

*Veterinary Emergency Group
2800 Harbor Boulevard, Costa Mesa, California 92626*

ATTACHMENT A DESCRIPTION OF PROPOSED PROJECT

Veterinary Emergency Group (“**VEG**” or “**Applicant**”) is requesting a Conditional Use Permit to allow a 24-hour, emergency animal hospital (the “**Project**”) to operate at 2800 Harbor Boulevard in Costa Mesa (the “**City**”), California 92626 (the “**Property**”), an existing building.

1. PROPERTY OVERVIEW

The Property is located at the northeast corner of Adams Avenue and Harbor Boulevard, with entrances located along both (Assessor Parcel Number: 141-362-07). It is situated within an existing stand-alone commercial structure near various retail, dining, and commercial uses along Harbor Boulevard, a primary commercial corridor in the City.

The building has a net floor area of approximately 4,821 square feet (“**sf**”), and is surrounded by surface parking. The Property was most recently used as an AT&T retail center, Jimmy John’s fast casual restaurant, and 7 Leaves Cafe. Surrounding the Property are a range of commercial, residential, and institutional uses. North and east of the Property is the Connell Chevrolet dealership and associated vehicle servicing. A different dealership, Nissan of Costa Mesa, is immediately to its north. Across Harbor Boulevard to the west and across Adams Avenue to the south are various commercial uses, including a cannabis dispensary, a liquor store, several casual dining restaurants, a T-Mobile store, dentists’ offices, and other uses. Southeast of the Property is a multifamily residential complex, Harbor at Mesa Verde. Beyond the Property’s immediate vicinity are various other uses in the surrounding block, including Coast Community College District, Hertz and Enterprise car rental locations, dentist offices, a Citi Bank location, and more. Generally, Harbor Boulevard is among the City’s busiest commercial corridors.

The Property is designated under the City’s General Plan Land Use Element as General Commercial, which is “intended to permit a wide range of commercial uses that serve both local and regional needs.” (LU-34.) It is zoned as C1 Local Business District (“**C1**”), which is “intended to meet the local business needs of the community by providing a wide range of goods and services in a variety of locations throughout the city.” (Costa Mesa Municipal Code (“**CMMC**”) § 13.20.) Animal hospitals and veterinary services are permitted in the C1 zone with approval of a Conditional Use Permit (“**CUP**”). (CMMC § 13-30, Table 13-30.)

2. PROJECT DESCRIPTION

The Project would bring a much-needed service to the City: a 24-hour emergency veterinary clinic, proposed for a central commercial space along the City’s primary commercial corridor.

The Applicant requests approval of a CUP to allow the 24-hour emergency animal clinic with the Property’s existing building. The footprint, height, and scale of the existing structure on the Property will not change. The scope of the Project entails interior remodeling of 4,821 sf of floor area and minor cosmetic upgrades to the building’s exterior. Interior renovations involve converting the existing multitenant layout to a single tenant space appropriate for emergency veterinary services.

The revised interior will include pet treatment and staff areas across one floor. Most of the interior is dedicated to a general open-concept treatment area where pet owners can be with their pets during examinations. It also includes four private exam rooms, a quiet ward, an isolation room, an x-ray room, a surgery room, ancillary veterinary space, storage space, a staff breakroom, a small meeting room, a laundry/storage/utility room, and two restrooms. The proposed Project will not involve kennels or overnight boarding and will only serve domesticated pet animals.

Potential noise from operations will be mitigated through use of insulation and soundproofing. The Applicant will install ceiling panels with a high Noise Reducing Coefficient (“NRC”) rating of 0.70, which means the ceiling panels will absorb 70% of the sound that hits them. In addition, the Applicant will place sound batt insulation above all ceiling tiles, which gives an overall effective NRC closer to 0.9 or 0.95, meaning 90% to 95% of sound that hits the ceiling is absorbed. Based on VEG’s experience in other markets, most sick and injured pets do not make significant, if any, noise when arriving or being treated at the veterinary hospital due to the level of illness/injury common in emergency situations.

