

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

**March 26, 2018**

*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](http://www.costamesaca.gov) or purchased on DVD upon request.*

The Chair called the meeting to order (00:00:24).

Commissioner Navarro Woods led the Pledge of Allegiance.

**ROLL CALL**

Present: Chair Stephan Andranian  
Vice Chair Byron de Arakal  
Commissioner Jeffrey Harlan  
Commissioner Isabell Kerins  
Commissioner Carla Navarro Woods

Staff: Barry Curtis, Director of Economic and Development Services  
Tarquin Preziosi, Assistant City Attorney  
Bart Mejia, City Engineer  
Mel Lee, Senior Planner  
Dan Inloes, Senior Planner  
Sheri Vander Dussen, Consultant  
Mathew Eaton, HDL Companies  
Julie Colgan, Recording Secretary

**ANNOUNCEMENTS AND PRESENTATIONS:**

None.

**PUBLIC COMMENTS:**

Steven Chan, Costa Mesa resident, spoke on various issues.

An unidentified speaker spoke on sober living home issues.

**PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:**

Vice Chair de Arakal spoke on the homeless issue and Senate Bill 827.

Vice Chair de Arakal and Barry Curtis, Director of Economic and Development Services Director, discussed what the City Council has done so far to address SB 827; how the bill would impact the City; and why the City is in opposition to the bill.

**CONSENT CALENDAR:**

- 1. MINUTES FOR THE MEETING OF JANUARY 22, 2018**
- 2. MINUTES FOR THE MEETING OF FEBRUARY 12, 2018**

### 3. 2017 GENERAL PLAN ANNUAL REVIEW

**MOTION: Move approval of the Consent Calendar.**

**Moved by Vice Chair de Arakal, seconded by Commissioner Kerins.**

The motion carried by the following roll call vote:

Ayes: Andranian, de Arakal, Harlan, Kerins, Navarro Woods  
Noes: None  
Absent: None  
Abstained: None

### PUBLIC HEARINGS (00:21:36)

#### 1. PLANNING APPLICATION PA-18-03 FOR A MEDICAL MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY (SE7ENLEAF, LLC) AT 3505 CADILLAC AVENUE, UNIT M101

**Project Description:** Planning Application 18-03 is a request for a Conditional Use Permit for a Medical Marijuana manufacturing and distribution facility (Se7enLeaf, LLC) within a 2,299-square-foot tenant space in an existing industrial building. The proposed facility would include preparation, extraction, manufacturing, processing, packaging, staging, storage, and distribution of cannabis products and an office and conference area. The facility will be staffed by at least eight employees. The initial hours of operation are proposed to be from 7 AM to 7 PM, Monday through Sunday, increasing to a 24-hour-a-day operation if demand warrants. The facility will have security systems (card readers, security cameras, etc.) throughout the facility. No cultivation of marijuana, or medical marijuana dispensary, is permitted. The applicant is presenting two options to the Planning Commission for the use of this facility. Option 1 will not allow the movement of cannabis product between the subject building and the applicant's proposed facility located at 3505 Cadillac Avenue, Unit L3, approximately 120 feet from the subject building. Option 2 would allow for the movement of cannabis product between these buildings. This item was continued from the February 26, 2018, and March 12, 2018, Planning Commission meetings.

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

Four ex-parte communications to report: Vice Chair de Arakal had a meeting with the applicant and Jim Fitzpatrick, applicant's representative, and had a telephone conversation with Mr. Fitzpatrick; Commissioner Kerins met with the applicant; Commissioner Navarro Woods met with the applicants and their agent; and Chair Andranian met with the applicant's agent.

Mel Lee, Senior Planner, presented the staff report.

Vice Chair de Arakal and Mathew Eaton, HDL Companies, discussed his qualifications that deemed him a security expert for this type of application and discussed how well transportation of products between same operators with separate facilities work.

### PUBLIC COMMENTS

Michael Moussalli, applicant, stated he has read the conditions of approval and agreed to them. He passed out additional documents on the different options for their application and

presented a slideshow and video. The Applicant indicated that Option 1 would be no movement between buildings. Option 2A would be ability to move products between buildings, subject to conditions of approval. Option 2B would be if the Commission wanted to add conditions in addition to what was proposed.

Commissioner Kerins and Mr. Moussalli discussed the maximum number of employees.

Commissioner Navarro Woods and staff discussed what conditions of approval in Option 2B addresses track and trace procedures for the transportation of products.

No public comments.

Jim Fitzpatrick, applicant's representative, provided closing comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission find that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 (Existing Facilities); and adopt a Resolution to approve Option 2A for Planning Application PA-18-03, subject to conditions of approval.**

**Moved by Commission Kerins, seconded by Vice Chair de Arakal with discussion.**

Vice Chair de Arakal spoke in support of the motion.

