



# **PLANNING COMMISSION AGENDA REPORT**

MEETING DATE: October 14, 2024

ITEM NUMBER: PH-2

**SUBJECT: CONDITIONAL USE PERMIT (PA-23-07) FOR VALET SERVICES AT PLAYA MESA RESTAURANT LOCATED AT 428 EAST 17<sup>TH</sup> STREET**

**FROM: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/  
PLANNING DIVISION**

**PRESENTATION BY: CHRISTOPHER ALDANA, ASSISTANT PLANNER**

**FOR FURTHER INFORMATION CONTACT: CHRISTOPHER ALDANA, ASSISTANT PLANNER  
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## **RECOMMENDATION:**

Staff recommends that the Planning Commission adopt a Resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1), Existing Facilities; and
2. Approve Conditional Use Permit PA-23-07, based on findings of fact and subject to conditions of approval.

## **APPLICANT OR AUTHORIZED AGENT:**

The applicant and authorized agent is Gregg Ramirez, representing the property owner, Playa Mesa LLC.

## PLANNING APPLICATION SUMMARY

|           |   |                     |          |
|-----------|---|---------------------|----------|
| Location: | 428 East 17 <sup>th</sup> Street  | Application Number: | PA-23-07 |
| Request:  | Conditional Use Permit for valet services at Playa Mesa Restaurant located at 428 E 17 <sup>th</sup> Street |                     |          |

### SUBJECT PROPERTY:

### SURROUNDING PROPERTY:

|  |  |        |  |
|--|--|--------|--|
| Zone:  | Local Business District (C1)   | North: | R1 (Single-Family Residential District), developed with detached single-family homes           |
| General Plan:                                  | General Commercial (GC)  | South: | C1 (Local Business District), developed with a variety of retail, service, and restaurant uses |
| Lot Dimensions:                                | 50 FT x 280 FT   | East:  | C1 (Local Business District), developed with a variety of retail, service, and restaurant uses |
| Lot Area:                                      | 14,000 SF  | West:  | C1 (Local Business District), developed with a variety of retail, service, and restaurant uses |
| List of Approved Plans / Land Use Entitlements | ZA-04-37 – Minor Conditional Use Permit to allow a 148 sq. ft. outdoor patio in the front setback at Peet’s Coffee.<br>ZA-18-39 – Minor Conditional Use Permit for an outdoor dining patio for Playa Mesa Mexican Kitchen within the required front landscape setback.<br>ZA-19-94 (ZA-04-37 A1) – Minor Conditional Use Permit to deviate from shared parking requirements to allow the expansion of the outdoor dining patio into the required front landscape setback and an opening time of 5 a. m. for Peet’s Coffee. |        |  |
| Existing Development:                          | The existing on-site development consists of a 4,759 sq. ft. restaurant (Playa Mesa Mexican Kitchen) with 815 sq. ft. of outdoor patio area. Additional site improvements include landscaping, a trash enclosure and on-site parking that is shared between Playa Mesa Mexican Kitchen and an adjacent commercial use, Peet’s Coffee, which is located to the west of the project site.  |        |  |

## DEVELOPMENT STANDARDS COMPARISON

| Development Standard   | Required/Allowed C1 Dev. Standard                                     | Proposed/Provided  |
|--|---|--|
| Building Height  | 2 Stories / 30 ft   | 1 Story / 20’ 6”   |
| <b>Setbacks:</b>   |   |  |
| Front  | 20 ft.  | 20 ft.*  |
| Side (left/ right)   | 15 ft. on one side and 0 feet on the other side.                      | 0 on the left, west side and 0 foot on the right, east side. |
| Rear   | **41 ft.  | 155 ft. 2 in.  |
| Landscape Setback – front  | 20 ft.  | 20 ft.*  |
| Parking  | Playa Mesa: 5,574 (61 Spaces)<br>Peet’s: 2,149 (22 Spaces)            | 69 Shared Parking Spaces & 10 Bike Racks***                  |
| Floor area ratio (FAR)   | .20   | 0.39****   |
| CEQA Status  | Exempt pursuant to CEQA Guidelines Section 15301, Existing Facilities |  |
| Final Action   | Planning Commission   |  |
| <small>*Under the entitlements ZA-04-37, ZA-18-39 and ZA-19-94 (ZA-04-37 A1) both properties were approved with outdoor patios that project into the required front landscape setback.<br/> **Exception: If the rear property line is adjacent to a residential zone, all buildings shall maintain a rear setback from the residential property line of 2 times the building height at all locations.<br/> ***Legal non-conforming parking<br/> ****Legal non-conforming FAR</small> |   |  |

