



# **PLANNING COMMISSION AGENDA REPORT**

MEETING DATE: February 26, 2024

ITEM NUMBER: PH-1

**SUBJECT: PLANNING APPLICATION 22-37 TO ESTABLISH AN EVENT CENTER WITH OUTDOOR ACTIVITIES, INCLUDING A REQUEST TO OFFER VALET PARKING AND TO DEVIATE FROM PARKING REQUIREMENTS, AT 3150 BEAR STREET**

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

**PRESENTATION BY: CAITLYN CURLEY, ASSISTANT PLANNER**

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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 (Class 1), Existing Facilities; and
2. Approve Planning Application 22-37, based on findings of fact and subject to conditions of approval.

## **APPLICANT OR AUTHORIZED AGENT:**

The applicant and property owner is the Khoshbin Company. The authorized agent is Alireza Mirzaeiramin.

## PLANNING APPLICATION SUMMARY

Location:	3150 Bear Street	Application Number:	PA-22-37
Request:	To establish an event center in the Administrative Professional (AP) zone with onsite valet parking and ancillary outdoor activities. A deviation from parking requirements is also requested.		

### **SUBJECT PROPERTY:**

### **SURROUNDING PROPERTY:**

Zone:	Administrative Professional (AP)	North:	405 Freeway
General Plan:	General Commercial	South:	CL (Commercial Limited) and PDR-LD (Planned Development Residential – Low Density)
Lot Dimensions:	580 feet x 445 feet	East:	R1 (Single Family Residential)
Lot Area:	261,360 sq. ft. (6 acres)	West:	I & R (Institutional and Recreational)
Existing Development:	Single-tenant, 65,924 square-foot office building constructed in 1978.		

## DEVELOPMENT STANDARDS COMPARISON

Development Standard	Required/Approved	Proposed/Provided
Building Height	3 stories / 44 FT <sup>1</sup>	3 stories / 44 FT
Development Lot Building Setbacks:		
Front (Along I-405)	20FT/79 FT	79 FT
Side (Bear Street)	20FT/46 FT	46 FT
Side (Interior)	88 FT/60 FT	60 FT
Rear	88 FT/314 FT	314 FT
Parking	664/241	241 <sup>2</sup>
Landscaping		
Perimeter Landscaping Abutting Street	20 FT	20 FT
<sup>1</sup> The existing building was previously approved through ZE-76-20 <sup>2</sup> up to 401 spaces with valet parking		
CEQA Status	Class 1: Existing Facilities	
Final Action	Planning Commission	

## **BACKGROUND:**

The proposed use is located at 3150 Bear Street. The site is designated “General Commercial” by the Land Use Element of the General Plan and is zoned “Administrative Professional” (AP).

The subject property is approximately six acres in size and is currently developed with two structures. The primary building is a three-story 65,924-square-foot building that was constructed in 1978. The second structure houses the property’s on-site power plant. The remainder of the site is improved with 241 surface parking spaces and site landscaping, which includes the Grand Courtyard area that has colonnades, sculptures, and fountains.

The site is bounded by Bear Street and Shiffer Park to the west; the I-405 Freeway to the north; single-family residential properties to the east and south, and an office building to the south.

The Khoshbin Company purchased the property in August of 2021; however, only recently has the applicant occupied portions of the first and second stories of the primary building as office headquarters. The current office use of the space includes a social media studio (Suite 100), storage (Suite 150), professional office (Suite 200), and temporary assembly (Suite 250). The Khoshbin Company employs approximately 20 on-site employees. The third floor is currently unoccupied due to unfinished construction. As such, it will not be used for any purpose for the foreseeable future. However, should there be a need to utilize the third floor in the future, that proposed activity would be evaluated on a case-by-case basis and may require an amendment to this entitlement. In the meantime, the third floor will be physically blocked off to prevent unauthorized access, electricity to the third floor will be turned off, and the elevator will be programmed to prohibit access.

Prior to Khoshbin’s use of the site it was occupied by Trinity Broadcasting Network (TBN), a tele-evangelical church, as their international headquarters. TBN’s use of the site included offices, filming, broadcasting, and for publicly-attended church meetings for over 20 years. TBN ceased operations in 2017.

## **REQUEST:**

The applicant requests Planning Commission approval of a conditional use permit to establish an event center. Although “event centers” are not a listed use in the Citywide Land Use Matrix, pursuant to Costa Mesa Municipal Code (CMMC) Section 13-30(d), when a proposed land use is not listed in the City’s Land Use Matrix, the Development Services Director shall determine if the proposed use is similar to another listed use in order to determine the appropriate entitlement process. Where no substantially similar use exists, a conditional use permit is required.

