

EXHIBIT "B"



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4th & 5th Delray

60 SE 5th Avenue/53 SE 4th Avenue

Site Plan Modification Class III Narrative

Delray Beach 4th & 5th Avenue LLC ("Owner") is the owner of the +/- 1.56 acre property, whose Parcel Control Number is 12-43-46-N9-001-0000 generally located between SE 5th Avenue and SE 4th Avenue approximately 156 feet south of Atlantic Avenue ("Property") within the City of Delray Beach, Palm Beach County, Florida ("City"). The Property is designated as Commercial Core ("CC") on the City's Future Land Use Map and is zoned Central Business District ("CBD"). The Property obtained a Class V Site Plan ("Site Plan") conditional approval along with the Landscape Plans and Architectural Elevations by the Site Plan Review and Appearance Board ("SPRAB") at its meeting of January 20, 2016 (see SPRAB Order attached hereto as Exhibit "A-1"). The Site Plan was certified and signed on July 19, 2016 by the Director of Planning and Zoning pursuant to letter attached hereto as Exhibit "B-1". Whereas, a mixed-use +/- 227,500 SF project was approved inclusive of retail, office, theater use and supporting parking garage ("Project").

More specifically, as per the approved Site Plan, the Project is under construction and is comprised of two (2) buildings that are being erected simultaneously, with a minimum gap (only for structural purposes) that won't be visible, therefore the development will appear to be one cohesive structure. The structure on the east side of the project, fronting SE 5th Avenue, is a three-story building with approximately 92,186 SF that has a dynamic street-level +/- 44,979 SF cinema/entertainment space for iPic Entertainment ("Theater") with a mezzanine level that will house the digital projection systems as well as the restrooms, +/- 42,446 SF of Class A office space ("Office") located on the two levels above the Theater and a beautiful +/- 4,761 SF public terrace garden area ("Public Terrace") located on the north side of the second-level office space. The west side of the Project is comprised of a six-level, 315 space parking garage ("Parking Garage") with +/- 7,487 SF of ground level retail ("Retail"). The architectural design embraces a contemporary modern aesthetic which contrasts yet complements its surroundings. Prior to the approval of the Site Plan the City Commission approved the conditional use for the Theater use subject to a few conditions, with one being that Owner/Developer must provide public access to the third-floor terrace ("Public Terrace").

iPic-Gold Class Entertainment, LLC ("Petitioner") has two (2) separate leases with the Owner. One for a Theater and one for its corporate office headquarters. The one related to this petition is for the +/- 44,979 SF of street-level cinema/entertainment and mezzanine-level space for the operation of one of their iPic Theaters. One of the provisions of this lease states that provided and so long as the Tenant is open and operating its business in the Premises, the Landlord/Owner grants the Tenant/Petitioner the license, during the term of the lease, to use the Public Terrace area for food and beverage service functions in connection with Theater rental and the Permitted Use. Additionally, it states that the Tenant's business operations in or about the Public Terrace shall be conducted in compliance with all applicable Legal Requirements, including without limitation, the provisions of Article VI. of the Parking Facilities Easement Agreement and Project Covenant ("Parking Facilities Agreement") attached hereto as Exhibit "C-1". The Parking Facilities Agreement specifies that the Public Terrace will be open for the general public to use; the hours of operation may be limited to normal business hours (Monday through Friday, 9:00am to 5:00pm); Developer and Developer's

customers, guests, tenants and invitees may use the Public Terrace at the same time as the general public; and Developer can use this area for events related to the Theater use.

Site Plan Modification

Petitioner intends to convert the Public Terrace to a restaurant/bar to use as an extension of the Theater. In order to do so, Petitioner is requesting a Class III Site Plan amendment since this modification will represent a change in the intensity of use. No other document/development approval will have to be modified as a result of this conversion of space because the Public Terrace will remain open to the public Monday through Friday from 9:00am to 5:00pm pursuant to the Parking Facilities Agreement.

The Land Development Regulations (“LDRs”) in effect at the time when the development applications for the Project were submitted were the 2009 LDRs.

The major change in the Site Plan has occurred on the third level of the Theater/Office Building (second level of Office) where not only the Public Terrace is shown as the proposed restaurant/bar, but also the Petitioner’s corporate offices, located on this same level, have suffered a modification on their leasable area based on amendments in the lease between Petitioner and Owner. Furthermore, the Petitioner previously intended to dedicate a space of their office for a corporate kitchen, but with the restaurant/bar addition on this level, he has decided to allocate this space as the kitchen/back of house area for the restaurant/bar. All these alterations have caused a considerable shift in the use areas in this level. Areas which are described in detail below.

