

MEETING DATE: OCTOBER 10, 2022 ITEM NUMBER:

SUBJECT: PLANNING APPLICATION 22-26 FOR A CONDITIONAL USE

PERMIT TO OPERATE AN INDOOR AXE THROWING FACILITY WITH SALE OF ALCOHOLIC BEVERAGES AT 1941 NEWPORT

BOULEVARD

FROM: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/

PLANNING DIVISION

PRESENTATION BY: JEFFREY RIMANDO, ASSISTANT PLANNER

FOR FURTHER JEFFREY RIMANDO

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RECOMMENDATION

Staff recommends 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) per CEQA Guidelines Section 15301 (Existing Facilities); and
- 2. Approve Planning Application 22-26, subject to conditions of approval.

APPLICANT OR AUTHORIZED AGENT

The applicant/authorized agent is Dave See, for the property owner, 1941 Newport Blvd, LLC.

PLANNING APPLICATION SUMMARY

Location:	1941 Newport Boulevard	Application Numbers:	PA-22-26		
Request:	Planning Application 22-26 for a Conditional Use Permit to operate an indoor axe throwing facility				
	with sale of alcoholic beverages.				

SUBJECT PROPERTY:

SURROUNDING PROPERTY:

002020111101211111		0011110011211101111111	
Zone:	C2 (General Business)	North:	C2
General Plan:	General Commercial	South:	C2
Lot Dimensions:	Front = 145 FT Side (Left) = 160 Ft Side (Right) = 240 FT Rear = 183 FT	East:	55 Freeway
Lot Area:	26,450 SF	West:	R2-HD (Multi-Family Residential, Medium Density) PDC (Planned Development Commercial)
Existing Development:	Existing vacant two-unit commercial building.		

DEVELOPMENT STANDARDS COMPARISON

Development Standard	Required/Allowed C2 Dev. Standard	Proposed/Provided	
Building Height	30 ft.	18 ft. 6 in.	
Setbacks:			
Front	20 ft.	22 ft.	
Side (left/ right)	15 ft. one side / 0 ft. other side	48 ft. 4 in. / 0 ft.	
Rear	10 ft.	131 ft.	
Parking	31 spaces ¹	34 spaces	

¹ The Zoning Code does not specify a parking ratio for indoor axe throwing facilities; required parking for the proposed use is not specified and is therefore determined by the Planning Division through the Conditional Use Permit process (CMMC Section 13-90). Refer to the analysis below.

Permit process (Civiling Section 13-90). Refer to the analysis below.			
CEQA Status	Exempt per CEQA Guidelines Section 15301 (Existing Facilities)		
Final Action	Planning Commission		

BACKGROUND

The subject property is an approximate 30,000-square-foot parcel located on the northwest side of Newport Boulevard approximately one-block north of the 55 Freeway's southerly terminus. The subject property is zoned C2 (General Business District) and has a General Plan land use designation of "General Commercial." The property is surrounded by properties zoned C2 to the north and south and Multiple-Family Residential - Medium Density (R2-MD) and Planned Development Commercial (PDC) to the west. The surrounding uses include a hotel to the north, a design studio to the south, a mix of single and multi-family residential properties to the west, and Newport Boulevard/55 Freeway to the east.

The property is developed with a 7,750-square-foot retail commercial building that consists of two tenant spaces (a vacant 1,799-square-foot suite previously occupied by "Shoe City," and a vacant 5,951-square-foot suite currently proposed for the axe throwing use). The site is also developed with a 34 car surface parking lot with direct access from Newport Boulevard. At this location, Newport Boulevard/55 Freeway is a four-lane, one-way (southerly) right-of-way with site ingress/egress provided by right-hand turns only.

DESCRIPTION

The proposal is to establish an indoor axe-throwing facility to be operated by "Slashers." The proposal would include nineteen axe throwing lanes, a customer waiting area, a bar and other back-of-house areas. Pursuant to the Costa Mesa Municipal Code (CMMC) Section 13-30(d), because the proposal is a unique use, which is neither listed nor similar to another listed use in the "Permitted Uses Table" in the Zoning Code, the CMMC requires approval of a Conditional Use Permit (CUP). Additionally and pursuant to Table 13-47, because the subject property is located within 200 feet of a residential zone and sale of alcoholic beverages is proposed after 11.00 PM, the Zoning Code requires Planning Commission consideration of applicable development standards pursuant to CMMC Section 13-49.

