



City of Costa Mesa

Inter Office Memorandum

TO: CITY COUNCIL, PLANNING COMMISSION
CC: TOM HATCH, BARRY CURTIS, AND JENNIFER LE
FROM: WILLA BOUWENS-KILLEEN, ZONING ADMINISTRATOR
DATE: AUGUST 23, 2018
SUBJECT: ZONING ADMINISTRATOR DECISION(S)

A handwritten signature in blue ink, appearing to read "W. Bouwens-Killeen", is written over the "FROM" and "DATE" lines of the memorandum.

This is to advise you of the following decision(s) made by the Zoning Administrator within the last week. Project descriptions have been kept brief for this notice. Please feel free to contact me by e-mail at willa.bouwens-killeen@costamesaca.gov if you have any questions or would like further details.

ZA-18-39

428 E. 17TH STREET

Minor Conditional Use Permit to allow a 415-square-foot outdoor dining patio for Playa Mesa Mexican Kitchen (formerly Ruby's Diner) at the front of the building within the landscape building setback along East 17th Street.

Approved, subject to conditions.

Comments received: None.

**ZE-78-109 A8
(ZA-18-43)**

600 ANTON BOULEVARD

Eighth amendment to Planned Signing Program ZE-78-109 for a new, monument sign (3'-4" wide by 2' high) for "Bridge Bank" located within 300 feet of another freestanding sign on the same property. The proposed sign will be designed in the same style as the main monument sign for Plaza Tower.

Approved, subject to conditions.

Comments received: None.

PA-17-40 A1

3505 CADILLAC AVENUE, UNIT N3

PA-17-50 A1

1675 TORONTO WAY

PA-18-03 A1

3505 CADILLAC AVENUE, UNIT M101

PA-18-04 A1	3505 CADILLAC AVENUE, UNIT L3
PA-18-06 A1	3505 CADILLAC AVENUE, BLDG. E
PA-18-07 A1	3505 CADILLAC AVENUE, UNIT O101

Requests to amend the above-listed Conditional Use Permits (CUPs) for medical marijuana manufacturing, processing, and distribution facilities to allow adult use marijuana to be manufactured, processed, and/or distributed in the same manner as medical marijuana. No cultivation or dispensing of marijuana is authorized by these proposed amendments.

Approved, subject to conditions.

Comments received: None.



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Robinson Hill Architecture
Attn: Ron Lewis
3195 B Airport Loop Drive
Costa Mesa, CA 92626

**RE: MINOR CONDITIONAL USE PERMIT ZA-18-39 FOR AN OUTDOOR DINING
PATIO WITHIN THE REQUIRED FRONT LANDSCAPE SETBACK
428 E. 17TH STREET, COSTA MESA**

Dear Mr. Lewis:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: Project Description
 Findings
 Applicant's Project Description and Conceptual Plans

cc: Public Services/Engineering Mario Marovic
 Fire Protection Analyst 3334 E. Coast Highway #418
 Building Safety Division Corona del Mar, CA 92625
 Transportation Services Division

PROJECT DESCRIPTION

Project Site/Environs

The subject property is zoned C1 (Local Business District) and is bounded by a coffee shop (Peet's Coffee, 424 East 17th Street) to the west, a commercial building to the east (to be demolished), and residences zoned R1 (Single Family Residential) to the north. The subject property and the adjacent coffee shop share the same parking lot, which contains a total of 69 on-site parking spaces.

Request

The subject property contains an existing 4,759 square foot restaurant building which formerly contained a Ruby's Diner restaurant. The restaurant also has an existing 400 square foot covered dining patio on the west side of the building. In November 2017, the applicant obtained building permits to remodel the building into a new restaurant (Playa Mesa Mexican Kitchen). The property abuts a single family residential zone at the rear; however, consistent with Code requirements, the restaurant hours of operation are 11:00 am to 11:00 pm. The restaurant operates with a Type 47 State Alcoholic Beverage Control (ABC) license.

As part of the remodel, a new 415 square foot outdoor dining patio was constructed at the front of the building within the required landscape street setback along East 17th Street as well as encroaching into public right-of-way. Although the patio does not contain a permanent patio cover structure, it is covered with a removable fabric canopy. Per Costa Mesa Municipal Code (CMMC) Section 13-48(a), outdoor seating patios within the front landscape setback may be allowed if approved through a Minor Conditional Use Permit.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The outdoor patio complies with the intent of the Code. The outdoor patio is constructed of decorative materials and is architecturally compatible with the remodeled building. Accent landscaping has been provided along the perimeter of the patio to enhance the appearance of the patio from the street and sidewalk. A full-height, partial glass partition separates the occupants of the patio from the public sidewalk. As discussed in the section below, the parking lot has been re-striped to provide the required on-site parking spaces for the patio as required by Code. Because the patio faces toward East 17th Street, there will be no noise or other impacts to the residential properties at the rear of the site. As noted in the conditions of approval, the applicant will be required to obtain an

Encroachment Permit from the Public Services Department for the portion of the patio that is within the public right-of-way.

There is sufficient on-site parking spaces to support the patio addition per Code. Per current Code, 74 parking spaces would be required for the two restaurants: 10 spaces per 1,000 square feet for the first 3,000 square feet of floor area; 12 spaces per 1,000 square feet for each 1,000 square feet of floor area above. However, the on-site parking spaces provided for the restaurants are legal nonconforming. The property was originally striped with 64 on-site parking spaces to accommodate a 146 square foot patio addition for the coffee shop approved under Minor Conditional Use Permit ZA-04-37. The applicant has re-striped the parking area to provide 5 additional Code required parking spaces (69 total) to accommodate the new 415 square foot outdoor patio. All parking spaces are full size; no compact parking spaces are proposed.

General Plan Consistency

The project site has a General Plan land use designation of General Commercial. The General Commercial General Plan land use designation is intended to permit a wide range of commercial uses that serve both local and regional needs. Appropriate uses include smaller retail stores, theaters, restaurants, hotels and motels, and automobile sales and service establishments. The outdoor patio is consistent with the General Plan designation and will not adversely impact surrounding uses.

FINDINGS

- A. The proposed project complies with Costa Mesa Municipal Code Section 13-29(e), Review Criteria, because:

Finding: The project has a compatible and harmonious relationship between the proposed use, the building and site developments, and uses that exist or have been approved for the general neighborhood.

Facts in Support of Findings: The proposed use will be compatible and harmonious with developments in the same general area, including residential projects and other general commercial businesses.

As conditioned, the project will operate with minimal impact on surrounding properties and uses. All parking spaces will be provided on the project site and, therefore, will not impact parking for other adjacent businesses. The patio is separated from the residences to the north by the restaurant building itself. Therefore, the proposed use will not be detrimental to the existing uses and conditions of approval placed on the project will continue to ensure compatibility including conditions to address any noise or parking-related concerns.

Finding: The project is sufficiently safe and compatible for the building, parking area, landscaping, luminaries and other site features which includes functional aspects of the site development such as automobile and pedestrian circulation.

Facts in Support of Finding: The building and site are appropriately sized for the proposed The use will not affect any existing streets, sidewalks or lighting.

Finding: The project is consistent with the General Plan and any applicable specific plan.

Facts in Support of Finding: The proposed project location is identified as a General Commercial land use in the General Plan. General Commercial uses are intended to provide a wide range of goods and services – such as restaurants -- to meet the needs of local residents as well as the regional neighborhoods. Approval is for an outdoor dining patio serving an existing restaurant; therefore, the use is consistent with the property's General Plan land use designation of General Commercial.

Finding: The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.

Facts in Support of Finding: Approval of the Minor Conditional Use Permit will apply to this project-specific location. Conditions have been included that are specific to the proposed use and business operations.

- B. The proposed project complies with Costa Mesa Municipal Code Section 13-29(g)(2), Conditional use permit and minor conditional use permit findings, because:

Finding: The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area.

Facts in Support of Finding: The proposed use will be compatible and harmonious with developments in the same general area and will not be materially detrimental to other properties within the area. As conditioned, the project will operate with minimal impact on surrounding properties and uses. All parking spaces will be provided on the project site and, with the proposed operational characteristics and conditions of approval, will not substantially impact parking for other adjacent businesses. The location of the restaurant building between the patio and the residences to the north should mitigate any potential noise impacts. To date, the City has not received any recent noise complaints regarding the subject property.

Finding: Granting the minor conditional use permit will not be detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.

Facts in Support of Finding: Granting the approval of the use would not be detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood. Improvements to the site will be minimal and limited to new striped parking spaces, new landscaping, and installation of an outdoor patio.

Finding: Granting the conditional use permit or minor conditional use permit will not allow a use, density or intensity which is not in accordance with the general plan designation and any applicable specific plan for the property.

Facts in Support of Finding: The use is conditionally permitted in the C1 zone per the Zoning Code. Uses in the C1 zoning district can be less compatible with more sensitive land uses such as residential, which is why a minor conditional use permit is required for the outdoor dining patio. Appropriate conditions of approval have also been required to ensure the use operates in a manner that is compatible with adjacent uses. To date, the City has not received any noise complaints for the adjacent businesses. Thus, the proposed use is consistent with surrounding uses and the General Plan's land use designation of General Commercial which is intended to provide a wide range of goods and services to meet the needs of local residents as well as the regional neighborhoods.

- C. The project is exempt from the provisions of the California Environmental Quality Act under CEQA Guidelines Section 15301 (Class 1) for Existing Facilities. The Class 1 exemption allows for minor alterations to existing structures involving negligible or no expansion of the existing use. The proposed use is an outdoor patio that serves an existing restaurant. No changes to the existing building square footage is proposed and building improvements will be limited to the interior tenant improvements. The exterior site improvements include reconfiguring the parking spaces.
- D. The project is exempt from Chapter XII, Article 3 Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL

- Plng. 1. The restaurant shall be limited to the type of operation described in the staff report. Any change in the operational characteristics including, but not limited to, hours of operation, sale of alcoholic beverages or provision of

- entertainment, will require approval of an amendment to the conditional use permit, subject to Zoning Administrator or Planning Commission approval depending on the nature of the change.
2. A copy of the conditions of approval shall be kept on premises and presented to any authorized City official upon request. New business/property owners shall be notified of conditions of approval upon transfer of business or ownership of land.
 3. The business shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The applicant and/or business owner shall institute whatever security and operational measures are necessary to comply with this requirement.
 4. The parking lot shall be posted with signs directing customers and employees to use consideration when entering their cars and leaving the parking lot.
 5. If parking shortages or other parking-related problems arise, the business operator shall institute appropriate operational measures necessary to minimize or eliminate the problem.
 6. All sales and service staff (within 90 days of hire) shall complete Responsible Beverage Service (RBS) training with a provider approved by the California Department of Alcoholic Beverage Control. A copy of the training certificates shall be kept on premises and presented to any authorized City official upon request.
 7. Any trash facilities shall be screened from view and designed and located appropriately to minimize potential noise and odor impacts to any adjacent residential areas per City design standards for trash enclosure.
 8. Applicant shall defend, indemnify and hold harmless the City, its officials and employees, against all legal actions filed challenging City's approval of the applicant's project and/or challenging any related City actions supporting the approval. City shall have the right to select the attorney defending it, if it elects to do so.
 9. If any section, division, sentence, clause, phrase or portion of this approval is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions.
 10. Prior to issuance of Certificate of Occupancy (C of O) the applicant shall provide a scaled and dimensioned digital site plan(s) for the project site, on wither a CD or thumb drive, to the Planning Division. All site plans shall include an accurate and precise drawing of all building footprints and property line locations for the entire project site. All buildings shall be annotated with its corresponding address and suites if applicable.
 11. Prior to issuance of Certificate of Occupancy (C of O), the applicant shall obtain an encroachment permit from the Engineering Division for the improvements in the City public right-of-way. The applicant shall pay required permit fee, sign a Hold Harmless Agreement and provide the City proof of insurance additional named insured, advance notice, and other

insurance as approved by the City.

12. Two hoop bike racks shall be installed and meet Transportation's specifications for materials, finishes, and placement.

Materials

1.5" schedule 40 uncoated pipe (1.90" OD)

Installation Methods: In-ground mount is embedded into concrete base. Flange mount has two 2.5" x 6" x .25" feet - 4 anchors.

Finishes

A rubbery PVC dip. Blue is standard.

Hoop Bike Rack

A. Setbacks

1. Wall Setback: For Hoops set parallel to the wall, a minimum of 24" should be left between the wall and the rack. 36" is the recommended setback. For Hoops installed perpendicular to the wall, a 28" setback is the minimum distance. 36" is recommended.
2. Distance Between Racks: 24" is the minimum distance between racks. 36" is recommended.
3. Street Setback: 24" is the minimum distance between the street and the rack. 36" is recommended.

The foot-mounted Hoop Rack has a 2.5" x 6" x .25" foot which is installed onto a concrete base with 4 masonry anchors. The foot-mounted Hoop Rack is generally less expensive to install and easier to remove than the in-ground mount model, while still maintaining the same degree of security.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- | | | |
|-------|----|--|
| PIng. | 1. | Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance. |
| | 2. | The restaurant use shall comply with CMMC Section 13-49. |
| Bldg. | 3. | Comply with the requirements of the following adopted codes: 2016 California Residential Code, 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code and 2016 California Energy Code (or the applicable adopted, California Residential Code, California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards and California Energy Code at the time of plan submittal or permit issuance) and California Code of Regulations also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings and elements by individuals with disability shall |

- Bus. comply with chapter 11B of the 2016 California Building Code.
Lic. 4. All contractors and subcontractors must have valid business licenses to
 do business in the City of Costa Mesa. Final inspections, final
 occupancy and utility releases will not be granted until all such licenses
 have been obtained.
 5. Business license shall be obtained prior to the initiation the business.

To whom it may concern,

The restaurant **Playa Mesa Mexican Kitchen** is applying for a Conditional Use Permit to modify the use of the existing patio along 17th Street. Presently it is approved for use as a "Waiting Area" for guests during peak periods of service. The owners seek the ability to utilize this space for food and drink service as well. A proposed 415 square feet of the front patio would be utilized for potential food service during the operation hours of the restaurant. The Planning Department has indicated that adding this patio area as a dining use would require a reevaluation of parking requirements and provisions. Due to the size of the restaurant, any space added here would be calculated at 12 spaces per 1,000 square feet of space. This results in a net increase of 5 parking spaces required to support the use.

