



June 22, 2010

C. Lawrence Jenkins, Jr.  
Special Chief Solicitor  
City Of Baltimore  
Department of Law  
101 City Hall  
Baltimore MD 21202

Dear Larry,

I received your letter claiming personal authority to terminate, without cause, the DHCD License Agreement, under which I am operating the Senator Theatre. Your letter also cites that it is a follow-up to a related advance "note" and recent email you sent me, yet I've received no recent notes or emails from you. In fact, through the letter, I am only now becoming aware of what numerous others seem to have known the details of for over a month or more.

I feel that it was extremely inappropriate for you to choose to make statements to the media yesterday regarding the specifics of what I assumed were private legal matters, but since you took that action Larry, and the media is now hounding me for comment, you have given me no choice but to follow suit and make this formerly private communication to you available to the public as well.

My first inkling regarding this out-of-the-blue bum's rush to vacate the Senator Theatre premises was from the BDC's Kristen Mitchell on Thursday, June 10<sup>th</sup> during a visit to the theatre, when she informed me that a letter from you was on its way regarding the licensing agreement. Kristen noted that she could not visit The Senator without at least "unofficially" informing me that a license termination was in the mail to me. She didn't specify the timing though, and the assumption was the license would terminate in 90 days or perhaps longer, and run concurrently with the BDC's Senator Theatre RFP "90 day exclusive negotiation period."

If you recall, there was great apprehension last year over the odd circumstances and strong emotions surrounding the city's auction of my private property, The Senator Theatre. There were concerns that my understandable ire over that injustice may preclude you and your colleagues at the BDC and City Hall from working directly with me to effect a logistical transition of The Senator's ownership and operation. That didn't occur, however, and throughout the post-auction ratification period and the extended RFP process conducted by the BDC, I have been as cooperative and gracious as possible as events unfolded, until now.

In the past year, the onus and responsibility to keep The Senator in operation with a variety of entertainment and community gatherings, while monitoring the theatre's technical systems and maintenance issues was primarily mine, along with the invaluable Friends of The Senator (FOTS) volunteer group and the city as well. We were expected to operate the theatre through the auction ratification process. After ratification, our day to day operation was licensed under a simple working agreement, with DHCD as the Lessor. Our operation of the theatre under this agreement was expected to last throughout the BDC's competitive Senator RFP process period, which was intended to produce a single BDC board selected RFP candidate that would then be submitted to the Mayor for her approval.

Once the mayor publicly approved the BDC board's RFP recommendation, the ball would begin rolling on the final leg of the procedural process with a "90 day exclusive negotiation period with a single RFP team," to hopefully produce a specified and negotiated proposed deal that would then be vetted for approval by the city's Board of Estimates (BOE) on behalf of The Senator Theatre's citizen owners. Following that final step in the RFP process, the Senator RFP winner, with final BOE deal approval, would take possession of The Senator Theatre in an orchestrated process, where all the parties involved know the drill and what is expected of them. That overall scenario was what the BDC consistently specified as the linear logistical procedures and was always our shared understanding, until recently, when the city inexplicably decided to rapidly change course in a dramatic manner.

Each day now we are learning of more behind-the-scenes direct knowledge among select area residents, who apparently knew all about this pending termination action over a month ago. There are disturbing reports filtering back through the film industry, from distributors I have worked with for over 25 years, that confirm that George Mansour, the Charles Theatre film booker, has been privately contacting the major film distributors that I have long running business and personal relationships with, and informing them the city was set to prematurely terminate our operation of The Senator,

and quickly install Mr. Cusack as the operator, well before the RFP deal is specified to the public or the BOE.

Mr. Mansour was apparently making these representations on behalf of the city, long before the BDC publicly announced, on Mayor Rawlings-Blake's behalf, that she had approved the 90 day exclusive RFP negotiating arrangement with Buzz and Kathleen Cusack. This represents an alarming departure from the sequence of RFP procedures that were repeatedly specified to us and to the general public by the BDC's top leadership, and our vocal 4<sup>th</sup> district city council representative, Bill Henry.

