APPLICATION
SPECIAL USE PERMIT

ADMINISTRATIVE CHANGE OF OWNERSHIP OR MINOR AMENDMENT

[ ] Change of Ownership **[✓] Minor Amendment**

[must use black ink or type]

PROPERTY LOCATION: 3575 Potomac Avenue, Alexandria, VA 22315

TAX MAP REFERENCE: _____ **ZONE:** CDD-1

APPLICANT

Name: Regal Entertainment Group

Address: 7132 Regal Lane, Knoxville, TN 37918

PROPERTY OWNER

Name: Potomac Yard Retail, Inc. c/o Commonwealth Land V Inc.

Address: 66 Canal Center Plaza, 7th Floor, Alexandria, VA 22314

SITE USE: Movie Theater (Amusement Enterprise) with restaurant offering alcoholic beverages

Business Name: **Current:** Regal Potomac Yards Stadium 16 **Proposed (if changing):**

[ ] **THE UNDERSIGNED** hereby applies for a Special Use Permit for **Change in Ownership**, in accordance with the provisions of Article XI, Division A, Section 11-503 (5)(f) of the 1992 Zoning Ordinance of City of Alexandria, Virginia.

[✓] **THE UNDERSIGNED**, having read and received a copy of the special use permit, hereby agrees to comply with all conditions of the current special use permit, including all other applicable City codes and ordinances.

[✓] **THE UNDERSIGNED** hereby applies for a Special Use Permit for **Minor Amendment**, in accordance with the provisions of Article XI, Division A, Section 11-509 and 11-511 of the 1992 Zoning Ordinance of City of Alexandria, Virginia.

[✓] **THE UNDERSIGNED,** having obtained permission from the property owner, hereby requests this special use permit. The undersigned also attests that all of the information herein required to be furnished by the applicant are true, correct and accurate to the best of his/her knowledge and belief.

Regal Entertainment Group
Print Name of Applicant or Agent

Signature

7132 Regal Lane
Mailing/Street Address

865-922-1123 865-922-3188
Telephone # Fax #

Knoxville, TN 37918
City and State Zip Code

Email address

7/20/16
Date

DO NOT WRITE IN THIS SPACE - OFFICE USE ONLY

Application Received: _____ Fee Paid: $_____

Legal advertisement: _____

ACTION - PLANNING COMMISSION _____ ACTION - CITY COUNCIL: _____

Special Use Permit # 2006-2009

The following information must be furnished to the Department of Planning and Zoning to determine if the current use conducted on the premises complies with the special use permit provisions and all other applicable codes and ordinances.

1. Please describe prior special use permit approval for the subject use.

Most recent Special Use Permit # 2006-0009

Date approved: 04 / 22 / 2006
month day year

Name of applicant on most recent special use permit Regal Entertainment Group

Use Movie Theater (Amusement Enterprise) with restaurant offering alcoholic beverages

2. Describe below the nature of the *existing* operation *in detail* so that the Department of Planning and Zoning can understand the nature of the change in operation; include information regarding type of operation, number of patrons served, number of employees, parking availability, etc. (Attach additional sheets if necessary.)

Regal Potomac Yards currently operates primarily as a movie theater venue exhibiting a variety of main stream motion picture films. Additionally, the theater offers several amenities for its patrons that enhance the movie watching experience including an enhanced food menu with a selection of food options and select alcohol products. Please note that the theater was approved by the Virginia Alcohol Control Commission in 2015 for the sale and service of alcohol throughout the theater premises (please see the attached premises sketch previously submitted and approved by the VABC) following two public notice periods during which no objections were received or recorded. Regal Entertainment Group and its subsidiary Hoyts Cinemas Corp. (the current VABC licensee on record) request the City's confirmation and verification of the attached sketch and continued current operations including the sale of alcoholic beverages from the concession and lobby with consumption throughout the theater premises and auditoriums. Regal currently holds 14 acohol licenses with the VABC for the sale and consumption of alcohol at its selected theaters. Please note that all licenses remain in current and in good standing without record of enforcement action or penalties. Regal also holds over 140 licenses throughout the country.

