



June 16, 2021

Dear Friends,

Tacoma Arts Live has served as the managing partner of the Pantages Theater, Rialto Theater, and Theater on the Square on behalf of the City of Tacoma for 42 years. By all accounts, it has been a successful public-private partnership – one that initiated the modern downtown Theater District. We provided excellent value for you, the City taxpayers, by securing more than \$30 million in non-municipal funding for your assets. And we had looked forward to continuing to serve for decades to come. Today, we regret to announce Tacoma Arts Live will no longer continue as the venue manager. At the beginning of April 2021, the City of Tacoma published a Request for Proposals (RFP) for venue management for interested parties to apply. The Tacoma Arts Live Board of Trustees and executive staff have opted not to participate.

This decision was made because the terms of the RFP would have required a complete change to the Tacoma Arts Live business model and our relationship with the City. Ultimately, the City of Tacoma – as directed by City Manager Elizabeth Pauli and Director of Venues & Events Kim Bedier – is demanding more authority and less financial investment. This is not reflective of a cooperative 42-year partnership.

We must share our rationale with you, our treasured patrons and donors. Per the existing management contract, both parties were stipulated to meet and renegotiate terms for renewal. Tacoma Arts Live reached out in September 2019 and was met at first with silence, then mixed messages, and finally ultimatums. Not until the close of the contractual negotiation window in March 2020 did the City inform us that there would be no renewal. Instead, they would begin an RFP process. Caught off-guard, Tacoma Arts Live reached out to the Tacoma City Council and discovered that most Council members were unaware of the City staff's decision to issue this RFP.

Over the past year during the pandemic, the situation went from bad to worse. City staff zeroed out all contractual payments to Tacoma Arts Live in June 2020. We tried to negotiate for six months, but only with Council advocacy did any adjustment come. Understanding the challenges caused by the pandemic, we accepted an 80 percent reduction in net payments for 18 months, among the most severe cuts in the City's budget. The irony of suffering such a cut is that in all our 42 years, we rarely made a profit from our management contract and more often lost money. Next, our building tenants and staff were locked out of the facilities. When access was restored, daily log-ins were required. Later, access to our offices and equipment required an escort by City staff. When the RFP was issued, more than a year after it was announced, we learned that City staff intended to demote Tacoma Arts Live to second tier status, no longer accepting us as a Resident Arts Organization (regardless of our role as manager), even though we are THE founding organization. Under the City's scheme, we would no longer have access to the same rental rates and fees as the Symphony, Ballet, Opera, and other arts organizations, nor would we have reasonable access to secure advance calendar dates for future events.

Thanks to City Council intervention, our founding Resident Arts Organization status has been restored. On behalf of our community and out of respect for 42 years of partnership, Council Members requested, again and again, that City staff negotiate with Tacoma Arts Live to explore options for our continued management. City staff claimed the RFP process would not legally allow such negotiations. However, the terms published in the RFP specifically state the City could take any action, even amending or canceling the RFP. During a recent meeting, a city Council Member expressed dismay over the state of affairs. The Director of Venues & Events responded, "Council Member, I'm so sorry the community has brought this to your attention." Now, the City has required all parties participating in the RFP to sign a non-disclosure agreement. At this point, Tacoma Arts Live has lost all trust with City staff.

Three for-profit corporations have responded to the RFP, none from Tacoma. City staff has begun the review process. The next step will be for the Tacoma City Council to approve or decline the recommended venue manager and the contract City staff negotiates.

Tacoma Arts Live has expressed to the City that Tacoma's beloved theaters aren't just buildings, but are cherished venues that should enrich and engage our community through thoughtful management and inclusive programs that also reflect the City's diversity and values. The three respondents, multi-national corporations and a small consulting firm, do not meet that standard. Meanwhile, an independent assessment of Tacoma Arts Live praised our practices in venue management, programming, and education - all through the lens of diversity, equity and inclusion.

Much will change for Tacoma's performing arts sector. From ticketing, with high-fee company, Ticketmaster, the likely vendor of choice for all RFP respondents; to programming, as restrictions from the new manager will likely control which venues allow touring events. The City of Tacoma should follow the directives of their citizens from the 2025 City Plan urging the City "not to bring something in, but rather to nurture and grow what is already here." Please feel free to share your comments and concerns with the Tacoma City Council via the City's website, not on Tacoma Arts Live's behalf, but on your own, as one of the 60,000 households that will most definitely experience this change. **Learn more about Tacoma Arts Live's decision at TacomaArtsLive.org/updates.**

Rest assured, Tacoma Arts Live will rise up and fight for our place in serving you, our community, by bringing world-class, diverse performances and special events to the Pantages Theater, Rialto Theater, Theater on the Square, as well as other local venues. However, we will not serve as the venue manager of the City-owned theaters once this current management term expires on June 30, 2021. We are excited by our future, both at the City theaters, and at the historic Tacoma Armory which will become our new focus for special events and community engagement.

We would like to thank the Tacoma City Council and Mayor Victoria Woodards for their support as we navigate these difficult business choices. We also want to offer our deep gratitude to numerous community partners, leaders, and organizations that we've shared the privilege of bringing joy and community connections into these theaters for the past 42 years.

But, most of all, thank you for your continued loyalty throughout these challenging times. We look forward to the day soon when we may see you again in person. Should you have any questions about our decision, please reach out to our Executive Director, David Fischer at davidf@tacomaartslive.org.

Warm regards,

Tacoma Arts Live Board of Trustees
David Fischer, Executive Director