

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

March 24, 2014

These meeting minutes represent an "action minute" format with a concise summary of the meeting. A video of the meeting may be viewed on the City's website at www.costamesaca.gov or purchased on DVD upon request.

Chair Fitzpatrick led in the Pledge of Allegiance.

ROLL CALL:

Present: Chair Jim Fitzpatrick
Vice-Chair Robert Dickson
Commissioner Colin McCarthy
Commissioner Jeff Mathews
Commissioner Tim Sesler

Staff: Gary Armstrong, Economic and Development Services Director
Jerry Guarracino, Interim Assistant Development Services Director
Fariba Fazeli, City Engineer
Raja Sethuraman, Transportation Manager
Mel Lee, Senior Planner
Martha Rosales, Recording Secretary

**PLANNING COMMISSION DESIGN AWARD PRESENTATION TO CODE ENFORCEMENT
STAFF**

Mike Brumbaugh, Code Enforcement Officer, invited fellow officers Jon Neal and Mike Tucker to join him. Officer Brumbaugh gave a presentation regarding the Community Clean-up that took place in the Mission/Mendoza area. Residents who were present in the audience were invited to join the Team for a group photo. The Code Enforcement Team accepted the Planning Commission Design Award.

PUBLIC COMMENTS

Dorothy McNiff, Costa Mesa resident, addressed concerns she has had with the parking issues at the Beach Pit BBQ. Ms. McNiff stated she had contacted City staff multiple times and had not received a response.

PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:

Vice-Chair Dickson asked staff to bring back an informational report with regards to the parking issues at the Beach Pit BBQ at the next convenient Planning Commission meeting. Chair Fitzpatrick and Commissioner McCarthy concurred.

CONSENT CALENDAR:

1. Minutes for the meeting of March 10, 2014

MOTION: Approve the March 10, 2014 Minutes with minor grammatical correction (Public speaker John Holly's last name should be "Hawley"). Moved by Commissioner McCarthy, second by Vice-Chair Dickson.

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

PUBLIC HEARINGS:

- Application No.:** ZA-14-10
Applicant: Seyedmehdi Hassani
Site Address: 3033 Bristol Street, Suite F
Zone: C1
Project Planner: Mel Lee
Environmental Determination: Exempt

Description:

Minor Conditional Use Permit to allow an existing hookah lounge (Bublyz Hookah Lounge) within 200 feet of residentially-zoned properties to remain open past 11:00 PM (12:00 midnight Sunday through Thursday; 2:00 AM Friday and Saturday).

Mel Lee, Senior Planner presented the staff report and advised the Commission that staff was recommending denial of the applicant's request. Five emails were received from adjoining residents opposing the hookah lounge.

PUBLIC COMMENTS

Seyedmehdi Hassani, applicant, provided background information of the process he has been through with his business.

Lynne Wiegandt, Costa Mesa resident, said being open until 2 a.m. would cause a problem of peace and quiet in her neighborhood. Ms. Weigandt opposed the hookah lounge and shared that the 20/20 optometrist business that used to be next door to the hookah lounge closed down due to smoke emanating from the hookah lounge.

Marice White, Pentridge Cove II Board Member, urged the Commission not to support the applicant's request due to its history of violations and added that granting a minor conditional use permit to extend the business hours was not in the best interest of the residents or the community. She encouraged the Commission to check the business's Yelp page because it was already listing the extended hours as their business hours.

MOTION: Based on the evidence in the record and the findings set forth in Exhibit A, deny Planning Application ZA-14-10 for extended hours of operation for Bublyz Hookah Lounge located at 3030 Bristol St., Suite F. Moved by Commissioner McCarthy, second by Vice-Chair Dickson.

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

The Chair explained the appeal process.

2. **Application No.:** PA-13-10
Applicant: Sheldon Group
Site Address: 430 and 436 East 17th Street
Zone: C1
Project Planner: Mel Lee
Environmental Determination: Exempt

Description:

1. Conditional use permit to expand an existing bar/restaurant (Wild Goose) from 1,335 square feet to 5,185 square feet as part of a new two-story, 8,720 square foot multi-tenant retail/office building.
2. Conditional use permit to provide valet parking.
3. Minor conditional use permit to allow an expanded outdoor seating area for the bar/restaurant to encroach within the required front landscape setback (20 feet required; 7 feet proposed).
4. Minor conditional use permit for shared driveway access with 440 East 17th Street.
5. A request to deviate from shared parking requirements based on unique operating characteristics (70 spaces required; 48 spaces proposed).
6. A request to exceed the maximum number of compact parking spaces (7 maximum compact spaces allowed; 10 compact spaces proposed).

