



# PLANNING COMMISSION AGENDA REPORT

MEETING DATE: AUGUST 25, 2025

ITEM NUMBER: PH-1

**SUBJECT: CONTINUED FROM THE JULY 28<sup>TH</sup>, 2025 PLANNING COMMISSION MEETING. UPDATES TO THE CITY OF COSTA MESA PROCEDURE FOR DETERMINING SHARED PARKING REQUIREMENTS (PCTY-25-0001)**

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

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## **RECOMMENDATION**

Staff recommends that the Planning Commission recommend that the City Council:

1. Find that the project is Exempt from the California Environmental Quality Act (CEQA), Section 15061(b)(3) ("Common Sense Exemption"); and
2. Approve the amendments and adopt a Resolution updating the City of Costa Mesa Procedure for Determining Shared Parking Requirements.

## **APPLICANT OR AUTHORIZED AGENT**

The subject Zoning Code Amendment is a City-initiated request.

## **BACKGROUND**

For more than four decades, the City of Costa Mesa's Procedure for Determining Shared Parking Requirements (Shared Parking Requirements) has served as the basis for evaluating parking needs in multi-use developments. This tool calculates parking demand by considering variations in peak hours and visitation patterns across multiple

uses on a single site. Over time, however, evolving development trends, new types of tenant uses, and trip patterns have changed and the shared parking table's limited list of land uses and older hourly distribution of demand needs to be updated to more accurately reflect current parking demand. In accordance with Table 13-89 of the Costa Mesa Municipal Code (CMMC), the Shared Parking Requirements table may be amended by City Council resolution. Staff is therefore recommending an update to align the table with current conditions and improve its effectiveness. The existing procedure is provided under Attachment 3 for reference.

### ***Shared Parking***

To understand the role of the shared parking procedure, it is important to first outline the City's base parking requirements under the Zoning Code. The Zoning Code requires new developments, major remodels, and new tenants to provide a minimum number of parking spaces based on the specific use of the property, as outlined in Table 13-89 of the Costa Mesa Municipal Code. This table assigns a parking ratio (such as spaces per square foot of building area) to each land use type, including retail, office, restaurant, and other non-residential land use types. Furthermore, Table 13-85 of the CMMC provides the minimum number of parking spaces for multi-family residential development.

For properties with a single tenant or use, these minimum parking requirements ensure that all parking demand for that use, including employee, visitor, or resident parking, is accommodated.

Where a property contains multiple tenants or uses, also known as a mixed-use development, Table 13-89 of the CMMC (Non-Residential Parking Standards) specifies that parking shall be determined using the Shared Parking Requirements. Per the CMMC, mixed-use developments are defined as:

*The development of lot(s) or structure(s) with two or more different land uses—such as, but not limited to, residential, office, manufacturing, retail, public, or entertainment—in a single building or a physically integrated group of structures.*

For mixed-use developments, staff works with the applicant to obtain a detailed list of all tenants, including their specific land use and the square footage of each suite. This information is then applied to the City's Shared Parking Requirements table, which calculates the site's peak parking demand. The shared parking model evaluates hourly parking demand from 6:00 a.m. to 12:00 a.m., applying use-specific percentages to determine the actual parking need throughout the day. The result of this analysis is code-required parking that more accurately reflects parking demand for the mixed-use development and allows the owner to more effectively utilize the property.

The process for the Shared Parking Requirements table includes the following steps:

1. Uses peak parking requirements for each use in the development according to the standards in the CMMC.
2. Uses industry standard hourly distributions stored in the Shared Parking Requirements table to determine the hourly and daily (weekend/weekday) parking requirement for each use. The industry standards sources for these hourly distributions are:
  - Urban Land Institute Shared Parking, 3rd Edition and
  - Institute of Transportation Engineers (ITE) Parking Generation, 6th Edition
3. Adds the total demand for all uses in the development by hour (for weekend and weekday separately) producing peak parking demand for the site, ensuring there is sufficient parking at any given hour for all tenants.
4. Then identifies the hour with the highest peak for weekdays and weekends, and the higher of the two is the established code-required parking for the entire development.

