



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: AUGUST 22, 2011

ITEM NUMBER: VI.6

SUBJECT: ZONING APPLICATION AMENDMENT ZA-05-23 A1 FOR SADDLE RANCH CHOP HOUSE (FORMERLY CHRONIC CANTINA) IN TRIANGLE SQUARE
1870 HARBOR BOULEVARD, SUITE 210

DATE: AUGUST 11, 2011

FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP, SENIOR PLANNER
(714) 754-5611 (mlee@ci.costa-mesa.ca.us)

PROJECT DESCRIPTION

The applicant is requesting the following:

1. An amendment to a previously approved Minor Conditional Use Permit (MCUP) to allow the following:
 - a. A proposed sit-down restaurant (Saddle Ranch Chop House) to remain open past 11:00 pm (2:00 am closing time proposed).
 - b. A deviation from shared parking requirements to allow an expansion in floor area for the proposed restaurant and outdoor patio.
 - c. A finding of Public Convenience or Necessity (PC or N) for a State Department of Alcoholic Beverage Control (ABC) Type 47 License, On Sale General, Eating Place (Restaurant).

APPLICANT

The applicant is Diamond Star Associates, representing Greenlaw Partners, the property owner.

RECOMMENDATION

Approve by adoption of Planning Commission resolution, subject to conditions of approval.

BACKGROUND

Project Site/Environs

Triangle Square shopping center is located within the City's Downtown Redevelopment Project Area, and is zoned PDC (Planned Development Commercial). The site is bounded on all sides by major streets – West 19th Street to the north, Newport Boulevard to the east, and Harbor Boulevard to the west. Major tenants include the Triangle Square Cinemas, Yardhouse Restaurant, and Sutra Lounge.

Triangle Square Master Plan

The Master Plan for Triangle Square was originally approved by the Planning Commission on May 8, 1989, as Planning Application PA-89-31 and Redevelopment Action RA-89-05. The Master Plan for the property permitted a variety of retail and entertainment uses, including restaurants, a multi-screen movie theater, and shops.

On November 15, 2010, Planning Commission approved Planning Application PA-10-29, an amendment to the Triangle Square Master Plan, to allow a 59,389 square foot health club (24 Hour Fitness) in the basement and street level area, which is currently under construction.

Chronic Cantina History

- On September 12, 2005, the Planning Commission approved Minor Conditional Use Permit ZA-05-23 for Chronic Cantina, a restaurant located on the same level as Sutra Lounge and Yardhouse, in Suite 210.
- On November 10, 2005, the Zoning Administrator approved Minor Conditional Use Permit ZA-05-57 allowing Chronic Cantina to provide live entertainment and dancing in the form of mariachi musicians and a dance floor for patrons and performers. Chronic Cantina closed in March 2010. Because Saddle Ranch is not proposing to provide live entertainment or dancing as part of their restaurant, a revocation of ZA-05-57 was initiated (see separate staff report).

Saddle Ranch Chop House

The applicant is proposing to replace Chronic Cantina with Saddle Ranch Chop House, a western-themed restaurant. A second restaurant, El Corazon de Costa Mesa, a Mexican/Caribbean-themed restaurant, is proposed in Suite 209, across from Saddle Ranch. Because El Corazon is also proposing alcoholic beverage sales and to be open past 11:00 pm, a separate minor conditional use permit application (ZA-11-25) has been submitted (see separate staff report).

ANALYSIS

Amendment No. 1 to Minor Conditional Use Permit

The Saddle Ranch proposal includes the following amendments to the operational hours and restaurant size:

Hours of Operation

A minor conditional use permit is required for restaurants open past 11:00 pm serving alcoholic beverages not located within 200 feet of residentially-zoned property. The applicant is proposing hours of operation of 11:00 am to 2:00 am, Monday through Friday, and 9:00 am to 2:00 am Saturday and Sunday. Under ZA-05-23, Chronic Cantina was allowed to operate from 11:00 am to 2:00 am, Tuesday through Saturday, and 11:00 am to 12:00 midnight on Sunday.

With regard to the hours of operation, the key difference between Saddle Ranch and Chronic Cantina is that Saddle Ranch is proposing to operate on Monday and until 2 a.m. (instead of midnight) on Sunday.

Expanded Restaurant Area and Deviation from Shared Parking Requirements

The applicant is requesting to deviate from shared parking requirements because a substantial increase in the size of the restaurant and outdoor patio is proposed. The original Triangle Square Master Plan included an approved CUP to deviate from shared parking. The shared parking study at that time considered the parking demand of a different mix of commercial uses, along with the multi-screen cinemas. The shared parking study was updated in conjunction with the master plan amendment for the health club under PA-10-29. Chronic Cantina consisted of a 2,400 square foot restaurant and a 1,555 square foot patio (3,955 square feet total); Saddle Ranch is proposing a 4,460 square foot restaurant with a 3,420 square foot patio (7,880 square feet total). The shared parking study prepared for PA-10-29 has been updated for both of the proposed restaurants.

Finding of Public Convenience or Necessity (PC or N)

The applicant is also requesting a State Alcoholic Beverage Control (ABC) License Type 47 (On-Sale General, Eating Place). Chronic Cantina was also licensed to operate under a Type 47 ABC license, which was surrendered to ABC in April 2010. Because the suite is vacant, there are currently no alcoholic beverage sales at this location.

According to ABC, the ratio of the number of on-sale alcoholic beverage licenses to population within the Census Tract (637.02) exceeds the countywide ratio: seven on-sale licenses are allowed; 25 on-sale licenses exist.

In accordance with City Council Policy 500-8, most recently revised and updated on November 17, 2009, Planning Commission may make a PC or N finding for the requested license.

Staff Justifications for Approval

Staff supports the above requests based on the following:

- *The previous conditions of approval for ZA-05-23 remain applicable to the proposed restaurant.*

The use would continue to be subject to applicable conditions of approval to ensure that no adverse impacts to adjacent uses and properties is created, including a condition of approval that all sales and service staff within 90 days of hire complete Responsible Beverage Service (RBS) training (Condition of approval no. 4). The request for extended hours to 2 am on Sunday is considered reasonable given that the proposed use does not involve noise impacts related to live entertainment or dancing.

- *A PC or N finding can be made for this license because of the nature of the proposed use. i.e., a sit-down restaurant with no live entertainment or dancing.*

The majority of the existing ABC licensed establishments within the census tract (25) are for sit-down restaurants. As indicated earlier, the existing establishment is a restaurant and provides no live entertainment or dancing.