Mel Lee, Senior Planner presented the staff report and asked the Commission to: 1) determine the project to be exempt pursuant to the California Environmental Quality Act (CEQA) guidelines, Section 15303 (New Construction) and 2) approve by adoption of the Planning Commission subject to the conditions of approval. He reported that 13 emails in support of the business were received as well as a petition that contained several letters of support.

The Commission discussed access to Cabrillo Street from the back of the business, valet parking, a back-up plan if the valet parking did not work, process for obtaining an entertainment permit for Condition of Approval No. 3, parking issues and the project not being a parked project.

PUBLIC COMMENTS

Mario Marovic, applicant, had read the conditions of approval and was in agreement with them. He clarified that the dry cleaning tenant closed at 7 p.m. and not 6 p.m. as was stated in the staff report. Due to the dry cleaners' low-impact use they requested a 7 p.m. close for the existing Cleaners but if the current tenant left future tenants would close at 6 p.m. Mr. Marovic provided background history and turned the presentation over to his business partner.

Andrew Gabriel, business partner, gave a presentation that included proposed elevations, upgraded kitchen and security plan. Mr. Marovic took over the presentation and spoke about the valet parking, alternate methods of transportation (bicycles, taxis, Uber (ride-sharing company), carpool and walking), recommendation letters, use comparison chart and the Wild Goose's community involvement with various non-profit organizations. Mr. Marovic asked the Commission to support staff's recommendation to approve the expansion.

Mr. Marovic agreed to add a condition of approval stating the operation would have a security plan in place as described in their presentation.

The Commission discussed mitigating factors for controlling noise, parking problems on East 17th Street, alternate areas for overflow parking and modifying the verbiage for the conditions of approval.

Ann Pike, Costa Mesa business owner, did not have a problem with the Wild Goose expansion but felt her safety was at risk due to daytime, unruly Wild Goose customers who would get mad at her because they could not park in front of her business. Said customer were also urinating and vomiting around her business. Ms. Pike was not happy with the current parking situation.

Bret Rosol, Costa Mesa resident, was in support of the project. He felt the Wild Goose expansion was exactly what 17th Street in Costa Mesa needed and added that the owners were professionals.

Grant McNiff, Costa Mesa resident, asked: 1) if any of the Commissioners had any interest or were limited liability corporation partners with the Wild Goose, 2) when was the last time a traffic and parking study had been done by a professional, credible company that was acceptable to the community, and 3) what was the City going to do with the car wash, KFC and Firestone properties.

Jolene Fuentes, homeowner, was in support of the interior and exterior expansion to the Wild Goose. She encouraged the Commission not to pass on the opportunity of having established and well-respected operators and to support the expansion in order to improve the community.

Jay Humphrey, Costa Mesa resident, welcomed the project and commended the applicant on their presentation. He expressed concerns with the project being under parked, setbacks from the street and the noise level.

Jamie McCloud, asked about off-site parking and was concerned with overflow parking when the valet parking was full. Toning down the project might alleviate the parking problems.

Don Harper, Costa Mesa resident, wanted to support what appeared to be a successful business owner and operator who was improving the look and feel of 17th Street. He hoped Mr. Marovic would be able to manage the parking situation.

Beth Refakes, East Side resident, felt the Wild Goose expansion was a great project that would improve the 17th Street corridor but felt the parking and setback issues needed to be resolved. Ms. Refakes also asked about trash containers.

Josh Yocam, Costa Mesa business patron, spoke in support of the conditional use permit for the Wild Goose and implored the Commission to approve the expansion.

Daniel Noon, Costa Mesa resident, stated the Wild Goose establishment and charity events brought a sense of community to the area. He mentioned Mr. Marovic was a fine, upstanding business owner and added that from personal experience, nobody ran across 17th Street – all of their patrons took taxi cabs, Uber (ride-sharing company) and on Saturdays and Sunday they biked to the Wild Goose. He encouraged Ms. Pike to talk to Mr. Marovic regarding the problems she was having with the customers.

Shawn Dewane, Costa Mesa resident, was in support of the project and urged the Commission to approve the applicant's request as proposed because it would be an enormous and welcomed improvement to the neighborhood.