Commissioner Navarro Woods spoke in support of the motion.

**RESOLUTION PC-18-27 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING CONDITIONAL USE PERMIT PA-18-03 TO ALLOW A MEDICAL MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY AT 3505 CADILLAC AVENUE, UNIT M101**

The motion carried by the following roll call vote:

Ayes: Andranian, de Arakal, Harlan, Kerins, Navarro Woods

Noes: None

Absent: None

Abstained: None

The Chair explained the appeal process.

## **2. PLANNING APPLICATION PA-18-04 FOR A MEDICAL MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY (SE7ENLEAF, LLC) AT 3505 CADILLAC AVENUE, UNIT L3**

**Project Description:** Planning Application 18-04 is a request for a Conditional Use Permit for a Medical Marijuana manufacturing and distribution facility (Se7enLeaf, LLC) within a 4,360-square-foot tenant space in an existing industrial building. The proposed facility would include preparation, extraction, manufacturing, processing, packaging, staging, storage, and distribution of cannabis products, as well as offices and an indoor parking space for one delivery vehicle. The facility will be staffed by at least 15 employees. The initial hours of operation are proposed to be from 7 AM to 7 PM, Monday through Sunday, increasing to a 24-hour-a-day operation if demand warrants. The facility will have security systems (card readers, security cameras, etc.) throughout the facility. No cultivation of marijuana, or medical marijuana dispensary, is permitted. The applicant is presenting two options to the Planning

Commission for the use of this facility. Option 1 will not allow the movement of cannabis product between the subject building and the applicant's proposed facility located at 3505 Cadillac Avenue, Unit M101, approximately 120 feet from the subject building. Option 2 would allow for the movement of cannabis product between these buildings. This item was continued from the February 26, 2018, and the March 12, 2018, Planning Commission meetings.

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

Four ex-parte communications to report: Vice Chair de Arakal had a meeting with the applicant and Jim Fitzpatrick, applicant's representative, and had a telephone conversation with Mr. Fitzpatrick; Commissioner Kerins met with the applicant; Commissioner Navarro Woods met with the applicants and their agent; and Chair Andranian met with the applicant's agent.

Mel Lee, Senior Planner, presented the staff report.

### **PUBLIC COMMENTS**

Michael Moussalli, applicant, referred to the Public Hearing Item No. 1 presentation to be included for this item and has read the conditions of approval and agreed to them.

No public comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission find that the project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 (Existing Facilities); and adopt a Resolution to approve Option 2A for Planning Application PA-18-04, subject to conditions of approval and the findings.**

**Moved by Vice Chair de Arakal, seconded by Commissioner Navarro Woods.**

Vice Chair de Arakal spoke about a conversation he had with Alexis Podesta, Secretary at the California Business, Consumer Services and Housing Agency, whose department oversees the implementation of cannabis regulation in the State. He stated they discussed transportation regulations and transportation of cannabis between facilities and business and that they did not see it as an issue which is another reason he is good with the application.

### **RESOLUTION PC-18-28 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING CONDITIONAL USE PERMIT PA-18-04 TO ALLOW A MEDICAL MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY AT 3505 CADILLAC AVENUE, UNIT L3**

The motion carried by the following roll call vote:

Ayes: Andranian, de Arakal, Harlan, Kerins, Navarro Woods

Noes: None

Absent: None

Abstained: None

The Chair explained the appeal process.

**3. CONDITIONAL USE PERMIT PA-16-06 TO OPERATE A SOBER LIVING FACILITY SERVING 46 RESIDENTS; OPERATED BY PACIFIC SHORES RECOVERY AT 200, 202, 204 AND 206 CABRILLO STREET**

**Project Description:** Conditional Use Permit (CUP) PA-16-06 is a request to operate a sober living facility housing up to 46 male and female residents, including one house manager. The applicant also submitted a request for a Reasonable Accommodation to allow this facility to be within 516 feet of another property that contains a state-licensed treatment facility. The application for accommodation was denied. The applicant did not appeal that decision to the Planning Commission.

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

No ex-parte communications to report.

Sheri Vander Dussen, Consultant, presented the staff report.

Commissioner Harlan asked when the facility on 18<sup>th</sup> Street was permitted. Ms. Vander Dussen responded 1987.

**PUBLIC COMMENTS**

Mark Manderson, applicant, spoke about his facility.

No public comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission adopt a Resolution denying Conditional Use Permit PA-16-06 and modify the Resolution to include references to the two state-licensed facilities on Rochester Street.**

**Moved by Commissioner Harlan, seconded by Commissioner Kerins.**

**RESOLUTION PC-18-29 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA DENYING CONDITIONAL USE PERMIT PA-16-06 TO ALLOW A SOBER LIVING FACILITY OPERATED BY PACIFIC SHORES RECOVERY HOUSING 46 OCCUPANTS AT 200, 202, 204 AND 206 CABRILLO STREET**

The motion carried by the following roll call vote:

Ayes: Andranian, de Arakal, Harlan, Kerins, Navarro Woods

Noes: None

Absent: None

Abstained: None

The Chair explained the appeal process.