(Please see continuation on attached Exhibit "B")

EXHIBIT "B"

Supplement to City of Alexandria Application for Special use Permit (Minor Amendment)
Applicant: Regal Entertainment Group d/b/a Regal Potomac Yards Stadium 16
Location: 3575 Potomac Avenue, Alexandria, VA 22315

Page 2 – Question#2:

The addition of alcohol service is only intended as an added amenity for its patrons and Regal does not operate as a bar or lounge and does not sell, serve or permit alcohol consumption during hours when the theater is not open for the exhibition of motion picture films. Typically, alcohol sales have accounted for less than 10% of revenue at similarly situated Regal locations throughout the country. Therefore, the addition of alcohol service has not resulted in additional traffic or congestion to the theater premises but has generally served merely as an added concession item for movie going patrons. Throughout the country, film exhibitors have enhanced concession menus with the inclusion of adult beverage options in order to provide a more inclusive movie going experience for adult patrons thereby providing options for all family members. Further, the movie theater industry has found the upgraded menu offerings to be an essential part of sustaining the industry's expansion and technological innovation as an additional profit source. However, because of the limited lobby space and typical operational requirements for a standard theater, the limitations on consumption areas has proven overly burdensome. Consequently, theater operators are moving toward full consumption floor plans even where the points of sale and service may be limited to concession and lobby areas. Regal thereby respectfully requests verification and confirmation of such floor plan and operational model at the Regal Potomac Yards, and that any necessary changes be made to the current City use approvals to reflect Regal's intended operation.

3. Describe any proposed *changes* to the business from what was represented to the Planning Commission and City Council during the special use permit approval process, including any proposed changes in the nature of the activity, the number and type of patrons, the number of employees, the hours, how parking is to be provided for employees and patrons, any noise emitted by the use, etc. (Attach additional sheets if necessary)

At this time, Regal does not intend to make any changes to its floor plans as previously submitted to the VABC and attached for reference. Regal does not however currently include any VIP service areas or restricted mezzanine seating. Please note that such operational model was never implemented although it may have been proposed with original plans. Unfortunately, the original proposed operations proved to be unfeasible during that time and remodel of the floor plan at this time would be overly burdensome and costly. Please note that Regal is not requesting any expansion in floor space and does not anticipate any increased number in patron visits, added employees, traffic or congestion at the theater based on its experience with current operation of the theater and its 140+ alcohol service locations throughout the country including various VA locations.

Special Use Permit # 2006-2009

4. **Is the use currently open for business?** ☑ Yes ☐ No

If the use is closed, provide the date closed. _____ / _____ / _____
month day year

5. **Describe any proposed changes to the conditions of the special use permit:**

We would like to offer alcoholic beverages to all patrons age 21 and over and allow consumption of alcoholic beverages throughout the theater and within all theater auditoriums.

6. **Are the hours of operation proposed to change?** ☐ Yes ☑ No
If yes, list the current hours and proposed hours:

SBV 8/15 per email 8/15

Current Hours:	Proposed Hours:
10 am - 2:30 am (per SUP 2006-2009)	

7. **Will the number of employees remain the same?** ☑ Yes ☐ No
If no, list the current number of employees and the proposed number.

SBV 8/15 per email 8/15

Current Number of Employees:	Proposed Number of Employees:
41	

8. **Will there be any renovations or new equipment for the business?** ____ Yes X No
If yes, describe the type of renovations and/or list any new equipment proposed.

9. **Are you proposing changes in the sales or service of alcoholic beverages?** X Yes ____ No
If yes, describe proposed changes:

We would like to offer alcoholic beverages to all patrons age 21 and over and allow consumption of alcoholic beverages throughout the theater and within all theater auditoriums.

