



# MEETING CANCELED - CITY COUNCIL STUDY SESSION AGENDA

5:30 PM - Tuesday, March 14, 2023  
*via Videoconference and In Person*

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**Please Note: THIS MEETING HAS BEEN CANCELED**

## MEETING CALLED TO ORDER

## CONFIRM QUORUM

## PUBLIC COMMENT ON AGENDA ITEM(S)

1. Public Comment (Added 3.13.23)

## DISCUSSION ITEM(S)

1. **Los Altos Downtown Theater:** Receive update from the Downtown Theater Working Group on the Downtown Theater Feasibility Study

## ADJOURNMENT

### SPECIAL NOTICES TO THE PUBLIC

In compliance with the Americans with Disabilities Act, the City of Los Altos will make reasonable arrangements to ensure accessibility to this meeting. If you need special assistance to participate in this meeting, please contact the City Clerk 72 hours prior to the meeting at (650) 947-2610.

Agendas Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.losaltosca.gov/citycouncil/online/index.html>. Council Meetings are televised live and rebroadcast on Cable Channel 26.

On occasion the City Council may consider agenda items out of order.



## PUBLIC CORRESPONDENCE

The following is public correspondence received by the City Clerk's Office after the posting of the original agenda. Individual contact information has been redacted for privacy. This may *not* be a comprehensive collection of the public correspondence, but staff makes its best effort to include all correspondence received to date.

To send correspondence to the City Council, on matters listed on the agenda please email [PublicComment@losaltosca.gov](mailto:PublicComment@losaltosca.gov)

**From:** [Couture, Terri](#)  
**To:** [Public Comment](#)  
**Subject:** city council study session 530pm March 14 Agenda item #1  
**Date:** Saturday, March 11, 2023 3:54:38 PM

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Dear Los Altos City Council and City Manager

In light of the worsening economy with no good indicators in the future, please table the theater feasibility study. Real Estate industry insiders are projecting low sales this year, which property taxes is the bulk of income the City of Los Altos receives. The included report suggest a cost of \$21M, but the Community Center's price was increased many times.

The safety of our community to provide adequate police, fire, utilities, and city employee services is much more important, than entertainment in these troubled times.

You have an obligation to make sure Los Altos residents are safe and their investment in this town is safe.

Thank you

Fred Tuerk & Terri Couture

**\*Wire Fraud is Real\*. Before wiring any money, call the intended recipient at a number you know is valid to confirm the instructions.** Additionally, please note that the sender does not have authority to bind a party to a real estate contract via written or verbal communication.

**From:** [Roberta Phillips](#)  
**To:** [Public Comment](#); [City Council](#)  
**Subject:** Study Session March 14, Downtown Theater  
**Date:** Sunday, March 12, 2023 12:23:46 PM

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Dear Council Members

I reviewed the slide presentation in the Study Session packet and found that there is no financial feasibility study. I do not find any proof that a new theater downtown will be financially feasible. The public does not know how much money the Theater Company is asking the City to contribute. There is no indication if the land will be provided at no cost by the city. There is no analysis of the ongoing maintenance costs.

I looked at the Treasures Report ( Item # 5 in the agenda report for the Regular Council meeting for March 14th 2023 ) I find that the City is minus -\$ 5,629,738 form the quarter before ( Ending balance 12/31/2022) , It is not a good time for the City to commit to any funds or land be given to the Los Altos Stage Company.

The City has many critical CIP projects to address first that are part of the City Council Priorities..

In addition , the Surplus Land Act requires that land be used for affordable housing first. I am concerned that there are legal implications in using land from our parking lots downtown for a theater instead of housing. There is no plan to replace the lost parking. We have already lost parking because of the Parklet Program.

The goal of the Downtown Visioning report was to add more " Feet on the Street "

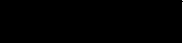
The new housing that is identified in the Housing Element for downtown will add vibrancy and more feet on the street. A theater is not necessary to meet this goal . The Los Altos Stage Company and the City might be wise to leave the theater in its current location and make appropriate repairs or remodeling as needed.

The presentation is also lacking survey results. LAR did a survey and found that a majority of people do not want to pay for construction or maintenance of a new theater downtown.

