

**Request for Proposals  
for  
Operation and Programming  
of the  
Orpheum, State, and Pantages Theatres  
Minneapolis, Minnesota**

**Issued by:**

**City of Minneapolis – Community Planning and Economic Development**

**105 Fifth Avenue South, Suite 200**

**Minneapolis, Minnesota 55401**

**612-673-5095**

**[www.ci.minneapolis.mn.us/cped](http://www.ci.minneapolis.mn.us/cped)**

For issues specific to this RFP, contact:

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**Community Planning & Economic Development**

**105 5<sup>th</sup> Avenue So., Suite 200**

**Minneapolis, MN 55401**

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## EXHIBITS

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## INTRODUCTION

The Department of Community Planning and Economic Development (CPED) is the housing and economic development arm of the City of Minneapolis (City), which includes the former Minneapolis Community Development Agency (MCDA). The MCDA is the fee owner of three historic theatres within the Hennepin Theatre District, which extends from 5<sup>th</sup> Street to 10<sup>th</sup> Street along Hennepin Avenue in downtown Minneapolis (see **Exhibit 1**). At the height of the vaudeville era, some forty theaters were operating on or close to Hennepin Avenue. Now, only four of these historic theaters remain: the 2652-seat Orpheum, the 2150-seat State, the 999-seat Pantages, all owned and restored by the MCDA, and the 800-seat Shubert, owned by Artspace, currently vacant and in a capital fund drive for its restoration, and not a part of this RFP.

The Hennepin Theatre District is adjacent to the core of Minneapolis' Central Business District, which has 160,000 employees, and part of the Upper Midwest's most vibrant entertainment/hospitality district with scores of restaurants, clubs, hotels, and parking facilities within easy walking distance of the theatres. The Orpheum and State are connected directly to the City's Skyway pedestrian system, while the Pantages is within ½ block of access to the Skyway system. Other major entertainment venues within the entertainment district are Target Center (NBA arena) and a new 15-screen multiplex theater. Downtown Minneapolis also has over 30,000 residents and is continuing to experience rapid growth in the downtown housing market.

The State Theatre, completed in 1921, was acquired and restored as part of a full-block mixed use redevelopment project called LaSalle Plaza. The acquisition and restoration was financed by the City through tax increment bonds being paid off by the real estate taxes generated by the entire LaSalle Plaza project. MCDA assumed ownership and operation of the theatre upon completion of the renovation in 1991. The Orpheum, also completed in 1921, was acquired by MCDA in 1988, but restoration was not begun until 1993, and was reopened in January of 1994. The Pantages, built in 1916, was acquired by MCDA in 1998 and restored in 2002. All three theatres have been operated under a Management Agreement with Historic Theatre Group, a for-profit company, since their restoration. The Management Agreement may be terminated by Owner (City/MCDA) as of June 30, 2006, upon notice given on or before December 31, 2004.

The restoration of the Orpheum and the Pantages Theatres was financed through the proceeds of tax exempt revenue bonds secured by a ticket surcharge (Restoration Fee) on all ticketed events at all three theatres. To help assure the viability of this revenue source, MCDA entered into a Master Use Agreement (MUA) in 1993, which granted exclusive rights to present a Broadway Subscription Series at the theatres. The MUA is currently held by Hennepin Theatre Trust, a 501 (c) (3) corporation, in association with PACE Theatrical Group, a for-profit subsidiary of Clear Channel Entertainment, and expires on June 30, 2006. Both Historic Theatre

Group and Hennepin Theatre Trust are aware that this RFP has been initiated, but we request that any communications and questions that respondents may have regarding this RFP or the operations of the theatres be directed in writing to:

**Phil Handy, Senior Project Coordinator**  
**City of Minneapolis**  
**Community Planning & Economic Development**  
**105 5<sup>th</sup> Avenue So., Suite 200**  
**Minneapolis, MN 55401**

**Fax: (612) 673-5113**  
[phil.handy@ci.minneapolis.mn.us](mailto:phil.handy@ci.minneapolis.mn.us)

## **BACKGROUND**

### **The Theatres**

**For detailed seating charts, technical specifications, rate schedules, photos, and other information regarding the Orpheum, State, and Pantages Theatres, please go to:**

<http://www.state-orpheum.com>

The 2,652-seat **Orpheum Theatre**, 920 Hennepin Avenue, was designed in 1921 by Kirchoff & Rose in Beaux-Arts Commercial style with a Neoclassical Revival exterior. The \$11 million 1993 renovation expanded the stage depth to 55 feet and added a new dressing room and loading dock annex in addition to the understage dressing and storage rooms. The size of the stagehouse was then sufficient to mount the original Broadway production of The Lion King. The mechanical systems were completely overhauled to utilize district heating and cooling, restrooms added, seating refurbished, the interior décor completely renovated, and the original marquee and flag refurbished.