The Applicant will use an HVAC system to provide a positive/negative pressure and ventilation system to exhaust potential odors. Positive pressure systems will be used to push air from one space to another (e.g., supplying more air in a space than is taken away, such as in surgery rooms where sterility must be maintained). Negative pressure systems will be used to pull air out and away from a space (e.g., using exhaust fans to pull air away from bathrooms). The systems together will result in particulates, including odors, to be exhausted to the exterior of the building. All floor and wall finish materials will be washable and impervious, comprised of porcelain and ceramic tile with industrial-grade grout. Further, the Applicant will adhere to standard veterinary cleaning practices, including mopping floors and cleaning, disinfecting, and sterilizing all used equipment and apparatuses on a frequent basis.

The building’s exterior will remain largely intact, with revised signage identifying the emergency veterinary services business. VEG would operate 24 hours a day, seven days a week to treat pet emergencies in the community. It anticipates approximately 8-10 employees on the premises per shift. Its employees and customers will park in the existing parking lot, with 30 spaces for VEG use. No specific parking ratio is provided for animal hospital uses. (CMMC § 13-89, Table 13-89.) However, medical or dental office uses require six spaces per 1,000 sf with a minimum of six spaces, or approximately 29 spaces total ($4,821 \text{ sf} \times 6 / 1,000 = 28.93$). Alternatively, retail or office uses require four spaces per 1,000 sf with a minimum of six spaces, or approximately 20 spaces total ($4,821 \text{ sf} \times 4 / 1,000 = 19.28$). Under either ratio, the Property’s 30 parking spaces are sufficient.

VEG operates best-in-class emergency veterinary care facilities nationwide, and now plans to bring its high level of care to Costa Mesa. Its clinics provide a high-quality service where pet owners can reach the doctor over the phone or meet with the doctor upon entering the clinic. Pet owners can also stay with their pet during the entire treatment. VEG has a single mission: *helping people and their pets when they need it most.*

VEG operates 24-hour veterinary clinics currently in 21 states and districts and in 67 locations. Many of these locations are within upscale shopping districts and centers near or adjacent to

restaurants, groceries, and other uses. VEG locations include facilities in Boulder, Colorado; Greenwich, Connecticut; Georgetown, D.C.; Cambridge, Mass.; and the Chelsea, Williamsburg, and Upper East Side neighborhoods of New York City. In California, VEG operates in Encinitas, San Ramon, and, most recently, Santa Monica.

The Project fills an important service gap for the City. The City has existing veterinary care clinics, but none apparently offer 24-hour services. The nearest option is the VCA West Coast Specialty and Emergency Animal Hospital located in Fountain Valley, approximately three miles to the northwest and in a different jurisdiction. The next option is the Pacific CARE Pet Emergency & Specialty located in Irvine, approximately six miles to the east of the Property and also in a different jurisdiction.

VEG is looking to address this service gap within the City. The Project fits within the surrounding area. Not only is the Property is generally surrounded by compatible commercial uses, but its location near residential uses means it is well-situated near the families that will need VEG's services.

ATTACHMENT B
ACTION(S) REQUESTED

ACTION #1: CONDITIONAL USE PERMIT

- Authorizing Code Section: CMMC §§ 13-29.
- Action Requested, Narrative: A Conditional Use Permit to allow animal hospital and veterinary service uses.

ACTION #2: CLASS 3 CATEGORICAL EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)

- Authorizing Code Section: 14 CCR § 15303
- Action Requested: A request for an exemption from CEQA as a Class 3 Categorical Exemption, which applies to the installation of small new equipment and facilities in small structures and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.

ATTACHMENT C FINDINGS

The defined terms in the Property Overview and Project Description apply to the below findings.

1. CONDITIONAL USE PERMIT

The relevant findings for this proposed project under CMMC Section 13-29(g)(2) are below.

A. The proposed 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 animal hospital use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area. The Project is located within the C1 zone in an existing commercial building on a prominent commercial stretch in the City, Harbor Boulevard. Surrounding the Property are a range of commercial and other high intensity uses. North and east of the Property is the Connell Chevrolet dealership and associated vehicle servicing. A different dealership, Nissan of Costa Mesa, is immediately to its north. Across Harbor Boulevard to the west and across Adams Avenue to the south are various commercial uses, including a cannabis dispensary, a liquor store, several casual dining restaurants, a T-Mobile store, dentists' offices, and other uses. Southeast of the Property is a multifamily residential complex, Harbor at Mesa Verde. Beyond the Property's immediate vicinity are various other uses in the surrounding block, including Coast Community College District, Hertz and Enterprise car rental locations, dentist offices, a Citi Bank location, and more. Generally, Harbor Boulevard is among the City's busiest commercial corridors. As such, the proposed use is well-located given its location in an existing commercial building and the wide range of existing uses of varying intensities in the same general area. For these reasons, the proposed animal hospital use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area.