Special Use Permit # 2006-2009

10. **Is off-street parking provided for your employees?** ☑ Yes ☒ No
If yes, how many spaces, and where are they located?
Surface parking lot surrounding the theater
-approximately 1300 spaces

SBV 8/15 per email 8/15

11. **Is off-street parking provided for your customers?** ✓ Yes ☒ No
If yes, how many spaces, and where are they located?
Surface parking lot surrounding the theater
-approximately 1,300 spaces

12. **Is there a proposed increase in the number of seats or patrons served?** ☐ Yes ☑ No
If yes, describe the current number of seats or patrons served and the proposed number of seats and patrons served. For restaurants, list the number of seats by type (i.e. bar stools, seats at tables, etc.)

Current:
550,000 patrons/year

Proposed:

13. **Are physical changes to the structure or interior space requested?** ☐ Yes ☑ No
If yes, attach drawings showing existing and proposed layouts. In both cases, include the floor area devoted to uses, i.e. storage area, customer service area, and/or office spaces.

14. **Is there a proposed increase in the building area devoted to the business?** ☐ Yes ☑ No
If yes, describe the existing amount of building area and the proposed amount of building area.

SBV 8/15 per email 8/15

Current:
75,000 SF

Proposed:

15. **The applicant is the** (check one) ☐ Property owner ☑ Lessee
☐ other, please describe:

16. **The applicant is the** (check one) X Current business owner ____ Prospective business owner
☐ other, please describe:

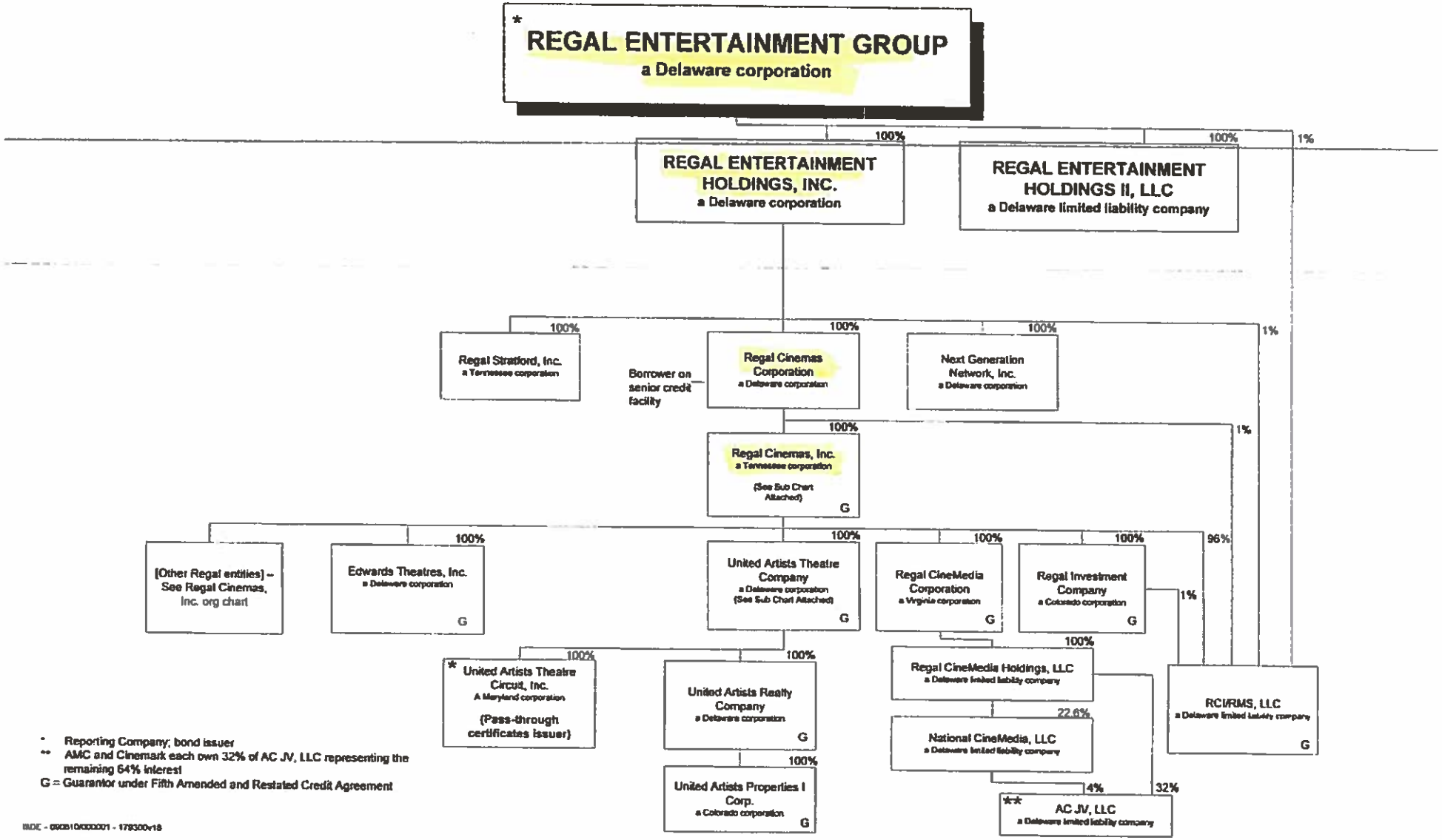
17. Each application shall contain a clear and concise statement identifying the applicant, including the name and address of each person owning an interest in the applicant and the extent of such ownership interest. If the applicant, or one of such persons holding an ownership interest in the applicant is a corporation, each person owning an interest in excess of ten percent (3%) in the corporation and the extent of interest shall be identified by name and address.