#### *Item Continued*

This proposed update is one of 11 technical code clean-up items presented to the Planning Commission for review and recommendation to the City Council. Items 1-10 were reviewed by the Planning Commission previously on July 28, 2025 and received a recommendation of approval. At the staff's request, the Planning Commission continued the Procedure for Determining Shared Parking Requirements to the regularly scheduled meeting of August 25, 2025, to be presented to the Planning Commission for consideration and recommendation to the City Council. This date was selected to allow for this item to be reviewed by City Council with the other technical code clean-up items scheduled for September 16, 2025.

This item was continued from the previous meeting to allow staff additional time to review and confirm the methodology used in the analysis. The July 28, 2025, Planning Commission Report and video are linked below:

July 28, 2025 Planning Commission Report:

<https://costamesa.legistar.com/View.ashx?M=F&ID=14545743&GUID=2B53E72A-0BDE-402E-8A2B-A0DA8C1A4611>

Video:

## **DESCRIPTION**

Staff is proposing to amend the Shared Parking Requirements to add 12 additional uses to the table and update the hourly percent of demand for all listed uses with the available current data from the original table and industry standard sources. The proposed updates do not change the methodology of the table, do not alter the procedure on how the table is used, and do not alter the codified parking ratios. As proposed, the updates should provide a more accurate assessment of parking demand on mixed-use development sites resulting in a more efficient use of parking resources.

## **ANALYSIS**

The following analysis provides detail on the proposed revisions, including updated hourly adjustments, land use categories, and supporting case study results. The proposed changes are included as Attachment 4 (Proposed Shared Parking Requirements).

### *Hourly Adjustment Updates*

To ensure consistency and accuracy, the Shared Parking Requirements was updated using the methodology and sources used to develop the existing table. The table is based on data developed from Urban Land Institute (ULI) research, adjusted to use the City's codified parking ratios, and is compiled into an Excel-based table that outlines the expected percentage of required parking by hour for various land uses.

The hourly adjustments for all the land uses within the table came from industry standard sources. The proposed table collected 23 uses listed within the ULI Shared Parking, 3<sup>rd</sup> Edition. Each use has its own list of hourly adjustments from 6:00 AM until midnight. Staff used a weighted average to combine adjustments for visitors and employees and then scaled the weekday or weekend adjustments accordingly to ensure relationship between weekdays and weekends was maintained. Staff's approach is consistent with the methodology used to create the existing table.

The proposed table also collected three additional common uses from the ITE Parking Generation, 6<sup>th</sup> Edition. These three uses were pulled from ITE because ULI did not have data available for these specific uses. The uses include Fast Food w/Drive Thru, Breweries and Distilleries, and Other (small) Retail. The methodology and calculations have been reviewed and approved by the City's Transportation Division.

### *Existing and Proposed Land Uses*

As previously mentioned in the background section, the proposed amendment to the City's Shared Parking Requirements table adds new land uses, updates to the existing uses, and updates demand factors; all to improve the accuracy of parking demand calculations. The goal of the Shared Parking Requirements table is to present a realistic picture of true parking demand based on contemporary land use patterns.

In the absence of specific shared parking factors for uses, staff must rely on flat maximum hourly demand rates that do not account for variations by time of day. Using flat rates for mixed-use development results in surplus parking. This results in an increase in requests for parking deviations, independent parking studies, or the loss of a potential new business.

To update the table, staff reviewed the uses already listed in the City's primary parking requirement table (Table 13-89). Next, staff analyzed land uses in the Land Use Matrix (Table 13-30) that exhibit unusual or concentrated peak-hour parking demand patterns (e.g. Health Clubs/Physical Fitness Facilities). Staff then focused on common uses in Costa Mesa with sufficient local data to support inclusion, such as active entertainment and event centers. While not currently listed in the Land Use Matrix, these uses have been the subject of multiple entitlements accompanied by parking studies, providing a strong basis for their addition to the table, particularly given their increasing frequency in mixed-use developments.

