



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: December 9, 2024

ITEM NUMBER: PH-2

SUBJECT: CONDITIONAL USE PERMIT (PCUP-23-0001) AND TENTATIVE PARCEL MAP TO CONVERT FOUR EXISTING OFFICE BUILDINGS INTO A NON-RESIDENTIAL COMMON INTEREST DEVELOPMENT; LOCATED AT 660 BAKER STREET

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

PRESENTATION BY: VICTOR MENDEZ, SENIOR PLANNER

FOR FURTHER INFORMATION **VICTOR MENDEZ**
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RECOMMENDATION

Staff recommends that the Planning Commission adopt a Resolution to:

1. Find that the project is categorically exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Class 1), Existing Facilities and 15315 (Class 15), Minor Land Divisions; and
2. Approve Conditional Use Permit (PCUP-23-0001) and Tentative Parcel Map based on findings of fact and subject to conditions of approval.

APPLICANT OR AUTHORIZED AGENT

The applicant is Homer Maniago (Baker Center LLC).

PLANNING APPLICATION SUMMARY

Location:	660 Baker Street	Applications Number(s):	PCUP-23-0001& PTPM-23-0001
Request:	Tentative Parcel Map 2023-153 to create a one lot airspace subdivision resulting in four commercial condominium units with equal interest in the common area, and a Conditional Use Permit to evaluate the condition of the existing structures to determine if reasonable improvements are required for the protection of the public health, safety, and general welfare.		

SUBJECT PROPERTY:

SUROUNING PROPERTY:

Zone:	C1 – Local Business District	North:	C1 – Local Business District
General Plan:	General Commercial	South:	Across Baker Street, PDR-HD (Planned Development Residential, High Density)
Lot Dimensions:	Approximately, 349.85 FT by 383.23 FT	East:	Across, Santa Ana Delhi Channel, MG – General Industrial
Lot Area:	± 130,699 SF	West:	C1 – Local Business District
Existing Development:	Four existing multi-tenant two-story office buildings totaling 58,193 square-feet on a site with landscaping and 200 surface parking spaces and 12 garage spaces		

DEVELOPMENT STANDARDS COMPARISON (C1 – LOCAL BUSINESS DISTRICT)

DEVELOPMENT STANDARD	CODE REQUIREMENT	PROPOSED/PROVIDED	MEETS CODE
Maximum Building/Structure Height	2 stories / 30 FT	2 stories / 24 FT	Yes
Setbacks:			
Front	20 FT	20 FT	Yes
Side – Left (Interior)	15 FT	74 FT	Yes
Side – Right (Interior)	0 FT	0 FT	Yes
Rear	10 FT	66 FT 6 IN	Yes
Maximum Floor Area Ratio (FAR)	0.40	0.45	No
Parking:			
Standard	247	212	Yes
Bicycle Rack	N/A		
Total Required Parking:	0 ¹		

¹ The City cannot impose a minimum parking requirement pursuant to [AB 2097](#) because the project site is within one-half mile of a [major transit stop located at the intersection of Baker Street and Bristol Street](#).

EXECUTIVE SUMMARY

DRC Engineering has filed entitlement applications to convert an existing office complex development to commercial condominiums. To effect this change, the applicant has submitted a Tentative Parcel Map that will create a one lot airspace subdivision resulting in four commercial condominium units. Pursuant to Costa Mesa Municipal Code (CMMC) Section 13-28(b)(1), a Conditional Use Permit is required to be considered by the Planning Commission to determine if improvements are required to any of the condominium buildings for the protection of the public health, safety, and general welfare.

The project does not propose any new development or to make physical improvements. The purpose of these applications is to establish separate ownership of each of four existing commercial buildings as condominium units along with an equal ownership interest in the site's common areas.

As described in the Circulation Element of the General Plan, the project site is located in a Pedestrian Priority Area that contains a variety of uses. Nearby uses consist of predominantly commercial uses but also includes a residential apartment project located directly across Baker Street. The project site was first developed in 1975 and has continuously operated as an office complex for the past 49 years, with no known incompatibilities with its neighbors. All buildings and site improvements were recently remodeled pursuant to building permits issued and inspected by the City of Costa Mesa and are in good condition.

Exhibit 1 Street View



Staff recommends that the Planning Commission find that the project is exempt from the California Environmental Quality Act (CEQA), and approve the associated planning applications, based on findings of fact and subject to conditions of approval.