The 2,150-seat **State Theatre**, 805 Hennepin Avenue, was designed by J.E.O. Pridmore in 1921 in Italian Renaissance style. The \$8.8 million restoration, completed in 1991 as part of the 1.1 million-square-foot LaSalle Plaza complex, enlarged and rebuilt the stagehouse, mechanical systems, and dressing rooms, and totally restored the elaborate décor of the auditorium and two-story lobby. The State Theatre is a separate condominium parcel of the LaSalle Plaza project, and is subject to reciprocal easements and operating covenants with the other condominium elements.

The 999-seat **Pantages Theatre**, 710 Hennepin Avenue, was originally designed for Alexander Pantages by B. Marcus Priteca and Kees & Colburn in 1916 as a Beaux Arts auditorium inside a 12-story office tower. Although the auditorium was built as designed, the surrounding office building was modified to be a two story, 15,000

square foot Art Moderne building now called the Stimson Building. The Pantages and Stimson were constructed as one building, and share basic structural components including footings, columns, beams, floors, and walls. The City acquired the entire complex in 1998 and commenced with a full \$10 million restoration of the Pantages and renovation of the basic structural, exterior, and mechanical systems for the Stimson. CPED is currently (and separate from this RFP) offering the Stimson for sale for uses compatible with the Pantages and subject to restrictive covenants and reciprocal easements required for the use and operation of the Pantages. A division of property between the Pantages parcel and the Stimson parcel will be achieved through a Registered Land Survey to be completed during 2004.

**Real estate tax parcel information, including ownership, dimensions, area, and maps, for each of the Theatres may be accessed at the web site listed below.**

<http://www2.co.hennepin.mn.us/pins>

The parcel identification numbers for each Theatre are as follows:

Orpheum: 27-029-24-21-0030  
27-029-24-21-0031  
27-029-24-12-0038

State: 27-029-24-12-0123

Pantages: 22-029-24-43-0062 (combined Pantages/Stimson building)

The Theatres are currently exempt from real estate taxes, although they are subject to special assessment levies. Special assessments on all three Theatres for the Hennepin Avenue Streetscape project being completed in 2004 will commence in 2005 in an amount estimated at \$27,500 annually. Respondents are responsible for determining any change in the tax status of the Theatres due to the structuring of their proposal. Questions relating to real estate tax exemption status may be addressed to:

Patrick Todd  
Minneapolis Assessor's Office  
(612) 673-2483  
[patrick.todd@ci.minneapolis.mn.us](mailto:patrick.todd@ci.minneapolis.mn.us)

## **Management Agreement**

The Management Agreement for the Orpheum, State and Pantages Theatres, dated December 31, 2001, the First Amendment, dated April 7, 2003, and the Second Amendment, dated December 29, 2003, are included in this RFP as **Exhibits 2, 3, and 4**, respectively, to assist respondents in understanding the responsibilities of

Owner and Manager within the existing structure of theatre operations. The following points regarding the existing management structure should be noted:

1. All theatre revenues are considered City funds until earned and disbursed through show settlements, vendor contracts, or Management Fees. Consequently, governmental accounting standards and securitization of deposits and transfers must be maintained.
2. Term of the Agreement, Management Fees, and other aspects of the Agreement are limited by IRS regulations relating to “private activity” within a facility financed by tax-exempt bonds. See “The Revenue Bonds” below.
3. All employees required for the operation, maintenance, booking, and box office sales for the Theatres are employees of Manager, not of Owner.

Respondents are encouraged to propose alternative management, booking, and presenting structures that could reduce the need for the City’s administrative oversight, management of funds, and ongoing funding obligations to the Theatres consistent with the City’s goals and public purpose as described in **Exhibit 6**.

