

RESOLUTION NO. PC-2026-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA APPROVING CONDITIONAL USE PERMIT PCUP-25-0015 TO CONVERT AN EXISTING INDUSTRIAL BUILDING TO AN EVENT VENUE WITH LIVE ENTERTAINMENT AND DANCING, INCLUDING ON-SITE VALET PARKING AND A MINOR CONDITIONAL USE PERMIT FOR OUTDOOR EVENT OPERATIONS TO BE LOCATED AT 932 WEST 17TH STREET

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA FINDS AND DECLARES AS FOLLOWS:

WHEREAS, on August 5, 2025, Planning Application PCUP-25-0015 was filed by Mykal Vailuu, as applicant, and owner of The Nest requesting approval of Planning Application PCUP-25-0015 for a Conditional Use Permit to convert an existing industrial building to an event venue with live entertainment and dancing within 200 feet of a residential zone, including on-site valet parking and a Minor Conditional Use Permit for outdoor event operations at 932 West 17th Street; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on April 27, 2026, with all persons having the opportunity to speak for and against the proposal; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), the project is exempt from the provisions of the CEQA per Section 15301 (Class 1) for Existing Facilities; and

WHEREAS, the CEQA categorical exemption for this project reflects the independent judgement of the City of Costa Mesa.

NOW, THEREFORE, based on the evidence in the record, the Planning Commission hereby **APPROVES** Planning Application PCUP-25-0015 and Minor Conditional Use Permit with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the staff report for Planning Application PCUP-25-0015 and Minor Conditional Use Permit and upon applicant's compliance with each and all of the conditions in Exhibit B, and compliance of all applicable State, and local laws. Any approval

granted by this resolution shall be subject to review, modification, or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

BE IT FURTHER RESOLVED that if any section, division, sentence, clause, phrase or portion of this resolution, or the document in the record in support of this resolution, are for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions.

PASSED AND ADOPTED this 27th day of April, 2026.

Jeffrey Harlan, Chair
Costa Mesa Planning Commission

STATE OF CALIFORNIA)
COUNTY OF ORANGE)ss
CITY OF COSTA MESA)

I, Carrie Tai, Secretary to the Planning Commission of the City of Costa Mesa, do hereby certify that the foregoing Resolution No. PC-2026-__ was passed and adopted at a regular meeting of the City of Costa Mesa Planning Commission held on April 27, 2026 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Carrie Tai, Secretary
Costa Mesa Planning Commission

EXHIBIT A

FINDINGS

- A. Pursuant to Title 13, Section 13-29(g), 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 Conditional Use Permit 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: The proposed event venue operations use will be conducted primarily within the building and will not generate noise, odors, or other detrimental effects on the surrounding uses. As designed, the project would operate in a manner that is not materially detrimental to nearby properties. The proposed event venue is compatible with surrounding development and will not be materially detrimental to nearby properties, as Conditions of Approval No. 14 allows only background-level music outdoors not to exceed 60 decibels as measured at the center of the outdoor patio, and Condition of Approval No. 12 mandates that doors and windows remain closed during operation, thereby ensuring noise is adequately controlled and the quiet enjoyment of the surrounding neighborhood is maintained. Additionally, the parking analysis demonstrates that sufficient parking will be provided for small and medium sized events through on-site spaces and valet operations, and that adequate parking for larger events can be accommodated through a combination of on-site parking, valet operations, and supplemental on street parking, ensuring the project will not be materially detrimental to other properties in the area.

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: Granting approval of the event venue 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. All business activities would be conducted primarily within the building, with the exception of the outdoor patio area, which would be set back a minimum 280 feet from the closest residential property. As conditioned, the project will operate in a manner that supports the general welfare of the community without causing injury to surrounding properties or improvements, as parking and noise impacts have been adequately addressed.