It should be noted that State Law does not mandate that the City issue a PC or N finding for a Type 47 License. Although there is an overconcentration of on-sale licenses in this Census Tract, and a minor CUP is required for alcohol sales after 11:00 p.m., the applicant may make their own findings for public convenience or necessity. However, in this case, the applicant has requested that the Planning Commission make these findings in conjunction with the minor CUP approval.

- *The Police Department does not have any objections to the proposed use.*

The Police Department has reviewed the proposed use and has no objections to the proposal. Targeted law enforcement areas at Triangle Square are not considered excessive or burdensome to law enforcement. The Police Department does not anticipate elevated rates of alcohol-related crime (i.e., disturbing the peace, public intoxication, vandalism, graffiti, etc.). However, staff has included, as a condition of approval (Condition no. 6) that the operator shall provide on-site security if requested by the Police Department.

- *The updated shared parking study prepared by the applicant's parking consultant, Linscott, Law & Greenspan (dated August 4, 2011) concludes that the parking will be sufficient to accommodate the proposed use.* The Triangle Square shared parking

study was adopted in conjunction with the Master Plan. The shared parking study identifies the anticipated parking demand based on the tenant mix and is updated accordingly as major tenants may change.

The August 2011 update of the shared parking study accounts for the new major tenants, including 24-Hour Fitness, the Cinema building, Saddle Ranch Restaurant, and El Corazon Restaurant. As noted in the parking study to justify deviations from Code, the Code required parking is considered to be conservative compared to the actual parking needs of the health club and the cinemas, which are considered to be the two largest parking generators in the center.

According to the parking study, based on the operational parking demand and the actual physical setting, the peak weekday parking demand for all uses within the center, including the nightclub, health club, cinema, and the two proposed restaurants, are anticipated to be 1,003 parking spaces (a surplus of 17 parking spaces) and a weekend parking demand of 957 spaces (a surplus of 63 parking spaces). These findings are based on the following parking rates:

Use	Parking Rates	
	Zoning Code	Triangle Square Shared Parking Study (August 2011)
Cinema (Multi-Screen)	0.33 spaces per seat	0.23 spaces per seat
Night Club	Code is silent.	19 spaces per 1,000 sf
Athletic Club	10 spaces per 1,000 sf	5.5 spaces per 1,000 sf

While a CUP for valet parking was approved for Triangle Square which would further increase the available parking supply by 200 spaces¹, the updated parking study indicated that the proposed use, including the expanded outdoor patio for Saddle Ranch, would not generate demand for valet parking. Therefore, the study concludes that there would be adequate parking at Triangle Square.

The parking study has been reviewed by the City's Transportation Services Division, and they concur with the study methodology, suggested parking rates, and the consultant's conclusions regarding adequate parking.

- The restaurant will help revitalize a high profile shopping center in the City's downtown area. The current owners of the center believe the use will help attract high-quality tenants to the center, as well as customers. Staff believes that the new use will provide amenities that are not currently provided in this area, and the use would compliment existing uses found at Triangle Square. Staff believes that customers to this center will more than likely visit other businesses in the area and increase pedestrian activity.

¹ Planning Application PA-93-14, allowing up to 200 valet parking spaces, was approved for Triangle Square on April 12, 1993.

The City may gain tangible economic benefits from the proposed use, including a net employment gain, unique new business venture, and revitalization of Triangle Square as a major destination center. Saddle Ranch is estimated to offer 110-120 new jobs to the City and \$8 million dollars in annual revenue.

It is staff's opinion that the proposed use, with the recommended conditions of approval, will be consistent with the other uses in the immediate vicinity. Compliance with the conditions of approval will allow this use to operate with minimal impact on surrounding properties and uses.

ENVIRONMENTAL DETERMINATION

If approved, the project would be exempt from the provisions of the California Environmental Quality Act under Section 15301 for Existing Facilities. If the use is denied, they would be exempt from the provisions of the California Environmental Quality Act (CEQA) Section 15270(a) for projects which are disapproved.

GENERAL PLAN CONFORMITY

With the recommended conditions of approval, the use will be consistent with surrounding uses, as specified in Objective LU-1F.2 of the General Plan Land Use Element.

ALTERNATIVES

The Commission has the following alternatives:

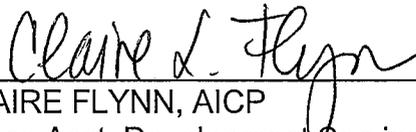
1. Approve the use with the recommended conditions of approval to ensure any impacts to the adjacent properties and uses is minimized; or
2. Deny the use. If the project is denied, Saddle Ranch is required to operate under the same limitations and conditions of approval as applied to Chronic Cantina.

CONCLUSION

It is staff's opinion that the proposed use, with the recommended conditions of approval, will be consistent with the City's Zoning Code, General Plan and Redevelopment Plan. The proposed project conditions will minimize any adverse impacts to surrounding properties, and will help revitalize a high-profile center in the City's downtown. Therefore, staff supports the applicant's request.



MEL LEE, AICP
Senior Planner



CLAIRE FLYNN, AICP
Acting Asst. Development Services Director

- Attachments:
1. Draft Planning Commission Resolution
 2. Applicant's Description of the Use
 3. Shared Parking Study
 4. Location Map
 5. Plans

cc: Interim Development Services Director
Deputy City Attorney
City Engineer
Transportation Svs. Manager
Fire Protection Analyst
Staff (4)
File (2)

Diamond Star Associates, Inc.
4100 MacArthur Boulevard, Suite 310
Newport Beach, CA 92660

Trissa (de Jesus) Allen, P.E.
Sr. Transportation Engineer
Linscott Law & Greenspan Engineers
1580 Corporate Drive, Suite 122
Costa Mesa, CA 92626

Greenlaw Partners
4440 Von Karman, Suite 350
Newport Beach, CA 92660

File: 082211ZA0523A1	Date: 081111	Time: 3:00 p.m.
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RESOLUTION NO. PC-11-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING MINOR CONDITIONAL USE PERMIT AMENDMENT ZA-05-23 A1 AND MAKING A FINDING OF PUBLIC CONVENIENCE OR NECESSITY FOR A TYPE 47 ABC LICENSE.

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by Diamond Star Associates, authorized agent for Greenlaw Partners, requesting approval of an amendment to Zoning Application ZA-05-23 A1 located at 1870 Harbor Boulevard, Suite 210, in a PDC zone to include the following:

- A proposed sit-down restaurant (Saddle Ranch Chop House) to remain open past 11:00 pm (2:00 am closing time proposed).
- A deviation from shared parking requirements to allow an expansion in floor area for the proposed restaurant and outdoor patio.
- A finding of Public Convenience or Necessity (PC or N) for a State Department of Alcoholic Beverage Control (ABC) Type 47 License, On Sale General, Eating Place (Restaurant).