## **EXECUTIVE SUMMARY**

Playa Mesa Restaurant (“Playa Mesa”) is requesting Planning Commission approval for valet services at an existing 4,759-square-foot restaurant use located at 428 East 17<sup>th</sup> Street. The proposed valet service is requested to provide improved customer service and is not necessary to comply with Code required parking demand.

Staff supports the request because the valet service would be operated by a professional valet service, pursuant to a professionally prepared valet program and compatible with surrounding land uses. Therefore, staff recommends that the Planning Commission find that the project is exempt from the California Environmental Quality Act (CEQA), and approve the application based on findings of fact and subject to conditions of approval.

## **SETTING**

The project site consists of two adjacent lots located on the north side of East 17<sup>th</sup> Street, located between Tustin Avenue to the west and Irvine Avenue to the east (see Exhibits 1 and 2 below). Playa Mesa restaurant is located at 428 East 17<sup>th</sup> Street, which is the narrower parcel outlined in red in Exhibit 1 below. The other parcel outlined in red-dash is improved with a commercial building occupied by Peet’s Coffee (424 East 17<sup>th</sup> Street). Access and parking are shared between the two parcels.

### **EXHIBIT 1 - Location**



The project site is designated General Commercial (GC) by the Land Use Element of the City’s General Plan and is zoned Local Business District (C1). In general, the Local Business District (C1) zone allows for restaurants, retail, and professional office type uses.

Residentially zoned properties developed with single-family residences are located to the north. Properties to the east and west are zoned C1 and are improved with commercial buildings that house a variety of retail, restaurant, and service businesses. Properties located south across East 17th Street are also zoned C1 and are improved with commercial development similarly offering a variety of retail, food, and personal services.

**EXHIBIT 2 - Existing Site**



**HISTORY**

The project site consists of a 0.51-acre parcel (424 East 17<sup>th</sup> Street) that was originally developed in the 1970's with a 1,449 sq. ft. commercial building (i.e., Peet's Coffee). The smaller adjoining 0.32-acre parcel (428 East 17<sup>th</sup> Street) was developed in the 1960's with

a 4,759 sq. ft. commercial building (i.e. Playa Mesa). The shared on-site parking is accessed by a driveway from East 17<sup>th</sup> Street.

Over time, both commercial buildings have applied for entitlements, minor additions and tenant improvements that have modified both the interior and exterior of the buildings. In 2018, Playa Mesa (428 East 17<sup>th</sup> Street) underwent substantial remodeling and development under Zoning Application ZA-18-39. Exhibit 3 below shows a current street view of the project site from 17<sup>th</sup> Street.

### **EXHIBIT 3 - STREET VIEW**



Playa Mesa has operated since 2018. Per Costa Mesa Municipal Code (CMMC), Table 13-47 Permitted and Conditionally Permitted Uses, establishments where food and beverage are served with more than 300 square feet of public area and that are located within 200 feet of a residential zone are permitted (by right) in the C1 zone. The restaurant also has a Type 47 Alcoholic Beverage Control (ABC) license; however, a Conditional Use Permit (CUP) is not required to sell alcoholic beverages for on-site consumption because the restaurant closes by 11:00 p. m. Playa Mesa does not offer live entertainment.

