



January 29, 2024

City of Costa Mesa
Development Services Department
Attn: Daniel Inloes, AICP
77 Fair Drive
Costa Mesa, CA, 92626

Subject: The Palazzo Banquet Facility Conditional Use Permit and Minor Conditional Use Permit

Dear Mr. Inloes,

On behalf of The Palazzo Event Center LLC., I am pleased to resubmit this application for a Conditional Use Permit for a banquet facility with on-site valet parking, and a Minor Conditional Use Permit to allow for outdoor activities and a deviation from shared parking requirements for a proposed banquet facility located at 3150 Bear Street. Listed below is a summary of items included in the submittal package as required by the Conditional Use Permit and Minor Conditional Use Permit:

Requested

Entitlements: 1. Conditional Use Permit for an event center with on-site valet in AP zone
2. Minor Conditional Use Permit for outdoor activities and deviation from parking requirements

Submittal Package: 1. Application
2. Project Description
3. Valet Parking Plan

Location: 3150 Bear Street, Costa Mesa, CA 92626
APN: 141-521-49

Applicant: The Palazzo Event Center LLC.
3150 Bear Street, Costa Mesa, CA 92626
Phone: (949) 863-9390
Palazzo@khoshbin.com

Representative: Palazzo Event Center LLC.

3150 Bear St, Suite 200, Costa Mesa, CA 92626

Attn: Alireza Mirzaei
 3150 Bear St, Suite 200, Costa Mesa, CA 92626
 Phone: (949) 863-9390
 Email: Ali@Khoshbin.com

Background: The Project Site is located at 3150 Bear Street. The site is zoned AP- Administrative Professional and has a General Plan land use designation of General Commercial. The site is bounded by Bear Street to the west, the I-405 Freeway to the north, single family residential properties to the east, and single-family residential properties as well as a music studio to the south. Shiffer Park is located to the west of the project site across Bear Street. The site and building have been vacant for approximately six years. The previous tenant was Trinity Broadcasting Network (TBN) which used the building as an international headquarters for the evangelical church. TBN used the Project Site primarily for office, filming, broadcasting, and publicly attended church meetings for over 20 years.

The Project Site is six acres and is developed with two structures which are connected via a breezeway. Main structure is three stories, 65,924 square feet, divided into west and east wing, while the rotunda in the back is two stories. The rest of the property is covered by surface parking with 241 spaces; perimeter landscaping; and a grand terrace with sculptures, colonnades, and a fountain.

Proposal: The proposed project would establish a new banquet facility with an on-site valet at the Project Site. The Palazzo aims to preserve existing elements of the site, such as central courtyard, fountains, exterior and interior architecture, and site layout. The current layout of the building combined with numerous amenities such as an auditorium, outdoor courtyard, private bridal suites, and different themed event spaces, allow for a wide array of events and gatherings including weddings, birthdays, corporate events, seminars, and photoshoots. The proposed project would consist of two event spaces, storage, an auditorium, professional offices, and social media studio.

Table 1- Suites Information and Rentable Square Footages

Suite Number	Description/ Use	Size
100	Social Media Studio	8,264 RSF
100B	Event Space #1	5,925 RSF
150	Storage / Future TI	8,825 RSF
200	Professional Office	8,782 RSF
200B	Auditorium	7,272 RSF
250	Event Space #2	9,438 RSF
300	Future TI, not to be occupied	8,752 RSF
350	Future TI, not to be occupied	8,666 RSF
	Total	65,924 RSF
	Grand Courtyard	11,789 RSF
*For more information about lobby, load factor and more breakdown, please see attached exhibits.		

