



# **PLANNING COMMISSION AGENDA REPORT**

**VI.1**

**MEETING DATE: MAY 14, 2007**

**ITEM NUMBER:**

**SUBJECT: DA-07-02 ANNUAL REVIEW OF SEGERSTROM CENTER FOR THE ARTS  
DEVELOPMENT AGREEMENT (DA-00-03)  
LOCATED EAST OF PARK CENTER DRIVE AND WEST OF THE AVENUE OF THE  
ARTS BETWEEN SUNFLOWER AVENUE AND ANTON BOULEVARD**

**DATE: MAY 2, 2007**

**FOR FURTHER INFORMATION CONTACT: REBECCA ROBBINS, ASSISTANT PLANNER  
(714) 754-5609**

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## **DESCRIPTION**

Annual review of the development agreement between the City of Costa Mesa and the Orange County Performing Arts Center and South Coast Repertory Theatre.

## **APPLICANT**

Mr. Ellery Brown is the authorized agent for the Orange County Performing Arts Center and South Coast Repertory Theatre (OCPAC/SCR).

## **RECOMMENDATIONS**

1. Based on the evidence in the record, find that the Orange County Performing Arts Center and South Coast Repertory Theatre have demonstrated good faith compliance with the terms and conditions of Development Agreement DA-00-03.
2. Recommend that Commission suspends annual reviews of this development agreement until construction of the Orange County Museum of Art, which will trigger additional obligations.

REBECCA ROBBINS  
Assistant Planner

KIMBERLY BRANDT, AICP  
Principal Planner

**BACKGROUND**

Seegerstrom Center for the Arts is a sub area of the South Coast Plaza Town Center. (See Figure 1) The 2000 General Plan designates the area as "Cultural Arts Center" and the corresponding zoning is "Town Center".

Section 3.5 of the development agreement requires a periodic review of the developer's performance of its obligations under the Agreement. This is the third review of the development agreement.

**ANALYSIS*****Development Agreement:***

The purpose of this annual review is to determine if OCPAC/SCR has made a good faith effort to comply with the provisions of the development agreement, and to this effect, OCPAC/SCR has submitted a letter (see Attachment 2). This review focuses on the community benefits provided for by the developer as described in Exhibit F of Development Agreement DA-00-03 (see Attachment 3).

The following section summarizes OCPAC/SCR's progress in realizing these obligations.

1. **Cultural Benefits:** The following cultural benefits were identified:
  - Expansion of South Coast Repertory Theatre (Completed).
  - Construction of a 2,500-seat Concert Hall and 500-seat theater (Temporary Certificate of Occupancy was issued late 2006; construction completion for Final Certificate of Occupancy is underway).
  - Creation of a third arts-related venue in the future. The construction time frame is unknown, but OCPAC/SCR is required to improve this area as public open space within 90 days of issuance of the certificate of occupancy for the new Concert Hall. To date, the final certificate of occupancy has not been issued for the new Concert hall. Staff will work with the applicant for completion of exterior plazas in a timely manner to ensure compliance with the development agreement.
  - Creation of exterior plazas promenades and assembly areas associated with both SCR and the new Concert Hall (Completed).
  - New venues will create in Costa Mesa a performing arts complex that rivals the centers in New York, Washington, D.C., Los Angeles and Denver in importance and quality.
  - Upon completion of the new Concert Hall, two of the ten best orchestral performance spaces in the world will exist in Costa Mesa.

2. **Open Space:** In September 2001, OCPAC/SCR, in cooperation with South Coast Plaza and the City, amended the Town Center open space easement to facilitate the expansion of the South Coast Repertory Theater and the new Concert Hall and to make it a permanent open space easement.
3. **Parking Agreements:** The agreement requires that adequate parking is available to the existing and future performing arts venues with the following provisions:
  - A shared parking analysis was approved for the entire South Coast Plaza Town Center area in conjunction with the approval of the final master plan for the SCR expansion (Completed August 2001).
  - Requiring OCPAC/SCR to provide a parking discount to Costa Mesa residents attending a cultural arts venue, *if* OCPAC/SCR constructs a parking structure. To date, OCPAC/SCR has not proposed the construction of a parking structure, therefore this condition is not applicable at this time.
4. **Vacation of Town Center Drive and a Portion of Park Center Drive:** On February 2, 2004, Council approved the Town Center Drive Master Plan, and the necessary vacation was subsequently completed in 2005 for the construction of the new pedestrian plaza.
5. **Theater and Arts District:** OCPAC/SCR has fulfilled its obligation in preparing a Theater and Arts District Plan (TAD) (Completed on February 2, 2004). The TAD Plan provides a list of public improvements to enhance the image and identity of the district that the property owners have committed to install and the implementation schedule.
6. **Traffic Mitigation (4 intersections):** The agreement requires improvements to the following intersections:

Intersection	Status
Bristol & Sunflower	Completed in conjunction with SCR expansion.
Fairview & South Coast	Completed in conjunction with SCR expansion.
Bristol & Paularino	Completion tentatively scheduled by 2015 or by final building permit for the Town Center Master Plan projects.
Park Center & Sunflower	Completion tentatively scheduled by 2015 or by final building permit for the Town Center Master Plan projects.

