

From: [Joseph Zappala DC DACBSP](#)
To: [CITY CLERK](#)
Subject: Meeting notes for Tuesday April 16th
Date: Saturday, April 13, 2024 8:36:28 AM

Importance of proper signage for Cannabis businesses in the city

We are disheartened that the signage issues we've brought up in the last two meetings have not been addressed by the council. We will persist in our stance that cannabis dispensaries should be treated like any other business, with the right to signage that accurately represents their services to the public. We have considered all the arguments against using the word 'dispensary' on signage and find none of them convincing. The absence of the term 'dispensary' on signs could lead to the gradual decline of these businesses. As landlords who have devoted significant time and energy to the success of Secret Garden, we respectfully request that the sign ordinance for cannabis dispensaries be amended to allow the use of the word 'Dispensary' on their building and monument signs. We are prepared to submit a sign amendment and pay the necessary fees, but it is imperative that this issue be resolved and approved at the City Council meeting on April 16th.

Joseph M. Zappala' D.C. DACBSP®
Director of Sports Medicine- South West Health Spine & Sport
1122 Bristol St Costa Mesa, CA 92626
949-631-5226
[Sports Medicine | Dr. Zappala | United States \(drzappala.com\)](#)
www.swhprofessionalcenter.com
<https://www.facebook.com/SportsMedicineChiropractorCostaMesa>

E-MAIL DISCLAIMER: Please note that the information, and in any accompanying documents, contained in this message may be privileged and confidential and protected from disclosure under the law, including the Health Insurance Portability and Accountability Act (HIPAA). The information is intended only for use by the designated recipient. If you are not the intended recipient (or responsible for the delivery of the message to the intended recipient), you are hereby notified that any dissemination, distribution, copying, or other use of, or taking of any action, in reliance on this e-mail is strictly prohibited. If you have received this email communication in error, please notify the sender immediately and delete the message from your system.

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [Jim Fitzpatrick](#)
To: [CITY CLERK](#)
Subject: Request to Pull Consent Calendar #6 - Cannabis Regulations
Date: Monday, April 15, 2024 1:16:34 PM
Attachments: [April 16 COUNCIL - Consent Calendar - Industry Letter - FINAL 4.15.2024.pdf](#)

Madam Clerk,

40 Cannabis Businesses and industry consultants request to pull Consent Calendar #6 for discussion.

The need for additional regulations that employees, sales person, consultant or attorney obtain a business license goes beyond state regulations and is problematic.

PLEASE CONFIRM RECEIPT

Cheers,

Jim Fitzpatrick
Solutioneer

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

City Council – APRIL 16 – Consent Calendar Item #6 – Cannabis Ordinance

Requested Action:

Madam Clerk, members of the Cannabis Industry wish to pull the Consent Calendar Item regarding the Cannabis Ordinance for discussion

City Council,

The requirement that a Financial Interest Holder obtain a business permit was inserted after Planning Commission review. At the City Council first discussion about the Cannabis Ordinance, no Council Member supported this policy. At First Reading, no explanation of why was attempted.

The industry writes you this letter to request City Council better understand and explain the requirements, to consider the unintended consequences and vote accordingly.

Please remove this odd and unique requirement that an employee or attorney get a business license.

Members of the Cannabis Industry (See last page) request you:

1. **Request an explanation** by the City Attorney and City Prosecutor:

- What problem are you trying to solve?
- Why introduce this without discussion and explanation?
- Why go over and above State Regulations, already in place?
 - **Costa Mesa is the only City to introduce such language. Why?**
- Why have an employee, salesperson or attorney get a business license?
- Can an employee even get a business license?
- For an employee, what do they list as the address? Their home in another city?
- Can you have 20 business licenses per address?
- Have you thought about the financial risk one has to declare an individual a business?
- Will the City require the sky-high insurance requirements and have an employee indemnify the City?
- Does this apply to Measure X and Measure Q?
- This seems like a very complicated process to follow, what steps will the City take to educate employees and salespeople of the requirements, and the process to follow?
- This seems like a very harsh policy position to take? Is the intent to make business fail?
 - “Failure to hold a valid business license at all times shall render the cannabis business permit invalid.”
- Do City have to dedicate a full-time employee to administer this new and cumbersome policy?

2. **Requested Action:** Make a motion to eliminate the requirements to obtain a Business License.

Signed,

See pages 4 and 5 for a list of Cannabis Businesses that support this policy change

RELEVANT POLICY REFERENCES

CHANGES

TITLE 9

9-485. Definitions.

Financial interest holder shall have the same meaning as set forth in Title 4, Division 19, section 15004 of the California Code of Regulations.

9-493. City business license required.

Prior to commencing operations, a cannabis business ~~and any financial interest holder~~ therein shall each separately obtain and thereafter maintain a valid city business license pursuant to Chapter I of this title. Failure to hold a valid business license at all times shall render the cannabis business permit invalid.

9-495. Operating requirements for all cannabis businesses permitted under this chapter. (a) Records and recordkeeping.

5. Each owner and operator of a cannabis business shall disclose to the City the names and addresses of each and every financial interest holder of that business within ten (10) calendar days of that person becoming a financial interest holder of the cannabis business, and thereafter shall notify the City within ten (10) business days if that person or entity ceases to be a financial interest holder. ~~Each financial interest holder shall obtain a business license pursuant to section 9-493 within thirty (30) days of becoming a financial interest holder of that business.~~

###

City Council – APRIL 16 – Consent Calendar Item #6 – Cannabis Ordinance
Title 4, Division 19, section 15004 of the California Code of Regulations

Section 15004 - Financial Interest in a Commercial Cannabis Business

(a) An applicant for a commercial cannabis license or a licensee shall disclose all financial interest holders. A financial interest holder of the commercial cannabis business includes all of the following, except as provided in subsection (b):

- (1)** A person with an aggregate ownership interest of less than 20 percent.
- (2)** A person providing a loan to the commercial cannabis business.
- (3)** A person entitled to receive 10 percent or more of the profits of the commercial cannabis business, including:

(A) An **employee** who has entered into a profit share plan with the commercial cannabis business.

(B) A **landlord** who has entered into a lease agreement with the commercial cannabis business for a share of the profits.

(C) A **consultant** who is providing services to the commercial cannabis business for a share of the profits.

(D) A person acting as an agent, such as **an accountant or attorney**, for the commercial cannabis business for a share of the profits.

(E) A **broker** who is engaging in activities for the commercial cannabis business for a share of the profits.

(F) A **salesperson** who earns a commission.

(G) A person who has entered into an **intellectual property** licensing agreement for a share of the profits.

(b) Financial interest holders do not include any of the following:

- (1)** A bank or financial institution whose interest constitutes a loan;
- (2)** Persons whose only financial interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument;
- (3)** Persons whose only financial interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; and
- (4)** Persons who hold a share of stock that is less than 10 percent of the total shares in a publicly traded or privately held company.

SUPPORTERS OF REMOVAL:

Measure Q – Retail Operators: (by Address)

- 2801 Harbor Blvd – Off the Charts
- 2275 Newport Blvd – Nectar
- 2424 Newport Blvd – Ash & Lex
- 2710 Harbor Blvd – Stiiizy
- 675 Paulorino – Stiiizy
- 1854 Newport Blvd – Mr Nice Guy
- 1860 Newport Blvd - Newport Leaf
- 2845 Harbor Blvd - Mr Nice guy
- 167 Cabrillo - Natures Garden
- 2332 Newport Blvd - Flower Factory
- 2664 Newport Blvd - Secret Garden
- 124 E 17 th St - Polaris
- 1921 Harbor Blvd - High Seas
- 1990 Harbor Blvd - 420 Central
- 1687 Orange Ave - Gold Flora
- 2146 Newport Blvd - Off the Charts
- 2001 Harbor Blvd - South Coast Safe Access
- 2905 Redhill Ave - Terra Firma
- 2301 Newport Blvd - Culture
- 2307 Harbor Blvd - The Drop
- 141 E 16 th St - Mercantile
- 2285 Newport Blvd - MedLeaf
- 2013 Newport Blvd - Strains
- 1912 Harbor Blvd - RDK Group Holding LLC

Individuals:

- Jim Fitzpatrick
- Chris Glew
- Sean Maddocks

SUPPORTERS OF REMOVAL:

Measure X – Supply Chain Operators

- Healing Plant - 1685 Toronto Way
- CMX - 3505 Cadillac – N3
- Se7enLeaf- 3505 Cadillac – M101
- Se7enLeaf - 3505 Cadillac – L3
- Higher Ground - 3505 Cadillac – F7
- Hera Distro - 3505 Cadillac –F3
- SW Ventures - 3505 Cadillac – F5
- Yummi Karma - 3505 Cadillac – O-101
- Nature’s Market - 1675 Toronto Way
- Gold Flora - 3505 Cadillac – - O-107
- The Distillate - 3520 Cadillac
- Biosgrove - 3505 Cadillac – M-201
- CaLeaf - 3550 Cadillac
- Ash Capital 3505 Cadillac – O-108
- Higher Logic - 3560 Cadillac
- Aureus LLC - 3505 Cadillac Ave – Bldg A