We also reviewed and compared the approved Site Plan and the corresponding architectural floor plan for each level with the latest building permit set of drawings as there have been some minor revisions in the building permit set that have modified the use areas listed on the site data table of the approved Site Plan. In order to make the revised site plan documents consistent with the building record set of drawings (which are very close to as-builts plans) we have revised the areas accordingly on the revised site plan data sheet and respective revised floor plans. Below is a comparison of the use areas and the reasoning behind any alteration.

- Garage Building Level 1 and Theater/Office Building Level 1 (Ground Level)
 - Approved Site Plan Areas (Jul 19, 2016)
 - Retail Use Area = 7,487 SF
 - Parking Garage including valet pick-up/drop-off area = 18,185 SF
 - Theater Use Area = 33,980 SF
 - TOTAL GROUND FLOOR AREA = 59,652 SF
 - Proposed Site Plan Areas
 - Retail Use Area = 7,487 SF
 - Parking Garage including valet pick-up/drop-off area = 17,626 SF
 - Theater Use Area = 33,846 SF
 - TOTAL GROUND FLOOR AREA = 58,959 SF

The minor changes in the Parking Garage and Theater use areas in this level occurred because the elevator shaft and stair layouts were modified slightly, thus changing the areas contiguous to these elements.

- Garage Building Level 2 and Theater/Office Building between Level 1 and Level 2 (Mezzanine Level)
 - Approved Site Plan Areas (Jul 19, 2016)
 - Parking Garage Area = 18,276 SF (This parking garage area and the corresponding areas from the other levels above are not utilized/required for any calculations, therefore this use area will not be included in the remaining levels)
 - Mezzanine Area = 10,970 SF
 - TOTAL FLOOR AREA = 29,246 SF
 - *Proposed Site Plan Areas*
 - *Parking Garage Area = 18,697 SF*
 - *Mezzanine Area = 11,028 SF*
 - *TOTAL FLOOR AREA = 29,725 SF*

Again, the minor changes in the Parking Garage and mezzanine areas in this level occurred because the elevator shaft and stair layouts were adjusted, subsequently modifying the areas next to these components.

- Garage Building Level 3 and Theater/Office Building Level 2 – (First Level of Office)
 - Approved Site Plan Areas (Jul 19, 2016)
 - Office Net/Leasable Area = 19,415 SF
 - Office Common/Utility Area = 5,155 SF
 - OFFICE TOTAL GROSS AREA = 24,570 SF
 - *Proposed Site Plan Areas*
 - *Office Net/Leasable Area = 19,415 SF*
 - *Office Common/Utility Area = 5,705 SF*
 - *OFFICE TOTAL GROSS AREA = 25,120 SF*

Yet again, the minor changes in the office common/utility areas in this level are due to the slight modification in the elevator shaft and stair layouts, consequently changing the areas adjacent to these features.

- Garage Building Level 4 and Theater/Office Building Level 3 – (Second Level Office)
 - Approved Site Plan Areas (Jul 19, 2016)
 - Office Net/Leasable Area = 12,810 SF
 - Office Common/Utility Area = 5,066 SF
 - OFFICE TOTAL GROSS AREA = 17,876 SF
 - *Proposed Site Plan Areas*
 - *Office Net/Leasable Area = 15,800 SF*
 - *Office Common/Utility Area = 825 SF*
 - *Proposed Restaurant/Bar (including iPic's corporate kitchen) = 6,000 SF*
 - *TOTAL GROSS AREA OFFICE & RESTAURANT/BAR = 22,625 SF*

As previously mentioned these changes are due to the modification in leasable square footage of office space, the swap of the corporate kitchen from the previous office space to the new restaurant/bar component and the addition of the restaurant/bar square footage,

which was previously the Public Terrace area that was not accounted for in the site data or parking requirements.

The total areas are as follows:

USE	Total Floor Areas per Approved Site Plan Certified 07/19/16		Total Floor Areas per Revised Site Plan 09/26/18	
	GROSS (SF)	NET/LEASABLE (SF)	GROSS (SF)	NET/LEASABLE (SF)
Retail	7,487.00	-	7,487.00	-
Garage(Ground Level)	18,185.00	-	17,626.00	-
Theater w/ Mezz	44,979.00	-	44,874.00	-
Office	42,446.00	32,225.00	41,745.00	35,215.00
Rest/Bar	0.00	-	6,000.00	-
Totals	113,097.00	-	117,732.00	-

Parking Requirements

For the approved Site Plan (Jul 19, 2016), the minimum number of off-street parking spaces required was originally calculated based on the parking rates from the City's LDRs of 2009, as shown below:

PARKING REQUIRED					
Use	GFA	Parking Intensity	Units	Parking Required	
Retail	7,487	7,487	SF	1 Space/300 SF	25.0
Office	42,446	32,225	SF	1 Space/300 SF	107.4
Theater	44,979	44,979	SF	1 Space/300 SF	149.9
Public Parking	-	-	-	90 Spaces	90.0
Total					372.3