7. **Fire Protection Facilities:** In conjunction with new construction, OCPAC/SCR is obligated to pay \$0.285/square foot of new development. However, it should be noted that the City Council waived this fee for SCR expansion in August 2001.

8. **Traffic Impact Fee:** In conjunction with new construction, OCPAC/SCR is obligated to pay a traffic impact fee. However, as with the fire protection fee, the City Council waived this fee, which equaled \$41,800.50, for the SCR expansion in August 2001. City Council also waived the \$597,000 traffic impact fee for the new concert hall in 2004.

The City Attorney's Office and Transportation Services Division have also reviewed the development agreement and concur that OCPAC/SCR is in compliance with the terms of this Agreement.

***Future Annual Reviews:***

Current City policy requires both the Planning Commission and City Council to conduct the annual review on any development agreement. In 2004, Council delegated the review authority to the Planning Commission at the request of the property owner for this particular agreement.

Staff recommends that Commission suspend the annual reviews of DA-00-03 until the time of construction of the Orange County Museum of Art, which will trigger the remaining obligations in the development agreement.

**ALTERNATIVES**

If the Planning Commission finds OCPAC/SCR is not in compliance with the Agreement's terms, evidence supporting that determination would be required.

**CONCLUSION**

Staff has reviewed the Agreement's terms and conditions and believes OCPAC/SCR is in compliance. Commission's suspension of annual reviews until the time of construction of the Orange County Museum of Art will streamline the process until the time the remaining obligations are applicable.

- Attachment:
1. Vicinity Map
  2. OCPAC/SCR correspondence
  3. Development Agreement DA-00-03

cc: Deputy City Manager - Dev. Svcs. Director  
Sr. Deputy City Attorney  
City Engineer  
Fire Protection Analyst  
Staff (4)  
File (2)

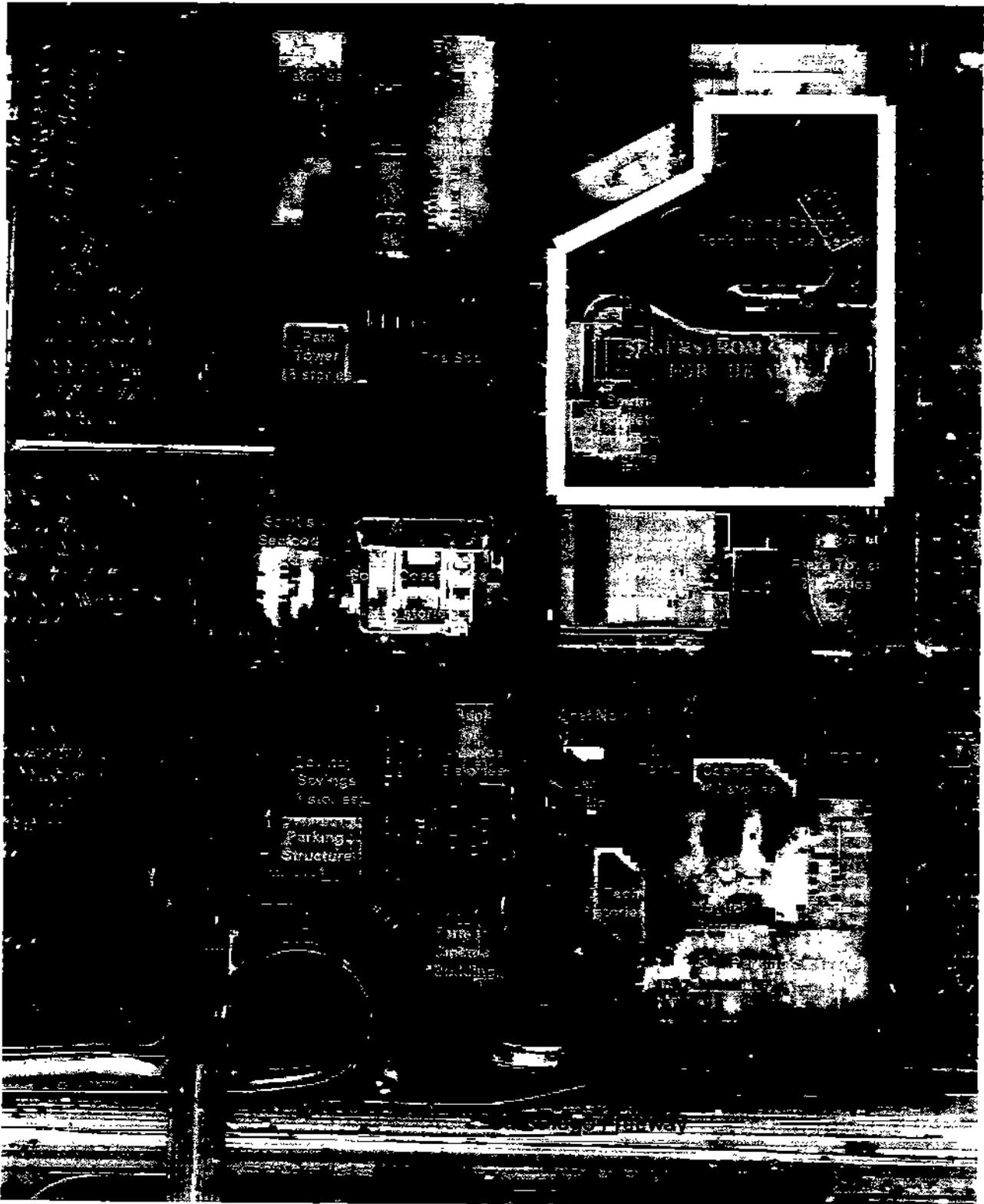
Mr. Ellery Brown  
Orange County Performing Arts Center  
600 Town Center Drive  
Costa Mesa, CA 92626