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: The General Plan designation is “Light Industry,” which is intended for a variety of light and general industrial uses. Certain commercial uses may be allowed, provided that the commercial use is determined to be complementary to the industrial area. The proposed event venue is located in an area that includes a variety of industrial and commercial uses. The project’s size, hours of operation, and intensity are appropriate for the site and surrounding area and do not exceed what is envisioned under the General Plan. The Mesa West Bluff Urban Plan’s provisions do not apply to the property; therefore, the project remains in full compliance with applicable land use policies.

- B. **Environmental Determination.** 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) for the permitting and/minor alteration of Existing Facilities. The proposed indoor event venue with an accessory outdoor patio, involving no expansion of floor area, qualifies for this exemption as it involves a negligible expansion of use within an existing structure.
- C. The project is subject to a traffic impact fee, pursuant to Chapter XII, Article 3 Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT B

CONDITIONS OF APPROVAL

- PIng. 1. Approval of Planning Application PCUP-25-0015 and Minor Conditional Use Permit is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and a valid building permit has been maintained by making satisfactory progress as determined by the Building Official; 2) a certificate of occupancy has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
2. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, legal action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approval granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.
3. The conditions of approval for PCUP-25-0015 and Minor Conditional Use Permit shall be blueprinted on the face of the site plan as part of the plan check submittal package.
4. If any section, division, sentence, clause, phrase or portion of this resolution is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions.
5. If parking shortages or other parking-related problems arise, the operator shall institute appropriate operational measures necessary to minimize or eliminate the problem, including, but not limited to, modifying the hours of operation and/or acquisition of additional off-site parking area.

6. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The applicant and/or operator shall institute whatever security and operational measures are necessary to comply with this requirement.
7. Any change in the operational characteristics of the use shall be subject to Planning Division review and may require an amendment to the Conditional Use Permit. Modifications are subject to the final review authority determined by the Economic and Development Services Director or his/her designee.
8. The project shall be limited to the type of operation/building as described in this staff report and in the attached plans. Any change in the use, size, or design shall require review by the Planning Division and may require an amendment to the Conditional Use Permit.
9. Event preparation and hosting activities shall be limited to the following hours: 4:00 PM to 10:00 PM on Fridays, 12:00 PM to 10:00 PM on Saturdays, and 12:00 PM to 8:00 PM on Sundays. All event preparation occurs on the day of the event and event cleanup concludes one hour after closing. These restrictions do not apply to administrative office operations.
10. All music, food, and beverage services shall cease by 9:45 p.m. on Fridays and Saturdays and 7:45 p.m. on Sundays.
11. The event venue shall be limited to one event per day, and concurrent or multiple events on the same day shall not be permitted. Events shall be permitted only Friday through Sunday.
12. All doors and windows shall remain closed during indoor event activities.
13. The indoor event hall shall serve as the primary gathering space for all events, with all amplified music and live entertainment confined inside the building. The outdoor event area shall be limited to an accessory use, supporting guest circulation, informal gathering, photo opportunities, and limited seating. Patrons may circulate between the indoor and outdoor areas.
14. Any music in the outdoor areas shall be limited to background-level only. The sound level shall not exceed 60 decibels, as measured at the center of the patio.
15. Live entertainment shall only occur indoors and shall be limited to small-scale performances, including but not limited to a disc jockey, pianist, violinist, vocalist, or acoustic guitar. Performances shall be limited to a maximum of four (4) performers at any one time.
16. The event venue shall submit and maintain valid shared parking agreements with all existing tenants and new tenants to ensure adequate parking is available and no overlap in peak parking demand occurs. The agreements shall specify the number of spaces and hours of availability and shall be subject to review and approval by the Planning Division.

