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STATE OF CALIFORNIA - THE RESOURCES AGENCY PETE WILSON, *Governor*

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, 10th Floor
Long Beach, CA 90802-4302
(562) 590-5071

Filed: January 8, 1998
49th Day: February 26, 1998
180th Day: July 7, 1998
Staff: John T. Auyong
Staff Report: January 15, 1998
Hearing Date: **February 3-6, 1998**
Commission Action:

STAFF REPORT: REGULAR CALENDAR

RECORD PACKET COPY

APPLICATION NO.: 5-97-398

APPLICANT: TLA Incorporated

PROJECT LOCATION: 3100 West Coast Highway, City of Newport Beach, County of Orange

PROJECT DESCRIPTION: Demolition of an automobile showroom and related facilities and construction of a 1,553 square foot, 32 foot high, drive-through-only restaurant (two-stories consisting primarily of a single-level elevated one story above ground) with a 300 square foot storage building and nine parking spaces located at the rear of the property, 1,612 cubic yards of grading, and paving of Avon Street.

Lot area:	21,772 square feet
Building coverage:	417 square feet
Pavement coverage:	12,646 square feet
Landscape coverage:	8,709 square feet
Zoning:	SP-5 (Mariners Mile Specific Plan)
Land Use Plan designation:	Retail and Service Commercial
Height above grade:	30 feet

LOCAL APPROVALS RECEIVED: City of Newport Beach Use Permit 3 612, Traffic Study No. 112, Approval-in-Concept 2169-97

SUBSTANTIVE FILE DOCUMENTS: City of Newport Beach Certified Land Use Plan; Coastal development permit 5-87-280 (Lee West); P-74-4234

SUMMARY OF STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution:

I. APPROVAL WITH CONDITIONS.

The Commission hereby grants a permit, subject to the conditions below, for the proposed development on the grounds that the development will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. STANDARD CONDITIONS.

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.

2. Expiration. If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.

4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.

5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.

6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.

7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. SPECIAL CONDITIONS

1. Future Development. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall execute and record a lease restriction, in a form and content acceptable to the Executive Director, stating that the subject permit is only for: 1) the development as described and conditioned herein - namely, a drive-through only restaurant with nine on-site parking spaces (including one handicap space); and 2) any future improvements to the building, including but not limited to revisions of on-site parking, the addition of walk-up window service, or sit-down dining area, or other change in intensity of use, will require a permit amendment from the Coastal Commission or a new permit. The document shall run with the land, binding all successors and assigns, and shall be recorded free of prior liens and encumbrances which the Executive Director determines may affect the enforceability of the restriction.

IV. FINDINGS AND DECLARATIONS

A. DETAILED PROJECT DESCRIPTION

The applicant is proposing to demolish part of an existing, abandoned, automobile dealership. The 56,915 square foot development was approved under coastal development permit 5-87-280 (Lee West). Prior to this development, a single-family residence, motel, and 1,230 square foot auto showroom existed on the site. The 1,230 square foot showroom was approved by coastal development permit P-74-4234. The dealership spans two lots. The subject site is the eastern lot only. The portion of the automobile dealership proposed to be demolished are located only on the eastern lot and consists of an automobile sales building showroom an attached service bays.

The applicant also proposes 1,612 cubic yards of grading. This amount is comprised of 712 cubic yards of cut and 900 cubic yards of fill. The 900 cubic yards of fill are comprised of the aforementioned 712 cubic yards of cut plus an additional 188 cubic yards of material imported from off-site. The grading is proposed in part for soil remediation of the site due to the previous automobile servicing operations on-site and in part to accommodate proposed on-site landscaping.

The applicant is proposing to construct a two story, 32 foot high, 1,553 square foot drive through only restaurant. The proposed restaurant would consist primarily of a single floor 1,436 square foot food preparation/office level elevated one story above ground. The first floor would be 117 square feet and contain the elevator/entrance to the primary operations on the second floor. The remainder of the first floor would be open for cars to drive under the building. (see Exhibit B)

The proposed operation would involve a single entry lane off Coast Highway. Near the entrance, customers would pick up a menu from a kiosk (or during busy periods from an employee) and drive forward towards the rear of the site to the waiting area where they would peruse the menu. The waiting area consists of two lanes. From the waiting area, customers would be called to one of three lanes where they would place their order with an employee who collects the payment. From there, the order takers would direct customers to one of three food pick-up lanes, based on the estimated time it would take to fill a customer's order. Customers would pick up their food from a Vittleveyor, which is somewhat analogous to a dumb waiter which will deliver their food from the kitchen area above the pick-up lanes. During off-peak hours, not all lanes would necessarily be open.

Since the proposed operation is drive-through only, there is no proposed seating area nor walk-up window service. The food would be prepared off-site and delivered to the site in the morning. There will be only one food delivery daily. The food would be unloaded into the proposed storage building at the rear of the property off Avon Street. It would take less than five minutes to unload the delivery truck. The delivery truck could either park on Avon Street or next to the proposed handicap space. Proposed hours of operation are from 6:00 a.m. to 11:00 p.m. A maximum of eight on-site employees is contemplated.

At the rear of the site off Avon Street, the applicant proposes a 300 square foot, 12 foot high building containing separate food storage and trash storage areas. Also proposed are eight parking spaces plus a handicap space, for a total of nine on-site parking spaces. A landscaped wall will screen the parking and storage areas from view of customers. The applicant also proposes to pave and improve Avon Street behind their property. The improved portion of Avon Street currently ends at the adjacent property to the southeast.

B. PUBLIC ACCESS

Section 30252 of the Coastal Act states, in relevant part:

> The location and amount of new development should maintain and enhance public access to the coast by . . . (4) providing adequate parking facilities . . .

The subject site is located on the inland side of Pacific Coast Highway (State Route One) in the Mariner's Mile area of the City of Newport Beach. When a development does not provide adequate on-site parking, users of that development who cannot find an on-site parking space are forced to occupy off-site public parking that could be used by visitors to the coastal zone. A lack of public parking discourages visitors from coming to the beach and other visitor-serving areas, resulting in adverse public access impacts.

Thus, all development must provide adequate on-site parking to minimize adverse impacts on public access. In the case of the particular site, the Commission was previously concerned with parking. In its approval of the existing structure, it conditioned permit 5-87-280 for the provision of 132 parking spaces to ensure that adequate parking was provided for the previous use on-site.

In past Commission actions, the Commission has routinely used specific parking standards. The proposed development involves construction of a drive-through-only restaurant with no walk-up window service nor seating area. The proposed project most closely falls under the Commission's parking standard for Drive-Up Window Service restaurants.[1] The Commission's regularly used standard for these types of restaurants is one spaces for each 50 square feet of gross floor area, but not less than 10 spaces for any such use; provided that these standards may be modified for walk-up facilities with no seating area, depending on the particulars of the individual case.

In the case of the proposed development, there would be no seating area nor walk-up window service. The only way for customers to purchase food is by driving through. Therefore, there will be no customers parking to purchase food or dine-in, and no resultant need for customer parking. A delivery parking space is not needed because there would be only one delivery per day which would occur in the morning, before the peak lunch period. The delivery truck could park adjacent to the handicap space or on Avon Street. Because unloading of the delivery truck would take less than five minutes and occur once a day, it would not significantly interfere with use of the handicap

space or with Avon Street. Avon Street dead-ends at the subject site and therefore is not heavily trafficked. Thus, the only parking needed would be for employees.

The applicant contends that the proposed operation would contain a maximum of eight employees at any one time. The number of employees is limited in part due to the physical constraints of the proposed design of the facility; e.g., number of drive-through lanes and food preparation stations. A maximum of three employees would take orders outside, one for each order lane. A maximum of one employee would occupy each of the three food preparation areas which correspond to the three pick-up lanes, for a total of 3 food preparers. Another employee would stock the stations of the food preparers and assist with other tasks. Also on-site would be a manager which would assist, if necessary, with greeting customers at the entrance with menus or stocking food stations.

The applicant is proposing eight non-handicapped spaces, and one handicapped space. Based on; 1) the eight employee maximum and 2) the fact that the proposed restaurant is drive-through only and no customer parking is needed, the proposed development would provide adequate on-site parking. Further, Condition No. 17 of the City's use permit approval requires all employees to park on-site, which also limits the number of employees.