The Commission called for a break at 7:34 p.m.

The Commission reconvened at 7:40 p.m.

#### 4. PLANNING APPLICATION PA-17-32 AND TENTATIVE TRACT MAP NO. 18127 FOR A FIVE-UNIT SMALL LOT SUBDIVISION RESIDENTIAL DEVELOPMENT AT 631 VICTORIA STREET

**Project Description:** The proposed project involves the following:

1. Planning Application PA-17-32 is a request for design review to allow the construction of a new five-unit two-story detached single-family residential development. The proposed development includes two units with two bedrooms/ 2.5 baths and three units with three bedrooms / 2.5 baths. The project satisfies all Small Lot Subdivision development standards and the Residential Design Guidelines.
2. Tentative Tract Map No. 18127 is a request to subdivide a 19,173-square-foot parcel into five separate parcels with one unit on each parcel, consistent with the Small Lot Subdivision Ordinance.

**Environmental Determination:** The project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15332 (Class 32), In-Fill Development Project.

No ex-parte communications to report.

Dan Inloes, Senior Planner, presented the staff report.

Chair Andranian and staff discussed the location of the trash cans.

#### **PUBLIC COMMENTS**

Carter Larson, applicant, stated he has read the conditions of approval and agreed to them.

Commissioners and Mr. Larson discussed putting in an access gate to the rear yards; increasing the pervious space along the driveway; and whether there will be curb cuts along the driveway.

No public comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission find that the project is categorically exempt from the provisions of the California Environmental Quality Act Section 15332; and adopt a Resolution to approve Planning Application PA-17-32 and Tentative Tract Map No. 18127, subject to conditions of approval with the following modifications:**

**Condition of Approval No. 23 to read: "Prior to issuance of building permits, the applicant shall provide pedestrian access from the common area to the private open spaces of each unit".**

**Condition of Approval No. 24 to read: "Prior to issuance of building permits, the pervious pavers medallions shall be increased in size to increase water percolation onsite. Said increase shall be subject to review and approval of the Director of Development Services".**

**Moved by Commissioner Kerins, seconded by Commissioner Harlan.**

Commissioner Kerins spoke in favor of the project and what it will bring to the neighborhood.

**RESOLUTION PC-18-30 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING PLANNING APPLICATION PA-17-32 AND TENTATIVE TRACT MAP NO. 18127 FOR A FIVE-UNIT SMALL LOT SUBDIVISION**

## RESIDENTIAL DEVELOPMENT IN THE R2-MD ZONE FOR PROPERTY AT 631 VICTORIA STREET

The motion carried by the following roll call vote:

Ayes: Andranian, de Arakal, Harlan, Kerins, Navarro Woods  
Noes: None  
Absent: None  
Abstained: None

The Chair explained the appeal process.

### 5. MASTER PLAN AMENDMENT PA-88-40 A1 (PA-17-24) TO ALLOW FOR MODIFICATIONS TO AN EXISTING 92-UNIT RESIDENTIAL DEVELOPMENT (CALIFORNIA SEABREEZE) LOCATED AT THE TERMINUS OF WEST 18TH STREET, WEST OF WHITTIER AVENUE

**Project Description:** Planning Application 17-24 is a request to amend previously-approved Master Plan PA-88-40 to allow the following modifications to an existing two-story, 92-unit detached single-family residential development (California Seabreeze):

1. Allow the potential to construct a 792-square-foot third floor bonus room addition to each unit (two stories/28-foot height allowed; three stories/36-foot height proposed).
2. Allow the potential to construct roof decks on top of the third floor bonus room additions to increase private open space. Third floor balconies off of the bonus room are also proposed for certain models;
3. Allow the potential for minor encroachments (no more than one foot) into side and rear building setbacks to provide structural support posts for the third floor bonus room and roof deck additions;
4. Allow the construction of such third floor bonus room and roof deck additions without the need for future discretionary approvals, if the addition complies with the proposed standard plans.

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

One ex-parte communication to report: Commissioner Navarro Woods met with the HOA President and a few residents to discuss the project.

Mel Lee, Senior Planner, presented the staff report.

Commissioners and staff discussed what each model proposed; whether bedrooms could be added and still be in compliance with the parking requirement; anything in the Sea House CC&R's or California Seabreeze CC&R's that protect the homeowner's views; whether the City has a view preservation ordinance; why the project is being reviewed by the Commission and not the Zoning Administrator; how the PDR zone works; the zoning designation for Sea House; and whether California Seabreeze is a part of the overlay zone.