Table 2- Total Square Footages Per Use

Social Media studio	Event Spaces (including Grand Courtyard)	Office	Auditorium	Storage
8,264	27,152	26,200	7,272	8,825

Operations: Event Spaces: Event spaces would be located on the first suite 100B and second floor suite 250. The target clientele for The Palazzo is weddings and ceremonies. The Palazzo would allow a maximum of two events per day. However, The Palazzo would not allow multiple events concurrently; All events to be separated by at least an hour to minimize any conflict. The Grand Courtyard would be an ancillary space to indoor event spaces and would not be rented separately. Events would not be occurring concurrently at the Grand Courtyard and the event spaces. This would ensure sufficient on-site parking for each event as well as providing a traffic and noise management component to this application. The Grand Courtyard would be utilized for photoshoots and outdoor receptions. Outdoor activities will cease by 9:00 PM. Amplified music or speakers would not be permitted for exterior events and activities; and limited to a list of approved instruments “specifically” acoustic guitar, violin, harps, clarinets, and flutes, with a maximum of 4 musicians playing at the event. all outdoor live entertainment must be at least 120ft away from the residential neighborhoods. All events shall have an occupancy limit of 225 people total (staff/back of the house/ attendees / anyone else onsite).

Events will be separated by a minimum one-hour gap to ensure no overlap of parking. All events will be catered for by independent vendors (including food and drinks), with no food preparation proposed to occur on-site. A 715-square-foot staging kitchen is provided to support back of house catering vendor operations. This kitchen serves as a preparation area only and no cooking shall occur. The proposed project does not include a request for an Alcoholic and Beverage Control (ABC) license, as all beverage service and dining would be managed by catering vendors.

Auditorium: The auditorium would be available to host seminars, corporate functions, product unveiling, and silent auctions. This space is expected to be utilized on weekdays for corporate events but would be available on weekends as well.

Office spaces: Offices will be in the west wing of the second floor. Khoshbin Company Offices would occupy the second-floor office space with approximately 20 employees. There are no immediate plans to occupy the third floor. In an event where third floor will need to be occupied, ownership will go through proper procedure to determine a code compliant use and occupancy for the suite. The parking ratio required for office per city code is 4 per 1,000. offices spaces will not be in operation during events to ensure no impact on parking and occupancy load.

Photography /TV/ Social Media Studio Space which includes Vehicle props: This suite would be an ancillary space to the Khoshbin Company Offices. Only Khoshbin employees will have access to this space. This suite is not open to the public and will not be a part of the leasable area. Therefore, additional parking has not been allocated to this suite in the shared parking calculation Table 4. This space was previously permitted under building permit number BC22-00237 and no further changes are proposed to this room as part of this application. Since this space is primarily a Vehicle prop area, there is no expected parking required since it’s supplementary to office spaces on the 2nd floor. This suite will not be in operation when events are happening. This is to ensure minimal impact on parking and occupancy load.

Storage: Storage would be located on the first floor within suite 150. This suite would be an ancillary space to the event spaces and will be used to store equipment for events (e.g., tables, chairs, decorative items, and table linens). The storage would not be rented separately and will not operate at the same time as ongoing events. This halt in operations is to ensure parking and occupancy is in compliance.

Hours of Operation:

Table 3 shows the hours of operation for each use.

Table 3- Hours of Operation

Suite Number/ Use		Days	Hours (Weekdays)	Hours (Weekends)
100B, 200B	All event spaces	Sunday-Saturday	8:00 a.m. - 10:00 p.m	
150 / 200	Storage & Office	Sunday-Saturday	8:00 a.m. - 7:00 p.m	
250	Auditorium	Sunday-Saturday	8:00 a.m. – 10:00 p.m	
-	Grand Courtyard	Sunday-Saturday	8:00 a.m. – 9:00 p.m.	7:00 a.m. – 9:00 p.m.

***Events may not start or end between 7am-9am and 4pm-6pm. If the offices are closed, this limit doesn’t apply to weekends.**

**** Events cannot occur while other uses (office, social media studio, etc.) are in operation. Events are limited to times when the other uses are closed.**

Parking:

The existing surface parking lot provides 241 parking spaces. The applicant proposes a Minor Conditional Use Permit to deviate from the parking requirements based on the unique operational characteristics of the facilities. As mentioned previously, the Palazzo would limit events to a maximum of two events per day and would not allow multiple events to occur simultaneously. Table 4 demonstrates the required parking spaces per