Further, the proposed project has been designed to accommodate up to a maximum of 30 customer cars on-site in all the drive lanes. Of these, about 11 cars can be accommodated in the lanes from the entrance to the waiting area before orders are taken. The applicants traffic study assumes a maximum on-site time for customers of eight minutes. City Traffic Study No. 112's projections for customer traffic indicate that no more 16 customer cars will likely be on-site at any time. Thus, the proposed project would have adequate space on-site to accommodate the drive-through customer cars.

However, if in the future the applicant or a future owner were to allow walk-up service or dining area, then customers would need places to park. Since the proposed project is not being proposed with customer parking, walk-up or dining customers would be forced to park in public spaces on Coast Highway or in the nearby municipal lot.

Therefore, the Commission finds that a Future Development lease restriction is needed to inform the applicant and future owners that a permit amendment or new permit is needed for the addition of walk-up service or dining area, or other changes in intensity of use of the site such as a reduction in employee parking. This would allow the Commission to review the parking arrangements for addition of walk-up service or dining area for adverse impacts to public access. Thus, as conditioned, the Commission finds that the proposed project would be consistent with Section 30252 of the Coastal Act.

C. LOCAL COASTAL PROGRAM

Section 30604(a) of the Coastal Act provides that the Commission shall issue a Coastal Development Permit only if the project will not prejudice the ability

of the local government having jurisdiction to prepare a local coastal program ("LCP") which conforms with the Chapter Three policies of the Coastal Act.

