



DATE: October 28, 2014

AGENDA ITEM # SS1

TO: City Council
FROM: James Walgren, Assistant City Manager
SUBJECT: Downtown theater proposal

RECOMMENDATION:

Discuss the potential of a Downtown theater

SUMMARY:

Estimated Fiscal Impact:

Amount: Unknown

Budgeted: No

Public Hearing Notice: Not applicable

Previous Council Consideration: June 10, 2014 – King Lear presentation

CEQA Status: Not applicable

Attachment:

1. King Lear letter dated October 28, 2014
2. King Lear *The Urbanization of Downtown Los Altos* report dated August 1, 2014

BACKGROUND

At the June 10, 2014 City Council meeting, a presentation was made by Los Altos resident King Lear regarding the opportunity and benefits of having a Downtown theater. Mr. Lear's report is included as Attachment 1. Council subsequently requested that the matter be agendaized for discussion.

DISCUSSION

Mr. Lear's initial proposal included a 175-seat theater and attached parking garage. The project was presented in a stated effort to: 1) energize the City in the evening hours; 2) increase the number of available parking spaces during the daytime; and 3) alleviate vehicle congestion downtown by creating a parking structure accessed from San Antonio Road. The theater would be programmed for live productions, movies, and a conference center. An updated cover letter from Mr. Lear is included with Attachment 1.

Parking

The theater location is now proposed for Parking Plaza 2 with the main entrance facing Third Street and a public parking garage in Plaza 3. Parking Plaza 3 has a total of 226 parking spaces – including ADA parking spaces, loading, restricted loading and standard parking spaces (*Downtown Parking Management Plan*, CDM Smith, September 2013). The Municipal Code provides a theater parking ratio of one parking space for each four seats and one parking space for each three employees. The actual parking requirement will further be based on the intended use of the theater as a live theater and/or movie theater and/or conference center, as each use would produce a different parking demand.

In general, a 175-seat theater would require approximately 50 parking spaces for patrons and additional parking spaces depending on the types of activities and the number of employees. If a future theater is scheduled entirely for evening productions and activities, the concept of shared public parking may be successful since there is night-time availability of Downtown public parking. Staff believes that restricting the use of a new theater/public facility to night-time uses only would not be the highest and best use of a City building. However, given daytime parking availability is already at capacity, this could present a challenge. The expectation should be that parking in addition to the City's goals for Downtown (i.e., relieve current demand pressure and provide a reserve of parking for other opportunities) should be provided independently for the theater.

Funding

The project proponent has estimated that the theater will cost approximately \$7.9 million to construct. The 2009 Civic Center Master Plan estimated that a 12,500 square foot theater would cost a little more than \$14 million when including site and utility work, escalation and contingencies, consultant fees, etc. An independent design and construction analysis would need to be performed in order to determine actual project cost. Neither of these sums include a parking structure.

The project proponent suggests that funding for the project could come from bonds and fundraising efforts. The City Council has given priority use of City funds for the development of a Community Center as well as other potential priority public investments.

City bond opportunities and reserve funds are finite and already focused on other projects. The recent Godbe Research poll results presented to the City Council on August 26, 2014 for a new Community Center indicated that bond capacity financing opportunities were somewhat limited.

FISCAL IMPACTS

None

PUBLIC CONTACT

The Chamber of Commerce, the Los Altos Village Association and other interested parties have received copies of this report.

Posting of the meeting agenda serves as notice to the general public.

Dear Mayor and Members of the City Council:

10/28/14

Thank you for taking time to hear and discuss ideas on building a City-owned live+movie theater on Third Street in the downtown core area. This discussion also addresses the parking structure recommended by the Los Altos Downtown Design Plan and currently being promoted by the Chamber of Commerce. I am including suggestions on how the City might proceed toward further defining and executing these ideas and how to update the Downtown Design Plan.