For the purpose of this section, the term "ownership interest" shall include any legal or equitable interest held in the subject real estate at the time of the application. If a nonprofit corporation, the name of the registered agent must be provided.

Please provide ownership information here:

Regal Entertianment Group is publicly traded in the NYSE as RGC. Regal Entertainment Group is the ultimate parent company of Hoyts Cinemas Corp. which is the current lessee and current Licensee entity with the VA ABC. Please see attached organizational chart marked as Exhibit "A".

Exhibit "A"



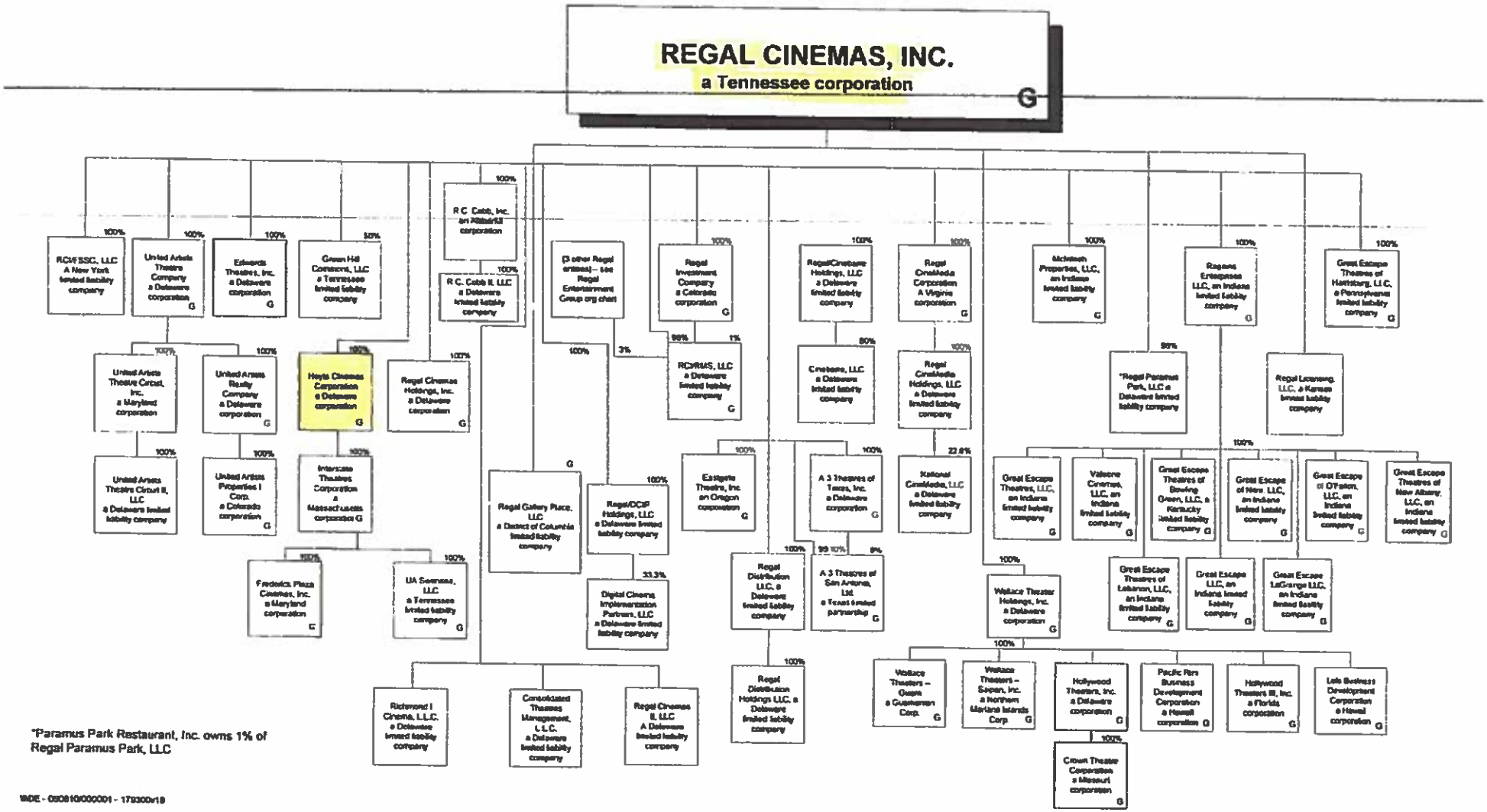
* Reporting Company; bond issuer

** AMC and Cinemark each own 32% of AC JV, LLC representing the remaining 64% interest

G = Guarantor under Fifth Amended and Restated Credit Agreement

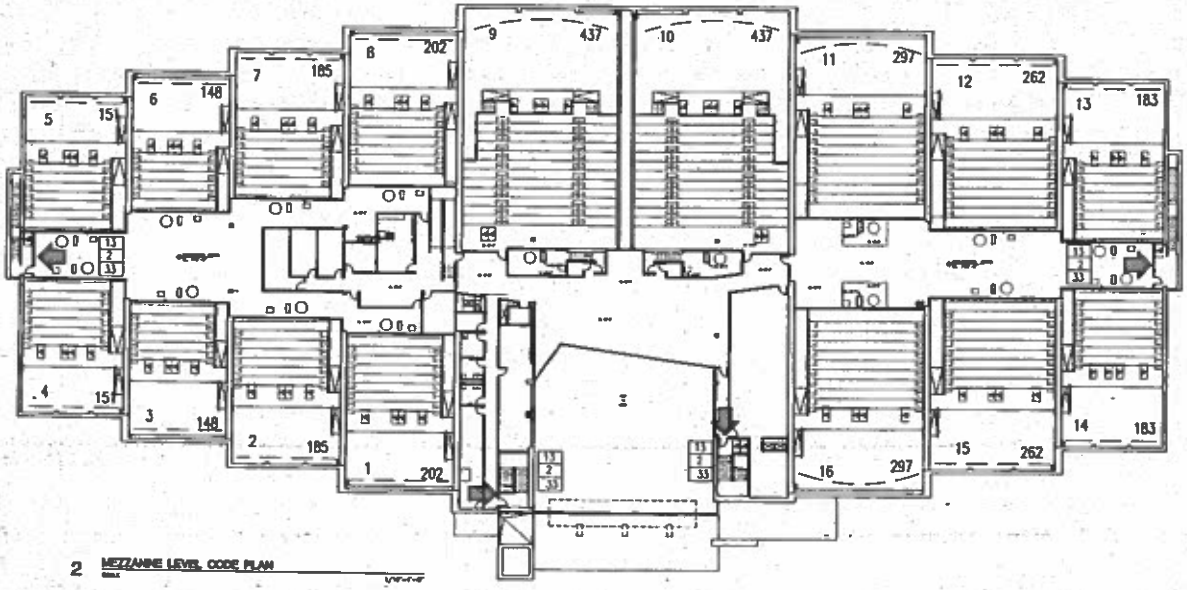
BDE - 090510/000001 - 179300v18

Subsidiaries of Regal Cinemas, Inc.

