



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: JULY 28, 2025

ITEM NUMBER: PH-1

SUBJECT: CONDITIONAL USE PERMIT PCUP-25-0007 TO OPERATE AN ANIMAL KENNELING FACILITY WITH ANCILLARY VETERINARY SERVICES ("PRICELESS PETS") AT 126 EAST 16TH STREET

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

PRESENTATION BY: JEFFREY RIMANDO, ASSISTANT PLANNER

**FOR FURTHER INFORMATION CONTACT: JEFFREY RIMANDO
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RECOMMENDATION:

Staff recommends the Planning Commission adopt a Resolution to:

1. Find that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Class 1) Existing Facilities; and
2. Approve Conditional Use Permit PCUP-25-0007 based on findings of fact and subject to conditions of approval.

APPLICANT OR AUTHORIZED AGENT:

The applicant and authorized agent is Ryan Oldham representing the property owner, 126 Properties LLC.

PLANNING APPLICATION SUMMARY

Location:	126 East 16 th Street	Application Number:	PCUP-25-0007
Request:	To operate an animal kenneling facility with ancillary veterinary services from an existing 6,480-square-foot industrial building.		

SUBJECT PROPERTY:

SURROUNDING PROPERTY:

Zone:	MG (General Industrial)	North:	CL (Commercial Limited)
General Plan:	Light Industry	South (across 16 th St):	MG (General Industrial)
Lot Dimensions:	100' x 182.65'	East:	C1 (Local Business District)
Lot Area:	18,265 SF	West:	MG (General Industrial)
Existing Development:	Industrial building consisting of two units and a detached storage building in the rear with surface parking in front.		

DEVELOPMENT STANDARDS COMPARISON

Development Standard		Required	Existing/Proposed
Building Height			
		2 Stories / 30 FT	1 Story / 24 FT (no change)
Setbacks:			
Front		10 FT	26 FT (no change)
Side (left/right)		0 FT	0 FT left (no change) 55 FT 4 IN right (no change)
Rear		0 FT	35 FT 6 IN (no change)
Floor Area Ratio			
		0.25	0.66 (no change)*
Parking			
		N/A**	7 spaces
CEQA Review	Exempt per CEQA Guidelines Section 15301 (Existing Facilities)		
Final Action	Planning Commission		
* Subject site is currently nonconforming, however no improvements proposed that will affect the existing floor area ratio on site.			
** Subject property is subject to Assembly Bill (AB) 2097, since it is located within one-half mile of two major transit stops. Pursuant to AB 2097, the City is barred from imposing a minimum parking requirement on the project.			

EXECUTIVE SUMMARY

Priceless Pets is requesting Planning Commission approval to operate an animal kenneling facility with ancillary veterinary services within the currently vacant, 6,480 square-foot industrial building. Staff supports the request in that the proposed use is consistent with applicable goals, objectives, and policies of the General Plan, complies with applicable provisions of the Zoning Ordinance and respective findings, and is not proposed to operate in a way that would be incompatible with nearby uses. The use also provides a necessary community service. 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 subject 18,265-square-foot property is located at 126 East 16th Street and contains three industrial buildings developed in the 1950s. There are two buildings that are attached to each other and are 6,480 square-feet and 2,936 square-feet respectively. In the northeastern portion of the site is an existing detached 2,610 square-foot storage building. The subject property is located on the north side of East 16th Street, mid-block between Superior Avenue and Newport Boulevard (see Figure 1). The proposed animal kenneling facility would occupy the 6,480 square-foot building, which previously was occupied by an auto repair use. The adjacent building is currently occupied by a group counseling use.