## **The Revenue Bonds**

In October of 2001, the MCDA issued \$22,225,000 of Limited Tax Support Development Revenue Bonds, Common Bond Series 2001-G3 (“the Bonds”) to finance the restoration of the Pantages, refinance the restoration costs for the Orpheum, and provide additional capital improvement funds for all three Theatres. The term of the Bonds is thirty years (2031), callable 12/1/2011. The Bonds were issued under the rules for both governmental and qualified 501 (c) (3) purpose bonds and are exempt from taxation under current IRS regulations. Consequently, “private activity” regulations of the IRS apply to the Theatres. In general, these regulations would limit the following transactions if the contractor is an entity other than a governmental entity or a qualified 501 (c) (3) corporation.

- a. Management contracts: restrictions relating to the term and fee structure of the management contract.
- b. Long-term presenting agreements such as Broadway Subscription Season rights.
- c. Facility lease agreements.
- d. Fee purchase agreements. [Note: due to restrictions in the LaSalle Plaza development documents, transfer of MCDA’s fee interest in the State Theatre is limited to a governmental entity, or a non-profit having as a purpose management of the Theatre as a cultural facility in the interest of the general public, without MCDA first offering the Theatre to the Project Owner for a sixty-day exclusive negotiation period.]

Respondents must either structure their proposal to not cause the interest on the Bonds to become taxable, or propose to defease the Bonds with new taxable

financing. Any net increase in bond debt service, costs of issuance, or negative arbitrage due to such refinancing shall be the responsibility of the respondent. Respondents are strongly advised to consult with qualified bond counsel to determine the conformance of their proposal with IRS regulations regarding the tax exemption of the Bonds. The principal and interest and bond maturity schedule for the Bonds is included as **Exhibit 5**.

## **Theatre Restoration Fee**

The primary revenue source for debt service on the Bonds and for owner's other capital expenses for the Theatres is a Restoration Fee in the form of a ticket surcharge on all events at the Theatres. Through July 31, the Restoration Fee is \$3.00 per ticket sold for performances with a top ticket price of \$50.00 or greater and \$2.00 per ticket for performances with a top ticket price of less than \$50.00. For booking commitments after August 1, 2004, the Restoration Fee will be \$1.50 for performances with a top ticket price of \$29.99 or less, \$2.50 for a top ticket price between \$30.00 and \$49.99, and \$3.50 for a top ticket price of \$50.00 or more. A limited number of events each year may be approved for a reduced or no Restoration Fee. These are typically non-profit community arts or educational events having low ticket price structures. The average annual Restoration Fee amount generated by the Orpheum and State Theatres over the five year period 1998-2002 (the Pantages opened in November of 2002) was \$971,868. The estimated Restoration Fee revenue for the 2004 calendar year is \$1,252,275.

## **Existing Agreements**

Proposals may be subject to the following contracts and agreements:

- IATSE Local 13 (Stagehands) (Expires 12/31/04)
- IATSE/Box Office Personnel (Expires 12/31/05)
- Hair and Make Up Local 490 (Expires 12/31/04)
- Ticketmaster (Expires 12/31/06 + 1 year renewal)
- NRG Energy Center (Steam + chilled water for Orpheum and Pantages)
- Various service/maintenance contracts (e.g., elevator, HVAC)

## **THEATRE GOALS**

On May 14, 2004, following a six-month comprehensive review of the City's ownership and involvement with the Theatres, including the underlying public purposes of City ownership, the current and projected capital and operating costs, and the structure of the existing management and Broadway Season contractual relationships, the City Council adopted a Report of the Theatre Study Committee, dated May 5, 2004. The report set forth the City's goals for the long-term management and operation of the Theatres, directed the issuance of this RFP to

solicit a broad range of alternative organizational, business, and financial structuring models, and established criteria for evaluating the responses to the RFP.

**The Report of the Theatre Study Committee is included in this RFP as Exhibit 6. Responses to this RFP should clearly delineate how the proposal addresses each of the adopted goals.**

## **PROPOSAL SUBMISSION AND REQUIRED MATERIAL**

Proposers must submit copies of their proposals as follows: one unbound copy, ten bound copies and one electronic version in Microsoft compatible or PDF format on diskette or CD. Proposals must be on standard 8 ½" by 11" paper. All supporting documentation must be on paper no larger than 11" by 17". Proposals and supporting documentation must be submitted in a sealed envelope labeled "Theatres Request for Proposals, Due: October 15, 2004 at 4:00 p.m." Telefaxed proposals will not be accepted. Proposers may choose to provide additional sets if and when invited to do so for presentation purposes. Submissions will not be returned.