We recently read in news reports that Mr. Henry's stated justification for the radical shift to change course and quickly install Mr. Cusack is that the area business owners were allegedly calling for mainstream, first-run films to run at The Senator, yet the most eagerly anticipated mainstream blockbuster of the year, "The Twilight Saga: Eclipse," was booked some time ago to open at The Senator on 6/30, two days after your letter instructs us to vacate.

It has been discussed and understood by our BDC and City Hall contacts that independent and mainstream first-run films, concerts, community gatherings and scores of other special events scheduled for The Senator generally require planning 90 to 120 days in advance, and we have all operated for over 18 months with that shared understanding. The advanced booking and planning process has produced a wide array of high-quality entertainment and educational programming, benefit premieres, weddings, talent competitions, big screen opera presentations, and various community-based special events, with the assistance of the Friends of The Senator (FOTS) volunteer organization.

In this context, it's difficult to convey the shock and distrust that your registered letter triggered when it arrived at my home, particularly in light of the cooperative working relationship that we have forged within the past 18 months under extremely stressful circumstances. You have a job to do, and I do as well, and I've cooperated fully with the difficult, drawn out BDC RFP evaluation process. All along, as I trust you would agree, I have endeavored to comply with each wrenching aspect of the unfolding procedural process with respect and acceptance, as have you. From my perspective, we have come to relate professionally as unexpected and unlikely friends.

In that light, Larry, I am compelled to simply ask, just what the hell is going on here?

My family built and operated scores of wonderful theatres in Baltimore City for over 100 years, and in the process elevated Baltimore's beloved Senator Theatre to world

renown as a now-celebrated national historic monument, representing a stunning, and remarkably intact example of America's vanishing Main Street theatres. It was my fervent hope to end that illustrious century of family service to the citizens of Baltimore in a manner befitting the enormous contribution we have made to our city.

This bewildering, unjustified shove out the door is being inflicted on me and my family, the FOTS and the citizen owners, without any of the promised transparency or civic accountability that Mayor Rawlings-Blake repeatedly vowed to deliver to the taxpayers when she took office, on the humiliating heels of Mayor Dixon's resignation related to her corrupt and secretive relationships with developers.

For reasons that are hard to fathom, this procedural breach is taking place three months before any of Baltimore's citizens, the ostensible owners of "The People's Theatre," or the BOE, will have any opportunity to evaluate the specific results of the 90 day exclusive negotiation with the apparently preordained RFP "winner" and long-term BDC and Abell Foundation crony, Mr. Cusack.

It's an outrage, and it mirrors what many are finally coming to see for themselves what we have come to know; this Byzantine BDC driven process is rife with alarming conflicts of interest, collusion, and fraudulent intentions that ignore moral, ethical, legal and agency boundaries with a seeming impunity. The ongoing efforts over time to sever me from any involvement with The Senator reflect the BDC's notorious penchant for concealed back room deals, and cloaked transactions that lack transparency and accountability. It's a rigged game Larry, with former Mayor Dixon's City Hall henchman Andrew Frank, The BDC's M. J. Brodie and Kimberly Clark, Councilman Bill Henry and last but not least by any means, Robert C. "Bob" Embry, the meddlesome President of the Abell Foundation. The fix has now degenerated further into an apparent first strike con job on the general public and the taxpayers.

The overarching situation has reached an egregious level of subterfuge, and the rampant conflicts of interest have corrupted the process. In retrospect, the entire orchestrated acquisition of the theatre at auction and the BDC's subsequent sham competitive RFP mandate to deliver the preordained choice of CHAP commission crony Cusack, while Abell President Embry manipulated the CHAP commission and its regulations out of the public eye, like Voldemort, "he who must not be named". The whole affair cries out for ethical and legal investigation as it reeks of conflict of interest, fraud and collusion.

From a legal viewpoint Larry, please clarify what Baltimore City entity specifically owns The Senator from your perspective. Is it the "DHCD" that has supposedly licensed the

theatre to me? If it is in fact a Baltimore City related DHCD, do you officially represent them and if so, by what authority? I note that the termination letter, initially forwarded to me on 6/11 through your email account, but sent by others, states "the City" is terminating the license agreement, but the agreement is not with "the City," it is with DHCD as the Lessor. I note that you did not copy DHCD on the termination notice that simply gave notice of termination on behalf of "the City" although the licensing agreement itself requires DHCD notification.