Additionally, the applicant proposes to allow outdoor activities in the Grand Courtyard ancillary to the indoor activities of the event center. This request is subject to the Planning

Commission’s approval of a minor conditional use permit pursuant CMMC Section 13-44 “Uses Underroof.”

Furthermore, the application proposes to allow for the option of valet parking. Valet parking is allowable subject to the approval of a conditional use permit pursuant to CMMC Section 13-96.

Finally, the applicant is requesting to deviate from the required parking for the event center use. Pursuant to CMMC Section 13-89.5, where it can be shown that the required parking for a nonresidential land use will substantially exceed the demand of the actual use, a reduction in the amount of required parking may be permitted with the approval of a minor conditional use permit.

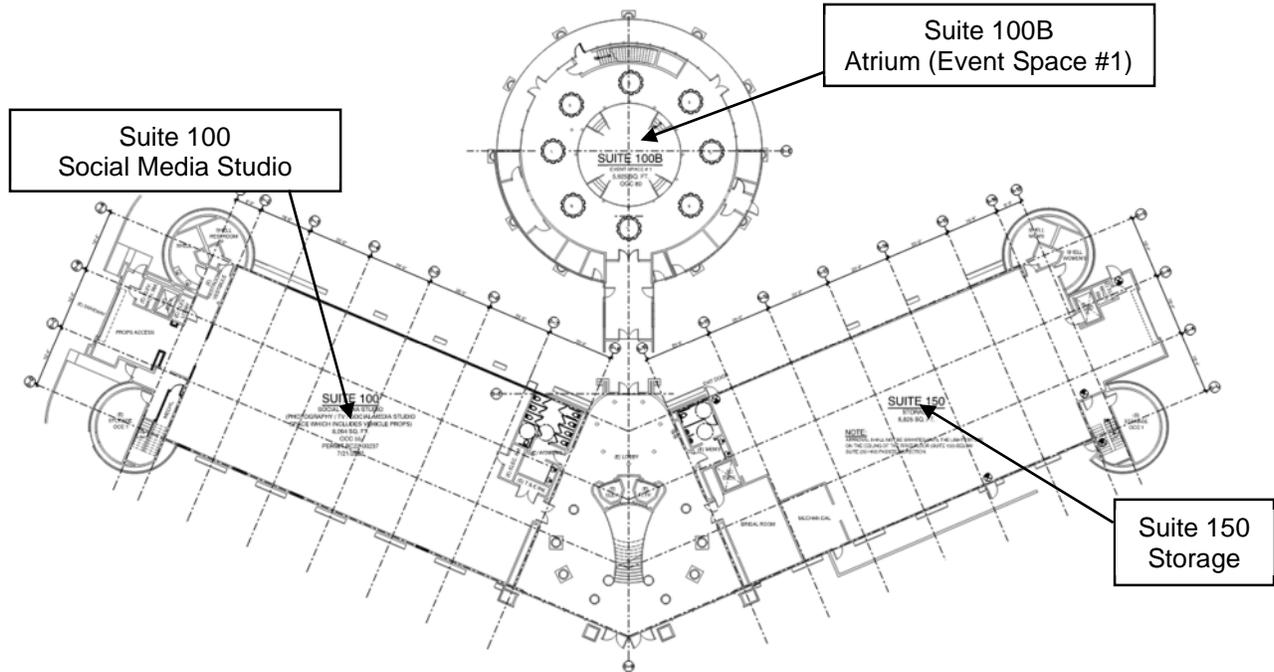
**DESCRIPTION:**

The proposed event center would consist of three interior event spaces and a fourth event space located outdoors at the grand courtyard. As previously mentioned, the third floor of the primary building is not proposed for events. Table 1 below illustrates the primary building’s floor area and intended use of each suite; and Figures 1 and 2 on the next page show the location of each suite within the building:

