



www.SaveOurSymphonyMN.org

January 10, 2014

Mr. Jeremy Hanson Willis
Executive Director
Community Planning & Economic Development
City of Minneapolis
105 Fifth Avenue South #200
Minneapolis, Minnesota 55401

Re: MOA Lease

Dear Mr. Hanson Willis:

In his analysis of the MOA lease in his correspondence of January 9, 2014 Lee Henderson notes numerous erroneous statements in the December 2, 2013 report by Michael Henson of the MOA:

- The Symphony Ball on September 20, 2013 was a performing arts event.
- Ten concerts are scheduled from December 1, 2013 to August 31, 2014.
- Other musical groups will come to Orchestra Hall.
- The Symphony Ball generated earned revenue to meet the 50% requirement for earned revenue from musical events.
- MOA had 90% of its revenue from September 1, 2013 to November 30, 2013 as earned revenue.

See the analysis of these statements at pp. 6-11 of the correspondence of Mr. Henderson.

Section 10(e) of the Lease contains the MOA representation that “all of the information previously submitted to Landlord, the State, or the Commissioner of Minnesota Management and Budget (the ‘Commissioner’), **or to be submitted to the Landlord, the State, or the Commissioner of Minnesota Management and Budget in the future** . . . is and will be true, complete and correct by Tenant in all material respects.” (Emphasis added.) This representation

therefore includes not only information submitted by MOA prior to signing the Lease but also all information submitted to the City of Minneapolis after execution.

The failure of MOA to provide accurate information in its report letters to the City is another violation of the Section 10(e) representation that constitutes a Default under Section 28(l) of the Lease. This Default permits the City to terminate the Lease under Section 30. Under Section 17(c), the City has “no obligation to reimburse the Tenant for its Investment” in the event of a default under Section 28(l).

In the interest of clarity, we wish to emphasize that the types of Defaults SOSMN has addressed in its letters are of a different nature from those addressed in Mr. Henderson’s letter. The Default for MOA's failure to provide accurate financial information to the state legislature prior to execution to the Lease is historical fact for which no cure is possible. The legislature approved the MOA application, and the bonds have been issued. The MOA submission of erroneous representations of material facts in its December 2, 2013 report to the City is an additional Default for which no cure is possible. The representations have been made.

These Defaults by MOA provide ample justification to the City of Minneapolis to terminate the Lease and re-institute a true program for the operation of Orchestra Hall as a “a preeminent concert hall and cultural asset in the State of Minnesota and throughout the upper Midwest” as was intended by the State and City of Minneapolis funding.

Sincerely yours,

Save Our Symphony Minnesota

MaryAnn Goldstein, Chair

Jon Eisenberg, Vice Chair

Mariellen Jacobson, Treasurer

Nils Halker, Secretary

Bill Slobotski, Director

Linda Murrell, Director

Michael McNabb, Director

cc: Hon. Betsy Hodges, Mayor

Susan Segal, Esq., City Attorney