From: [Mike Hannegan](#)
To: [CITY CLERK](#)
Subject: April 16th meeting
Date: Tuesday, April 16, 2024 9:31:43 AM
Attachments: [IMG_5004.PNG](#)

Hello city council,

I'm here for my third city council meeting in a row to bring up cannabis storefront signage. Can we please discuss that a 2 inch font size on a 11x17 sized sign is not legible to make any sort of a difference to our business. We might as well not have a sign if it's going to be that small. Our store, the Secret Garden, gets mistaken as a hotel daily. Across the freeway our neighbor Nectar gets mistaken as a juice bar. A dispensary sign on a cannabis storefront provides valuable information to customers and enhances public safety by clearly indicating it's a legal and regulated store. The city and state should act as our partner based on our high tax rate that we pay. Helping increase our customer base will only bring in more tax dollars to help with incentives such as low income housing. Being that we are on a very busy street adjacent to the freeway signage is crucial. We estimate that a sign could double our sales as well as our tax dollars. There are numerous vape/smoke stores around the city that have signs that say smoke, vape, and more. I'm just asking that we be treated the same as any other tax paying business in the city.

Thank you for your time.

Attached is an image of signage from one of the many smoke shops that have proper signage to identify what they sell

Mike Hannegan
Secret Garden / Operating partner

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.



From: [Chris Glew](#)
To: [CITY CLERK](#)
Subject: Cannabis Ordinance
Date: Tuesday, April 16, 2024 11:58:56 AM

Dear City Council-

Please accept this letter in regards to item 6 on the consent calendar. Specifically, there is a new requirement you are imposing that will have numerous business licenses for each cannabis business in the City. I encourage the Council to ask why this is being proposed since no one has articulated a reasoning for it. You are about to approve an undefined requirement with vague language that has no practical purpose. In its current version this new requirement could conceivably have 10-20 separate business licenses per cannabis business permit. No other business in the City is subject to this and with no rational explanation as to why it is even being required.

Another issue that I have raised is in regards to the measure x and measure q operators linked under the ordinance. I represent a measure x business tied to a measure q retail. I have been asking staff and the City Attorney for months for clarification on tenancy of the measure q business. The short version of this issue is that the measure q business is no longer profitable to run and it is not able to exist other than to satisfy some unknown provision of the administrative regulations. I have asked over and over if my client can retenant the property with a viable business that can provide jobs and revenue. I have a lengthy email chain with Mr. Preziosi clearly demonstrating that he is unwilling to provide any direction at all. My client is willing to comply with the City's position but no one will state a position. My client has only one option to move forward and retenant the property and wait for the City to take action. We are trying to avoid litigation, appeals, citations, etc.. How can it be that the City would not want to work collaboratively with a local business owner? Please demand that the City Attorney articulate an explanation to us regarding this issue. I am happy to share with you the string of emails with staff and Mr. Preziosi and allow you to make your own conclusions. We are striving for nothing more than a solution that reflects a positive social and economic policy objective.

Thank you for your service,
Chris Glew

--

Christopher M. Glew, Esq.
180 E. Ocean Blvd
Suite 200
Long Beach, Ca 90802-4760
GlewLaw@gmail.com

1. Privileged and Confidential Communication. The information contained in this email and any attachments may be confidential or subject to the attorney client privilege or attorney work product doctrine. If you are not the intended recipient of this communication, you may not use, disclose, print, copy or disseminate the same. If you have received this in error, please notify the sender and destroy all copies of this message.

2. Transmission of Viruses. Although this communication, and any attached documents or files, are believed to be free of any virus or other defect, it is the responsibility of the recipient to ensure that it is virus free, and the sender does not accept any responsibility for any loss or damage arising in any way from its use.

3. Security of Email. Electronic mail is sent over the public internet and may not be secure. Thus, we cannot guarantee the privacy or confidentiality of such information.

From: [HALLIGAN, MICHELLE](#)
To: [CITY CLERK](#)
Subject: FW: CUP and CBP clarification
Date: Tuesday, April 16, 2024 11:32:10 AM
Attachments: [image001.png](#)

Keith specified that the intention is the following emails to be his public comment for CC-6.



Michelle Halligan
Senior Planner
Economic and Development Services Department
77 Fair Drive 2nd Floor | Costa Mesa | CA 92626 | (714) 754-5608

“The City of Costa Mesa serves our residents, businesses and visitors while promoting a safe, inclusive, and vibrant community.”

City Hall is open to the public 8:00 a.m. to 5:00 p.m. Monday through Thursday and alternating Fridays, except specified holidays. Appointments can be made online at www.costamesaca.gov/appointments.



From: Keith S <KMSesq@hotmail.com>
Sent: Tuesday, April 16, 2024 11:24 AM
To: HALLIGAN, MICHELLE <MICHELLE.HALLIGAN@costamesaca.gov>
Cc: DRAPKIN, SCOTT <SCOTT.DRAPKIN@costamesaca.gov>
Subject: Fw: CUP and CBP clarification

I would like to thank you all for doing the fair and equitable thing in processing the 35 CUPs that have been in the cue for a CUP/ CBP. I would like to clarify something that I think everyone is asking that is licensed and or going through the process. We want to clarify that up to 35 CUPs and corresponding CBPs will be issued for the people that are in cue currently and no more CUPs will be issued until the number of stores is 10 at which point it will be reevaluated. **If change of control, or an ownership change of 51% or greater occurs, a new cannabis business permit must be obtained. The 35 cannabis business permits associated with new storefront retail cannabis business permits numeric limits do not include cannabis business permits associated with change of control of a currently open cannabis business. (EDITED)**

I think the above needs to be clarified so as not to prevent/ hinder a sale of a CBP business that is currently operational or bringing on new partners as receiving a new CBP would be required but should not be subject to this cap.

Keith Scheinberg ESQ
1582 Monrovia Ave
Newport Beach CA 92663
949-289-7467

From: HALLIGAN, MICHELLE <MICHELLE.HALLIGAN@costamesaca.gov>
Sent: Wednesday, April 10, 2024 4:42 PM
To: Keith S <kmsesq@hotmail.com>
Cc: DRAPKIN, SCOTT <SCOTT.DRAPKIN@costamesaca.gov>
Subject: RE: CUP and CBP clarification

Hi Keith,

The April 2, 2024 City Council agenda report includes the latest draft modifications to Title 9, Section 494.5. It specifies that after processing the applications that have passed the pre-application phase, no further storefront retail cannabis business permits for new locations may be issued by the City until the total number of operating licensed storefront retail establishments falls below ten.

<https://costamesa.legistar.com/LegislationDetail.aspx?ID=6606557&GUID=9BC36605-449D-4FC2-B4C0-2D06126BE2B6>



Michelle Halligan

Senior Planner

Economic and Development Services Department

77 Fair Drive 2nd Floor | Costa Mesa | CA 92626 | (714) 754-5608

“The City of Costa Mesa serves our residents, businesses and visitors while promoting a safe, inclusive, and vibrant community.”

City Hall is open to the public 8:00 a.m. to 5:00 p.m. Monday through Thursday and alternating Fridays, except specified holidays. Appointments can be made online at www.costamesaca.gov/appointments.



TESSA
TOTALLY ELECTRONIC SELF SERVICE APPLICATION

From: Keith S <kmsesq@hotmail.com>
Sent: Wednesday, April 10, 2024 2:35 PM
To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>; HALLIGAN, MICHELLE <MICHELLE.HALLIGAN@costamesaca.gov>; DRAPKIN, SCOTT <SCOTT.DRAPKIN@costamesaca.gov>
Subject: CUP and CBP clarification

I would like to thank you all for doing the fair and equitable thing in processing the 35 CUPs that have been in the cue for a CUP/ CBP. I would like to clarify something that I think everyone is asking that is licensed and or going through the process. We want to clarify that up to 35 CUPs and corresponding CBPs will be issued for the people that are in cue currently and no more CUPs will be issued until the number of stores is 10 at which point it will be reevaluated. **If change of control, or an ownership change of 51% or greater occurs, a new cannabis business permit must be obtained. The 35 cannabis business permits associated with new storefront retail cannabis business permits numeric limits do not include cannabis business permits associated with change of control cannabis business permit applications.**

Thank you again

Keith Scheinberg ESQ

E4 Specialist Cal State Guard

Costa Mesa Resident

949-289-7467

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [Joseph Martin](#)
To: [CITY CLERK](#)
Subject: Fwd: Measure X
Date: Tuesday, April 16, 2024 10:21:46 AM

Dear City Council-

I am writing in regard to the measure x policy and leasing out an empty office space. I am currently seeking to lease a space occupied by Biosgrove Distro at 3505 Cadillac. The unit is perfect for my business usage type and I am ready to occupy the unit immediately. The space is currently just collecting dust while the measure x business is no longer operating. It was explained to me that the measure x business cannot leave the space due to an interpretation of the City Attorney. I am not an attorney but I cannot find anything in the code that supports this conclusion. I am looking to hire staff and start an active business that will create jobs and revenue for the city. I am asking the City Council to request for the City Attorney to review the regulations and discuss policy as to why any of this makes sense. Thank you for your time and consideration.

