



September 6, 2023

VIA EMAIL AND MAIL

Mr. Patrick Mikusky
Director of Development
Simon Property Group

SUBJECT: DETERMINATION OF THE CITY PLANNER TO ALLOW "ESCAPE ROOMS" AS A RETAIL USE

Dear Mr. Mikusky:

The Community Development (CD) Department is in receipt of your letter dated July 28, 2023, requesting a determination of experiences known as "Escape Rooms" are within the classification of "Retail Use" as allowed within Planning Area 6 of the Carlsbad Ranch Specific Plan for the Carlsbad Premium Outlets. The site and requested use are subject to the following regulations:

General Plan - The property is designated as a Regional Shopping Center in the city's General Plan.

Carlsbad Municipal Code - The property is designated C-2-Q, General Commercial in the Qualified Development Overlay Zone. The C-2 General Commercial uses are further limited by the Specific Plan, and the restrictions for the Qualified Development Overlay Zone are included in Section 21.06.010 in the Carlsbad Municipal Code. The Site Development Plan and Carlsbad Ranch Specific Plan are consistent with these requirements.

Carlsbad Ranch Specific Plan - The property is within the Carlsbad Ranch Specific Plan, Planning Area 6, Specialty Retail. The Permitted uses within the specialty retail area includes several types of uses on Page 156 of the Specific Plan. Uses allowed include "retail business uses" and "other retail services and administrative uses, except new or used car sales, determined by the Planning Director to be consistent with the general character of the above listed uses." This is similar with authority granted by the CMC in 21.28.01 (C) that authorizes the City Planner to determine uses that are substantially similar to the uses allowed to an allowed use if it falls within the "intent and purposes" of the zone.

In review of the evidence submitted and the city's existing regulatory documents, and in recognition that some uses are not defined in the zoning ordinance as new types of businesses become more prevalent, it is determined that "Escape Rooms" are most similar in nature to a retail use. While there is no definition of retail in the Carlsbad Municipal Code, retail is defined as "to sell in small quantities directly to the ultimate consumer" by the Merriam-Webster online dictionary. An escape room concept is similar in scale and consistent with retail operations of various sizes that are allowed within the Specialty Retail designation of Planning Area 6 of the Carlsbad Ranch Specific Plan.

This determination may be appealed to the Planning Commission pursuant to CMC §21.54.140 within ten days of the date of this letter. Appeals must be submitted in writing to the Community Development Department; attention City Planner at 1635 Faraday Avenue, Carlsbad, 92008 along with a payment of \$900. Please be advised that the filing of such appeal within such time limit does not stay any requirements, agreements, deadlines, or enforcement action that may otherwise apply to this project or property.

Community Development Department

Planning Division | 1635 Faraday Avenue Carlsbad, CA 92008-7314 | 442-339-2600 www.carlsbadca.gov

Mr. Mikusky
September 9, 2023
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If you have any questions regarding this matter, please feel to contact me at 442-339-2717 or via email at Eric.Lardy@Carlsbadca.gov

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Lardy". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

ERIC LARDY, AICP
City Planner

Attachments:

A – Letter dated July 28, 2023

c: Cliff Jones, Principal Planner



July 28, 2023

Cliff Jones
Principal Planner | Community Development Department | City of Carlsbad
1635 Faraday Avenue
Carlsbad, CA 92008

Dear Mr. Jones,

Thank you for taking the time to discuss our potential opportunities at Carlsbad Premium Outlets. We have had interest from multiple parties to create an experiential and immersive entertainment space within the existing premises. These types of experiences are more commonly known as "Escape Rooms" and I have attached a brochure for one specific company, "Red Door Escape Room". Within most other jurisdictions this user operates within, the use can be classified within definition of the zoning code as a "retail" use.

As you are aware, Carlsbad Premium Outlets is located within Planning Area 6 of the *Carlsbad Ranch Specific Plan*. The Specific Plan denotes the zoning for this area as *C-2-Q (General Commercial)* on Figure 9, *Specialty Retail* as a Planning Area on Figure 10, and *retail* on Figure 12.

