabanski Pohlad, *Board Member, Minnesota Dance Theater, community volunteer*

Barbara Hamilton-Sustad, *Vice President, Smith Barney*

Dr. Brad Hillstrom, *Surgeon*

Tina Hillstrom, *TV producer and creator, community volunteer*

Annamarie Hingos, *Perkins and Will, Artspace Board Member*

Joe Humke, *Attorney, Lindquist & Vennum*

Liesl Hyde, *Arts and Custom Publishing*

Kim Isenberg, *Director, Public Affairs, Padilla Speer Beardsley*

Kathy Jones, *Community volunteer*

Mary Beth Koehler, *Community volunteer*

Kelley Lindquist, *President, Artspace Projects*

Peggy Lucas, *Principal, Brighton Development and Artspace Board Member*

Nadine McGuire, *Bill and Nadine McGuire Family Foundation*

Suzanne Nordblom, *Architecture Professor, Dunwoody Technical College*

Suzanne Payne, *Community Volunteer*

John Rajkowski, *Legislative Director, MN Dept. of Employment and Economic Development*

Patricia Ronning, *Fragrance Creator, community volunteer*

Mary Sauter, *Community volunteer*