Figure 1 Project Location



The site is designated Light Industry by the City's Land Use Element of the General Plan, and is zoned MG (General Industrial). The Light Industry designation is intended for a variety of light and general industrial uses such as small manufacturing and service industries. Certain commercial uses may be allowed, provided that the commercial use is determined to be complementary to the industrial area. The MG zone allows for a wide range of light and general industrial activities. The subject property is surrounded by other MG-zoned properties to the west and south and contains a variety of light industrial uses including automotive services and multi-tenant industrial buildings. Immediately across East 16th Street is an existing mobile home park. Adjacent to the rear of the property is a two-story hotel designated under the CL (Commercial Limited) zone. The hotel building wall is positioned adjacent to the rear of the subject property line and does not contain any openings such as windows or doors facing towards the subject property. East of the property are C1 (Local Business District) zoned properties consisting of an outdoor vehicle storage lot and an auto dealership.

BACKGROUND

Priceless Pets is a non-profit, no-kill pet rescue. They have adoption centers in Chino Hills, Claremont, City of Industry, and in Costa Mesa (located at 1536 Newport Boulevard). The business rehabilitates and rehomes surrendered animals. Priceless Pets main mission is to rescue dogs and cats from open access county facilities and find them "forever homes" within the community. Priceless Pets has overseen animal adoptions for the Police Departments Animal Services Unit since 2018. Earlier this year, the City Council awarded another contract to Priceless Pets to provide animal sheltering, adoption, and medical care services in Costa Mesa.

The City's contract with Priceless Pets requires that they secure a stand-alone facility in Costa Mesa, establish a lease, and obtain required permits. The contract requires that Priceless Pets make necessary upgrades to the location in order to provide an intake area, isolation area, quarantine area, and to maintain a fully staffed veterinary suite that is open to the public. Additionally, Priceless Pets is required to provide hours of operation that allow for general intake from the City's Animal Control Officers, and provide extended hours for the public to allow for return-to-owner activity, owner surrender, and be staffed 24/7 with trained personnel with access at any time to the City's Animal Services personnel. Priceless Pets would provide standard veterinary care for all animals based on their needs, including spay/neuter procedures, microchips, emergency medical care, vaccines, health assessment, daily treatment, monitoring, etc.

REQUEST

The applicant is requesting Conditional Use Permit (CUP) approval pursuant to Costa Mesa Municipal Code (CMMC) Section 13-30 to operate an animal kenneling facility with ancillary veterinary services in the MG zone.

Conditional Use Permit (CUP)

Pursuant to the City's Zoning Ordinance Chapter IV (Citywide Land Use Matrix), an animal kenneling service in the MG Zone requires Planning Commission approval of a conditional use permit. Pursuant to the CMMC, to approve the CUP application, the Planning Commission must make findings that:

1. The use is compatible with the nearby area;
2. Is a use in accord with the General Plan; and
3. Would not be detrimental or injure nearby properties or the public health, safety and general welfare.

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.

PROJECT DESCRIPTION

Use and Operations

Priceless Pets primary use of the space would be as an animal kenneling facility with ancillary veterinary services for rescue animals. This space contains a large open area to store kennels for dogs and cats at the rear of the building. At the front, they would store their mobile veterinary vehicle in the building to provide veterinary care to rescue animals associated with the City of Costa Mesa's Animal Services Unit. Animals that are placed in the kennels would remain there until they are picked up by their owner or, after a period of time, relocated to an adoption center. The overall animal capacity is intended to not exceed 50 animals for the space.

Priceless Pets would be open to the public on Tuesday through Sunday from 10 a.m. to 6 p.m. The business would employ three to four employees during the public operating hours. Pursuant to the contract with the City of Costa Mesa, there would be at least one staff person on-site 24 hours a day and the facility would also be available to receive animals from the City's Animal Control Officers at any time.

Behind the building is an existing outdoor paved area designated as a play area for the rescue animals. The play area would be limited for use from 10 a.m. to 6 p.m. When used, facility staff would escort the animals to the play area and monitor them for the time they are outdoors. The applicant would maintain the outdoor play area by disposing animal waste and urine utilizing wet vacuuming and using a chemical cleaner.