WHEREAS, a duly noticed public hearing was held by the Planning Commission on August 22, 2011, with all persons having the opportunity to speak for and against the proposed project.

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", the Planning Commission hereby **APPROVES** ZA-05-23 A1 with respect to the property described above **AND MAKES A FINDING OF PUBLIC CONVENIENCE OR NECESSITY** for the Type 47 ABC License..

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the staff report for ZA-05-23 A1 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B" as well as with compliance of all applicable federal, state, and local laws. Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

PASSED AND ADOPTED this 22nd day of August, 2011.

Colin McCarthy, Chair
Costa Mesa Planning Commission

STATE OF CALIFORNIA)
)ss
COUNTY OF ORANGE)

I, Claire Flynn, secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution was passed and adopted at a meeting of the City of Costa Mesa Planning Commission held on August 22, 2011, by the following votes:

AYES: COMMISSIONERS

NOES: COMMISSIONERS

ABSENT: COMMISSIONERS

ABSTAIN: COMMISSIONERS

Secretary, Costa Mesa
Planning Commission

EXHIBIT "A"

FINDINGS

- A. The proposed project complies with Costa Mesa Municipal Code Section 13-29(e) because:
1. A compatible and harmonious relationship exists between the proposed use and existing buildings, site development, and uses on surrounding properties.
 2. Safety and compatibility of the design of the buildings, parking areas, landscaping, luminaries, and other site features including functional aspects of the site development such as automobile and pedestrian circulation.
 3. The proposed use will comply with the performance standards as prescribed in the Zoning Code.
 4. The proposed use is consistent with the General Plan and Redevelopment Plan.
 5. The planning application is for a project-specific case and does not establish a precedent for future development.
 6. The cumulative effect of all the planning applications have been considered.
- B. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(g)(2) with regard to minor conditional use permit amendment in that the proposed use is substantially compatible with developments in the same general area. Granting the proposal will not be materially detrimental to the health, safety, and general welfare of the public or otherwise injurious to properties or improvements within the immediate neighborhood. Specifically, the proposed use complies with the intent of the Zoning Code, the General Plan, and Redevelopment Plan, as conditioned, to ensure compatibility with the surrounding neighborhood. The new use compliment existing uses found at Triangle Square. With regard to the shared parking spaces within the center, even under the assumption that Triangle Square is fully leased and occupied, the parking study concludes that there would be a surplus of parking spaces during the peak times on the weekdays and weekends. Therefore, adequate parking will be provided for the use.
- C. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines; and the City's environmental procedures, and has been found to be exempt from CEQA under Section 15301 for Existing Facilities.
- D. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.
- E. The finding of Public Convenience or Necessity for the Type 47 ABC License is based on the following:
- According to the Police Department, targeted law enforcement areas at Triangle Square is not considered excessive or burdensome to law enforcement. The Police Department does not anticipate elevated rates of alcohol-related crime (i.e., disturbing the peace, public intoxication, vandalism, graffiti, etc.).
 - The City may gain tangible economic benefits from the proposed use, including a net employment gain, unique new business, and revitalization of Triangle Square as a major destination center.

EXHIBIT "B"**CONDITIONS OF APPROVAL**

- Plng. 1. The use shall be limited to the type of operation as described in the staff report. Any change in the operational characteristics including, but not limited to, the hours of operation and additional services provided, shall require review by the Planning Division and may require an amendment to the minor conditional use permit, subject to either Zoning Administrator or Planning Commission approval, depending on the nature of the proposed change. The applicant is reminded that Code allows the Planning Commission to modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
2. The following conditions of approval shall supersede the previous conditions of approval for ZA-05-23.
3. The following conditions of approval for ZA-05-23 shall remain in full force and effect:
- a. A copy of the conditions of approval for the conditional use permit must be kept on premises and presented to any authorized City official upon request. New business/property owners shall be notified of conditions of approval upon transfer of business or ownership of land.
 - b. The licensee shall not employ or use the services of any full- or part-time active or reserve peace officer currently employed by the City of Costa Mesa or any contiguous agency for security purposes.
 - c. Live entertainment, amplified music and/or dancing is prohibited.
 - d. The maximum occupancy, as determined by provisions of the Uniform Building Code or other applicable codes, shall be posted in public view within the premises, and it shall be the responsibility of the management to ensure that this limit is not exceeded at any time. Occupant loads for the open patio area and the enclosed building area shall be calculated separately.
 - e. The business shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The applicant and/or operator shall institute whatever security and operational measures are necessary to comply with this requirement.
 - f. There shall be no sales of alcoholic beverages for off-site consumption.
 - g. At all times the premises is open for business, the sale and service of alcoholic beverages shall be made only in conjunction with the sale and service of food.
 - h. The restaurant shall remain a "bona fide eating place" as defined by section 23038 of the California Business and Professions Code.
 - i. Operator shall secure the premises with appropriate security lighting and employee scrutiny of adjacent areas over which operator control, to prevent trash, graffiti, and loitering. Operator shall further provide adequate lighting above the entrances to the premises sufficient in intensity to make visible the

identity and actions of all persons entering or leaving the premises.

- j. The applicant shall contact the Planning Division to arrange a Planning inspection of the site prior to occupancy. This inspection is to confirm that the conditions of approval and code requirements have been satisfied.
4. All sales and service staff (within 90 days of hire) shall complete Responsible Beverage Service (RBS) training with a provider approved by the California Department of Alcoholic Beverage Control. A copy of the training certificates shall be kept on premises and presented to any authorized City official upon request.
5. Parking for patrons and employees of the business shall occur on-site. Employee or patron parking on public streets or adjacent properties shall be considered a violation of the terms of approval of the minor conditional use permit.
6. The operator shall be required to provide on-site security if requested by the Police Department.
7. Hours of operation shall be limited to 11:00 am to 2:00 am, Monday through Friday, and 9:00 am to 2:00 am Saturday and Sunday.
8. If parking shortages or other parking-related problems arise, the applicant shall institute whatever operational measures are necessary to minimize or eliminate the problem.
9. Tenant signage shall comply with the City's Sign Code and the approved Triangle Square Planned Sign Program.
10. These conditions of approval shall be in addition to previously adopted conditions for the Triangle Square Master Plan and amendments (PA-89-31/RA-89-05/PA-10-27).

