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Jim Dee says he's canceling his lease and has closed the doors to Guadalupe's Royal Theater.

Jeffrey May/Times

Guadalupe hopes to rescue theater

By Eric Firpo
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GUADALUPE — Dismal business has forced Jim Dee to cancel his lease and close the doors of the landmark Royal Theater after just three months.

But the town of Guadalupe still has hopes their grand moviehouse can stay afloat.

"Business is practically non-existent," Dee, the owner of San Luis Obispo's arty Palm Theatre, told the Guadalupe Redevelopment Agency at a meeting Tuesday night. "I wish I wasn't here tonight. It's a heartbreaker. If I could run it at a break-even pace for 15 years, that would have been fine. (Business) was moving in a downhill slide rather rapidly."

The once-proud Royal had been in slowly sinking

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into dilapidation for roughly a decade before it was restored and reopened last July.

After a splashy opening that included a ribbon-cutting ceremony with Academy Award-winning actors Walter Matthau and Jack Lemmon, who were in town to film "The Odd Couple II," business declined.

Dee took over in March, installing state-of-the-art projection equipment, fixing the floors and making other expensive improvements to the building.

He also began an extensive advertising campaign in Santa Maria and the Five Cities area in hopes of attracting customers.

But his efforts never meant greater patronage. "To me, what's missing here is (the attitude), 'Let's go to the movies. What's playing?'"

Under the terms of his lease, Dee would have had to start paying rent in July to theater owners Hank and Olivia Garcia of Aptos.

Redevelopment agency board members said they will ask Garcia if he will waive rent on the building further.

That might allow the theater's current manager, Chris Tobey, to try to operate the theater successfully.

If she gets the chance to run the theater, Tobey said she will target Guadalupe residents, a market Dee said he took for granted because "I just assumed people from Guadalupe would go," he said.

Tobey, who's managed the theater since it reopened, said she will go door-to-door in the city, putting fliers on doors that include a schedule of upcoming movies and discount coupons.

The theater will feature family entertainment movies, new big-budget action shows and occasional live stage performances.