The present parking ratio breaks down as such: 66 standard spaces and 3 ADA for a total of 69 spaces. This number is a net gain of 5 parking spaces over the originally approved parking lot layout which reflected the original striping conditions.

Finally, we believe that the addition of food and drink service in the existing, enclosed front patio is consistent with retail food and dining use along 17th Street frontages. From the adjacent Wild Goose Tavern and Peet's Coffee patios, to the new series of restaurants at 350 17th Street and the recently remodeled Country Club at 330 17th Street there are several close examples of similar use. The thoroughfare of 17th Street is becoming a lively corridor within Costa Mesa and part of that is attributable to newer dining establishments activating the street edge with visible guests gathering and dining. Additional examples are the Starbucks Coffee and Mendocino Farms patio to the East as well.

Dining on the front patio of Playa Mesa is a natural modification of the restaurant's use of its beautiful new space and we believe that doing so will have no material detriment to the community or the street frontage of 17th Street. It must be restated that Playa Mesa is exclusively a dedicated family friendly restaurant with restaurant hours. It is not a bar and it closes before midnight. The patio is protected by a low wall and a higher, glass windscreen. It results in a visual connection between the restaurant and its street frontage, while softening the edge of the building with life and warmth of activity. Presently the space is utilized as a Waiting Area and people will be seen in this space by vehicles and pedestrians. Whether they are eating and drinking while they sit or simply waiting for an interior table, it is almost an imperceptible difference from the perspective of passersby. However, the ambiance of outdoor dining under the stars and Tivoli lights, warmed by cozy fire pits will result in a truly special dining experience for the guests of Playa Mesa, who will most often be our treasured neighbors, the residents of Costa Mesa and Newport Beach.

Thank you

Received
City of Costa Mesa
Development Services Department

JUL 31 2018

Playa Mesa

CONDITIONAL USE PERMIT

428 17TH STREET
COSTA MESA, CA 92627

r h a
robinson hill architecture, inc.
A California Corporation
3195-B Airport Loop Dr
Costa Mesa, CA 92626
Tel. 714-825-8888
Fax 714-825-8889
web www.rhainc.net

Michael David Robinson: C 20731
John Steven Hill: C 23553

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This document has been prepared to describe proposed work and shall not be used to represent any other work. It is the responsibility of the architect to ensure that the work is completed in accordance with the design and specifications. The architect shall not be responsible for any discrepancies between this document and the actual work.

Owner
Lounge Group
3011 Newport Blvd.
Newport Beach, CA 92663

Consultant

Stamp

Submittal Dates
Planning Dept CUP: 05/21/18

Rev. Description Date
REVISION 06/11/18

Project Type

Playa Mesa - CUP Submittal
428 17TH STREET
COSTA MESA, CA 92627

Sheet Title

TITLE SHEET -
PROJECT INFO

Job Number:
16RI-HA673 C2
Date:
05/21/18
Sheet No.

T0.1

GENERAL NOTES

INTERPRETATION OF THE DOCUMENTS

DISCREPANCIES IN AND OMISSIONS FROM THE PLANS, SPECIFICATIONS, OR OTHER CONTRACT DOCUMENTS, OR QUESTIONS AS TO THEIR MEANING SHALL, AT ONCE, BE BROUGHT TO THE ATTENTION OF THE ARCHITECT. ANY INTERPRETATION OF THE DOCUMENTS WILL BE MADE ONLY BY ADDENDA DULY ISSUED AND A COPY OF SUCH ADDENDA WILL BE MAILED OR DELIVERED TO EACH GENERAL CONTRACTOR BIDDER RECEIVING A SET OF SUCH DOCUMENTS. THE OWNER WILL NOT BE RESPONSIBLE FOR ANY OTHER EXPLANATIONS OR INTERPRETATIONS. SHOULD ANYTHING IN THE SCOPE OF WORK OR ANY OF THE SECTIONS OF THE SPECIFICATIONS BE FOUND TO BE IN ERROR, HAVE CONFLICTS OR DISCREPANCIES, SUCH INFORMATION SHALL BE PROMPTLY BROUGHT TO THE ATTENTION OF THE ARCHITECT IN WRITING DURING THE BID PROCESS, UPON WHICH THE ARCHITECT WILL ISSUE A BID CLARIFICATION BY ADDENDA. QUESTIONS RECEIVED LESS THAN 48 HOURS BEFORE THE BID OPENING CANNOT BE ANSWERED. NOTWITHSTANDING THAT DRAWINGS AND SPECIFICATIONS MAY BE INCOMPLETE IN CERTAIN DETAILS, IT IS UNDERSTOOD BY CONTRACTOR THAT ANY WORK NOT EXPLICITLY SHOWN OR EXPLICITLY SPECIFIED THEREIN, BUT NONETHELESS REQUIRED TO COMPLY WITH THE AGREED CONTRACTUAL INTENT OF PROVIDING A COMPLETE JOB, SHALL BE INCLUDED IN THE WORK.

PROJECT SCOPE

(E) RESTAURANT REMODELED UNDER PREVIOUS PERMITS / APPROVALS (SHELL & TENANT IMPROVEMENT). (E) WAITING AREA TO BE PROPOSED AS (N) PATIO DINING, PROPOSING TO SERVE FOOD. ADDITIONAL PARKING STALL COVER PROPOSED PATIO DINING AREA. PARKING LOT HAS BEEN RECONFIGURED, 5 ADDITIONAL STANDARD SPACES AND 3 COMPACT. REQUESTING FOR APPROVAL OF PRESENTLY CONSTRUCTED PATIO TO REMAIN PARTIALLY INSIDE AND TO OPERATE WITHIN THE RIGHT OF WAY SET BACK ON 17TH STREET AS PUBLIC WORKS HAD INDICATED.

** PLEASE SEE ENCROACHMENT PERMIT FOR REFERENCE

PROJECT INFORMATION

COVERING CODES

CAL BUILDING CODE 2016 EDITION (2015 IBC)
CAL MECHANICAL CODE 2016 EDITION (2015 CMC)
CAL PLUMBING CODE 2016 EDITION (2015 CPC)
CAL ELECTRICAL CODE 2016 EDITION (2015 NEC)
TITLE 24 ENERGY STANDARDS 2016 EDITION
CAL GREEN BUILDING CODE 2016 EDITION (CGBC)

PROJECT INFORMATION & CODE ANALYSIS

OCCUPANCY TYPE: A2

(E) BUILDING SQ. FT.: 4,759 SF TO REMAIN, NO PROPOSED ADDITION
400 SF OF (E) PATIO, PATIO COVER TO REMAIN,

NO. OF STORIES: (1) ONE

FIRE SPRINKLERS: YES

FIRE ALARM: YES

CONSTRUCTION TYPE: TYPE V-B, SPRINKLERED

EXTERIOR WALLS [CBC TABLE 602]
PROTECTION: 1-HOUR REQUIRED EAST EXTERIOR WALL.
PROVIDED: 1-HOUR RATED AT EAST EXTERIOR WALL.

PROPOSED T.I. AREA: 4,050 SQ. FT. (EXCLUDING RESTROOMS),

EXISTING AREA:
(E) BUILDING 4,759 S.F.
(N) PATIOS 815 S.F.
(N) SWITCH GR COVR 64 S.F.
TOTAL 5,638 S.F.

GROSS RESTAURANT BUILDING AREA 4,759 GSF
GROSS REST. PATIO SEATING AREA 400 GSF
TOTAL GROSS REST. PROP. AREA 5,159 GSF

PARKING REQ. = 10 SPACES / 1,000 GSF TO 3,000 GSF, THEN
12 SPACES / 1,000 GSF OVER 3,000 GSF

GROSS NEW PATIO AREA 415 SF

PROPOSED PARKING REQUIRED FOR CUP TO UTILIZED NEW FRONT PATIO

ADD'L PKNG REQ. = (415 SF @ 12SP / 1,000 SF) 5.0 SPACES

(N) REG. PKNG PROVIDED
(N) ADA PKNG PROVIDED
(N) TOT. PKNG PROVIDED

86.0 SPACES
3.0 SPACES
89.0 SPACES

PARKING SURPLUS 8.1 SPACES
(SAME NUMBER SURPLUS PRIOR TO FRONT PATIO AREA ADDITION DUE TO ADD'L COMP SP)

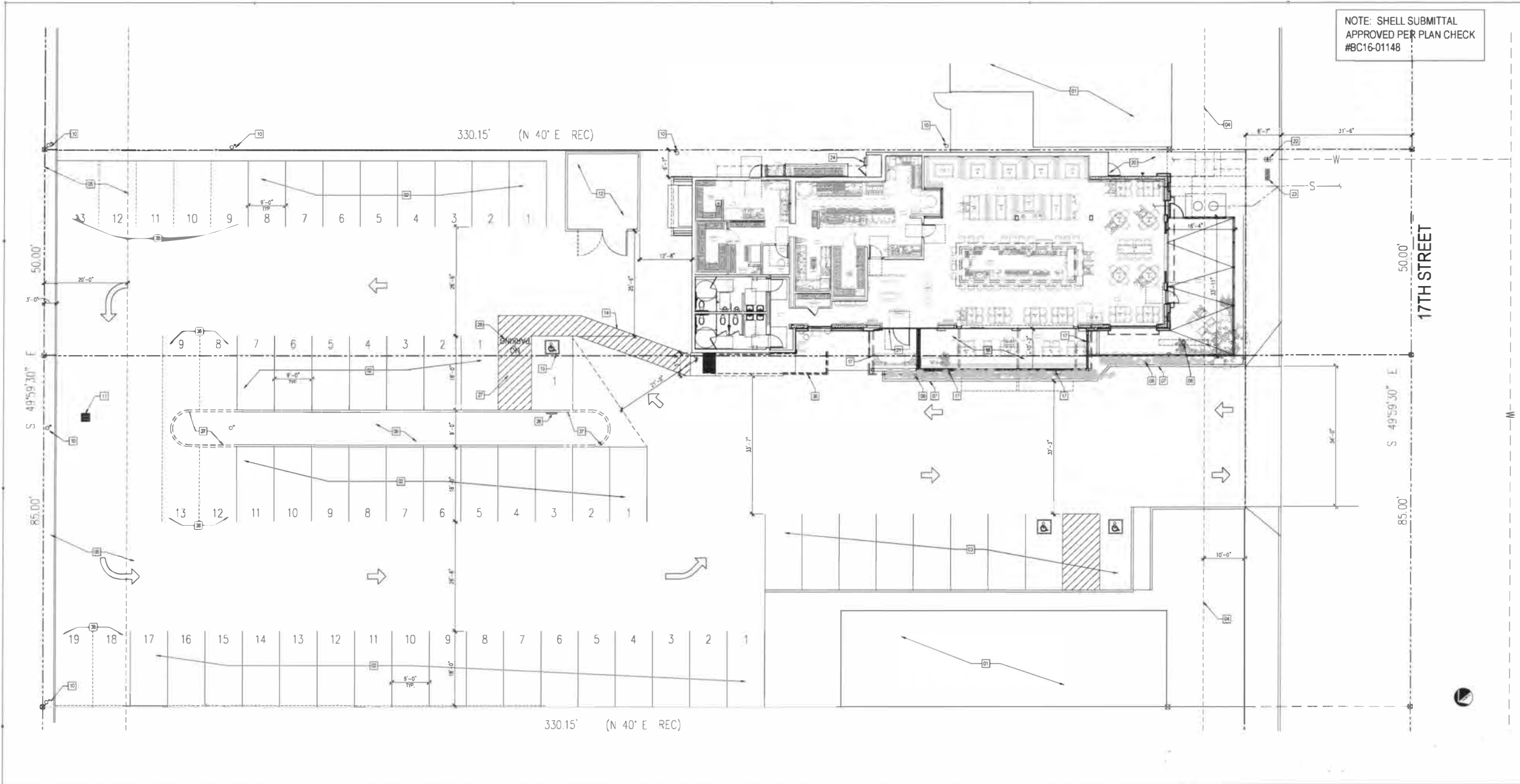
VICINITY MAP



PROJECT SITE
428 17TH ST.
COSTA MESA, CA 92627

PROJECT TEAM

PROJECT ADDRESS	OWNER	ARCHITECT
428 EAST 17TH STREET COSTA MESA, CA 92627	LOUNGE GROUP 3011 NEWPORT BLVD. NEWPORT BEACH, CA 92663 CONTACT: MARIO MAROVIC	
ARCHITECT	CIVIL ENGINEER	
RHA - ROBINSON HILL ASSOC. 3195-B AIRPORT LOOP DRIVE COSTA MESA, CA 92626 PHONE: 714-825-8888 CONTACT: JOHN HILL	MK ENGINEERING GROUP 17520 NEWHOPE STREET STE. 140 FOUNTAIN VALLEY, CA 92708 PHONE: 657-622-2111 CONTACT: MATT KIRK	



NOTE: SHELL SUBMITTAL
APPROVED PER PLAN CHECK
#BC16-01148

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This document has been prepared to describe proposed plans and designs and does not constitute a contract. It is the responsibility of the client to ensure that the information provided is accurate and that the design complies with all applicable laws and regulations. The client shall be responsible for any discrepancies between the document and the existing conditions.

Owner
Lounge Group
3011 Newport Blvd.
Newport Beach, CA 92663

Consultant

Stamp

Submittal Dates
Planning Dept CUP 05.21.18

Rev.	Description	Date
1	REVISION	05.11.18

Project Type

Playa Mesa - CUP Submittal
428 17TH STREET
COSTA MESA, CA 92627

Sheet Title
EXISTING / DEMO SITE PLAN

Job Number:
16R-4673.C2
Date:
05.21.18
Sheet No.:

Fire Department Notes

THE INSTALLATION OF AUTOMATIC FIRE SPRINKLER SYSTEMS SHALL COMPLY WITH THE NFPA 13, 2016 EDITION, INSTALLATION UNDER SEPARATE PERMIT.

PROVIDE ONE PORTABLE FIRE EXTINGUISHER WHICH HAS A CLASSIFICATION OF TYPE K FIRE EXTINGUISHER TO SUPPORT THE HOOD AND DUCT SYSTEM AND A 2A:BCB TYPE EXTINGUISHER FOR THE REMAINDER OF THE KITCHEN PER THE REQUIREMENTS OF CFC 306, TABLES 303.6.1 AND 303.6.2 AND TITLE 19 FIRE EXTINGUISHER REQUIREMENTS.