### **BACKGROUND**

As part of a previous entitlement (ZA-19-94), a parking demand analysis was conducted for both restaurant operations that concluded existing site parking lot, with 69 parking stalls, adequately served both businesses after the completion of a proposed patio extension for Peet's coffee. The Zoning Administrator approval was conditioned, so that should a parking shortage or other parking-related problems arise, adequate measures would need to be implemented by either Peet's Coffee or Playa Mesa to reduce or eliminate the problem. Currently, during Playa Mesa's hours of operation, the on-site parking demand increases and creates the need for additional parking capacity. With the proposed valet service, Playa Mesa can better manage the site parking demand.

## **REQUEST**

The applicant requests a Conditional Use Permit to operate valet services during Playa Mesa Restaurant's operating hours. Pursuant to Costa Mesa Municipal Code (CMMC) 13-96, valet parking may be offered when and as authorized by Planning Commission approval of a conditional use permit.

## **STANDARD OF REVIEW**

### ***Conditional Use Permit (CUP)***

Pursuant to the Costa Mesa Municipal Code, to approve the CUP application, the Planning Commission must make findings that the use:

- *Is compatible with developments in the nearby area;*
- *Would not be detrimental to other nearby properties;*
- *Will not be detrimental to the public health, safety and general welfare;*
- *Will not injure nearby property or improvements; or*
- *Will not allow a use, density or intensity not in accord with the General Plan.*

As necessary, proposed conditional uses may have conditions of approval applied to the development or their operations to ensure that the required findings can be met. An assessment of the project's relationship to the findings and General Plan is provided later in this report.

### ***Review Criteria***

In addition to the CUP findings, the Costa Mesa Municipal Code, requires that all planning applications comply with the following planning application Review Criteria:

- *Neighborhood compatibility;*
- *Safety and compatibility of design;*
- *Compliance with performance standards;*
- *Consistency with the general plan and any applicable specific plan; and*
- *Application is for a project-specific case.*

## **DESCRIPTION**

Valet services will be offered daily, generally coinciding with Playa Mesa’s operating hours as shown in Exhibit 2 below. During Playa Mesa’s business hours, 55 of the site’s 69 parking spaces will be used for valet, with the remaining 14 spaces allocated to Peet’s Coffee. When both Peet’s and Playa Mesa are simultaneously open, Playa Mesa will provide complimentary valet parking for customers of Peet’s Coffee. And when Peet’s Coffee is closed, the 14 parking stalls would be available to Playa Mesa patrons who prefer to self-park instead of valet (see the below Exhibit 5).

### **EXHIBIT 4 - Business Hours and Proposed Valet Parking Hours**

|                          | <b>Playa Mesa</b>       | <b>Peet’s Coffee</b>  | <b>Valet Hours</b>      |
|--------------------------|-------------------------|-----------------------|-------------------------|
| <b>Monday – Thursday</b> | 11:00 a.m. – 10:00 p.m. | 5:30 a.m. - 6:00 p.m. | 11:00 a.m. – 10:00 p.m. |
| <b>Friday</b>            | 11:00 a.m. – 11:00 p.m. | 6:00 a.m. - 6:00 p.m. | 11:00 a.m. – 11:00 p.m. |
| <b>Saturday</b>          | 9:00 a.m. – 11:00 p.m.  | 6:00 a.m. - 6:00 p.m. | 10:00 a.m. – 11:00 p.m. |
| <b>Sunday</b>            | 9:00 a.m. – 10:00 p.m.  | 6:00 a.m. - 6:00 p.m. | 10:00 a.m. – 11:00 p.m. |