ANALYSIS

Conditional Use Permit

The sport of axe throwing, which has a governing body called the World Axe Throwing League (WATL), is similar to bowling or darts in that it requires a large space with lanes to perform the activity. The proposed facility would include nineteen lanes and a trained staff member to assist customers and assure safety. Each lane will be limited to three participants per lane. Slashers would operate by reservation only, with a minimum of one to two-hour sessions. Participants, who must be at least 10 years of age, would book sessions online through the business site's software system. All participants are required to sign a waiver before using the space. The applicant is proposing to operate daily from 10:00 AM to 1:00 AM.

The floor plan will primarily consist of nineteen axe throwing lanes and an ancillary 481-square-foot bar area. The applicant will apply for a Type 40 ABC license (on-sale beer) for alcohol sales of beer only from the State (there is no State limit for Type 40 licenses and therefore an analysis of over-concentration and a local determination of "Public Convenience or Necessity" is not required). The bar will operate only during the hours of operation and will serve beer, non-alcoholic soft drinks and pre-packaged snacks.

An axe throwing use is not listed within the Zoning Code Land Use Matrix and pursuant to the CMMC Section 13-30, any proposed use not listed in the Land Use Matrix shall be "reviewed by the Development Services Director to determine its similarity to another listed use. If no similar use exists, the proposed use shall require approval of a conditional use permit." The Development Service Director has reviewed the proposed axe-throwing establishment and determined that the use is not similar to any use listed in the Land Use Matrix, and therefore requires consideration through the City's CUP process .

The subject property is zoned C2 – General Business District, which is intended for uses which offer a wide range of goods and services and may be compatible with nearby sensitive land uses, such as residential. Although not a specifically listed use, staff believes the use is consistent with the intent of allowed/permitted uses in the C2 Zoning District in that similar uses such as amusement centers, physical fitness facilities, bowling, billiards, and skating rinks are permitted in the C2 Zone.

Pursuant to the CMMC, the approval of a CUP requires that the Planning Commission make specific findings related to neighborhood compatibility, health and safety, and land use compatibility. The analysis regarding CUP findings is provided later in this report. Additionally, Article 4 of the CMMC, Section 13-49 specifies development standards for food and beverage establishments located within 200 feet of residentially zoned properties. Since the application proposes the sale of beer, beverages and limited packaged foods, and the subject property is located adjacent to a residentially zoned property, pursuant to the CMMC, the proposed use must comply with the below applicable standards.

 All exterior lighting shall be shielded and/or directed away from residential areas;

Staff has included Condition of approval (COA) No. 19 that requires lighting to be shielded and directed away from the adjacent residential areas, and that no light spill shall occur offsite.

 Outdoor public communication systems shall not be audible in adjacent residential areas;

Staff has included Condition of Approval (COA) No. 26 that restricts outdoor amplified sound and a customer communication system.

 Trash facilities shall be screened from view and designed and located appropriately to minimize potential noise and odor impacts to adjacent residential areas; Currently, the proposed trash area is located adjacent to the property line that divides the subject property with the adjacent hotel. Staff has included the standard Condition of Approval (COA No. 20) that requires trash facilities to be screened from view, and designed and located appropriately to minimize potential noise and odor impacts to residential areas (behind fences). The final design for the trash enclosure will be reviewed at building plancheck.

 Outdoor seating areas shall be oriented away or sufficiently buffered from adjacent residential areas;

Outdoor seating and/or customer waiting is prohibited pursuant to COA No. 27.

 For new construction, a landscaped planter area, a minimum of five (5) feet in width, shall be provided as an additional buffer to adjacent residential areas. The planter area shall contain appropriate plant materials to provide an immediate and effective screen. Plant materials shall meet with the approval of the planning division. For remodels, the planning division may also require the construction of a landscaped planter area to buffer adjacent residential areas, if feasible;

This standard is not applicable in that the proposed project is limited to a change in tenant use and not considered "new construction." However, a six-foot perimeter wall currently exists between the adjacent residential structures and the parking lot to provide a greater buffer between the existing commercial facility and adjacent residential areas.