Mr. David Wilson  
C.J. Segerstrom & Sons  
3315 Fairview Road  
Costa Mesa, CA 92626

Mr. David Emmes  
South Coast Repertory Theatre  
655 Town Center Drive  
Costa mesa, CA 92626

File: 051407DA0702	Date: 050107	Time: 2:30 p.m.
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# South Coast Plaza Town Center





SEGERSTROM HALL

600 TOWN CENTER DRIVE  
COSTA MESA, CALIFORNIA 92626  
714.556.2121 WWW.OCPAC.ORG

March 26, 2007

Ms. Kimberly Brandt, AICP  
Principal Planner  
City of Costa Mesa  
P.O. Box 1200  
Costa Mesa, CA 92628-1200

**Re: Periodic Review of Development Agreement DA-00-03**

Dear Ms. Brandt:

With this letter I make application for the mandated Annual Review of Town Center Development Agreement DA-00-03.

We believe our obligations under that Development Agreement have now been met. Our largest responsibility was to cooperate with other Town Center property owners in developing a Theater and Arts District Plan. That plan was reviewed and adopted by the Costa Mesa City Council. We have also brought to completion the pedestrian plaza that was to be created when the eastern portion of Town Center Drive was abandoned. That plaza was a central element of the TAD design.

Our Development Agreement also mandated particular traffic improvements to area streets that were completed in conjunction with the South Coast Repertory remodel over three years ago.

We request that given the completion of the pedestrian plaza and amenities, the Planning Commission make a finding that all obligations under DA-00-03 have been met.

Sincerely yours,

Ellery J Brown

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

CITY OF COSTA MESA  
77 Fair Drive  
Costa Mesa, CA 92626  
Attn: CITY Clerk

Recorded in Official Records, County of Orange  
Gary Granville, Clerk-Recorder

NO FEE

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(Space Above This Line For Recorder's Use)

This Development Agreement for Segerstrom Center for the Arts is recorded at the request and for the benefit of the CITY of Costa Mesa and is exempt from the payment of a recording fee pursuant to Government Code § 6103

CITY OF COSTA MESA

By: MARY T. ELLIOTT  
Its: DEPUTY CITY CLERK  
Dated: July 27, 2001

*Mary T. Elliott*

**DEVELOPMENT AGREEMENT FOR  
SEGERSTROM CENTER FOR THE ARTS  
(DA-00-03)**

by and between

**CITY OF COSTA MESA**

and

**ORANGE COUNTY PERFORMING ARTS CENTER, a California non-profit  
corporation and  
SOUTH COAST REPERTORY THEATRE, a California non-profit corporation**



# **CITY OF COSTA MESA**

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

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DEVELOPMENT SERVICES DEPARTMENT

**FOR ATTACHMENTS NOT INCLUDED IN THIS REPORT,  
PLEASE CONTACT THE PLANNING DIV. AT (714)754-5245.**