Ryan Williams, Costa Mesa resident, said the Wild Goose has been outstanding since Mr. Marovic and Mr. Gabriel took over the establishment. Both business partners talked

to Mr. Williams and his family because they had experienced many issues with the previous owners. Mr. Marovic and Mr. Gabriel always notified the surrounding neighbors whenever they had charity events and took their concerns into consideration. Mr. Williams supported the project and felt it would enhance the property values of surrounding neighbors and businesses.

Jedd Yokam, Newport Beach/Costa Mesa resident, applauded the Commission for finding a balance between the City's General Plan and the mixed-use with the residents. He stated the Wild Goose enhanced the 17th Street strip with their first remodel one year ago; the proposed expansion would enhance the property further. The Americans Disabilities Act (ADA) compliance would be a great aspect to the remodel. As a solution to the parking issues, Mr. Yokam suggested charging customers for parking.

Garrett Snyder, Costa Mesa resident, stated 90% of his friends used taxi cabs or Uber and had not seen a problem with parking or patrons running across 17th Street. He stated the Wild Goose has improved the 17th Street corridor and supported the expansion because Mr. Marovic and Mr. Gabriel ran Class A organizations.

Rhonda Rohrbacher, Costa Mesa resident, loved the Wild Goose Bar & Restaurant because they could walk or ride their bikes there. She felt it enhanced the quality of life in East Side Costa Mesa and captured the spirit of the neighborhood. She fully supported their expansion plans and hoped they were successful.

Nathan Holthouser, supported the project because it would help establish 17th Street as the prominent area everyone knew it could be. The applicant's track record spoke for itself and the parking plan he had seen was solid.

Zach McCrae, Costa Mesa resident, stated the Wild Goose was a vast improvement from the previous business. He supported the expansion and urged the Commission to consider the concerns and knew the owners would do right by the City and local neighboring area.

Tom McCane, Costa Mesa resident and Wild Goose patron, knew both of the owners. He stated they were both concerned, responsible and pro-active business owners who made sure there were always cabs in their business to make sure people had a way home that did not involve their cars.

Brent Redick, Newport Beach resident, said he rode his bike, took a cab or Uber to the Wild Goose. He spoke very highly of Mr. Marovic and encouraged Ms. Pike to address her concerns to Mr. Marovic and he would take care of them.

Tim Smith, local resident, was a supporter of anybody with good development because it increased property values and community outreach. He supported the proposed expansion and hoped the Commission would approve it.

John Farrell, Costa Mesa resident, walked to the Wild Goose with his girlfriend on date nights. He felt the Wild Goose expansion would be a huge improvement for people to have a good date night because there are no places on 17th Street.

Ashley Marovic, licensed marriage and family therapist, previous Costa Mesa business owner and Mr. Marovic's wife, spoke on the human component of the proposed project. She said her husband and Mr. Gabriel were good, moral, ethical people who wanted to do right by the community. Mrs. Marovic implored the Commission to support her husband's project.

The Commission discussed the concerns addressed by the speakers.

MOTION: Based on the findings in Exhibit A, subject to modified conditions of approval in Exhibit B, determine the project to be exempt pursuant to the California Environmental Quality Act, Section 15303 (New Construction) and adopt resolution approving PA-13-10 for an expansion of an existing bar/restaurant Wild Goose and two-story retail office building at 430- and 436 E. 17th Street. Modifications to be as follows:

Condition No. 4 to include “the applicant and/or property owner shall be responsible for ensuring shared driveway access with the adjoining owner at 440 E. 17th Street”;

Condition No. 14 after “not later than 6:00 p.m.” add “with the exception of the current dry cleaning tenant (not later than 7:00 p.m.), any subsequent tenant would be limited to 6:00 p.m. closing time”;

Condition No. 20 to read: “customer/employee parking shall occur on-site and not on surrounding streets and not on surrounding properties without the authorization of the property owner and the City”;

Condition No. 21 change “required” in the second sentence to “if appropriate” and add “applicant can modify valet program as approved by City staff”;

Add Condition No. 36 to read “the Security Plan as presented in the Applicant’s presentation, including the following items: All security staff will be State of California Guard Card Certified; require a set amount of security staff, with a ratio of 1 security staff for every 50 patrons; Require radio headsets to communicate between the inside management and valet parking, have bathroom attendants on weekend nights; keep a daily log of activities; all bar and service employees will be State of California LEAD (Licensee Education on Alcohol and Drugs) class certified”;

Add Condition No. 37 to read “Applicant to work with staff to gain signage approval for way finding signs directing Wild Goose customers to the left parking lot”;

Under “Special District Requirements” add “Regional Water Control Board to be contacted for location of on-site monitoring of wells”;

Add Condition No. 38 to read “if parking problems persist and are not able to be mitigated by Condition of Approval No. 20 or cooperation between staff and the applicant, the 585-foot extended outdoor patio area be limited in hours of operation to the satisfaction of the Development Services Director.”;

Moved by Chair Fitzpatrick, second by Vice-Chair Dickson - (PC Resolution 14-12)

Commissioner McCarthy stated the Wild Goose expansion was a fantastic project but he would not be supporting the motion because he felt applicants needed to park their projects and the valet parking was a deviation from the parking requirements.