• For new construction, all interior property lines abutting residentially-zoned property shall have a minimum six-foot high masonry wall, as measured from the highest grade. An eight-foot high masonry wall may be required, based on the establishment's operational characteristics, in order to provide additional protection to adjacent residential uses. A planning application may be required for walls exceeding six (6) feet in height. For remodels, the planning division may also require the construction of a masonry wall to buffer adjacent residential areas, if feasible;

This standard is not applicable in that the proposed project is limited to a change in tenant use and not considered "new construction." However, a six-foot perimeter wall currently exists between the adjacent residential areas and the parking lot.

 Hours of operation for customer service shall not occur any time between 11:00 PM and 6:00 AM;

The CMMC allows a deviation from the 6:00 AM to 11:00 PM operation requirement subject to the approval of a minor conditional use permit (MCUP) or a conditional use permit (CUP). The applicant proposes to end operations at 1:00 AM and therefore the proposed hours of operation are subject to Planning Commission consideration and approval. Staff believes that this request is problematic in that there are existing adjacent residential properties that would be impacted by customers arriving and leaving during late hours. Examples of potential noise impacts include opening/closing of vehicle doors, starting of vehicle

engines and customer dialogue). Although the property is developed with a six-foot wall, the potential for late evening noise impacts to the adjacent residential properties could be avoided by limiting the hours of operation. Therefore, staff recommends that the Planning Commission limit the hours of operation until 11PM, as prescribed by the CMMC.

Truck deliveries shall not occur anytime between 8:00 PM and 7:00 PM
 Staff has included Condition of approval (COA No. 22) that requires deliveries to not occur between 8:00 PM and 7:00 AM

Parking

Pursuant to CMMC Section 13-90 ("Parking for uses not specified"), "the parking requirements for the uses not specified in Table 13-89 shall be determined by the Planning Division. The determination shall be based upon the requirements for the most comparable use specified or other appropriate sources" [emphasis added]. The City's Parking Ordinance does not specify parking requirements for axe-throwing facilities and staff does not believe any of the City's listed parking standards are similar or provide comparable and applicable standards; therefore, a parking study (Attachment 9), was prepared by RK Engineering Group, Inc. that provides a parking analysis based on peak hour operation data collected from a similar use (Stumpy's Hatchet House in Huntington Beach) on a typical Friday and Saturday evening. The parking study surveyed the total number of vehicles within the parking lot during 30-minute intervals, and determined that the maximum number of vehicles within the parking lot did not exceed twenty-two cars. The parking study concluded that based on the floor area of the Huntington Beach axe throwing facility and the number of vehicles observed, the peak parking demand yielded a parking rate of four spaces per 1,000 square feet of gross floor area. Based on the engineer's collected empirical data, the parking study recommended that the total number of parking spaces required to accommodate the proposed axe-throwing facility and the additional vacant retail space is thirty-one spaces, which is less than the thirty-four provided on site.

Noise

Although the property is located within 200 feet of residentially zoned properties, the applicant proposes to install signs in the parking lot to prevent customer loitering and noise as customers leave the facility. Additionally, the axe throwing lanes will be installed with specialized rubber mats to minimize the noise caused by the axes. End grain wood will also be utilized for the targets in each throwing lane to reduce the noise upon impact. Furthermore, if noise-related problems arise as a result of customers activity in the parking lot, a parking monitor may be required at the discretion of the Director of Development Services. In cooperation, the applicant indicates that employees working within the lobby area will be responsible for monitoring the parking lot area to assure there is no loitering or excessive noise. Lastly, Police Department personnel have reviewed the application and indicated no concerns related to the proposed use with the application of conditions of approval.

GENERAL PLAN CONFORMANCE

Conformance with the City of Costa Mesa General Plan

The Costa Mesa General Plan establishes the long-range planning and policy direction that guides change and preserves the qualities that define the community. The 2015-2035 General Plan sets forth the vision for Costa Mesa for the next two decades. This vision focuses on protecting and enhancing Costa Mesa's diverse residential neighborhoods, accommodating an array of businesses that serve both local needs and attract regional international spending, and providing cultural, educational, social, and recreational amenities that contribute to the quality of life in the community. Over the long term, General Plan implementation will ensure that development decisions and improvements to public and private infrastructure are consistent with the goals, objectives, and policies contained in this Plan.

