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**MEETING MINUTES OF THE CITY OF
COSTA MESA PLANNING COMMISSION**

July 22, 2024

CALL TO ORDER

The Chair called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE TO THE FLAG

The Chair led the Pledge of Allegiance.

ROLL CALL

Present: Chair Adam Ereth, Vice Chair Russell Toler, Commissioner Angely Andrade, Commissioner Karen Klepack, Commissioner David Martinez, Commissioner Jonny Rojas, Commissioner Jon Zich

Absent: None

Officials Present: Assistant Director of Development Services Scott Drapkin, Planning and Sustainable Development Manager Bill Rodrigues, Planning and Sustainable Development Manager Anna McGill, Assistant City Attorney Tarquin Preziosi, Director of Public Works Raja Sethuraman, Assistant Planner Christopher Aldana, Senior Planner Michelle Halligan, City Engineer Seung Yang and Recording Secretary Anna Partida

ANNOUNCEMENTS AND PRESENTATIONS:

None.

PUBLIC COMMENTS – MATTERS NOT LISTED ON THE AGENDA:

None.

PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:

Commissioner Martinez informed the public of the upcoming community meetings regarding the Fairview Developmental Center and the concert in the park event. He also informed Public Works Department of streetlights that have gone out and need replacing.

Chair Ereth thanked the former Transportation Manager Jennifer Rosalas for all her work through the years for the City of Costa Mesa.

CONSENT CALENDAR:

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No member of the public nor Commissioner requested to pull a Consent Calendar item.

1. APPROVAL OF MEETING MINUTES: JUNE 24, 2024

MOVED/SECOND: Toler/Ereth

MOTION: Approve recommended action for Consent Calendar Item No. 1.

The motion carried by the following roll call vote:

Ayes: Ereth, Toler, Klepack, Martinez, Rojas, Zich

Nays: None

Absent: None

Abstained: Andrade

Motion carried: 6-0-1

ACTION: Planning Commission approved the minutes of the regular meeting of June 24, 2024.

PUBLIC HEARINGS:

1. ORDINANCE ADOPTION FOR A FIRST AMENDMENT (DA-20-05) TO THE AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA DEVELOPMENT AGREEMENT (DA-94-01) TO ALLOW FOR A 20 YEAR TIME EXTENSION THAT WOULD EXPIRE OCTOBER 31, 2044; TO AMEND PROVISIONS PERTAINING TO THE RATE AND METHODOLOGY FOR CALCULATING TRAFFIC IMPACT FEES; AND, TO AMEND PROVISIONS RELATED TO THE SETBACK OF A FUTURE PARKING STRUCTURE; LOCATED AT 3333 FAIRVIEW ROAD

Project Description: The Automobile Club of Southern California proposes to amend their Development Agreement (DA-94-01) with the City of Costa Mesa to allow for a 20 year time extension that would expire on October 31, 2044; to amend provisions pertaining to the rate and methodology for calculating traffic impact fees; and, to amend provisions related to the placement of a future parking structure for property generally located at 3333 Fairview Road.

Environmental Determination: Pursuant to CEQA Guidelines Section 15162 this project is within the scope of the June 20, 1994-certified Final Environmental Impact Report (FEIR) #1045 (State Clearinghouse No. 94021036) for the Automobile Club Expansion project. The effects of the project were examined in the 1994 FEIR, and all feasible mitigation measures and alternatives developed in the 1994 FEIR are incorporated into this project and no new mitigation measures are required. Therefore, the 1994 FEIR for Automobile Club Expansion project is determined to be adequate to serve as the environmental documentation for this project, that no further environmental review is required, and that all requirements of CEQA are satisfied.

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Five ex-parte communications reported.

Commissioner Martinez met with the applicant onsite on July 17, 2024.

Commissioner Klepack met with the applicant and representative on July 19, 2024.

Commissioner Zich met with the applicant's management team onsite.

Vice Chair Toler participated in a Zoom meeting with the applicant and representatives on July 19, 2024.

Chair Ereth participated in a phone conversation with the applicant's representative.

Christopher Aldana, Assistant Planner, began his presentation of the staff report.

Chair Ereth paused the presentation to announce he needed to recuse himself from this item due to a conflict of interest.

Vice Chair Toler took control of the meeting.

Christopher Aldana, Assistant Planner, continued with his presentation.

