



PLANNING COMMISSION AGENDA REPORT

MEETING DATE: JANUARY 26, 2026

ITEM NUMBER: PH-2

SUBJECT: THREE-YEAR TIME EXTENSION FOR ZA-22-08, WHICH ALLOWED A MAJOR AMENDMENT TO THE AVENUE OF THE ARTS HOTEL MASTER PLAN (PA-16-50) AT 3350 AVENUE OF THE ARTS

FROM: ECONOMIC AND DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION

PRESENTATION BY: CHRIS YEAGER, SENIOR PLANNER

FOR FURTHER INFORMATION **CHRIS YEAGER**

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RECOMMENDATION:

Staff recommends the Planning Commission:

1. Adopt a Resolution approving a three-year extension of time for ZA-22-08, which allowed a major amendment to the Avenue of the Arts Hotel Master Plan (PA-16-50), and
2. Determine that Pursuant to CEQA Guidelines Section 15168(c), no subsequent or supplemental EIR is required, and the previously certified EIR adequately addresses the environmental impacts of the proposed project

APPLICANT OR AUTHORIZED AGENT:

The authorized agent is Joshua Reitz representing the property owner Rosanna, Inc.

BACKGROUND:

The property is zoned Planned Development Residential High Density (PDR-HD) and has a General Plan designation of High Density Residential. The project site is located within "Area 5 - The Lakes" subarea of the North Costa Mesa Specific Plan and is subject to specific use and development standards identified in the specific plan.

The project site fronts Avenue of the Arts and is located south of Sunflower Avenue and north of Anton Boulevard. The property is approximately three acres in area and is currently developed with a six-story, 238-room hotel. The site includes a three-level detached parking structure developed with 280 parking spaces. The hotel was constructed in the early 1980's and began operation in 1986. The site is in proximity to the mid-rise residential project - 580 Anton, Orange County Museum of Art (OCMA), the Segerstrom Center for the Arts, and various other office and residential uses.

Since 2007, the existing hotel has requested approvals for various site modifications. A Master Plan was originally approved in 2007 with subsequent Master Plan amendments in 2010, 2015¹, 2016, 2019, and 2023. The following is a timeline and summary of the previously approved entitlements to the existing Hotel:

- Master Plan PA-06-75 and Vesting Tentative Tract Map No. 17172 were approved by the City Council on November 20, 2007. At the time, the City Council also adopted the project Final Program EIR - SCH No. 20070111125 (Resolution No. 07-89). The entitlement included demolition of the hotel's three-level parking structure, remodeling the hotel to reduce the number of rooms to 200 units, construction of a seven-level parking structure containing 480 parking stalls, and the construction a 23-story (maximum 270 feet) residential tower with 120 condominium units.
- On November 15, 2010, the Planning Commission approved PA-10-31 and permits were subsequently issued to upgrade the hotel. The upgrades included adding a new outdoor seating area, a separate entrance to the existing hotel restaurant (Silver Trumpet), and the renovation of all hotel rooms which was completed in early 2013.
- On November 28, 2016, the Planning Commission approved the basis of the currently entitled Master Plan, PA-16-50, which allowed the demolition of the existing parking structure and the one-story hotel lobby while retaining the 238

- ¹ On April 13, 2015, the Planning Commission approved PA-14-33 to modify the previous approvals and allowed the retention of the existing 238 hotel rooms, the addition of a 100-unit condominium tower (reduced from the 120 units approved in 2007), and a six-story parking structure with 364 parking spaces (a reduction of the seven-story, 480 parking space structure approved in 2007). This amended Master Plan expired on November 20, 2017, and no permits were issued or completed.

existing hotel rooms. The proposal included a new six-level parking structure and a 15-story high-rise hotel with 150 rooms, for a total of 388 rooms (238 existing hotel rooms plus 150 new rooms), and a new front entry pavilion and lobby connecting the new tower to the existing hotel. Residential was not proposed with this project. The Master Plan included a variance for the encroachment of development into the perimeter open space setback and a deviation from parking. The approval also included an addendum to the Final Program EIR No. 1054.

- On September 24, 2018, the Planning Commission approved a three-year extension of time for PA-16-50 extending the approval until November 28, 2021.
- On November 7, 2019, the Zoning Administrator processed Minor Conditional Use Permit, ZA-19-87, to amend the Master Plan for design modifications. At this time, the Zoning Administrator also approved an addendum to the Final Program Environmental Impact Report. The modifications included vehicular circulation modifications, the reconstruction of the restaurant, new parking design with two levels of subterranean parking, new building design which lowered the overall building height to ten stories (approximately 104 feet), a new ground level banquet facility, and a revised plan for landscaping and hardscaping. The Master Plan entitlements remained valid because the City Council adopted pandemic related urgency ordinances that allowed for an automatic two-year time extension, and the Hotel applied for the amendment below prior to the two-year time frame expiring.
- On November 8, 2023, the Zoning Administrator processed ZA-22-08, a major amendment to the Master Plan (Exhibit B of Attachment 1). Modifications included reducing the total hotel building area by 10,949 square feet, reconfiguring the parking configuration, increase the building height by approximately five feet (approximately 110 feet for the building and 115 feet for the elevator shafts), reconfiguring the previously approved rooftop terrace, and modifying the west elevation for the relocation of the rooftop lounge. This is the currently approved Master Plan site configuration.