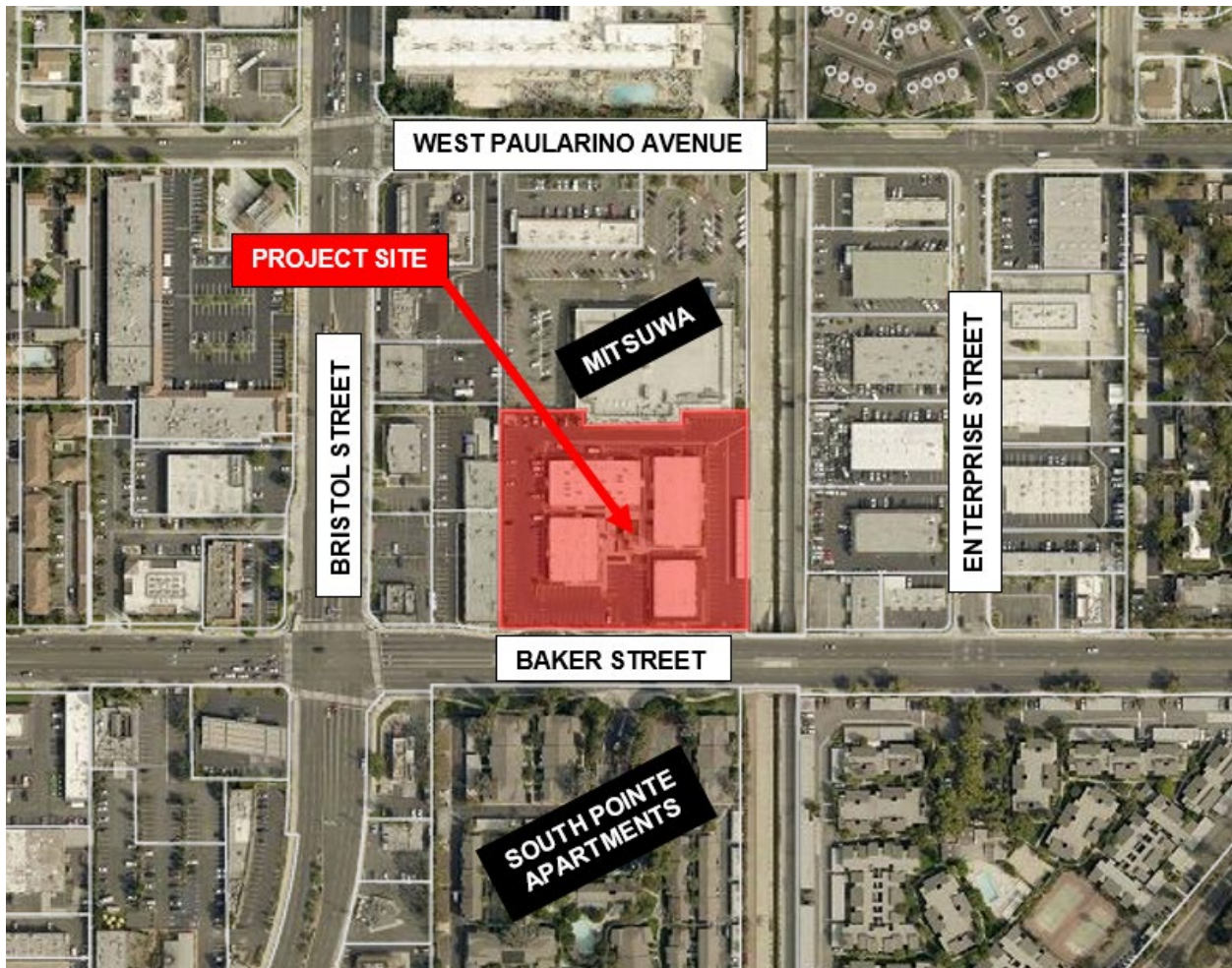
SETTING

The three-acre project site is located at 660 Baker Street, which is located on the north side of Baker Street between Bristol Street and Enterprise Street (see the below Exhibit 2). The site development consists of four existing detached office buildings, three of which are two stories and one single level building. The office buildings range in size from 7,910

to 20,245 square feet in area and are occupied by a variety of tenants. The office buildings are centrally located on the property and positioned around an outdoor courtyard. Two full-access driveways lead from Baker Street to the on-site drive-aisles and surface parking lot. Along the easterly drive-aisle is a 12-bay detached garage building that is used as storage for tenants. A varied depth landscaping setback fronts along Baker Street. Walkways connect the public sidewalk to each of the four office buildings.