Diamond Star

ASSOCIATES

June 23, 2011

Chairman Colin McCarthy,
Vice Chairman Sam Clark,
Commissioner Robert Dixon, Jr.,
Commissioner Jim Fitzpatrick, and
Commissioner Edward Salcedo, Jr.
Costa Mesa Planning Commission
City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628-1200

Dear Planning Commissioners:

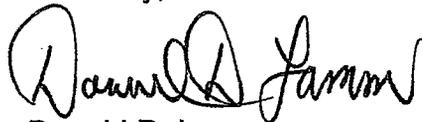
On behalf of Greenlaw Partners, LLC, owners of Triangle Square, I am pleased to announce two new and very exciting restaurants plan on opening in Costa Mesa's downtown! Greenlaw Partners is committed to investing in Costa Mesa and establishing Triangle Square as the premier downtown destination.

The "Saddle Ranch Chop House" and "El Corazon de Costa Mesa" restaurants will become the plaza level focal points, along with The Yard House restaurant, for fine dining both indoors and outdoors. The variety of menus will offer the local community, and area tourism, an excellent venue in which to dine and experience the Triangle's new upscale lifestyle.

Greenlaw Partners welcomes Saddle Ranch and El Corazon to Costa Mesa, and believes the community, local businesses, and area tourism will embrace this welcomed economic development of their downtown. Restaurants bring new business to the community and Costa Mesa is an extraordinary city in which to do business.

We hope you agree and welcome the Saddle Ranch Chop House and El Corazon de Costa Mesa restaurants to Triangle Square.

Sincerely,



Donald D. Lamm
Managing Partner

ZA-11-26

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SADDLE RANCH
CHOP HOUSE

June 23, 2011

City of Costa Mesa
Development Services Department
77 Fair Drive
Costa Mesa, California 92628

To Whom It May Concern;

I am writing on behalf of Saddle Ranch Costa Mesa, LLC which is in the process of developing a Saddle Ranch Chop House restaurant to be located in the redeveloped Triangle Square center. Founded in West Hollywood, California in 1999, Saddle Ranch Chop House is a rock-western themed restaurant chain which currently has four locations throughout Southern California and Arizona.

Saddle Ranch's "Rock Meets Western" concept comes to life in every aspect of the construction, décor and operation of our unique restaurants. The ranch-style buildings have the feel of an Aspen ski lodge with Western décor, complete with western props and memorabilia. Every Saddle Ranch Chop House has a large outdoor patio with stone campfire pits where guests can enjoy dinner next to a warm fire and roast their own s'mores for dessert. Inside we will have a mechanical bull amidst the tables and booths providing endless entertainment to diners. Saddle Ranch staff members are known for making guests feel like they are dining at a friend's table with home-style cooking and down-home hospitality.

We anticipate that our restaurant will be open for brunch, lunch, and dinner. Our menu features a wide array of items from steaks, chops, and ribs to salads, sandwiches and burgers. Guests frequently start their meal with our tortilla soup, or our homemade jalapeno or truffle mac and cheese. For entrees, we are known for our mouthwatering prime rib, top quality steaks and barbeque baby back ribs drenched in our delicious barbeque sauce. Our brunch items, which we serve throughout the day, include our signature Cinnamon Swirl Texas Toast, eggs and omelets and our fabulous three-pepper bacon. Our desserts include roast-your-own s'mores, giant cotton candy, freshly baked fruit cobblers, and a half-baked chocolate chip cookie ala mode. All food items are served in large portions on wooden platters. We plan to obtain a Type 47 liquor license to operate a restaurant with bar. We anticipate being open Monday through Friday from 11:00 AM to 2:00 AM for lunch, dinner, and late supper. On Saturday and Sunday we will open at 9:00 AM for our Ranch Brunch and remain open through lunch, dinner and late supper.

WEST HOLLYWOOD ★ 8371 SUNSET BLVD., WEST HOLLYWOOD, CA 90069

tel 323-656-2007 fax 323-656-2114

www.SRRestaurants.com

ZA-11-26

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SADDLE RANCH
CHOP HOUSE

Currently, we anticipate opening our Costa Mesa location in early 2012. We are very excited to be expanding into Costa Mesa and look forward to working with you through this process.

Best regards,



Larry Pollack
President; Saddle Ranch Chop House

**LINSCOTT
LAW &
GREENSPAN**
engineers

Received
City of Costa Mesa
Development Services Department

August 4, 2011

AUG - 8 2011

Mr. Donald Lamm
Greenlaw Partners
4440 Von Karman, Suite 350
Newport Beach, California 92660

LLG Reference: 2.10.3142-1

Subject: **Shared Parking Study Update for Triangle Square**
Costa Mesa, California

Engineers & Planners
Traffic
Transportation
Parking

**Linscott, Law &
Greenspan, Engineers**
1580 Corporate Drive
Suite 122
Costa Mesa, CA 92626
714.641.1587 T
714.641.0139 F
www.llgengineers.com

Dear Mr. Lamm:

Linscott, Law & Greenspan, Engineers (LLG) is pleased to present an update to the Shared Parking study (dated October 7, 2010) we previously prepared for 24 Hour Fitness in Triangle Square, located in the City of Costa Mesa. This revised report reflects changes to the development tabulation, which adds two proposed restaurants (Saddle Ranch and El Corazon) to Triangle Square.

Pasadena
Costa Mesa
San Diego
Las Vegas

The study focused on the following:

- Calculates the Code-based parking requirements for Triangle Square based on the application of City Code parking ratios
- Estimates parking demand through the application of the Shared Parking concept
- Compares the estimated shared parking demand against the existing parking supply, in order to identify any potential, operational surplus or deficiency in parking spaces

Briefly, we conclude that the existing parking supply of 1,020 spaces would be adequate in serving the shared parking needs of Triangle Square under weekday and weekend conditions for the existing tenants, and with future occupancy of current vacancies.

PROJECT DESCRIPTION

Table 1 presents the overall development tabulation for Triangle Square that provided the basis for the City Code and Shared Parking calculations. The development program includes a combination of health club, retail, restaurant, nightclub, and cinema uses, and totals 183,129 square feet (SF). As illustrated on the leasing plan for each level of Triangle Square (attached at the end of this report), and as reported in *Table 1*, a specific number or suite address is designated for each component of

Philip M. Linscott, PE (1924-2000)
Jack M. Greenspan, PE (Ret.)
William A. Law, PE (Ret.)
Paul W. Wilkinson, PE
John P. Keating, PE
David S. Shender, PE
John A. Boarman, PE
Clare M. Look-Jaeger, PE
Richard E. Barretto, PE
Keil D. Maberry, PE

Triangle Square, regardless of whether the suite is currently occupied or available. The development tabulation has been refined since our October 2010 study to primarily add the two proposed restaurants (Saddle Ranch and El Corazon), and to also account for tenancy/leasing changes and consolidation of several suites (identified with one suite number or address in *Table 1*) that have occurred since we completed our prior study.