Summary of recommendations:

1. The Los Altos Downtown Design Plan (see the City website under Master Plans) is operative and quite good with respect to basic goals. Everything I am recommending fits this plan and its goals. Updating this 1992 plan is now appropriate. Form a similar committee to lead an update study for city council approval. Consider how to handle car traffic in the central core to protect the pedestrian-friendly quality of downtown for future decades of infill development within the central core. Plan for a downtown theater and for a parking structure with a retail front on Third Street.
2. The budgeted public poll about downtown should be left to the committee to design and launch at the committee's discretion, as a helpful planning tool.
3. The Chamber of Commerce proposal for a parking structure to be paid for by the City and downtown property owners and to provide up to 300 additional spaces is excellent. The eventual goal is to add pedestrians while reducing cars in the central core. Infill development is inevitable in this core. Plan for it with parking-in-lieu opportunities in the parking structure with car access via San Antonio Road, not Main Street. In return for the City's investment, the parking displacement and parking needs for the theater shall be included in the parking garage at no extra cost.
4. Plan to build two parking floors below grade, one at grade and one above grade for up to 400 spaces in the garage. Sell the top space for condos and use that money (\$6M to \$7M) to help fund the theater. Include public toilets off Third Street and neat enclosures for trash and recycling behind the Main Street properties.
5. Design a small plaza and shop to front Third Street rather than having the parking structure show. Attract pedestrians and complement the theater across the street. Use the rental income to help pay O&M for the garage.
6. Plan to locate the theater on Third Street in Parking Plaza 2. Combine a front plaza and an opening glass wall concept as a public gathering place. Remove the unfunded theater from the Civic Center Master Plan. Once a plan is approved, kick off a funding campaign to cover all costs above the \$6M to \$7M from the Condo space sale. Begin the theater construction after the parking structure is complete.

King Lear

The Urbanization of Downtown Los Altos
It could be good

I was on a cycling tour in England with 25 Boy Scouts. We entered a charming town in the Cotswolds and parked our bikes and gear in the small town center. I commented, "this sure is a nice little town". A nearby lady responded "and it used to be quiet".

Many in Los Altos are thinking the same thing as they look at the wall of new development on First Street. What is happening to our Los Altos Village? It used to be so quiet. Some of those alarmed have been asking for a Downtown Master Plan to update the vision for the City Council to follow in its day-to-day decisions. The stewards of downtown have done a good job over the years, but a review of our goals would be timely.

As a resident in Downtown, I find this to be a wonderful place to live. It is a compact area, easily walked from a condo or from a single parking space. We have a great balance of stores and personal and professional services that meet most of our everyday needs. Downtown is friendly and family-oriented. When you tell people that you live in Los Altos or Los Altos Hills, our downtown is often the image that comes to mind.

To update a plan we need to agree on what to preserve, what to improve, and what to avoid.

Our first priority should be to support our residents. We need to preserve the friendly atmosphere for pedestrians. We need to preserve a good mix of successful retail stores, restaurants, and personal service businesses throughout the downtown triangle.

To improve the experience for our residents we need to bring entertainment downtown in the evenings. We have nice restaurants, but beyond that there is little to do in the evening. There is no gathering place to see friends and be entertained after dining at a nearby restaurant. We also need to increase foot traffic on our main streets during weekdays to help our businesses. More parking would help during peak periods. More downtown residents would add pedestrians, not cars.

I think our primary fear is that we may already have too many cars driving in central downtown and we have not yet experienced the full impact of the new buildings on First Street.

In summary, I support increasing the density of development to bring more customers to our businesses, daytime and evenings. This benefits us all. But, do this in a way that does not add traffic to our central streets, Main and State and the cross streets. Here are some ideas.

1. Large buildings along the edge of the downtown triangle establish a boundary separating this small and intensely developed (urban) area from surrounding parks and homes. We speak of gateways, but gateways are defined by a wall effect. Change can be upsetting but a “hard edge” to the downtown triangle is a good design feature: fill in the gaps.
2. We need to add 300 new parking spaces accessed directly via San Antonio Road and within a short walk of the central area. A parking structure would fill a gap in the boundary effect if located in the parking plaza next to the Los Altos Grill. The San Antonio Road access would reduce the need for cars to drive on Main, State and the cross streets.
3. Build a new theater within the central area for our Youth and Community theater productions and show movies on the other nights. Locate it on Third Street near a new parking structure.
4. Continue to allow/encourage residential condos throughout the downtown triangle. Encourage mixed-use developments with condos on the top level. There is a huge demand, including long time residents wanting to downsize and simplify and young adults not ready for a house.
5. Do not encourage more offices and employee cars in the central area. Commercial investors in their quest for more foot traffic may be willing to increase office space and car traffic in the central area. This should be resisted by a new Master Plan. Favor residential units on new upper floor development for central area properties. Residential space requires far fewer cars than office space. New offices within the triangle but outside of the central core will add pedestrians, not cars, to the core.
6. Add a generous number of handicapped parking spaces to Main and State Streets and designate more 20-minute spaces.

King Lear, 8/1/14