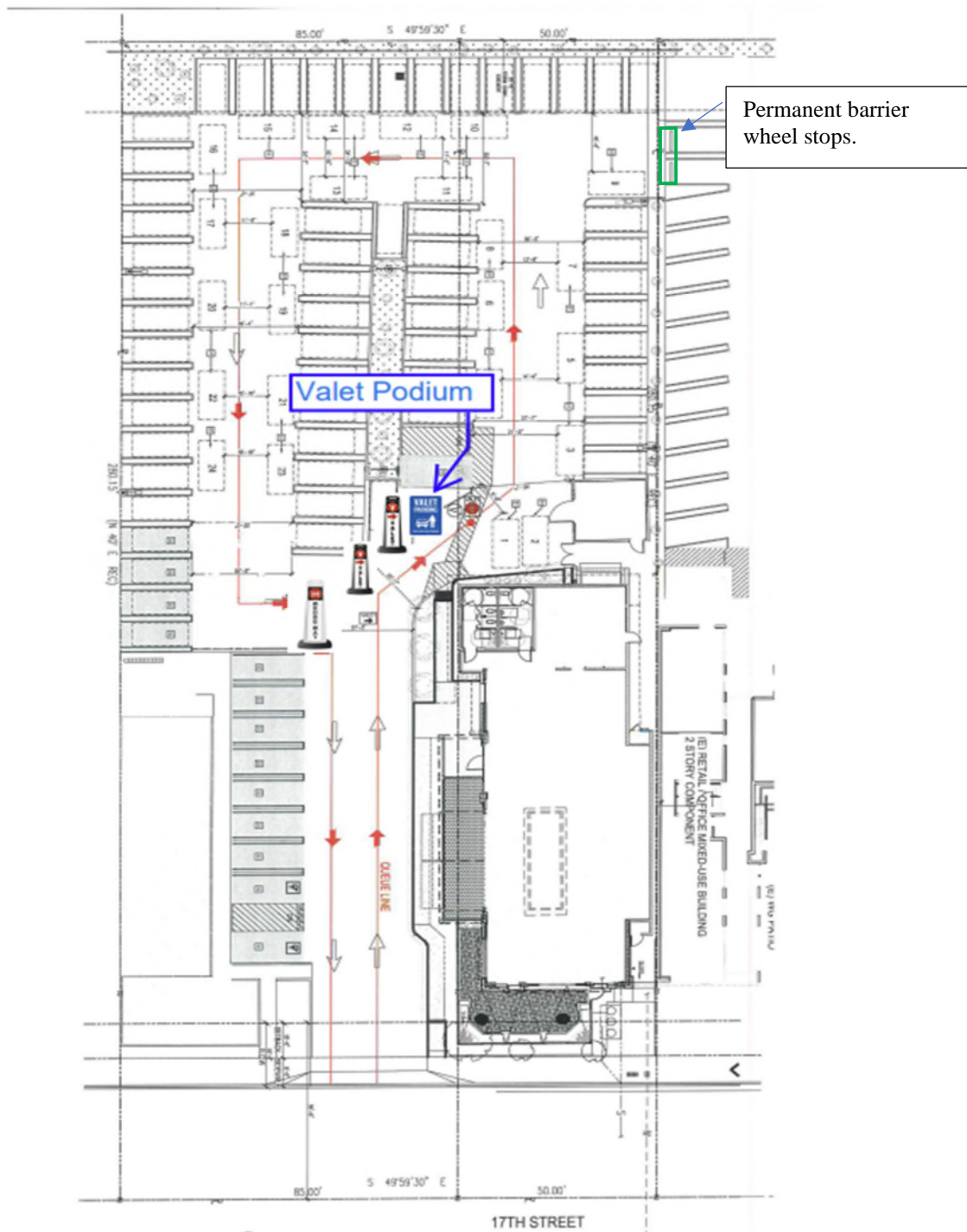
Valet staffing will consist of two to four attendants made up of both “greeters” and “runners”. A greeter welcomes guests and manages the flow of traffic by identifying vehicles to be parked by the runners. The runner is then responsible for timely parking and retrieval of customer vehicles. All valet attendants will wear standard uniforms and are trained in customer service.