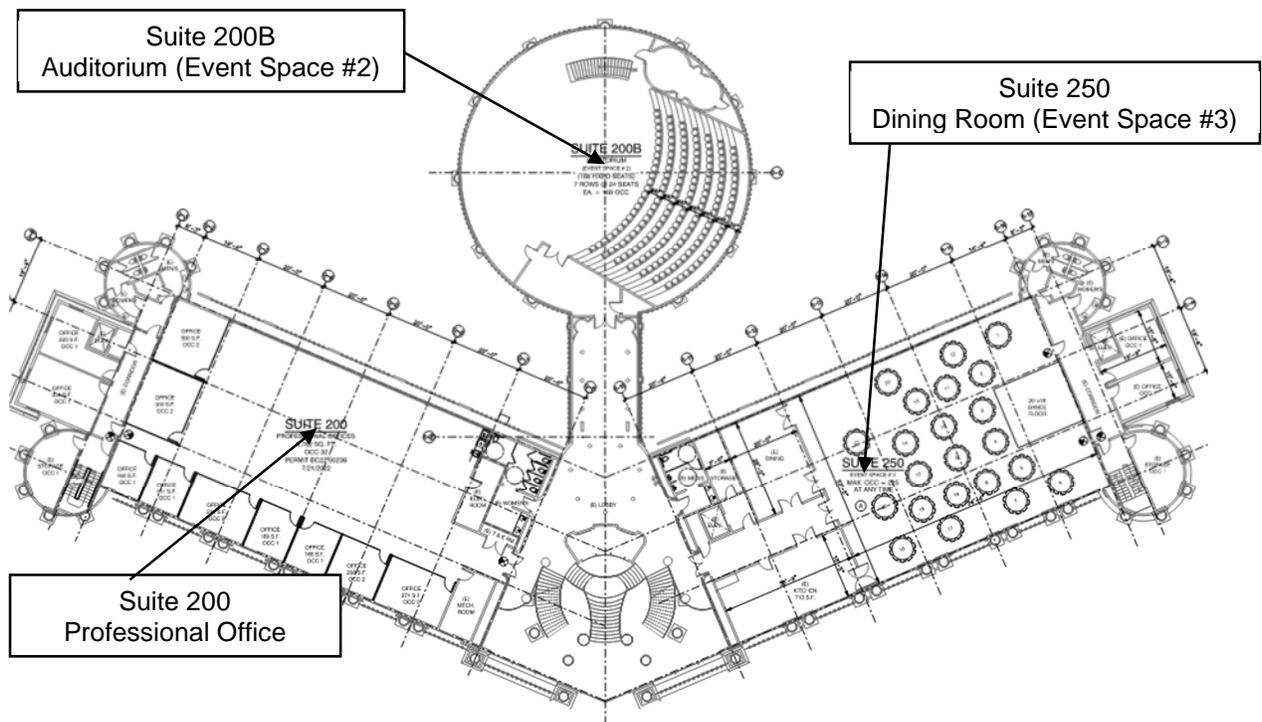
**Table 1 - Use and Floor Area by Suite**

<b>Suite</b>	<b>Area</b>	<b>Use</b>	<b>Tenant</b>
<b>100</b>	8,264 SF	Social Media Studio	Koshbin Company
<b>100B</b>	5,925 SF	Atrium (Event Space #1)	Event Center
<b>150</b>	8,825 SF	Storage	Koshbin Company
<b>200</b>	8,782 SF	Professional Office	Koshbin Company
<b>200B</b>	7,272 SF	Auditorium (Event Space #2)	Event Center
<b>250</b>	9,438 SF	Dining Room (Event Space #3)	Event Center
<b>300</b>	8,752 SF	Not in use	Not in use
<b>350</b>	8,666 SF	Not in use	Not in use
<b>Total Interior</b>	<b>65,924 SF</b>		
<b>Grand Courtyard</b>	11,798 SF	Grand Courtyard (Event Space #4)	Event Center
<b>Total:</b>	<b>77,713 SF</b>		

**Figure 1 - First Floor Layout and Uses**



**Figure 2 - Second Floor Layout and Uses**



## **ANALYSIS:**

### ***Operations***

As previously indicated, the applicant is currently using the property as an office headquarters for his business (Khoshbin Company). An office use is allowed by right in the “Administrative Professional” zoning district. The applicant has proposed to voluntarily restrict his office operations such that the event center and their headquarters office will not operate simultaneously.

As proposed, the event center could host no more than two events per day Monday through Friday from 8:00 a.m. to 10:00 p.m., and on Saturday and Sunday from 7:00 a.m. until 9:00 p.m. In consideration of the nearby residences, the applicant has proposed that outdoor event activities, including use of the Grand Courtyard, will end by 9:00 p.m.

Weddings and other ceremonies are the most commonly anticipated uses for the event center, although events such as corporate functions and fundraisers are also expected. The auditorium, specifically, is expected to be utilized generally on weekdays for corporate events; however, would be available on weekends as well. The other event spaces are expected to operate primarily during the weekends or in the evenings. The Grand Courtyard is an ancillary space to the indoor event spaces and would not be rented separately.

