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The Enchanted Playhouse Theatre Company Is Here To Stay

By The Enchanted Playhouse Theatre Company

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Visalia, CA – The Enchanted Playhouse Theatre Company announced last week that despite the rush to judgement by the City of Visalia to break off negotiations and evict the local children’s theatre, the Enchanted Playhouse Theatre Company is not going away. The theatre company has been a cultural fixture in downtown for over 20 years with no intention of being uprooted from its current location. Its popularity among area schools has caused the theatre company to become an extension of local classrooms, providing educational opportunities to 14,000 local children throughout the school year. Since the theatre company began, it has provided these opportunities to more than 300,000 students. In the interest of the children the organization serves, the theatre company is seeking further negotiations with the City of Visalia to propose and develop a positive outcome for the children of Tulare, Kings, and Kern counties.

August 23, 2018 – The Enchanted Playhouse Theatre Company proposed an initial negotiable offer of \$300,000 for the Main Street Theatre. The theatre company is a non-profit organization that recognizes its fiduciary responsibility to its supporters. Given the condition of the building, and the fact that it would continue as a theatre for live performances, the theatre company felt that offering the appraised value was a financially prudent decision. The minimum price indicated in the City of Visalia’s Request for Proposal was a full \$150,000 above the appraised value of the building, if the building were to remain a performing arts venue. The appraisal amount (and therefore the asking price) was much higher should the building be used for commercial purposes. The theatre company believes that as a non-profit organization, it is unreasonable and unfair to its supporters to over pay by \$150,000.

The Proposal – The theatre company’s initial proposal was made in good faith in that it was intended to be a negotiable proposal. The theatre company released a proposal long before the original October 16th, 2018 deadline expecting negotiations to be completed by that time. However, a recent letter from the City of Visalia addressed to the attorney for The Enchanted Playhouse Theatre Company has abruptly discontinued any further negotiations and denied the theatre company an opportunity to negotiate under the original deadline given of October 16th, 2018. It is the intent of The Enchanted Playhouse Theatre Company to submit a formal request for additional negotiations.

Financing – As pointed out by Councilman Link in the Visalia Times Delta article dated Thursday, September 6, 2018, the theatre company specifically requested financing since traditional financing is difficult to obtain in the time limit provided without establishing collateral, namely owning the building. The theatre company requested the financing for a five year period with specific performance triggers to benefit the City of Visalia. Furthermore, the “interest only” loan that Councilman Link mentioned would have been a variable rate loan based on the average rate the City of Visalia receives each quarter on its investments of excess funds pursuant to Government Code 53601. As mentioned in the proposal, The Enchanted Playhouse Theatre Company was also prepared to agree to covenants with the City of Visalia to enhance the property and provide additional entertainment acts to enhance Downtown Visalia.

The theatre company fully accepts that it owes \$13,000 in rent to the City of Visalia. The theatre company fully intends to honor all obligations. To that end, The Enchanted Playhouse will be working to repay past due rent as a part of further negotiations and resolutions with the City of Visalia. However, the Enchanted Playhouse Theatre was recently served with a 3-day eviction notice from the City of Visalia, making this resolution difficult.

Our Financial Investment in the Main Street Theatre – The Main Street Theatre has had two owners since the Enchanted Playhouse Theatre Company has been a tenant. Contrary to some public belief, the Enchanted Playhouse Theatre Company is highly invested in its downtown location. Knowing that much of the argument and criticism surrounding the theatre company concerns finances, consider the following:

1. From 1997 through June 2018, the Enchanted Playhouse Theatre Company has invested **\$704,700** in lease payments.
2. Since 1997 through June 2018, the Enchanted Playhouse Theatre Company has invested **\$185,310** in repairs, maintenance and improvements.
3. Since 1997 through June 2018, the Enchanted Playhouse Theatre Company has paid **\$377,604** in utilities to operate the Main Street Theatre.
4. From 1997 through June 2018, these costs have totaled **\$1,267,614**.
5. Of course, these costs are in addition to the numerous operating costs associated with running a quality children's theatre. Building costs alone have accounted for over **65%** of the theatre company's annual budget.