The City of Newport Beach Land Use Plan (LUP) was originally certified on May 19, 1982. As conditioned, the proposed development is consistent with the public access policies regarding parking of Chapter Three of the Coastal Act. The proposed use is also consistent with the Retail and Service Commercial LUP land use designation for the site. Therefore, the Commission finds that approval of the proposed development, as conditioned, would not prejudice the City's ability to prepare a local coastal program consistent with the Chapter Three policies of the Coastal Act.

D. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 13096 of Title 14 of the California Code of Regulations requires Commission approval of Coastal Development Permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

The proposed development is located in an urban area. Development already exists on the subject site. All infrastructure necessary to serve the site exist in the area. The proposed project has been conditioned in order to be found consistent with the public access policies regarding parking of Chapter Three of the Coastal Act. Mitigation measures requiring a lease restriction to inform the applicant and future owners that changes in intensity of use of the site, such as a reduction in parking or the addition of dining or walk-up service, will minimize all significant adverse impacts.

As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed project, as conditioned, can be found consistent with the requirements of the Coastal Act to conform to CEQA.

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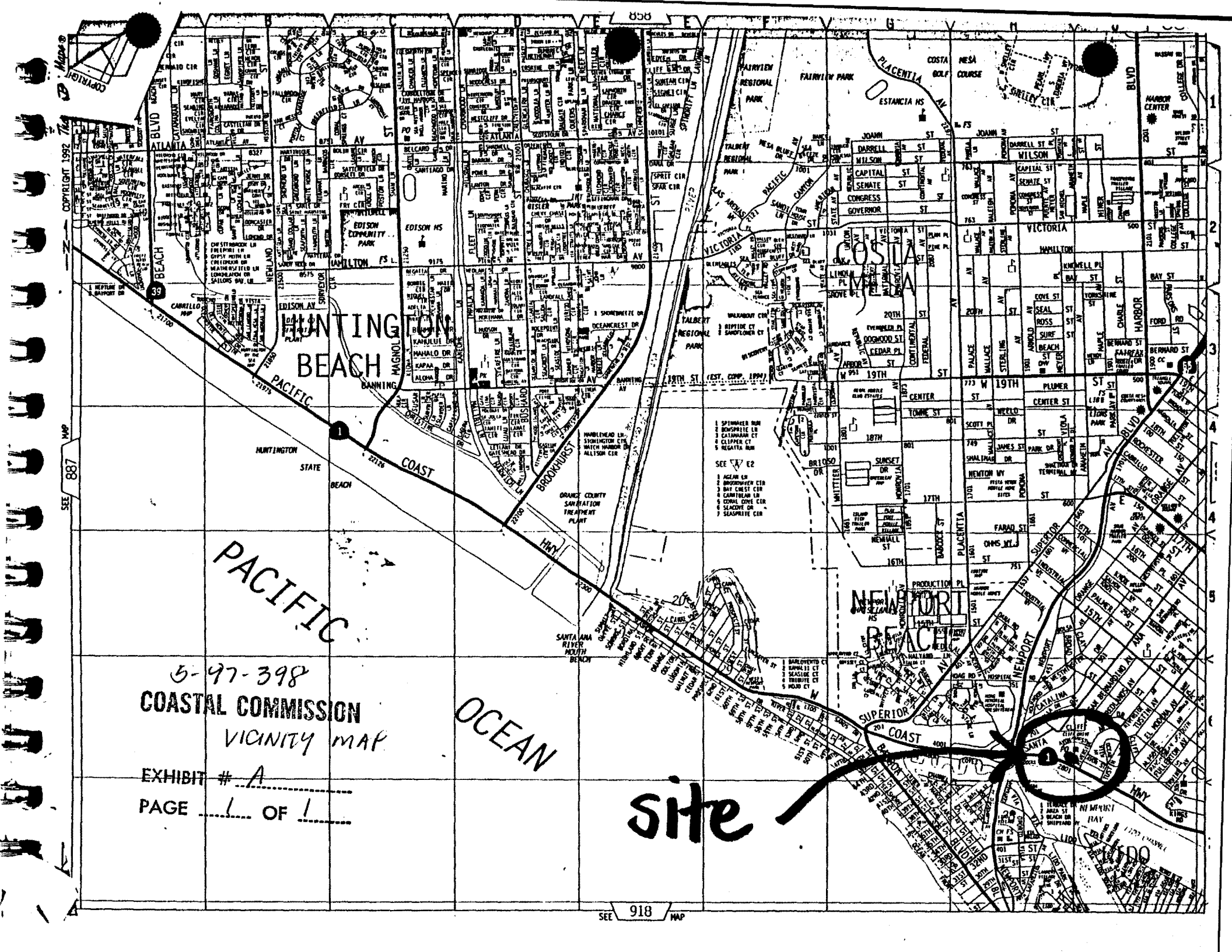
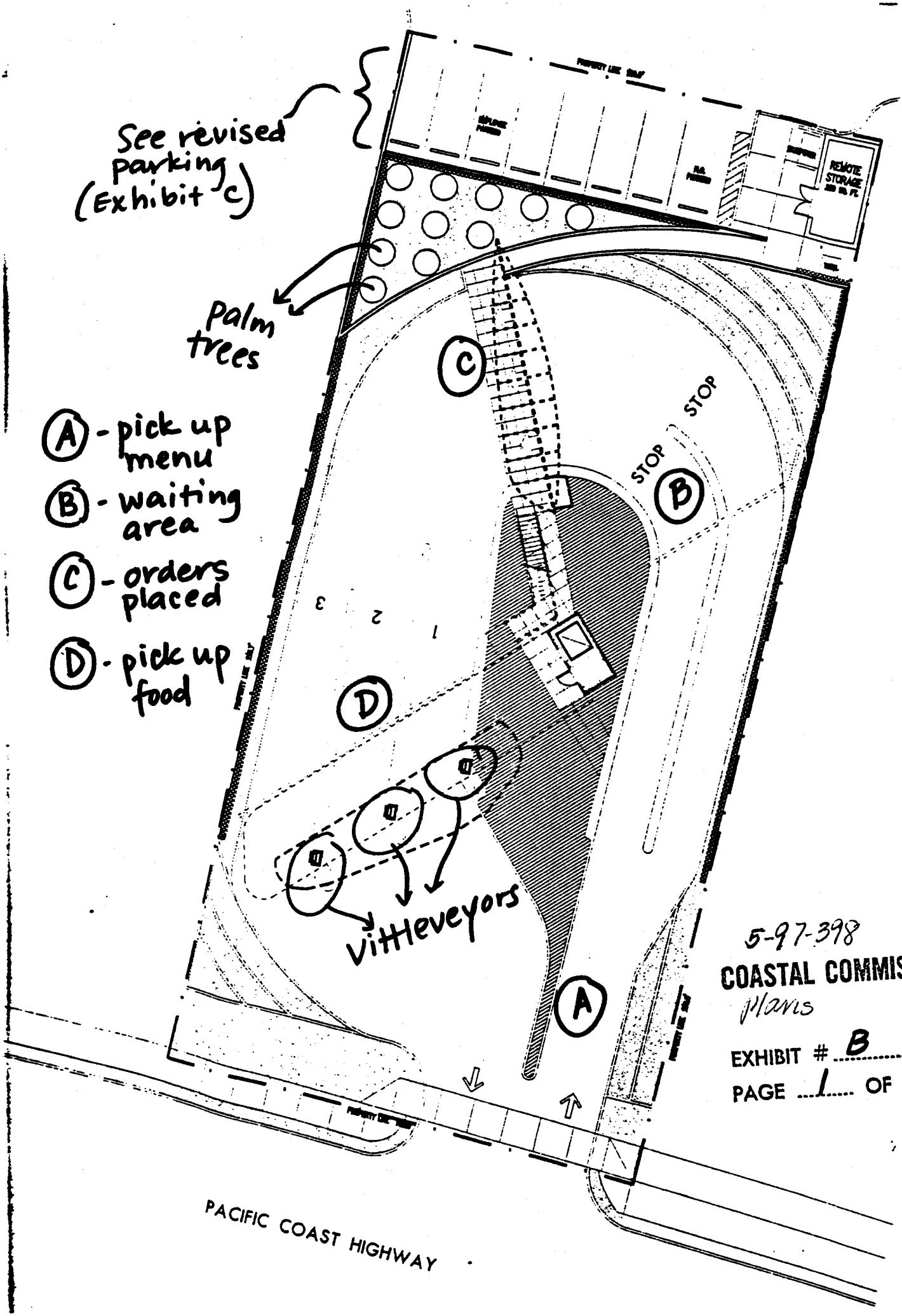
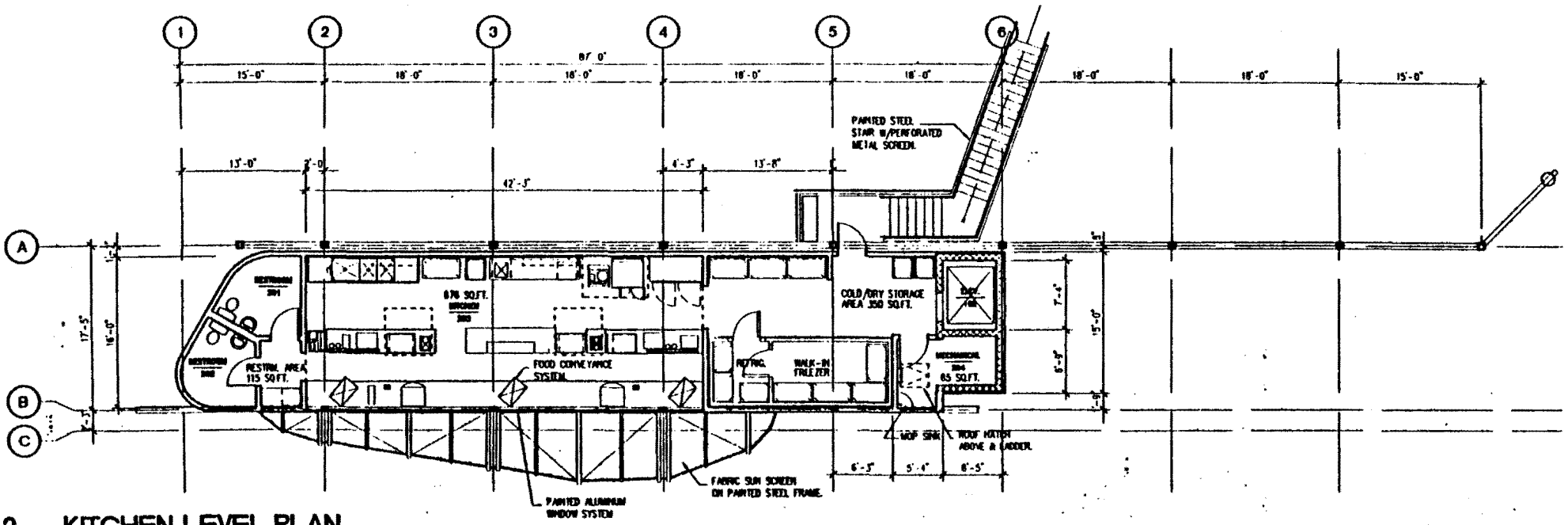