The project site is designated “General Commercial” by the City’s Land Use Element of the General Plan and is zoned C1, Local Business District. The General Commercial designation is intended for a wide range of commercial uses that serve both local and regional needs such as office uses, retail stores, theaters, restaurants, and service establishments. The C1 zone allows for a wide range of similar goods and services with a focus on serving the local neighborhood. Additionally, the Zone allows for a variety of office uses, including but not limited to central administrative offices, consulting and public relations offices, general office, medical and dental offices, and services to businesses such as bookkeeping and data processing. The project site is not located within a specific plan or urban plan overlay area.

Exhibit 2 Location Map



The project site is located directly across from an existing multi-family residential project known as South Pointe Apartments. To the west is a multi-tenant one-story retail commercial building. To the north is Mitsuwa Marketplace, a Japanese supermarket chain. Across the Santa Ana Delhi Channel to the east are existing commercial and industrial uses (See Exhibit 2).

Excepting the properties to the east which are designated and zoned for industrial use, most properties abutting the project site are designated General Commercial by the City's General Plan and are zoned C1, Local Business District, which is the same as the project site. The multifamily residential property located to the south across Baker Street is designated High Density Residential and zoned Planned Development Residential - High Density.

Baker Street is a High-Quality Transit Corridor (HQTC), and the project site is located within one-half mile of a "Major Transit Stop" located at the intersection of Baker Street and Bristol Street. A major transit stop, as defined by Public Resources Code 21064.3, is the intersection of two or more major bus routes that have a service frequency of 20 minutes or less during the morning and afternoon peak commute periods, such as the Orange County Transportation Authority Local Bus Routes 55 and 57, which utilize this stop. The project site is also located within a Pedestrian Priority Area, as identified in the General Plan Circulation Element. The Pedestrian Priority focuses on enhancing walkability, access, and connections within the circulation system to better accommodate pedestrians. Key elements of walkability include wide sidewalks, safe street crossings, traffic-calming measures, and overall comfortable and secure walking environments.

HISTORY

In May of 1974, the City Council approved a Zone Exception (ZE-74-44) to construct a 60,000 square foot office complex at the subject site that included four detached office buildings and a 204-space surface parking lot. Subsequent applications and improvements have occurred throughout the years and included updates to the building's interior and exterior (without adding square footage) and restriping the parking lot to accommodate 212 spaces. Most recently, in 2019, through the approval of Zoning Application (ZA-19-01), the City approved upgrades to the exterior of the buildings and a new outdoor courtyard space. Currently, the site is developed with 58,193 square feet of office space in four buildings, 200 surface parking spaces and 12 garage spaces.

BACKGROUND

The applicant (660 Baker Holdings, LLC) purchased the property in August 2024. Recognizing the value of the site's location and build-quality, the owner desires to convert the site for condominium ownership. The owner's business plan contemplates that they will either retain ownership of each of the four condominium units and continue to lease them to individual tenants, or that they may sell the proposed four office condominium buildings based on market conditions.

REQUEST

The proposed condominium conversion requires the following applications to be approved by the City:

- **Tentative Parcel Map 2023-153** is required pursuant to Municipal Code Chapter III Planning Applications, Section 13-29(g)(13) to create a single-lot airspace subdivision for the approval of four office condominium buildings and one common area consisting of other site improvements such as parking, drive-aisles, the 12-bay garage building, and the courtyard space.
- **Conditional Use Permit** is required pursuant to Municipal Code Chapter III Planning Applications, Section 13-29(g)(2) to evaluate information concerning the condition of the existing structures to determine if reasonable improvements are required for the protection of the public health, safety, and general welfare.

STANDARD OF REVIEW

Pursuant to the Costa Mesa Municipal Code (CMMC), requests for non-residential common interest development conversions may be approved if the project adheres to applicable standards and findings. The findings for a subdivision map generally require that the map be: (1) consistent with the City's General Plan and/or specific plan; (2) the development intensity and density is suitable for the project site; (3) the subdivision would not cause substantial environmental damage to fish or wildlife or their habitat; (4) the subdivision would not cause and public health problems; and (5) the subdivisions would not conflict with public easements. Additionally, required findings must also be made for the approval of a conditional use permit (CUP). Generally, CUP findings require that: (1) the development or use is substantially compatible with development in the same general area; (2) that the use would not be detrimental to the health, safety, and general welfare or injurious to nearby property; and (3) that the proposed use will not be in conflict with the City's General Plan and/or applicable specific plan.

