

ATTACHMENT



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May 14, 2009

Brian Bosse, Director  
Redevelopment Agency of Santa Barbara  
630 Garden Street  
Santa Barbara CA 93101

Re: Ensemble Theatre Company/Trust for Historic Preservation Grant

Dear Brian:

We appreciate it that you and Dave Gustafson met with Jerry Jackman and me to review the status of our plans for utilization of the \$1.5M grant allocation to the Trust for improvements to the Alhecama Theatre, which has been ETC's home for decades.

We are writing jointly to request that the RDA approve a restructuring of the allocation into two separate grants to enable the Trust to move forward with the next phase of its plans for renovating the Alhecama.

Background

As you know, the RDA initially awarded an allocation to ETC of \$2.5M in connection with ETC's plans to build a new theatre in the 1200 block of State Street, the Granada block. When that project became infeasible (the property owners decided not to sell), the RDA modified its prior allocation by awarding an allocation of \$1.5 to the Trust for use in making improvements to the Alhecama Theatre for the benefit of ETC and the Trust.

Since that time ETC has worked on preliminary plans to make renovations to the Alhecama, while also working to acquire a long-term lease on the Victoria Theatre—a facility that might well meet our needs for the long-term home, closer to the performing arts district.

As of the date of this letter, we are not in a position to say for sure whether we will be proposing renovations to the Alhecama or renovation of the Victoria Theatre. But we do not want to further delay needed improvements to the Alhecama.



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### Victoria Theatre

We are pleased that we have now finalized agreements in principal pursuant to which ETC will be able to lease the Victoria Theatre for up to 30 years.<sup>1</sup> In the hope that the remaining obstacles to that project will be overcome, we have developed conceptual plans to make major renovations to the theatre so that it would function as a modern, well-equipped, beautiful and comfortable theatre. With this facility ETC would be able to offer an additional theatrical production each season, while still making the facility available to other organizations approximately 20 weeks out of the year for dance, ballet, chamber and choral music, lectures, and film.

To meet the needs of ETC and the larger performing arts community, the Victoria would require significant interior renovation. The renovations would include relocation of the restrooms off the stage and to the lobby area, raising of the audience floor closest to the stage, reconfiguration of the seating to eliminate the current division of the audience into separate sections, improvement of the lighting and sound systems, and general updating of the interior design and décor. We have completed conceptual plans for the work. We anticipate an initial capital campaign of approximately \$4,700,000 to make the vision a reality.

If the remaining issues can be resolved, we believe that a renovated Victoria Theatre would meet ETC's and Santa Barbara's need for a modern, beautiful, technically-well-equipped theatre, located in the heart of the performing arts district, just a block from the Granada and Arlington, close to many fine restaurants, and with ample parking. We believe the proposal would be a win-win-win proposal for the property's owners, for ETC, and for the performing arts community.

### Alhecama Theatre

Concurrently with our work on the Victoria, the Trust has moved ahead with its plans to renovate the Alhecama Theatre. The Trust has already installed expensive fire safety improvements. It has now also developed plans to paint the exterior, repair exterior defects, renovate the restrooms, and freshen the interior décor. These changes would make a great improvement to the experience of anyone who attends events at the Alhecama, whether those be ETC productions or other offerings in the theatre. The cost for these improvements is approximately \$500,000.

If the Trust were able to begin those improvements quickly, the improvements would be of benefit to ETC. Even if ETC relocates to the Victoria, provided the work is funded and completed soon, the improvements would benefit ETC all of the next season. And if it ultimately proves

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<sup>1</sup> As of the date of this letter, we are in the final stages of a negotiation for a six-year lease with four options to renew, each for an additional six-years, and we are awaiting final approval of the Victoria Building Council.



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infeasible for ETC to relocate, those improvements, together with others that ETC and the Trust would want to make, would be crucial to ETC's ability to thrive in that location.

The primary goal of this joint request is to allow \$500,000 of the grant to be funded now, and not delayed pending resolution of ETC's long-term facilities plans. It is our joint hope that this request will allow the Trust to make renovations to the Alhecama soon, hopefully over the summer.

Allocation/Grant Modification

With the foregoing background, the Trust and ETC jointly request that the RDA restructure and re-allocate the \$1,500,000 grant as follows:

1. \$500,000 of the grant would be allocated to a new grant to the Trust for the specific renovations to the Alhecama Theatre outlined above.
2. \$1,000,000 of the grant would be allocated to a separate future grant to ETC specifically for renovations to *either* to the Victoria Theatre or the Alhecama.

2.1 If ETC finalizes its agreement pertaining to the Victoria, documents to the RDA that it has obtained the requisite approvals for the renovations, and demonstrates the financial capability to complete the renovations, the RDA would allocate this portion of the grant to ETC for the Victoria renovations.

2.2 If ETC is unable to acquire the Victoria and meet the requirements set forth in Section 2.1, ETC and the Trust would submit proposed plans for renovation of the Alhecama and request allocation of the funds to those improvements.

2.3 It would be a condition of the grant to ETC that either for the Victoria Theatre or the Alhecama, ETC, have a lease for a term (or initial term with options to renew) of at least ten (10) years.

This is a joint request from the Trust and ETC that both organizations believe is in their best interests, and in the interests of the RDA and the City of Santa Barbara.

We are attaching to this letter a copy of the description of the Trust's planned improvements to the Alhecama.



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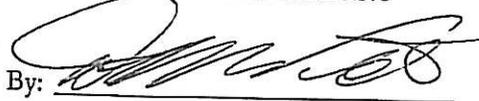
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Thank you very much for your assistance.

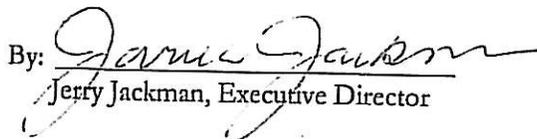
Sincerely,

ENSEMBLE THEATRE COMPANY

By: 

Derek A. Westen, President

THE SANTA BARBARA TRUST FOR HISTORIC  
PRESERVATION

By:   
Jerry Jackman, Executive Director