Page 33 of the Specific Plan further defines the proposed uses for *Planning Area 6* as defined below.

Regional Commercial

This category applies to Planning Area 6 for a specialty retail center with a regional focus. Due to its location along Paseo Del Norte near the I-5 interchange, the Specialty Retail Area is planned as a more automobile oriented retail center. This would be an appropriate location for uses such as a factory outlet center, eating establishments, commercial uses related to agriculture, movie theaters, and other similar entertainment.

The development standards and uses are further defined under *Section G - Planning Area 6 - Specialty Retail. 1.a. Permitted Uses*

- Retail business uses;
- Garden centers and nurseries;
- Restaurants;
- Professional, business and administrative office uses;
- Medical offices;
- Personal services, such as barbers shops, beauty shops and exercise studios;
- Other retail services and administrative uses, except new or used car sales, determined by the



Planning Director City Planner to be consistent with the general character of the above listed uses

Based on the above, it is my belief that an escape room type use would be allowed within Carlsbad Premium Outlets based on the current specific plan and zoning. This type of use does not fall within the definition of "entertainment" as defined in the *Carlsbad, California Municipal Code*, and is more closely aligned with a retail use classification.

Thank you again for your consideration in this matter. Should you have any questions, feel free to give me a call to discuss further.

Patrick Mikusky
Director of Development
Simon Property Group



RED DOOR
ESCAPE ROOM

“Unlock Adventure”

Bringing your team an unforgettable experience.



WHAT WE DO

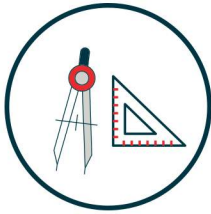
We're doing something real in the world of entertainment. We build escape room episodes you can see, hear, feel and smell - we're elevating what it means to be immersive. With our team of engineers and over 30 years of experience in the hospitality industry, we are committed to bringing families, friends and co-workers together through cutting-edge immersion.

WHAT SETS US APART



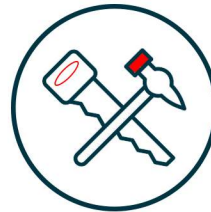
People over profit culture

We believe that people are the end game, not the means. We believe that investing in people is the best way to steward our resources.



In-house design team

We hand-select only the best of the best. Our team is composed of talented mechanical, electrical and software engineers that have a passion for creating joyous experiences.



Top-quality environments

Our team of set designers immerse you using all 5 senses - each episode challenges these senses through different textures, smells, sounds, colors and patterns.



Custom episodes with unique stories.

Each episode is specifically crafted to take you on a journey where participants are playing as characters in each story.



IMMERSIVE SETS

We don't just put players into a game—we draw them into a new world. The narrative we create elevates the imagination and draws teams into the scenario that we've crafted. Complete with multifaceted characters and backstory, our episodes challenge players to think differently about the challenges they face in daily life.

PUZZLES & GAME FLOW

Every aspect of our episodes is designed with purpose - from the floor to the hands-on puzzles. We have refined our puzzle flows over the last three years to deliver only the best experience, engaging our guests with a variety of puzzles - from pattern recognition, riddles, abstract logic, or blacklights and invisible ink.





VIRTUAL REALITY

Red Door is at the cutting edge of team-based experiences, not only escape rooms. Our newly released VR episodes bring teams together by leveraging technology to encourage communication and teamwork. With propriety virtual content, we challenge teams to solve puzzles and complete challenges as they travel through time and space.

Since 2015, Red Door Escape has merged technology and puzzles to create collaborative experiences that board gamers, thrill seekers, families and corporate groups can enjoy. With 5 locations across multiple states, they lead the entertainment industry with over fifteen unique escape episodes and collaborative virtual reality experiences. In a world where technology is isolating, Red Door leverages technology to bring authentic connection into every experience they offer.