PARKING SUPPLY

The existing parking structure for Triangle Square provides a total of 1,020 spaces, with the following breakdown by parking level:

<u>Parking Level</u>	<u>Spaces</u>
Level P-1	204
Level P-2	227
Level P-3	68
Level P-4	135
Level P-5	125
Level P-6	124
Level P-7	<u>137</u>
Total Existing Parking Supply	1,020

CITY CODE PARKING REQUIREMENTS

Table 2 presents the City Code parking ratios applied to each land use category, and the resulting City Code parking requirement for each land use component of Triangle Square.

The application of City Code parking ratios to the development tabulation yields a total Code-based requirement of 1,711 spaces. Compared against the existing supply of 1,020 spaces, the City Code requirement of 1,711 spaces results in a difference of 691 spaces. This Code-based deficiency is not realistic because the City Code parking calculation is conservative, and overstates actual parking needs for the 24 Hour Fitness and movie theater, as discussed in our October 2010 study.

It should be noted that the City Code does not specify a parking ratio for nightclubs. For the purposes of the Code parking calculations, the Code ratio for restaurants was applied to the nightclub component of Triangle Square (i.e., Sutra Lounge). The next section of this report presents the application of a parking ratio specific to nightclubs, based on the Urban Land Institute's (ULI's) *Shared Parking* (2nd Edition) publication.

SHARED PARKING ANALYSIS

The Shared Parking methodology was primarily applied to estimate the parking needs of Triangle Square. This goes beyond simply calculating the City Code requirement, and looks at the operational demand picture within the actual physical setting. The objective of this Shared Parking analysis is to estimate the peak parking requirements for the various project components of Triangle Square based upon their combined parking demand patterns.

Parking experience indicates that combining different land uses, whose parking demands peak at different times (of the day, week, and year), generally result in a parking demand that is significantly lower than "stand-alone" or "free-standing" facilities. In other words, a mixed-use development results in an overall parking need that is less than the sum of the individual peak parking requirements for each land use (parking ratios/factors specific to each land use, or city parking code rates are typically applied to these "stand-alone" developments).

The analytical procedures in a Shared Parking analysis are well documented in the Urban Land Institute's (ULI's) *Shared Parking* (First and Second Editions) publication. The publication defines Shared Parking as "parking space that can be used to serve two or more individual land uses without conflict or encroachment." Therefore, Shared Parking calculations recognize that when different uses share a common parking footprint, the total number of spaces needed to support the collective whole is determined by adding the different parking profiles (by time of day or day of week) of each use comprising the mixed-use development. This is done rather than applying individual peak ratios to each land use component.

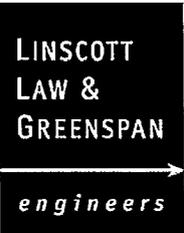
There is an important common element between the traditional "code" and the Shared Parking calculation methodologies. The peak parking ratio, or "highpoint" for each land use's parking profile, typically equals the "code" parking ratio for that use.

Tables 3 and *4* present the Shared Parking summaries for weekday and weekend conditions, respectively. The total size of each land use category, the City Code ratios (or empirical ratios) applied to each column, hourly parking profiles per ULI, and the resultant hourly parking demand appear in the individual columns of *Tables 3* and *4*.

Parking Ratios

Tables 3 and *4* apply the City Code parking ratios for the retail and restaurant categories. Because a nightclub parking rate was not available from City Code, the parking ratio of 19 spaces per 1,000 SF (per ULI) was applied to the nightclub. An empirical ratio of 0.23 spaces per seat was applied to the cinema, and an empirical

Mr. Donald Lamm
August 4, 2011
Page 4



ratio of 5.5 spaces per 1,000 SF was applied to 24 Hour Fitness, consistent with our prior October 2010 study.

Shared Parking Demand

As indicated in *Table 3*, the resultant maximum or peak demand for Triangle Square is expected to occur on a weekday evening (at 8:00 PM), and would total 1,003 spaces. This 1,003-space peak demand corresponds to a surplus of 17 spaces when compared against the 1,020-space supply. Parking surpluses would be greater during all other hours of a weekday.

Table 4 indicates a lower demand of 957 spaces under weekend conditions (occurring at 6:00 PM). When compared against the existing supply of 1,020 spaces, the 957-space demand constitutes a surplus of 63 spaces under weekend conditions (parking surpluses would be greater during all other hours).

Based on the shared parking calculations, which were conducted to present a more realistic evaluation of the project's parking needs, the existing supply of 1,020 spaces would be adequate in meeting the total peak parking demand of Triangle Square under both weekday and weekend conditions.



We appreciate the opportunity to work on this project. If you have any questions regarding this letter, please do not hesitate to call me at (714) 641-1587.

Sincerely,

Linscott, Law & Greenspan, Engineers

A handwritten signature in black ink that reads "Trissa (de Jesus) Allen".

Trissa (de Jesus) Allen, P.E.
Senior Transportation Engineer

TABLE 1
DEVELOPMENT SUMMARY
TRIANGLE SQUARE, COSTA MESA

Description (Suite No.)	24 Hour Fitness	Retail	Restaurant		Nightclub	Movie Theater	Total (SF)
			First 3,000 SF	> 3,000 SF			
Plaza Level:							
Movie Theater (1,200 seats; L2-220)	-	-	-	-	-	37,681	37,681
Saddle Ranch (L2-210)	-	-	3,000	4,880	-	-	7,880
El Corazon (L2-209)	-	-	3,000	2,660	-	-	5,660
Sutra Lounge (L2-200)	-	-	-	-	8,580	-	8,580
Available (L2-211)	-	2,875	-	-	-	-	2,875
Yardhouse (L2-219)	-	-	3,000	6,300	-	-	9,300
Available (L2-245)	-	9,132	-	-	-	-	9,132
Plaza/Second Level Total:	0	12,007	9,000	13,840	8,580	37,681	81,108
Street Level:							
Rockstar Tan (L1-118)	-	1,997	-	-	-	-	1,997
24 Hour Fitness (L1-120)	20,989	-	-	-	-	-	20,989
Available (L1-108)	-	11,247	-	-	-	-	11,247
Sushi Zen (L1-100)	-	-	2,335	-	-	-	2,335
Available (L1-103)	-	3,185	-	-	-	-	3,185
GNC (L1-105)	-	1,591	-	-	-	-	1,591
Available (L1-111)	-	14,239	-	-	-	-	14,239
Available (L1-245)	-	12,038	-	-	-	-	12,038
Street Level Total:	20,989	44,297	2,335	0	0	0	67,621
Basement Level:							
24 Hour Fitness (B-001)	34,400	-	-	-	-	-	34,400
Basement Total:	34,400	0	0	0	0	0	34,400
TOTAL SIZE (square feet)	55,389	56,304	11,335	13,840	8,580	37,681	183,129

