



REQUEST FOR PROPOSALS

Operation and Management of
the Historic Chateau Theatre

November 2018

City of Rochester Overview

Incorporated in 1854	55 Square Miles	Population of 114,000+	Over 3 Million Annual Visitors
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Rochester At A Glance

Community Survey Results 2018



96% feel accepted, valued, and welcomed



96% rated the quality of life in Rochester as excellent or good



93% rated it as a highly desirable place to raise children



88% shared a favorable sense of community



87% believe that Rochester is headed in the right direction



84% consider the general value of City services as excellent or good



83% rated it as a favorable place to retire



13.5 years is the median tenure of adult residents



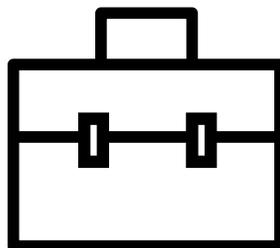
Only 8% of residents expect to move from Rochester in the next five years

By 2040*...

55,000 New Residents



50,000 New Jobs



24,000 New Housing Units



* Projected

I. Introduction

The Chateau Theatre, in the heart of Downtown Rochester, is one of the most significant historic structures in Rochester, MN. It is adjacent to Peace Plaza, the city's central gathering place. The Chateau Theatre is located between the world-famous Mayo Clinic complex, the University of Minnesota Rochester campus and the Shops at University Square mall. It is also surrounded by a growing residential and office district - which has been sparked by the Destination Medical Center (DMC) initiative. The \$5.6 billion plan is the largest in Minnesota's history.

It is within walking distance of 2,282 hotel rooms, the Mayo Civic Center (convention center) which hosts 300,000 people a year. In total, Rochester welcomes over 3 millions visitors each year. That number continues to rise each year.

The Chateau Theatre is part of a \$128 million commitment by the City to enhance Downtown Rochester and its stature as a great city in which to live, work and play.

II. The Opportunity and Project Objectives

The City, DMC, and many other stakeholders have identified the activation or reuse of Chateau Theatre, together with the historical preservation of the building, as a priority for the future of Rochester. The unique potential and location provides an exceptional opportunity for the enrichment of the City and community.

The City recognizes the need for the professional marketing, operations and management of the Chateau Theatre over a three-to-five year lease term. It has set the following operational priorities for a respondent to this Request For Proposals (RFP) including:

- Manage the day-to-day building operations of the Chateau Theatre in a cost effective and high quality manner;
- Work strategically to achieve a high level of activation of the building for events not to exceed 390 occupants;
- Create a vibrant entertainment, education, and cultural hub in the Heart of the City;
- Develop and implement strategies to engage with existing community groups and attract new partners and events;
- Support the City's investment in Chateau Theatre through exercising the highest standard of maintenance and preservation of the building.

III. Property Description

The Chateau Theatre was built in 1927 and is on the National Register of Historic Places. In 1994 it was converted and used as a Barnes & Noble bookstore until it was closed in 2015. It is located at 15 1st St SW and is within the Central Business District (CBD) zoning district. The City is entering a phase of construction to address several components including weather deficient building attributes and some interior renovations. The completed work, anticipated in June of 2019, will allow activation starting mid-July of 2019 of the building's main floor area with providing support areas including back of house and second floor nonpublic mezzanine. The plans for construction can be viewed on Rochester's eGram site project #J8624-2018. After construction for the initial phase is completed, the building will offer an assembly area of 6,006 square feet. The Chateau Theatre is currently not being operated on a regular basis and is available for management after selection by the City Council and execution of documentation of a mutually beneficial operating agreement.

IV. Proposal Requirements

The City of Rochester invites all qualified interested parties to respond to this Request for Proposals (RFP). Responses to the RFP will be utilized by the City to select a partner to facilitate the operation and management of the property as an assembly and event space.

The City of Rochester will accept the most advantageous proposal from a responsive and responsible Proposer, taking into consideration all evaluation criteria, including financial benefit to the City. The City reserves the right to accept or reject any or all proposals and to waive any irregularities in the selection process.

A. Each proposal must be accompanied by an applicant background statement that includes the following information:

- Firm / Organization Name;
- Address, contact name, phone number and e-mail addresses for the applicant;
- Structure of firm / organization, e.g. nonprofit, corporation;
- Years that firm / organization has been in business;
- Names of firm / organization principals / directors;
- Financial information in the form of a current financial statement and balance sheet;
- Listing of any actions (within the last 10 years) taken by any regulatory agency involving the firm / organization or its agents or employees with respect to any work performed;

- Listing of any litigation (within the last 10 years) involving the firm or its agents or employees with respect to any work performed;
- Names of persons who can be contacted as references. At least 3 references must be provided;
- Demonstration of ability to obtain all appropriate casualty / liability insurance coverage applicable to the proposal.

B. As part of the submittal, a description of intended use of the building must be submitted. This descriptions must include the following material:

Building Operations

Provide a description of the applicant's approach for building operations including ongoing daily or routine maintenance and proposed strategy for addressing known aging or deficient infrastructure e.g. HVAC and Restroom improvements. Include services that will be provided internally and outline services that will be provided through contracted services.