The motion carried by the following roll call vote:

Ayes:	Fitzpatrick, Dickson, Mathews, Sesler
Noes:	McCarthy
Absent:	None
Abstained:	None

The Chair explained the appeal process.

3. **Application No.:** GP-13-02, R-13-02, CO-13-02, and PA-13-11
Applicant: Red Oak Investments
Site Address: 125 East Baker Street
Zone: CL (Existing); PDR-HD (Proposed)
Project Planner: Mel Lee
Environmental Determination: Certify Final Environmental Impact Report

Description: The proposed project is a five-story, 240-unit apartment complex (63-foot maximum height proposed) at a density of 58 dwelling units per acre with a six-story parking structure (57-foot maximum height proposed) with a total of 461 parking spaces, along with the following specific entitlements:

1. **Final Environmental Impact Report (SCH# 2013081051).** Certification of the Final EIR for the project.
2. **General Plan Amendment GP-13-02.** Change the land use designation of the 4.17-acre site from Industrial Park to High Density Residential, and text amendment(s) to the City's General Plan to reflect a site-specific density of 58 dwelling units per acre, and a site-specific height of six stories.
3. **Rezone R-13-02.** A rezone (or change) of the zoning classification of the 4.17-acre development site from Commercial Limited (CL) to Planned Development Residential – High Density (PDR-HD).
4. **Zoning Code Amendment CO-13-02.** A zoning code amendment to Costa Mesa Municipal Code Title 13 to allow a site-specific density of 58 dwelling units per acre.
5. **Master Plan PA-13-11.** A Master Plan for development of a five-story 240-unit residential apartment building (63 feet overall height) that wraps around a six-story parking structure (57 feet overall height) with a deviation from: on-site parking requirements (538 parking spaces required; 461 parking spaces proposed).

Mel Lee, Senior Planner, presented the staff report. He advised that staff supported the proposed project and encouraged the Commission to recommend that City Council approve and take final action for the following entitlements: certification of final EIR (Environmental Impact Report), General Plan Amendment, Zone Change, Zoning Code Amendment and Master Plan.

Trina Abbott with Atkins North America, Inc., consulting company who prepared the project's EIR, gave a presentation regarding the CEQA process.

PUBLIC COMMENTS

Joe Flanagan, Red Oak Investment Partner, reported their Design Team (Principals and staff) would be making a presentation on the project. Mr. Flanagan added staff had read the conditions of approval and they were in agreement with them.

R. C. Alley, Architect with Architects Orange, gave an overview of the project's architecture that included the floor plan, unit amenities, courtyards, vehicular entrances, color palettes, etc.

Mark Schattinger, Landscaping Architect with MGS Design Group, provided a rundown of the landscaping that would be used to give the proposed project a sense of privacy. The project included a dog park, basketball court, pool courtyard, relax courtyard, a walking trail and a community garden - the use of organic and natural materials will give the project a genuine feel.

Peter Naghavi, Consultant, reported on the traffic and congestion problems at the intersection of Baker and Pullman. If approved, the developer would provide a traffic signal at the Baker/Pullman intersection, mitigating the only significant traffic impact the project has. The signal would also mitigate the intersection of Baker and Redhill by providing a southbound right-turn lane. Overall, the proposed project would improve the intersection.

Alex Wong, Red Oak Investment Partner, spoke about the cultural and community investment that was achieved when land uses were integrated instead of segregated.

Bill Dunlap, President and Partner of Slater Builders. Inc., was in support of the project. He stated the area has been in transition from light manufacturing to currently a village with churches and schools. He felt the project was a compatible use and would be a great transformation for the area.

Jay Humphrey, Costa Mesa resident, said the General Plan stated nothing over 4-stories should be built south of the 405 Freeway. While the area was appropriate for this type of development, it was south of the 405 Freeway. He encouraged the inclusion of language establishing that this exception would not set precedence.