**Proposals shall be delivered to the City on or before:**

**Date:           October 15**

**Time:           4:00 pm Central Time**

**To:              Contract Services  
                  Department of CPED  
                  105 Fifth Avenue South, Suite 200  
                  Minneapolis, MN 55401**

Proposals received after the deadline will not be accepted. It is neither CPED's responsibility nor practice to acknowledge receipt of any proposal as a result of the Request for Proposals process. It is the responder's responsibility to assure that a proposal is received in a timely manner.

### **RFP Inquiries**

Prospective responders may only direct questions in writing to the department contact person:

Phillip T. Handy  
Sr. Project Coordinator  
Department of CPED  
105 Fifth Avenue South, Suite 200  
Minneapolis, MN 55401  
Email: phil.handy@ci.minneapolis.mn.us  
Fax: (612) 673-5113

All questions are due no later than 4:00 p.m., September 10, 2004. Questions will be answered in writing and posted on the CPED website ([www.ci.minneapolis.mn.us/cped/theatres\\_rfp\\_home.asp](http://www.ci.minneapolis.mn.us/cped/theatres_rfp_home.asp)) by September 17. The department contact person is the only individual who can be contacted about the project by respondents before the proposal deadline. The department contact cannot vary the terms of the RFP.

## **Mandatory Pre-proposal Conference and Tour**

A pre-proposal conference and walk-through tour of the theatres will be held on **September 1, 2004, at 1:00 p.m.** in the Pantages Theatre, 710 Hennepin Avenue. Attendance at this conference is mandatory for all respondents to this RFP. CPED representatives and theatre management staff will be available to respond to questions regarding this RFP, the physical facilities, and the operating aspects of the theatres. Questions that can not be answered at the conference will be answered by posting on the CPED website by September 17.

If a respondent who has attended the September 1 Pre-proposal Conference desires additional inspection and investigation of the theatres, the theatres will be available for that purpose from **9:00 a.m. to 4:00 p.m. on Thursday, September 9, 2004.** Respondents must register their intent to conduct such inspection by e-mail or fax with the CPED contact staff listed above by September 8, 2:00 p.m. Central Daylight Time. Other than providing access to the theatres, neither theatre management nor CPED staff will respond to questions during these inspections.

## PROPOSAL CONTENTS

Proposals must include the following:

1. A cover page that includes the following information:
  - a. Responding entity's name and mailing address
  - b. Respondent's current legal status: corporation, partnership, sole proprietor, etc.
  - c. Federal ID number or Social Security number
  - d. State ID number
  - e. Contact person's name, title, phone number, fax number and e-mail address
  - f. Signature of authorized corporate officer for each entity proposing as a partnership or team
  
2. A **narrative summary of the nature and structure of the proposed ownership, management, and presenting arrangement** (e.g., fee ownership, facility lease, management and/or presenting contract), and how the proposal addresses each of the goals contained in the report of the Theatre Study Committee. Proposals must include all three theatres.
  
3. An **identification of the entities** that will be involved, a description of the roles they will play (e.g., theatre owner, property manager, theatre lessee, event programmer/presenter), the contractual relationships within the team, the financial responsibilities and percentage of ownership (if applicable) of each team entity, a description and evidence of the nature of each entity's commitment to the project, and a summary of the team's past experience in working together. A description of each of the entities' experience in similar projects and roles must be included, including location, type of facility, beginning and ending dates of involvement, and information about any continued financial or operating interest in each. Include specific previous relevant experience with public entities, including reference contact information. The City may ask for supporting documentation substantiating claims of previous experience. Identify the principal person who will speak for the responding entity and any other key participants who will be involved in negotiating the contract terms. Specify whether the respondent entity is or intends to form a corporation, a general or limited partnership, a joint venture, a 501 (c) (3) corporation, or other type of business association to carry out the proposed activities. The respondent must also provide a minimum of the most current two consecutive years of financial statements for the entity(ies) and/or principal(s) that comprise or will comprise respondent, which may be submitted confidentially to the CPED Director under separate cover clearly marked "Confidential Private Data" and mailed or delivered to:

Lee Sheehy, Director  
Community Planning and Economic Development  
105 5<sup>th</sup> Avenue South, Suite 200

CPED will treat financial statements submitted under this procedure as either business data pursuant to Minnesota Statutes Section 13.591 or trade secret data pursuant to Section 13.37 Subd. 1(b). However, CPED assumes no liability should this data be ruled public data by a court of competent jurisdiction.