B. 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.

Granting the CUP 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.

The proposed use will not disturb any surrounding uses. No animal boarding is proposed for the Project, and all hospital uses will occur indoors. Potential noise from operations will be mitigated through use of insulation and soundproofing. The Applicant will install ceiling panels with a high NRC rating of 0.70 and sound batt insulation above all ceiling tiles, which gives an overall effective NRC closer to 0.9 or 0.95. Based on VEG's experience in other markets, most sick and injured pets do not make significant, if any, noise when arriving or being treated at the veterinary hospital due to the level of illness/injury common in emergency situations.

The Applicant will also use an HVAC system to provide a positive/negative pressure and ventilation system to exhaust potential odors. Positive pressure systems will be used to push air from one space to another. Negative pressure systems will be used to pull air out and away from a space. The systems together will result in particulates, including odors, to be exhausted to the exterior of the building. All floor and wall finish materials will be washable and impervious, comprised of porcelain and ceramic tile with industrial-grade grout. Further, the Applicant will adhere to standard veterinary cleaning practices which will prevent dust and flies, including mopping floors and cleaning, disinfecting, and sterilizing all used equipment and apparatuses on a frequent basis.

Combined, these design features will ensure that surrounding uses, including the nearby residential uses, will not be subject to any adverse impacts from this use. In fact, the location of a much-needed service not available elsewhere in the community within a busy commercial center and near residential units—which undoubtedly contain many occupants with pets—is a marked improvement on the current vacant unit. Further, the Project does not anticipate heavy vehicular traffic and will minimize any potential adverse impacts.

Finally, the Project fills an important service gap for the City that will bring a new community amenity to the area and will support a diverse local economy. The City currently has several veterinary care clinics, but none apparently offer 24-hour emergency services. Therefore, the proposed use at the proposed location provides a net benefit to public health and welfare.

For these reasons, granting the CUP 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.

C. 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.

Granting the CUP will not allow a use, density or intensity which is not in accordance with the general plan designation. No specific plan applies to the Property.

The proposed conditional use, an animal hospital, complies with the goals, objectives, and policies of the City’s General Plan. Further, as the Project would not involve new development, it would not increase the density.

The Property is designated under the City’s General Plan Land Use Element as General Commercial, which “is intended to permit a wide range of commercial uses that serve both local and regional needs.” (General Plan, LU-34.) Allowed uses include retail, restaurants, automobile sales and service, and neighborhood-serving uses. The proposed use fits this designation as a commercial use that serves both neighborhood and regional needs. Additionally, the proposed use complies with the goals, objectives, and policies of the City’s Land Use Element, including:

- **Objective LU-6A:** Ensure the long-term productivity and viability of the community’s economic base.

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

The project fills an important service gap for the City that will support the viability of the community's economic base, meets the needs of local residents, and will bring a new business to the City that will provide local services. The City currently has several veterinary care clinics, but none are located in this stretch of Harbor Boulevard, and none apparently offer 24-hour emergency services. VEG is looking to address this service gap within the City. The Project fits within the surrounding area. Not only is the Property generally surrounded by compatible commercial uses, but its location near residential uses means it is well-situated near the families that will need VEG's services. Further, the intensity of use is in line with the area, given the wide range of uses including car sales and rentals, dining, cannabis sales, and more. It will comply with all applicable development standards and requirements under the City's municipal code. Ultimately, it will be a new and essential business in the City that supports the community and its economic vitality.

For these reasons, granting the CUP will not allow a use, density or intensity which is not in accordance with the general plan designation.

2. CATEGORICAL EXEMPTION (CLASS 3)

The Applicant requests that the City determine that the Project qualifies for a Class 3 categorical exemption, which applies to the installation of small new equipment and facilities in small structures and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure.

As analyzed below, the Project qualifies for a Class 3 exemption as it complies with the exemption requirements, and because no exception applies to overcome the Project's eligibility.