Joseph

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [GREEN, BRENDA](#)
To: [CITY CLERK](#)
Subject: FW: For tonight's City Council regarding Cannabis
Date: Tuesday, April 16, 2024 11:53:00 AM
Attachments: [oreview.docx](#)

Brenda Green
City Clerk
City of Costa Mesa
714/754-5221

E-mail correspondence with the City of Costa Mesa (and attachments, if any) may be subject to the California Public Records Act, and as such may, therefore, be subject to public disclosure unless otherwise exempt under the act.

From: Robert 420central.org <robert@420central.org>
Sent: Tuesday, April 16, 2024 11:52 AM
To: GREEN, BRENDA <brenda.green@costamesaca.gov>
Subject: For tonight's City Council regarding Cannabis

Department of Cannabis Control	
Medical and Adult-Use Commercial Cannabis Regulations	
California Code of Regulations, Title 4	
Division 18, Department of Cannabis Control	
Table of Contents	
Chapter 1.01 Licenses	1
Article 1. Division Definitions and General Requirements	1
§10001.1. General Requirements	7
§10001.2. Age and Occupations	8
§10001.3. Penalties Requirements	8
§10001.4. Scheduling of Penalties	9
§10001.5. Licenses' Responsibility for Acts of Employees and Agents	10
§10001.6. Age-Reduction	10
§10001.7. Storage of Inventory	10
Article 2. Applicants	10
§10001.1. Provisional Licenses	10
§10001.2. Renewal of Provisional License	11
§10001.3. Renewal of Provisional License	13
§10001.4. Renewal of Provisional License Renewal	16
§10001.5. Renewal Suspension of Provisional License	18
§10001.6. Annual License Application Requirements	17
§10001.7. Renewal of Commercial Cannabis Business	22
§10001.8. Renewal of Commercial Cannabis Business	23
§10001.9. Renewal of Commercial Cannabis Business	22
§10001.10. Renewal of Commercial Cannabis Business	22
§10001.11. Renewal of Commercial Cannabis Business	22
§10001.12. Renewal of Commercial Cannabis Business	22
§10001.13. Renewal of Commercial Cannabis Business	22
§10001.14. Renewal of Commercial Cannabis Business	22
§10001.15. Renewal of Commercial Cannabis Business	22
§10001.16. Renewal of Commercial Cannabis Business	22
§10001.17. Renewal of Commercial Cannabis Business	22
§10001.18. Renewal of Commercial Cannabis Business	22
§10001.19. Renewal of Commercial Cannabis Business	22
§10001.20. Renewal of Commercial Cannabis Business	22
§10001.21. Renewal of Commercial Cannabis Business	22
§10001.22. Renewal of Commercial Cannabis Business	22
§10001.23. Renewal of Commercial Cannabis Business	22
§10001.24. Renewal of Commercial Cannabis Business	22
§10001.25. Renewal of Commercial Cannabis Business	22
§10001.26. Renewal of Commercial Cannabis Business	22
§10001.27. Renewal of Commercial Cannabis Business	22
§10001.28. Renewal of Commercial Cannabis Business	22
§10001.29. Renewal of Commercial Cannabis Business	22
§10001.30. Renewal of Commercial Cannabis Business	22
§10001.31. Renewal of Commercial Cannabis Business	22
§10001.32. Renewal of Commercial Cannabis Business	22
§10001.33. Renewal of Commercial Cannabis Business	22
§10001.34. Renewal of Commercial Cannabis Business	22
§10001.35. Renewal of Commercial Cannabis Business	22
§10001.36. Renewal of Commercial Cannabis Business	22
§10001.37. Renewal of Commercial Cannabis Business	22
§10001.38. Renewal of Commercial Cannabis Business	22
§10001.39. Renewal of Commercial Cannabis Business	22
§10001.40. Renewal of Commercial Cannabis Business	22
§10001.41. Renewal of Commercial Cannabis Business	22
§10001.42. Renewal of Commercial Cannabis Business	22
§10001.43. Renewal of Commercial Cannabis Business	22
§10001.44. Renewal of Commercial Cannabis Business	22
§10001.45. Renewal of Commercial Cannabis Business	22
§10001.46. Renewal of Commercial Cannabis Business	22
§10001.47. Renewal of Commercial Cannabis Business	22
§10001.48. Renewal of Commercial Cannabis Business	22
§10001.49. Renewal of Commercial Cannabis Business	22
§10001.50. Renewal of Commercial Cannabis Business	22
§10001.51. Renewal of Commercial Cannabis Business	22
§10001.52. Renewal of Commercial Cannabis Business	22
§10001.53. Renewal of Commercial Cannabis Business	22
§10001.54. Renewal of Commercial Cannabis Business	22
§10001.55. Renewal of Commercial Cannabis Business	22
§10001.56. Renewal of Commercial Cannabis Business	22
§10001.57. Renewal of Commercial Cannabis Business	22
§10001.58. Renewal of Commercial Cannabis Business	22
§10001.59. Renewal of Commercial Cannabis Business	22
§10001.60. Renewal of Commercial Cannabis Business	22
§10001.61. Renewal of Commercial Cannabis Business	22
§10001.62. Renewal of Commercial Cannabis Business	22
§10001.63. Renewal of Commercial Cannabis Business	22
§10001.64. Renewal of Commercial Cannabis Business	22
§10001.65. Renewal of Commercial Cannabis Business	22
§10001.66. Renewal of Commercial Cannabis Business	22
§10001.67. Renewal of Commercial Cannabis Business	22
§10001.68. Renewal of Commercial Cannabis Business	22
§10001.69. Renewal of Commercial Cannabis Business	22
§10001.70. Renewal of Commercial Cannabis Business	22
§10001.71. Renewal of Commercial Cannabis Business	22
§10001.72. Renewal of Commercial Cannabis Business	22
§10001.73. Renewal of Commercial Cannabis Business	22
§10001.74. Renewal of Commercial Cannabis Business	22
§10001.75. Renewal of Commercial Cannabis Business	22
§10001.76. Renewal of Commercial Cannabis Business	22
§10001.77. Renewal of Commercial Cannabis Business	22
§10001.78. Renewal of Commercial Cannabis Business	22
§10001.79. Renewal of Commercial Cannabis Business	22
§10001.80. Renewal of Commercial Cannabis Business	22
§10001.81. Renewal of Commercial Cannabis Business	22
§10001.82. Renewal of Commercial Cannabis Business	22
§10001.83. Renewal of Commercial Cannabis Business	22
§10001.84. Renewal of Commercial Cannabis Business	22
§10001.85. Renewal of Commercial Cannabis Business	22
§10001.86. Renewal of Commercial Cannabis Business	22
§10001.87. Renewal of Commercial Cannabis Business	22
§10001.88. Renewal of Commercial Cannabis Business	22
§10001.89. Renewal of Commercial Cannabis Business	22
§10001.90. Renewal of Commercial Cannabis Business	22
§10001.91. Renewal of Commercial Cannabis Business	22
§10001.92. Renewal of Commercial Cannabis Business	22
§10001.93. Renewal of Commercial Cannabis Business	22
§10001.94. Renewal of Commercial Cannabis Business	22
§10001.95. Renewal of Commercial Cannabis Business	22
§10001.96. Renewal of Commercial Cannabis Business	22
§10001.97. Renewal of Commercial Cannabis Business	22
§10001.98. Renewal of Commercial Cannabis Business	22
§10001.99. Renewal of Commercial Cannabis Business	22
§10001.100. Renewal of Commercial Cannabis Business	22

[dcc_commercial_cannabis_regulations](#)
[PDF Document - 1.3 MB](#)

§15004. Financial Interest in a Commercial Cannabis Business.