17. The applicant shall provide for a bicycle rack on the property, based on locational and capacity approval from Planning and Transportation Services, to allow for parking credit of one standard parking space. A greater amount of bicycle racks and bicycle lockers can be provided upon approval of the Planning Division.
18. The applicant shall contact the Planning Division to arrange Planning inspection of the site prior to Building Division's final inspection. This inspection is to confirm that the conditions of approval and Code requirements have been satisfied.
19. Prior to Certificate of Occupancy, the applicant shall provide and maintain a minimum of 22 striped parking spaces on-site, subject to review and approval by the City.
20. Prior to Certificate of Occupancy, the applicant shall submit a Lighting Plan and Photometric Study for the approval of the City's Development Services Department. The Lighting Plan shall demonstrate compliance with the following: (a) Lighting design and layout shall limit spill light to no more than 0.5 foot candle at the property line of the surrounding neighbors, consistent with the level of lighting that is deemed necessary for safety and security purposes on site. (b) Glare shields may be required for select light standards.
21. Valet parking for the event venue shall be free to all patrons of the events occurring on site.
22. The applicant or licensee shall not employ or use the services of any full- or part-time active or reserve peace officer currently employed by the City of Costa Mesa or any contiguous agency for security purposes.
23. Valet parking shall be provided for a minimum of 37 parking spaces and shall be in operation at all times during event activities. The applicant shall ensure adequate staffing, queue management, and off-site stacking capacity to prevent any spillover impacts to adjacent public rights-of-way or neighboring properties. Parking for up to 10 employees and vendors combined shall be maintained at all times of operation.
24. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance, subject to approval by the Planning Division.
25. A copy of the conditions of approval for the conditional use permit and minor conditional use permit must be kept on premises and presented to any authorized City official upon request. New business/property owners shall be notified of conditions of approval upon transfer of business or ownership of land.
- Trans 26. Fulfill mitigation of off-site traffic impacts at the time of issuance of a Temporary Certificate of Occupancy or Certificate of Occupancy, whichever occurs first, by submitting the required Traffic Impact Fee to the Transportation Division according to the prevailing schedule of charges adopted by the City Council. The Traffic Impact Fee is calculated based upon on the trip generation rate of 192 trip ends for the proposed project and includes a credit for any previously existing use. At the current rate, the Traffic Impact Fee is estimated at \$38,577.00. NOTE: The Traffic Impact Fee will be recalculated at the time of a Temporary Certificate

of Occupancy or Certificate of Occupancy, whichever occurs first, based upon any changes in the prevailing schedule of charges adopted by the City Council and in effect at that time.

CODE REQUIREMENTS

The following list of federal, State and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- Plng.
1. Permits shall be obtained for all signs and window signs according to the provisions of the Costa Mesa Sign Ordinance.
 2. The maximum occupancy, as determined by provisions of the Uniform Building Code or other applicable codes, shall be posted in public view within the premises, and it shall be the responsibility of management to ensure that this limit is not exceeded at any time.
 3. All noise-generating construction activities shall be limited to 7 a.m. to 7 p.m. Monday through Friday and 9 a.m. to 6 p.m. Saturday. Noise-generating construction activities shall be prohibited on Sunday and the following Federal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
 4. Street addresses shall be visible from the public street and may be displayed either on the front door, on the fascia adjacent to the main entrance, or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum six (6) inches in height with not less than one-half-inch stroke and shall contrast sharply with the background.
 5. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
 6. Truck Deliveries shall not occur anytime between the hours of 8:00 pm and 7:00 am.
 7. Prior to Certificate of Occupancy, trash enclosure(s) shall be provided. Design of trash enclosure(s) shall conform with City standards.
- Bldg.
8. Comply with the requirements of the most recent adopted, California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, California Energy Code, California Existing Building Code, and California Code of Regulations also known as the California Building Standards Code, as amended by the City of Costa Mesa at the time of plan submittal or permit issuance. Requirements for accessibility to sites, facilities, buildings and elements by individuals with disability shall comply with Chapter 11B of the California Building Code. A change of occupancy shall require compliance with the Disabled access requirements of Chapter 11B of the California Building Code.

9. Plans shall be prepared under the supervision of a registered California Architect or Engineer. Plan shall be stamped and signed by the registered California Architect or Engineer.
- Fire 10. Comply with the requirements of the 2022 California Fire Code, including the reference standards, as adopted and amended by Costa Mesa Fire & Rescue.
- Bus. 11. All contractors and subcontractors must have valid business licenses to do
Lic. business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
12. Business license shall be obtained prior to the initiation of the business.