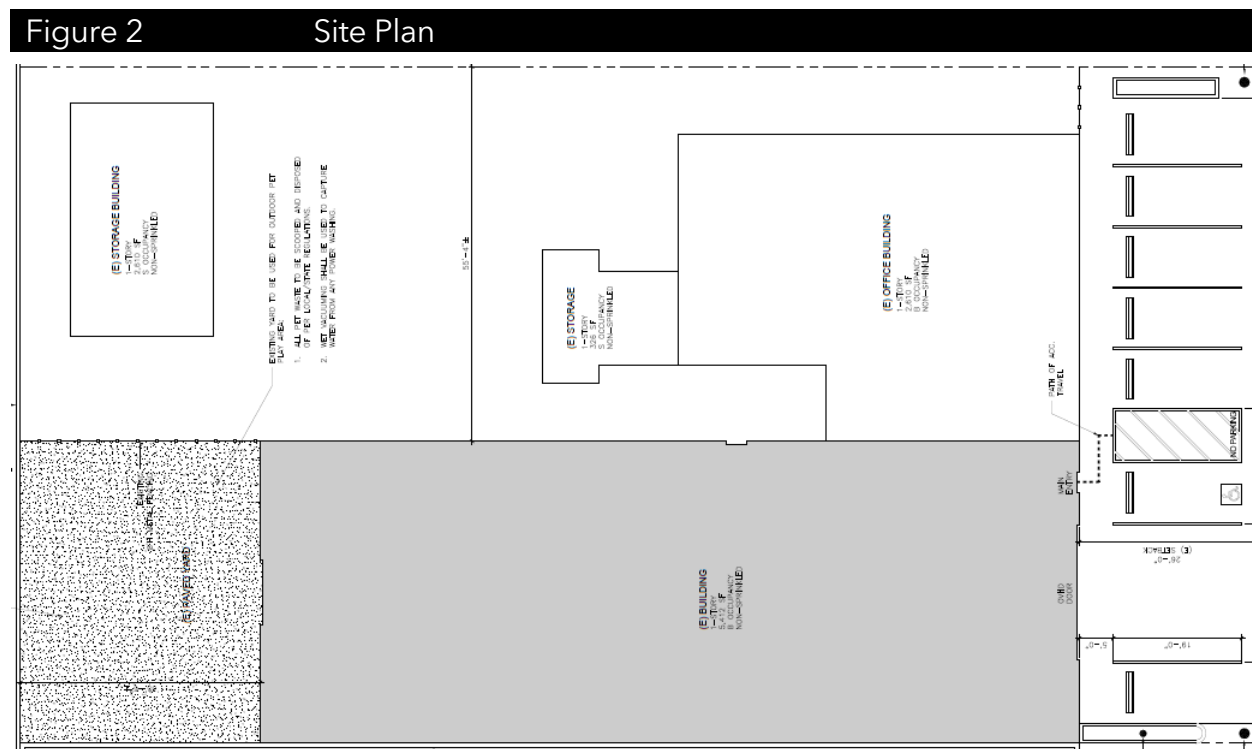
In fulfillment of these contractual requirements, Priceless Pets has identified the subject property as an ideal candidate location. This location would not offer animal adoptions, veterinary, or kenneling services to the general public.

Site Plan

The project site is an approximate 0.42-acre rectangularly-shaped interior lot. The site's perimeter is bounded by an existing hotel to the north, an auto repair services building to the west, and a wooden fence along the eastern portion of the property.

The existing 6,480 square-foot building is positioned along the western half of the lot and is set back 26 feet from the front property and 35 feet 6 inches from the rear property line. Site improvements would be limited to the parking area located in front of the existing buildings which would be re-striped to accommodate seven parking stalls.