(a) An applicant for a commercial cannabis license or a licensee shall disclose all financial interest holders. A financial interest holder of the commercial cannabis business includes all of the following, except as provided in subsection (b):

- (1) A person with an aggregate ownership interest of less than 20 percent.
- (2) A person providing a loan to the commercial cannabis business.
- (3) A person entitled to receive 10 percent or more of the profits of the commercial cannabis business, including:
 - (A) An employee who has entered into a profit share plan with the commercial cannabis business.
 - (B) A landlord who has entered into a lease agreement with the commercial cannabis business for a share of the profits.
 - (C) A consultant who is providing services to the commercial cannabis business for a share of the profits.
 - (D) A person acting as an agent, such as an accountant or attorney, for the commercial cannabis business for a share of the profits.
 - (E) A broker who is engaging in activities for the commercial cannabis business for a share of the profits.
 - (F) A salesperson who earns a commission.
 - (G) A person who has entered into an intellectual property licensing agreement for a share of the profits.

(b) Financial interest holders do not include any of the following:

- (1) A bank or financial institution whose interest constitutes a loan;
- (2) Persons whose only financial interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument;
- (3) Persons whose only financial interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; and

(4) Persons who hold a share of stock that is less than 10 percent of the total shares in a publicly traded or privately held company.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26051.5, Business and Professions Code.

§15004.1. Independence of Testing Laboratories.

(a) A licensed testing laboratory shall maintain independence from persons who hold a license or an interest in a commercial cannabis business licensed for any activity other than testing.

(b) A person who is an owner or financial interest holder of a licensed testing laboratory shall not be an owner or financial interest holder of a commercial cannabis business licensed for any activity other than testing.

(c) A licensed testing laboratory shall not lease real or personal property from or to a commercial cannabis business licensed for any activity other than testing.

(d) A licensed testing laboratory shall not employ any person who is employed by, or is an owner or financial interest holder of, a commercial cannabis business licensed for any activity other than testing.

(e) A licensed testing laboratory shall not offer or agree to provide preferential treatment, including discounted testing services, to any other licensee unless the offer or agreement is available to all licensees.

Authority: Section 26013, Business and Professions Code. Reference: Section 26053, Business and Professions Code.

§15005. Personnel Prohibited from Holding Licenses.

(a) A license authorized by the Act and issued by the Department may not be held by, or issued to, any person holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such person have to do with the enforcement of the Act or any other penal provisions of law of this State prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of cannabis or cannabis products.

(b) This section applies to, but is not limited to, any person employed in the State of California Department of Justice as a peace officer, in any district attorney's office, in any city attorney's office, in any sheriff's office, or in any local police department.

(c) No person listed in subsection (a) or (b) may have any ownership interest, directly or indirectly, in any business to be operated or conducted under a cannabis license.

(d) This section does not apply to any person who holds a license in the capacity of executor, administrator, or guardian.

Authority: Section 26013, Business and Professions Code. Reference: Section 26012, Business and Professions Code.

Department of Cannabis Control

Medicinal and Adult-Use Commercial Cannabis Regulations (March 2024)

Page 24 of 229

Please provide copies for city council.

Thank You

Best

Robert Taft, Jr.

Robert@420central.org
Store (714)540-4420
420 w. Central Ave.
Santa Ana, CA 92707
www.420central.com

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.
Report any suspicious activities to the Information Technology Department.

Department of Cannabis Control
Medicinal and Adult-Use Commercial Cannabis Regulations
California Code of Regulations Title 4
Division 19. Department of Cannabis Control

Table of Contents

Chapter 1. All Licensees.....	1
Article 1. Division Definitions and General Requirements	1
§15000. Definitions.....	1
§15000.1. General Requirements.....	7
§15000.2. A- and M-Designations.	8
§15000.3. Premises Requirements.	8
§15000.4. Subletting of Premises.....	9
§15000.5. Licensee’s Responsibility for Acts of Employees and Agents.....	10
§15000.6. Age Restriction.	10
§15000.7. Storage of Inventory.	10
Article 2. Applications	10
§15001. Provisional Licenses.....	10
§15001.1. Issuance of Provisional License.....	11
§15001.2. Renewal of Provisional License.....	13
§15001.3. Notice of Provisional License Review.....	16
§15001.4. Immediate Suspension of Provisional License.....	16
§15002. Annual License Application Requirements.	17
§15003. Owners of Commercial Cannabis Businesses.....	22
§15004. Financial Interest in a Commercial Cannabis Business.....	23
§15004.1. Independence of Testing Laboratories.	24
§15005. Personnel Prohibited from Holding Licenses.....	24
§15006. Premises Diagram.	25
§15007. Landowner Approval.....	27
§15007.1. Electronic Signature.....	28
§15009. Limited Waiver of Sovereign Immunity.	28
§15010. Compliance with the California Environmental Quality Act (CEQA).....	29
§15011. Additional Information.	31
§15012. Incomplete and Abandoned Applications.....	35

§15004. Financial Interest in a Commercial Cannabis Business.

(a) An applicant for a commercial cannabis license or a licensee shall disclose all financial interest holders. A financial interest holder of the commercial cannabis business includes all of the following, except as provided in subsection (b):

- (1) A person with an aggregate ownership interest of less than 20 percent.
- (2) A person providing a loan to the commercial cannabis business.
- (3) A person entitled to receive 10 percent or more of the profits of the commercial cannabis business, including:
 - (A) An employee who has entered into a profit share plan with the commercial cannabis business.
 - (B) A landlord who has entered into a lease agreement with the commercial cannabis business for a share of the profits.
 - (C) A consultant who is providing services to the commercial cannabis business for a share of the profits.
 - (D) A person acting as an agent, such as an accountant or attorney, for the commercial cannabis business for a share of the profits.
 - (E) A broker who is engaging in activities for the commercial cannabis business for a share of the profits.
 - (F) A salesperson who earns a commission.
 - (G) A person who has entered into an intellectual property licensing agreement for a share of the profits.

(b) Financial interest holders do not include any of the following:

- (1) A bank or financial institution whose interest constitutes a loan;
- (2) Persons whose only financial interest in the commercial cannabis business is through an interest in a diversified mutual fund, blind trust, or similar instrument;
- (3) Persons whose only financial interest is a security interest, lien, or encumbrance on property that will be used by the commercial cannabis business; and

(4) Persons who hold a share of stock that is less than 10 percent of the total shares in a publicly traded or privately held company.

Authority: Section 26013, Business and Professions Code. Reference: Sections 26012 and 26051.5, Business and Professions Code.

§15004.1. Independence of Testing Laboratories.

(a) A licensed testing laboratory shall maintain independence from persons who hold a license or an interest in a commercial cannabis business licensed for any activity other than testing.

(b) A person who is an owner or financial interest holder of a licensed testing laboratory shall not be an owner or financial interest holder of a commercial cannabis business licensed for any activity other than testing.

(c) A licensed testing laboratory shall not lease real or personal property from or to a commercial cannabis business licensed for any activity other than testing.

(d) A licensed testing laboratory shall not employ any person who is employed by, or is an owner or financial interest holder of, a commercial cannabis business licensed for any activity other than testing.

(e) A licensed testing laboratory shall not offer or agree to provide preferential treatment, including discounted testing services, to any other licensee unless the offer or agreement is available to all licensees.

Authority: Section 26013, Business and Professions Code. Reference: Section 26053, Business and Professions Code.

§15005. Personnel Prohibited from Holding Licenses.

(a) A license authorized by the Act and issued by the Department may not be held by, or issued to, any person holding office in, or employed by, any agency of the State of California or any of its political subdivisions when the duties of such person have to do with the enforcement of the Act or any other penal provisions of law of this State prohibiting or regulating the sale, use, possession, transportation, distribution, testing, manufacturing, or cultivation of cannabis or cannabis products.

(b) This section applies to, but is not limited to, any person employed in the State of California Department of Justice as a peace officer, in any district attorney's office, in any city attorney's office, in any sheriff's office, or in any local police department.

(c) No person listed in subsection (a) or (b) may have any ownership interest, directly or indirectly, in any business to be operated or conducted under a cannabis license.

(d) This section does not apply to any person who holds a license in the capacity of executor, administrator, or guardian.

Authority: Section 26013, Business and Professions Code. Reference: Section 26012, Business and Professions Code.

From: Ryan Bankhead <rwbankhead@gmail.com>

Sent: Sunday, April 14, 2024 4:48 PM

To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>

Subject: (Concerned Resident) File #24-061- Proposed Raising Cane's Drive Thru

Dear Council Members,

Due to work obligations, my wife and I won't be able to attend the City Council meeting this week so we wanted to submit our concerns about the Proposed Raising Cane's Drive Thru restaurant via email for your review and consideration.

