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Board of Supervisors Halt Santa Clara County Fairgrounds Theater Project

SAN JOSE, CALIF.—Today the County of Santa Clara Board of Supervisors voted 3-2 to oppose going forward with the Fairgrounds theater project. Supervisors Alvarado and Gage voted to support the project. Opposing the project were supervisors Beall, McHugh and Kniss.

The Fairgrounds Theater Project would have been the cornerstone of the Fairgrounds Revitalization Plan, a comprehensive master plan now under development to revitalize the County fairgrounds and help bring economic prosperity to the Monterey Road corridor. The Revitalization plan includes the Tully Health Clinic, affordable housing, a new Expo Center, refurbished fairgrounds for community events, and recreational facilities.

The supervisors who opposed the project cited the requirement that the County pay \$15 million in increased construction costs and current budget operating budget constraints.

Supporters cited the County's previous decisions and the analysis conducted on the financial feasibility of the project. The Fairgrounds Revitalization Plan began in 1997 when the Board acknowledged the need to revitalize the County Fairgrounds, and to put the 168-acre public asset to more productive use. Many community meetings were held and an extensive Environmental Impact Review was conducted.

The planning and development were halted in 2004 when, on the eve of issuing bonds for the theater project, the Downtown Business Association and the City of San Jose filed lawsuits against the project. Eventually, the courts ruled in favor the County, throwing out all of the Business Association and City claims. However, delaying the project increased construction costs and the City agreed to pay the County \$22 million in damages.

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“The community living near Monterey Road and residents of Santa Clara County and beyond will be denied a wonderful opportunity because a small group of narrowly-focused interests have put themselves forward to thwart us at every step of the way,” said Supervisor Blanca Alvarado, County of Santa Clara Board of Supervisors and champion of the project. “They have no interest in what the county does, the services we provide or the safety net that we represent for those in need of our services.”

The master plan for the fairgrounds includes a new 125,000 sq. foot Expo Center, a community recreation facility, the Valley Health Center at Tully Road that opened in 2005, and housing. Already under construction are 300 multi-family affordable housing units and 43 market rate single-family homes. Expected to be under construction this year, will be 200 affordable senior apartments. The master plan also includes infrastructure improvements for parking and roadways in the surrounding area.

Staff was directed to bring back alternative proposals for the use of the proposed Fairgrounds Theater site.

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