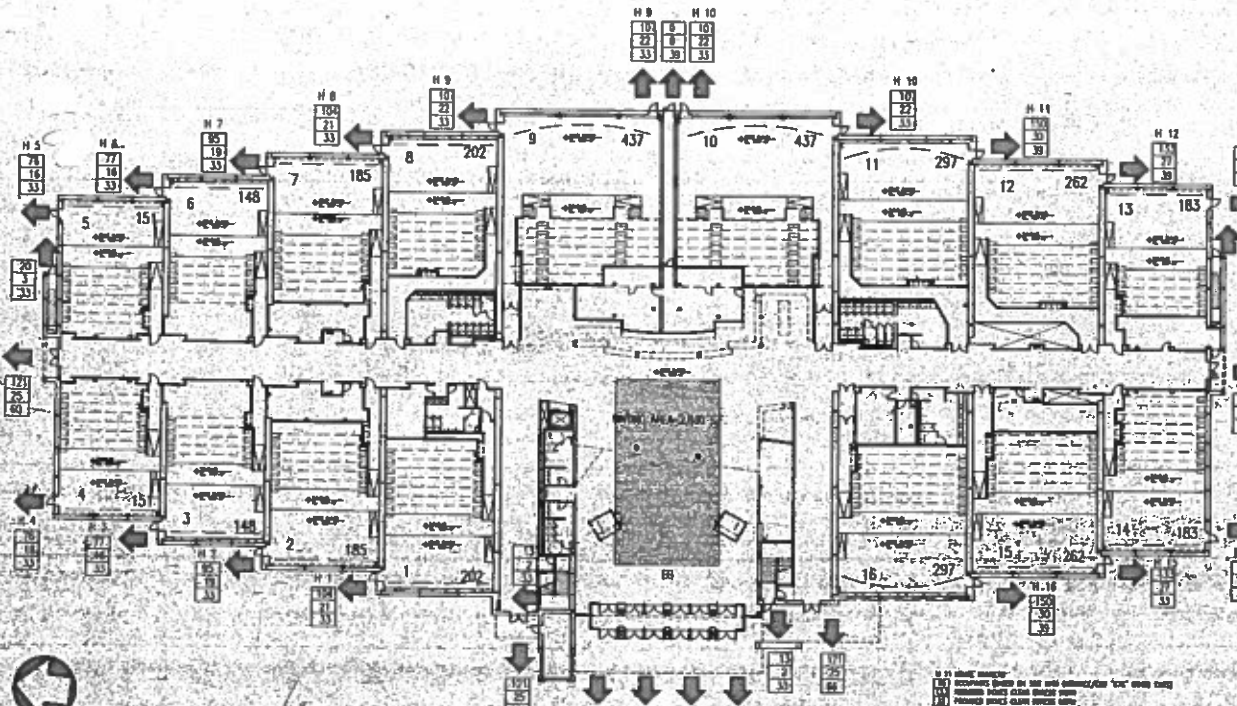


*Paramus Park Restaurant, Inc. owns 1% of Regal Paramus Park, LLC

WDE - 050810/000001 - 179300v19



2 MEZZANINE LEVEL CODE PLAN



NORTH

FIRST FLOOR LEVEL CODE PLAN

CINEMA 16

POTOMAC YARDS VIRGINIA

CONSTRUCTION DOCUMENT

8 AUG 1997

arrowstreet inc

CODE PLAN FLOOR PLANS

A1.1

Sara Brandt Vorel

From: Yamile Brito <Yamile.Brito@gmlaw.com>
Sent: Monday, August 15, 2016 4:10 PM
To: Sara Brandt Vorel
Cc: Robert Lewis; Marbet Lewis
Subject: RE: Applying for an Administrative SUP [IWOV-ACTIVE.FID10375129]

Good afternoon, Sara:

As requested, please see responses below in **red**. Please proceed to add this information to our application so that same can be routed for processing.

Of course, please do not hesitate to contact our office if you have any questions or if you need anything further.

Thank you.

Best regards,

GreenspoonMarder

Yamile Brito
Licensing Operations Manager
Greenspoon Marder Law
600 Brickell Avenue, Ste. 3600
Miami, FL 33131
Direct Dial: (305) 789-2760
Fax: (305) 537-3913
yamile.brito@gmlaw.com
www.gmlaw.com

From: Yamile Brito
Sent: Friday, August 12, 2016 5:12 PM
To: Sara Brandt Vorel
Subject: Re: Applying for an Administrative SUP [IWOV-ACTIVE.FID10375129]

Hi Sara:

Of course, I will work on getting you answer to these questions on Monday morning.

Thank you.

Yamile Brito

On Aug 12, 2016, at 5:04 PM, Sara Brandt Vorel <Sara.BrandtVorel@alexandriava.gov> wrote:

> Hi Yamile,
> Could you provide info on the following questions for the application. Once I receive this information if you could give me permission to update your application I can add the information to the application and we can route it.

#6: Current hours - For summer first show could be 10:00 a.m. depending on type of movies that are opening but usually 11am. Last show starts on Friday & Saturday 12:00 a.m., and then during the week it varies between 10:30 p.m. and 10:50 p.m.

