



MEMORANDUM

TO: **PLANNING COMMISSION**

FROM: **GABRIEL VILLALOBOS, ASSISTANT PLANNER**

DATE: **OCTOBER 27, 2025**

SUBJECT: **MINOR CONDITIONAL USE PERMIT (ZA-22-35) CONDITION OF APPROVAL NO. 28 - TWELVE-MONTH REVIEW ("ARENA OC")**

BACKGROUND

On August 12, 2024, Planning Application ZA-22-35 for a Minor Conditional Use Permit (MCUP) to amend the previously approved operations of a nightclub ("Arena OC"), that included entertainment, at 2968 Randolph Avenue was approved by the Planning Commission. Generally, the approved application expanded operations to allow dancing, extended the operating hours to open an hour earlier, and to operate on Sundays and major holidays. In addition, a "Finding of Public Convenience or Necessity" was made for the issuance of a Department of Alcoholic Beverage Control (ABC) Type 90 License. One of the provisions of the Type 90 License that differentiates it from the Arena OC's prior Type 48 license is that the Type 90 license does not limit occupants to over 21 years of age. Although customers under 21 years of age cannot be served alcohol, pursuant to this license type, these individuals can attend the approved music/entertainment venues.

The Planning Commission approved the expanded operations subject to certain conditions of approval. In summary, the conditions of approval included, but were not limited to: operational restrictions regarding parking lot security, security staff procedures, responsible beverage service (RBS) training for staff, noise mitigation, hours of operation limitations, a minimum age restriction of 18 years or older, customers under the age of 21 are restricted to attend on Thursdays only, age restricted areas where customers under the age of 21 are prohibited, wrist bands for identifying both customers under/over 21 years of age, and restricting under 21 years of age customers from attendance on major holidays such as New Years Eve, 4th of July and Halloween.

In addition, the Planning Commission approved Condition of Approval (COA) No. 28 which required:

“A review of this entitlement shall be conducted by the Planning Commission as soon as possible after both the sixth-month and one-year anniversary date of the project approval’s effective date to determine if the business is operating in good faith and whether any modifications to business operations or conditions of approval are warranted. If the business is not operating in good faith or other adverse impacts are determined to exist, the Planning Commission may adjust existing conditions of approval or add new conditions to address the concern up to and including initiating a revocation of this use’s entitlement.”

A detailed description of the project is provided in the August 12, 2024, Planning Commission Agenda Report attached and linked below. The meeting minutes and video are also linked below:

- [August 12, 2024 Planning Commission Agenda Report](#)
- [August 12, 2024 Planning Commission Minutes](#)
- [August 12, 2024 Planning Commission Video](#)

On April 14, 2025, the Planning Commission received and filed the 6-month review. Planning staff presented that during this six-month review period, there had been no substantial increase in calls for service related to Arena OC, and the operations (both regarding the under-age component and the general day-to-day operations) were consistent with project land use approvals and without issues of neighborhood compatibility. At that time no operational adjustments to the conditions of approval were considered. The Commission expressed its desire for the applicant to attend the subsequent review hearing.

ANALYSIS

The primary purpose of Condition of Approval No. 28 is for the Planning Commission to receive a review and update from staff relating to the unique operations of serving alcoholic beverages in a club/lounge environment that would also include customers under the legal drinking age. As indicated above, two separate reviews are required by COA No. 28, which are to occur after the six-month and 12-month operational anniversary dates. Arena OC began operations pursuant to the revised use approval on August 19, 2024, making the twelve-month operational anniversary date August 19, 2025. Thus, this memo is intended to respond to COA No. 28 and the required twelve-month review.

In this regard, planning staff has reached out to the Costa Mesa Police Department to request a log of calls for service associated with the 2968 Randolph Avenue property. Between the effective date of approval of August 19, 2024, and the twelve-month anniversary date of August 19, 2025, there have been a total of 20 calls for service, with 16 during the initial 6-month period and 4 within the subsequent 6-month period. These calls for service range from battery, to petty theft, to vehicle theft. Of the 20 calls for service on record, only two of the calls were determined to be on a Thursday night when the establishment would allow for customers under

the age of 21 in attendance. Of the two calls for service made on a Thursday, one did not involve any voice contact and the other involved a suspicious male. Neither call included a follow up incident report, as such there is no additional information to provide regarding the nature of the call or age of callers or person(s) involved. Of the four recent calls for service, none took place on a Thursday and were not deemed to be related to the involvement of underage patrons at this business.

Lastly, there have been no code violations logged at this property and no applicable noise complaints logged by Costa Mesa Police. Further, the City's Police Department have indicated that the calls for service reported during this period related specifically to Arena OC are not considered to be excessive compared to similar establishments operating in the City, and are not adding any unique burden to Police operational resources.

CONCLUSION

Based on review of calls for service during this twelve-month review period, there has been no substantial increase in calls for service related to Arena OC specifically related to the allowance of minors in attendance at nighttime events. The operations (both regarding the under-age component and the general day-to-day operations) are consistent with project land use approvals and are without issues of neighborhood compatibility as the general vicinity includes several other nightlife venues.

Staff is aware that Arena OC is currently not operating and is being advertised as a venue for sale. The business owner indicates that the venue has not been in operation since May 2025, and is in the process of being sold to a new operator. The owner has been notified by staff that all previously approved conditions would still be applicable and any changes in operational procedures would be subject to the approval of an amendment. In addition, pursuant to [Section 13-29\(k\)\(1\)](#) of the Costa Mesa Municipal Code (CMMC), planning applications shall run with the land until revoked, except as provided in Section 13-29 or in a condition imposed at the time of granting the planning application. The previously approved conditions as included in the attached resolution to this memo, do not specify a time period in which ceased operations would nullify and void the approved planning application.

In summary, based on review of Arena OC's operation for the first twelve-months of permitted modified operations, staff believes that the "business is operating in good faith" and no "modifications to business operations or conditions of approval are warranted" at this time.

Attachments:

1. August 12, 2024, Agenda Report
2. August 12, 2024, ZA-22-35 Resolution
3. Calls for Service Log
4. April 4, 2025 Planning Commission Minutes (six month review)