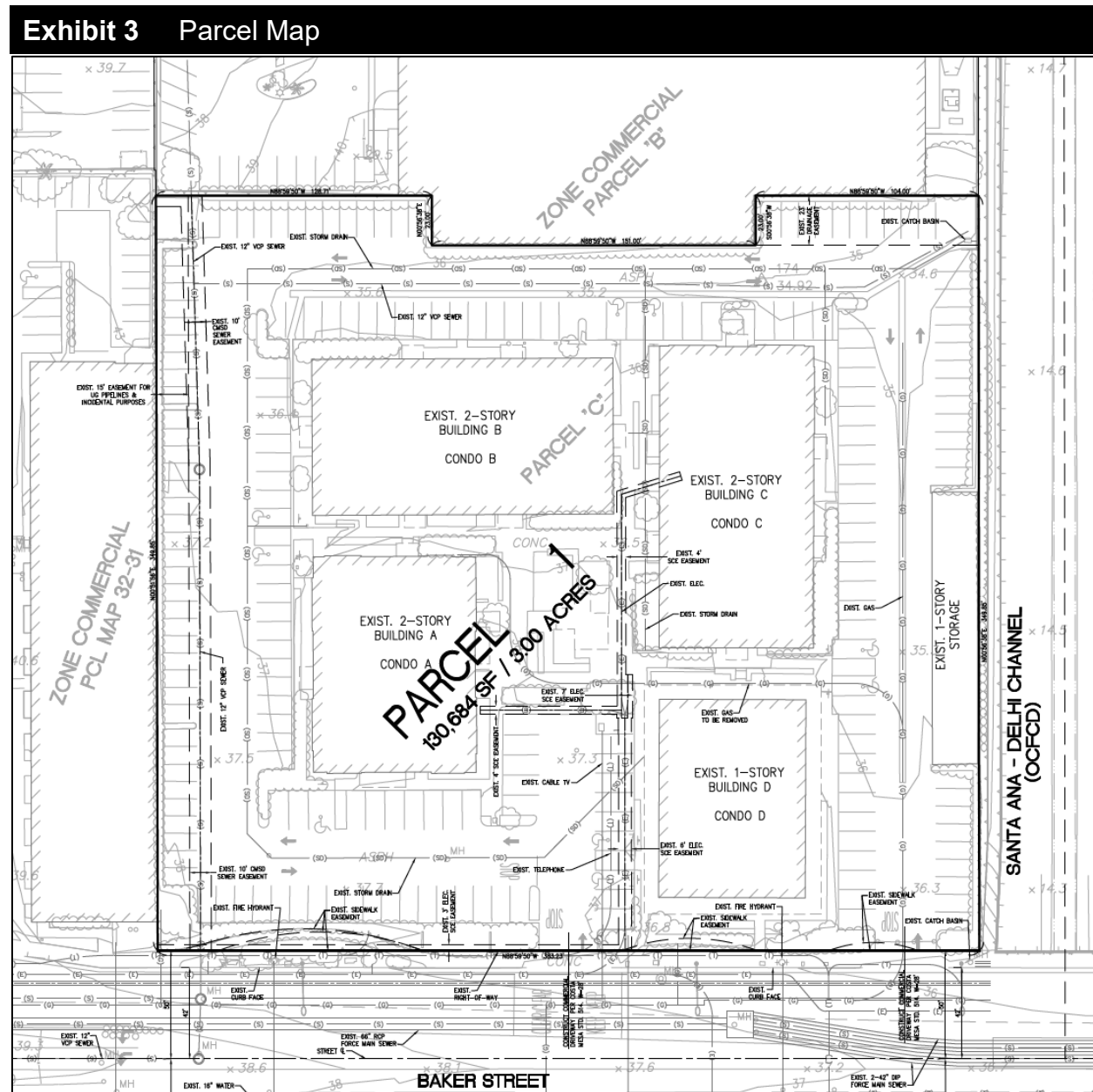
As further described below, staff has evaluated the applicant's request pursuant to these findings and the standards/criteria contained within the City's General Plan and Zoning Ordinance.