Management of Event Activities

Provide a description of the operation of the Chateau Theatre as an assembly/event space. Provide information on strategies and procedures that will be utilized in managing the Chateau Theatre and creating beneficial use in supporting the goals of initial activation. Include a strategy for consistent use and activation of the Chateau Theatre during day time. Also include information on the contemplated users and events to be solicited, services to be provided internally related to event sets/strikes & production and services that may be chosen to be subcontracted to other entities/organizations/businesses to support the activation.

Applicant's Qualifications

Summarize the applicant's experience on similar projects, activities managed, or properties operated. Include the listing, sizing, and description of other facilities that applicant has managed.

Sales & Marketing Plan

Create a description of a communication and marketing plan that would be implemented for the Chateau Theatre. Plans should involve periodic events which invite and encourage public viewing of the space. Include an innovative and creative strategy for selling and marketing events for the specific opportunities within the Chateau Theatre.

More detailed descriptions, such as photographs, video or project brochures of specific activities referenced as relevant experiences, may also be included.

V. General Terms and Conditions

- The RFP is being issued by the City of Rochester, 201 4th Street SE, Rochester, MN. 55904. Questions or comments will be accepted via e-mail sent to Mike Nigbur at mnigbur@rochestermn.gov.
- Proposals shall be valid for not less than 90 days from the date of required submittal.
- This duration of this operational agreement shall be for a three year period with a two year option for renewal with the consent of both parties.
- The applicant will work with the City to provide an annual update on facility operations including, but is not limited to, the amount of activation which took place throughout the year and an operating financial report.
- The City shall provide no funding to support the day-to-day operations or programming of The Chateau. Mutually agreeable capital investment can be discussed subject to budget approval.
- It is anticipated that the operator will provide an overview for a revenue and operations cost sharing agreement.
- The City assumes no liability for any fees, costs or expenses incurred in connection with the preparation and / or submission of the RFP response by the applicant, or for any other fees, costs or expenses incurred prior to the selection of an applicant.
- All information contained in this RFP is believed to be complete and accurate. Nevertheless, it is the Applicant's sole responsibility to conduct its own due diligence and verify all factual statements contained herein.
- The applicants acknowledge any building modifications, including any temporary improvement affixed to the building, will require City approval along with receipt of required permits.
- The applicants are asked for any restrictions on the use of data in their responses and told that the trade secret information will be handled in accordance with applicable State law under Minnesota Statutes Chapter 13.37. Trade secret information is defined as follows: "Trade secret information" means government data, including a formula, pattern, compilation, program, device, method, technique or process (1) that was supplied by the affected individual or organization, (2) that is the subject of efforts by the individual or organization that are reasonable under the circumstances to maintain its secrecy, and (3) that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

Proposal Submittal Information

Prior to submitting a proposal, applicants are invited to attend a pre-proposal meeting on January 31, 2019 at 10:00 a.m. where they may ask questions and tour the facility. If potential applicants are unable to attend, Mike Nigbur may be reached at mnigbur@rochestermn.gov or 507-328-2541.

Proposal Submittal Date

All proposals are due by 12:00 PM on February 15, 2019 to the City Clerk's Office. All proposals must be clearly labeled as follows:

TITLE: "Proposal for the Operation and Management of the Chateau Theatre"

FROM: Names and Address of Applicant

TO: City of Rochester Common Council

c/o City Administrator

201 4th Street SE

Rochester, MN. 55904

A. Amendments / Modifications to Proposals

The Applicant, may at any time prior to the deadline for submission of Proposals, amend or modify a Proposal by submitting the amendment/ modification containing one (1) original, one (1) electronic, and ten (10) copies of the amendment / modification and clearly marked with the following information:

TITLE: "Amendment to the City of Rochester Request for Proposal for the Operation and Management of the Chateau Theatre"

FROM: Names and Address of Applicant

TO: City of Rochester Common Council

c/o City Administrator

201 4th Street SE

Rochester, MN. 55904

B. Request for Proposal document submittal requirements

- Proposers must provide one (1) original, one (1) electronic, and ten (10) copies of the RFP
- The proposal shall be no more than 20 face pages printed double sided
- Shall include a short biography of the firm including relevant experience of key personnel including the proposed staff assigned as the contact/liaison with the City.
- Relevant responses to Sections A & B of proposal requirements

C. Withdrawal of Proposals

Any applicant may withdraw their Proposal at any time prior to the deadline established in this RFP. Those wishing to withdraw a Proposal must provide a written authorization and / or acknowledgement that the Proposal is being withdrawn and that the City is not held responsible for any damage as a result of the Proposal withdrawal.

D. Rejection of Proposals

The City reserves the right to reject any or all proposals.

E. Review of Proposals

A Review committee shall be established to evaluate the submitted proposals and provide a recommendation to the City of Rochester Common Council. No specific date has been identified for Council Review

F. Interview

The City reserves the right to require the proposer to provide an interview/presentation to the review committee or City Council. If this is determined to be required a separate time will be established for the interview/presentation not to exceed the length of 2 hours with key staff personnel outlined in the proposal.

G. Acknowledgement of RFP Requirements

I, _____, of
Name

Title Firm/Organization

Hereby acknowledge that I fully understand the terms, conditions and requirements contained within the Request for Proposals for the Operation and Management of the Chateau Theatre.

Signature

Date