I have lived in Orange County my whole life and have been a Costa Mesa resident since 2011. I currently live in the Level 1 Community near the proposed site for the Raising Cane's Drive Thru. My wife and I bought our condo brand new in 2015. After living here almost 10-years and after reviewing the proposed plan in detail, I have major concerns about the traffic study that was completed and question if it was truly a non-biased party that completed it. Between the awkward intersections at both Industrial & Newport Blvd and 16th St & Newport Blvd (due to the frontage roads) and the layout of the Frontage Road where the Raising Cane's will be located, I am confident in saying that it presents not only a traffic nuisance, but also unsafe driving conditions.

During my 10-years of living here I have not only seen multiple accidents at Industrial & Newport Blvd and 16th St & Newport Blvd intersections, I myself have almost been hit multiple times. Due to the popularity of Raising Cane's and my knowledge of the traffic back-up at the Harbor Blvd location, I can't imagine the impact the additional traffic will have on these intersections. In regards to the Frontage road, that is an older street and wasn't engineered for high traffic. It is a tight street with multiple curves and cars parked on one side of the street. Due to how tight it is on the one side with the cars parked and the curves in the road, there have been multiple occasions where I've almost been hit head on as cars cross over the double yellow to give themselves more room. This is further complicated by bicycle traffic and a heavy amount of foot traffic. A lot of bicycles use that road since there is not a bicycle lane on Newport Blvd, especially those making their way down to the beach. The foot traffic is mainly due to the high volume of homeless people around here because of the close proximity to S.O.S. (Share Ourselves) food kitchen. Some of which camp in the bushes in the median between Frontage Road and Newport Blvd.

Here are some specific concerns based on my experience living here;

- Cars will back up on 16th Street as they try to turn left onto Frontage Road to access the Drive Thru entrance. This will back up into the 16th St & Newport Blvd intersection. That will also cause a back-up of cars turning right onto 16th Street from Newport Blvd going towards the beach. There is a turn lane there but it is not very long. Note, we do see this same problem on Industrial Way as people try to turn left into Carl's Jr.
- The light at Industrial Way & Newport Blvd can get backed up more than halfway down the Industrial Way block at peak traffic times as people use it as a cutover

from Superior to Newport Blvd. So if there is back-up there, what happens to the cars coming from Raising Cane's and trying to turn left on Industrial from the Frontage Road. For example, people grabbing food and then wanting to get back on Newport Blvd to head to the beach. When Industrial Way is not backed up, there is a constant issue with speeding since people use it as a quick cutover like I mentioned above. The street also slopes down towards the Newport Blvd end which makes it difficult to see cars coming down the street if you are making that left from Frontage Road onto Industrial Way. This creates the opportunity for a serious accident if someone was speeding down Industrial Way and people pull out in front of them as they make that left hand turn. We recently had a similar situation with a car pulling out of Level 1 and got hit by a speeding Porsche. The car ended up flipping over and almost hit a few buildings. On top of this, you also have a high-number of cars accessing and leaving Carl's Jr. at that same location. That intersection just simply wasn't engineered for that much traffic.

- I don't think the traffic study took into account the high amount of beach traffic on Newport Blvd during the summer time. You will have bumper to bumper traffic heading to the beach in the morning and leaving the beach at night. That alone creates constant back up in the intersection, which will be further complicated by a higher volume of people turning in and out of 16th St and Industrial Way to access Raising Cane's.
- Both of the aforementioned intersections additionally pose hazardous driving concerns due to drivers not well-acclimated with the flow and nature of these intersections. Particularly, the 16th Street and Newport Blvd intersection poses hazardous driving conditions due to the flow onto 16th Street from Frontage Road. There is a stop sign there and many drivers do not understand the cross traffic on 16th Street is not subject to stopping, yet drivers at the stop sign - if unfamiliar or impatient - attempt to cross into the 16th Street traffic to make the green light at Newport Blvd.

I do appreciate the investment that Raising Cane's is proposing to make in the community as the empty furniture building at the proposed site has become an eyesore, and understand the benefit of the tax revenue it will bring to the city. That said, I don't feel that a drive thru restaurant is the right business for that location. I'm not sure if Raising Cane's has any "sit down" only locations, however maybe that could be a solution as it wouldn't bring the same level of traffic.

Thank you,

Ryan & Stephanie Bankhead
131 Mercer Way
Costa Mesa, CA 92627
949-701-2961

From: [HAUSER, JANET](#)
To: [GREEN, BRENDA](#); [TERAN, STACY](#)
Subject: FW: Raising Cane's Proposal
Date: Monday, March 11, 2024 9:11:44 AM

Please see below.



Janet Hauser
Executive Assistant to Council
City of Costa Mesa
77 Fair Drive | Costa Mesa | CA 92626 |
P (714) 754-5107 M (714)949-3693

“The City of Costa Mesa serves our residents, businesses and visitors while promoting a safe, inclusive, and vibrant community.”

City Hall is open to the public 8:00 a.m. to 5:00 p.m. Monday through Thursday and alternating Fridays, except specified holidays. Appointments can be made online at www.costamesaca.gov/appointments.

From: Jessica Christian <jessicamchristian@gmail.com>
Sent: Sunday, March 10, 2024 1:34 PM
To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>
Subject: Raising Cane's Proposal

Hello City Council,

I'm a Costa Mesa resident familiar with the proposed site for a Raising Cane's. I'm really concerned about the dangerous traffic issues that would arise from having it in that location. I've attached a video I took Friday around 4:15pm so you could see the area and understand more clearly some of the issues that I'll also describe.

The Newport and 16th street intersection is already dangerous due to the odd setup of the frontage road on either side and because there's no left turn signals in either direction. Cars line up on 16th on both the Eastside and Westside throughout the day and night, and particularly during rush hour traffic. Both directions get a green light at the same time, so vehicles turning left onto Newport Blvd must yield to those going straight. On the Eastside I have seen the line of cars waiting to cross back up to the stop sign on Orange Ave. On the Westside I have seen it go back to the edge of the mobile home community. And I don't drive in this area during rush hour, when it would be worse. Cars crossing Newport Boulevard from East to West wait at a line just back from the frontage road, which they must then pass before crossing Newport Boulevard. On the Westside the frontage roads ends at 16th, but at a sharp angle (rather than a 90 degree angle). So while cars wait to cross right at the intersection with Newport Boulevard itself, other cars are turning from or on to the frontage road

around that, which isn't at a right angle with 16th. A car turns from 16th on to the frontage road in the video I took, and you can see they (presumably accidentally) end up turning part way on to the left side of the street on the frontage road due to this. The angle is just awkward. Due to the issues on both sides, in addition to the lack of a left turn only signal, cars from either side will often stop to figure out how to proceed while in the intersection. So they're not only seeing what direction cars on the other side are going (left, right, or straight) but trying to figure out if there are people coming from the frontage road. Then those familiar with it will sometimes try to go around these cars waiting. I've almost been hit multiple times due to these various issues.

Having many more people use this intersection would lead to more near misses and accidents. The Traffic Study estimates 138-161 peak hour trips on average to the Raising Cane's (page 10). That's a lot more vehicles, most of them probably driven by people unfamiliar with this intersection and the frontage road. This would probably happen with any fast food place in this location, but particularly one as popular as Raising Cane's. Traffic going through this already dangerous intersection would get worse. Increased traffic would also impact the frontage road. The Traffic Study deals with things like the speed of the lights, but not these types of safety concerns.

In terms of the drive-thru, I appreciate that their plan has a relatively long one on their site. But I don't think it will be enough to prevent issues, despite the claims in the Traffic Study. Currently their plan has one driveway for entering and exiting the drive-thru and parking lot, which will be located on the frontage road. According to page 36 of the Traffic Study, they estimate 23 cars could wait in that line on their property (before ending up on the street). After making the attached video I looked and estimated that only about 10 cars can fit from their proposed driveway to 16th street. You can also see this in Figure 20 of the Traffic Study. So that means any more cars than that would end up waiting on 16th street, thus blocking people trying to drive across Newport Blvd from the Eastside. The other location in Costa Mesa can fit about 25 cars before the line stretches onto Harbor, which it does regularly when they're busy (based on my own personal observations on multiple occasions as well as a conversation with one of the drive-thru attendants at that location). Despite this, the Traffic Study claims on page 35 that the average maximum queue on Saturdays was 20-21 cars, which could already push the line out from the proposed location onto the frontage road if there are any large vehicles in line (not sure if the Traffic Study estimate was for compact cars only). Furthermore, between 18-21 cars were observed at the Costa Mesa location Thursday at 6:40 and Saturday at 1:25, 2:45, 3:00, 3:10-3:25, 3:45, 5:20, and 6:25-6:55 (Figure D2 on page 157 and D5 on page 160). So it was not just one time. And this study was done in February 2023, not a summer day when there would likely be more people waiting in the drive-thru. Furthermore, google maps data indicates the Costa Mesa location is actually busiest on Friday nights from 5-11pm, with the peak hour being 7-8, which was not one of the days/times observed.