ANALYSIS

Condominium Conversion

The proposed parcel map for condominium purposes consists of a single lot that is three acres in size and will have property line configuration that is identical to the existing property boundary. Condominium maps do not divide land but, instead, are three-dimensional subdivisions of airspace to be separately owned along with interest and maintenance responsibilities for the site's common space. In this case, the condominium units that will be created follow the exterior perimeter of each of the four existing office buildings. The proposed condominium units are denoted on the parcel map as "Condo A," "Condo B," "Condo C," and "Condo D". The remainder of the three-acre site will be

held in common for the benefit and maintenance responsibility of all owners of a condominium unit (see the below Exhibit 3).



Consistent with State law, the condominium units and common space will be specifically provided in a Condominium Plan to be filed with the State of California's Department of Real Estate (DRE). None of the on-site improvements would change as a result of the proposed condominium conversion. It is also important to note that this project proposes to make each office building the condominium unit rather than make individual suites within an office building as divided ownership. This approach provides greater flexibility to adapt the building's interior spaces by relocating demising walls to meet the needs of different tenants over the course of time without amending the State-approved condominium plan.

To manage the site, a Property Owners Association (POA) will be formed. The POA will be responsible for ensuring that shared areas, such as walkways, parking lots, and landscaping, are properly maintained and that all owners have equal access to these spaces.

Converting existing non-residential uses to condominium ownership requires compliance with Costa Mesa Municipal Code (CMMC) Article 5.5 and, more specifically, Sections 13-54.42(c-d) and 13-54.53(d) and (g). In particular, Section 13-54.53(g)(3) stipulates that with the exception of building intensity (i.e., floor area ratio) standards, the project shall comply with all requirements of this Zoning Code, including but not limited to, building setbacks, distance between buildings, parking, open space, and landscaping requirements. The final review authority may approve a deviation from a Zoning Code standard in conjunction with the review of the conversion request, in conformance with the findings in Section 13-29(g)(10). The proposed project meets all Zoning Code development standards with the exception of parking and landscaping. These existing conditions are described further below:

Nonconforming Parking

Pursuant to Zone Exception (ZE-74-44), the construction of the approximate 60,000 square foot office complex was subject to a tiered parking ratio of one space per 1,000 square feet of gross floor area for the first 1,000 square feet, four parking spaces between 1,000 and 11,000 square feet and three parking spaces over 11,000 square feet. This standard resulted in a parking requirement of 193 parking spaces in 1974 and the project provided 204 spaces.

Subsequent to the 1974 approval, the City changed its office parking rates. Currently, office is parked at a rate of four spaces per 1,000 square feet with a minimum of six spaces, with any use devoted to medical offices parked at six spaces per 1,000 square feet. Applying the current standards to the project site requires that 247 parking spaces be provided where 212 spaces currently exist. Therefore, the site is deficient 35 parking spaces and is considered legal non-conforming. However, the project site is an AB 2097-eligible property, which means that the City cannot impose a minimum parking standard. Therefore, although the site parking is not compliant with the City's parking standards, the current site parking in regard to the proposed project is considered compliant based on applicable State law.

Nonconforming Landscaping

The property's Baker Street frontage is required by the CMMC to provide a 20-foot front-yard setback and that this area be used for landscaping. However, when approved in 1974, the site provided a landscape setback that varies between 10 and 13 feet. At the time the property was developed, landscaping requirements did not exist for commercial zones in the Zoning Code. As a result, the property now exists with a legal non-conforming front-yard landscaping condition. In addition, the CMMC current commercial landscape standards require the following: (1) 25 square feet of irrigated landscaping per parking space; (2) one, 15-gallon tree or larger per 200 square feet of landscape area; (3) one shrub for every 25 square

feet of open space; and (4) 70% of all landscaped areas to incorporate uncontaminated compost/mulch. As indicated below in Table 1, the current site is consistent with the aforementioned landscaping standards with the exception of tree count.

Table 1 Landscaping

	Requirement	Provided
Landscaped Parking Areas	5,000 SF (25 square feet of irrigated landscaping per parking)	± 11,640 SF
Tree Count	58 (one, 15-gallon tree or larger per 200 square feet of landscape area)	28
Shrub Count	669 (one shrub for every 25 square feet of open space)	952
Groundcover coverage	70% of all landscaped areas to incorporate uncontaminated compost/mulch	100%

Where conversion projects don't comply with the Zoning Code's current provisions, deviations may be considered pursuant to Section 13-29(g)(10), which states:

“For a proposed common interest development conversion project that does not conform to the zoning code requirements, the project due to its proportions and scale, design elements, and relationship to the surrounding neighborhood, is of continued value to the community and it contributes to defining and improving the community as a whole. Deviations from zoning code requirements are acceptable because it would be impracticable or physically impossible without compromising the integrity of the overall project to implement features that could result in conformance with current code requirements.”