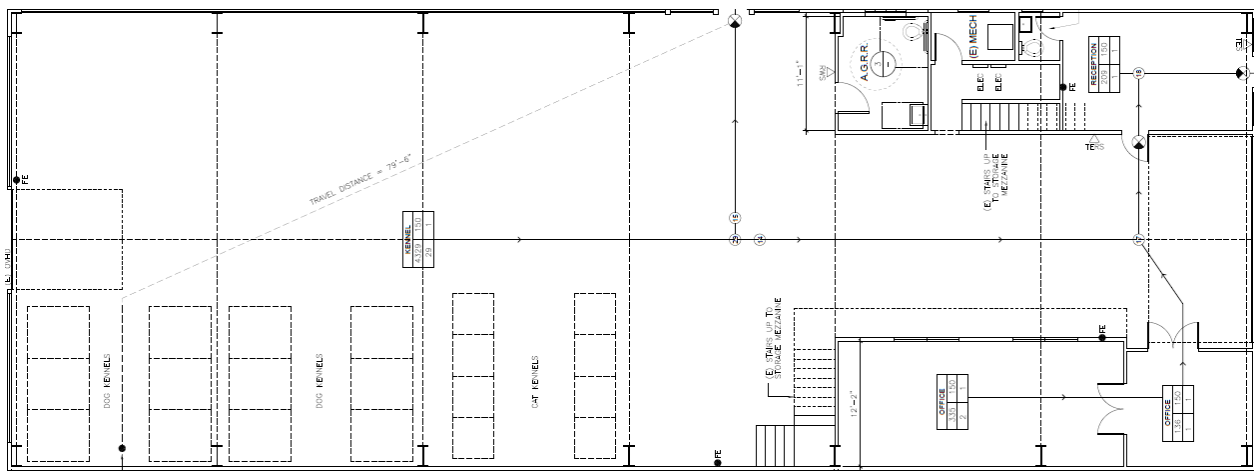
The outdoor play area is behind the building and measures 1,586 square-foot of existing concrete paving. The play area is uncovered and is enclosed with an existing eight-foot high metal fence and adjacent properties' building walls. The play area would be utilized throughout the day but only by a maximum of two animals at a time during normal business hours.



Floor Plan

The proposed floor plan consists of a main floor and two mezzanine areas. The 5,412 square-foot main floor contains two offices for a total of 471 square feet, a 209 square-foot reception area, and two restrooms, with the remaining open area dedicated for animal kenneling services. The 595 square-foot and 473 square-foot mezzanine areas would be utilized for storage purposes only. The overall animal capacity is anticipated to be a maximum of 50 animals for the space.

Figure 3 Floor Plan



Elevations

The 1950's industrial building is oriented towards East 16th Street and consists of a typical post war design. The building is constructed of stucco finished walls with metal siding accents, glass block windows, and metal roofing which would remain the same.

New improvements include a new metal overhead door and a new aluminum entry door with a transom window above to the storefront. A new metal door would also be installed on the eastern side of the building for ingress/egress. The rear of the building contains an existing metal overhead door with two existing steel windows that would remain the same. Signage is not proposed as part of this application.