Additionally, some people might be coming on the frontage road coming from the other direction (from Industrial Way). If traffic is backed up on the frontage road in both directions it would also make the frontage road unusable since no one could pass if there were lines to get in their lot going in both directions.

Thanks for considering my concerns. I'll also try to attend the city council meeting where the proposal will be discussed again.

-Jessica

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

[video-10th-and-newport.MOV](#)

From: [HAUSER, JANET](#)
To: [GREEN, BRENDA](#); [TERAN, STACY](#)
Subject: FW: Raising Canes
Date: Monday, March 11, 2024 9:40:51 AM

Please see below.



Janet Hauser
Executive Assistant to Council
City of Costa Mesa
77 Fair Drive | Costa Mesa | CA 92626 |
P (714) 754-5107 M (714)949-3693

“The City of Costa Mesa serves our residents, businesses and visitors while promoting a safe, inclusive, and vibrant community.”

City Hall is open to the public 8:00 a.m. to 5:00 p.m. Monday through Thursday and alternating Fridays, except specified holidays. Appointments can be made online at www.costamesaca.gov/appointments.

From: Cara Basmajian <carabasmajian@gmail.com>
Sent: Saturday, March 9, 2024 10:33 AM
To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>
Subject: Re: Raising Canes

Hello Costa Mesa City Council,

My husband and I purchased a condo in 2020 in Level 1 that we live in currently with our two young daughters with a son on the way in the coming months. I would like to express that we are amongst many of our neighbors hoping that the Raising Canes a couple doors down does not get approved. Since we have moved in 3.5 years ago, there has been a significant increase in homeless encampments around our community, trash all over the streets, and suspicious activity that makes us feel increasingly unsafe. A few months ago we filed a police report as someone clearly on drugs in the early hours of the night tried to break into homes in our community and steal our belongings. I happened to be awake with my daughter and had my husband run out to get back what the man had stolen from us and he threatened to shoot my husband. Needless to say, we are not excited about the possibility of a new spot yards away where people will be gathering throughout the night unless there are significant measures the city is taking to clean up and police the streets. We also worry that increased traffic on the road where many people are living out of vans and create blind spots as we pull out of our community will have implications.

Thank you for your time and consideration,

Cara Basmajian
1532 Maxwell Way
Costa Mesa, CA 92627

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [Stacy Mason](#)
To: [CITY CLERK](#)
Subject: Fwd: Comments Against Raising Cane's At 1595 Newport Blvd
Date: Thursday, March 28, 2024 5:35:58 PM

Dear Brenda Green,

I am a neighbor and homeowner in the Levell community (cross streets Newport Frontage Road/Industrial Way). Below is my letter to the City of Costa Mesa Public Comments from February 2024. My position has not changed. I have reviewed the Raising Cane's Traffic Study from October 20, 2023. From page 10 of the traffic report: "[B]ased on standardized ITE trip rates the proposed Project would generate a total of approximately 152 mid-day peak hour trips and 153 PM peak hour trips on a typical weekday. Based on the case study trip rates, the proposed Project is expected to generate a total of approximately 138 mid-day peak hour trips and 161 PM peak hour trips on a typical weekday." Currently, there is no business traffic coming to the Newport Frontage Road for 1595 Newport Blvd. and yet, the intersections that would be impacted are already very busy. They cannot accommodate the influx of traffic a Raising Cane's would bring.

Please see my message below with detailed points.

I understand that something needs to be done with the property at 1595 Newport Blvd; progress and development are crucial to our community. However, building a Raising Cane's is not the answer.

Thank you for your consideration,
Stacy Mason

----- Forwarded message -----

From: **Stacy Mason** <stacycmason@gmail.com>
Date: Mon, Feb 12, 2024 at 9:51 AM
Subject: Fwd: Comments Against Raising Cane's At 1595 Newport Blvd
To: <PCPublicComments@costamesaca.gov>
Cc: Jonathan Mason <jonathandavidmason@gmail.com>

To Whom It May Concern:

I am a neighbor and homeowner in the Levell community (cross streets Newport Frontage Road/Industrial Way). I have reviewed the detailed proposal, including the traffic study. While it looks like Raising Cane's' proposal will create good traffic flow within the property, I am deeply concerned about how having a Raising Cane's at this location will affect traffic on local streets. My concerns are as follows:

1. Newport Frontage Road is windy and narrow and runs very close to Newport Blvd. It is so close, if someone wants to turn right onto 16th to then turn left onto Newport Blvd. (a common choice), there is only room for the lengths of two cars to fit before traffic will back up onto the frontage road.

2. If someone chooses to turn left onto 16th street from the frontage road, but 3 or more cars are waiting at the light, they will also have to wait. I have also seen cars turn left anyway and drive on the wrong side of the road in order to avoid the line of cars waiting to turn onto Newport in order to head towards Superior.

3. If cars decide to head towards Industrial way, they will have a similar problem. There is room for about 3-4 cars if someone wants to turn left onto Industrial and then left again onto Newport. This road often backs up, causing cars to first turn right, then make illegal U-turns elsewhere on Industrial before they get to the light at Superior.

4. If someone wants to turn left onto Industrial from Newport Frontage Road, but there is no room, they will have to wait. There is no room for someone behind them to squeeze by and turn right. Those cars will then likely decide to avoid the backed up traffic by cutting through my community in order to make that right hand turn towards Industrial.

Having a Raising Cane's at this location will be a traffic nightmare. The Newport Frontage Road is located too close to Newport Blvd. in order to accommodate the kind of expected traffic Raising Cane's draws. Despite all of these reasons, if this proposal does go through, I ask that at the very least there be specific lanes painted for cars turning left, going straight, and turning right from 16th towards Newport Blvd. and also a "Keep Clear" section to keep space for cars wanting to turn left onto 16th. Also, the stop sign at Newport Frontage Road facing 16th will need a left turn lane and a right turn lane.

The plans for the property may look good, but geographically with the way the surrounding roads are situated, this is not the right location for a busy fast food restaurant like Raising Cane's.

Thank you for your consideration. Please contact me via email with any questions.
Stacy Mason

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [HAUSER, JANET](#)
To: [GREEN, BRENDA](#); [TERAN, STACY](#)
Subject: Fwd: Raising Canes project on Old Newport, 16th/Industrial - concerns over project
Date: Friday, March 8, 2024 11:30:04 AM

Sent from my iPhone

Begin forwarded message:

From: Jennifer J Martin <jaejae.martin1@gmail.com>
Date: March 8, 2024 at 7:29:22 AM PST
To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>
Subject: Raising Canes project on Old Newport, 16th/Industrial - concerns over project

Hello CM City Council.

First of all, thank you for your service and I appreciate all that you do for our city.

I am a resident of Level 1 and my address is 1534 Sullivan Ave, CM. I am an original owner and have lived here for 9 years.

I have concerns about another fast-food restaurant opening within 500 feet of my home. I am addressing the Raising Canes project and conditions on Old Newport, 16th, and Industrial.

Here are my main concerns:

- * existing traffic challenges, which are already creating hazards and delays, will likely be exacerbated with the additional traffic a Cane's would bring to the area (main issue, unanimous, needs to be addressed regardless of Cane's outcome)
- * concerns about the noise from late-night operation (the proposal is to operate from 9 am to 3:30 am)
- * concerns about litter and other off-site impacts; residents see Carls Jr' wrappers along the street
- * concerns about the smell - some residents can smell Carl's Jr
- * general agreement that the current site needs to be improved;

Generally not excited about another drive-through within 500 feet of where I live.

Existing traffic challenges are the major concern as that intersection is tricky and I fear major accidents and people dying or being maimed for life due to being in a car accident.

I am unable to attend the April 2 meeting so am writing in.
Please let me know if you have received this

Thank you,
Jennifer J. Martin
949-637-2401 cell

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is

From: [Ty Hansen](#)
To: [CITY CLERK](#)
Subject: Public Comment on proposed Raising Canes #ZA-22-11
Date: Monday, March 25, 2024 10:40:55 AM

Does anyone really believe that building a high volume drive through restaurant adjacent to one of the most dangerous and poorly planned intersections in Costa Mesa will make that intersection LESS DANGEROUS?

Of course not.

The only possible outcome will be that this project will make that intersection MORE DANGEROUS. Period. This is the heart of the problem.

My objection is not about Fast Food per se. It is not about Raising Cane's and its corporate objectives or whether it will be a good neighbor. It is also not about Highest and Best Use of the property, or the Von Hemert family and what they are allowed to do on their own land.

I believe in progress. I believe in revitalizing defunct or obsolete properties. I am pro-growth. I know the City needs tax revenue. I agree with all those things.