2016 L.D.R. Section 4.4.13 (G) (1) (a)
2016 L.D.R. Section 4.4.13 (G) (1) (i) (1)
2016 L.D.R. Section 4.4.13 (G) (1) (a)

Pursuant to LDR Section 4.6.9(C)(8)(a) – Shared Parking we have the following:

SHARED PARKING CALCULATIONS L.D.R. Section 4.6.9 (C) (8) (a)													
Use	Req.	Weekday						Weekend					
		Night Midnight to 6 AM		Day 9 AM to 4 PM		Evening 6 PM to Midnight		Day 9 AM to 4 PM		Evening 6 PM to Midnight			
Office	107.4	5%	5.4	100%	107.4	10%	10.7	10%	10.7	5%	5.4		
Commercial/Retail	25.0	5%	1.2	70%	17.5	90%	22.5	100%	25.0	70%	17.5		
Entertainment (Theaters)	149.9	10%	15.0	40%	60.0	100%	149.9	80%	119.9	100%	149.9		
Sub Total		21.6	22	184.9	185	183.1	183	155.6	156	172.8	173		
+ RFP Required Public Parking			50		50		50		50		50		
+ Additional Public Parking			40		40		40		40		40		
Total			112		275		273		246		263		

Thus:

Total Parking Required = 185 Spaces + 50 RFP Required Public Parking Spaces + 40 Additional Public Parking Spaces = 275

Total Parking Provided in Parking Garage = 315

Thus, the development complies with the parking requirements as it requires 275 spaces and provides a total of 315 spaces within the Parking Garage, for a 40-space parking surplus.

For the conversion of the Public Terrace into a restaurant/bar the parking requirements have been recalculated. As previously agreed upon, the parking rates to be used for the calculation of the required off-street parking for the existing approved uses (retail, office and movie theater) would be pursuant to the LDRs from 2009, just like in the approved Site Plan. The required off-street parking ratio applied for the new added use (restaurant/bar) is as per the newly adopted LDRs. As such, we have the following:

PARKING REQUIRED					
Use	GFA	Parking Intensity	Units	Parking Required	
Retail	7,487	7,487	SF	1 Space/300 SF	25.0
Office	41,745	35,215	SF	1 Space/300 SF	117.4
Theater	44,874	44,874	SF	1 Space/300 SF	149.6
Restaurant/Bar	6,000	6,000	SF	1 Space/166.67 SF	36.0
Public Parking	-	-	-	90 Spaces	90.0
Total					417.9

2009 L.D.R. Section 4.4.13 (G) (1) (a)
2009 L.D.R. Section 4.4.13 (G) (1) (i) (1)
2009 L.D.R. Section 4.4.13 (G) (1) (a)
2018 L.D.R. Table 4.4.13 (L) (6 spaces per 1,000 SF Gross Area)

Pursuant to LDR Section 4.6.9(C)(8)(a) – Shared Parking we have the following:

SHARED PARKING CALCULATIONS L.D.R. Section 4.6.9 (C) (8) (a)													
Use	Req.	Weekday								Weekend			
		Night		Day		Evening		Day		Evening			
		Midnight to 6 AM		9 AM to 4 PM		6 PM to Midnight		9 AM to 4 PM		6 PM to Midnight			
Office	117.4	5%	5.9	100%	117.4	10%	11.7	10%	11.7	5%	5.9		
Commercial/Retail	25.0	5%	1.2	70%	17.5	90%	22.5	100%	25.0	70%	17.5		
Entertainment (Theaters)	149.6	10%	15.0	40%	59.8	100%	149.6	80%	119.7	100%	149.6		
Restaurant/Bar	36.0	10%	3.6	50%	18.0	100%	36.0	50%	18.0	100%	36.0		
Sub Total			25.7	26	212.7	213	219.8	220	174.4	174	208.9	209	
+ RFP Required Public Parking				50		50			50		50		
+ Additional Public Parking				40		40			40		40		
Total				116		303		310		264		299	

Thus:

Total Parking Required = 220 Spaces + 50 RFP Required Public Parking Spaces + 40 Additional Public Parking Spaces = 310

Total Parking Provided in Parking Garage = 326*

* Please note that this number is the actual number of parking spaces being built in the Parking Garage. This information has been confirmed by Mike Fitzpatrick with Samuels & Associates on August 27, 2018.

Based on the above, the development still complies with the parking requirements as it requires 310 spaces for the proposed addition use square footage along with the other existing uses and provides 326 parking spaces in the Parking Garage, for a 16-space parking surplus.

These parking calculations have been explained in detail in the attached Shared Parking Analysis provided by Shaun MacKenzie (attached hereto as Exhibit "D-1").