Figure 4 Front Elevation

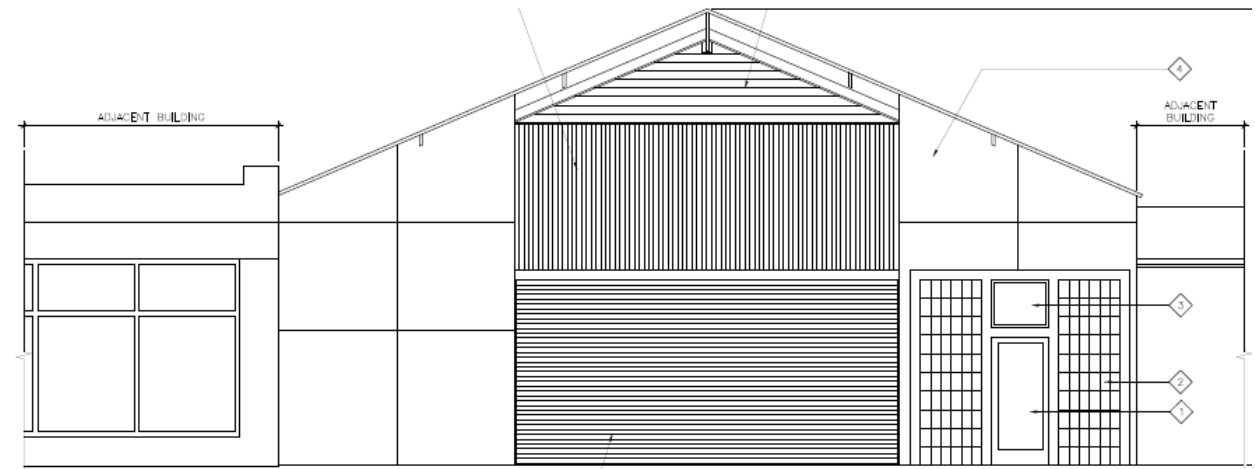


Figure 5 Rear Elevation

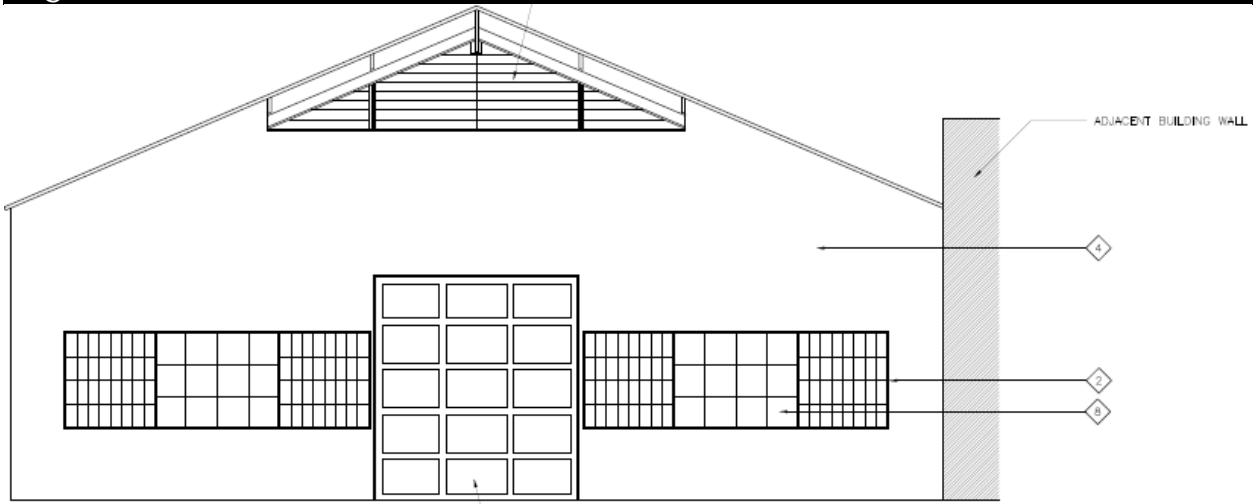
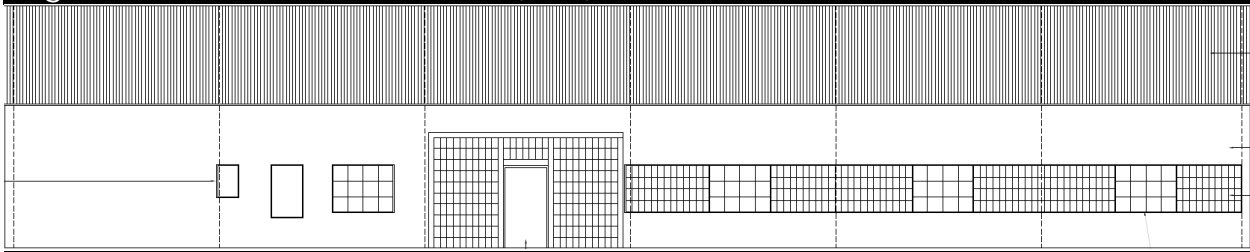