As shown in Exhibit 5 (on the next page), the valet drop-off area is accessed from the site shared driveway from East 17<sup>th</sup> Street. This driveway is approximately 155 feet and allows for eight vehicles to be stacked on-site before the queue could potentially block the public sidewalk. Valet greeters will monitor the vehicle queue and move the vehicles forward to avoid potential conflicts with the public right-of-way. Runners will take the car at the drop-off location and park cars throughout the parking lot in a way that allows for an additional 24 vehicles to be parked on-site. While the valet service is in use, the site’s valet parking count will increase to 93 spaces.

## **ANALYSIS**

The proposed project is a request to offer valet parking services for Playa Mesa Restaurant. The valet parking would take place within the on-site parking lot, which is shared with the adjacent business, Peet’s Coffee. The proposed use will include the implementation of valet operations which will optimize the efficient use of the parking lot. Valet service will improve customer experience by reducing potential waiting for spaces and blocking drive aisles, and further reduce the potential for vehicles overflowing onto East 17<sup>th</sup> Street.

## EXHIBIT 5 - Flow of Traffic



Additionally, a comprehensive valet/parking management plan has been prepared to address parking, staging, queuing and traffic flow (Attachment 6). As part of the valet management plan, new concrete wheel stops will be installed as a physical boundary between the subject property and the adjacent property to its east at 436 East 17<sup>th</sup> Street (Wild Goose Tavern) which is owned by the same property owners as Playa Mesa



restaurant. As shown in Exhibit 5 on the previous page, these permanent barriers will not block or impede accessible access routes but will assist in managing the circulation of valet vehicles. All City Departments have reviewed the valet design and have no concerns.

Staff is in support of the valet service because it is anticipated to improve operations for an existing restaurant, and is in conformance with applicable goals, objectives, and policies of the General Plan (as indicated below). The proposed valet service would operate pursuant to a professionally prepared valet parking plan, which is designed to avoid impacts to adjacent properties and the public right-of-way. In addition, the valet plan provides customers the option to self-park, if self-parking is preferred and available. Because Playa Mesa has limited on-site parking stalls, which are shared with the adjacent tenant Peet's Coffee, the use of valet services will increase the amount of available on-site parking in support of each business. For these reasons, staff is in support of the valet services as proposed and believes that it will not have any detrimental effect to the health, safety, and general welfare of the public or nearby improvements.

### **GENERAL PLAN CONFORMANCE**

The following analysis further evaluates the proposed project's consistency with specific policies and objectives of the 2015-2035 General Plan.

1. **Policy LU-6.2:** Continue to promote and support the vitality of commercial uses to meet the needs of local residents and that support regional-serving commercial centers.

**Consistency:** The addition of valet would assist in continuing to promote and support the vitality of an existing commercial use "Playa Mesa restaurant." Playa Mesa restaurant has a limited number of on-site parking stalls, which are shared with their neighboring tenant Peet's Coffee. Therefore, providing valet services will better manage site parking and allow for additional vehicles to park on-site. As detailed within the valet plan, two to four valet attendants will manage the customer drop-off and pick up of vehicles. The valet is an ancillary service to the restaurant and will provide residents with an upscale amenity in addition to their dining experience.

2. **Policy LU-6.7:** Encourage new and retain existing businesses that provide local shopping and services.

**Consistency:** The existing Playa Mesa restaurant provides the community with sit-down dining services and the addition of the valet service will better manage site parking and increase the amount of available customer parking on-site. The valet services will aid in retaining an existing business by improving operations and would create approximately four additional valet jobs.

## **FINDINGS**

Pursuant to Title 13, Section 13-29 (g)(2), Conditional and Minor Conditional Use Permit Findings, of the CMMC, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required findings:

**Finding:** The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area.

**Facts in Support of Findings:** Playa Mesa Mexican Kitchen restaurant has operated from this location for many years where customers would self-park in the back lot proximate to residential uses. And during that time there's been no known incompatibility between neighboring uses. The applicant's request for valet services is an improvement upon existing conditions and one that will benefit the quiet enjoyment of the adjacent residential properties. The valet podium will be located approximately mid-property and all cars will be professionally parked by a limited number of staff. All noise from customers self-parking or loitering will be minimized because of the professional valet services. Because of this, when operating consistent with the conditions of approval, the proposed valet service will be compatible and harmonious with nearby development and would not have a detrimental effect upon nearby properties.

