

**Hilco Development Services**

1707 E 28th Street, Suite B
Signal Hill, CA, 90775
CA License # 1070024

Letter of Intent

200 East Baker Street
Costa Mesa CA, 92626
APN 427-011-06

To the City of Costa Mesa;

200 E Baker is an existing two-story 39,457.4 square foot office building in Costa Mesa sitting on a 93,441 square foot lot adjacent to John Wayne Airport. The property is currently occupied by a single user, Donahue Schriber, who was recently acquired by Washington Realty. As a result of the acquisition the owner is looking to dispose of this building but maintain a lease of 10,000 square feet for 12-24 months after sale.

The proposed project would be to purchase the building, complete a CUP and Minor CUP with the city of Costa Mesa to remap the parcel for office condos and a small cafe or restaurant. The office condo units will house 11 new office owners, ranging from 1,900 -10,000 SF. Each unit would be built out based on a preset list of finishes by our internal construction team and sold.

Hilco intends to retain ownership of the cafe unit as the owner, and will lease the space to an operator tenant who will run the cafe. Hilco will be the manager for the café tenant. To launch the project, Hilco will be the decision maker for the first tenant to occupy the space, however for future tenants, Hilco will work with the condo association to achieve a majority vote for future changes to the café tenant. The proposed cafe will be an amenity for the building's office tenants for catering, a wine of the month program, office gatherings, ect.

Please find with this letter of intent a CUP/Minor CUP package for your review. Please don't hesitate to contact us with any questions or concerns. We look forward to working with you through this project.

Tim Cottage
Project Manager
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Cell: 562-760-0433

200 BAKER – COMMERCIAL OFFICE TENANT IMPROVEMENT & RESTAURANT

SUBJECT: FINDINGS IN SECTION 13-29(G)(10). EXISTING NON-CONFORMING PARKING

Revision Number: --

Permit Number: --

Notes By: Cory Walker, Architect (WALKS Studio)

Date: September 6, 2023

Project:

200 BAKER – COMMERCIAL OFFICE TENANT IMPROVEMENT & RESTAURANT

200 E. BAKER ST

COSTA MESA, CA 92626

AREA OF RENOVATION: 39,457.4 SF

FINDINGS IN SECTION 13-29(G)(10). EXISTING NON-CONFORMING PARKING

For a proposed common interest development conversion project that does not conform to the zoning code requirements, the project due to its proportions and scale, design elements, and relationship to the surrounding neighborhood, is of continued value to the community and it contributes to defining and improving the community as a whole. Deviations from zoning code requirements are acceptable because it would be impracticable or physically impossible without compromising the integrity of the overall project to implement features that could result in conformance with current code requirements.

The Existing Conditions:

The existing building has been successfully operating as an office building since its conception in 1965 and is still an active and functional office space with its current existing non-conforming parking conditions. The project's original existing non-conforming parking lot has served many different types of office tenants (real estate firm, architecture firm, ect.), and will continue to serve the same type of companies as the building transitions from a traditional "Office Lease Model" to a "For-Sale Condominium Office Model."

The existing parking spaces are existing non-conforming, due to the small stall length of 15 ft long x 10 ft wide, compared to the code requirement of 16ft long x 8 ft wide. Please note, the existing non-conforming spaces are 2 ft wider than the code requirement, and were previously approved by the city to accommodate the shorter parking stall lengths. The lot is also non-conforming due to the provided 37.7% small car parking spaces, compared to the code required 10% max (per 13-94 :Small car parking).

The Proposed Project

The proposed project does not add any new area to the building, rather it reconfigures the existing space to create 11 office spaces and 1 restaurant. The proposed project does create a slight increase in parking demand through the conversion of 1,662 sf of office space to Café / Restaurant space at the front of the building. The strategy to introduce this restaurant amenity to the front of the building is a response to create market demand in a challenging commercial office market, since there isn't a walk-

able café option close by in the industrial zoned office park. The current non-conforming lot does accommodate the number of parking stalls for the restaurant and office spaces.