All events that offer food and beverages will be catered by independent vendors that are hired directly by the event host. No food preparation will occur on-site; however, a 715-square-foot prep-kitchen will be utilized in Suite 250 to support catering operations. The proposed project does not include a request for an Alcoholic and Beverage Control (ABC) license, as all beverage service and dining would be managed by catering vendors pursuant to valid licenses and approvals of other agencies such as ABC and the County of Orange Health Department.

The applicant is proposing limited live entertainment and no amplified sound on the exterior portions of the property. Live entertainment will be limited to a maximum of four musicians using only acoustic guitars, violins, harps, clarinets, and flutes.

The applicant’s proposal also prohibits multiple events from happening concurrently; however, a single event may use more than one of the four event spaces either simultaneously or sequentially. Regardless of which event spaces are used, under no circumstance will the number of attendees and staff, which include but are not limited to waitstaff, caterers, organizers, musicians, valet attendants and event managers, exceed 225 people on-site at one time.

### ***Traffic, Circulation, and Parking***

The event center will limit events to a maximum of two per day, will not allow multiple events to occur simultaneously and will restrict the headquarter offices and events from operating at the same time. Each event would also be limited to a maximum of 225 total people. To minimize traffic impacts during weekday rush hour periods, events will not start between 7:00 a.m. and 9:00 a.m. or end between 4:00 p.m. and 6:00 p.m. A trip generation letter prepared by Fehr and Peers, demonstrating these operating characteristics will result in less

than 100 peak-hour trips, is provided as Attachment 6 of this report. Because the use will generate less than 100 peak hour trips, the City does not require that a traffic study be prepared.

Site access is obtained from one driveway located along Bear Street. This driveway leads to on-site drive-aisles that wrap through the site and provide access to 241 surface parking spaces. While 241 parking spaces is more than enough parking to satisfy the demand for Koshbin Company's headquarters office (173 spaces), it is less parking than required by the CMMC for the event center use (491 required). Therefore, the applicant is seeking approval of a minor conditional use permit to deviate from the City's parking requirements of 664 parking spaces.

Suite Number	Floor Area	Use	Parking Category	Parking Rate	Required Parking
<b>100</b>	8,264 SF	Social Media Studio	Office	4/1,000	33
<b>100B</b>	5,925 SF	Atrium (Event Space #1)	Event	16/1,000	95
<b>150</b>	8,825 SF	Storage	Office	4/1,000	35
<b>200</b>	8,782 SF	Professional Office	Office	4/1,000	35
<b>200B</b>	7,272 SF / 168 seats	Auditorium (Event Space #2)	Auditorium	1 space / 3 seats	56
<b>250</b>	9,438 SF	Dining Room (Event Space #3)	Event	16/1,000	151
<b>300</b>	8,752 SF	Vacant	Office	4/1,000	35
<b>350</b>	8,666 SF	Vacant	Office	4/1,000	35
<b>Grand Courtyard</b>	11,798 SF	Grand Courtyard (Event Space #4)	Event	16/1,000	189
<b>Total:</b>	<b>77,713 SF</b>				<b>664</b>

In support of reduced parking, the event center and headquarters office will not operate concurrently, and events will be limited to 225 total people. With these operational considerations, the available on-site parking will be adequate to meet demand assuming a worst-case scenario where there is maximum attendance (guests and staff) for an event and everyone drives to the event in a single-person occupied vehicle.

Although valet parking is not required to meet anticipated parking demand, the applicant is proposing an optional valet parking service for events. The applicant proposes valet staffing to consist of two to ten attendants depending on the size of the event. When valet service is being utilized, wayfinding signage will be placed on-site to direct guests to the valet podium. Lastly, to prevent congestion on Bear Steet, the valet plan shows a provided queuing of approximately 28 vehicles on-site prior to the valet stand (the valet parking proposal is included as Attachment 5 to this report.)

## **GENERAL PLAN CONFORMANCE:**

1. **Policy LU-6.10:** Encourage a broad range of business uses that provide employment at all income levels and that make a positive contribution to the City's tax base.

**Consistency:** The addition of an event center will add to the facilities available to meet the needs of Costa Mesa businesses, organizations, and residents and will help to diversify the City's business and economic base. Given the nature of how this event center will operate, it will also provide opportunities for other businesses to grow and employ more people in areas like valet services, catering services, florists, photography, and etc.

2. **Policy LU-7.6:** Seek out opportunities to attract primary businesses within stable industries and support industries that already exist within the City.