The Commission asked questions of staff including:

Commissioner Martinez inquired what the approval process would be for a new parking structure, office building and proposed second bridge over the flood control channel if the development agreement wasn't in place. Staff responded that the applicant would need to reapply and submit a master plan. Commissioner Martinez inquired if staff looked at the proposed Class 1 bicycle trail along the Greenville-Banning flood control channel as part of this request. Staff responded that they did not look at the trail because none of the proposed improvements for the site would conflict with the planned Class 1 trail. Commissioner Martinez asked staff about the requirements of the parking structure beside the setback. Staff responded that the other requirements are height limitations, number of parking spaces and adherence to development standards. Commissioner Martinez asked if the parking structure location was set and couldn't be modified. Staff responded that if the applicant wanted to, they could push it farther away from minimum setback. Commissioner Martinez clarified his question by asking if the applicant could move the structure over to a different parcel. Staff stated that would need to go through a review and approval process to determine if that would be allowed. Commissioner Martinez asked if the parking structure will have an impact on water quality because of its proximity to the flood channel. Staff responded by stating that this was unlikely as the water that would flow in that direction would have to

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be filtered and cleansed before it discharges into the channel. Commissioner Martinez asked if parking was a revenue generating land use. Staff respond that this was unlikely but that the applicant would better be able to respond to that question. Commissioner Martinez asked staff if adding more parking on the site would reduce the reliance on the automobile. Staff respond that the added parking spaces are provided to meet parking requirements of the 1994 development code. Commissioner Martinez asked staff if adding more parking would encourage or discourage driving to the site. Staff respond that the provided parking was based on the requirements of the 1994 development code.

Commissioner Klepack asked if the building codes when this project was first approved would stay in place or change to current codes. Staff responded that the planning and zoning codes were locked in. However, they would have to meet all the current building and safety codes including energy codes.

The Chair opened the Public Hearing.

Anita Lorz Villagrana, applicant's representative stated they read the staff report and agreed with its findings.

The Commission asked questions of the applicant including:

Commissioner Zich asked the applicant what facilities their company was considering closing when they consolidate. The applicant's team responded that they have a big presence in southern California that is continuing to grow and that they believe that they will continue to grow in Costa Mesa.

Commissioner Martinez asked the applicant how pedestrians or bicyclists have access to the site and how it might change. The applicant's representative responded that the only pedestrian access is by the bus stop. Commissioner Martinez asked if the employees have key card access to the building. The applicant's representative stated that employees do have access with keycards. Commissioner Martinez asked if the applicant still planned on building the proposed second bridge over the flood control channel. The applicant's representative stated they would look at measures to reduce traffic where pedestrians will walk and they will look to see if that bridge is still relevant to the project during the permitting process. Commissioner Martinez asked if the expanded office building would encompass the current security area. The applicant said the security check point would stay in its current location.

The Chair opened public comments.

No public comments.

The Chair closed public comments.

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The Commission asked questions of staff including:

Commissioner Zich asked why the 1994 Planning Commission vote on the Development Agreement failed by a 2-2 vote. Staff responded that two of the 1994 Planning Commissioners, Mr. Karonda and Ms. Cowan, voted No to the original motion. Mr. Karonda voted No because he felt that AAA should do more to contribute funds to the 405-freeway access and Ms. Cowan expressed her concern that AAA could sell the entitlement to a third party with whom the City had not negotiated terms of the Development Agreement.

The Chair closed the Public Hearing.

Commissioner Martinez made a motion to approve the item with the following modifications:

1. The parking structure is not approved (pursuant to Land Use Element Policies 5.6, 5.7, and 6.13; Circulation Element Policies 4.9, 5.5, 7.33, 9.5, and 11.3; and Noise Element Policy 2.8)
2. The applicant, the City, and the County (including the OC Flood Control District) will work towards the construction of a Class I multi-purpose trail along the flood control channel (pursuant to Circulation Element Policies 5.7, 7.4, 7.5 9.2, and 9.12)
3. Pedestrian access will be provided to the site (pursuant to Circulation Element Policies 5.13 and 11.7)
4. More bicycle parking will be added upon full buildout (pursuant to Circulation Element Policy 9.4)

The motion failed for lack of a second.

Commissioner Zich made a motion to approve the item with staff's recommendation. Seconded by Commissioner Rojas.

Commissioner Zich stated that for as long as he has lived in the City of Costa Mesa, the Auto Club, has been a stellar business entity for the city. He stated when he conducted his site visit, he was impressed with the quality of maintenance, the appearance of the facility and the employee amenities. He stated this is a land use decision and honoring the development agreement and work they have done so far should be a top priority in the city.

Commissioner Rojas agreed with Commissioner Zich's statements. He stated that this is a land use decision and that he has no reason not to support the motion.

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Commissioner Martinez asked if the maker of the motion was willing to modify his motion to request the parking structure be built in a way that would allow it to potentially be built into housing in the future.