Although it is physically possible to bring the site into conformance with current landscaping requirements, doing so would likely require the removal of 21 parking stalls. In staff's opinion, granting a deviation from the City's landscaping standards is appropriate in that it would recognize a long-standing existing condition that has not been the source of neighborhood incompatibilities, and reconfiguring the site to add landscaping and the removal of parking is therefore impracticable. The scope of this project is not intensifying the site in terms of its usage or development, and only opportunities for divided ownership is being proposed. Therefore, staff believes that the existing conditions are adequate and do not warrant additional changes.

Conditional Use Permit

In addition to the approval of a subdivision map, CMMC Sections 13-54.50 through 13-54-53 establish the requirements for non-residential common interest developments. All conversions of previously occupied non-residential developments to common interest developments are subject to these conversion criteria and are reviewed through a

Conditional Use Permit (CUP). The CUP process allows the City to impose appropriate conditions of approval to address issues that are beyond the scope of a subdivision process. In this case, the non-residential conversion process requires the applicant to pay an inspection fee and provide information regarding the condition of the structure and to require reasonable improvements to ensure quality and to protect the health, safety, and general welfare of the public.

Pursuant to CMMC Section 13-54.53(d), building and site inspection reports are required to be submitted with the project's application materials. These reports are required to ensure that the buildings being converted are compliant with current codes and free of hazards for future industrial condominium owners. Pursuant to the CMMC, the applicant has provided a structural report, pest report, asbestos report, mold report, mechanical equipment report, electrical report, plumbing report, and a roof report. Copies of the reports are included as Attachment 8 to this report. The only recommendation cited in the reports was from the Asbestos report, and is conditioned to be implemented in the project resolution. Required improvements include:

- **Asbestos Report:** Prior to renovation, demolition, or other activities that could cause a material disturbance, a supplemental asbestos inspection shall be conducted to ensure that there is no asbestos materials present.

In addition to the required reports, the CMMC specifies that common interest conversion projects require inspections for building code and fire code violations. All identified violations are then required to be updated as part of the project. The City's Building Division's Chief of Inspection and the City's Fire Department's Fire Marshall inspected the property and have provided memorandums of compliance. The memorandums are contained in Attachments 6 & 7 to this staff report.

In 2019, the project site underwent a significant remodel that included courtyard and building improvements. The courtyard improvements included additional hardscape, concrete benches, trellises, private tenant patios, and movable tables and chairs. Building improvements included removing all interior drywall so that structural upgrades could be made, where necessary, alongside new electrical and plumbing systems; installation of new windows and doors; new exterior paint, and new water-efficient site landscaping. Permits for this work were obtained from and inspected by the City of Costa Mesa. Based on the recent remodeling effort and the recommendations of the submitted reports, staff believes that the buildings being converted are compliant with current codes and free of hazards that would unfairly and unduly burden future condominium owners.

GENERAL PLAN CONFORMANCE:

The General Commercial General Plan land use designation is intended to permit a wide range of commercial uses that serve both local and regional needs. These areas should have exposure and access to major transportation routes since significant traffic can be generated. The proposed conversion of the existing office buildings to a commercial common interest development may be permitted provided that the use is determined to be complementary to the commercial area. The proposed use is in conformance with the City's General Plan including:

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

Consistency: The conversion would allow for ownership and investment opportunities for a variety of office and commercial uses to operate within the City.

2. **Policy LU-6.11:** Provide opportunities for mixed-use, office, manufacturing, and retail development that respond to market and community needs in terms of size, location, and cost.

Consistency: This proposed conversion would allow for ownership and investment opportunities within an established commercial district and encourage re-investment in the buildings and common areas.

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

Consistency: Providing ownership opportunities for office and commercial businesses would attract businesses that desire to operate within the City and also own commercial property.

FINDINGS:

Pursuant to CMMC Section 13-28(b)(1), proposals to convert an occupied non-residential complex to a non-residential common interest development shall be processed through a Conditional Use Permit and findings should be made for the CUP (CMMC Section 13-29(g)(2)), Non-Residential Common Interest Development Conversion Findings (CMMC Section 13-28(b)(1)), and Parcel Map findings (CMMC Section 13-29(g)(13)). 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 findings:

Non-Residential Common Interest Conversion Conditional Use Permit (CUP) 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.*

The proposed non-residential condominium would be substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area in that the use and operation of the underlying property would remain unchanged, and any future uses would be required to comply with applicable requirements of the C1 zoning standards. The proposal primarily affects the ownership of the property; a single owner versus multiple owners via an airspace condominium established through a parcel map.

