

ARTOWN
Request for Proposal
(RFP)

Lear Project

EXECUTIVE SUMMARY

ARTOWN, a Nevada non-profit corporation, is seeking proposals from qualified community and non-profit groups for the ownership, development, renovation, management and operation of the Lear Property as identified below (the “Lear Project”). The Lear Project includes the restoration of the historic Lear building and its reuse principally as a live performance venue, which may also accommodate special events not exclusively associated with the performing arts such as award ceremonies, film and television shoots, private parties, weddings, celebrations of life, symposia and dinners. The strongest proposals will incorporate a deep understanding of the unique urban fabric and historic and cultural assets of the Lear community, treat the Lear Project as a place-making opportunity, maximize the benefit to the community, and be financially sustainable and feasible.

BACKGROUND

ARTOWN is the current owner of the Lear. It was transferred from the Lear Theater, Inc. in 2011. In addition to the real property transfer, ARTOWN also received designated funds to pay overhead expenses, such as utilities and insurance related to the building. The building architect is Paul Revere Williams and it was completed in 1939 and was the longtime home of the First Church of Christ Scientist. The Lear is listed on the City Historic Register and the National Historic Register.

The Lear has been closed since 2002. In its current state, it cannot be used for public events. It does not have a certificate of occupancy. The intent of naming ARTOWN, a trusted organization in the community, as custodian was that ARTOWN would best be able to facilitate an appropriate use and/or designate an owner of the building consistent with the vision of Moya Lear. Mrs. Lear provided initial funding to convert the building to a theater in 1997. Mrs. Lear envisioned a community space that could host anything from a children’s dance recital to a world-renowned string quartet.

The building will require significant renovations to reopen and to complete the theater transformation. Previous renovation projects were funded by State grants, which have covenants and some limitations on use unless repaid. The necessary renovations require funding, and ultimately an operating budget for a theater. Funding options include rehabilitation tax credits, new market tax credits, donations, grants and sale of the property.

Possible ownership concepts which ARTOWN explored included: the creation of a New Theater Coalition; City of Reno taking over ownership and responsibility for renovation; Washoe County taking over ownership and responsibility for renovation; UNR or TMCC taking over ownership and responsibility for renovation; facilitating a Coalition of Public Agencies to taking over ownership and responsibility for renovation; selling the property for use as a private home and having the property remain with ARTOWN.

The Artown Board of Directors Lear Committee include: Oliver X, Stacey Spain, Naomi Duerr, Coney Linarez, and Beth Macmillan as a non-voting staff member.

Lear Committee activities have included locating historical records, completing a Lear Theater Feasibility report; assisting with a structural integrity assessment which was completed by Don Clark of Cathexes (Summer 2017). Additionally, the Lear Committee conducted public tours, Fall 2017, and held a public workshop, Fall 2017.

At the direction of the ARTOWN Board this RFP seeks to find a new owner which will take responsibility for the completion of a renovation and will operate the Lear as public space in accordance with the covenants attached.

The Lear site is Assessor's Parcel No. 011-106-01 comprised of Lot 1 through 4 in Block V of the Amended Map of Powning's Addition to the town of Reno, according to the map thereof filed in the office of the County Recorder of Washoe County, State of Nevada, on April 10, 1891, and as Tract Map No. 91 whose common address is 501 Riverside Drive, Reno, NV 89503 (the "**Lear Property**"). The site is generally bounded by Riverside Drive on the south, Bell Street on the west, West First Street on the north and Ralston Street on the east. The parcel under consideration for disposition includes only the Lear Theater and its immediate grounds. The Lear Property and all encumbrances and liabilities associated with the Property will be transferred to the applicant selected for the Lear Project, if any.