Commissioner Zich did not accept Commissioner Martinez's proposal.

Commissioner Martinez continued his comment stating that he is not in support of the motion due to the reasons in his original motion. He stated that he did not agree with the additional parking and felt the site was not to being used to its potential.

Vice Chair Toler stated he is in support of the motion. However, he does agree with some of the comments made by Commissioner Martinez. He stated his support is due to wording in the original Development Agreement which gives the owner the option to apply for a subsequent development agreement allowing them to make changes that are necessary or appropriate. He stated that he hopes the applicant and City Council in 2044 considers the environment, surrounding neighborhoods and pedestrians when they revisit this item.

MOVED/SECOND: Zich/Rojas

MOTION: To move staff's recommendation.

The motion carried by the following roll call vote:

Ayes: Toler, Klepack Rojas, Zich

Nays: Martinez

Absent: None

Recused: Ereth, Andrade

Motion carried: 4-1-2

ACTION: The Planning Commission adopted a resolution to:

1. Find, pursuant to CEQA Guidelines Section 15162, that the project is within the scope of the June 20, 1994-certified Final Environmental impact Report (EIR) #1045 (State Clearinghouse No. 94021036) for the Auto Club Expansion project. The effects of the project were examined in the 1994 FEIR, and all feasible mitigation measures and alternatives developed in the 1994 FEIR are incorporated into this project and no new mitigation measures are required. Therefore, the 1994 FEIR for the Automobile Club Expansion project is determined to be adequate to serve as the environmental documentation for this project, that no further environmental review is required, and that all requirements of CEQA are satisfied; and
2. Adopt Resolution 2024-XX recommending City Council approval of the first amendment (DA-20-05) to the Automobile Club of Southern California Development Agreement (DA-94-01) by adopting an ordinance to allow for a 20-year time extension until October 31, 2044; to amend provisions pertaining to the rate and methodology for calculating traffic impact fees; and, to amend provisions related to the setback of a future parking structure.

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RESOLUTION PC-2024-17 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA RECOMMENDING CITY COUNCIL APPROVAL OF THE FIRST AMENDMENT (DA-20-05) TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF COSTA MESA AND INTERINSURANCE EXCHANGE OF THE AUTOMOBILE CLUB OF SOUTHERN CALIFORNIA (DA-94-01) TO ALLOW FOR A 20 YEAR TIME EXTENSION THAT WOULD EXPIRE ON OCTOBER 31, 2044; AND TO UPDATE THE RATE AND METHODOLOGY FOR CALCULATING TRAFFIC IMPACT FEES; AND, TO AMEND PROVISIONS RELATED TO THE SETBACK OF A FUTURE PARKING STRUCTURE; LOCATED AT 3333 FAIRVIEW ROAD

The Vice Chair explained the appeal process.

The Commission took a break at 6:54 p.m.

The Commission returned from break at 7:03 p.m.

Commissioner Andrade arrived at 7:03 p.m.

2. PLANNING APPLICATION 21-28 FOR A CONDITIONAL USE PERMIT TO OPERATE A RETAIL CANNABIS STOREFRONT BUSINESS WITH DELIVERY LOCATED AT 2285 NEWPORT BOULEVARD (“MEDLEAF”)

Project Description: Planning Application 21-28 is a request for a Conditional Use Permit to allow a 2,400-square-foot retail cannabis storefront use with delivery in an existing one-story commercial building located at 2285 Newport Boulevard.

Environmental Determination: The project is exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Class 1), Existing Facilities.

Commissioner Zich received an email from the applicant.

Commissioner Andrade received an email from the applicant.

Commissioner Martinez met with the applicant on July 19, 2024.

Commissioner Klepack met with the applicant on July 18, 2024.

Vice Chair Toler received an email from the applicant.

Chair Ereth received an email from the applicant.

Michelle Halligan, Senior Planner, presented the staff report.

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The Commission asked questions of staff including discussion of:

Commissioner Zich asked staff which condition of approval addressed the proposed mural. Staff responded that it was under condition of approval number 32.