#7: Current number of employees (can be total or by shift) - 41 employee (staff, managers, and maintenance)

For questions #10 and #11 – off-street parking would include the surface parking lot around the movie theater, which I believe is used by the theater for patrons and staff. Could you confirm that this is the case? If so, we would change the response from No to Yes and it would be great to get the count for the number of spaces – Yes, they use surface parking around theatre. Approximately 1,312 parking spots.

#12 – current number of patrons - 2015 YTD - 551,781 - 2016 YTD (as of end of July) – 307,487

- Can be an estimate (weekly/daily etc.) however you all tally

#14 – current square footage of the theater – 75,083 sq ft.

Sara Brandt-Vorel
Urban Planner
City of Alexandria
Department of Planning and Zoning, Room 2100
City Hall
301 King Street
Alexandria, VA 22314
Sara.BrandtVorel@alexandriava.gov
Phone: 703.746.3819
Fax: 703.838.6393

From: Yamile Brito [mailto:Yamile.Brito@gmlaw.com]
Sent: Friday, August 12, 2016 4:58 PM
To: Sara Brandt Vorel; Robert Lewis
Cc: Ann Horowitz; Marbet Lewis
Subject: RE: Applying for an Administrative SUP [IWOV-ACTIVE.FID10375129]

Hello Sara:

We will contact the manager Monday morning and confirm the number of employees for you. Please let us know if there is any other information that you will need.

Thank you.

Best regards,

<image001.jpg>

Yamile Brito
Licensing Operations Manager
Greenspoon Marder Law
600 Brickell Avenue, Ste. 3600
Miami, FL 33131
Direct Dial: (305) 789-2760
Fax: (305) 537-3913
yamile.brito@gmlaw.com
www.gmlaw.com

From: Sara Brandt Vorel [mailto:Sara.BrandtVorel@alexandriava.gov]
Sent: Friday, August 12, 2016 4:54 PM
To: Yamile Brito; Robert Lewis