However, the City has a mandate to CREATE AND MAINTAIN SAFE CONDITIONS throughout Costa Mesa. This project will do the exact opposite. This will create a nightmare or traffic snarls, accidents, and injuries.

This proposed development will no doubt make that intersection the NUMBER ONE MOST DANGEROUS INTERSECTION IN COSTA MESA.

Does anyone really think that is a good idea?

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [Stacy Mason](#)
To: [CITY CLERK](#)
Subject: Fwd: Comments Against Raising Cane's At 1595 Newport Blvd
Date: Tuesday, April 16, 2024 9:41:22 AM

To Whom It May Concern:

I am writing to reiterate my public comments against building a Raising Cane's at 1595 Newport Blvd. Please see my email below from February 12th.

Thank you,
Stacy

----- Forwarded message -----

From: **Stacy Mason** <stacycmason@gmail.com>
Date: Thu, Mar 28, 2024 at 5:35 PM
Subject: Fwd: Comments Against Raising Cane's At 1595 Newport Blvd
To: <cityclerk@costamesaca.gov>

Dear Brenda Green,

I am a neighbor and homeowner in the Levell community (cross streets Newport Frontage Road/Industrial Way). Below is my letter to the City of Costa Mesa Public Comments from February 2024. My position has not changed. I have reviewed the Raising Cane's Traffic Study from October 20, 2023. From page 10 of the traffic report: "[B]ased on standardized ITE trip rates the proposed Project would generate a total of approximately 152 mid-day peak hour trips and 153 PM peak hour trips on a typical weekday. Based on the case study trip rates, the proposed Project is expected to generate a total of approximately 138 mid-day peak hour trips and 161 PM peak hour trips on a typical weekday." Currently, there is no business traffic coming to the Newport Frontage Road for 1595 Newport Blvd. and yet, the intersections that would be impacted are already very busy. They cannot accommodate the influx of traffic a Raising Cane's would bring.

Please see my message below with detailed points.

I understand that something needs to be done with the property at 1595 Newport Blvd; progress and development are crucial to our community. However, building a Raising Cane's is not the answer.

Thank you for your consideration,
Stacy Mason

----- Forwarded message -----

From: **Stacy Mason** <stacycmason@gmail.com>
Date: Mon, Feb 12, 2024 at 9:51 AM
Subject: Fwd: Comments Against Raising Cane's At 1595 Newport Blvd

To: <PCPublicComments@costamesaca.gov>
Cc: Jonathan Mason <jonathandavidmason@gmail.com>

To Whom It May Concern:

I am a neighbor and homeowner in the Level 1 community (cross streets Newport Frontage Road/Industrial Way). I have reviewed the detailed proposal, including the traffic study. While it looks like Raising Cane's' proposal will create good traffic flow within the property, I am deeply concerned about how having a Raising Cane's at this location will affect traffic on local streets. My concerns are as follows:

1. Newport Frontage Road is windy and narrow and runs very close to Newport Blvd. It is so close, if someone wants to turn right onto 16th to then turn left onto Newport Blvd. (a common choice), there is only room for the lengths of two cars to fit before traffic will back up onto the frontage road.
2. If someone chooses to turn left onto 16th street from the frontage road, but 3 or more cars are waiting at the light, they will also have to wait. I have also seen cars turn left anyway and drive on the wrong side of the road in order to avoid the line of cars waiting to turn onto Newport in order to head towards Superior.
3. If cars decide to head towards Industrial way, they will have a similar problem. There is room for about 3-4 cars if someone wants to turn left onto Industrial and then left again onto Newport. This road often backs up, causing cars to first turn right, then make illegal U-turns elsewhere on Industrial before they get to the light at Superior.
4. If someone wants to turn left onto Industrial from Newport Frontage Road, but there is no room, they will have to wait. There is no room for someone behind them to squeeze by and turn right. Those cars will then likely decide to avoid the backed up traffic by cutting through my community in order to make that right hand turn towards Industrial.

Having a Raising Cane's at this location will be a traffic nightmare. The Newport Frontage Road is located too close to Newport Blvd. in order to accommodate the kind of expected traffic Raising Cane's draws. Despite all of these reasons, if this proposal does go through, I ask that at the very least there be specific lanes painted for cars turning left, going straight, and turning right from 16th towards Newport Blvd. and also a "Keep Clear" section to keep space for cars wanting to turn left onto 16th. Also, the stop sign at Newport Frontage Road facing 16th will need a left turn lane and a right turn lane.

The plans for the property may look good, but geographically with the way the surrounding roads are situated, this is not the right location for a busy fast food restaurant like Raising Cane's.

Thank you for your consideration. Please contact me via email with any questions.
Stacy Mason

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

Title: Petition Against Raising Cane's Development in Costa Mesa

We, the undersigned residents of Costa Mesa, oppose the approval of the Raising Cane's establishment in our neighborhood. We believe that this development will significantly disrupt our community's quality of life due to its proposed late hours of operation until 2 am and the resulting traffic congestion.

The addition of Raising Cane's with its late-night hours will exacerbate existing traffic and parking issues in our area. The anticipated influx of vehicles, coupled with patrons opting to dine in their cars, will lead to congestion on our streets, making it difficult for residents to navigate and exacerbating safety concerns.

Furthermore, the increased traffic and parking problems will not only inconvenience residents but also pose potential risks to public safety. Emergency services may face delays in reaching residents in need due to congested roads, putting lives at risk.

We, therefore, urge the authorities to reconsider the approval of Raising Cane's in our neighborhood. We believe that the negative impact on our community's quality of life outweighs any potential benefits the establishment may bring. We request alternative solutions that prioritize the well-being and safety of residents and preserve the peaceful character of our neighborhood.

By signing below, we express our opposition to the development of Raising Cane's in Costa Mesa and request that our concerns be taken into serious consideration by the relevant authorities.

Thank you for your support in preserving the harmony and livability of our community. Together, we can ensure that decisions about developments in our neighborhood prioritize the well-being of its residents.

Sea Breeze Villas, 133 E 16th St., Costa Mesa, CA 92627

[Printed Name] [Space Number]

Anthony Savoji	6
Grant Welch	5
Chris and Al Landolph	7
Lori and Raymond Rojas Theeling	35
Alejandro Espinoza	9
Leslie Dye	10
Elizabeth Nickins	11
Shane Uzelac	62
Brandi Grey	14
Frankie Tadlock	16
Chris Denio	17

Woods, Bella, Tyler Vernon-Moore	20
Karen Sweeney	22
Jessica Arnold	25
Kevin Lyons	24
Cristian Ruiz, Faith Manning	33
Jordan Vaisman-Silva, Aleksandra Scanlan	34
Amzi, Abigail Majourau, Chris Medrano	38
Megan Escobedo, Andrew Serrano	50
Christopher Maclean	49
Shane Fitzgerald and Dixie Kuvshnikov	44
Patric Blankenship	40

From: [HANSON, LIDIAN](#)
To: [Clayton Knapp](#)
Cc: [CITY CLERK](#)
Subject: RE: Raising Caine's Project Comments - From Level 1 Resident - 4/16/24
Date: Tuesday, April 16, 2024 5:01:28 PM

FYI...

From: Clayton Knapp <cknapp89@gmail.com>
Sent: Tuesday, April 16, 2024 4:49 PM
To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>
Subject: Raising Caine's Project Comments - From Level 1 Resident - 4/16/24

Dear City Council of Costa Mesa,

I am a resident at Level 1 and helped organize a gathering of Level 1 community members to discuss this project. Probably 20 residents came and we have more than 30 on the email chain that was circulated too.

A lot of residents voiced concerns about the project and we expect a number of residents to be present tonight – I will be in attendance and some others have emailed the Council to express their concerns as well.

In addition to the traffic, safety, trash, security, congestion, and odor considerations, I personally am having a hard time understanding how this project reflects Costa Mesa's long term urban and community plan. When I and many of my fellow Level 1 residents purchased a home here in Costa Mesa nine years ago now, we were not under the impression that more drive throughs would be built within 100 yards of our homes. We were obviously aware of the Carl's Jr. on the corner of Industrial Way and Newport Boulevard, but all our collective hope was that the area would progressively improve over time. More community retail, businesses, shops, neighbors, etc. This Raising Caine's development feels like progress in the wrong direction from my perspective and essentially all of our neighbors seem to feel the same way.

Over time, I'm hopeful that Costa Mesa adheres to its ambitious plans for growth and improvement. I know the city has done a lot of work trying to attract great businesses, investment, and development, but this Raising Caine's project doesn't seem to be the elevating project our Westside district needs or intended. Especially a drive through with very late hours and busy round the clock with queuing cars into pedestrian walkways combined with one of the busiest thoroughfares in all of Orange County.