ALL DECORATIVE MATERIALS SHALL BE MAINTAINED IN A FLAME RETARDANT CONDITION.

BUILDING OCCUPANT SHALL SECURE PERMITS REQUIRED BY THE FIRE DEPARTMENT FROM THE FIRE PREVENTION BUREAU PRIOR TO OCCUPANCY THIS BUILDING.

THE CONSTRUCTION, REMODEL, OR DEMOLITION OF A BUILDING SHALL COMPLY WITH CFC CHAPTER 33.

PROVIDED OCCUPANT LOAD SIGNS AS REQUIRED BY CBC 1004.3

Grading Notes

MINIMUM 3% GRADE (2% FOR CONCRETE SURFACES) FOR 10' FROM EXISTING WALL TO DRAIN WATER AWAY FROM EXTERIOR FOOTING.

EXISTING SITE: (S) SITE FULLY COMPLIES WITH T2.4 AND ACCESSIBILITY STANDARDS, AND SUBJECT TO FIELD VERIFICATION.

ACCESSIBLE PATH OF TRAVEL: MAXIMUM SLOPE SHALL NOT EXCEED 5% IN DIRECTION OF TRAVEL. MAXIMUM CROSS SLOPE SHALL NOT EXCEED 2%.

General Notes

ALL WALLS AND MILLSTAKES TO BE GRUNDED, SMOOTH, PRIME AND PAINTED. REFER TO STRUCTURAL AND ID DRAWINGS.

CAP ALL TUBE STEEL ENDS.

PRIMER FOR PAINTING AS REQUIRED.

PATIO STEEL TO BE POWDER COAT PAINTED PER EXTERIOR ELEVATIONS PRIOR TO INSTALLATION AND TOUCHED UP AS REQUIRED AFTER INSTALLATION.

GC TO INFORM ARCHITECT OF ALL DISCREPANCIES.

GC TO FIELD VERIFY ALL CONDITIONS. ADVISE ARCHITECT OF ANY DISCREPANCIES.

REFER TO ID DRAWINGS FOR ADDITIONAL INFORMATION REGARDING FINISHES AND EQUIPMENT.

REFER TO STRUCTURAL, ELECTRICAL, MECHANICAL, AND PLUMBING DRAWINGS FOR ADDITIONAL INFORMATION.

REFER TO ID FINISH SCHEDULE TO ALL INTERIOR WALL FINISHES.

FLOOR AND GROUND SURFACES SHALL BE STABLE, FIRM, AND SLIP RESISTANT.

Site Notes

1. PARKING LAYOUT INFORMATION IS FROM RECORD DRAWINGS PERMITTED BY THE CITY OF COSTA MESA, UNDER PREVIOUS PERMIT, AND IS FOR REFERENCE ONLY.

2. ACCESSIBLE PARKING STALLS TO BE PROVIDED AND IDENTIFIED PER 20.16 CBC (11B-208.2.4, 11B-502.6, 1129B.4 (FIG 11B, 18A, B & C 1117B.5)).

3. EACH PARKING SPACE RESERVED FOR PERSONS WITH DISABILITIES SHALL BE IDENTIFIED BY A REFLECTOR SIGN PERMANENTLY POSTED IMMEDIATELY ADJACENT TO AND VISIBLE FROM EACH STALL OR SPACE. CONSISTING OF A PROFILE VIEW OF A WHEEL CHAIR WITH OCCUPANT IN WHITE ON DARK BLUE BACKGROUND. THE SIGN SHALL NOT BE SMALLER THAN 70.50 INCHES IN AREA AND, WHEN IN A PATH OF TRAVEL, SHALL BE POSTED AT A MINIMUM HEIGHT OF 80" FROM THE BOTTOM OF THE SIGN TO THE PARKING SPACE FINISHED GRADE.

4. PROVIDE MINIMUM FINE 3250' BELOW ACCESSIBILITY SYMBOL SIGN.

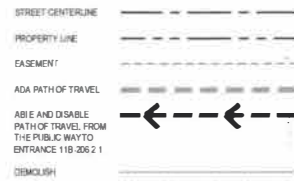
5. PROVIDE AT SITE ENTRANCE TO OFF-STREET PARKING FACILITIES OR ADJACENT TO AND VISIBLE FROM EACH STALL A 17"X27" MIN. SIGN WITH 1" LETTERING STATING: "UNAUTHORIZED VEHICLES PARKED IN DESIGNATED DISABLED SPACES NOT DISPLAYING DISTINGUISHING PLACARDS OR LICENSE PLATES ISSUED FROM PSYCHICALLY DISABLED PERSONS MAY BE TOWED AWAY AT OWNERS EXPENSE. TOWED VEHICLES MAY BE RECLAIMED AT AUTHORIZED POLICE DEPARTMENT, TOWING AGENCY OR BY TELEPHONING (714) 754-5280."

NOTES

PREVIOUSLY APPROVED PARKING RATIO (REQ. VS PROV.)

GROSS RESTAURANT BUILDING AREA	4,758 GSF
GROSS REST. PATIO SEATING AREA	400 GSF
TOTAL GROSS REST. PROP. AREA	5,158 GSF
PARKING REQ. = 10 SPACES / 1,000 GSF TO 3,000 GSF, THEN 12 SPACES / 1,000 GSF OVER 3,000 GSF	
PARKING REQ. (PREVIOUSLY APPROVED)	55.9 SPACES
(B) REG. PKNG PROVIDED	61.0 SPACES
(B) ADA PKNG PROVIDED	3.0 SPACES
(B) TOT. PKNG PROVIDED (SHARED)	64.0 SPACES
PARKING SURPLUS	8.1 SPACES

ORIGINAL SITE PARKING CALCULATION



LEGEND

- 01 (E) ADJACENT BUILDING TO REMAIN N.A.P.
- 02 (E) PARKING STALLS TO REMAIN N.A.P.
- 03 (E) ADJACENT TENANT PARKING STALLS TO REMAIN N.A.P.
- 04 (E) STREET AND HIGHWAY EASEMENT
- 05 (E) UTILITY EASEMENT
- 06 (E) SITE SIGNAGE TO REMAIN
- 07 (E) CONCRETE CURB TO REMAIN. PAINT RED IF IN FIRE LANE.
- 08 (E) PLANTER TO REMAIN
- 09 (E) PLANTER TO REMAIN
- 10 (E) POWER POLE AND OVERHEAD WIRE TO REMAIN
- 11 (E) STORM WATER AREA DRAIN TO REMAIN
- 12 (E) TRASH ENCLOSURE TO REMAIN
- 13 (E) ACCESSIBLE STALL AND ADA LOGO, TO REMAIN
- 14 (E) BLUE PAINTED ACCESSIBLE PATH TO REMAIN
- 15 (E) ACCESSIBLE RAMP TO REMAIN
- 16 (E) RENOVATED PATIO SEATING IS PART OF FUTURE T.I.
- 17 (E) TRELLIS AND AWNING OVER EXISTING RENOVATED PATIO
- 18 (E) CUSTOMER WAITING AREA
- 19 (E) GREASE INTERCEPTOR TO BE REPLACED
- 20 DEMOLISH FIRE RISER PATHWAY
- 21 (N) INTERNATIONAL SYMBOL OF ACCESSIBILITY SIGN COMPLYING WITH SECTION 11B-703.2.1. INSTALL PER 11B-703.4.1.
- 22 (E) WATER METER
- 23 (E) GAS METER
- 24 (E) ROOF ACCESS LADDER
- 25 (E) TRUNCATED DOME TO REMAIN
- 26 (E) VAN ACCESSIBLE PARKING SIGN ON POST WITH ADDITIONAL SIGN STATING "3250' MINIMUM FINE" ON POST TO REMAIN
- 27 (E) BLUE PAINTED ACCESSIBLE AND NO PARKING SIGN ON THE PAVED SURFACE OF THE ACCESS AISLE TO REMAIN
- 28 (E) PAINT "NO PARKING" SIGN ON THE PAVED SURFACE OF THE ACCESS AISLE
- 29 (E) ACCESSIBLE AND DISABLE PATH OF TRAVEL FROM THE PUBLIC WAY TO THE ENTRANCE OF THE BUILDING 11B-206.2.1 EXPT #2. NO ABRUPT CHANGES IN ELEVATION ALONG THE PATH OF TRAVEL. SHOWN THE SLOPE AND CROSS SLOPE ALONG THE PATH OF TRAVEL SHALL NOT EXCEED 5% AND 2% RESPECTIVELY. INSPECTOR TO VERIFY.
- 30 (N) INTERNATIONAL SYMBOL OF ACCESSIBILITY (N) RECREATIONAL SIGN TO COMPLY PER 11B-703.1, 11B-216.6, 11B-703.54.
- 31 (E) HANDRAIL TO BE REPLACED. SHALL BE CONTINUOUS THE FULL LENGTH OF THE RAMP. SHALL 3/4" TO 3/8" 1/8" ABOVE RAMP SURFACE. SHALL EXTEND HORIZONTALLY ABOVE THE LANDING FOR 12" BEYOND THE TOP AND BOTTOM OF RAMP. PER 11B-505.10.1, 11B-505.10.1 HANDRAIL SHALL PROJECT FROM WALL 1 1/2" PER 11B-505.5 AND LOW EDGE PROTECTOR.
- 32 (E) PATHWAY ACCESS TO BUILDING FROM PUBLIC WAY FOR ACCESSIBLE AND DISABLE PER 11B-206.2.1 EXPT #2 ROUTE PER 11B-206.2, 11B-403.3 AND 11B-403.5.1.
- 33 (N) PATHWAY FOR ACCESS TO BUILDING FROM PUBLIC WAY FOR ACCESSIBLE AND DISABLE PER 11B-206.2.1 EXPT #2 ROUTE PER 11B-206.2, 11B-403.3 AND 11B-403.5.1.
- 34 (E) HANDRAIL TO BE REPLACED. IT SHALL BE CONTINUOUS THE FULL LENGTH OF THE RAMP. SHALL 3/4" TO 3/8" 1/8" ABOVE RAMP SURFACE. SHALL EXTEND HORIZONTALLY ABOVE THE LANDING FOR 12" BEYOND THE TOP AND BOTTOM OF RAMP. PER 11B-505.10.1, 11B-505.10.1 HANDRAIL SHALL PROJECT FROM WALL 1 1/2" PER 11B-505.5 AND LOW EDGE PROTECTOR.
- 35 (E) 4" STEP UP TO REMAIN
- 36 (E) DEMOLISHED RAMP AND HAND RAIL
- 37 (E) DEMOLISHED PARTIAL PLANTER
- 38 (E) PARKING STALL TO BE REMOVED. SEE PROPOSED SITE PLAN FOR MORE INFORMATION.

KEYNOTES

ST1.0



Michael David Robinson	C-20
John Steven Hill	C-23

This document has been prepared to describe proposed work and does not necessarily represent existing conditions. The architect does not warrant, imply, the accuracy of the information and shall not be responsible for any discrepancy between this document and the existing conditions.

Consultant

Stamp

Submittal Dates
Planning Dept CUP 05.21.18

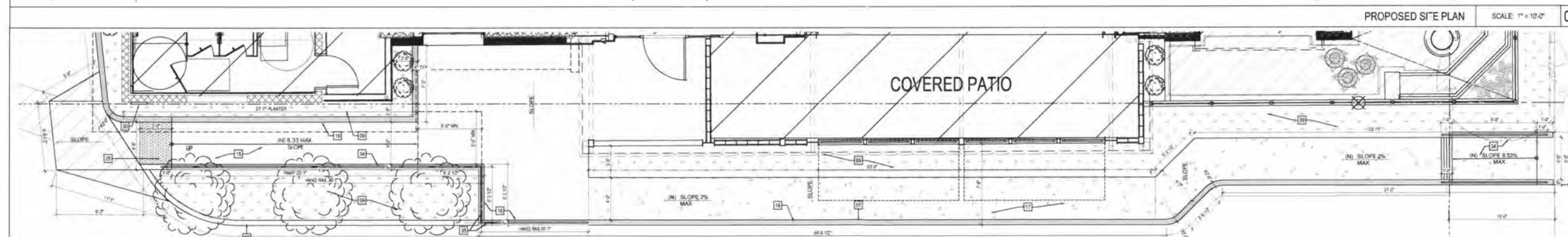
Rev.	Description	Date
1	REVISION	06.11.2011











Project	Type
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Sheet Title

PROPOSED SITE PLAN
(W/ COMPACT PKN'G)

Job Number
16RHA673 C2
Date
05/21/18
Sheet No.