Over the last four decades, the City's land use mix has evolved significantly. The proposed update adds 12 additional uses to the table. Some broad categories from the 1980s table, like retail, office, and restaurant, are now broken into smaller, more specific subcategories. Retail and restaurant categories, for example, have diversified into specialized subcategories with distinct operating and parking characteristics. For example, restaurants range from fast food with drive-throughs to fine dining, each with unique parking patterns, whereas the original Shared Parking Requirements table based on 1985 data, only distinguished between small restaurants (under 3,000 square feet) and large restaurants (over 3,000 square feet). This change accounts for differences in operating hours and customer patterns within these groups, resulting in a more accurate and fairer estimate of parking needs.

Similarly, new popular uses were not represented in the original model. These include uses that were not previously considered, such as physical fitness facilities, dance studios, and event centers; business types that are now common in many mixed-use developments. These uses have unique parking patterns and including them in the table makes the parking analysis more precise and versatile.

The proposed amendment keeps the 14 existing uses in the Shared Parking Requirements table, but makes an important change, each use now has its own set of hourly parking adjustments. In the current table, some uses, such as Office and Banks, have different parking ratios per the CMMC, so they were separate columns but share the

same hourly pattern of use. This approach can oversimplify real parking needs. By assigning unique hourly demand to every use, the updated table more accurately reflects how parking needs change throughout the day for each type of business or activity. On Table 1: Comparison of Existing and Proposed Uses provides a side-by-side comparison of existing uses currently provided in the Shared Parking Requirements table and the uses proposed as part of this update.

**Table 1: Comparison of Existing and Proposed Uses**

<b>Existing</b>	<b>Proposed</b>
<b>Retail</b>	
<ul style="list-style-type: none"> <li>• Retail</li> </ul>	<ul style="list-style-type: none"> <li>• Grocery Store</li> <li>• Department/Super Store</li> <li>• Retail (other)</li> <li>• Furniture and Appliance Stores with Greater Than 5,000 SF of Floor Area</li> </ul>
<b>Office</b>	
<ul style="list-style-type: none"> <li>• Office</li> <li>• Medical Office</li> <li>• Banks</li> </ul>	<ul style="list-style-type: none"> <li>• Office &lt; 25,000 SF</li> <li>• Office &gt;= 25,000 SF</li> <li>• Medical/Dental Office</li> <li>• Banks /Savings and Loans/ Credit Unions</li> </ul>
<b>Residential</b>	
<ul style="list-style-type: none"> <li>• Studio</li> <li>• One Bedroom</li> <li>• Two Bedroom</li> <li>• Three Bedrooms or More</li> </ul>	<ul style="list-style-type: none"> <li>• Studio</li> <li>• One Bedroom</li> <li>• Two Bedroom</li> <li>• Three Bedrooms or More</li> </ul>
<b>Restaurant</b>	
<ul style="list-style-type: none"> <li>• Restaurants 1<sup>st</sup> 3,000 SF</li> <li>• Restaurants over 3,000 SF</li> </ul>	<ul style="list-style-type: none"> <li>• Restaurants, less than 300 SF of Public Area</li> <li>• Fast Food w/ Drive Through</li> <li>• Restaurants without Breakfast</li> <li>• Restaurants with Breakfast</li> <li>• Bars and Nightclubs</li> <li>• Breweries and Distilleries</li> </ul>
<b>Tourism and Hospitality</b>	
<ul style="list-style-type: none"> <li>• Guest Rooms</li> <li>• Restaurant/ Lounge</li> <li>• Convention Center</li> </ul>	<ul style="list-style-type: none"> <li>• Hotels/Motels (see corresponding use for ancillary activities)</li> <li>• Event Centers</li> </ul>
<b>Entertainment &amp; Fitness</b>	
<ul style="list-style-type: none"> <li>• Theaters and Cinemas</li> </ul>	<ul style="list-style-type: none"> <li>• Health Clubs/ Physical Fitness Facilities</li> <li>• Studios, Dance, Martial Arts, Music</li> <li>• Movie Theaters</li> <li>• Auditoriums</li> <li>• Active Entertainment*, Open After 11 PM and/or Serves Alcohol</li> </ul>

	<ul style="list-style-type: none"> <li>Active Entertainment*, Closes Before 11 PM and No Alcohol</li> </ul>
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\*Active Entertainment is defined in staff policy as retail locations that focus on physical activities. (e.g. Escape Rooms, Hatchet Throwing, Cold Plunge, Simulators, etc.)