HUNTINGTON BEACH
COSTA MESA
NEWPORT BEACH
PACIFIC OCEAN
site
5-97-398
COASTAL COMMISSION
VICINITY MAP
EXHIBIT # A
PAGE 1 OF 1



5-97-398
COASTAL COMMISSION
Plans
EXHIBIT # B
PAGE 1 OF 5



2 KITCHEN LEVEL PLAN

SCALE: 1/8" = 1'-0"

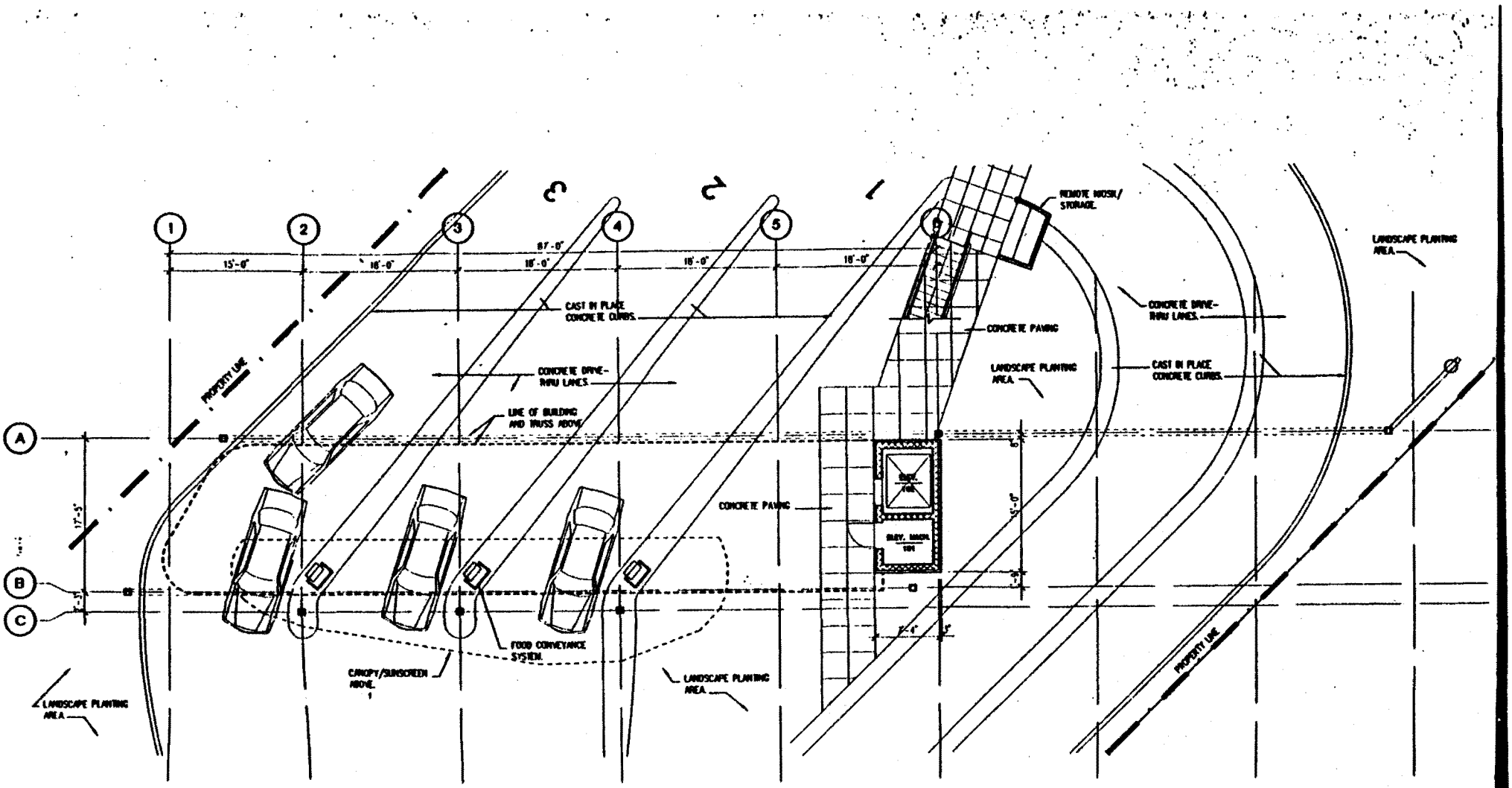
5-97-398

COASTAL COMMISSION

Plans

EXHIBIT # B

PAGE 2 OF 5



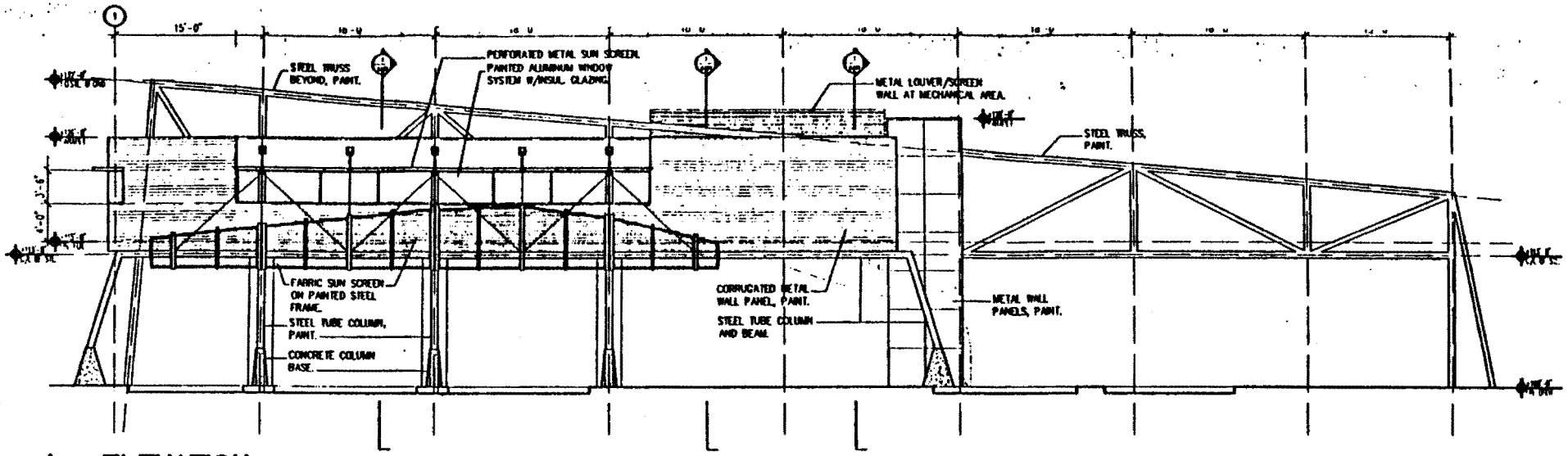
1 GROUND LEVEL PLAN

COASTAL COMMISSION 5-97-398

Plans

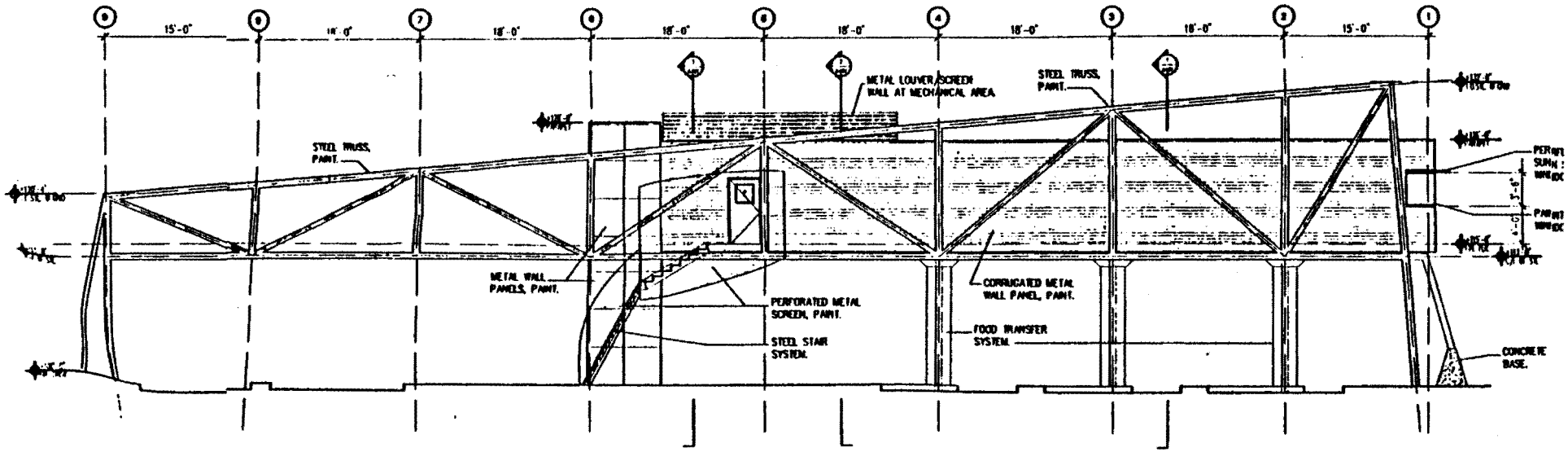
EXHIBIT # B

PAGE 3 OF 5



1 ELEVATION

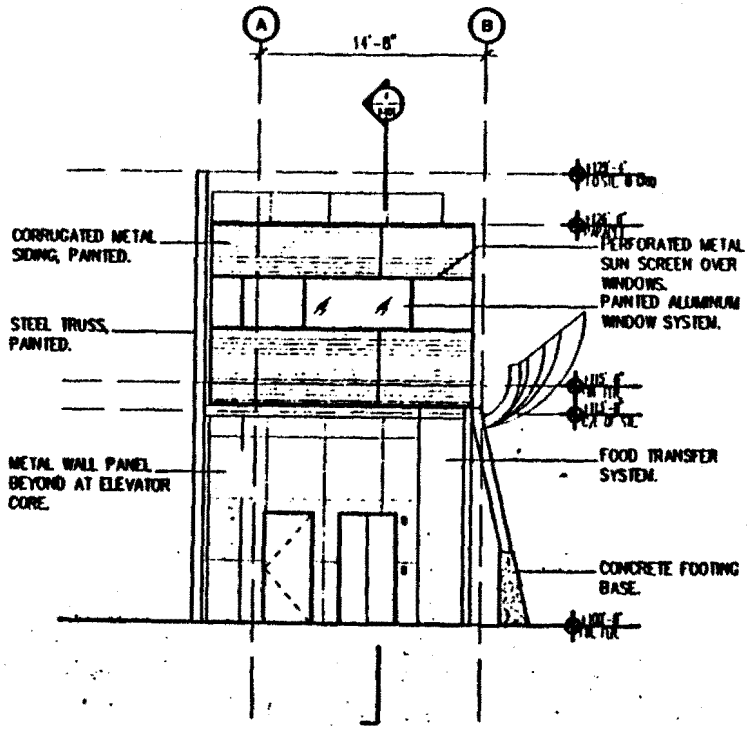
SCALE: 1/8" = 1'-0"