**Finding:** Granting the conditional use permit will not be materially detrimental to the health, safety, and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.

**Facts in Support of Finding:** The valet podium will be located approximately mid-property and all cars will be professionally parked by a limited number of staff. All noise from customers self-parking or loitering will be minimized because of the professional valet services. In addition, the valet podium's location is approximately 155 feet away from 17<sup>th</sup> Street and this distance can stack eight vehicles before the public right of way could be affected. The management plan states that valet staff will monitor the queue and move vehicles closer together to avoid right-of-way impacts. The number of concurrent valets running vehicles is reasonable to ensure that the queue line moves at a reasonable pace that will keep cars from adversely affecting 17<sup>th</sup> Street. For these reasons, when operating consistent with the conditions of approval, the proposed valet service will not be detrimental to the health, safety, and general welfare of the public or otherwise injurious to property or improvement in the neighborhood.

**Finding:** Granting the conditional use permit will not allow a use, density or intensity which is not in accordance with the General Plan designation and any applicable specific plan for the property.

**Facts in Support of Finding:** Granting the conditional use permit will not allow a use, density, or intensity, which is not in accordance with the general plan designation. As conditioned, the valet service will not generate noise, odor, traffic, or parking effects unusual for a commercially zoned property. The project does not propose any modification in the square footage to either of the existing commercial buildings on-site and the restaurant would continue to not operate after 11 p. m.

## **ENVIRONMENTAL DETERMINATION**

The project is exempt from the provisions of the California Environmental Quality Act under Section 15301 (Class 1), Existing Facilities. The Project proposes a conditional use permit for Playa Mesa valet parking. No substantial physical improvements to the existing building would result from the project. Furthermore, none of the exceptions that bar the application of a categorical exemption pursuant to CEQA Guidelines Section 15300.2 applies. The project would not result in a cumulative impact; would not have a significant effect on the environment due to unusual circumstances; would not result in damage to scenic resources; is not located on a hazardous site or location and would not impact any historic resources.

## **ALTERNATIVES**

As an alternative to the recommended action, the Planning Commission may consider one of the following:

1. Approve the project with modifications. The Planning Commission may suggest specific changes that are necessary to alleviate concerns. If any of the additional requested changes are substantial, the item should be continued to a future meeting to allow a redesign or additional analysis. In the event of significant modifications to the proposal, staff will return with a revised Resolution incorporating new findings and/or conditions.
2. Deny the project. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission must deny the application, provide facts in support of denial, and direct staff to incorporate the findings into a Resolution for denial. If the project were denied, the applicant could not submit substantially the same type of application for six months.

## **LEGAL REVIEW**

The draft Resolution has been approved as to form by the City Attorney's Office.

## **PUBLIC NOTICE**

Pursuant to CMMC Section 13-29(d) three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. Mailed notice. A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site on October 2, 2024. The required notice radius is measured from the external boundaries of the property.
2. On-site posting. A public notice was posted on each street frontage of the project site on October 4, 2024.
3. Newspaper publication. A public notice was published once in the Daily Pilot newspaper on October 2, 2024.

As of this report, no written public comments have been received. Any public comments received prior to the October 14, 2024 Planning Commission meeting will be provided separately.

### **CONCLUSION**

Approval of the project would allow for valet services for the Playa Mesa restaurant which is a supplemental parking proposal beyond that required by Code. The proposed use is in conformance with the General Plan, Zoning Code, and the findings to approve the application can be made. The valet operation for Playa Mesa is anticipated to address the operational demand for a local successful business, improve customer service and is compatible with the surrounding commercial and residential developments. Therefore, because the proposed valet would not be materially detrimental to other properties within the area and would improve operations for an existing Costa Mesa business, staff recommends approval of the conditional use permit application, subject to the conditions of approval contained in the attached resolution.