4. A **term sheet** that outlines proposed contract terms and conditions.
5. If applicable, a preliminary **capital pro forma** showing the detailed sources and uses of funds (debt, equity and other) to acquire the theatres and/or undertake proposed capital equipment purchases and capital improvements during the initial five years of the agreement. Information as to the status of securing those funds should be included and inclusion of a conditional financing commitment is strongly encouraged. Clearly indicate any public assistance to be requested.
6. A preliminary **operating pro forma** for either (i) ten years, or, if the proposal includes the lease or sale of the Theatres, (ii) through the term of the Bonds (2031) or any proposed refunding bonds. Include the assumptions underlying the income and expense projections. Clearly indicate the sources and amounts of revenues available for debt service on the Bonds and provisions for a capital improvement reserve. Also show the Cash-on-Cash Return and Internal Rate of Return and describe proposed distribution or utilization of net operating income.
7. A **staffing plan** that includes an organizational chart showing key management personnel and identification of onsite management personnel.
8. A **box office and ticket sales plan** including responsibilities for group and subscription season sales.
9. A **facility utilization and marketing plan** describing the mix of event types to maximize utilization of the Theatres and the strategies, resources, and experience to achieve those goals.
10. A **description of the public economic benefits** that will result from the proposal, e.g., the direct and indirect economic benefit, creation or retention of jobs (including the estimated number, type and wage levels), tax base enhancement (sales, entertainment, and real estate, as applicable), etc.
11. A **transition plan** for the assumption of booking and management duties from the current Management Contract and MUA provider. (See Section 4.1 (d) of the Management Agreement, **Exhibit 2**, and the Second Amendment, **Exhibit 4**).

12. An executed “Consent for Release of Response Data” form (**Exhibit 7**).  
Proposals that do not include an executed “Consent for Release of Response Data” form shall be considered incomplete which will be grounds for rejection of the entire proposal.
13. Any other information that would help City staff understand and evaluate the concept.

## **Other requirements**

The selected respondent will be required to enter into appropriate contracts, agreements, and leases with the City and comply with any applicable City requirements. These requirements vary depending upon the type of proposal and the source and amount of public funding and may include, without limitation, the payment of Prevailing Wages for construction, the preparation of Affirmative Action Plans, competitive bidding, compliance with Chapter 423 Small and Underutilized Business Enterprise Program and Business Subsidy Act/Living Wage Policy, and reporting requirements for those programs.

Management Contract General Conditions: Responses that consist of a proposed management contract with the City will need to acknowledge the conditions contained in the “General Requirements” document attached to this RFP as **Exhibit 13**. Note that the respondent agrees to be bound by those requirements unless otherwise noted in the proposal. Where specific requirements described in both the RFP document and the “General Conditions” document may differ, the more inclusive requirement will govern.

Guarantees of Performance: Within seven calendar days of City Council approval, the selected respondent will be required to provide a \$50,000 “good faith” deposit that will be returned upon respondent’s assumption and commencement of the responsibilities of Theatre Manager. If respondent’s proposal necessitates the refunding of the Bonds or includes assumption of the Bond debt service payments, respondent may also be required to post, prior to the commencement date of the agreements, a revolving irrevocable letter of credit or other form of security in an amount equal to the next year’s debt service on the Revenue Bonds (or refunding bonds). This letter of credit shall be in addition to the existing or required Bond debt service reserve deposit and shall be subject to draw for any debt service shortfall prior to a draw on the debt service reserve deposit. To the extent the Theatre operating funds controlled by respondent will remain to be construed as City funds, appropriate securitization of those funds and fidelity, payment and performance bonding may also be required.

Sale or Lease Terms: In the event the selected respondent proposes the acquisition or lease of the Theatres, the requirements of the City’s Disposition Policy will apply. Basically, this requires the determination and disclosure of fair market value or fair leasehold value and a public hearing prior to final approval of the proposed terms by

the City Council. CPED reserves the right to negotiate the sale or lease terms with the selected respondent.