2 ELEVATION

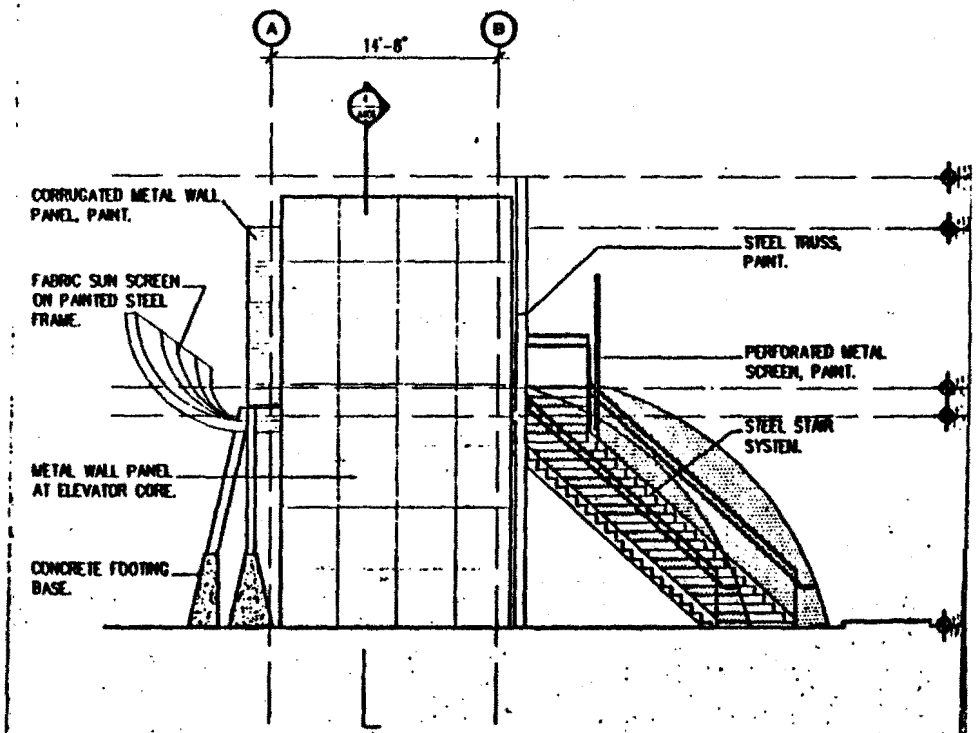
SCALE 1/8" = 1'-0"

5-97-398 Exhibit B p. 4 of 5



3 ELEVATION

SCALE: 1/8" = 1'-0"



4 ELEVATION

SCALE: 1/8" = 1'-0"

5-97-398

COASTAL COMMISSION

Plans

EXHIBIT # B

PAGE 5 OF 5

Jonathan Rodriguez-Alkatz
President & CEO

January 8, 1998
John Auyong
California Coastal Commission
200 Ocean Gate, 10th Floor
Long Beach, CA 90802-4416

re: Permit Application 5-97-398

Dear John:

Thank you for your letter of 7 January.

We have been unable to resolve whether the ADA would prohibit a non-handicapped employee from using the designated handicapped employee parking space under circumstances where we are not employing a handicapped person.

However, we have added an additional standard parking space to bring our total number of parking spaces to nine (eight standard and one handicapped). I have enclosed a copy of the revised drawings showing the additional parking space.

Please do not hesitate to contact us if you have any further questions or need additional information.

Thanks again for your attention to our application.

Very Truly Yours,

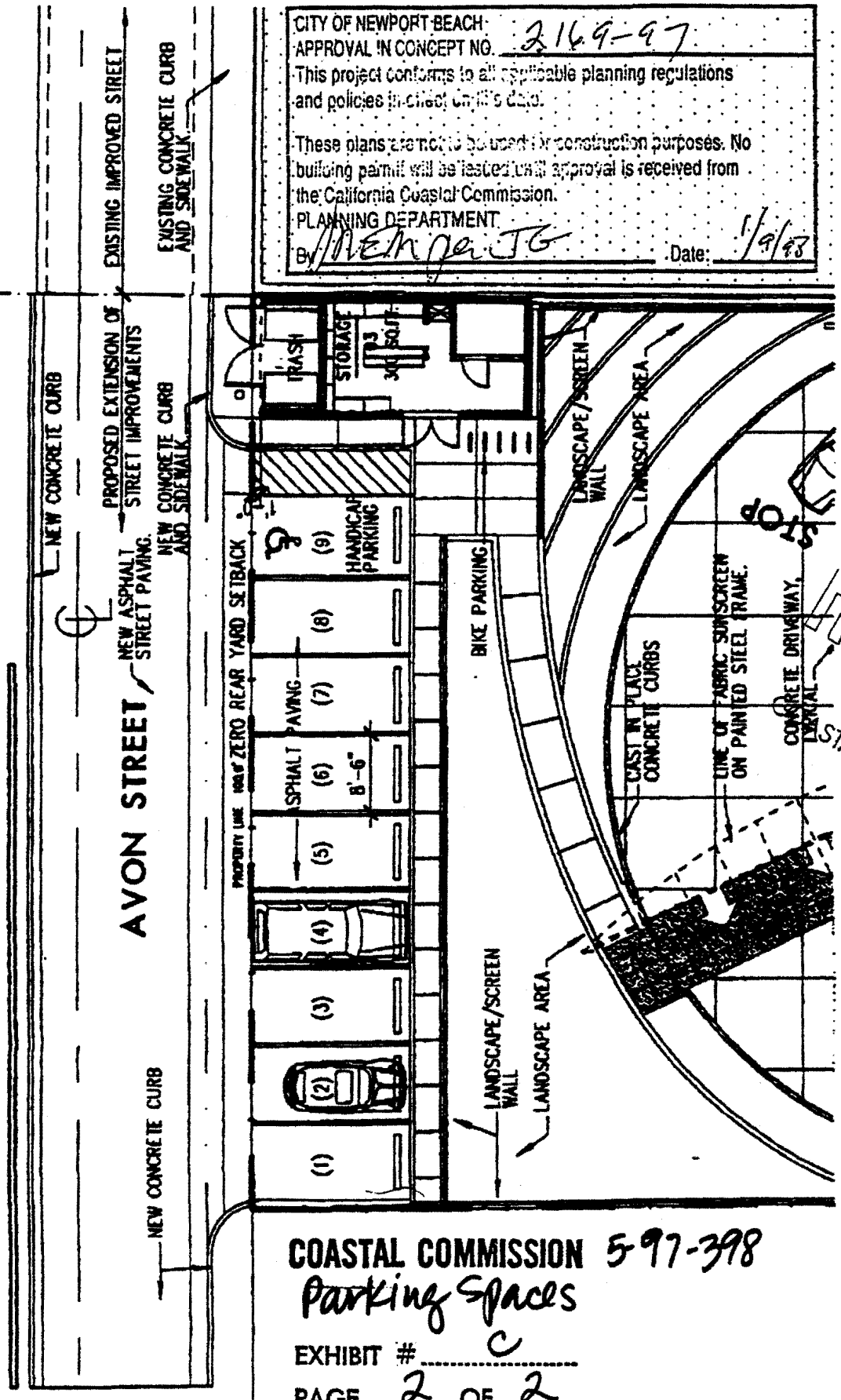
Jonathan Rodriguez-Alkatz

5-97-398
COASTAL COMMISSION
Revised Parking
EXHIBIT # C
PAGE 1 OF 2

4464 Fremont Avenue N., Suite 310 • Seattle, WA 98103
Phone (206) 545-9055 • Fax (206) 545-9044

CITY OF NEWPORT BEACH
APPROVAL IN CONCEPT NO. 2169-97
This project conforms to all applicable planning regulations and policies in effect on this date.

These plans are not to be used for construction purposes. No building permit will be issued until approval is received from the California Coastal Commission.
PLANNING DEPARTMENT
By: [signature] Date: 1/9/98



COASTAL COMMISSION 5-97-398
Parking Spaces
EXHIBIT # C
PAGE 2 OF 2

OK
J. Dixon
Traffic Engineering

BOORA ARCHITECTS

TLA INC.
NEWPORT BEACH

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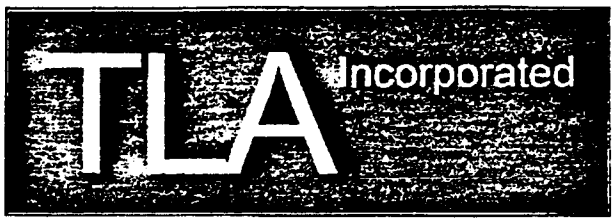
COASTAL COMMISSION

PARTIAL SITE PLAN

REVISION DRAWING NO.



Jonathan Rodriguez-Atkatz
President & CEO

5-97-398

COASTAL COMMISSION
Food Operation

EXHIBIT # D

PAGE 1 OF 2

January 6, 1998
John Auyong
California Coastal Commission
200 Ocean Gate, 10th Floor
Long Beach, CA 90802-4416

re: Application 5-97-398

Dear John:

This letter addresses your questions regarding employee parking, food preparation, and order taking at our facility which will be located at 3100 West Coast Highway, Newport Beach.