#### *Uses Not Included*

Staff also examined the potential to add other uses where unique parking patterns were suspected. However, sufficient local or regional data could not be secured to produce reliable hourly distributions for demand for the following:

- Churches and other religious assembly uses
- Racquetball and tennis facilities
- Industrial uses (including specialized manufacturing or distribution)

#### *Application of the Updated Shared Parking Requirements Table*

To determine the effectiveness of the proposed updates, staff conducted two case studies and compared them to the current Shared Parking Requirements table. The results of the case studies are shown in Table 2. Case Study 1, is a large shopping center consisting of a supermarket and grocery store, restaurants, medical offices, smaller retail tenants, and physical fitness studios. Case Study 2, is a strip mall with smaller retail tenants, medical offices, and restaurants.

**Table 2: Summary of Case Study Results**

	<b>Case Study 1</b>	<b>Case Study 2</b>
<b>Code Required Parking</b>	1123 parking spaces	250 parking spaces
<b>1980s Shared Parking Demand</b>	1110 parking spaces	234 parking spaces
<b>Proposed Shared Parking Demand</b>	960 parking spaces	209 parking spaces
<b>Parking Provided On-Site</b>	1011 parking spaces	225 parking spaces
<b>Parking Surplus with New Data</b>	<b>51 parking spaces</b>	<b>16 parking spaces</b>

In both test cases, the new summary table more accurately reflected the parking demand onsite based on site observations throughout the year and specific site assessments during the development of this report. To determine the accuracy of the proposed updates, staff conducted site visits on the weekend and weekdays at the identified peak parking demand hour, which were 1:00 p.m. and noon for Case Study 1, and 6:00 p.m. and noon for Case Study 2. In both case studies, Staff observed a parking surplus on-site at peak demand hours on both weekends and weekdays. Furthermore, not only did the new demand data result in a lower parking demand than the data from the 1980s, but it

also resulted in a parking surplus at the site, therefore increasing flexibility at the sites for future uses.

### *Benefits of a More Accurate Shared Parking Table*

Updating the Shared Parking Requirements ensures that parking supply in Costa Mesa meets parking demand and aligns with current development patterns, supports economic vitality, and promotes efficient land use. Key benefits include:

- Maximized efficiency - Aligns parking supply with actual demand, reducing overbuilt parking while accommodating peak use periods.
- Optimized land use - Frees property area for revenue-generating uses, public amenities, or landscaping.
- Economic development - Expands the variety of businesses that can operate without costly parking deviations, fostering a business-friendly environment.
- Data-driven decisions - Uses current, industry-standard data to provide predictable, transparent parking requirements for applicants and staff.
- Cost savings - Lowers maintenance and construction costs for parking infrastructure.
- Support for mixed-use and adaptive reuse - Facilitates redevelopment and revitalization of existing properties in line with General Plan goals.

### **GENERAL PLAN CONFORMANCE**

The proposed amendments are in conformance with the City's General Plan, including:

- The Land Use Element identifies shared parking as a manner in which the City can more productively use space, conserve land resources, and allow other uses for that space which add vitality to our urban areas (LU-16 Mixed-Use Districts).
- Policy LU-6.2 "Continue to promote and support the vitality of commercial uses to meet the needs of residents and that support regional-serving commercial centers." General Plan specifically states that shared parking supports the vitality of commercial properties by conserving land resources by reducing the space required for parking.
- Policy LU-6.7 "Encourage new and retain existing businesses that provide local shopping and services." If space within a property does not need to be used for



parking they it may be leveraged to provide additional space for commerce or uses that attract commerce.

- Policy LU-6.19 “Provide flexibility and support for development of residential, office, small retail centers, and similar uses that would serve residents and would also benefit from the high visibility along major corridors outside of significant commercial or industrial nodes.” Providing a more accurate shared parking requirements table allows for more flexibility on how any property might be developed and updating the shared parking table further supports not only mixed-use development but also adaptive reuse of existing centers.