ST1.1 

PROPERTY LINE	
STREET CENTERLINE	
PROPERTY LINE	
EASEMENT	
ADA PATH OF TRAVEL	
ABLE AND DISABLED PATH OF TRAVEL FROM THE PUBLICWAY TO ENTRANCE 119-206.21	
NEW PAVERS	
NEW DECORATIVE TILE	
NEW COLORED DECORATIVE CONC.	
NEW STANDARD CURB	

PREVIOUSLY APPROVED PARKING RATIO (REQ. VS PROV.)	
GROSS RESTAURANT BUILDING AREA	4,759 GSF
GROSS REST. RATIO STAMPED AREA	400 GSF
TOTAL GROSS REST. PREP. AREA	5,159 GSF
PARKING REQ. = 10 SPACES / 1,000 GSF TO 3,000 GSF, THEN 12 SPACES / 1,000 GSF OVER 3,000 GSF	
PARKING REQ. (PREVIOUSLY APPROVED)	55.9 SPACES
(B) REG. PKNG PROVIDED	61.0 SPACES
(B) ADA PKNG PROVIDED	3.0 SPACES
(B) TOT. PKNG PROVIDED	64.0 SPACES
(B) SHARED	
PARKING SUPPLY	8.1 SPACES

PROPOSED PARKING REQ. RED. FOR CUP TO UTILIZE NEW PLOT RATIO FOR FOOD SERVICE.		
GROSS RESTAURANT BUILDING AREA	4,759 GSF	
GROSS REST. PATIO SEATING AREA	404 GSF	
GROSS NEW REST. PATIO AREA	1,155 GSF	
TOTAL GROSS REST. PROP. AREA	5597 GSF	
PARKING REQ. = 10 SPACES / 1,000 GSF TO 3,000 GSF, THEN 12 SPACES / 1,000 GSF OVER 3,000 GSF		
(REQUIRES AN ADDITIONAL 5 SP FOR 415 SF @ 12 SP / 1K SF)		
TOTAL SPACES NEEDED TO MAINTAIN RATIO		69.0 SPACES
(N) REG. PKNG PROVIDED	66.0 SPACES	
(N) ADA PKNG PROVIDED	3.0 SPACE	
(N) TOT. PKNG PROVIDED	69.0 SPACE	
NEW PARKING SURPLUS (LOSS OF 1 SPACE OF SURPLUS PARKING)		81.5 SPACE

0	(E) ADJACENT BUILDINGS REMAIN N.A.P.
62	(N) PARKING STALLS
63	(E) TRASH ENCLOSURE STALLS TO REMAIN N.A.P.
64	(E) TRASH ENCLOSURE EASEMENT
65	(N) UTILITY EASEMENT
66	(N) NOT USED
67	(N) CONCRETE CURB @ 8' HIGH, PAINT RED IN FREELINE
91	(E) PLANTER TO REMAIN. SEE LANDSCAPE FOR NEW PLANTING
92	(N) PLANTER
93	(E) POWER POLE AND OVERHEAD WIRE TO REMAIN
1	(E) STORM WATER AREA/RAMP TO REMAIN
12	(E) TRANS-ENCLOSURE TO BE RENOVATED
13	(E) ACCESSIBLE STALL AND ADA LOGO TO REMAIN
14	(E) BLUE/PANET ACCESSIBLE PATH TO REMAIN
15	(N) ACCESSIBLE RAMP TO REPAIR. SEE ENLARGED RAMP DRAWING
16	(N) LOW RAISED EDGE PROTECTOR @ 6" AFF. SEE CIVIL
17	(N) SIDEWALK

18	PLANTER TO BE RENOVATED PER NEW LAYOUT
19	CEASE INTERFERENCE POINT TO BE REPLACED
20	FIRE RISER ROOM AND PATHWAY TORMAN
21	INTERNATIONAL SYMBOL OF ACCESSIBILITY SIGN COMPLYING WITH SECTION 118-03.2.1, INSTALL PER 118-03.0.1
22	WATER METER LOCATION
23	GAS METER RELOCATION
24	ROOF ACCESS LADDER TO BE REPLACED
25	TRUNCATED DOME S/ TO REMAIN
26	VAN ACCESSIBLE PARKING SIGN ON POST WITH AN ADDITIONAL SIGN STATING "2500 MINIMUM FEET ON POST TO REMAIN"
27	BLUE PAINTED ACCESS A ISLES AND NO PARKING SIGN ON THE PAVED SURFACE OF THE ACCESS AISLE TO REMAIN
28	NO PAINT "NO PARKING" SIGN ON THE PAVED SURFACE OF THE ACCESS AISLE
29	NOT USED

30 (E) INTERNATIONAL SYMBOL OF ACCESSIBILITY DIRECTIONAL SIGN TO
COMPLY PER 11B-716.3.1, 11B-716.5, 11B-710.556

31 (N) GAS FIRE PIT, MODEL T.B.D

32 NOT USED

33 (N) PATHWAY FOR ACCESS TO BUILDING FROM PUBLIC WAY FOR
DISABLED, PER 11B-206.2.1 EXPT. 42, ROUTE PER 11B-206.2.1
11B-403.3 AND 11B-405.5.1

34 (N) HANDRAIL, IF SHALL BE CONTINUOUS 7' FULL LENGTH OF THE
BE IMBEDDED INTO CONCRETE AT TOP, 3" DIA. OF 3/4" TO 1"
20% ABOVE RAMP SURFACE, SHALL EXTEND HORIZONTALLY ALONG
LAWNSIDE FOR 12" BEFORE BOTTOM OF RAMP, PER 11B-
206.5.1 AND 11B-406.0.2 PROTECTOR

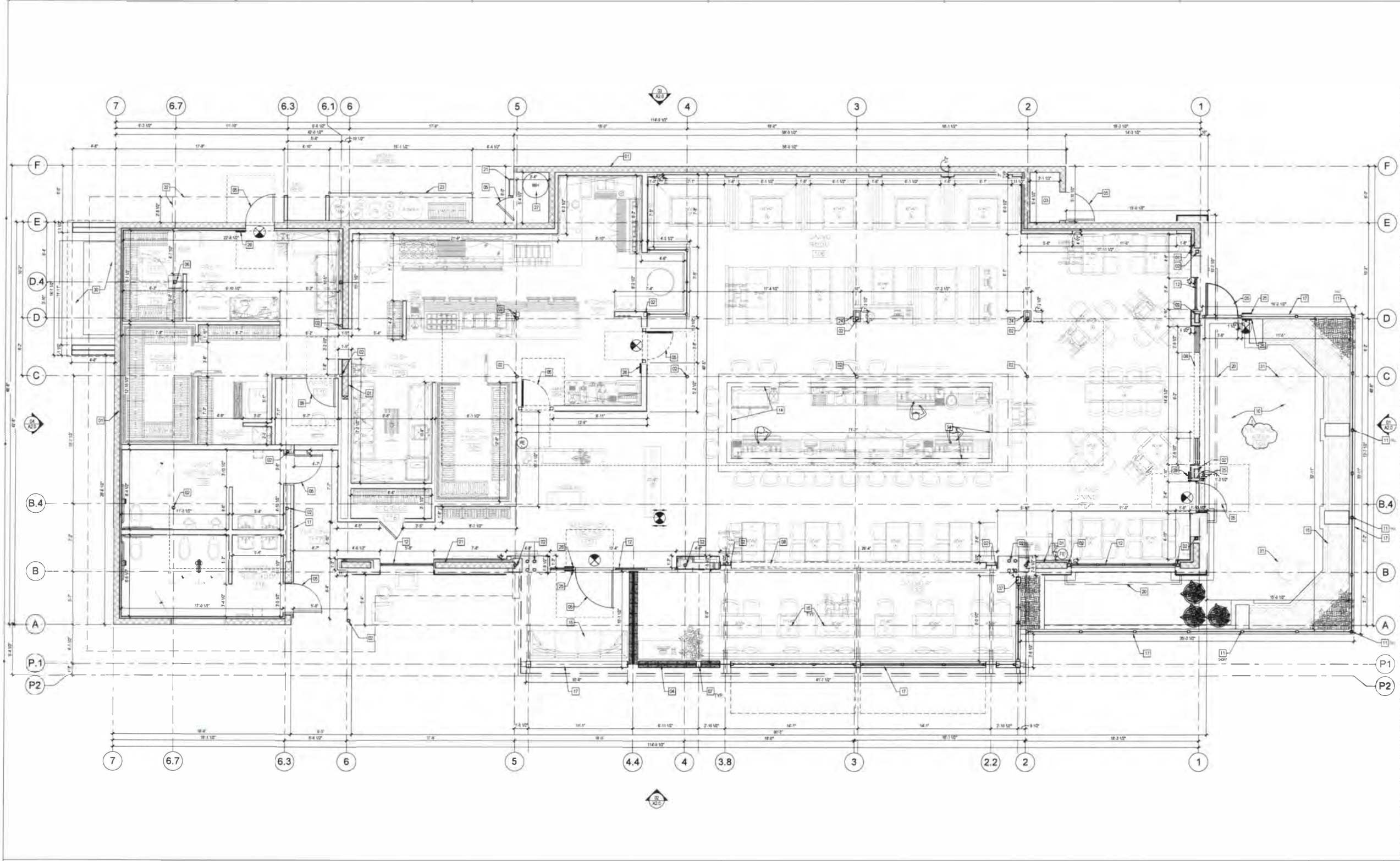
35 (N) HANDRAIL, TO BE EXTENDED FROM RAMP, KEEP AT SAME HEIGHT

36 PROPOSED NEW RATIO DRAINING, USE CONCRETE (N) SHALL APPROV
PREVIOUSLY PERMITTED AS WEAVING AREA.

THE
191.

ENLARGE PATH OF TRAVEL	SCALE: 1"=0' = 1/4"	0
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KEYNOTES



Fire Department Notes
THE INSTALLATION OF AUTOMATIC FIRE SPRINKLER SYSTEMS SHALL COMPLY WITH THE UBC STANDARD NO. 9-1. INSTALLATION UNDER SEPARATE PERMIT.
PROVIDE ONE PORTABLE FIRE EXTINGUISHER WHICH HAS A CLASSIFICATION OF NOT LESS THAN 40-B FOR KITCHEN.
ALL DECORATIVE MATERIALS SHALL BE MAINTAINED IN A FLAME RETARDANT CONDITION.
BUILDING OCCUPANT SHALL SECURE PERMITS REQUIRED BY THE FIRE DEPARTMENT FROM THE FIRE PREVENTION BUREAU PRIOR TO OCCUPANCY OF THIS BUILDING.
THE CONSTRUCTION, REMODEL OR DEMOLITION OF A BUILDING SHALL COMPLY WITH CBC ARTICLE 87.
PROVIDED OCCUPANT LOAD SIGNS AS REQUIRED BY CBC 1002.3

General Notes
ALL WELDS AND MILLSTIPS TO BE GRIND SMOOTH, PRIME AND PAINTED. REFER TO STRUCTURAL AND ID DRAWINGS.
CAP ALL TUBE STEEL ENDS.
PRIMER FOR PAINTING AS REQUIRED.
PATIO STEEL TO BE POWDER COAT PAINTED PER EXTERIOR ELEVATIONS PRIOR TO INSTALLATION AND TOUCHED UP AS REQUIRED AFTER INSTALLATION.
G.C. TO INFORM ARCHITECT OF ALL DISCREPANCIES.
G.C. TO FIELD VERIFY ALL CONDITIONS. ADVISE ARCHITECT OF ANY DISCREPANCIES.
REFER TO ID DRAWINGS FOR ADDITIONAL INFORMATION REGARDING FINISHES AND EQUIPMENT.
REFER TO STRUCTURAL, ELECTRICAL, MECHANICAL AND PLUMBING DRAWINGS FOR ADDITIONAL INFORMATION.
REFER TO ID FINISH SCHEDULE TO ALL INTERIOR WALL FINISHES.
FLOOR AND GROUND SURFACES SHALL BE STABLE, FIRM AND SLIP RESISTANT.

NOTES

- (E) MASONRY WALLS TO REMAIN, INCLUDES NEW SHILL WALLS
(N) PARTITION WALL
(N) ILLUMINATED EXIT SIGN WITH EMERGENCY POWER BACK UPS. SUPPLY SHALL COMPLY WITH CBC 1011.3 & 1011.6.3
(N) RECESSED FIRE EXTINGUISHERS

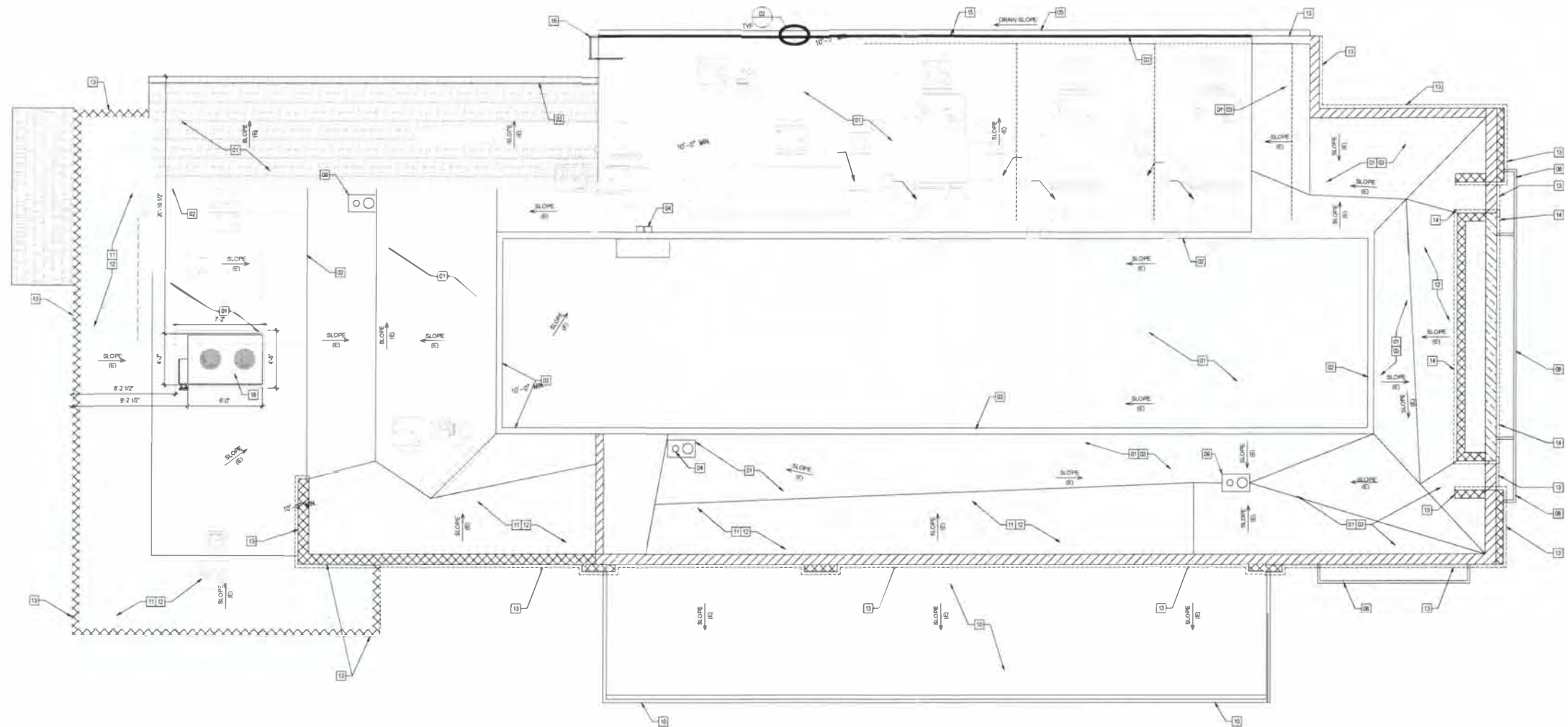
LEGEND

- (E) BUILDING STRUCTURE TO REMAIN
(E) STEEL COLUMN TO REMAIN
(E) FIRE RISER ROOM TO REMAIN
(E) 17' x 4' DECORATIVE CONCRETE BLOCK, DOUBLE ROW W/ GAP - 3 FORM DECORATIVE PANEL BETWEEN- EDGE LIGHTING AROUND PERIMETER OF PANEL
(E) DOOR TO REMAIN
(E) NEW PLANTER @ 1' x 4' x 4'
(E) STEEL TRUSS TO REMAIN - PER PLAN CHECK #BC16 01 148
(E) STRUCTURAL SUPPORT HEADER TO REMAIN
(N) DOOR
(N) PATIO DINING AREA
(N) PATIO 3' x 3' POST @ 16' S.F.F. (WHERE SUPPORTING TWO LIGHTS) OTHERWISE 8' 10\"/>