Employee Parking

Our facility provides sufficient parking for our employees. Our financial model is based on efficient labor utilization. Due to the physical reality of our design we do not materially benefit by having more than eight employees on site during any one shift. We have only three delivery stations and three order stations. Two additional staff members are more than sufficient to support the three order takers and the three people manning the delivery stations(see discussion of on-site cooking below).

As stated in our application we will not offer any sit down or walk up service.

The City of Newport Beach is comfortable with the parking available at our facility due to the nature of our drive-thru only operation and the fact that there is ample parking available at the public parking facility operated by the City at Avon and Riverside streets, less than one block from our location. We have been assured by Tony Bryant with the Newport Beach Public Works Department (tel: 714-644-3311) that there is plenty of parking available free of charge at said parking facility.

Furthermore, we are not taking any credit for the fact that many of those employed by a quick service restaurant do not own a car and use mass transit or car pool.

On-site Cooking

Our operating and financial model is based on the premise that no cooking (food fabrication) will take place on-site. The separation of food manufacturing from retailing is fundamental to our business concept. All menu items will be received from an off-site commissary facility, fully cooked and assembled. Prior to serving, the hot serve menu items will only require

4464 Fremont Avenue N., Suite 310 • Seattle, WA 98103
Phone (206) 545-9055 • Fax (206) 545-9044
e-mail yojonnyr @aol.com

seconds of heating. This approach allows us to meet our primary objectives of rapid speed of service and adherence to strict menu item consistency and quality. Our kitchen is equipped with state of the art food thermalization equipment to provide the fastest possible food heating times. A cook to order approach is not compatible with our imperative operational objectives.

In the unforeseen event that our off-site commissary operation is not viable and no other off-site alternatives existed (which is not the case), we would only cook on-site if the cooking and assembly processes were conducted during non-business hours (11pm to 6am). Our kitchen configuration and equipment profile have been designed solely to heat items in a fast paced environment that is aligned with our fundamental operating methodology. Therefore, a full meal preparation operation is incompatible with our format. Meal preparation could only be undertaken during hours when we are closed for business and guests are not being served. An on-site commissary operation during non-business hours would require no more than 6 employees.

Order Taker Position

The order taker position has been designed with great flexibility. Our remote point of sale("POS") technology frees our order takers form being fixed in one position. This capability gives us tremendous flexibility to address queuing needs as they arise during daily operations. In the event more queuing is needed prior to the ordering point, the order takers simply move closer to the delivery point. Conversely, if more delivery queuing is needed, the order takers simply move farther from the delivery point.

The order taker will accept guest orders and payment under most circumstances. If need be we can separate the ordering and payment functions by having the customer pay at the Vittleveyor delivery point. Each delivery person in the kitchen will have a dedicated POS terminal and cash drawer to perform this function.

We estimate that the ordering and payment function will take 60 seconds or less which is conservative by industry standards. It is very unlikely that our customer queue will back-up onto West Coast Highway based on: our multiple lane configuration's ability to store cars; the estimated order and payment time; and the estimated delivery time (Please refer to the study performed by LSA Associates for the City and the attached letter from Kittelson & Associates, Inc.). It should be noted that the conditions contained in our use permit require us to turn customers away prior to entering our facility if a backup occurs.

I hope this answers any questions that you may have.

Please do not hesitate to contact me if you need additional information.

Very Truly Yours,

Jonathan Rodriguez-Mikata

5-97-398
COASTAL COMMISSION
FOOD OPERATION
EXHIBIT # D
PAGE 2 OF 2

KITTELSON & ASSOCIATES, INC.
TRANSPORTATION PLANNING/TRAFFIC ENGINEERING
610 S.W. ALDER, SUITE 700 • PORTLAND, OR 97205 • (503) 228-5230 • FAX (503) 273-8169

November 19, 1997 Project #: 1916.3

Ms. Patricia Temple
Planning Director
City of Newport Beach
P.O. Box 1768
3300 Newport Boulevard
Newport Beach, CA 92658

RE: TLA Restaurant On-Site Vehicle Duration and Capacity

Dear. Ms Temple:

Based on the City of Newport Beach's concerns regarding the on-site vehicle durations and capacity of the proposed TLA restaurant located on West Coast Highway, TLA, Inc. has asked Kittelson & Associates, Inc. to provide information regarding the on-site vehicle duration (order time and service time) and capacity.

Our firm was retained originally by TLA, Inc. to develop the most optimal on-site circulation system for a new drive-through restaurant concept and determine the number of lanes and necessary storage per lane for the order and pick-up service areas. From our review of the proposed site plan, we firmly believe that the TLA restaurant can adequately handle the anticipated demands and prevent queue spillbacks on to the West Coast Highway due to the extra capacity provided within this circulation plan. Our experience with drive-through restaurants and banks, including McDonalds, Burger King, Boston Market, Wells Fargo, Starbucks, Taco Bell and Wendy's, has shown that this new state-of-the-art drive-through facility provides one of the most efficient and effective drive-through systems developed to date.

From our original work, it was determined that the proposed Newport Beach site could adequately accommodate 100 vehicles per hour (100 inbound and 100 outbound vehicle trips) assuming a maximum order time of 60 seconds and pick-up time of 50 seconds. It should be noted that these service times are conservative compared to industry standards. This analysis also accounted for the time required to travel through the drive-through system. Based on these numbers it was determined that the average time per vehicle on-site was approximately eight minutes.

Based on our review of the traffic study prepared by LSA Associates, Inc., we would concur with their findings that adequate storage is provided on-site. However, it is important to note that the 8-minute value used by LSA Associates, Inc. is based on a inbound volume of 100 vehicles per hour

5-97-398
COASTAL COMMISSION
Traffic Info
EXHIBIT # E
PAGE 1 OF 2

(see above) which is not reflective of the estimated demand of 34 vehicles during the weekday a.m. peak hour. The estimated demand (34 vehicles per hour) would result in an average on-site duration of three minutes per vehicle, substantially reducing the number of vehicles on-site during any period of time. In addition, the menu selection time is not a factor during periods of high demand because patrons use in-vehicle menus while awaiting their turn in line. It should be noted that the in-vehicle menus further enhance the efficiency of the proposed drive-through system.

I trust this letter adequately addresses the on-site duration and circulation issues raised by the city of Newport Beach regarding the proposed development. If you have any questions or comments, please do not hesitate to call me at (800) 878-5230.

Sincerely,
KITTELSON & ASSOCIATES, INC.

Marc A. Butorac
Senior Engineering Associate

cc: Jonathan Rodriguez-Atkatz, TLA, Inc.

5-97-398
COASTAL COMMISSION
Traffic Info
EXHIBIT # E
PAGE 2 OF 2

Other Features

U. L. Listed

All Vittleveyors® meet the requirements of Underwriters Laboratories providing safe operation for both customers and employees.

Increased security

Using the Vittleveyor® as a second lane of drive-thru provides a restaurant and its employees with additional security. Many restaurants will use only their second lane after normal business hours. Remote currency transactions reduce the risk of criminal acts.

Designed to fit your packaging needs

There are several models of Vittleveyors® provided. Vittleveyor® models are based on carrier sizes. For sandwiches and smaller containers, most organizations use a carrier with dimensions of 9" front to rear, 19-1/2" side to side and 13" high. Restaurants with larger containers use a carrier measuring 14" front to rear, 19-1/2" side to side and 13" high.

The VRC Vittleveyor® carrier has internal usable dimensions of 18-1/4" wide, 17-1/2" deep and 18-1/2" high.

Transports a variety of products

With the availability of different carrier sizes and the stability of the drive medium, the Vittleveyor® can transport even the most delicate food items like ice cream and salads. Drinks do not require cup holders and are transported quickly without spillage.

White Castle installs new drive-in technology

A brand-new drive-thru system, known as the Vittleveyor®, has been installed in a Cincinnati area White Castle. It represents the latest technology in the fast food industry. The Vittleveyor is a food, beverage and currency delivery system which provides restaurants with additional drive-thru lanes or drive-thru capabilities.

White Castle, based in Columbus, Ohio, recently installed its new Vittleveyor system in one of its stores in Cincinnati.