Challenge

The way the existing building is sited on the lot, and the way the current drive aisles are situated, create a challenge to provide small stalls sized for current codes and the 10% small stall percentage. It would be financially cost prohibitive for the owners to provide a fully conforming parking lot because it would require a major re-work of the parking drive aisles, resulting in the need for a parking structure to be built at the rear of the lot. The owner's budget is required to be used on the improvement of the building's street facing façade, the landscape and entry experience, the restaurant amenity, and the improved internal circulation corridor. Repositioning the owner's budget to a parking structure would dilute the overall project and compromise the overall look of the building and integrity of the project.

Approval

This project is seeking approval to approve the use of the existing non-conforming small car parking spaces size (15 ft long) and a small car percentage (37.7%) to allow for the project to proceed with the restaurant amenity and for-sale condo office remodel

Cory Walker , Architect (license # CA-37193)

President

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200 BAKER

Permanent Care & Maintenance

Open Spaces, Parking Areas and Common Facilities pursuant to State law:

The building and site will be maintained and managed by a maintenance team procured under the 200 Baker office condo association. This team will be responsible for the following. The general site maintenance, general landscape watering and maintenance, and trash & debris cleaning will be managed by building maintenance staff, procured by and paid for by the condo association. This maintenance team shall perform routine inspections, cleanings, and repairs to the building on a regular weekly basis including but not limited to:

Open Space Areas (Exterior):

1. Sweeping and cleaning of hardscape, and any leaves that have fallen on ground
2. Empty site trash cans on regular basis, cleaning any gunk around area
3. Replace light bulbs necessary, notify the association of any
4. Overall care, watering and maintenance of landscape and trees
5. Tow unauthorized vehicles in parking spaces
6. Refinish exterior wood products two (2) times per year with stain and sealer to match architect's design intent
7. Coordinate glass cleaning every 6 months.

Parking Areas:

8. Tow unauthorized vehicles in parking spaces, or accessible parking stalls
9. Notify association of unauthorized vehicles
10. Coordinate bulky item pickup
11. Coordinate Uber Eats or equivalent type of delivery food pickup. Make sure this operation is not creating any traffic block
12. Keeping bicycle parking clean and removing any abandoned bikes



Common Facilities

13. Cleaning of furniture, rugs, tables, etc.
14. Watering of interior plants, pulling dead leaves
15. Cleaning or painting scuff marks on walls
16. Ordering and keeping stock of restroom paper products, soaps and air freshener
17. Bi-Monthly check of CO and smoke alarms
18. Regular cleaning of common area restroom facilities, taking out trash
19. Coordinating locks and keys
20. Making sure package delivery is happening in the mail room. Keeping the mail room clean and tidy. Notify occupants of mail that needs to be picked up. The renovated building has been designed to accommodate a maintenance room at the north-east corner of the building. This space shall store maintenance equipment, paints, stains, sealers and cleaners necessary for the full maintenance and operation of the building.



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Existing Tenants at 200 Baker

200 East Baker Street
Costa Mesa CA, 92626
APN 427-011-06

To the City of Costa Mesa;
RE: The existing tenants at 200 E Baker

200 E Baker is currently occupied by a single user, Donahue Schriber, who was recently acquired by Washington Realty. The current tenants will maintain a lease of 10,000 square feet of the bottom floor for 12-24 months beginning at the close of escrow. Escrow closed in March of 2023.

The existing tenants are currently constructing their own office building at another location and we are working with them in the interim to provide their needed spaces, accommodations, and the timeline required for them to have a smooth transition to their next office. If the tenants wish to break the lease sooner for the sake of moving into the office, they are within their rights to do so. If they wish to remain in the building, they will have the opportunity to purchase one of the available spaces after their lease has run out. The existing tenants will not be evicted for the purpose of this conversion.

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