Please do not move forward. We were told by the City Council , when the Theater Working Group first came to Council, that there would be no cost to the taxpayers. Then a few weeks later, the Council gave \$38,000 to the Stage Company. Was that money used to do the feasibility study ? If yes, where is the financial analysis and survey results ?

Sincerely

Roberta Phillips



**From:** [oleg](#)  
**To:** [Public Comment](#)  
**Subject:** Public Comment on the Theater  
**Date:** Sunday, March 12, 2023 11:14:30 PM

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> Survey gleaned response from over 445 area residents

Why weren't the results of the survey included in the slides?

What is the "contributed revenue" on the operating plan? Who will be contributing it? There are millions of \$\$ of "contributed revenue" needed over the next 5 years. The plan doesn't project a break-even revenue date, suggesting that the theater will always operate at a loss and keep getting bailed out... By whom? By the city?

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Oleg Kiselev (personal account)

**From:** [Pat Marriot](#)  
**To:** [Public Comment](#)  
**Subject:** PUBLIC COMMENT ITEM #1 MARCH 14, 2023 STUDY SESSION  
**Date:** Monday, March 13, 2023 11:44:32 AM

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Council Members:

I have three concerns about the theater study session:

1. Lack of timely information. Assuming you think public input is important to the discussion, the only document we have now is a data-free 14-page presentation. The agenda doesn't indicate anything else is available.

I reached out to Vicki Reeder, who is always gracious and responds quickly to my questions, asking if there was a backup document with more information. She said the complete study is a 75-slide Power Point presentation, still in draft form as of March 11.

Without that presentation, residents – and Council – don't have enough time to study and respond to the information prior to the study session.

2. Reacting to the proposal that the theater be donated to the city and managed by the Los Altos Stage Company: That "gift" would be an eternal burden on taxpayers and city staff. Residents are faced with a major sewer tax increase. The city budget is in the red. The economy is headed downhill. We're already understaffed and, assuming the state approves our housing element update, staff will have three years of work to update our General Plan and zoning codes.

We have a poor track record of maintaining the buildings we have. Our police station needs to be replaced. The last thing we need is another building to maintain.

3. Three council members – Dailey, Fligor and Weinberg – have already made up their minds to support this theater with public land and public money. Councilmember Fligor has pushed it since January 2021. Councilmember Weinberg told the Theater Working Group he's so excited about it, he wants to cut the ribbon. Councilmember Dailey should recuse himself from any discussions because he is a member of the TWG.

Respectfully,

Pat Marriott

Progress-Momentum-Next Steps

Capital Campaign Analysis

State-of-the-Art Downtown  
Theater

Multi-purpose  
Neighborhood Playhouse



# Outcomes-Findings-Forecasts

160-seat downtown theater

Estimated \$23 M construction cost

Funds for construction raised as a public-private partnership

Opening operating budget of \$1M

Theater donated to the City and managed by Los Altos Stage







## Pillar One:

Intergenerational,  
multi-cultural, &  
multidisciplinary  
arts programs



## Pillar Two:

Youth education,  
engagement  
& empowerment



## Pillar Three:

Subsidized  
community  
access  
opportunities

# Los Altos Theater Study

Key Findings and Recommendations



# Scope of Work



## Phase 1

### Assessing Feasibility

- Supply, Demand, and Aspiration

## Phase 2

### Setting Definition

- Operating Model, Building Program, Financial Forecast

# Stage Company on Firm Foundation

Solid growth over five years pre-covid with revenues meeting expenses



**53%**

growth in *attendance* in  
years leading up to 2020  
(pre COVID)

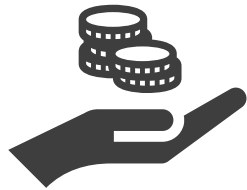


**60%**

growth in *revenue* in  
years leading up to 2020  
(pre COVID)

# Market Assessment: Strong Potential for Growth

The market for arts consumption is strong



**40%**

of households in the primary market have incomes over \$200k – the highest concentration in California



**55%**

of the market's population is under age 40 – representing strong future growth potential for arts patronage



**53%**

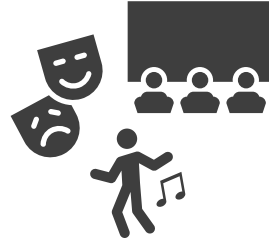
of patron households have children living at home – indicating strong potential for youth and multi-generational programming