The Vittleveyor, a menu board audio system, when combined with the Autoveyor®, currency transport system, offers White Castle customers the speed and efficiency of drive-thru service. White Castle is testing the Vittleveyor system, which is the first of its kind for the company, in its Norwood, Ohio, restaurant.

Jim Mundt, Cincinnati area manager, explained the operation of the Vittleveyor system. "With this system, customers place their orders at the menu board and then pull forward to the Autoveyor. There they send their money to a cashier inside the restaurant who sends them back their change. They then move forward to the Vittleveyor where their orders are delivered in a basket that runs on an inside track."

There are many customer benefits, he added. "The time spent waiting to place and receive orders is significantly reduced through the use of multiple lanes and the speed of currency and food delivery. Also, push button controls allow the operator to adjust the delivery height for cars or trucks so that customers will not have to leave their vehicles to grasp the food."

"Odd-sized lots and smaller locations can now be used."

The system offers benefits to the company as well. Labor costs can be decreased because one individual takes orders, receives currency, administers change and delivers food for multiple lanes from within the restaurant. The system also offers reverse lane capabilities, which means that drive-thrus are not restricted to the left side of buildings. In addition, greater flexibility with site location selection and building design are possible, both of which can reduce real estate costs because odd-sized lots and smaller lot locations can now be considered for use. And in some locations, installing a Vittleveyor system is more economical than adding a kitchen to accommodate a drive-thru.

Conveyor System Designed to Speed-up Fast Food Purchases

TORONTO - The makers of a unique transport system for drive-thru operations have set out to make fast-food even faster.

The system, called Vittleveyor, has been designed to provide increased capacity to existing drive-thru window operations, as well as decrease the time it takes to service the customer.

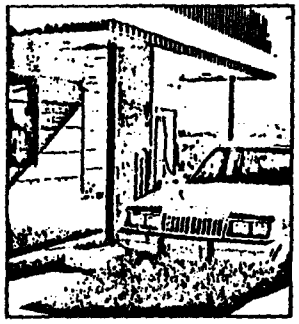
In a nutshell, it's a metal basket which runs on a conveyor belt from the restaurant kitchen or food prep area to the customer waiting outside in their car.

Customers place their order just as they would at any regular drive thru, and money is transferred via a currency compartment cup inside the machine. A food order take about 16 seconds based on a conveyor system measuring 38 feet in length.

A Harvey's franchise in St. Thomas incorporated the Vittleveyor into its original construction in 1988, making it the first to appear on Canadian soil.

"Its effect on servicing the customer is really no different than a regular drive-thru; this acts as a novelty to the consumer."

"It is very, very useful when customer volumes are high," says operating manager Charlene DaSilva. "But its effect on servicing the customer is really no different than a regular drive-thru, although this acts as somewhat of a novelty to the consumer."



Other operations to use the Vittleveyor include a Windsor Swiss Chalet unit and a Burlington KFC store.

Vittleveyor also serves as a drive-thru where it was not previously possible, says Barry Godfrey, president of Mobius Developments Ltd., which handles Canadian distribution rights.

"It has averaged an increase in sales of between 10 per cent to 25 per cent at restaurants which use it in the U.S.," he says.

"Considering that roughly 40 per cent of total sales at fast-food restaurants is done through drive-thru and take-out orders, its effect of business is not surprising."

The cost of installing a Vittleveyor is about $35,000, significantly cheaper than constructing a brand new drive-thru window on an existing property, says Godfrey.

He adds with Vittleveyor there is no need to position personnel at remote booths or expose employees to the elements and personal risk.

Water Tower Inn Drops Best Western, Goes Alone on Marketing Venture

SAULT STE. MARIE - In an effort to [illegible] incentives, the features" of Sault Ste. Marie and area, says marketing director

also operates his [illegible] all advertising agency in To[illegible].

Recent attempts have been made

5-97-398

COASTAL COMMISSION Vittleveyor Info.

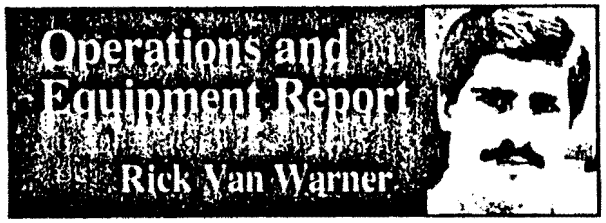
EXHIBIT # F

PAGE 2 OF 4

Double drive-thru: 2 lanes are more efficient than 1

Speedy service is at the heart of any good drive-thru operation. But the soaring popularity of the segment has put a strain on many operations. Parking-lot backups, order mix-ups, and other assorted delays do nothing to quench the demands of frenzied, auto-bound patrons.

Some operators have responded by adding a second drive-thru window. Utilizing technology similar to that in drive-thru banks, a pair of franchised Arby's restaurants in Cincinnati handles two cars at a time from adjacent lanes.



A unique transport system handles transactions from the second lane. A customer who's placed his order at the menu board drives up into the outside lane, which is several feet away from the building but in plain sight of the drive-thru window. The customer then puts the money in the currency compartment of a one-piece, plastic carrier. It moves through the drive-thru canopy, up, over, and down into the restaurant, where an employee loads the device with the order, makes change, and sends it back to the customer. Food is transported quickly, but since the 21-inch-by-9-inch-by-6-inch carrier is always level, spillage doesn't occur. An order travels from inside the restaurant to the car in about 10 seconds.

The Arby's restaurants are owned by Restaurant Management Inc., a 31-unit Arby's franchisee. Thomas Lance, owner and president of Restaurant Management, built two lanes at one of the restaurants to maximize traffic on a small site. Last year the unit was the fifth-largest-grossing restaurant in the Arby's system, posting $1.3 million in sales. Drive-thru business accounts for 50 percent of the restaurant's sales, Lance says.

"[The unit] is on a very small lot, with very little parking," he explains. "We needed to double the amount of drive-thru to accommodate the amount of traffic."

Located near several factories, the restaurant has very heavy lunch traffic in a concentrated time period, he says.

"The factory customers all eat at the same time," Lance explains. "You must move people along very quickly."

The system, which cost about $20,000, has accelerated service time without increasing labor costs, Lance says. Two employees and an expeditor handle the entire two-lane drive-thru operation, he indicated.

During late-night hours, when the inside restaurant is closed, only the second lane is used. The location of a car several feet away from the window and the absence of physical contact between the customer and the restaurant employee enhances security.

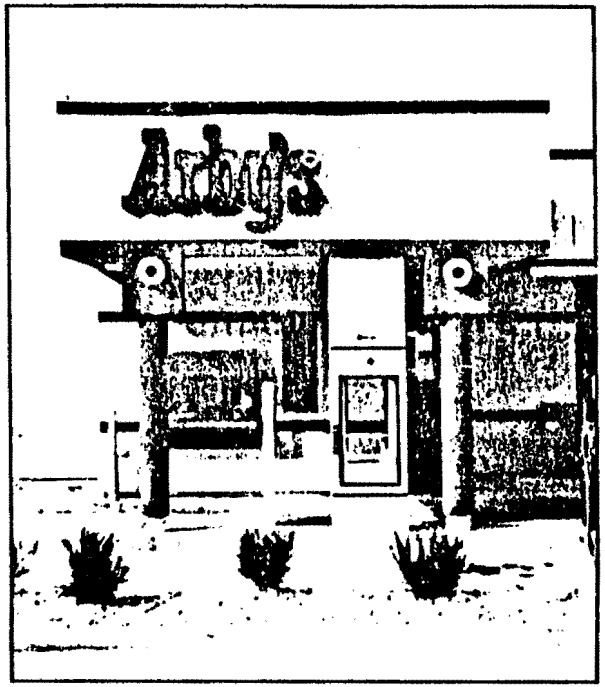
"If the store is closed but the drive-thru is still in operation, it's a lot safer," Lance says. "For store personnel, it has removed the threat of someone putting a gun to their head or whatever."

Customers are intrigued by the system, he says. "They think it's novel," Lance muses. "They want to be in that second line."

The drive-thru setup used by the two Arby's is one of several that are possible thanks to technology that the banking industry has used for years.

Now equipment is available for handling currency transactions from any position on a drive-thru lane. A setup can be tailored to fit any site.