Since the theatre company began working directly with the City of Visalia:

1. Since 2004, the Enchanted Playhouse Theatre Company has managed to operate a family friendly, quality theatre funded solely by private donations and ticket sales. This, while helping the City of Visalia carry out its mission statement to *“build strong families and to ensure citizens are provided with recreational opportunities and self-fulfillment.”*
2. In August of 2004, the Enchanted Playhouse Theatre Company began making lease payments to the City of Visalia. From that date through June of 2018, the theatre company has paid **\$402,125** in lease payments to the City of Visalia.
3. From August of 2004 through the end of June 2018, the Enchanted Playhouse Theatre Company has taken care of repairs, maintenance, and improvements to the building totaling **\$34,953**.
4. From August of 2004 through the end of June 2018, with a failing Air Conditioning system consuming much of these costs, the Enchanted Playhouse Theatre Company has paid **\$214,498** in utilities.
5. Since 2004 through the end of June 2018, these costs have totaled **\$651,576**.

After the eminent domain issues of 2004 and the ensuing legal challenges, the City of Visalia paid approximately \$600,000 for the Main Street Theatre building. Had the City of Visalia kept the \$600,000 used to purchase the building in a typical savings account for example, the City of

Visalia would have earned approximately \$83,000 on that \$600,000 principal. Instead, **the City of Visalia has earned more than \$400,000 profit on the original \$600,000 investment.** If the City of Visalia succeeds in selling this building to Legacy Investments for the reported amount of \$515,000, then a large majority of their profits will be gained directly from the Enchanted Playhouse Theatre Company, a local theatre group serving the children of our community.

Fundraising and Performance Schedule – The Enchanted Playhouse Theatre is actively and aggressively engaged in fundraising endeavors. However, the recent eviction action taken against the theatre company will kill these agreements before they even have the opportunity to benefit our community. Furthermore, the Enchanted Playhouse has received commitments from local promoters, performers, and theatre companies to provide a full calendar of entertainment events at the Main Street Theatre.

In a letter from the City of Visalia addressed to the theatre company's board of directors, the Visalia City Council granted tenancy to the theatre company through December 31st. However, the recent and abrupt eviction notice could severely impair the theatre company's fundraising and event schedule.

The Enchanted Playhouse Theatre Company has the following events booked at the Main Street Theatre, and plans to move ahead as scheduled:

1. **Enchanted Friends Performing Arts Showcase:** September 15, 2018 at Garden Street Plaza and Main Street Theatre. This event will feature performances by Kids Edition, Dance Arts, Grace Christian School performers, and Enchanted Playhouse actors. We will have appearances by Jack Sparrow, Tinkerbell and Hermione Granger. Also featured is a Buccaneer Boot Camp lead by martial arts artist and professional stuntman Chris Borden. Food trucks will be available with all proceeds benefiting Enchanted Playhouse.
2. **Once Upon Pandora's Box:** Opening October 5, 2018 - October 19, 2018. The theatre company has scheduled school shows with 1,500 children attending from various schools throughout Tulare and Kings County. Without cooperation and serious negotiations with the City of Visalia, the theatre company will be forced to turn these children away.
3. **Run for Cover Concert and Silent Auction:** October 20th at Garden Street Plaza and Main Street Theatre.
4. **A Christmas Carol:** December 7 and 8, 2018. A one man show performed by local actor Kelly Ventura benefiting the Enchanted Playhouse Theatre Company.
5. **A Night of the Arts:** December 15th, 2018 at the Main Street Theatre. Local talents will be displayed in an atmosphere similar to America's Got Talent.

The Enchanted Playhouse Theatre Company is dedicated to continue providing an invaluable service to the community. This service provides four shows per year, costing \$15,000 – \$20,000 to produce. The theatre company invests the proceeds from each show into the next production. The experience provided by the theatre company teaches children social skills, reading skills, and self-esteem. If the theatre company is forced to move, it will reduce their outreach to children by 70%. It is the sincere hope of the Enchanted Playhouse that the City of Visalia will recognize the unique value of this theatre company and will strive to work with the theatre company to negotiate and develop a plan to benefit the children of our community.