Figure 6 **Side Elevation (East)**



Parking

The subject property would consist of seven parking spaces to be shared amongst the two tenants on site. Based on the Costa Mesa Municipal Code (CMMC), four parking spaces are required for each 1,000 square-feet of general office use. Since the mezzanine areas are utilized for storage purposes and the kenneling area is utilized for the storage of animals, staff has excluded this area from parking calculations. Based on the floor plan areas shown to be designated for the office and reception use, the overall parking demand results in a need of three spaces for the proposed use. The adjacent building is currently occupied by a group counseling use with seven parking spaces required for the use. In total, 10 parking spaces are required for the site resulting in a parking deficit with the proposed kenneling facility.

However, the project is subject to Assembly Bill (AB) 2097, since it is located within one-half mile of two major transit stops. Pursuant to AB 2097, the City is barred from imposing a minimum parking requirement on the project. Assembly Bill (AB) 2097 was signed into law by Governor Newsom and became effective on January 1, 2023. The primary objective of this legislation is to limit local governments from imposing minimum parking regulations on projects that are located within 0.5 miles of a major transit stop. AB 2097 defines "major transit stop" as an existing rail or bus rapid transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

Staff has reviewed the nearby public transit facilities and determined that the subject property is located within 0.5 miles of a major transit stop (the intersection of Newport Boulevard and West 17th Street). Notwithstanding the above parking assessment, pursuant to AB 2097 the City of Costa Mesa cannot impose a minimum parking requirement on this land use entitlement. Therefore, the parking deficiency would no longer be observed.

ANALYSIS

The proposed kenneling facility involves the handling of animals which may cause potential noise impacts such as dogs barking or other animal sounds. To limit the noise,

the facility would operate inside an existing structure except for an outdoor area designated for animals to play. The outdoor play area is located behind the subject building away from the mobile home park and would be used by no more than two animals at a time. Facility staff would monitor the animals while they are outdoors. Conditions of approval have been implemented to:

- Limit the outdoor play area to be allowed only during the hours of operation between 10 a.m. to 6 p.m.;
- The play area to be used by no more than two animals at a time;
- Require all waste in the play area to be immediately and properly disposed of and shall be maintained.
- Require all building walls shall be installed with soundproofing.

Staff supports the proposal as the use would be compatible with the nearby mobile home park and hotel because much of the use would occur indoors and that outdoor activities would be limited in scope and monitored by facility staff. Furthermore, the adjacent hotel building wall does not contain any openings facing the subject property. Collectively, these considerations help to mitigate potential noise impacts from the proposed use.

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-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 need of the business and residential segments of the community."

Consistency: Approval of the proposed animal kenneling use would provide a new business in Costa Mesa that would meet the boarding and veterinary needs of the City's rescue animals. This proposed use would provide new employment opportunities within the City in a professional based field. The addition of kenneling and veterinary services would benefit the community and add to the City's animal care facility options.

2. **Policy LU-3.1:** "Protect existing stabilized residential neighborhoods, including mobile home parks (and manufactured housing parks), from the encroachment of incompatible or potentially disruptive land uses and/or activities."

Consistency: The subject property is located within vicinity of an existing mobile home park across the street. The proposed use would be operated indoors except for an outdoor play area located at the rear of the building, a portion of the property furthest away from the mobile

home park. Conditions of approval have been placed to limit the operations of the outdoor play area to mitigate potential noise and odor impacts to the nearby properties.

3. **Policy LU-6.1:** “Encourage a mix of land uses that maintain and improve the City’s long-term fiscal health.”