TABLE 2
CITY CODE PARKING REQUIREMENTS
TRIANGLE SQUARE, COSTA MESA

Description	24 Hour Fitness	Retail	Restaurant		Nightclub	Movie Theater	Total (SF)
			First 3,000 SF	> 3,000 SF			
Size by Land Use (square feet) (per Table 1)	55,389	56,304	11,335	13,840	8,580	37,681	183,129
City Code Parking Ratio	10 spaces per KSF	4 spaces per KSF	10 spaces per KSF	20 spaces per KSF	na	1 space per 3 seats	--
City Code-Required Spaces	554	225	113	277	142 [a]	400	1,711

Note:

[a] For the purposes of the Code parking calculation, the Code ratio for restaurants was applied to the nightclub.

TABLE 3
WEEKDAY SHARED PARKING DEMAND ANALYSIS
TRIANGLE SQUARE, COSTA MESA



LAND USE	Retail (Sq. Ft.)	Restaurant		Night Club (Sq. Ft.)	Theaters and Cinemas (seats)	Health Club (Sq. Ft.)	Total Parking Demand by Hour	Comparison with Parking Supply by Hour
		1st 3K (Sq. Ft.)	>3K (Sq. Ft.)					
SIZE	56,304	11,335	13,840	8,580	1,200	55,389	-	-
RATIO	4.0 /ksf	10.0 /ksf	20.0 /ksf	19.0 /ksf	0.23 /seat	5.5 /ksf	-	-
SUPPLY	-	-	-	-	-	-	-	1,020
PK DEMAND	225	113	277	163	276	305	1,359	-

6:00 AM	6	0	0	0	0	215	221	799
7:00 AM	15	11	0	0	0	128	154	866
8:00 AM	41	27	0	0	0	128	196	824
9:00 AM	88	41	0	0	0	215	344	676
10:00 AM	141	95	0	0	0	215	451	569
11:00 AM	177	168	0	0	0	243	588	432
NOON	196	273	0	44	186	699	321	
1:00 PM	203	273	1	92	215	784	236	
2:00 PM	196	244	1	113	215	769	251	
3:00 PM	187	160	1	115	215	678	342	
4:00 PM	187	190	2	115	243	737	283	
5:00 PM	194	278	5	125	276	878	142	
6:00 PM	194	338	7	125	305	969	51	
7:00 PM	194	351	10	165	272	992	28	
8:00 PM	166	351	43	204	239	1,003	17	
9:00 PM	111	351	75	204	205	946	74	
10:00 PM	65	338	108	165	104	780	240	
11:00 PM	22	270	141	133	32	598	422	
MIDNIGHT	0	95	141	84	0	320	700	

MAXIMUM WEEKDAY DEMAND **1,003**
PARKING SUPPLY **1,020**
PARKING SURPLUS (+) OR DEFICIENCY (-) **17**

**TABLE 4
WEEKEND SHARED PARKING DEMAND ANALYSIS
TRIANGLE SQUARE, COSTA MESA**

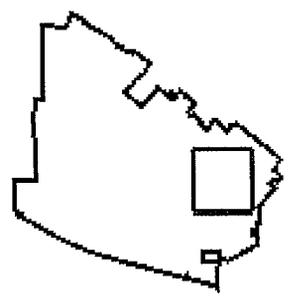


LAND USE	Retail	Restaurant		Night	Theaters	Health	Total Parking Demand by Hour	Comparison with Parking Supply by Hour
	(Sq. Ft.)	1st 3K (Sq. Ft.)	>3K (Sq. Ft.)	Club (Sq. Ft.)	and Cinemas (seats)	Club (Sq. Ft.)		
SIZE	56,304	11,335	13,840	8,580	1,200	55,389	-	-
RATIO	4.0 /ksf	10.0 /ksf	20.0 /ksf	19.0 /ksf	0.23 /seat	5.5 /ksf	-	-
SUPPLY	-	-	-	-	-	-	-	1,020
PK DEMAND	225	113	277	163	276	305	1,359	-

6:00 AM	7	0	0	0	0	198	205	815
7:00 AM	16	12	0	0	0	113	141	879
8:00 AM	36	17	0	0	0	90	143	877
9:00 AM	88	35	1	0	0	125	249	771
10:00 AM	128	44	1	0	0	90	263	757
11:00 AM	160	94	1	0	0	125	380	640
NOON	189	210	1	58	125	583	583	437
1:00 PM	207	227	1	126	78	639	639	381
2:00 PM	225	193	1	152	66	637	637	383
3:00 PM	225	193	1	154	78	651	651	369
4:00 PM	216	193	3	154	139	705	705	315
5:00 PM	205	257	6	170	250	888	888	132
6:00 PM	182	357	9	170	239	957	957	63
7:00 PM	171	373	13	223	151	931	931	89
8:00 PM	151	390	51	276	78	946	946	74
9:00 PM	119	357	88	276	25	865	865	155
10:00 PM	83	357	126	276	5	847	847	173
11:00 PM	34	348	163	220	5	770	770	250
MIDNIGHT	0	195	163	138	0	496	496	524