PROPOSED FLOOR PLAN SCALE: 1/4\"/>

- (E) METAL CHIMNEY TO REMAIN
(E) ROOF LADDER TO REMAIN
(E) SOFFIT ABOVE TO REMAIN
(N) CHAIN LINK ENCLOSURE FENCE WITH SLATS TO BE INSTALLED AT 8' HIGH WITH 1\"/>

KEYNOTES



NOTE: ROOF AS EXISTING CONDITION WHICH INCLUDES
NEW AREA COVERED BLDG. IN BUILDING SHELL
REFERENCE DRAWINGS PER PC# BC16-01148

robinson hill architecture, inc.
A California Corporation
3195-B Airport Loop Dr.
Costa Mesa, CA 92626
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Michael David Robinson C 20731
John Steven Hill C 23553

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Owner
Lounge Group
3011 Newport Blvd.
Newport Beach, CA 92663

Consultant

Stamp

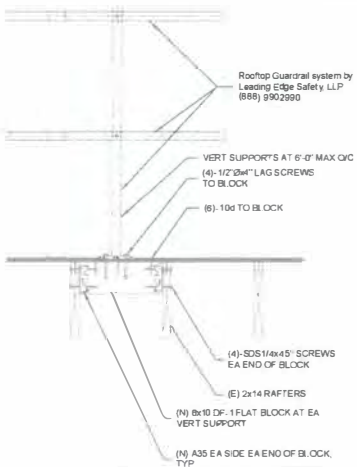
Submittal Dates
Planning Dept CUP 05.21.18

Rev. Description Date

Project Type

Playa Mesa - CUP Submittal
428 17TH STREET
COSTA MESA, CA 92627

(E) ROOF PLAN SCALE: 1/4" = 1'-0" 01



NOTE

GUARD RAIL DETAIL

SCALE: 1" = 1'-0"

02

- 01 (E) ROOF TO REMAIN - PATCH AND REPAIR AS NECESSARY
- 02 (E) PARAPET TO REMAIN
- 03 (E) CRICKET TO REMAIN
- 04 (E) ROOF DRAIN AND OVERFLOW, TO REMAIN
- 05 (N) 6" RAIN GUTTER, SLOPES TO REAR PARKING LOT - SILL SPAN GAP BETWEEN THIS BUILDING AND FEATURE ENTITLED 2 STORY REDEVELOPMENT OF ADJACENT PROPERTY
- 06 NOT USED
- 07 (E) ROOF DRAIN TO REMAIN
- 08 (E) METAL CHANNEL AT SIO REFRONT TO REMAIN
- 09 (E) ROOF DRAIN AND OVERFLOW
- 10 (E) AWNING AT PATIO W/ INTERNAL GUTTER
- 11 NOT USED
- 12 (E) CRICKET TO REMAIN
- 13 (E) PARAPET TO REMAIN
- 14 (E) CURVED TOWER ELEMENT TO REMAIN
- 15 (N) PERMANENT DECK MOUNT GUARDRAIL PER CBC 1015.6 LEADING EDGE SAFETY #05.5213
- 16 (E) ROOF LADDER TO REMAIN
- 17 NOT USED
- 18 (N) REFRIGERATION RACK SYSTEM, REFRIG O-PAK SYSTEM #TDRS-8 SEE MECHANICAL PLANS FOR MORE INFORMATION

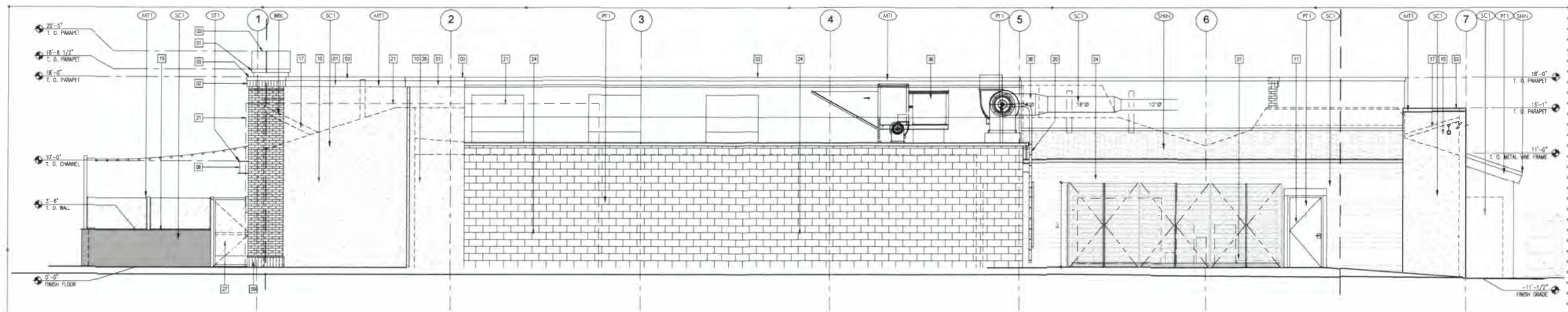
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ROOF PLAN

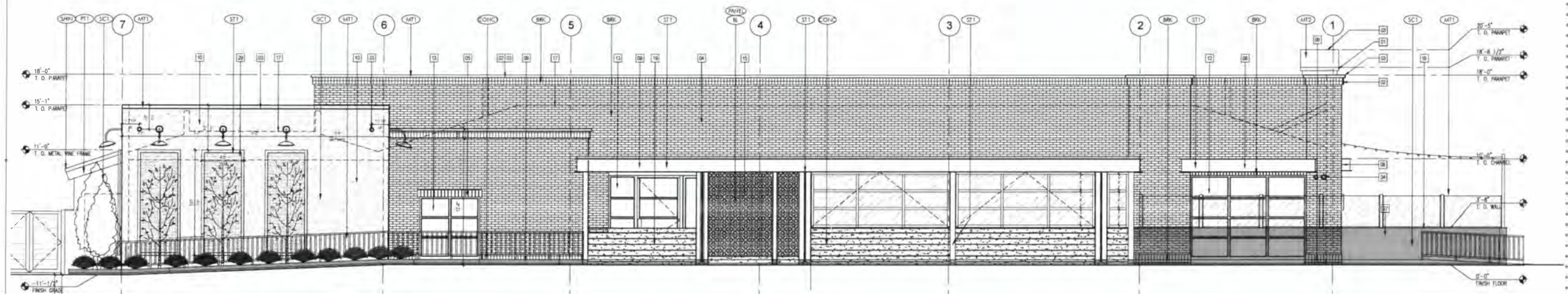
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16R-1A673.C2
Date:
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KEYNOTES

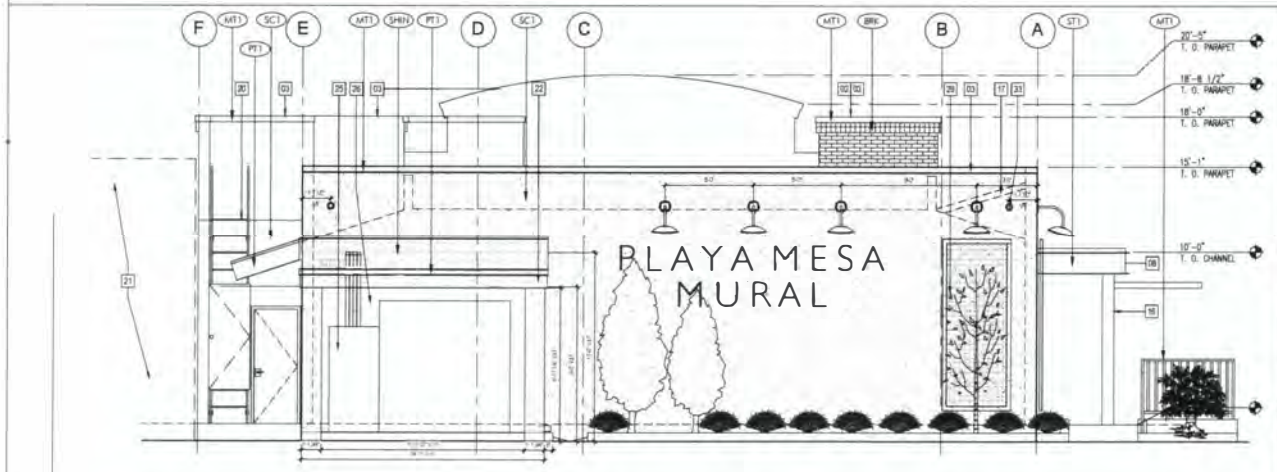
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EAST ELEVATION SCALE: 1/4" = 1'-0" 03



WEST ELEVATION (PATIO SCREENS IN UP POSITION) SCALE: 1/4" = 1'-0" 02



NORTH ELEVATION SCALE: 1/4" = 1'-0" 04



SOUTH ELEVATION SCALE: 1/4" = 1'-0" 01

SYMBOL	DESCRIPTION	MANUFACTURER / SPEC	PAINT COLOR	FINISH	SIZE (H x W x D)	THICKNESS	REMARKS
SC1	STUCCO	OMEGA BOND-CONCRETE SMOOTH PLASTER	ROUGH HANU	INTERIOR CLR SMOOTH PLAST			BOND-CONCRETE OVER THE SLUMPSTONE LEVEL SLUMPSTONE WITH SUPER CRACK- (UNDERLAYS: SMOOTH) FINISH, INTEGRAL COLOR CRACK ISOLATION BARRIER (C) BASE & MESH OVER BROWN COAT
MT1	MISC. METAL TRIM		DARK BRONZE				WHERE OCCURS ON THE BUILDING: WALL CAPS, FLASHING, HAND RAILS ETC.
MT2	STANDING SEAM ROOF	GC SUPPLIED AND FORMED	DARK BRONZE				CURVED CAP OVER ARCHED PARAPET FACING 1.7TH ST
ST1	STEEL			NATURAL PATINA			GC TO OVERSEE AND COORDINATE PATINA FINISH WITH TRADES AND APPROVED BY OWNERSHIP
CHC	BOARD FORM CONCRETE	GC SUPPLIED AND FORMED	GRAY CONC.				
CHC	CONCRETE FLOOR	SCOFIELD	SPRING BEIGE				INTEGRAL COLORED CONCRETE AT ALLEY ENTRY / WAITING AREA AND ADA RAMP FROM PARKING LOT
BRK	BRICK	OLD CAROLINA BRICK	SAVANNAH GRAY				OVER LATICRETE MVS SYSTEM PER MANF. SPECS. - COORDINATE W/ LATICRETE REP AND REFER TO TYP. DETAILS ON A6.4
PAH	COLOR PANE	3 FORM	SEA			3/8"	TO BE EDGE UT WITH LED LIGHT STRIP AND PANEL SEAMS TO BE SPACED BEHIND BLOCK SEAMS TO MATCH: ROUGH KHAKY STUCCO
PT1	PAINT						
BL	DECORATIVE BLOCK			CONCRETE BLOCK	12"x6"		INSTALL AS A DOUBLE ROW WITH AIR GAP BETWEEN FOR 3 FORM PANEL
PRV	PATIO PAVERS	BEIGARD DUBUN COBBLE	VICTORIAN				USE BEIGARD PATTERN A, RECOMMEND USING 6" SQUARE PAVERS AROUND PERIMETER AS FRAME FOR PATIO SPACE
SHN	COMP. SHINGLES	CAF. TIMBERLINE HD	MISSION BROWN				

FINISH SCHEDULE

THIN BRICK VENEER SPECIFICATION: OLD CAROLINA BRICK - SAVANNAH GRAY OVERSIZED PROFILE SUBSTRATE: USE LATICRETE M.V.I.S. AIR AND WATER BARRIER OVER 5/8" CEMENTITIOUS BOARD MORTAR: USE LATICRETE M.V.I.S. VENEER MORTAR	(E) ADJACENT BUILDING TO REMAIN. SEE SITE PLAN. NOT A PART (N) ROOF DRAINAGE OVERFLOW ROUTED FROM BUILDING FACE, THROUGH NEW SWITCH GEAR COVER AND DRAINS TO PARKING LOT ADJACENT TO BUILDING REAR ELEV (E) FIRE RISER ROOM TO REMAIN (E) MASONRY WALL TO REMAIN (E) SWITCH GEAR PANELS - EITHER FAUX PATINA LOOK OR REFINISH AND PAINT TO MATCH PT1 (E) SAND BLAST (E) STUCCO WALL TO EXPOSE CLEAN SURFACE - PAINT (N) PATIO GATE - METAL FRAMED (N) BUILDING ADDRESS SIGNAGE - MINIMUM 4" HIGH WITH 1/2" STROKE AND HIGH CONTRAST FROM BACKGROUND PER CIP 505 - NOTE: ADDRESS IN ELEVATION SHOWN AS 9" LETTERS BUT 4" IS THE MINIMUM (N) VINE TRELLIS STRUCTURE (N) RAIN CHAIN, SEE FINISH SCHEDULE FOR FINISH (N) TRASH ENCLOSURE. SEE PLAN FOR MORE INFORMATION (N) ORIGIN DOOR - SINGLE-SWING HYDRAULIC WINDOW SYSTEM (N) SECURITY CAMERA (N) FIRE ALARM COMPONENT (N) CROWN DOOR - SINGLE-SWING HYDRAULIC PANEL (N) MECHANICAL EQUIPMENT	(E) DECORATIVE EXTERIOR STUCCO CORNICE (E) DECORATIVE BRICK VENEER CORNICE (E) METAL COPING, FACTORY PRIMED, PAINT PER SCHEDULE (E) DECORATIVE BRICK FIELD VENEER (E) DECORATIVE BRICK VENEER SOLDIER COURSE UNTEL (E) SIGNAGE AREA (SHOWN AS 51 SF AREA) (E) ADJACENT BUILDING, NOT A PART (E) METAL CHANNEL, PATINA FINISH (E) DECORATIVE BRICK VENEER SOLDIER COURSE WALL BASE (E) BRICK/ROOF CEMENT STUCCO - SMOOTH HAND TOWELED PLASTER, "BUMPY" STYLE (E) DOOR PAINT FRAME AND ALL EDGES OF DOOR LEAF TO MATCH ADJ. FINISH (E) DECORATIVE WALL SCONCE (E) STORE FRONT WINDOW (E) SLIDING DOOR SYSTEM (E) DECORATIVE MASONRY WALL (E) AWNING COLUMN (E) ROOF SLOPE OR CRICKET BEYOND - SEE ROOF PLAN (E) NOT USED (E) 4" SMOOTH PLASTER SITE WALL (E) ROOF LADDER, TO REMAIN, REFINISH, SEE FLOOR AND ROOF PLAN
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FINISH SPECIFICATIONS