RESPONSE DEADLINE AND SELECTION PROCESS SCHEDULE

All proposals submitted in response to this RFP, which are limited to 30 pages, must be received by Artown no later than 5:00 p.m. on March 15, 2018. Subject to any amendments, the schedule for applicant selection, negotiations, execution of the disposition agreement, and the transfer of ownership of the Lear Property is:

- ☐ Deadline for Inquiries: Feb 28, 2018
- ☐ Deadline for Proposal Submission: March 15, 2018
- ☐ Deadline for Lear Committee of the ARTOWN Board to Review Proposals: March 30, 2018
- ☐ Deadline for Recommendation(s) to ARTOWN Board: April 15, 2018
- ☐ Deadline for Artown Board Final Decision: May 15, 2018
- ☐ Execution of Disposition Agreement: to be determined
- ☐ Anticipated Date of Transfer of Ownership of the Lear Property: June 15, 2018

ARTOWN reserves the right to: (a) reject any proposal that is not received by the response deadline or is otherwise inadequate or nonresponsive to the RFP; (b) request additional information from any applicant; (c) extend any deadline related to this RFP; and (d) withdraw the RFP at any time and for any reason.

SCOPE The selected applicant will have sole responsibility and liability for the Lear Project including, without limitation:

COMPLIANCE WITH EXISTING GRANTS AND AGREEMENTS

- ⑩ Lear Theater has already received a total of \$1.4 million in Grant money, awarded from 1996-2009 from the CCHP/CCA
- ⑩ Covenant Agreements made in conjunction with the grant-in-aid assistance—awarded from 1996-2009 from the State—must be completed by December 31, 2060.

- ⑩ Covenant doesn't cover continued maintenance and repairs.
- ⑩ State must give prior written permission when visual/structural alterations are made.
- ⑩ State has the right to inspect the property at all reasonable times.
- ⑩ Property must be open to the public at least 12 days a year.
- ⑩ When the property is not open to the public, must notify in an area newspaper when property will be open again.
- ⑩ Must comply with Civil Rights Act of 1964 (title VI), Americans with Disabilities Act and Rehabilitation Act of 1973 (section 504).

Source: Attachment B, Commission for Cultural Affairs (CCA-08-22) Covenants 2010.

For more information on the Lear tax credits and covenants, please contact Rebecca Palmer, Nevada State Historic Preservation Office, rlpalmer@shpo.nv.gov

- ② management of a capital campaign to renovate the Lear;
- ② development of a renovation plan, budget and timeline;
- ② development of a programming and operating plan;
- ② development of a programming budget;
- ② identification and recruitment of a development team for the Lear Project;
- ② implementation and management of the above-listed budgets and plans;

- ☐ management of the day-to-day operation of the Lear property; and
- ☐ management of the long term development and operation of the Lear property.

PROPOSAL CONTENTS

All questions pertaining to this RFP shall be directed to ARTOWN by email to: info@leartheater.org. Applicants must familiarize themselves with the Lear property, all details of the work required, and existing conditions. All costs of responding to the RFP are the sole responsibility of the applicant.

Community Benefit: Proposals must include community benefits that will enhance the existing arts and culture community. In response to community requests, the development should include historic rehabilitation of the theater; utilization for arts and culture activities, the performing arts, special events and entertainment uses; and consider opportunities to build in secondary supporting uses such as, arts education, college/institutional uses; street-front activities with the community, joint programming opportunities and other design and use connections between the theater and the surrounding neighborhood.

Please submit a proposal narrative addressing the following five areas of consideration in the order listed:

- 1.) **Management of Capital Campaign.** Show clear understanding of the basic steps needed to undertake a capital campaign including:
 - Please provide a draft simple prospectus (consisting of a cover sheet, a cover letter, a two-page draft case statement, and a simple campaign gift intention form).
 - Please provide potential revenue sources and costs including use of Historic Tax Credits.
 - Applicants should identify potential Campaign Leaders: Campaign leadership can come from a variety of sources including:
 - Past Board Members
 - Volunteers
 - Community Leaders
 - Corporate Leaders
 - Board Members
 - Elected Officials
 - Current Board Members
 - Industry Leaders
- 2.) **Estimated Renovation and Development Budget and Timeline.** After review of the available approved design plans, please estimate the hard costs for rehabilitation and adaptive reuse of the Lear including, without limitation, the below categories. We understand this is an estimate, please include proposed revenue sources with the timeline.
 - Site Improvements
 - Construction Contract
 - Hardscape/Landscape
 - Project General Requirements
 - Construction Loan
 - Loan Interest
 - Other Financing Costs