The scenarios possible are virtually limitless. A customer could pay and receive change at the menu board and then just pick up the food at a window or in a second or third lane. Or he could order at the menu board, move forward to a machine where he could pay, and drive forward further to get his order. Such an arrangement could provide the restaurant with extra valuable seconds for preparing the order, and it may make the process seem faster to the customer as well.



Arby's double drive-thru restaurant.

Furthermore, advances in drive-thru equipment make it possible to utilize otherwise limited sights, such as strip center locations. And improvements in two-way audio communication could someday render obsolete the static-plagued, shout-filled, one-way communication that currently vexes the industry.

The drive-thru phenomenon shows no signs of subsiding. It has already spawned a new generation of restaurants that have eliminated seating altogether. But if operators are to profit from the trend, improvement of speed and efficiency is essential. They must not overlook technology that may lead drive-thru operations out of the dark ages.

NATION'S RESTAURANT NEWS • 1988

REPRINTED BY: 5-97-398 Exhibit p.3of 4

PROFILE OF A STAR 5-97-398 Exhibit F p. 4 of 4

High-tech drive-thru service in Reseda

A 43-foot-long conveyor for Carl's Jr. food, the longest "Vittleveyor" in the United States, has brought drive-thru service to Restaurant 58 in Reseda.

Judging by drive-thru sales of 30 percent and rising, Manager Stephen Worland says the high-tech service has definitely improved business.

Restaurant 58 had little hope of ever being able to provide drive-thru service, since the only drive-thru possible for "plan ones" are English (or backwards) drive-thrus that are inconvenient for guests.

"I think this is encouraging for people with plan one restaurants," Stephen said. "The technology now exists to meet the need and our drive-thru hasn't affected our inside sales."

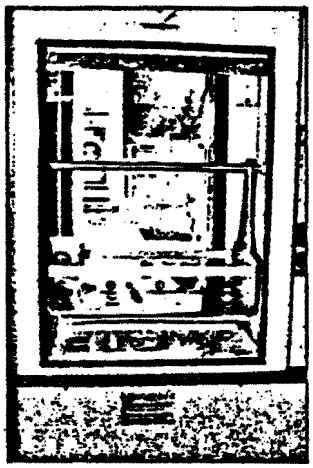
According to Supervisor Mike Calahan, the remodeling project for the restaurant was limited by the building's placement on the land. Backwards or not, a drive-thru would not fit on the site without a Vittleveyor.

"It took teamwork and creativity to make it happen," Mike said. "But I couldn't be happier when I hear that the project increased sales and exceeded our expectations."

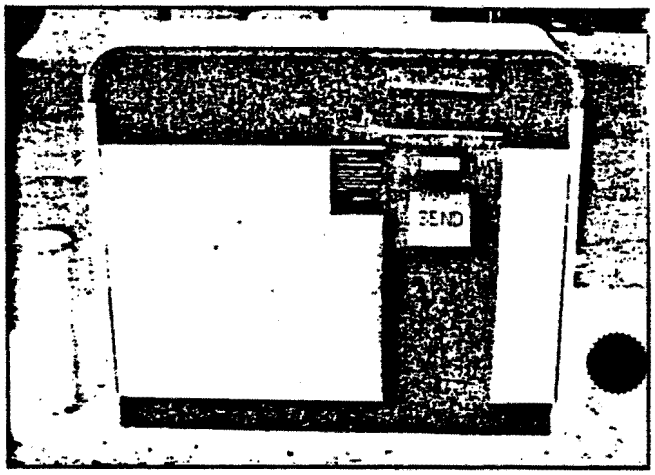
The process to find a Vittleveyor began six years ago. George Chenarides, owner and president of the company that supplies safes and back door exit locks to CKE, sought a supplier who could offer a system that worked better than other conveyors used at Carl's Jr. Restaurants in past years. He found E.F. Bavis, an Ohio-based company known for bank drive-thru equipment and delivery systems for hospitals, to create a custom system for fast-food restaurants. Dave McDivett was the job captain in Architecture that incorporated the new system into the restaurant's major remodel done in July.

"Vittleveyors are in three CKE restaurants now, Restaurants 140, 408 and 58, and the system opens up avenues for drive-thru service not available before," George said.

Manager Stephen Worland stands beside the delivery station of the restaurant's new Vittleveyor system.



Here is a view from the drive-thru cashier's perspective. The Vittleveyor is loaded with food, the guest's change is placed in the coffee cup, then the basket is sent over to the waiting car or truck.



The electronic "cashier" collects money from guests by vacuum tube, which is whisked to the drive-thru cashier.

The Reseda restaurant and the other two restaurants in the system have a patented system. At Reseda, when you first drive up, you see the Carl's Jr. drive-thru menuboard where you order, then you drive to a box or "changemaker" that delivers a vacuum tube to you. You send your money to the cashier by placing it in a vacuum tube and then put it back in the "changemaker," which whisks it 50 feet away to the drive-thru cashier. Then, you drive to the Vittleveyor delivery station. Your order is placed in the Vittleveyor basket and is delivered 23 seconds later to the window of your car, along with your change.

"We're making an extra effort to be courteous and friendly, since guest contact is by drive-thru speaker," Stephen said.

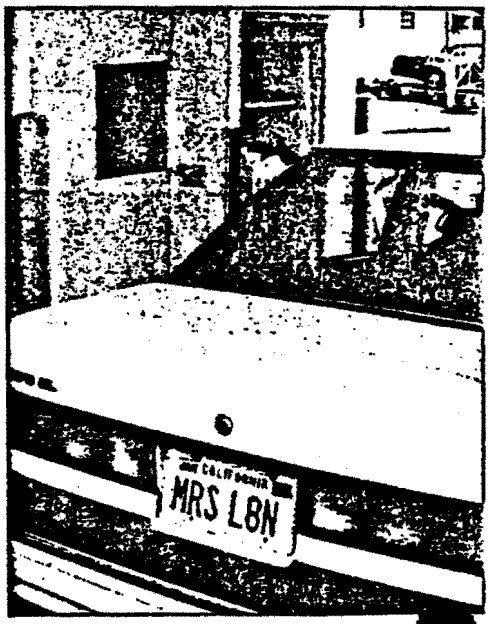
Sometimes, he runs orders out to guests himself for a personal touch, joking with them that his deliveries give them "low tech" service as opposed to Vittleveyor service.

"Kids laugh every time it comes down to the car," Stephen said. "Teenagers describe it as *Cool* or *Radical*."

Due to the distance (43 feet) the food travels, the restaurant has to deal with longer drive-thru service times, but guests still appreciate the fact that drive-thru service is available where none existed before.

Stephen says that drive-thru service has allowed him to add two staff members to support the new business and the remodel for his restaurant added a two-sided cook station for an increased capacity to cook and assemble food.

"This is a rare solution to the problem of fitting a restaurant for a drive-thru," Mike from Remodel said, "But we try to do the best we can, affordably, and make an increase in sales pos-



Above, a drive-thru guest receives her order by Vittleveyor. This restaurant has the second longest Vittleveyor in the world by a difference of just 18 inches.

TLA Incorporated

Jonathan Rodriguez-Atkatz
President & CEO

January 15, 1998
John Auyong
California Coastal Commission
200 Ocean Gate, 10th Floor
Long Beach, CA 90802-4416

re: Permit Application 5-97-398

Dear John:

Thanks for your voice message this morning. I understand that Troy Seavers was able to answer your questions. As a follow-up to your conversation with Troy, I will address your delivery questions.

Deliveries will be received via Avon Street during off-peak hours of operation (9:00-11:00 AM & 2:00-4:00 PM). During these off-peak periods we will be staffed at off-peak levels. As a result, parking spaces will be available for delivery vehicles. However, delivery trucks can always temporarily park in the area adjacent to the handicapped parking space or on Avon Street (Avon is a dead end street which will be improved only to our western property line). Since our vendors deliver daily, our shipments will be minimal in volume resulting in a very brief stop.

Please let us know if you have any further questions.

Thanks again for your attention to our application.

Very Truly Yours,

Jonathan Rodriguez-Atkatz

5-97-398
COASTAL COMMISSION
Deliveries
EXHIBIT # G
PAGE 1 OF 1

4464 Fremont Avenue N., Suite 310 • Seattle, WA 98103
Phone (206) 545-9055 • Fax (206) 545-9044