MAXIMUM WEEKEND DEMAND 957
PARKING SUPPLY 1,020
PARKING SURPLUS (+) OR DEFICIENCY (-) 63

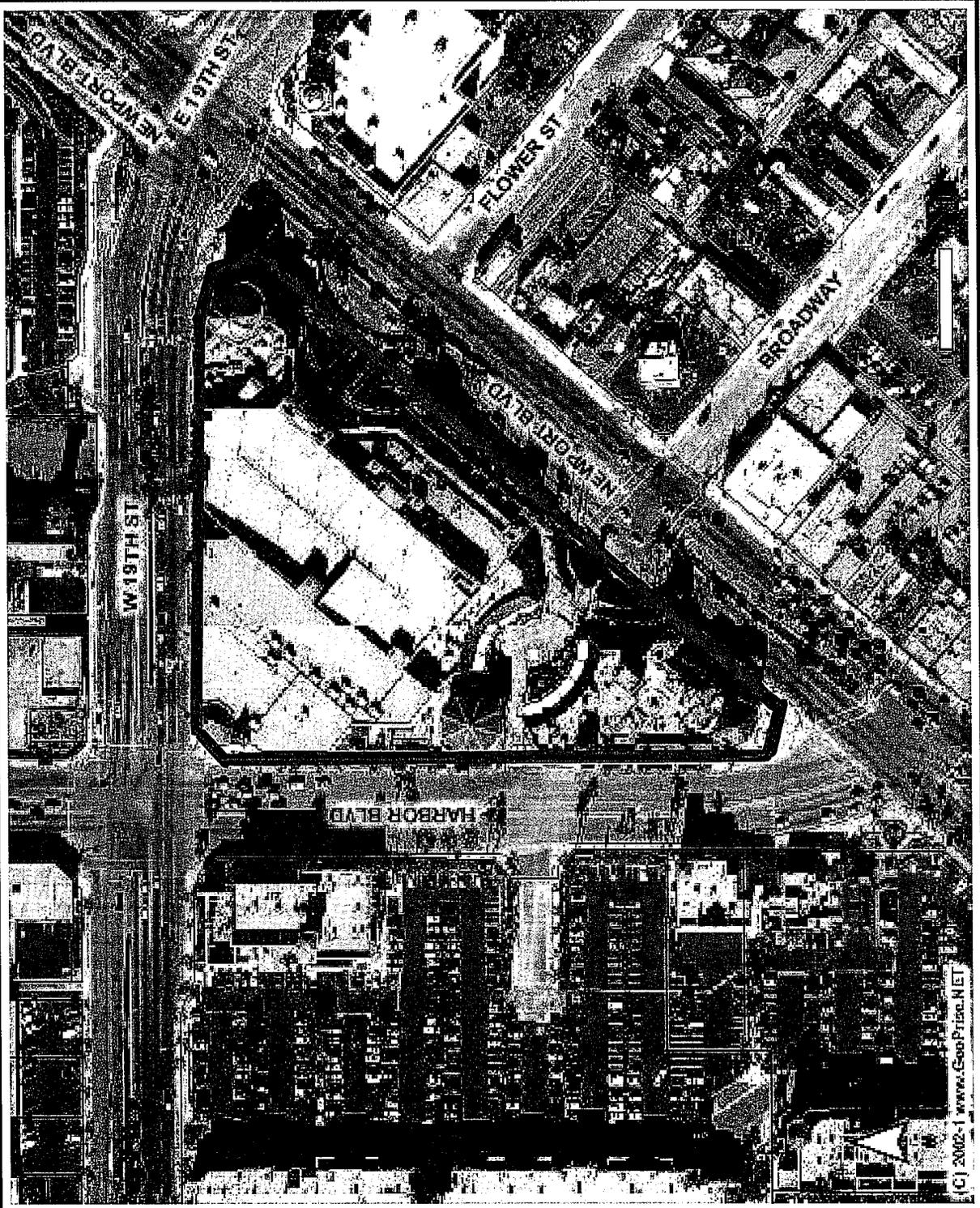
Overview Map

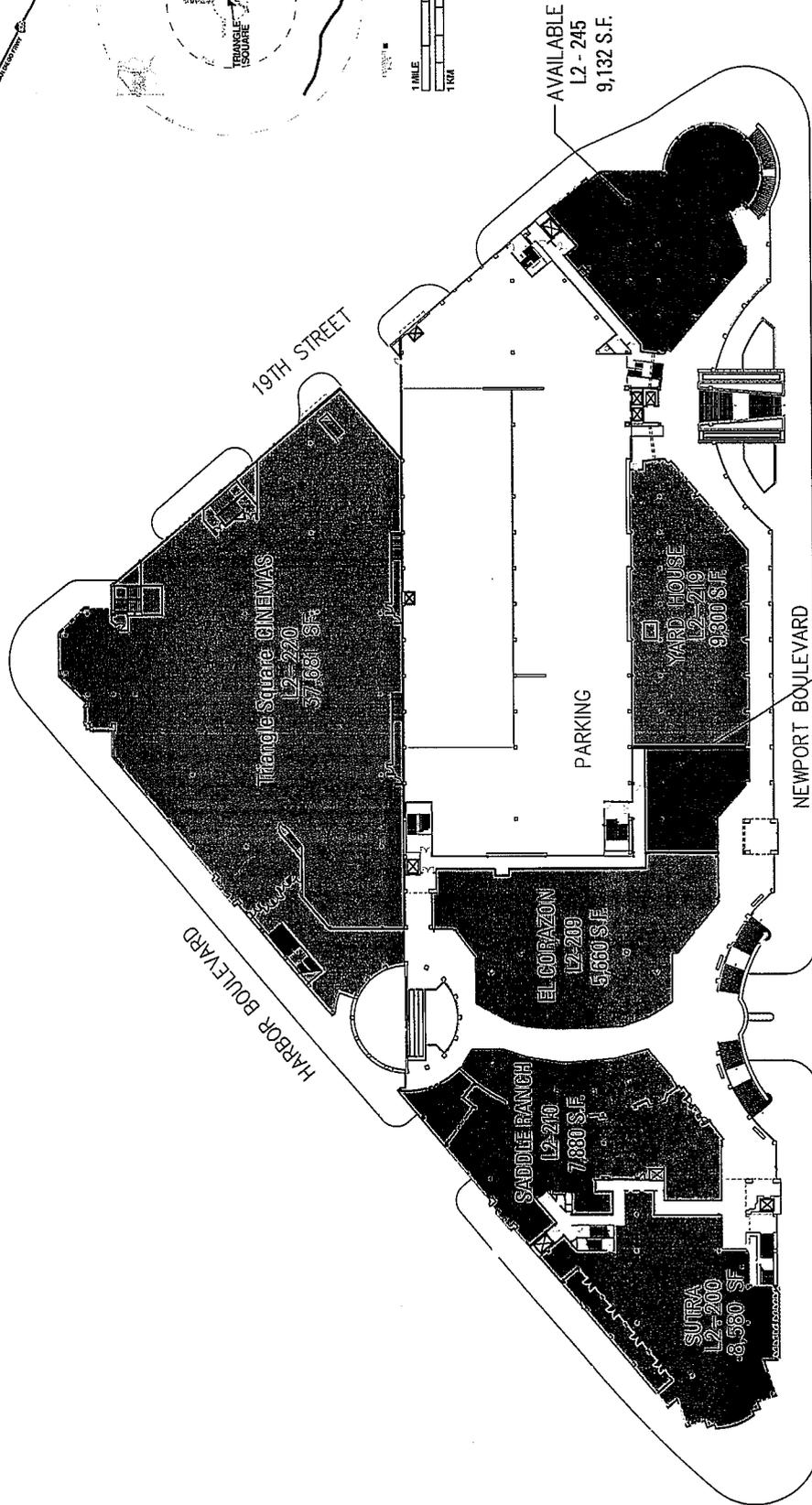
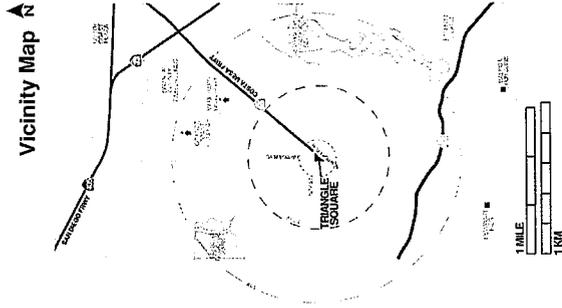