# Community Survey Shows Support

...a space by & for the Los Altos community



Survey gleaned response from over 445 area residents

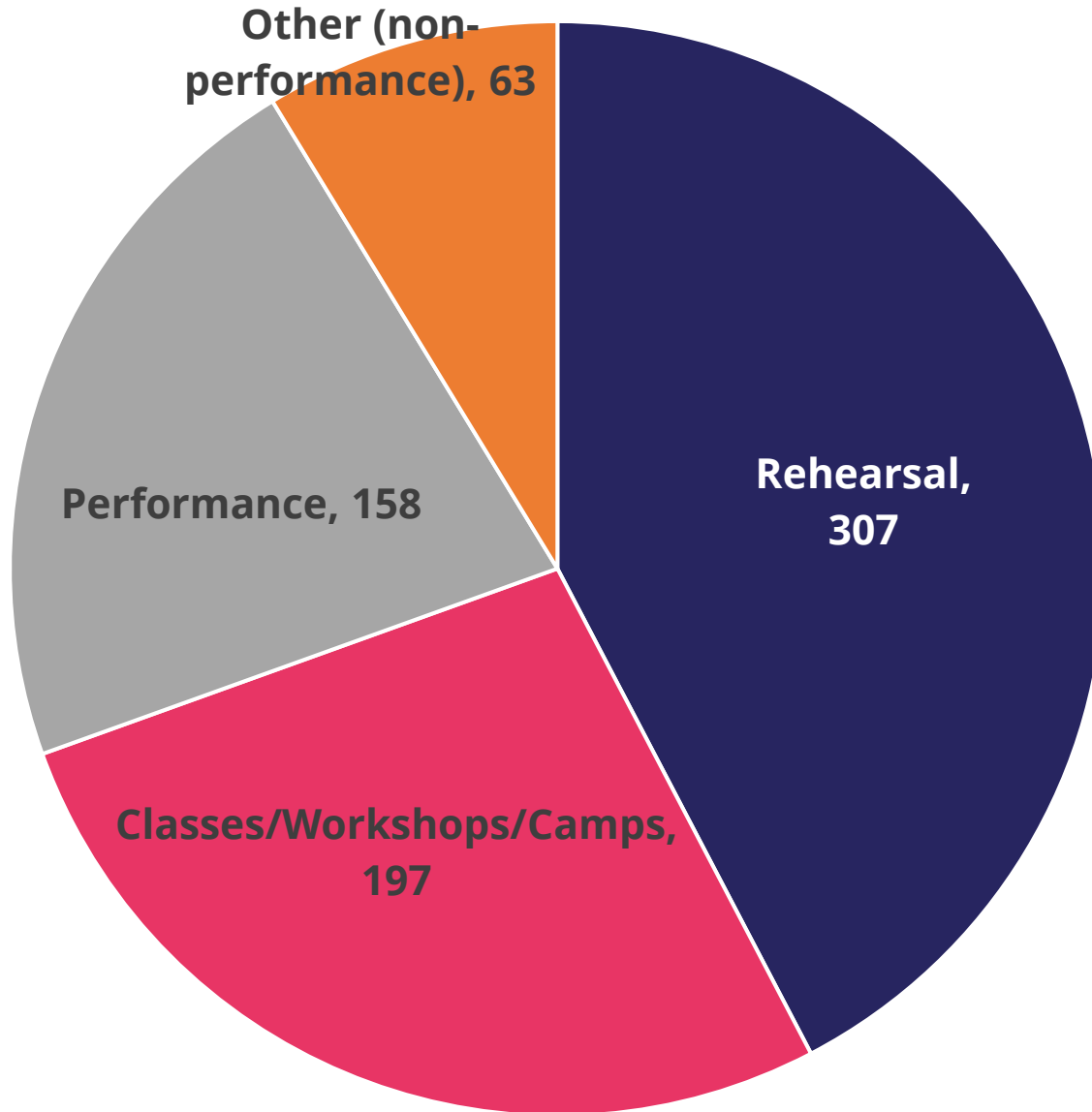


There is high interest in diverse content including programs for young people, film, lectures, theater, & live music