Consistency: Costa Mesa has a diverse mix of land uses and, more specifically, uses of a retail and service oriented commercial nature. The proposed facility providing boarding and veterinary services for rescue animals would assist the function of City of Costa Mesa’s Animal Services Unit and would further diversify our land use mix in an area that is appropriate for such activity.

FINDINGS

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

- *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.*

Consistent. The existing industrial building was previously occupied by an auto repair shop and is proposed to be converted into an animal kenneling facility with ancillary veterinary services. Although the proposed use is located across the street from an existing mobile home park, the proposal would not generate adverse noise, traffic or parking impacts that are unusual for industrially zoned properties. Potential noise from the outdoor operations would be mitigated by limiting the number of animals outside to two maximum and these animals would always be under facility staff supervision. Conditions of approval have been implemented to limit the outdoor play area to be allowed only during the hours of operation between 10 a.m. to 6 p.m. and no more than two animals at a time. The play area has also been conditioned to require all waste to be immediately and properly disposed of and shall be maintained.

- *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.*

Consistent. Granting the approval of the animal kenneling use would not be detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood as all business activities would primarily be conducted within the building. Potential noise

from the outdoor operations would be mitigated by limiting the number of animals outside to two maximum at any time. Further, the applicant would maintain the outdoor play area by disposing animal waste utilizing wet vacuuming and using a chemical cleaner. Conditions of approval have been implemented to limit the outdoor play area to be allowed only during the hours of operation between 10 a.m. to 6 p.m. Lastly, prior to operations, the proposed tenant improvements would be reviewed by the City's Building and Fire Departments to ensure safety, suitable occupancy and the necessary occupant ingress and egress.

- 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.

Consistent. The use would be compatible with the existing uses in the industrial complex and meets the intent of the General Plan's Light Industrial land use designation in that certain commercial uses may be allowed, provided that the commercial use is determined to be complementary to the industrial area. The proposed use is consistent with the General Plan's Light Industrial land use designation intended land uses and complies with the applicable development standards of the Zoning Code as the proposal is a commercial use that serves both local and regional needs and would continue to provide a community service. The proposed amendment would not increase the size of the existing industrial building and would not increase traffic volume to the site beyond that typical for an industrial use. Furthermore, the proposed project is consistent with General Plan Land Use Policies LU-1.1, LU-3.1 and LU-6.1 as indicated previously.

ENVIRONMENTAL DETERMINATION

The project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Permitting and/or Minor Alteration of Existing Facilities. The site is located in an urbanized area that is fully developed and does not contain any sensitive species or habitat including nearby water bodies. This project site contains existing buildings, and the application does not include any new construction that would adversely affect native plants or species. The project would result in limited interior improvements to adequately address operation and safety concerns. The project is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with applicable zoning designation and regulations. Furthermore, none of the exceptions that bar the application of a categorical exemption pursuant to CEQA Guidelines Section 15300.2 apply. Specifically, the project would not result in a cumulative environmental 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:

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.

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 is denied, the applicant could not submit substantially the same type of application for six months.

LEGAL REVIEW

The draft Resolution and this report 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 July 16, 2025. 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 July 17, 2025.
3. **Newspaper publication.** A public notice was published once in the Daily Pilot newspaper on July 18, 2025.

As of the completion date of this report, no written public comments have been received. Any public comments received prior to the July 28, 2025, Planning Commission meeting will be provided separately.

CONCLUSION

Approval of the project would allow for the use of an animal kenneling facility within an existing building with ancillary veterinary services. The proposed use is in conformance

with the General Plan, Zoning Code, Planning Application Review Criteria, and the required CUP findings can be made. The proposed use, as conditioned, would be compatible with the surrounding residents and commercial businesses and would not be materially detrimental to other properties within the area. Therefore, staff recommends approval of the proposed project, subject to the conditions of approval contained in the attached resolution.