

# The LACI Project: A Chance for Bold Improvements For Downtown Los Altos

King Lear, 6/4/17

## SUMMARY:

City staff considers alternatives and does risk analysis to help the City Council make good decisions on large and complex developments. The following should be considered in preparation for the final review of the LACI project on First Street.

I propose that the LACI "Option A" public benefit be changed. Define the proposed 107 public parking spaces underground as replacing all PP7 parking spaces. PP7 can then be repurposed for community benefit. While the repurpose goals are not part of the LACI proposal, Anne Wojcicki proposes to form a non-profit entity to develop a plaza on half of PP7.

I propose a theater on the other half. A large majority of our residents would like to have a theater downtown, near restaurants. The recent Land Econ Group study (part of the visioning process) recommended adding a theater to bring an additional \$1M annually to downtown businesses, mostly in the evenings and focused on restaurants.

The traffic impact of the LACI project concerns residents on First Street. This impact can be mitigated by reducing the amount of new parking connected with First Street. Eliminate the third level in the proposed underground garage with its 102 parking spaces. Have LACI pay the saved cost into a reserve fund managed by the city to help fund a parking structure on PP3. The 102 private parking spaces would pay for almost 200 public spaces. Shoppers and workers could enter this parking structure from San Antonio Road and avoid congesting our core streets Downtown.

The LACI project, as proposed, poses a high risk of losing 125 public parking spaces per the City/Safeway shared parking agreement. Have LACI plan their project to temporarily replace the lost public parking in less than 180 days to avoid the Opt Out clause. If their construction plan misses this deadline and if Safeway opts out for the low \$0.5M fee, then have LACI cover the lost fee of \$1.88M. Should this happen, \$2.88M would be added to the reserve fund for a parking structure on PP3.

These actions help achieve the Downtown Urban Design Plan of 1992. This plan, a reaction to the recession of 1990/91, recommended a parking structure on PP3 and strongly recommended adding evening entertainment, like a theater.

Downtown Los Altos suffers more from a lack of action than a lack of vision.

## 1. PROBLEMS

### 1.1. CITY/SAFEWAY SHARED PARKING AGREEMENT

The proposed LACI project would remove 67 public parking spaces for about two years. This would trigger the lower cost Opt Out clause in the City/Safeway Shared Parking Agreement. Until 7/19/2019 the Opt Out cost is \$2.38M, without cause, or \$500K with cause if more than 22 local public parking spaces are lost for more than 180 days. Safeway wanted this clause because they are very sensitive to the impact of a loss in public parking in the immediate area of their store. The risk is high that 125 public/shared parking spaces would be lost.

People offer their “guess” that Safeway would not opt out for \$500K. But “guessing” is not how you manage risk. Losing these 125 public spaces as a result of approving the LACI project would be a source of embarrassment for all City officials.

#### SOLUTION:

Require the applicant to limit the reduced public parking for less than 180 days, even though the project may take several years to complete. This can be done. If this schedule requirement is not met, and if Safeway executes the termination for cause, then LACI shall compensate the City for the difference between the Opt Out fee without cause and lower fee with cause. This would be \$1.88M.

### 1.2. TRAFFIC IMPACT ON FIRST STREET.

First Street is narrow and already busy. There are public complaints about the increase in traffic due to the proposed office building and its 254 new parking spaces plus 40 added public parking spaces. Adding daytime auto traffic coming past Main and State or from Edith on First Street to use up to 294 new spaces concerns residents and works against the vision of a pedestrian-friendly downtown core area.

#### SOLUTION:

LACI has the right to develop its property. The City has the power to mitigate the traffic impact on residents.

Approve the size, budget, and design of Option A, but leave out the 102-car third underground level. Pay the saved cost of this level to the City to help fund a new parking structure on PP3, connected to San Antonio Road. This would shorten the LACI construction schedule and reduce the number of loaded truck trips on First Street during construction. The reduced scope of the construction would also help achieve the under-180 day loss-of-parking goal. The idea for a theater site (see 2 below) reduces the proposed parking by another 40 spaces for a total reduction of 142 spaces.

Moving these spaces would reduce the maximum amount of added commute traffic on First Street and through intersections at Main, State, and Edith.

The result would convert the 102 private spaces into almost 200 public spaces. The new spaces in the PP3 structure would be above ground, shaded, clean, dry, and without parking time limits. PP3 is a short walk from all Downtown core establishments. Workers would tend to use these new spaces for these reasons. Traffic in the downtown core area would decrease as a result.

## 2. OPPORTUNITY FOR A DOWNTOWN THEATER:

The LACI-proposed Option A undergrounds 67 public parking spaces to replace surface spaces on PP7 and adds another 40 public spaces. The proposed benefit of the 40 additional public parking spaces should be reinterpreted as undergrounding all PP7 parking spaces thus allowing the entire PP7 surface to be repurposed. To provide this site for a plaza and downtown theater would be a huge community benefit.

A theater would bring an estimated \$1M annual increase in business throughout downtown according to the recent paper by the Land Econ Group.

A new plaza on First Street would be naturally active with a theater and café opening onto it. The plaza with lights, shade, landscaping and outdoor dining would not require a continuing investment in programming to be an attractive social gathering space, especially in the evenings.

The theater could host Los Altos Stage Company productions, City Youth Theater productions, show movies, and be available to rent as a presentation space for 185 people. No such space is presently available in our Downtown area.

The impact of the theater on parking and traffic would be in the evenings and on weekends when such an increase in activity is welcome. Theater parking would tend to be distributed around downtown surface plazas. Occasional rental for presentation space could be during weekday periods and participants would be encouraged to use the PP3 parking structure.

The theater could be funded by a community capital campaign as the Land Econ Group study proposed. The annual O&M costs would be covered by the sum of program uses as listed above.

## 3. ARE THESE STEPS CONSISTENT WITH THE DOWNTOWN VISION, 2017?

The above ideas are consistent with the 1992 Downtown Urban Design Plan and will be consistent with any new vision approved for Downtown.