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

1. **Policy LU-1.1:** Provide for the development of a mix and balance of housing opportunities, commercial goods and services, and employment opportunities in consideration of the needs of the business and residential segments of the community.

Consistency: The proposed axe-throwing use would add to the variety of commercial services and goods in the neighborhood by providing a new customer experiential venue that also provides entertainment and team building experiences to meet the needs of businesses and residents of the community.

2. **Policy LU-6.1:** Encourage a mixed of land uses that maintain and improve the City's long-term fiscal health.

Consistency: Developing a diverse and comprehensive supply of services for the customer markets within the community assists in retaining existing and attracting new businesses. Axe-throwing is a use that provides a creative and experiential use in Costa Mesa.

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

Consistency: The proposed axe-throwing use would be a new, unique business that provides entertainment opportunities for local businesses and residents. Furthermore, unique land uses like axe-throwing contribute to retaining existing and attracting new businesses since unique and

creative entertainment-oriented businesses tend to locate near each other.

FINDINGS

Pursuant to Title 13, Section 13-29(g), Findings, of the Costa Mesa Municipal Code, the Planning Commission shall find that the evidence presented in the administrative record substantially meets specified findings as follows:

- 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. The proposed use would be compatible with commercial developments in the same general area (including an adjacent hotel and a design center) and would not be materially detrimental to the nearby residential properties in that conditions of approval have been included to avoid potential noise, vehicle, trash and light disturbances. Parking has also been thoroughly considered and analyzed for compliance and to avoid neighborhood impacts via an engineered parking study.
- 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. Potential noise impacts have been considered and the project will not have a negative impact on the surrounding neighborhood as all business activities as conditioned would be conducted within the building (underroof). Tenant improvements involving the installation of specialized rubber mats and the use of end grain wood will be utilized to reduce noise caused by axes upon impact. If noise-related problems arise as a result of customer activity in the parking lot, a parking lot monitor may be required at the discretion of the Director of Development Services.
- <u>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.</u> The General Plan designation is "General Commercial," which allows for a wide range of commercial uses that serve both local and regional needs. The proposed use is consistent with the intent of the General Plan designation and the C2 Zoning District in that similar uses such as amusement centers, physical fitness facilities, bowling, billiards, and skating rinks are permitted or conditionally permitted in the C2 Zone. Lastly, conditions of approval have been included to address potential noise, traffic, and/or parking impacts.

ENVIRONMENTAL DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1), Existing Facilities. The Class 1 exemption applies to minor alterations to existing facilities or structures involving negligible or no expansion of the existing or prior use. The project falls within this

exemption because it involves minor interior alterations and the change of use is negligible. As conditioned and proposed, the project will have little or no impact on the surrounding area. The project involves tenant improvements to convert an existing retail space into an axe-throwing use. There will be no resulting increase in the existing floor area of the tenant space.

<u>ALTERNATIVES</u>

The Planning Commission has the following alternatives:

- 1. <u>Approve the project</u>. The Planning Commission may approve the project as proposed, subject to the conditions outlined in the attached Resolution.
- 2. Approve the project with modifications. The Planning Commission may suggest specific changes that are necessary to alleviate concerns. If the 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 a revised Resolution incorporating new findings and/or conditions.
- 3. <u>Deny the project</u>. If the Planning Commission must deny the application, provide facts in support of denial, and direct staff to incorporate the findings for denial 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 Title 13, Section 13-29(d), of the Costa Mesa Municipal Code, three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

- Mailed notice. A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site. The required notice radius is measured from the external boundaries of the property. (See attached Notification Radius Map).
- On-site posting. A public notice was posted on each street frontage of the project site.
- 3. **Newspaper publication.** A public notice was published once in the Daily Pilot newspaper.

As of the date of this report, no written public comments have been received. Any public comments received prior to the Planning Commission meeting will be forwarded separately to the Planning Commission.

CONCLUSION

The operation of an axe-throwing business, as proposed and conditioned, would have minimal impact to the surrounding area since all activity would be conducted indoors and sufficient on-site parking would be provided. The proposed use would also be compatible with adjacent existing commercial businesses, and provide experiential services to the surrounding neighborhood and the City. Further, the proposed use is consistent with the General Plan and Zoning Code.