



CITY OF
**PALO
ALTO**

City Council Staff Report

From: City Manager

Report Type: CONSENT CALENDAR
Lead Department: Community Services

Meeting Date: December 9, 2024

Report #:2410-3588

TITLE

Approval of Performing Arts Services Agreements for Public-Private Partnerships Between the City of Palo Alto and TheatreWorks, Palo Alto Players, and West Bay Opera for the use of the Lucie Stern Community Theater until June 30, 2027. CEQA Status - Not a Project.

RECOMMENDATION

Staff recommends that Council approve and authorize the City Manager or designee to execute the Performing Arts Services Agreements for the public-private partnership between the City of Palo Alto and TheatreWorks, Palo Alto Players, and West Bay Opera for cooperative use of the Lucie Stern Community Theater for the period of January 1, 2025 – June 30, 2027, with the option for a three-year renewal upon mutual agreement.

BACKGROUND

The Lucie Stern Community Theater is utilized by three local theater companies: TheatreWorks, Palo Alto Players, and West Bay Opera that together produce approximately 15 productions annually. These partnerships provide the companies with an artistic home, an essential component of their ongoing existence, offering stability through economic instability and during times when cutbacks in government, foundation and corporate funding for the arts are the national norm. In return, the companies collectively provide culturally enriching theatrical experiences for more than 45,000 audience members annually.

TheatreWorks was founded by San Francisco Bay Area native Robert Kelley in 1970 as a theatre arts workshop for teenage and college students. Chartered by the City to produce work that would reflect the concerns of the community during an unsettled period in American life, the company produced thirteen wholly original works for the stage in its first three years. Although company actors initially performed in a variety of venues; a tradition was established of staging several shows each season at the Lucie Stern Community Theatre. When the Mountain View Center for the Performing Arts opened in 1991, the company began producing five main stage productions there each season, along with three productions each season at the Lucie Stern Community Theatre in Palo Alto.

Palo Alto Players became the Peninsula's first theatre company in 1931 when a group of 100 like-minded citizens gathered to create a theatre dedicated to its community. Initially, productions were held at a makeshift performance space in the Palo Alto Community House adjacent to the train station (now MacArthur Park Restaurant). Soon after, Lucie Stern invited the Players to be the resident theatre company at the Community Theatre. In 1974, the Community Players dissolved their ties with the Parks and Recreation Department, becoming an independent company. Since that time, the City of Palo Alto has continued to support the Palo Alto Players with performance, rehearsal, and shop space.

West Bay Opera was founded by Henry Holt in 1955. Originally called the Little Opera Guild, the company began presenting fully staged operatic performances. Under the leadership of Mr. Holt, who was succeeded by his wife, Maria Holt, and then by the present director, José Luis Moscovich, West Bay Opera has grown steadily. In 1974, the West Bay Orchestra was established. In 1982, the company acquired space for rehearsals, offices, a costume shop and storage on Lambert Avenue in Palo Alto. Annually, West Bay Opera presents three fully staged productions at the Lucie Community Stern Theatre.

ANALYSIS

Theatre Works, Palo Alto Players, and West Bay Opera's usage of the Lucie Stern Community Theatre is covered by a public-private partnership agreement with each company. Given the long history of the partnership and the cultural benefits of providing the Palo Alto community with a diverse range of artistic events, staff recommends that the City Council approve the renewal of the existing public-private partnerships.

In accordance with the Municipal Fee Schedule and in exchange for providing free facility usage, in 2018 the companies began paying the City a surcharge in the amount of \$2.00 for each ticket sold for events with paid admission. Effective, July 1, 2019, the companies began paying the City an additional \$2.00 for each ticket sold for events with paid admission to offset the costs of building maintenance, enhancements, improvements, repairs, and new equipment and furnishings for the facility. This fee is effectively passed down to patrons and is applied to all subscription, group, individual, promotional, and other tickets sold. Complimentary tickets are excluded, and the sum of the surcharge revenue for each production is due to the City within 30 calendar days after the closing of the production. In fiscal year 2024, the City received \$63,720 from TheatreWorks (15,930 tickets sold), \$47,425 from Palo Alto Players (11,856 tickets sold), and \$6,168 from West Bay Opera (1,542 tickets sold) from this ticket surcharge.

In the summer of 2024, several Capital Improvement Projects occurred to install brand-new theater seats, fresh carpeting, and enhanced ADA accessible seating (AC-18000). There are multiple significant Capital Improvement Projects in the next five years which include mechanical equipment replacement (PE-24002), theatrical and house lighting replacement (PE-24003), roof replacement (PF-00006), and the installation of a new fire curtain (AC-24001).

FISCAL/RESOURCE IMPACT

No additional City resources are required beyond what it already programmed in the FY 2025 Adopted Budget. These agreements generate revenue to partially offset maintenance of the theaters. It is anticipated that this partnership will lead to cultural enrichment and valuable programs over the life of the agreement.

STAKEHOLDER ENGAGEMENT

This has been coordinated with internal stakeholders including the theater partners, TheatreWorks, Palo Alto Players, West Bay Opera, and the Community Services Department.

ENVIRONMENTAL REVIEW

This action is not a project defined under the California Environmental Quality Act (CEQA).

ATTACHMENTS

Attachment A: TheatreWorks Partnership Agreement

Attachment B: Palo Alto Players Partnership Agreement

Attachment C: West Bay Opera Partnership Agreement

APPROVED BY:

Kristen O'Kane, Community Services Director