And how does that licensing "DHCD" agency relate to the State of Maryland "DHCD" that the city has had such a notoriously dysfunctional relationship with for over 15 years? I ask because that "DHCD" apparently still holds me personally responsible for capital improvement supplemental funding "loans" that Embry saddled me with over a decade ago, through the apparent control and influence the Abell Foundation exercises over the State public funding.

Mr. Embry repeatedly claimed those "loans" from DHCD would be forgiven or converted by the State economic development agency to grants, none of which ever materialized. As a result, the same State of Maryland DHCD agency has asserted for some time now that it has liens on the vast majority of the matched component, state-of-the-art sound and projection equipment in The Senator Theatre. I may therefore be obligated to remove and protect from seizure all the theatre's equipment on behalf of the lien holder, before the "city" moves in to occupy The Senator Theatre and change the locks.

I have received no written or verbal notice from the State of Maryland as to how they wish to handle the abrupt license termination that has been thrown at us, or what the State may intend to do to resolve the situation with The Senator's equipment. I may be responsible for securing it all, as things now stand, until the State specifies their intentions with regard to the equipment that they have placed liens on.

So in light of all these loose ends, imagine my reaction when I received the perfunctory termination letter ordering me and all my possessions, after 71 years of family ownership, out by midnight, Sunday June 27<sup>th</sup>, only two days before we are booked to open the most highly anticipated first-run blockbuster of the summer, "The Twilight Saga: Eclipse," for which considerable advance tickets have been sold to the public in good faith.

Beyond "Eclipse," which is expected to run three to four weeks, we also have a wide array of concert bookings, independent film premieres, some with short runs to follow, fundraising events, big screen opera presentations, a talent show, a play by a local

playwright, and other assorted commitments, including the finals of a video gaming competition and a July wedding as well.

These events, including the upcoming first-run expected blockbuster "Eclipse," cannot be summarily canceled with little notice of questionable legality, simply because unidentified individuals determined for whatever reason that Mr. Cusack should be installed in The Senator prematurely, well before the completion of his negotiations and required approval by the BOE.

We have spoken on many occasions of my deep desire and lifetime mission to see The Senator's future historic redevelopment proceed as it must, under the guidance of experienced industry experts in the specialized field of historic theatre redevelopment. Along with the 1800 member FOTS organization, I remain focused on helping to bring The Senator's bright, progressive future destiny to fruition, before I am forced to hand over the keys of the theatre in which I was raised that has become an iconic national landmark, operated with pride in an award-winning fashion for over 70 years.

It is clear to us now, from Councilman Henry's agenda to install Mr. Cusack prematurely, before the public or the BOE have had an opportunity to scrutinize and approve his plan, that the BDC has finally come to realize, to its apparent chagrin, that the regressive Cusack RFP plan and its considerable additional cost to the taxpayers who have already invested a million scarce dollars in this fiasco, will not stand up to public scrutiny, nor achieve BOE approval.

It's becoming obvious to us, and now perhaps to a thoroughly confused and intentionally misinformed public, that the apparent rush to quickly make the switch to a Cusack family occupation of The Senator Theatre is an increasingly desperate response to sobering realizations at Abell and the BDC.

In summary, in the best interest of all concerned, particularly the businesses in the Belvedere Square commercial district, it is imperative that the original procedural process be followed, as it was outlined to me and to the Citizens of Baltimore, and that a new Senator Theatre operator not be installed before the 90 day exclusive negotiation process is complete and approved by the BOE. The citizens of Baltimore, the BOE, and the State of Maryland must have an opportunity to scrutinize the proposed plan, before the new operator, approved by the citizens and their elected representatives, is handed control of the irreplaceable Senator Theatre and its future evolution.

"The Twilight Saga: Eclipse" and subsequent upcoming first-run films, concerts and special events should proceed as expected. The advance ticket holders to "Eclipse" and all others who are so vocally delighted that this eagerly anticipated blockbuster film will play The Senator, beginning June 30<sup>th</sup>, expect me to continue what has taken place at The Senator since Thursday, October 5, 1939, under my family's stewardship. Please help us to continue to ensure for the foreseeable future, that at "The People's Theatre," the show will indeed go on.

Sincerely,

Thomas Kiefaber

CC:

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