Legend

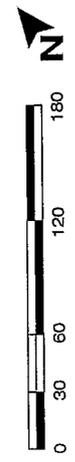
-  Hydrology Channel
-  Street Names
-  Parcel Lines
-  City Boundary
-  Water Ways
-  Ortho 2008 Level 2
-  Ortho 2006 Level 2
-  Parcels
-  ROW
-  Polygons

Map Display





Leasing Plan - Plaza Level
TRIANGLE SQUARE
Costa Mesa, California



Disclaimer: Although the contents of this leasing package are considered true and accurate, TSO and its agents or affiliates do not make any warranties or representations to its accuracy. This leasing package is provided for discussion purposes only.

SADDLE RANCH

TRIANGLE SQUARE
1870 HARBOR BOULEVARD
COSTA MESA, CALIFORNIA 92627



SADDLE RANCH CHOP HOUSE
TRIANGLE SQUARE
1870 HARBOR BOULEVARD
COSTA MESA, CA 92627

SHEET INDEX

SR#	TITLE SHEET
SR 1	SITE PLAN
SR 2	FLOOR PLAN
SR 3	REVISED #1/11
SR 4	EXTERIOR ELEVATIONS
SR 5	EXTERIOR ELEVATIONS
SR 6	FINISHES PALETTE

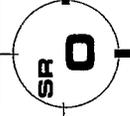
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project no.: 10000
date: SR MAY 2011

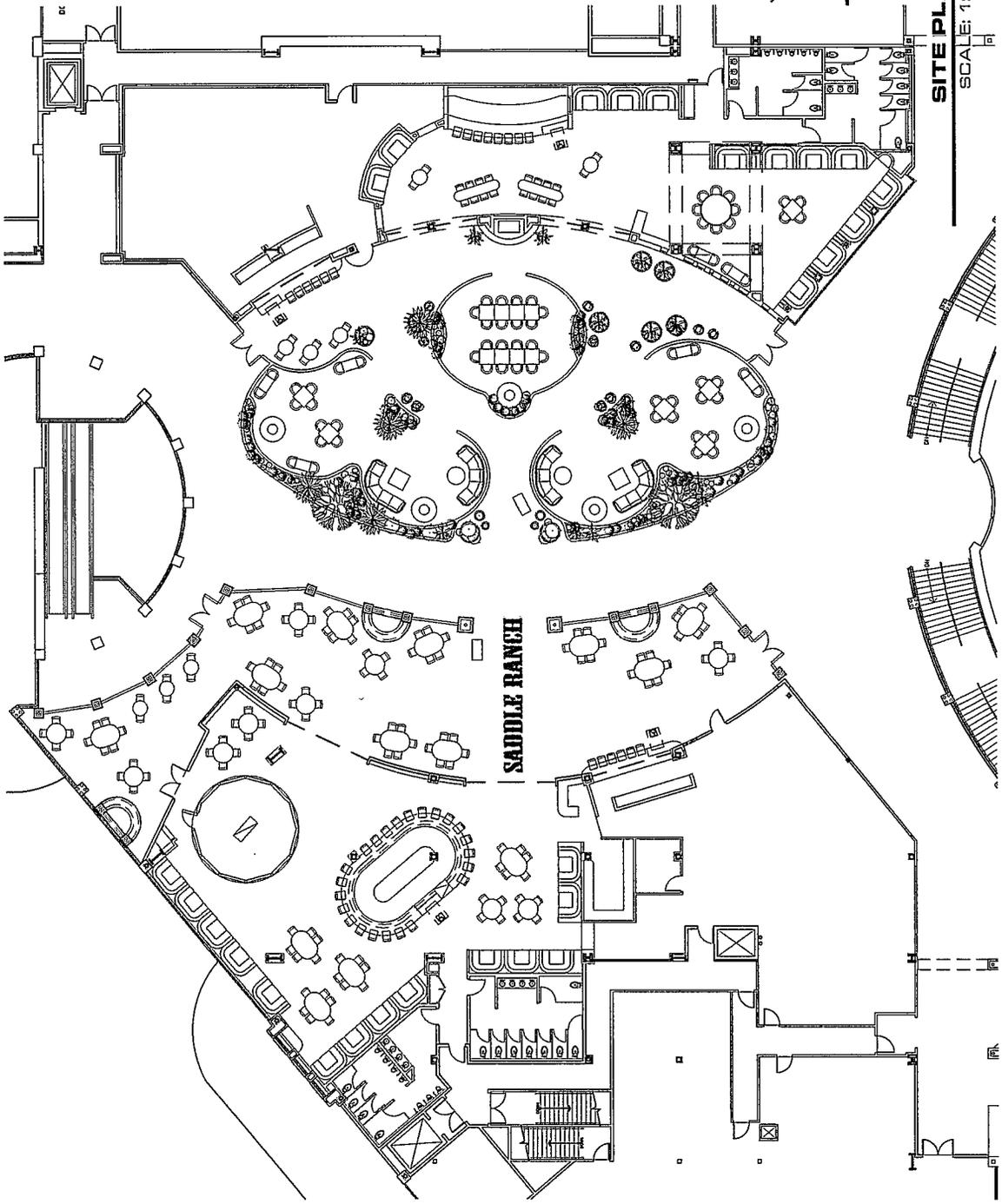


TITLE SHEET
ISSUED: 15 June 2011

SADDLE RANCH

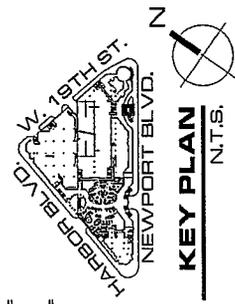
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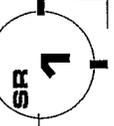


SADDLE RANCH

SITE PLAN
 SCALE: 1:250
 ISSUED: 15 June 2011



KEY PLAN
 N.T.S.



project no: 10000
 date: 28 April 2011

drawn by: [blank]
 checked by: [blank]
 approved by: [blank]

A.R. MARY CONSTRUCTION

SADDLE RANCH CHOP HOUSE
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