

UNOFFICIAL UNTIL APPROVED

**MEETING MINUTES OF THE CITY OF COSTA MESA
PLANNING COMMISSION****November 28, 2022
Regular Meeting – 6:00 p.m.****PUBLIC HEARING ITEM NO. 3****PLANNING APPLICATION 22-21 FOR A RETAIL CANNABIS STOREFRONT
BUSINESS LOCATED AT 2001 HARBOR BOULEVARD, SUITES 101-103 (SOUTH
COAST SAFE ACCESS)**

Project Description: Planning Application 22-21 is a request for a Conditional Use Permit (CUP) to allow a 3,720 square-foot retail cannabis storefront on the first floor of an existing two-story multi-tenant commercial building. The affiliated State license is a Type 10 “storefront retailer” license, which also allows for retail cannabis delivery. However, the applicant is proposing a retail storefront without delivery to customers. Upon approval of a CUP, CBP, City Business License, and State license, the business would sell pre-packaged cannabis and pre-packaged cannabis products directly to customers onsite, subject to conditions of approval and other City and State requirements. The proposed business operations are from 7 AM to 10 PM daily. Should the storefront wish to offer delivery services in the future, an amendment to the CUP would be required.

Environmental Determination: The ordinance is exempt from the provisions of the California Environmental Quality per CEQA Guidelines Section 15301 (Class 1), Existing Facilities

The Planning Commission indicated that there were no ex-parte communications.

Michelle Halligan, Contract Planner, presented the staff report.

Commission and Staff Discussion included:

Commissioner Ereth enquired about the previous, no longer existing, illegal cannabis business that was located at the site. He enquired about the type of counseling that was provided at the nearby counseling center and the recovery programs. He discussed with staff how the recovery counseling was factored in neighborhood compatibility. Staff responded with information on the amount of time since the shutdown of the illegal cannabis facility and provided confirmation of compensation for the city's abatement efforts. Staff confirmed the types of counseling provided, which included individual, family, group and recovery counseling. Staff stated that the municipal code does not establish a minimum distance between a cannabis storefront and a facility that provides drug recovery.

UNOFFICIAL UNTIL APPROVED

Commissioner Vivar enquired about the illegal, no longer existing, cannabis dispensary and if the landlord was aware of the illegal operation in their establishment. He also enquired about the staff proposed rear gate condition of approval. Staff responded that the property owner had worked with the police department and issued the legal paperwork to proceed with the eviction of the illegal dispensary. Staff explained the gate was primarily used by the electronics warehouse use located behind the property and staff did not want restrict their access during day time business hours.

Chair de Arakal enquired about the reduction of 18 parking spaces in 1986 and future possible parking requirements. Staff responded that the applicant would need to modify the CUP for any future proposed site use/parking changes.

PUBLIC COMMENT

The Chair opened the public hearing.

Applicant team: Ronald Long

Ronald Long stated he read and agreed to the conditions of approval.

Commission, Staff and Applicant discussion included:

Commissioner Rojas asked the applicant whether they had conversations or received feedback from the counseling facility during their community outreach. The applicant responded that they did not.

Commissioner Toler asked the applicant whether they have had any interactions with the counseling center. The applicant responded they did not interact with the counseling center.

Commissioner Vivar asked the applicant whether the mailers they sent out to the surrounding neighbors were sent in both English and Spanish. He asked the applicant whether they were aware of the counseling service when they decided to lease the space. The applicant responded that they only sent our mailers in English. The applicant stated they were not aware of the counseling service when they were leasing out the space.

Commissioner Ereth asked the applicant about their open house and their reasoning for choosing the hours of 5:00 p.m. to 6:00 p.m. for the open house. He asked the applicant about the feedback they received from the public at the open house. He also asked whether there was any displacement of other tenant's for the applicant to lease that space. The applicant responded that they should have held a longer open house, and that they received positive feedback from the community. The applicant stated to their understanding the units had been vacant for years.

UNOFFICIAL UNTIL APPROVED

The Chair opened public comments.

No public comments.

The Chair closed public comments.

Chair de Arakal asked staff about the counseling service in the building, when it was approved, and operational parameters. Staff stated they are required to provide vanpool for their patients and the counseling facility was approved to have patients on site Monday through Friday from the hours of 9:00 a.m. to 9:00 p.m.

The Chair closed public hearing.

Commissioner Toler made motion to approve.

The motioned died for lack of a second.

Commissioner Vivar made a motion to deny which was then seconded by Commissioner Ereth.

Commissioner Comments on the Motion for denial:

Commissioner Vivar stated the applicant did not do adequate work to ensure compatibility with the existing counseling service center. He also stated the outreach was inadequate.

Commissioner Ereth stated the application was not substantially compatible with the surrounding uses and could potentially be materially detrimental to the surrounding businesses and neighborhood.

Commissioner Rojas stated his fellow commissioners voiced his concerns and stated the application did not meet his expectations to make findings for approval.

Commissioner Toler stated he was not in support of the denial motion. He stated he could not differentiate this proposed application with others cannabis applications that the Commission has approved. He stated that much of the concerns mentioned in the meeting were misconceptions, and that it was business owners' responsibility to figure out business planning site issues.

Commissioner Russell stated that the proposed application is located in close proximity to the counseling facility. However, she said the Concealing management were notified, yet did not reach out to the commission with concern. She stated she was not in support of the denial motion.

UNOFFICIAL UNTIL APPROVED

Chair de Arakal stated he cannot make a finding for substantial compatibility. De Arakal stated that even though there was no sensitive use separation requirements he does not agree with putting a retail store front adjacent from a counseling center with recovery and rehabilitation programs.

The Chair called for the question.

MOVED/SECOND: Vivar/Ereth

MOTION: Moved to Deny Planning Application 22-21.

The motion carried by the following roll call vote:

Ayes: de Arakal, Ereth, Rojas, Vivar

Nehs: Toler, Russell

Absent: Zich

Motion carried: 4-2

ACTION: Planning Commission adopted a Resolution to deny Planning Application 22-21.

RESOLUTION PC-2022-33 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA DENYING PLANNING APPLICATION 22-21 FOR A RETAIL CANNABIS STOREFRONT BUSINESS LOCATED AT 2001 HARBOR BOULEVARD, SUITES 101-103 (SOUTH COAST SAFE ACCESS)

The Chair explained the appeal process.