**Consistency:** The addition of an event center will add to the range of businesses available to support the local business community.

## **JUSTIFICATIONS FOR APPROVAL:**

Pursuant to Title 13, Section 13-29(g), Conditional and Minor Conditional Use Permit Findings of the CMMC, to approve the project, the Planning Commission must make the following findings to approve the project:

**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.**

Operating consistent with the recommended condition of approval, the proposed event center is compatible with developments in the general area and would not be detrimental to nearby properties. The event center's daily activities would limit the maximum number of people on-site at any one time to no more than 225 (both guests and staff), would prevent the office use and event center from operating concurrently, would primarily occur indoors, and that any outside activity is conditioned to minimize potential noise impacts to the neighbors by limiting the number of musicians, types of musical instruments, and prohibiting amplified sound. There is also a condition that requires staggered arrival times to avoid potential traffic/circulation conflicts between persons departing from and arriving to the center between events. Closing times for the event center are also in line with the City's Noise Ordinance and condition the project to cease outdoor activities by 9:00 p.m. and indoor activities by 10:00 p.m.

As for parking, the minor conditional use permit request to deviate from parking is also appropriate. The City's parking code would require 664 parking spaces based on the size of the suites and uses. However, because the event center is conditioned to have a maximum capacity not exceeding 225 persons (including

attendees and staff), it is clear that the actual parking demand will be less than is otherwise required. As the site has 241 available parking spaces and the worst-case parking demand is for 225 spaces, there would be surplus available on-site and, therefore, the request to deviate from parking is reasonable. Moreover, valet parking service will help to minimize adverse impacts upon adjacent residential properties by concentrating the drop-off and pick-up of vehicles at a centralized location deeper into the project site and, importantly, away from the homes. Only one valet attendant would be responsible for transporting the vehicle between its parked location and the owner of the vehicle. As such, more intense activity proximate to the common property line would be minimized.

**Granting the conditional use permit or minor 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.**

Granting conditional and minor conditional use permits will not be detrimental to the health, safety, and general welfare of the public or immediate neighborhood in that the operational characteristics of the event center have been limited to minimize negative impacts to the neighborhood. These characteristics include limiting the event's occupants to 225 people (including guests and staff), implementing a valet parking service, and prohibiting amplified sound outdoors. The event center will also not operate while any other uses are in operation. Finally, closing times have been implemented for the event center for both outdoors (9:00 p.m.) and indoors (10:00 p.m.). Additionally, because the event center is conditioned to have a maximum capacity not exceeding 225 persons (including attendees and staff), it is clear that the actual parking demand will be less than is otherwise required by code. As the site has 241 available parking spaces and the worst-case parking demand is for 225 spaces, there would be surplus available on-site and, therefore, the request to deviate from parking is reasonable. And when valet parking service is utilized, it will help to minimize adverse impacts upon adjacent residential properties by concentrating the drop-off and pick-up of vehicles at a centralized location deeper into the project site and, importantly, away from the homes. Therefore, the proposed application requests will not have a detrimental effect to the health, safety, and general welfare of the public or nearby improvements.

**Granting the conditional use permit or minor conditional use permit will not allow a use, density or intensity that is not in accordance with the general plan designation and any applicable specific plan for the property.**

The proposed use is occupying the existing building and is not proposing any modification to its square footage. While the proposed use does increase the number of vehicular trips to the site and the number of potential occupants within the building, the offset hours and operations ensure that the use will remain in conformance with the General Plan.

## **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 an event center with valet parking, and a minor conditional use permit for outdoor activities, and a deviation from parking requirements. 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:**

The Planning Commission may approve the project as proposed, subject to the conditions outlined in the attached Resolution, or:

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. 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.
3. **Newspaper publication.** A public notice was published once in the Daily Pilot newspaper.

As of this report, no written public comments have been received. Any public comments received prior to the February 26, 2024 Planning Commission meeting will be provided separately.

**CONCLUSION:**

The proposed event center would be an asset to the community, providing employment and a gathering space for residents of the City of Costa Mesa and the region. Numerous operational conditions are proposed by the applicant and recommended to ensure neighborhood compatibility. As the subject property has been vacant for several years, rebranding the site as a gathering space for events provides a favorable opportunity to revitalize an underutilized property.

- Attachments:
1. Draft Planning Commission Resolution
  2. Applicant Letter
  3. Vicinity Map
  4. Zoning Map
  5. Valet Plan
  6. Trip Generation Letter
  7. Project Plans