Insurance: If CPED remains the fee owner of the theatres, Respondent will be required to provide the following insurance coverage for the Theatres, naming the City of Minneapolis as an additional insured:

1. Liability Insurance: A minimum of \$5,000,000 in Combined Single Limit general liability insurance, covering personal injury, property damage liability, and contractual liability.
2. Workers Compensation insurance that meets the statutory obligations with Coverage B- Employers Liability limits of at least \$100,000 each accident, \$500,000 disease – policy limit and \$100,000 disease each employee.
3. Property Insurance: Replacement value (building and personal property) plus business interruption. The current policy covers approximately \$51,000,000 in property and \$3,900,000 for business interruption.

Equal opportunity (nondiscrimination and affirmative action):

The selected respondent will be required to comply and cause its contractors to comply with applicable provisions of Chapters 139 and 141 (Title 7, Civil Rights), Minneapolis Code of Ordinances, nondiscrimination provisions contained in Chapter 181, Minnesota Statutes, the Americans with Disabilities Act of 1990 (as amended), Section 109 of the Housing and Community Development Act of 1974 (as amended), the Age Discrimination Act of 1975 (as amended) and Executive Order 11246, as amended by Executive Order 12086. The selected respondent will be required to agree not to discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, affectional preference, disability or other handicap, age (40 – 70), marital status, or status with regard to public assistance. The selected respondent also will be required to take affirmative action to ensure that all employment practices are free of such discrimination. These employment practices include, but are not limited, to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The respondent will post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause. The selected respondent also will be required to, in all solicitations or advertisements for employees placed by or on behalf of the developer, state that it is an equal opportunity or affirmative action employer.

Litigation and Dispute Disclosure:

Indicate and disclose all lawsuits including claims involving arbitration or other alternative dispute resolution mechanisms filed against the respondent and any

affiliates within the past five years of the date of this RFP. Notwithstanding the above disclosure requirement, the respondent is not required to include in its disclosure of lawsuits the following litigation claims:

- (1) personal injury suites for amounts of less than \$100,000 filed by visitors, guests, invitees, licensees or trespassers at or upon the real properties owned, leased, operated or managed by the respondent or its affiliates;
- (2) workmen's compensation claims filed by employees of the respondent or its affiliates or by independent contractors retained or hired by the respondent or affiliates;
- (3) mechanics, supplier or materialmen liens of less than five thousand and no/100 (\$5,000.00) dollars; and
- (4) real property tax appeals.

Among the types of lawsuits CPED will want disclosed are sexual harassment claims; age discrimination claims; other claims involving protected classes such as race, national origin, gender or sexual preference; breach of contract claims, especially those involving the lease or use of facilities by performers or vendors; and claims involving violations of collective bargaining agreements.

## **EVALUATION CRITERIA**

The RFP proposals will be evaluated in light of the goals set forth by the Study Committee and approved by the City Council. The successful proposer's response should therefore:

- (a) support a diversity and frequency of programming in order to maximize the economic impact of the Theatres on the City of Minneapolis;

(b) demonstrate a focus on preservation of the theatres as a long-term legacy for future generations of Minneapolis citizens;

(c) seek to minimize the operational involvement of the City in the Theatres, while remaining accountable to the City regarding booking activity, long-term maintenance, and governance;

(d) provide active leadership for the continued development of the Hennepin Theatre District;

(e) establish the capability to meet the Theatres' current and longer-term debt and capital improvement needs through operating and presenting profits, user fees, and other private funding; and

(f) propose a strategy for a community arts education and outreach program.

Other evaluation criteria may include:

(a) The experience and the financial and organizational capacity of the respondent in successfully managing and promoting similar theatres.

(b) The terms and conditions of the Term Sheet, including the proposed fee structure (if applicable).

(c) The financial capacity to perform respondent's duties and obligations, including, to the extent applicable, collateralization of ticket proceeds, presentation guarantees, debt service reserves, and capital improvement reserves.

The Theatre Study Committee as appointed by the City Council will evaluate the proposals and submit a recommendation to the City Council. The City may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of the developer for this parcel.

The City reserves the right to reject any or all proposals or parts of proposals, to negotiate modifications of proposals submitted, and to negotiate specific proposal elements with a proposer into a project of lesser or greater magnitude than described in this RFP or the proposer's reply.

## **SCHEDULE**

- August 12, 2004: RFP issued
- September 1, 2004: Mandatory Pre-proposal Conference
- October 15, 2004: RFP response deadline
- November 9, 2004: City Council Community Development Committee considers Theater Study Committee recommendation re RFP selection
- November 19, 2004: City Council action re RFP selection