Stakeholders envision a multi- and inter-generational gathering place that contributes to downtown vitality





## A Bustling, Year-round Venue

Annual attendance of **20,500** from over **725 activities** annually, including:

- Community events
- Concerts, lectures, film, comedy, & family performances
- Rental uses
- LASC & LAYT performances
- Classes & camps for young people
- Rehearsals

# A New Theater for the Community

Back of house support spaces



160-seat theater



Lobby, patio, & community gathering spaces



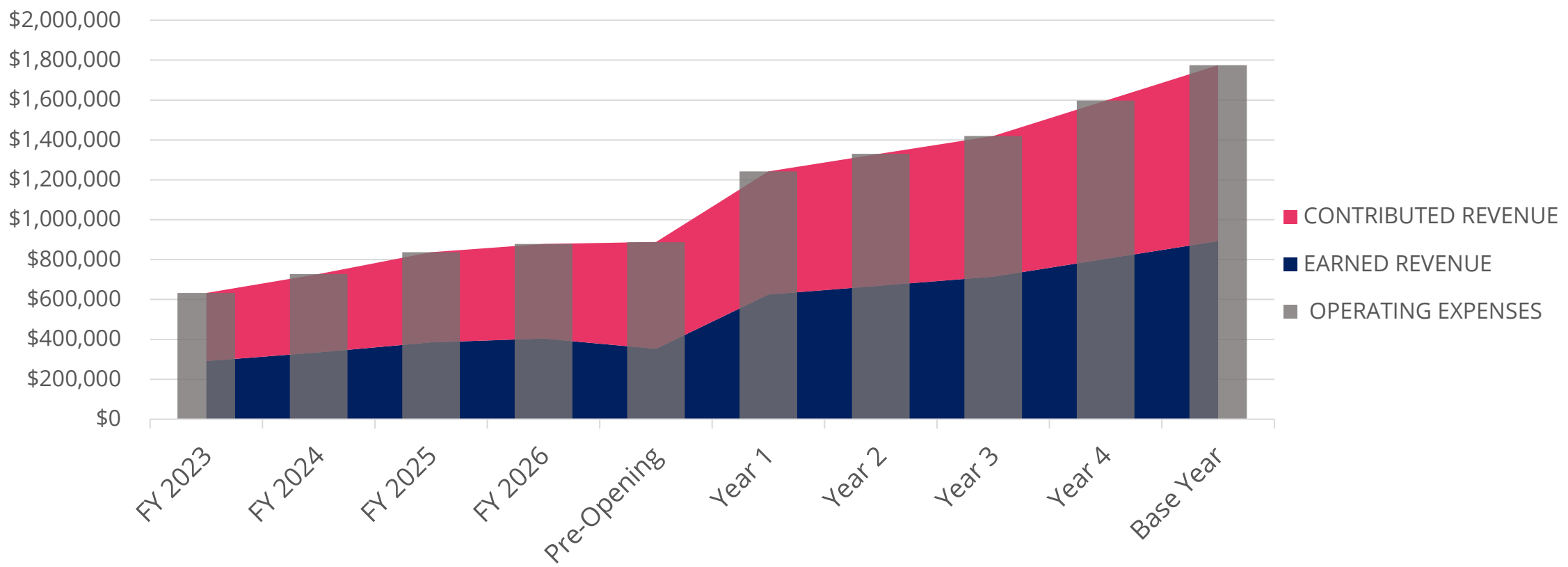
Dedicated youth lounge, rehearsal & teaching spaces, offices, storage



- 23,400 square feet
- 13,000 sq. ft. minimum site footprint required
- Order of magnitude cost = \$1,000/sq. ft.

# Mapping It Out: LASC Growth

LASC will grow incrementally over years leading up to normalization of operations around Year 5



# Where do we go from here?

## Conduct a Capital Fundraising Analysis

- To understand the environment in which a capital campaign will occur
- To develop an achievable capital campaign strategy

## Our Ask of City Council

- City staff resources to support continued evaluation
- Financial commitment from City to commence fundraising feasibility study
  - City to split the cost of fundraising study and other necessary planning steps with LASC and community donors
- Continued support of the MOU