The proposed shared parking requirements would continue to allow for orderly, high-quality development within Costa Mesa and encourage economic growth in the community. The updated requirements also provide allowances for the development and redevelopment of properties to encourage new and existing businesses to operate within Costa Mesa.

## **ENVIRONMENTAL DETERMINATION**

The proposed amendment has been reviewed pursuant to the California Environmental Quality Act (CEQA). Staff recommends that the updated shared parking data be found exempt from the provisions of CEQA under Section 15061(b)(3) Common Sense Exemption, which applies when it can be seen with certainty that there is no possibility the activity in question may have a significant effect on the environment. The proposed amendment qualifies for this exemption because;

The proposed amendment does not establish any new regulatory framework. The shared parking table already exists in the City’s Municipal Code and is a long-standing tool used to calculate parking demand. The update simply refines the existing table by revising the hourly distribution of parking demand and expanding the list of uses to reflect current development practices. These refinements improve the accuracy of parking demand calculations without altering the underlying methodology.

By increasing accuracy, the amendment reduces the risk of either underestimating or overestimating parking needs, thereby minimizing the chance of indirect impacts such as spillover parking, unnecessary construction of surplus parking, or related transportation and greenhouse gas concerns. Importantly, the amendment does not change what land uses are permitted, the allowable floor area, or the required parking ratios. Development potential continues to be constrained by existing Floor Area Ratio standards and the City’s Land Use Matrix. Furthermore, the parking ratios are not relaxed but only change the distribution of demand. Thus, the maximum parking ratios remain unchanged. Therefore, there is no new construction or physical change to the environment resulting from this amendment.

Because the amendment only improves the precision of an existing analytical tool without expanding development capacity or creating new physical impacts, the amendments will reduce potential impacts compared to the existing table. This includes fewer unnecessary surface lots, which means less impervious surface, stormwater runoff, and heat island effect. There would also be fewer spillover parking issues in neighborhoods due to less traffic circulation and emissions from providing a more efficient supply of parking that also allows for more space for the potential of pedestrian or bicycle paths of travel, or increases in landscape area. This is all substantiated by the case studies we provide within the analysis.

Based on this evidence, it can be seen with certainty that there is no possibility that the amendments may have a significant effect on the environment, and therefore, is exempt from further review under CEQA Section 15061(b)(3).

## **ALTERNATIVES**

The Planning Commission has the following alternatives:

1. **Recommend City Council approval with modifications.** The Planning Commission may recommend approval with modifications to the amended Shared Parking Requirements. Modifications would be forwarded to City Council for consideration.
2. **Recommend that the City Council not adopt the updated Shared Parking Requirements.** The Planning Commission may recommend that the City Council not adopt the proposed amendments to the Shared Parking Requirements. If the proposed amendment is not supported the existing shared parking requirements table will continue to be used with its current use offerings and hourly distributions.
3. **Continue the Item.** The Planning Commission may continue the item to a date certain with direction for staff to return with additional information, changes and/or clarifications for Planning Commission consideration. If the item is continued, it will not continue to the City Council with the other technical code clean-up items which are scheduled for the regular City Council meeting of September 16, 2025.

## **NOTICE**

Pursuant to Government Code Section 65854(a), a 1/8th page public notice was published once in the Daily Pilot newspaper no less than 20 days before the July 28, 2025, public hearing for the technical code update, which the shared parking requirements update was item 11 of 11. As the Shared Parking Requirements were continued to a date certain, August 25, 2025, on July 28, 2025, during the Planning Commission hearing, additional public notice was not necessary.

## **CONCLUSION**

The updated Shared Parking Requirements provide updated data to reflect current parking trends to improve the accuracy of parking demand projections. These updates are intended to maximize parking efficiency, improve land utilization, attract new businesses to the City, streamline review processes, and encourage new development and revitalization of existing development in the City.

## **ATTACHMENTS**

1. Draft Planning Commission Resolution
2. Draft City Council Resolution
3. Existing Shared Parking Requirements
4. Proposed Shared Parking Requirements