- 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.

The proposed commercial condominium conversion would allow ownership of the four individual units and would not modify the existing development itself; therefore, granting the Conditional Use Permit would not be materially detrimental to the health, safety, and general welfare of the public, and the property/improvements within the immediate neighborhood.

- 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.

The General Commercial General Plan land use designation allows a wide range of commercial uses that serve both local and regional needs, including office complexes. The proposed condominium conversion is permitted in the C1 Local Business zoning district subject to a Conditional use permit. Approval of the conversion for ownership purposes of the existing office buildings will not change the overall building area or allowable land uses; therefore, the intensity of development on the site will remain unchanged.

In addition, the project complies with CMMC Section 13-29(g)(10), findings for a common interest development conversion, in that:

- The applicant has submitted an adequate and legally binding plan which addresses the displacement of long-term residents, particularly senior citizens and low- and moderate-income families and families with school-age children.

The proposed non-residential condominium does not displace any residents.

- The proposed common interest development conversion project conforms to adopted general plan policies.

The proposed condominium conversion conforms to Policies LU-6.1, LU-6.11, LU-7.5, and LU-7.6 of the City's 2015-2035 General Plan, as discussed in detail above.

- The establishment, maintenance, or operation of the project will not be detrimental to the health, safety, peace, comfort, and general welfare of persons residing or working in the surrounding neighborhood, nor will the project be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the city.

The proposed condominium conversion would not be detrimental to the health, safety, peace, comfort, and general welfare of persons working in the surrounding neighborhood, nor would the project be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the City since the

conversion is primarily intended to allow for commercial ownership opportunities, and any future uses are required to comply with the C1, Local Business District.

- *The overall design and physical condition of the common interest development conversion project achieves a high standard of appearance, quality, and safety.*

The overall design and existing physical condition of the proposed condominium conversion project achieves a high standard of appearance, quality, and safety and will not change as a result of the proposed project. Recent interior and exterior improvements including outdoor courtyard improvements help provide a high standard of appearance and quality. Additionally, the Building Division and Fire Department inspected the buildings and determined compliance with applicable building and fire codes.

- *The proposed common interest development conversion project conforms to the Costa Mesa Zoning Code requirements.*

The proposed common interest development conversion conforms to the applicable Costa Mesa Zoning Code provisions with the exception of required landscaping. However, the CMMC allows the Planning Commission to make a determination that deviations are acceptable because it would be impracticable or physically impossible without compromising the integrity of the overall project to implement features that could result in conformance with current code requirements. As indicated above, staff believes that requiring site compliance as a result of the proposed common interest development would be impractical since the site was recently remodeled and no site intensification is being proposed.

- *For a proposed common interest development conversion project that does not conform to the zoning code requirements, the project due to its proportions and scale, design elements, and relationship to the surrounding neighborhood, is of continued value to the community and it contributes to defining and improving the community as a whole. Deviations from zoning code requirements are acceptable because it would be impracticable or physically impossible without compromising the integrity of the overall project to implement features that could result in conformance with current code requirements.*

The subject property generally conforms to the Zoning Code requirements and is physically suitable to accommodate the proposed tentative parcel map in terms of its proportions and scale, design elements, and relationship to the surrounding neighborhood since the use, operation, and form will remain largely unchanged from the existing development. Given the site's recent investments, parking demand and the impracticality of reconfiguring the site to add landscaping, it is unreasonable to require the property owner to make costly or disruptive modifications to comply with the more restrictive current CMMC standards.

- *For a proposed common interest development conversion project located in an urban plan area, the proposed conversion is consistent with the applicable mixed-*

use overlay zoning district. Specifically, the proposed non-residential conversion project supports a mixed-use development or a similar land use that is not allowed in the base zoning district, or the proposed conversion project is a residential common interest development that is permitted by either the base or overlay zoning district.

The proposed common interest development is not located in an urban plan area.

Tentative Parcel Map Findings

The information presented for the Tentative Parcel Map complies with CMMC Section 13-29(g)(13), findings for a Parcel Map, in that:

- The creation of the subdivision and related improvements is consistent with the General Plan, any applicable specific plan, and this Zoning Code.