From all of Level 1's residents, we sincerely appreciate all the City Council's openness to hearing feedback from community members. From everything I have seen and everybody I have talked to, it seems very unanimous that the actual residents are not supportive of this project, and it seems to be more aimed toward passing visitors on late nights and weekends

rather than actual community members unfortunately.

Thank you,

Clay Knapp
1515 Sullivan Ave

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [Hannah Colt](#)
To: [GREEN, BRENDA](#); [CITY CLERK](#)
Subject: Opposition to Proposed Raising Cane's Development Near My Residence
Date: Tuesday, April 16, 2024 6:32:11 PM

Dear Brenda Green,

I hope this letter finds you well. I am writing to express my strong opposition to the proposed development of a Raising Cane's restaurant near my residence of 133 E 16th St. SPC 19, Costa Mesa, CA 92627. As a dedicated member of this community, I believe it is crucial to voice my concerns regarding this matter.

While I understand the potential economic benefits that such a development may bring to the area, I am deeply concerned about the negative impact it could have on the surrounding neighborhood, environment, and quality of life for residents like myself. Allow me to outline some of my key concerns:

Traffic Congestion: The addition of a popular fast-food restaurant like Raising Cane's is likely to increase traffic congestion in our already busy neighborhood. This could lead to safety hazards for pedestrians and motorists alike, as well as exacerbate existing traffic problems during peak hours.

Noise and Pollution: Fast-food establishments often generate noise pollution, especially during late-night hours when delivery trucks arrive or when customers visit the drive-thru. Additionally, increased vehicle traffic can contribute to air and light pollution, negatively impacting the tranquility of our residential area. My husband and I moved here from Victoria St. recently as it is a quiet and serene space.

Impact on Local Businesses: The introduction of a large chain restaurant may overshadow and compete with local eateries and businesses, potentially leading to a decline in their customer base and economic viability. I care deeply for the investment in local business and restaurants.

Environmental Concerns: Development projects of this nature can have adverse effects on the environment, including increased waste generation, water runoff, and disruption of natural habitats. It is essential to consider the long-term environmental implications of such developments so close to the beach.

Given these concerns, I respectfully urge the city council to reconsider the approval of the proposed Raising Cane's development near our residential area. I believe it is essential to prioritize the well-being and interests of the community as a whole, rather than solely focusing on short-term economic gains.

Furthermore, I request that the city conduct a comprehensive environmental impact assessment and solicit input from residents through public hearings before making any final decisions regarding this development project. We have heard about these plans through our landlord and would love to be informed further on the matter.

Thank you for considering my perspective on this matter. I trust that you will give careful consideration to the concerns raised by myself and other concerned residents.

Sincerely,

Hannah Colt

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.

From: [HANSON, LIDIAN](#)
To: [CITY CLERK](#)
Subject: FW: Traffic concerns regarding the Raising Cane's plan
Date: Tuesday, April 16, 2024 2:56:30 PM

Please see comment below.

From: Mark Walls <markwalls@gmail.com>
Sent: Tuesday, April 16, 2024 2:42 PM
To: CITY COUNCIL <CITYCOUNCIL@costamesaca.gov>
Subject: Traffic concerns regarding the Raising Cane's plan

Good afternoon, Council,

I am writing to express my serious concerns about the plan to develop a Raising Cane's at 1595 Old Newport Blvd. As a resident of the Level 1 community, I am deeply concerned about the potential traffic implications of this proposal. While I understand that a traffic study was conducted, it is crucial to reassess the study considering the timing since the traffic situation in our area is significantly different in February compared to the summer months, when we experience a high volume of beachgoers.

I am concerned regarding the thoroughness and objectiveness of the study since the development, on paper, is good for both the city of Costa Mesa and Raising Cane's. This situation could be a win-win-lose, where the city and Cane's win while the community loses. I do not have any evidence that this is the case, nor am I accusing anyone of anything underhanded. Simply, when things appear good enough on the surface, it's easy to say yes.

I want to add that I favor the "idea" of a Cane's in the area. I think that it will help revitalize the currently unoccupied area and enhance its safety, which is presently a problem due to the homeless and transient population. A nice, new development will bring a much-needed facelift to the intersection. That said, the traffic issue must be adequately addressed before I will be comfortable with the development.

While I am concerned about the traffic implications to our direct neighborhood, I am more concerned about the general problems it will cause. This area will become a safety hazard to the community. Sidewalks are inefficient on only one side of the road, and foot traffic will be difficult. The traffic backups will likely cause accidents and road rage issues. Traffic is a very significant issue, and I request that the Council vote no on the development as it is currently planned due to the lack of a proper traffic solution.

Here are some specific traffic concerns:

-
-
- **Newport**
- **Blvd Frontage**
- -
 -
 -
 - This
 - road is too narrow and needs sidewalks on both sides of the street.
 -

- -
 - Vehicles
 - parked on the side of the road cause visual obstructions as drivers navigate the slight bend in the road. Because of this, drivers typically float into the middle of the road to better navigate it.
-
- -
 - If
 - part of the plan is to disallow street parking, it should be noted that the street's south end is currently used as parking for Level One community members. We presently have a community parking problem and need more available spaces.
-
- -
 - More
 - traffic on this street will undoubtedly be a problem.
-

-

-

-

- **Southbound**

- **Newport Blvd to westbound E 16th St to southbound Newport Blvd Frontage**

-

-

- -
 - This
 - turn is an acute angle, which already confuses drivers who are unfamiliar with the area.
-
- -
 - Another
 - odd (acute) angle is the immediate left turn required to access southbound Frontage. Typically, drivers float across E 16th St. to make the turn onto the Frontage road.
-
- -
 - This
 - quick right + immediate left intersection is dangerous, and many drivers do not know how to navigate it properly.
-

-

-
-
- **Northbound**
- **Newport Blvd Frontage Road to eastbound E 16th St**

- -
 -
 -
 - This intersection is currently problematic due to the odd angle of the right turn onto 16th.
 -
 -
 -
 - In addition to the odd turn onto 16th, the distance from Newport Frontage to Newport Blvd is very close and is already routinely congested while cars wait for the traffic light at 16th/Newport.
 -
 -
 -
 - The timing of this intersection clearly favors the north/south traffic on Newport Blvd. The backup at this light will likely be incredible.
 -
 -
 -
 - Adding more traffic to this intersection will likely cause a danger to the community.
 -

-
-
- **Southbound**
- **Newport Blvd Frontage Road to Industrial Way**

- -
 -
 -
 - This intersection suffers from issues similar to those of the northern intersection, as the angle of the Frontage Road makes access to Industrial Way complex.

-
-
-
- There
- is routinely traffic backed up on eastbound Industrial Way as cars are waiting for the traffic signal at Industrial/Newport.

-
-
-
- Drivers
- heading south on Newport Blvd frequently turn right onto Industrial Way then stop to make a left into the Carl's Jr parking lot. This causes additional confusion and gridlock at this already confusing intersection.
-

●

●

●

● **Industrial**

● **Way**

●

●

-
-
- For
- residents of Level One, exiting the community on the south exit onto Industrial Way is currently a problem.

○

○

○

- Vehicles
- park along Industrial Way and obstruct visibility to oncoming westbound traffic.

○

○

○

- The
- curbside on Industrial Way needs more no-parking red curbs to solve the current traffic visibility issue.

○

○

○

- As
- noted earlier, however, the curbside parking helps alleviate our current community parking issues.

○

○

○

Adding

- more traffic to westbound Industrial will create serious traffic problems due to poor street visibility.

○

●

●

●

● **Industrial**

● **Way/Newport Blvd traffic light**

●

●

○

○

○ This

○ intersection is an absolute nightmare.

○

○

○

○ There

○ is only one traffic light controlling multiple intersections.

○

○

○

○ Drivers

○ unfamiliar with the area have great difficulty navigating this intersection.

○

○

○

○ If

○ drivers exiting Cane's head south onto Industrial and first navigate a problematic left turn, then wait at a light to navigate a very confusing intersection, things will not go well.

○

●

While I realize that all changes come with an associated cost, I would love to see this development include improvements to the existing Newport Blvd Frontage road. There appears to be ample space for widening the street and improving turn angles. Traffic signals should be examined and adjusted. There is also an opportunity to enhance the traffic flow for both the 16th St and Industrial Way intersections with Newport Blvd. While this may take time to address, a plan with these improvements would go a long way in serving the community.

Thank you all sincerely for reading all of this. I know it's a lot. I am willing to help and speak to anyone about these concerns. Unfortunately, I cannot attend the 04/16/24 meeting (tonight) due to a prior engagement. Please feel free to reach out anytime.

Thank you,
Mark Walls

Mark Walls
138 Mercer Way
Costa Mesa, CA
949.648.6519

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe. Report any suspicious activities to the Information Technology Department.