A. The Proposed Project Qualifies for a Class 3 Categorical Exemption

The Applicant requests that the City determine that the Project qualifies for a Class 3 exemption, which applies to the installation of small new equipment and facilities in small structures and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. An example of the exemption includes, in urbanized areas, a "store, motel, office, restaurant or similar structure" not exceeding 10,000 sf in floor area on "sites zoned for such use if not involving the use of significant amounts of hazardous substances where all necessary public services and facilities are available and where the surrounding area is not environmentally sensitive."

Here, the Project qualifies for a Class 3 Categorical Exemption. It would be located within an existing structure, with a floor area of approximately 4,821 sf—less than 10,000 sf—and only proposes installing small new equipment and converting an existing small structure from one use to another with minor modifications to the exterior.

The Property is designated under the City's General Plan Land Use Element as General Commercial, which "is intended to permit a wide range of commercial uses that serve both local and regional needs." (General Plan, LU-34.) Allowed uses include retail, restaurants, automobile sales and service, and neighborhood-serving uses. The proposed use fits this designation as a commercial use that serves both local and regional needs. Additionally, the proposed animal hospital is permitted at the Project's proposed location in the C1 zone, subject to approval of the requested CUP. The proposed use will not require the use of significant amounts of hazardous substances, and the Project will be fully served by existing public services and facilities. Finally, the surrounding area is largely comprised of urban development, which is not environmentally sensitive. As such, a Class 3 Categorical Exemption is appropriate for the Project.

B. No Exception Applies to Overcome the Project's Eligibility for the Class 3 Categorical Exemption

CEQA Guidelines Section 15300.2 lists exceptions which render a project ineligible for a categorical exemption that would otherwise apply. None of these exceptions apply to the Project for the reasons below.

(i) Location

A categorical exemption for Classes 3, 4, 5, 6, and 11 if the project would ordinarily be insignificant in its impact on the environment, but is located in a particularly sensitive

environment, rendering it significant. As such, an exemption exists where the project may impact an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

Here, the Project is within an existing commercial building in a long-developed urban area, which is not a particularly sensitive environment. The Property is not included on any known federal, state, or local maps of environmental resource. As such, this exception does not apply.

(ii) Cumulative Impact

A categorical exemption shall not be used if the cumulative impact of successive projects of the same type in the same place, over time, is significant. There is no evidence that the Project would create a cumulative impact. There are no known projects proposing similar uses in the immediate Project vicinity. Moreover, any successive Project would be required to conduct its own project-level CEQA compliance. Therefore, it is not anticipated that any successive projects of the same type in the immediate vicinity would create cumulative impacts.

(iii) Significant Effect/Unusual Circumstances

A categorical exemption shall not be used if there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances. An unusual circumstance may result if a project “has some feature that distinguishes it from others in the exempt class.” No unusual circumstances exist in this case. The Project is proposing a new use to be located within an existing commercial structure. Further, it will incorporate tested design features to minimize odor, noise, and other potential concerns. Therefore, no fair argument or substantial evidence exists to suggest the Project would create a significant impact, nor can it be readily perceived that the Project would create a significant impact.

(iv) Scenic Highways

A categorical exemption shall not be used for a project which may result in damage to scenic resources within a highway officially designated as a state scenic highway. There is no evidence that the Project may result in damage to scenic resources within a highway officially designated as a State scenic highway. The Property is not designated as being on a scenic highway. The nearest scenic highway is Highway 1, located approximately five miles away. Therefore, the Project does not create a significant impact on scenic highways.

(v) Hazardous Waste Sites

A categorical exemption shall not be used for a project located on a site which is included on a designated list of hazardous waste sites. According to Envirostor, the State of California's database of hazardous waste sites, neither the Property, nor any site in the vicinity, is identified as a hazardous waste site. Therefore, the Project does not create a significant impact due to the location of hazardous waste sites.

(vi) Historic Resources

A categorical exemption may not be used for a project which may cause a substantial adverse change in the significance of a historical resource. The Property has not been identified as a historic resource by local or state agencies, nor has the Property been determined to be eligible for listing in the National Register of Historic Places or California Register of Historical Resources. As such, the Project would not adversely affect historic resources on the Project Site or in the vicinity.

Therefore, the Project qualifies for a Class 3 exemption as it complies with its requirements, and because no exception applies to overcome the Project's eligibility.