As proposed and conditioned, the commercial condominium conversion conforms to Policies LU-6.1, LU-6.11, LU-7.5, and LU-7.6 of the City's 2015- 2035 General Plan, and the Costa Mesa Zoning Code requirements (as indicated further in this report).

- The proposed use of the subdivision is compatible with the General Plan.

The use of the proposed condominium is not proposed to change and will remain compatible with the underlying General Commercial General Plan land use designation. The application does not propose any alterations to zoning or allowable land uses.

- The subject property is physically suitable to accommodate the subdivision in terms of type, design and density of development, and will not result in substantial environmental damage nor public health problems, based on compliance with the Zoning Code and a General Plan, and consideration of appropriate environmental information.

The proposed subdivisions does not change or modify the type, design and density of the existing development. In addition, the conversion of the existing development into divided ownership interest will not result in substantial environmental damage nor public health problems.

- The design of the subdivision provides, to the extent feasible, for future passive or natural heating and cooling opportunities in the subdivision, as required by State Government Code section 66473.1.

The design of the existing development thoughtfully considers the orientation of the lot, aligning in a manner that maximizes solar exposure, ensuring natural passive heating during colder months. Additionally, the layout incorporates an outdoor courtyard at the center of the development and green spaces to promote natural airflow and cooling, minimizing the need for artificial heating or air

condition. This approach reflects the principals outlined in State Government Code section 66473.1.

- *The division and development will not unreasonably interfere with the free and complete exercise of the public entity and/or public utility rights-of-way and/or easements within the tract.*

The proposed parcel map does not modify any existing easements and will not interfere with the free and complete exercise of any public entity or utility rights-of-way or easements.

- *The discharge of sewage from this land division into the public sewer system will not violate the requirements of the State Regional Water Quality Control Board pursuant to Division 7 (commencing with State Water Code section 13000).*

As required, the property is connected to the public sewer system and is required to comply with all applicable laws and regulations.

ENVIRONMENTAL DETERMINATION

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) per Section 15301 (Class 1), Existing Facilities and Section 15315 (Class 15), Minor Land Divisions. Section 15301 allows for minor alterations to existing structures, involving negligible expansion of the use. The project falls within this exemption category because the division of the existing buildings does not involve any expansion to the existing development such that overall building square footage is not changed; and the conversion would not involve any physical improvements. Section 15315 allows for division of property in urbanized areas that are zoned commercial into four or fewer parcels. The project falls within this exemption category because the four commercial condominium units would be located on one parcel with shared ancillary space.

ALTERNATIVES

Planning Commission alternatives include the following:

1. *Recommend approval of the project with modifications.* In consideration of any required findings, the Planning Commission may suggest specific project changes. If any of the additional requested changes are substantial, the hearing could be continued to a future meeting to allow additional analysis. Should significant modifications occur, 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 should deny the application, and provide facts in support of the denial, and direct staff to incorporate those facts into a denial resolution that will return at the next Planning Commission meeting.

LEGAL REVIEW

The draft Resolution and this report have 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:

1. **Mailed notice.** A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site on Friday, November 29, 2024. The required notice radius is measured from the external boundaries of the property.
2. **On-site posting.** A public notice was posted on the street frontage of the project site on Wednesday, November 27, 2024.
3. **Newspaper publication.** A public notice was published once at least 10 days before the Planning Commission meeting in the Daily Pilot newspaper on Thursday, November 28, 2024.

CONCLUSION

The subject site has been developed for and used as an office complex since the mid-1970's with no known incompatibilities with its surroundings. Converting the office complex to a four-unit commercial condominium development will not change how the land is used, intensify the existing uses, nor will it add new development to the site. Office complexes are an allowed land use by the property's "General Commercial" land use designation, and its C1, Local Business District, zoning designation. The intent of the proposed subdivision is to create four airspace parcels that could be sold for individual ownership. Those individual condominium owners would then continue leasing office space within their building to prospective tenants pursuant to the City's land use matrix.

As a condominium map, the proposed subdivision creates a single lot with boundaries that are the same as the existing three-acre parcel. All common areas of the proposed subdivision area will be held in common and managed to ensure adequate maintenance of features such as landscaping, parking lot and drive-aisles, drainage improvements, walkways, and the outdoor courtyard.

Approval of the request will not negatively impact the site or surrounding neighborhoods as the project is consistent with the General Plan, Zoning Code, and all necessary findings can be made. Therefore, staff recommends that the Planning Commission approve the proposed project, based on findings of fact and subject to the conditions of approval contained in the attached resolution.