Cynthia McDonald, Costa Mesa resident, did not feel the project benefitted the residents of Costa Mesa. It was a high-rise development that exceeded height limitations that were put into place to limit the number of high-rise buildings south of the 405 Freeway and would increase the traffic on Baker Street. She asked the Commission to deny approval of the General Plan amendment.

Rick Huffman, Costa Mesa resident, asked what Costa Mesa residents would get in return from this type of project. He wanted to see something mitigating it. Costa Mesa residents were concerned with over-development and not fond of large projects that were being approved. Could the project be down-sized or the developer build a sports complex?

Commissioner McCarthy asked the developer to list some of their impact fees to address the concerns of the public speakers. Mr. Flanagan and Mr. Wong did not have a list of impact fees but stated their fee budget, that would go to special districts (water, schools, drainage, sanitation, etc), was approximately 5 million dollars. They advised the Commission that from a property tax standpoint the property value would be 10-times more than what it currently was and the City would receive a small portion of that tax money. The project would also attract more shoppers to Costa Mesa; hence, the City's revenue would increase as a result of the increase in sale taxes.

Vice-Chair Dickson did not think the area was inappropriate to build to the height that the Airport Land Use Commission allows to build.

MOTION: Based on the evidence of the record, the Planning Commission recommends that the City Council certify the Final Environmental Impact Report for the 125 East Baker Street Apartment Project (State Clearinghouse Number 2013081051). Moved by Vice-Chair Dickson, second by Commissioner McCarthy – (PC Resolution 14-13).

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

MOTION: Based on the evidence of the record, the Planning Commission recommends that the City Council adopt General Plan Amendment GP-13-02 which amends the Land Use Map of the City of Costa Mesa as contained in Exhibit A and a Text Amendment(s) to the Land Use Element of the City's General Plan contained in Exhibit B with respect to the 125 East Baker Project. Moved by Vice-Chair Dickson, second by Commissioner McCarthy – (PC Resolution 14-14)

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

MOTION: Based on the evidence of the record and the findings contained in Exhibit A, the Planning Commission recommends that the City Council adopt Rezone R-13-02 for a Rezone (or change) of the Zoning Classification of the 4.17-acre development site for the 125 East Baker Apartment Project from Commercial Limited (CL) to Planned Development Residential – High-Density (PDR-HD) at 125 East Baker Street. Moved by Vice-Chair Dickson, second by Commissioner McCarthy – (PC Resolution 14-15)

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

MOTION: Based on the evidence of the record, the Planning Commission recommends that the City Council adopt Zoning Code Amendment CO-13-02 to amend Costa Mesa Municipal Code Title 13 for a Site-Specific Density of 58 dwelling units per acre for the 125 East Baker Apartment Project. Moved by Vice-Chair Dickson, second by Commissioner McCarthy – (PC Resolution 14-16)

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

MOTION: Based on the evidence of the record and the findings contained in Exhibit A, subject to conditions of approval and the mitigation measures indicated in the Mitigation Monitoring Program contained within Exhibits B and C, the Planning Commission recommends that the City Council adopt Master Plan PA-13-11 with respect to the property at 125 East Baker. Moved by Vice-Chair Dickson, second by Commissioner McCarthy – (PC Resolution 14-17)

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

Chair Fitzpatrick asked staff when the item would go to Council. Mr. Lee advised it would go to the April 15, 2014 Council meeting.

NEW BUSINESS

1. Report on the Status of the Planning Commission's 2013 Goals

MOTION: Move New Business Item No. 1 to the April 14, 2014 Planning Commission meeting. Moved by Commissioner McCarthy, second by Commissioner Vice-Chair Dickson.

Chair Fitzpatrick requested a timeline for the Joint City Council-Planning Commission Study Session. Interim Director Jerry Guarracino advised there was plenty of time because they were targeting the Study Session for June. Chair Fitzpatrick felt June was late to be making recommendations for Budget items. He asked the Commissioners to submit any budgetary items to Council (studies, improvements, etc.) and recommendations for 2014 Planning Commission Goals to Interim Director Jerry Guarracino to compile in document form.

The motion carried by the following roll call vote:

Ayes: Fitzpatrick, Dickson, McCarthy, Mathews, Sesler
Noes: None
Absent: None
Abstained: None

ADJOURNMENT: NEXT PLANNING COMMISSION MEETING AT 6:00 P.M. ON MONDAY, APRIL 14, 2014.

Submitted by:



CLAIRE FLYNN, SECRETARY
COSTA MESA PLANNING COMMISSION