KEYNOTES

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3125-B Airport Loop Dr
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Michael David Robinson
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Sheet Title

ELEVATIONS

Job Number:
16RH-A673-C2
Date:
05.21.18
Sheet No.:

A2.0



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Bill Caskey
630 Cameo Highlands Drive
Corona del Mar, CA 92625

**RE: PLANNED SIGNING PROGRAM AMENDMENT ZE-78-109 A8 (ZA-18-43)
600 ANTON BOULEVARD, COSTA MESA**

Dear Mr. Caskey:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings and subject to the conditions of approval and code requirements (attached). The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Justin Arios, at 714.754.5667, or at justin.arios@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

cc: Engineering
Fire Protection Analyst
Building Safety Division

PROJECT DESCRIPTION

The project site is located on the corner of Anton Boulevard and Avenue of the Arts. The subject freestanding monument sign is located along Anton Boulevard. The property is zoned TC (Town Center District), and has a General Plan land use designation of Cultural Arts Center. The surrounding properties to the north, west, and south (across Anton Boulevard) have the same zoning designation of Town Center. The property to the east, across Avenue of the Arts, is zoned Planned Development Residential – High Density (PDR-HD) and contains residential uses. The building at this property is referred to as Plaza Tower.

The original Planned Signing Program ZE-78-109 for South Coast Plaza Town Center, was adopted in 1978 and there have been several amendments to the signing program in response to requests from tenants. The applicant is proposing an amendment to the previously approved Planned Signing Program ZE-78-109 to allow a 2-foot tall and 3-foot, 4-inch wide (6.67 sq. ft. sign area) freestanding monument sign for the ground floor tenant for Plaza Tower.

ANALYSIS

Proposed Sign / Specifications

The applicant proposes a new freestanding monument sign for Plaza Tower. The sign is proposed at 2 feet tall and 3 feet, 4 inch wide. The new sign will be of a solid block of Carnelian Diamond granite with a honed finish. The lettering for the sign is proposed as stainless steel brushed lettering, matching the style of another existing freestanding sign located on the same property and to the west of this proposed sign. Lighting will be provided via a 3-foot LED strip light, flush mounted in the ground on each side of the sign. The letter height for the proposed sign will be 6 inches tall for upper case letters and 4 inches for lower case letters. The sign will be placed outside of the visibility triangle at the corner of Anton Boulevard and Avenue of the Arts.

No building wall signage exists on Plaza Tower and conditions of approval do not allow any such building signage to be installed; the proposed freestanding sign and existing freestanding sign will be the only identification signage for the tenants of the office tower. Consequently, although the proposed freestanding sign will be located within 300 feet of another freestanding sign, the relatively small size of the proposed sign, combined with the lack of building wall signage on Plaza Tower, will allow conflicts with existing signage to be avoided and does not contribute to visual clutter and, therefore, meets the intent of the Sign Code.

All existing general sign requirements, as well as permit requirements and review procedures from Planned Signing Program ZE-78-109, and subsequent amendments, remain in effect.

General Plan Consistency

The proposed amendment, as conditioned, is consistent with the Zoning Code and the City's General Plan because, as proposed and with the included conditions of approval, the amendment to the Planned Signing Program should not adversely impact the surrounding uses and will not provide greater visibility than permitted by Code.

FINDINGS

- A. The information presented complies with Costa Mesa Municipal Code Section 13-29(e) in that:
 - 1. The proposed Planned Signing Program presents a compatible and harmonious relationship between the proposed building and site development, and use(s), and the building and site developments, and uses that exist or have been approved for the general neighborhood. The proposed sign does not encroach into the visibility triangle and the sign is relatively small in size. In addition, the new sign will allow identification for the ground floor tenant of Plaza Tower.
 - 2. The safety and compatibility of the design of buildings, parking area, landscaping, luminaries and other site features which may include functional aspects of the site development such as automobile and pedestrian circulations, will not be adversely affected by the proposed Planned Signing Program.
 - 3. The planned signing program complies with all performance standards as prescribed elsewhere in the Zoning Code.
 - 4. The proposed project is consistent with the General Commercial General Plan land use designation.
 - 5. The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development. The planned signing program was designed specifically for the project site, taking into consideration the site's building configuration and vehicular access.
- B. The information presented complies with Costa Mesa Municipal Code Section 13-29(g)(8) in that:
 - 1. The proposed signing is consistent with the intent of the sign chapter and the General Plan. The proposed amendment to the sign program will create and maintain an aesthetically pleasing functional environment for the center as a whole. Also, the proposed signage will create an environment where the first floor tenant can succeed because it will allow the tenant name to be displayed on the proposed sign. Although the two freestanding signs will be within 300 feet of one another, the relatively small size of the sign, as well as the lack of building wall

signage on the Plaza Tower, will avoid conflicts between the existing signs as well as visual clutter and, therefore, meets the intent of the Sign Code.

2. The proposed sign is consistent with existing signage in design and construction – taking into account sign style and shape, materials, letter style, colors and illumination.

3. The proposed sign is compatible with the building it identifies – taking into account materials, colors and design motif. The sign program requires compatible and complementary design with respect to the adjacent building facades.

4. Approval does not constitute a grant of special privilege or allow substantially great overall visibility than the standard ordinance provisions allow.

C. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City environmental procedures, and has been found to be exempt under Section 15311, Accessory Structures, of the CEQA Guidelines.

D. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL

- PIng 1. Approval of this amendment includes the following:
- A new vertical freestanding monument sign, located within 300 feet of another freestanding monument sign located on the same property, for the ground floor tenant for 600 Anton Boulevard (Plaza Tower). The new sign will be a solid block of Carnelian Diamond granite with a honed finish and the letters will be made of brushed stainless steel.
2. All signage shall comply with the sign parameters contained within this Planned Signing Program Amendment, as well as previously approved Planned Signing Program ZE-78-109, and subsequent amendments.
3. No other building wall signage shall be permitted for Plaza Tower (600 Anton Boulevard).

CODE REQUIREMENTS

The following list of federal, state, and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- PIng. 1. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.

2. All noise-generating construction or demolition activities shall be limited to 7 a.m. to 7 p.m. Monday through Friday and 9 a.m. to 6 p.m. Saturday. Noise-generating construction activities shall be prohibited on Sunday and the following Federal holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
3. All freestanding signs placed in proximity to a driveway or intersection shall be placed outside of the appropriate visibility triangle.
- Bldg. 4. Construction or demolition of structures shall comply with the requirements of the following adopted codes: 2016 California Residential Code, 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code and 2016 California Energy Code (or the applicable adopted, California Residential Code, California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards and California Energy Code at the time of plan submittal or permit issuance) and California Code of Regulations also known as the California Building Standards Code, as amended by the City of Costa Mesa.
5. Structural calculations and framing details shall be stamped and signed by a licensed California Engineer.
- Bus. 6. All contractors and subcontractors must have valid business licenses to do
Lic. business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.

July 9, 2018

City of Costa Mesa
77 Fair Drive
Costa Mesa, CA 92628

Re: Plaza Tower Monument Sign

City of Costa Mesa Planning Department

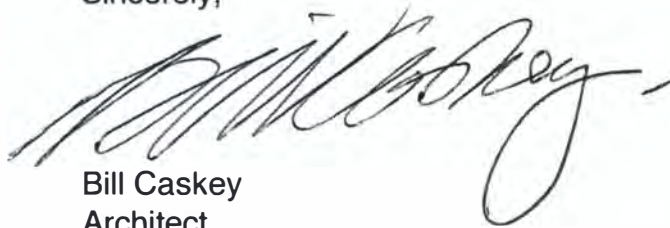
We are proposing a new monument sign for Plaza Tower building located at the corner of Anton Boulevard and Avenue of the Arts. The new low horizontal monument sign for Plaza Tower is for the ground floor tenant Bridge Bank located at 600 Anton Boulevard.

The new horizontal monument sign is a solid block of Carnelian Diamond granite measuring 3'-4" wide x 2'-0" high x 1'-9" thick, with a honed finish, elevated 9" over a brushed stainless steel plinth on a top-cast finished concrete base. The tenant name will be in brushed stainless steel letters, approximately 6" tall for the capital letters and approximately 4" tall for lower case letters. Letters will be installed on both sides of the sign.

Lighting will be provided by a 3' LED strip light flush mounted in the ground, one strip on each side of the sign.

The stone and letter finish will match the recently completed Plaza Tower Monument sign.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Caskey", with a long horizontal stroke extending to the right.

Bill Caskey
Architect
C-17746

[illegible]

BILL CASKEY
+ ASSOCIATES, INC.

630 CAMEO HIGHLANDS DRIVE
CORONA DEL MAR, CA 92625
TEL: (714)624-7086
MAIL: bjcdesign@sbcglobal.net



CLIENT

SOUTH COAST PLAZA OFFICES DIVISION
650 TOWN CENTER DRIVE, SUITE 930
COSTA MESA, CA 92626
TEL: 714.435.2100

PROJECT ADDRESS



600 ANTON BLVD
COSTA MESA, CA 92626

SITE PLAN

NOTICE TO OWNERS AND CONTRACTORS: THE APPROVED SET OF PLANS MAY NOT BE CHANGED AND/OR MODIFIED FOR ANY REASON UNLESS APPROVED IN WRITING BY THE ARCHITECT PRIOR TO THE CHANGE AND/OR MODIFICATION. ANY CHANGE AND/OR MODIFICATION WITHOUT THE ARCHITECT'S WRITTEN APPROVAL IS THE RESPONSIBILITY OF THE OWNER AND/OR CONTRACTOR

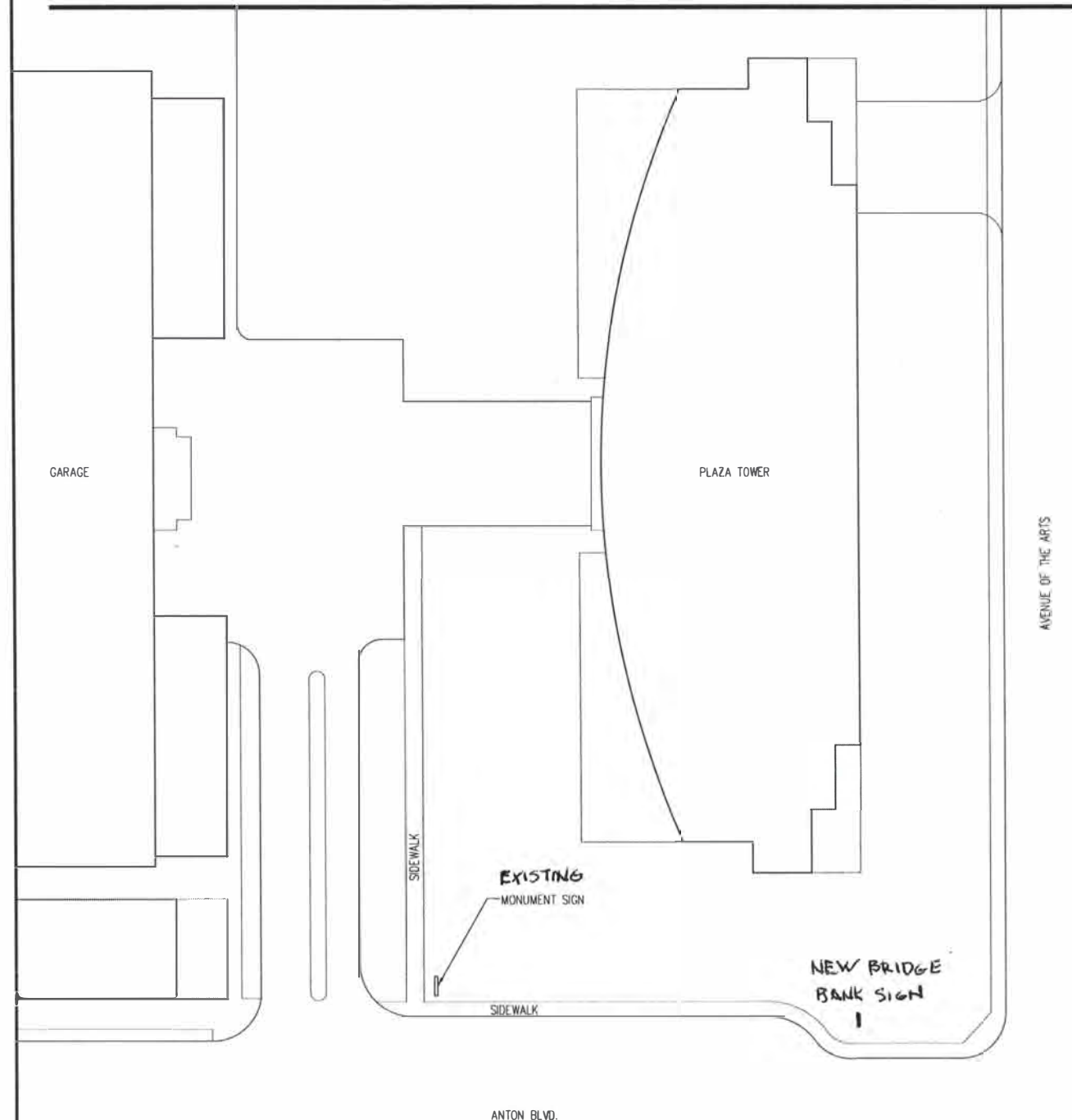
THE DRAWING, NOTES AND DETAILS SHOW THE INTENT FOR A COMPLETE SYSTEM OF CONSTRUCTION FOR THE PROJECT THAT MEETS THE FEDERAL, STATE AND LOCAL CODES AND MUST BE REVIEWED WITH ALL SHEETS IN THE SET AND ALL DISCIPLINES. THE CONTRACTOR AND SUB-CONTRACTORS MUST REVIEW ALL SHEETS PRIOR TO BUDGET SUBMITTALS. STOP DRAWING SUBMITTALS AND FABRICATION OF MATERIALS. IF THE CONTRACTOR AND/OR SUB CONTRACTOR FIND ON THE DOCUMENTS ANY DISCREPANCIES AND CANNOT MEET THE INTENT OF THE DOCUMENTS THEY SHALL NOTIFY THE OWNER AND ARCHITECT IMMEDIATELY TO REVIEW AND RESOLVE THE ISSUE TO MEET THE DESIGN INTENT, CODE COMPLIANCE AND CONSTRUCTION.