Costa Mesa Municipal Code and provides parking spaces based on the unique operational characteristics of the banquet facility. The code requires 475 parking spaces for the center; however, by limiting the number of events permitted per day and offset hours of operation for different uses, it is anticipated that in practice only 225 parking spaces are needed given the occupancy limitation. The project is proposing a valet parking plan, implementing a valet plan allows the venue to accommodate a parking capacity of 401 vehicles, ensuring that all parking for events can be accommodated on site. Valet would be highly recommended and free of charge to our clients as it prevents people gathering after events and would provide better management for circulation of the vehicles. However, valet services would not be mandatory for events as the required parking is significantly lower than the parking supply on-site.

Table 4- Shared Parking Calculation

Use	Size (RSF)	Parking Ratio	Required Parking per CMMC	Required Parking during non-event business hours (weekdays 8:00 am to 5:00 pm)	Required Parking during event business hours (weekdays 5:00 pm to 7:00 pm, Weekends 8:00 am to 7:00pm)
Social Media Studio	8,264	4 per 1,000	33	N/A	N/A
Event space* (100B)	5,925	16 per 1,000	95	N/A	95
Event Spaces* (250)	9,438	16 per 1,000	151	N/A	151
Professional Offices	8,782	4 per 1,000	35	35	N/A
Auditorium (167 seats)	7,272	1 space for each 3 fixed seats	56	56	56
Storage	8,825	4 per 1,000	35	N/A	N/A
3 rd floor offices (Not in use /shell space)	17,418	4 per 1,000	70	N/A	N/A
Courtyard	11,789	16 per 1,000	189	N/A	N/A
		Total	664	91	302

***Since there can only be one on-going use at any given time (i.e. no office operation when events are happening) the required parking has been determined by the most extensive use.**

To accommodate larger events, the project is proposing a valet parking plan which is free to attendees. The proposed valet parking plan brings a total of 401 valet spaces, resulting in a surplus of 156 spaces when valet is provided and all event spaces are in use (However, it should be note that no more than one event space at a time shall be used, therefore, the largest event space available which is 9,438 RSF required 116.3 parking spaces leaving us a with a parking space surplus of 285 spaces). By ignoring painted stall lines and parking cars close together the valet company expects to be able to park approximately 1.3 times as many cars in parking stalls. Additional parking is provided by parking in the non-fire lanes drive isles. This is accomplished by ensuring the vehicles parked in the stalls are backed in as far as possible, then parking in the aisle in front of them. When valet service is being utilized, patrons would drop their cars off at a valet stand, which would be located on the west side of the property, and the cars would be parked according to the proposed valet parking plan. As proposed in the valet plan, staffing will consist of 2-10 valet attendants depending on the size of the event. The Valet team will include both Greeters and Runners. The valet parking plan shows a one-way direction with parallel parking spaces along the non-fire lanes drive aisles. The existing parking lot and space parking currently complies with the CMMC.

Table 5- Parking Spaces Available and Proposed

Required Spaces for Center with maximum two events per day	Number of available spaces on site	Surplus parking (weekdays 8:00 am to 10:00 pm without valet)	Number of proposed spaces with valet	Surplus parking with valet (weekdays 8:00 am to 10:00 PM, Weekends 8:00 am to 10:00 pm)	Required parking needed in practice (limited occupancy of 225)	Surplus of parking spaces in practice with valet
664	241	+150	401	+99	225	+176

Access and

Traffic:

The primary site access is via Bear Street at the western site boundary. There are two utility easement gates on the east side of the site which remain closed during the operations of the center. All circulations and access will be through the primary access point via Bear Street. A secondary fire truck access is provided through Olympic Ave on the east side of the property. All drive aisles width exceeds 25 ft. except two drive aisles on the south of the site. These drive aisles are legal non-conforming and will be used for small cars only.