Commissioner Martinez asked if the applicant owned the parcel. The staff responded that the parcel was owned by a different party. Martinez asked if there will be a right turn only sign or a one way only sign on the fence for the customers coming out of the driveway. Staff responded that was not conditioned. However, that can be conditioned if necessary. Martinez asked about the fence on the site plan between the neighboring cannabis site at 2301 Newport. Staff responded that they are separate properties and they do not share parking. Martinez referenced the public comment received from the Assistance League regarding sharing security with 2301 Newport tenants and asked if what they were proposing in their comment was allowed. Staff responded the security plans only referenced security on their site and that if they would like to work with their neighbor and share security that is up to them. However, security personnel must remain within 50 feet of the site. Martinez expressed his concerns about the trees along Newport Boulevard. He stated there was only a four-foot walkway width with the current tree placement. He asked staff if there was a way to relocate the trees. Staff responded that Public Works has the discretion to remove the trees if they are diseased or not within ADA compliance. However, they would not relocate the trees on that site. Martinez asked a procedural question about murals and the process for getting murals approved after the conditional use permit was already approved. Staff responded that there isn't a process to have the Arts Commission refer a mural back to the Planning Commission, but staff has recommended a condition of approval that would allow the mural to be reviewed by the Planning Commission.

Commissioner Andrade asked about the neighboring cannabis sites proposed timeline for opening. Staff responded they have 160 days after they obtain their cannabis business permit, and their cannabis business permit will expire mid-November.

Chair Ereth asked staff for information on the adjacent car wash's current business hours. Staff stated the car is open daily 8:00 a.m. to 6:00 p.m. Ereth asked if there was any discussion with the applicant about a phase one site assessment since the previous uses of the proposed site included smog testing, auto glass tinting, auto sales and auto repair. Staff responded they did not condition a phase one site assessment because they wanted to leave that decision to the planning commission. Ereth confirmed with staff that the residential neighborhood buffer requirements from the amended Cannabis Ordinance do not apply because this site is grandfathered in. Staff responded that was true since the pre-applicant was reviewed before the amendments to the cannabis ordinance. Ereth confirmed with staff that the final proposed mural will come to the Planning Commission after the initial Art commission review. Ereth inquired what the Police Department's

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comments and requirement for security are at this site with the use proposed. Staff stated the Police Department determined that a 24-hour security guard is not required at this site and stated the hours of operation are the only hours that a security guard will need to be present on site.

Assistant Director Drapkin noted that the traffic impact fee shown on Page 13 of the staff report was incorrect due to an editing error. City Engineer Yang noted that the valuation would be approximately \$28,000.

Commissioner Martinez asked if the adjacent two cannabis sites were conditioned to have a 24-hour security guard. Staff stated they both do have a condition for 24 hour security because that was the requirement at the time of their application review.

The Chair opened the Public Hearing.

Sean Maddocks, applicant, stated he had read and agreed to the conditions of approval.

Karen Hannawi, applicant gave a presentation.

The Commission asked questions of the applicant including discussion of:

Commissioner Rojas asked the applicant what distinguishes them from other approved cannabis store fronts. The applicant stated a proven and successful delivery business sets them apart.

Commissioner Martinez asked the applicant if the property owner has reviewed and agreed to all the exterior improvements. The applicant stated the owner reviewed and agreed to the improvements. Martinez asked if the tent on the Fairview roadside of the property will remain on the property in the delivery area. The applicant stated the discussion of the delivery area is still being progress and that the tent will be relocated based on security features. Martinez asked the applicant was open to removing or providing an easement for the sidewalk for ADA compliance. The applicant stated that the easement is not within their power since they do not own the property. The applicant also stated that a conversation on tree removal is premature due to cost being unanticipated. Martinez asked staff to respond to the cost of tree removal. Staff responded that it would be between \$500-\$1,000 for the removal of a tree and replacement cost would be between \$500-\$1,000 per replacement tree.

Commissioner Andrade asked the applicant to expand on the gate separating the properties. The applicant stated that keeping a gate between them and a competing use is something they believe is valuable. The applicant added that it will also help to keep customers from parking in neighboring sites parking spaces.

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Chair Ereth commented that the rendering in the applicants comment letter did not show trees along the sidewalk and asked the applicant if they had already been planning on removing the trees. The applicant stated that was an oversight of the render since they did not go out to look at the property before they drew up the renderings. The applicant stated they never planning on removing the trees or widening the sidewalk. Ereth asked about the ADA ramp that is currently on the property but is not shown in the rendering. The applicant stated they will be keeping the ADA ramp on the property. Ereth asked the applicants the reason they chose a site between two competing uses. The applicant stated when they chose the site they had not know there would be two competing uses on either side. Ereth asked the applicant how long after they started the application process did they get a notice to proceed to Planning Commission. The applicant stated it had been about three years.

Commissioner Zich asked the applicant if they would have applied for this site if they knew there would be two competing uses on either side of them. The applicant stated they would have still applied for use on the proposed site. Commissioner Zich expressed his concerns for the renderings not reflecting the reality of the proposed design. Staff responded that this project by code that does not require the applicant to do offsite improvements. Commissioner Zich asked staff if they had any plans to remedy the ADA compliance of the sidewalk. Staff responded they work with the owners of the property or the city will take on the responsibility of removing the trees.