DESCRIPTION

For economic reasons explained in the applicant letter (Attachment 2), the applicant requests that the Planning Commission extend the approval of the project for three years until November 15, 2028.

The currently approved Master Plan (Attachment 3) includes 388 hotel rooms, 15,537 square feet of public serving amenities including a ballroom, restaurant, outdoor dining, roof bar and terrace, 6,927 square feet of amenities available to hotel guests, and 327

parking spaces. The request is limited to an extension of time, and no changes are proposed to the previously approved Master Plan entitlement.

ANALYSIS

Pursuant to the Costa Mesa Municipal Code (CMMC) Section 13-29(k), an extension of time over six months must be considered by the original review authority. Although the current iteration of the Master Plan was amended and approved by the Zoning Administrator, the extension request should be reviewed by the Planning Commission since the original Master Plan was considered by the Planning Commission.

Pursuant to CMMC Section 13-29(k)(6), the Planning Commission is authorized to grant the extension if it finds that there have been no changes in the conditions or circumstances of the site, such as a Zoning Code or General Plan amendment or other regulations affecting the approved development standards that serve as grounds for denial of the original project or any changes to the General Plan or Zoning Code that would preclude approval of the same project at the time of the requested extension.

The application remains in compliance with the current Zoning Code and there have been no amendments to the General Plan or Zoning Code that would require reconsideration and/or denial of the original project approval. In addition, there have been no changes in the conditions or circumstances of the site that would warrant reconsideration and/or denial of the previous project approvals.

GENERAL PLAN CONFORMANCE

The Costa Mesa General Plan establishes the long-range planning and policy direction that guides change and preserves the qualities that define the community. The 2015-2035 General Plan sets forth the vision for Costa Mesa over two decades. This vision focuses on protecting and enhancing Costa Mesa's diverse residential neighborhood, accommodating an array of businesses that both serve local needs and attract regional and international spending, and continuing to provide cultural, educational, social, and recreational amenities that contribute to the quality of life in the community. Over the long term, General Plan implementation will ensure that development decisions and improvements to public and private infrastructure are consistent with the goals, objectives and policies contained in the Plan. The project would continue to comply with the following General Plan provisions and policies:

1. **Policy LU-1.1:** "Provide for the development of a mix and balance of housing opportunities, commercial goods and services, and employment opportunities in consideration of the needs of the business and residential segments of the community."

Consistency: The hotel and improvements are anticipated to provide additional visitor serving amenities, commercial services, and employment opportunities.

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

Consistency: The viability of the City's economic base will benefit by the proposed development in that the hotel expansion will facilitate a use that provides visitor serving amenities in the City and will encourage local economic growth by providing business and visitor serving lodging. Consequently, hotel guests will purchase local commercial goods and services.

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

Consistency: The hotel expansion will facilitate a use that provides visitor serving amenities in the City and consequently, the hotel guests will likely purchase local commercial goods and services. In addition, the hotel is required to pay a City transient occupancy tax.

4. **Policy LU-6.8:** "Provide efficient and timely review of development proposals while maintaining quality customer service standards for the business, development, and residential community."

Consistency: Approval of the extension would help promote the policy by avoiding applicant development costs and time associated with filing a new application.

5. **Objective LU-10A:** "Promote structural improvements of visitor-oriented land uses."

Consistency: The hotel additions and ancillary improvements will enhance a local visitor-oriented land use and provide significant investment in both hotel design and lodging capacity.

6. **Policy LU-10.4:** "Consider the interest of quality of stay for visitors when evaluating projects near visitor-oriented land use by requiring on-site amenities and upscale guest services."

Consistency: The project would include amenities such as private meeting rooms, banquet areas, and a roof-top dining terrace, would provide guest valet services.

ENVIRONMENTAL DETERMINATION

The City Council adopted the project's original Final Program EIR on November 20, 2007 under Resolution No. 07-89. On April 13, 2015, the Planning Commission approved an addendum to the Final Program EIR, and on November 7, 2019, the Zoning Administrator approved an addendum to the Final Program EIR No. 1054 (SCH No. 20070111125). The extended approval will not result in new significant environmental effects and the project remains consistent with the original master plan approval, the North Costa Mesa Specific Plan, and no changes to environmental mitigation measures are required. Therefore, the proposed approval extension to the previously approved master plan falls within the scope of the previously approved EIR and its addendum, and no further environmental analysis is necessary.

ALTERNATIVES

- Deny the time extension. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission may deny the request and provide facts in support of denial. If denied, the entitlement will be expired.

PUBLIC NOTICE

Pursuant to CMMC Section 13-29(d) three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. **Mailed notice.** A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site on January 15, 2026. The required notice radius is measured from the external boundaries of the property.
2. **On-site posting.** A public notice was posted on each street frontage of the project site on January 15, 2026.
3. **Newspaper publication.** A public notice was published once in the Daily Pilot newspaper on January 16, 2026.

CONCLUSION

Staff supports the applicant's request to extend the approval of the Avenue of the Arts Hotel Master Plan. The Master Plan remains consistent with the Zoning Code, General Plan, and North Costa Mesa Specific Plan and the project site complements the surrounding uses including the OCMA, Segerstrom Center for the Arts, and the surrounding office and residential uses. The approval extension would vest the project

until November 15, 2028, at which point, permits will need to be issued, and construction commenced to fully vest the project.

ATTACHMENTS

1. Draft Resolution
2. Applicant Letter
3. Master Plan