Noise:

The banquet facility will include a grand courtyard which will be utilized for outdoor events. The grant courtyard is approximately 148 ft. away from adjacent residential properties east and 120 ft away from adjacent residential properties to the south. To ensure that noise created by the banquet facility has minimal impact to the adjacent area, amplified music and outdoor speakers will not be allowed for outdoor events and all doors will remain closed during events. All outdoor events and activities will end by 9:00 p.m. Additional noise attenuation is provided by the six-foot tall masonry wall and tall landscaping. The valet stand would be located on the west side of the property as shown

on the valet plan which has minimal impact on the adjacent residential properties due to its distance. Hybrid and electric vehicles will be parked at the eastern and southern site boundary lines to minimize vehicle noise. Valet services would be highly recommended to our clients as they prevent people gathering after events and would provide better circulation of the vehicles.

Fire Truck

Access: The width of the on-site drive aisles varies from 22 ft. to 30 ft. CMMC requires that fire access roads provide a minimum road width of 20 ft. The valet plan does not propose to park vehicles in any fire lanes. Please refer to the valet plan for on-site circulations. Fire truck access has been provided through the main entrance on Bear Street, as well as the emergency fire access to Olympic Avenue on the east side of the property.

Security: Security cameras will be installed in the building and throughout the site and will record the building on a regular basis.

Community

Outreach: On Saturday, September 10, 2022, The Khoshbin Company hosted an open house community meeting to introduce the proposed project to the community. Flyers were mailed to owners and occupants within 500 ft of the project site. The meeting hosted over 30 attendees from the community.

The concept of the banquet facility was introduced to the attendees in an open discussion forum. The Khoshbin Company's team answered questions from the community and discussed the proposal of an event hall. Questions from the community included questions related to general operations, privacy of the adjacent residential use to the east, and traffic. We strongly believe that the community is in support of our proposal based on the positive feedback that we received during our meeting.

Conditional use permit and minor conditional use permit findings:

- a. The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area.

The historical use of the subject site, and the intent of the construction of the building, is to accommodate office uses, assembly uses, and TV broadcasting. The proposed project would provide similar uses in that it would allow banquet facilities and offices uses. The proposed use would continue to be compatible and harmonious with uses in the same general area and would not be materially detrimental to other properties within the area as the surrounding area contains a variety of residential, commercial, and open-space uses. Office spaces would not be operational during the events, ensuring potential impacts would be avoided. With the offset hours of operation the proposed use would not

generate adverse noise, traffic, or parking impacts that are unusual for AP zone and other surrounding uses. Potential noise impacts are further mitigated by the outdoor event spaces being away from adjoining residential uses, and amplified music and outdoor speakers would not be allowed for outdoor events.

- b. Granting the conditional use permit or minor conditional use permit will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.

The proposed project will not be materially detrimental to property within the immediate neighborhood in that the proposed use has similar operations as the historical use of the site. It would not generate adverse noise, traffic, or parking impacts that are unusual for AP zone properties. In addition, potential noise impacts are further mitigated by the outdoor event spaces being away from adjoining residential uses, and amplified music and outdoor speakers would not be allowed for outdoor events. There is sufficient parking onsite to accommodate the proposed use based on the proposed offset hours of operations.

- c. Granting the conditional use permit or minor conditional use permit will not allow a use, density or intensity which is not in accordance with the general plan designation and any applicable specific plan for the property.

The proposed use is consistent with the General Plan land use designation and compliant with the Zoning Code in that the Administrative Professional is intended for a variety of offices, churches, and religious assemblies. This proposed project would be consistent with the historical use of the site; however, an event center/banquet facility is not a specified use in the City's Zoning Code Land Use Matrix and, therefore, requires a Conditional Use Permit in the AP zone. The proposed project is consistent with General Plan Land Use Policies LU-1.1 and LU-6.1 in that the proposed project encourages a mix of land uses, provides commercial goods and services, and employment opportunities in consideration of the needs of the business and residential segments of the community. Therefore, the proposed use is consistent with the General Plan. In addition, the proposed development intensity is consistent with the General Plan because no additional square footage is proposed.

Should you have any questions regarding this Application, please feel free to contact me at (858) 705-8184 or Ali@Khoshbin.com,

Sincerely,



Alireza Mirzaei