Chair Ereth asked staff if there would be any possibility of encroachment adding space to make it ADA complainant in the future from the trees that would limit back up space for cars in the future. Staff responded it would go into the landscape space and not the parking area.

Commissioner Andrade stated it should be a goal to keep mature trees since Costa Mesa is a tree city. She added that it helps pedestrians walk or ride bikes remain cool during and would like the city to make their best effort to maintain the mature trees.

Commissioner Martinez asked staff if there was a landscape requirement to provide distance between the parking lot and sidewalk area. Staff responded that is correct. However, the site that has been approved is legal non-conforming landscaping setbacks.

Commissioner Andrade asked the applicant about their recruitment process. The applicant stated they will post jobs online and hosting a job fair onsite.

The Chair opened public comments.

Dinette Mendez spoke in favor of the item.

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Mike Cassia spoke in favor of the item.

Connor Lockman spoke in favor of the item.

Speaker four spoke in favor of the item.

Tiffany Somersby spoke in favor of the item.

Adam Lawton spoke in favor of the item.

The Chair closed public comments.

Commissioner Rojas asked staff the City's plans for correcting the issue of the sidewalk not being in ADA compliance. The applicant responded would be willing to contribute up to a certain limit towards the removal or making the sidewalk ADA compliant.

Commissioner Martinez asked staff how many trees will be added to the onsite. Staff responded that 9 trees would be added.

The Chair closed the Public Hearing.

Commissioner Zich commented that the trees can cause a safety issue for traffic. He stated he does not think it is appropriate to ask the applicant to contribute towards the cost of the tree removal.

Commissioner Rojas stated he supports Commissioner Zich's comments.

Vice Chair Toler stated he agrees with Commissioner Zich's comments. He agrees with adding trees to make walkability more pleasant for pedestrians. However, he does not think the applicant should be responsible for the cost.

Commissioner Andrade stated this was a heavily trafficked area and if the city can use some of the traffic impact fees to improve the sidewalk.

Commissioner Martinez requested staff work with the property owner and applicant to get an easement to build a sidewalk or get a class one tree removal to improve the sidewalk.

Commissioner Klepack agrees that the cost should not be put on the applicant.

Chair Erath stated he finds that this application does not conform to one the primary findings, General Plan Land Use Element Policy 1.1 which seeks a mix and balance of housing opportunities, commercial goods and services, and employment opportunities.

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Chair Ereth made a motion to Deny the application. Seconded by Commissioner Andrade.

Commissioner Andrade spoke in support of the motion.

Commissioner Zich made a substitute motion to approve the application. Seconded by Commissioner Rojas.

Commissioner Zich stated the applicant is entitled to open this business based on the requirements for when they applied for this business.

Commissioner Rojas spoke in support of the motion.

Commissioner Martinez asked staff if the city will address ADA compliance of the sidewalk. Staff responded they will be looking into the issue. Commissioner Martinez provided comments on the proposed mural and stated he doesn't believe it needs to come back to Planning Commission for final approval.

Commissioner Andrade asked staff how they will prioritize the sidewalk issue. Staff stated they will not reprioritize their current projects. However, they will assess the site and make necessary improvements.

MOVED/SECOND: Zich /Rojas

MOTION: Approve staff's recommendation.

The motion carried by the following roll call vote:

Ayes: Toler, Klepack, Rojas, Martinez, Zich

Nays: Ereth, Andrade

Absent: None

Recused: None

Motion carried: 5-2

ACTION: The Planning Commission adopted a resolution to:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301 (Class 1), Existing Facilities; and
2. Approve Planning Application 21-28, subject to conditions of approval.

RESOLUTION PC-2024-18 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA, CALIFORNIA APPROVING PLANNING APPLICATION 21-28 FOR A STOREFRONT RETAIL CANNABIS BUSINESS WITH DELIVERY (MEDLEAF) IN THE C2 ZONE AT 2285 NEWPORT BOULEVARD

The Chair explained the appeal process.

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OLD BUSINESS:

None.

NEW BUSINESS:

None.

DEPARTMENTAL REPORTS:

1. Public Works Report – None.
2. Development Services Report – None.

CITY ATTORNEY’S OFFICE REPORT:

1. City Attorney – None.

ADJOURNMENT AT 8:41 PM

Submitted by:

SCOTT DRAPKIN, SECRETARY
COSTA MESA PLANNING COMMISSION