- Contingency (Hard Cost %)
- Contingency (Soft Costs)
- Overhead

3.) **Programming and Operating Plan.** Please describe plans for use of the space including:

- Executive Summary - state mission and purpose, summarize market analysis, identify need and explain how the need will be met.
- Programs and Services offered - Provide a description of the programs and services to be offered to the community.
- Customer and Market Analysis - Explain customer and community needs, identify how the programs and services will meet the stated need and how they will create an audience of users and program constituents.
- Marketing Plan - Provide a blueprint that outlines business advertising and marketing efforts for the renovation timeline and the first year of operation. Describe business activities involved in accomplishing the specific marketing objectives.
- Operation Plan - include expected hours of operations.
- Organizational Structure - Include planned board of directors, committees, executive director, staff and volunteer structure.
- Financial Plan – Outline a financial management cycle used by board and staff leaders to review the results of their analysis of the accurate and contextual reports they have received during the year to inform their plans going forward. How will the capital and operating budgets be prepared?
- Insurance and Liability Plan – list the strategies and types and amounts of insurance coverage to be maintained in connection with the Lear Project.

4.) **Estimated Programming Budget.** Please include an estimated annual budget for the proposed programming outlined above.

5.) **Development Team:** To be considered responsive to this RFP, all proposals must identify development team members and/or partners with the following qualifications. Resumes and references must be included.

- Please identify and describe team members who have successful and recent development, ownership or management experience of the type and size of projects being proposed;
- Please identify and describe team members who have experience with historically significant structures of similar scale as that projected for the Lear; (Experience with the Secretary of the Interior’s Standards for Rehabilitation and use of Federal Historic Rehabilitation Tax Credits is desirable.)
- Please identify and describe team members who have successfully managed venues of comparable scale and programming of live performance;
- Please identify and describe team members who have demonstrated access to private capital and or experience managing a successful capital campaign;
- Please identify and describe team members who have experience in public private partnerships that involve a variety of public and private financing methods including grant writing and major donor solicitation.

EVALUATION PROCEDURE AND CRITERIA

Evaluation: Award will be made to the Applicant considered most qualified who will act in the best interest of ARTOWN and the Lear and whose proposal meets the requirements of ARTOWN's Lear Committee. Applicant packages must include at least three (3) references. These references should represent agencies utilizing the applicant's services as outlined in the proposal. Provide company names with contact person and telephone number. The Lear Committee and ARTOWN in their sole discretion may or may not select any applicant for the Lear Project and reserve the right to reject any and all proposals submitted in response to the RFP.

Evaluation Criteria: Proposals will be evaluated on criteria deemed to be in the Lear Property's best interests to include but are not limited to:

- Applicant's demonstrated understanding of the RFP's scope and goals;
- ☐ Ability to be successful in the needed capital campaign;
- ☐ Ability to manage and operate the building at a profit;
- ☐ Demonstrate an ability to build and manage a development team
- ☐ References.

Selection: Each proposal will be evaluated separately on its own merit by the Lear Committee. Three applicants will be placed on a "short list" and may be asked to come in for an interview which, if scheduled, will occur on April 5th or 6th, 2018. If interviews are scheduled, the applicants that are selected to come in for an interview may be asked to submit additional information. Applicants will be notified within one (1) week prior to the interview date of any additional information desired by the Lear Committee and ARTOWN. The Lear Committee and ARTOWN reserve the right to ask for clarification or additional information so that a fair and comprehensive evaluation of all proposals can be conducted. If less than 3 or only 3 bids are received, ARTOWN reserves the right to terminate this process and begin again or to choose from the submissions.

References and Attachments: Applicants are advised that a full review of the Lear Power Point PDF Presentation prepared by Councilwoman Naomi Duerr (available at <https://www.leartheater.org/>), the Lear Theater Rehabilitation Tax Credit Part 2, March 2009, which is available at the ARTOWN office, and Summary of Covenant Agreements, would be prudent in order to become versed on all aspects of the Lear's history, its structural remediation, preservation tax credits and all pertinent details of the property. Paper copies of these documents are available at the Artown Offices located at 528 W 1st St, Reno, NV 89503.