### PUBLIC COMMENTS

Don Lamm, applicant's representative, stated he has read the conditions of approval and agreed to them. He gave a presentation on the history of the property; the style of California Seabreeze versus California Sea House; and on the proposed application.

John Susman, California Seabreeze HOA President, stated that his home does not have prevailing ocean views and spoke in support of this item.

Paul Gold, California Seabreeze HOA Vice President, spoke in support of this item.

Dr. Michael Bain, California Seabreeze Secretary, stated the HOA Board sent newsletters out starting in May of last year about the proposed request and spoke in support of this item.

Commissioner Navarro Woods and Mr. Lamm discussed whether one umbrella would be allowed on the roof top deck and whether the Model 3 homes along the back row that abut Sea House would still meet the setback requirements if they added a third floor with a balcony.

Todd Arent, California Seabreeze resident, spoke in support of this item.

Karen Kelly Lund, Sea House resident, spoke in opposition to this item.

Janine Weiss, Sea House resident, spoke in opposition to this item.

James Papazis, Sea House resident, spoke in opposition to this item.

Dan Craig, California Seabreeze resident, spoke in support to this item.

Steven Snyder, Sea House resident, spoke in opposition to this item.

Kar-Wai Yung, Sea House resident, spoke in opposition to this item.

Sam Urmadower, Sea House resident, spoke in opposition to this item.

Vincent Lam, Sea House resident, spoke in opposition to this item.

Justin Watt, Sea House resident, spoke in opposition to this item.

William Wilcox, Sea House resident, spoke in opposition to this item.

Judy Berlingham, California Seabreeze resident, spoke in support to this item.

Jon Cernok, Sea House resident, spoke in opposition to this item.

Ante Gaspar, California Seabreeze resident, spoke in opposition to this item.

Frank Christensen, Sea House resident, spoke in opposition to this item.

Gary Garrard, California Seabreeze resident, spoke in opposition to this item.

Mike Mess, Sea House resident, spoke in opposition to this item.

Mansour Tatavi, California Seabreeze resident, spoke about the cost issue and visual impact of the project.

An unidentified Sea House resident spoke in opposition to this item.

Rulay Tutacon, California Seabreeze resident, spoke in support to this item.

Elizabeth Sykes, Sea House resident, spoke in opposition to this item.



Shelly Gill, California Seabreeze resident, spoke in support to this item.

Wendy Leece, California Seabreeze resident, spoke in support to this item.

Shannon Papazis, Sea House resident, spoke in opposition to this item.

A Sea House resident spoke in opposition to this item.

Scott Manami, Sea House resident, spoke in opposition to this item.

Sharon Jewel, California Seabreeze resident, stated concerns with the stability of the hillfiker retaining walls on the site if a third floor is added to a home.

Mr. Gold, Mr. Bain, and Mr. Susman responded to public comments.

Vice Chair de Arakal and Mr. Bain discussed the process to develop the request, start to finish; how the plans were developed; and the petition for the project that went out to the residents.

The Chair closed the public hearing.

Vice Chair de Arakal and staff discussed why an amendment was not done to the original environmental document for the project.

Vice Chair de Arakal stated he cannot support the project without knowing what the previously-approved environmental document stated.

Chair Andranian and staff discussed what findings the Commissioners have to make for the project and why the project went before the Commission rather than of the Zoning Administrator.

Commissioner Kerins spoke in opposition to this item.

Commissioner Navarro Woods spoke in opposition to this item.

Commissioner Harlan stated concerns with the project's aesthetics and lack of demand for the addition.

**MOTION: Move that the Planning Commission deny Planning Application 17-24 based on the fact that the Commission cannot make the finding that the design is exhibiting excellence and concerns with the CEQA compliance consideration and the full environmental review document is not provided.**

**Moved by Vice Chair de Arakal, seconded by Commissioner Kerins.**

Chair Andranian spoke on the item.

**SUBSTITUTE MOTION: Move to continue this matter off calendar.**

**Moved by Chair Andranian, seconded by Commissioner Harlan.**

The motion carried by the following roll call vote:

Ayes: Andranian, Harlan, Kerins  
Noes: de Arakal, Navarro Woods  
Absent: None  
Abstained: None

**DEPARTMENTAL REPORT(S)**

1. Public Services Report – none.
2. Development Services Report – none.

**CITY ATTORNEY'S OFFICE REPORT(S)**

1. City Attorney – none.

**ADJOURNMENT (04:28:11) TO A PLANNING COMMISSION MEETING AT 6:00 P.M., OR SHORTLY THEREAFTER, ON MONDAY, APRIL 9, 2018.**

Submitted by:



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BARRY CURTIS, SECRETARY  
COSTA MESA PLANNING COMMISSION