[illegible]

A-1.0

Monument Sign
600 Anton Blvd.
Costa Mesa, Ca 92626

SITE PLAN



VICINITY MAP



LOCATION MAP

1. CALIFORNIA BANK & TRUST BUILDING
3420 BRISTOL ST.
2. CENTER TOWER
650 TOWN CENTER DRIVE
3. ONE TOWN CENTER
695 TOWN CENTER DR.
4. PLAZA TOWER
600 ANTON BLVD.



DRAWING INDEX

ARCHITECTURAL

- | | |
|-------|---|
| T-1.0 | COVER SHEET, INDEX & GENERAL NOTES |
| A-1.0 | MONUMENT SIGN PLAN, ELEVATION, SECTIONS AND DETAILS |

PROJECT INFORMATION

- | | |
|-------------------------------------|--|
| BUILDING ADDRESS: | 600 ANTON BLVD.
COSTA MESA, CA 92626 |
| OCCUPANCY TYPE/
NUMBER OF FLOORS | B OFFICE, 21 STORY BUILDING |
| CONSTRUCTION TYPE: | TYPE 1A |
| FIREPROOFING: | AUTOMATIC SPRINKLER SYSTEM THROUGHOUT |
| AREA OF CONSTRUCTION: | MONUMENT SIGN |
| SCOPE OF WORK: | REMOVE AND REPLACE MONUMENT SIGN |
| BUILDING CODE REFERENCE: | CBC 2016, CPC 2016, CFC 2016, CMC 2016, CEC 2016
CALIFORNIA STATE BLDG. STDS CODE CCR TITLE 24
FEDERAL ADA |

PROJECT TEAM

Bill Caskey & Associates
Architect
630 Cameo Highland Drive
Corona del Mar, CA 92625
714.624.7086
ATTN: BILL CASKEY

South Coast Plaza Office Division
Landlord
650 Town Center Drive
Suite 930
Costa Mesa, California 92626
714.435.2110
NOTE:
ATTN: STAN TAAGER

BILL CASKEY
+ ASSOCIATES, INC.

630 CAMEO HIGHLANDS DRIVE
CORONA DEL MAR, CA 92625
TEL: (714)624-7086
EMAIL: bjcdesign@sbcglobal.net



CLIENT

SOUTH COAST PLAZA OFFICES DIVISION
650 TOWN CENTER DRIVE, SUITE 930
COSTA MESA, CA 92626
TEL: 714.435.2100

PROJECT ADDRESS



600 ANTON BLVD.
COSTA MESA, CA 92626

TITLE SHEET

NOTICE TO OWNERS AND CONTRACTORS: THE APPROVED SET OF PLANS MAY NOT BE CHANGED AND/OR MODIFIED FOR ANY REASON UNLESS APPROVED IN WRITING BY THE ARCHITECT PRIOR TO THE CHANGE AND/OR MODIFICATION. ANY CHANGE AND/OR MODIFICATION WITHOUT THE ARCHITECT'S WRITTEN APPROVAL IS THE RESPONSIBILITY OF THE OWNER AND/OR CONTRACTOR

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[illegible]

T-1.0

4 of 7

NEW

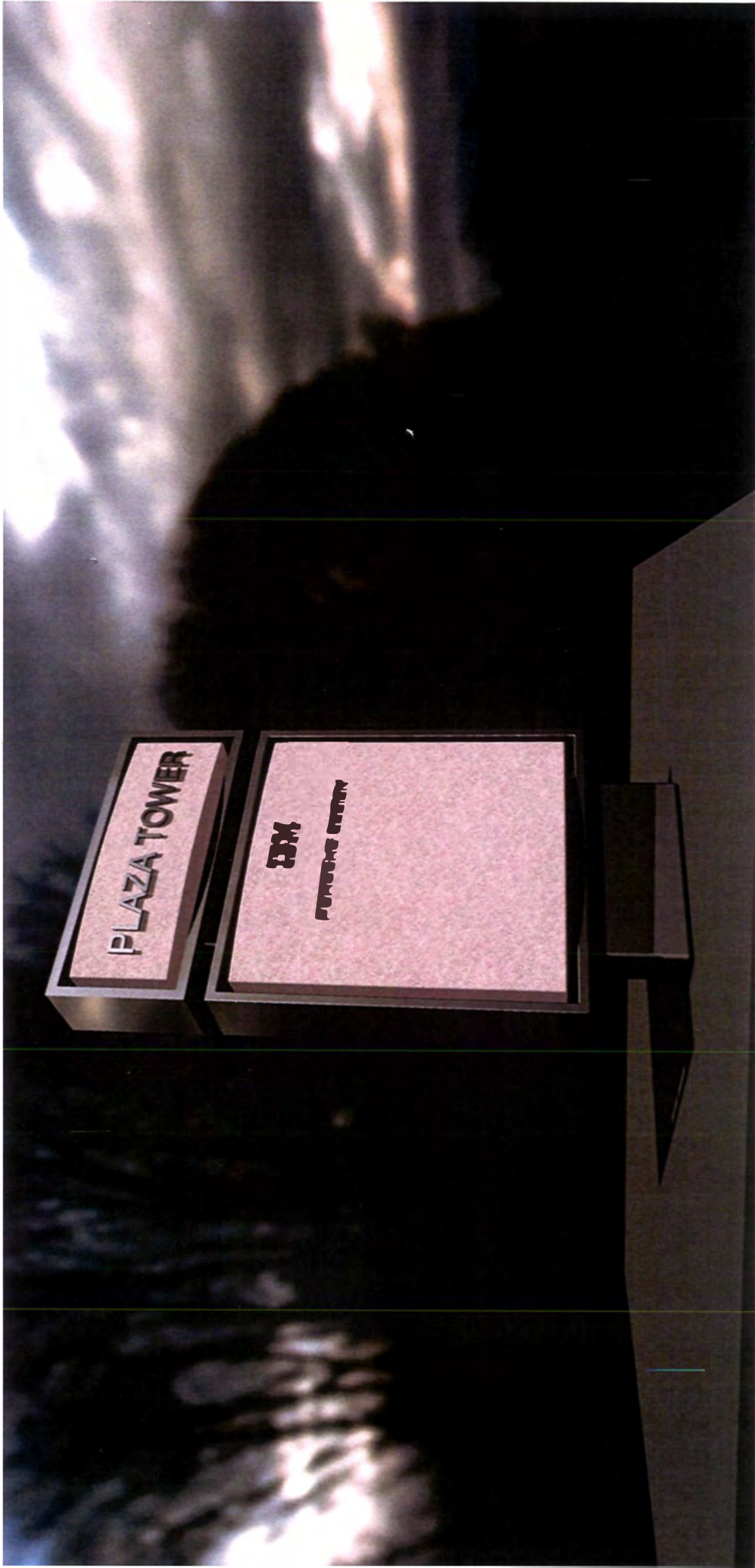
STUDIO F·A·PORSCHE

Alternative 3 – Bridge Bank Sign low

Materials and frame theme carried over from Plaza Tower Sign, flexibility for more signs



EXISTING
SIGN





CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Robert Taft Jr.
2973 Harbor Boulevard, #350
Costa Mesa, CA 92626

**RE: AMENDMENT TO PLANNING APPLICATION 17-40 TO ALLOW ADULT USE
MARIJUANA DISTRIBUTION IN ADDITION TO MEDICAL MARIJUANA
DISTRIBUTION OPERATED BY CMX DISTRIBUTION
3505 CADILLAC AVENUE, UNIT N3, COSTA MESA**

Dear Mr. Taft:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WLLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: 1. Modified Conditions of Approval
 2. Applicant Request dated July 17, 2018

cc: Public Services/Engineering
 Fire Protection Analyst
 Building Safety Division
 Transportation Services Division

PA-17-40 A1
August 23, 2018
Page 2 of 13

Property Owner: Russ Family Trust, c/o Jerald Russ
143 Calle Cuervo
San Clemente, CA 92627

PROJECT DESCRIPTION

Background

On December 11, 2017, the Planning Commission approved, on a 5-0 vote, PA-17-40, a Conditional Use Permit allowing for a Medical Marijuana distribution facility (CMX Distribution) within a 4,722-square-foot tenant space in an existing industrial warehouse building. The facility includes an office, work area, secure product storage area, and indoor parking for two delivery trucks. The facility is staffed by at least 3 to 8 persons, including transportation drivers. The initial hours of operation are proposed to be daily from 7 AM to 7 PM, increasing to a 24-hour-a-day operation if demand warrants. The facility has security systems (card readers, security cameras, etc.) throughout the facility. No manufacturing or cultivation of marijuana, or medical marijuana dispensary, is permitted.

The staff report for PA-17-40 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=28263>

The minutes for PA-17-40 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=29606>

The meeting video for PA-17-40 can be found here:

http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3105

CMX Distribution opened in April 2018 and is currently in operation.

Request for Amendment

On April 3, 2018, the City Council adopted Ordinance No. 18-04 to allow adult use marijuana products to be manufactured, distributed, transported, tested and developed in the same manner and within the same geographic areas as medical marijuana uses pursuant to Measure X. Non-medical adult use marijuana was not legal under state law at that time of the adoption of Measure X but is now legal under the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act. With the City's newly adopted ordinance, Measure X applicants are no longer limited to medical marijuana uses. As such, approved Measure X CUP applicants may request to amend their CUP to include adult use. The applicant submitted this request on July 17, 2018 (Attachment 2).

In accordance with Costa Mesa Municipal Code (CMMC) Section 13-29 (p)(1) (Amendment to a Planning Application), minor amendments to a conditional use permit may be processed as a minor conditional use permit, subject to review and approval by the Zoning Administrator.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The addition of adult use marijuana will not substantially alter the original use as approved. The approved use is for a marijuana distribution facility. Modifying the CUP to allow for distribution of adult use marijuana in addition to the distribution of medical marijuana does not require any physical changes to the facility and results in no substantial changes to the operation as originally approved. Manufacturing or cultivation of marijuana, or any type of dispensary, will continue to be prohibited.

All applicable conditions of approval for PA-17-40 remain in full force and effect. The use, as conditioned, will be consistent with the other uses in the immediate vicinity. Original conditions of approval remain in full force and effect, except as modified in Attachment 1. Modifications to the conditions of approval are administrative in nature and primarily delete references to “medical” marijuana in favor of a more generalized term.

General Plan Consistency

The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as described below.

FINDINGS

- A. The proposed amendment complies with Title 13, Section 13-29(g)(2), Conditional Use Permit and Minor Conditional Use Permit, of the Municipal Code. Findings for approval associated with the originally-approved CUP remain applicable and are not changed by the proposed modification from medical marijuana distribution to medical and adult use marijuana distribution. The findings from Planning Application 17-40 are hereby incorporated by reference. The conditions of approval applicable to this amendment are the same as applied to the originally-approved CUP but have been modified to remove the reference to “medical” marijuana.
- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The proposed modification to the approved use from medical marijuana distribution to medical and adult use marijuana distribution results in no physical changes to the facility and constitutes negligible or no expansion of the existing use.

- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL (MODIFIED)

- Plng.
1. The conditions of approval included herein shall supersede the conditions of approval for PA-17-40.
 2. The use of this property as a marijuana distribution business shall comply with the approved plans and terms described in this approval and these conditions of approval. The business hours shall be 7:00 AM to 7:00 PM, seven days a week, with a 24-hour a day operation anticipated if demand warrants. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
 3. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid medical marijuana business permit for this location within 6 months from issuance of this CUP.
 4. Use of this property as a marijuana distribution business shall comply with the approved plans and terms described in this Resolution and the conditions of approval included herein.
 5. The subject business shall not engage in the manufacturing of cannabis, marijuana, or any related products.
 6. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking, front, rear and side of the proposed property.
 7. No cultivation of cannabis or marijuana may occur on the premises.
 8. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed until the owner/operator or its designated contractor has obtained any permit required from the City.
 9. A Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code. Revocation of the Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating under PA-17-40 until a valid Marijuana Business Permit is received from

the City of Costa Mesa.

10. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.
11.
 - a. The owner/operator of this marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted marijuana activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.
 - d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce historical transactional data for review by the City Manager.

12. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A-:viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community Improvement Division within 10 days of the date the change is effective.
13. The operator shall maintain a valid Marijuana Business Permit and a valid Business License at all times. The Marijuana Business Permit Application number associated with this address is MX-17-0002. Upon issuance, the Medical Marijuana Business Permit will be valid for a two-year period and must be renewed with the Community Improvement Division prior to its expiration date, including the payment of permit renewal fees.
14. No person may engage in any marijuana business or in any marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person:
 - a. Has a valid Marijuana Business Permit from the City.
 - b. Pays all Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana business intends to operate.
 - d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.
 - e. Has met all requirements of Community Improvement Division regarding the property.
 - f. Has satisfied all conditions of approval of this CUP.
15. Cannabis shall not be consumed on the premises at any time, in any form.
16. No outdoor storage of cannabis or cannabis products is permitted at any time.
17. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.

18. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
19. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
20. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
21. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the marijuana business.
22. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises is prohibited.
23. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
24. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
25. Every manager, supervisor, employee or volunteer of the marijuana business must submit fingerprints and other information specified on the Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.
 - a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.
26. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.

27. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
28. Inspections of this marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshall may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP.
29. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law.
30. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Improvement Division scheduling a hearing before the Director of Development Services to consider revocation of the Marijuana Business Permit.
31. The business must obtain any and all licenses required by State law and or regulation within 90 days of the date that the State first begins to issue such licenses.
32. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsifies any records, recordings or other documents required to be maintained by a marijuana business under this chapter or under State or

local law.

33. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
34. Notwithstanding any provision of the Zoning Code to the contrary, including but not limited to § 12-29(p)(1), this Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a minor conditional use permit.
35. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
36. The operator shall maintain free of litter all areas of the premises under which applicant has control.
37. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
38. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- Plng.
1. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
 2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
 3. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
 4. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and shall contrast sharply with the background.
 5. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
 6. No cultivation of marijuana, or marijuana dispensary, is permitted.

- Bldg.
7. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.
 8. Prior to the Building Division issuing a demolition permit. contact South Coast Air Quality Management District (AQMD) located at:
21865 Copley Dr.
Diamond Bar, CA 91765-4178
Tel: 909- 396-2000
or
Visit their web site:
<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=23381>. The Building Division will not issue a demolition permit until an Identification Number is provided by AQMD.
 9. The conditions of approval and ordinance or code provisions of planning application PA-17-40 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 10. Provide a plan to the County of Orange Health Dept. for review and approval.
- Fire
11. Equipment shall be approved for use by a recognized testing laboratory.
 12. Comply with the requirements of the 2016 California Fire Code and referenced standards as amended by the City of Costa Mesa.
 13. A copy of the approved Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.
 14. There shall be no storage or use of volatiles, solvents, or hazardous materials at this facility.
 15. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
 16. Quarterly Fire & Life Safety Inspections may be conducted by the Community Risk Reduction Division to verify compliance with the approval operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
 17. Annual Fire & Life Safety Inspections may be conducted by the Fire Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.
 18. Marijuana liquid or solid waste must be made unusable and

unrecognizable prior to leaving a secured storage area and shall be disposed of at facility approved to receive such waste.

19. There shall be no extraction operations, refining, winterization or any other processing in this facility.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- | | | |
|-------|----|---|
| Sani. | 1. | The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released. |
| | 2. | Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements. |
| AQMD | 3. | Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD. |
| Water | 4. | Customer shall contact the Mesa Water District – Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District. |
| State | 5. | Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information. |

LEE, MEL

From: Ben Knight <ben@cmxdistro.com>
Sent: Tuesday, July 17, 2018 11:15 AM
To: LEE, MEL; LE, JENNIFER
Cc: Robert Taft, Jr
Subject: Planning application Number PA-17-40 3505 Cadillac Ave. Unit N-3 Costa Mesa CA 92626

Mel/Jennifer

On April 3, 90 days ago, City Council adopted a Resolution to include Adult Use based on the passage of Prop 64. CMX currently has been awarded its Medical state license for distribution. We are currently in the process of applying for the Adult use license and would like support from the city during this process.

This letter is to advise the City of our intent to include Adult Use as part of our operations and would like your approval. We encourage the City to seek an expeditious approval for this "minor technical review", avoiding a formal Planning Commission hearing, seeking an administrative remedy, or at the very least a Zoning Administrator review.

Please advise us of next steps

Sincerely,

Rob/Ben



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Kamran Moghaddam
3334 East Coast Highway
Corona Del Mar, CA 92625

**RE: AMENDMENT TO PLANNING APPLICATION 17-50 TO ALLOW ADULT USE MARIJUANA MANUFACTURING AND DISTRIBUTION IN ADDITION TO MEDICAL MARIJUANA; OPERATED BY NATURE'S MARKET
1675 TORONTO WAY, COSTA MESA**

Dear Mr. Moghaddam:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: 1. Modified Conditions of Approval
 2. Applicant Request dated July 24, 2018

cc: Public Services/Engineering
 Fire Protection Analyst
 Building Safety Division
 Transportation Services Division

PA-17-50 A1
August 23, 2018
Page 2 of 13

Property Owner: William C. Anderson Trust
340 Catalina Drive
Newport Beach, CA 92663

PROJECT DESCRIPTION

Background

On March 5, 2018, the Planning Commission approved, on a 5-0 vote, Planning Application PA-17-50 for a Medical Marijuana manufacturing and distribution facility (Nature's Market) within a 24,379-square-foot existing industrial building. The proposed facility would include extraction, manufacturing/processing, packaging, staging, storage, and distribution of cannabis products. The facility will be staffed by at least 5 persons, with up to 18 persons maximum. Hours of operation are proposed to be 24 hours a day, seven days a week. 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 staff report for PA-17-50 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2018/2018-03-05/PH-2.pdf>

The minutes for PA-17-50 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=30258>

The meeting video for PA-17-50 can be found here:

http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3153

As of the date of this report, building permits have not yet been obtained.

Request for Amendment

On April 3, 2018, the City Council adopted Ordinance No. 18-04 to allow adult use marijuana products to be manufactured, distributed, transported, tested and developed in the same manner and within the same geographic areas as medical marijuana uses pursuant to Measure X. Non-medical adult use marijuana was not legal under state law at that time of the adoption of Measure X but is now legal under the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act. With the City's newly adopted ordinance, Measure X applicants are no longer limited to medical marijuana uses. As such, approved Measure X CUP applicants may request to amend their CUP to include adult use. The applicant submitted this request on July 24, 2018 (Attachment 2).

In accordance with Costa Mesa Municipal Code (CMMC) Section 13-29 (p)(1) (Amendment to a Planning Application), minor amendments to a conditional use permit may be processed as a minor conditional use permit, subject to review and approval by the Zoning Administrator.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The addition of adult use marijuana will not substantially alter the original use as approved. The approved use is for a marijuana manufacturing and distribution facility. Modifying the CUP to allow for adult use marijuana in addition to medical marijuana does not require any physical changes to the facility and results in no substantial changes to the operation as originally approved. Cultivation of marijuana, or any type of dispensary, will continue to be prohibited.

All applicable conditions of approval for PA-17-50 remain in full force and effect. The use, as conditioned, will be consistent with the other uses in the immediate vicinity. Original conditions of approval remain in full force and effect, except as modified in Attachment 1. Modifications to the conditions of approval are administrative in nature and primarily delete references to “medical” marijuana in favor of a more generalized term.

General Plan Consistency

The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as described below.

FINDINGS

- A. The proposed amendment complies with Title 13, Section 13-29(g)(2), Conditional Use Permit and Minor Conditional Use Permit, of the Municipal Code. Findings for approval associated with the originally-approved CUP remain applicable and are not changed by the proposed modification from medical marijuana distribution to medical and adult use marijuana distribution. The findings from Planning Application 17-50 are hereby incorporated by reference. The conditions of approval applicable to this amendment are the same as applied to the originally-approved CUP but have been modified to remove the reference to “medical” marijuana.
- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The proposed modification to the approved use from medical marijuana distribution to medical and adult use marijuana distribution results in no physical changes to the facility and constitutes negligible or no expansion of the existing use.

- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL (MODIFIED)

- Plng.
1. The conditions of approval included herein shall supersede the conditions of approval for PA-17-50.
 2. The use of this property as a marijuana manufacturing/processing business shall comply with the approved plans and terms described in this resolution and these conditions of approval. The business hours shall be for a 24-hour-a-day operation. No product distribution shall occur between 12:00 AM to 5:00 AM. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
 3. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid marijuana business permit for this location within 12 months from issuance of this CUP.
 4. Use of this property as a marijuana distributor, manufacturer, or processor business shall comply with the approved plans and terms described in this resolution and the conditions of approval included herein.
 5. The subject business shall not engage in the retail sale of cannabis, marijuana, or any related products.
 6. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking front, rear and side of the proposed property.
 7. No cultivation of cannabis or marijuana may occur on the premises.
 8. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed until the owner/operator or its designated contractor has obtained any permit required from the City.
 9. A Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code. Revocation of the Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating under PA-17-50 until a valid Marijuana Business Permit is received from

the City of Costa Mesa.

10. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.
11.
 - a. The owner/operator of this marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted marijuana activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.
 - d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce historical transactional data for review by the City Manager.

12. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A-:viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community Improvement Division within 10 days of the date the change is effective.
13. The operator shall maintain a valid Marijuana Business Permit and a valid Business License at all times. The Marijuana Business Permit Application number associated with this address is MX-17-0001. Upon issuance, the Medical Marijuana Business Permit will be valid for a two-year period and must be renewed with the Community Improvement Division prior to its expiration date, including the payment of permit renewal fees.
14. No person may engage in any marijuana business or in any marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person:
 - a. Has a valid Marijuana Business Permit from the City.
 - b. Pays all Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana business intends to operate.
 - d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.
 - e. Has met all requirements of Community Improvement Division regarding the property.
 - f. Has satisfied all conditions of approval of this CUP.
15. Cannabis shall not be consumed on the premises at any time, in any form.
16. No outdoor storage of cannabis or cannabis products is permitted at any time.
17. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.

18. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
19. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
20. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
21. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the marijuana business.
22. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises is prohibited.
23. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
24. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
25. Every manager, supervisor, employee or volunteer of the marijuana business must submit fingerprints and other information specified on the Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.
 - a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.
26. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.

27. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
28. Inspections of this marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshal may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP.
29. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law.
30. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Improvement Division scheduling a hearing before the Director of Development Services to consider revocation of the Marijuana Business Permit.
31. The business must obtain any and all licenses required by state law and or regulation prior to engaging in any cannabis activity at the property.
32. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsifies any records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law.

33. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
34. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
35. The operator shall maintain free of litter all areas of the premises under which applicant has control.
36. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
37. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- PIng.
1. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
 2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and

has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.

3. Hours of construction shall comply with Section 13-279, Title 13, of the Costa Mesa Municipal Code.
4. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
5. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and shall contrast sharply with the background.
6. The entire parking lot shall be resurfaced and all parking stalls shall be double-striped in accordance with City standards.
7. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
8. Trash enclosure(s) or other acceptable means of trash disposal shall be provided. Design of trash enclosure(s) shall conform with City standards.
9. No cultivation of marijuana, or marijuana dispensary, is permitted.

- Bldg.
10. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of

Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.

11. The conditions of approval and ordinance or code provisions of planning application PA-17-50 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
12. Prior to the Building Division issuing a demolition permit, contact South Coast Air Quality Management District (AQMD) located at:
21865 Copley Dr.
Diamond Bar, CA 91765-4178
Tel: 909- 396-2000

or

Visit their web site:

<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=23381>. The Building Div. will not issue a demolition permit until an Identification Number is provided by AQMD.

13. Plans shall be prepared by a California licensed Architect or Engineer. Plans shall be wet stamped and signed by the licensed Architect or Engineer prior to the issuance of building permits.
14. Equipment shall be approved for use by a recognized testing laboratory.
15. Comply with the requirements of the 2016 California Fire Code and referenced standards as amended by the City of Costa Mesa.
16. Volatile extraction and post-processing winterization operations shall be conducted according to the approved Registered Design Professional's technical report; Fire Department approved Safety Plan; and the approved building construction plans.
17. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval before the change taking place.
18. A copy of the approved Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.
19. The storage, use, and disposal of volatiles, solvents, or hazardous materials at this facility shall be conducted according to the California Fire Code and the Orange County Environmental Health Department regulations.
20. Quarterly Fire & Life Safety Inspections will be conducted by the Community Risk Reduction Division to verify compliance with the approval operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
21. Annual Fire & Life Safety Inspections will be conducted by the Fire Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.
22. marijuana liquid or solid waste must be made unusable and unrecognizable prior to leaving a secured storage area and shall be

Fire

disposed of at a facility approved to receive such waste.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- | | | |
|-------|----|---|
| Sani. | 1. | The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released. |
| | 2. | Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements. |
| AQMD | 3. | Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD. |
| Water | 4. | Customer shall contact the Mesa Water District – Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District. |
| State | 5. | Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information. |



ATTACHMENT 2

July 24, 2018

Mel Lee
City of Costa Mesa
PO Box 1200
77 Fair Drive, CA 92628

Planning Application Number: PA-17-50
Property Address: 1675 Toronto Way Costa Mesa, CA
Response to City of Costa Mesa Letter Dated July 13, 2018

Dear Mel,

This letter is in response to the July 13, 2018 letter from the City of Costa Mesa regarding the above-mentioned application and property.

We are interested in amending our CUP to allow for the manufacturing and distribution of marijuana for adult-use. We would like to schedule our amendment request for the Planning Commission's review.

Please do not hesitate to contact me directly should you have further questions. Thank you.

Sincerely,



Tatev Oganyan
tatev@naturesmarket.co
323-599-0294



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Michael Moussalli
3249 Washington Ave.
Costa Mesa, CA 92626

**RE: AMENDMENT TO PLANNING APPLICATION 18-03 TO ALLOW ADULT USE MARIJUANA MANUFACTURING AND DISTRIBUTION IN ADDITION TO MEDICAL MARIJUANA; OPERATED BY SE7ENLEAF
3505 CADILLAC AVENUE, UNIT M101, COSTA MESA**

Dear Mr. Moussalli:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: 1. Modified Conditions of Approval
 2. Applicant Request dated July 13, 2018

cc: Public Services/Engineering
 Fire Protection Analyst
 Building Safety Division
 Transportation Services Division

PA-18-03 A1
August 23, 2018
Page 2 of 13

Owner: 3505 Cadillac Avenue, LLC
16787 Beach Blvd. #272
Huntington Beach, CA 92647

PROJECT DESCRIPTION

Background

On March 26, 2018, the Planning Commission approved, on a 5-0 vote, Planning Application PA-18-03 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, daily, increasing to a 24-hour-a-day operation, if demand warrants. Security systems (card readers, security cameras, etc.) will be located throughout the facility. No cultivation of marijuana or medical marijuana dispensary is permitted.

PA-18-03 was approved to 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 as approved under PA-18-04.

The staff report for PA-18-03 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2018/2018-03-26/PH-1.pdf>

The minutes for PA-18-03 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=30264>

The meeting video for PA-18-03 can be found here:

http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3179

As of the date of this report, building permits have not yet been obtained.

Request for Amendment

On April 3, 2018, the City Council adopted Ordinance No. 18-04 to allow adult use marijuana products to be manufactured, distributed, transported, tested and developed in the same manner and within the same geographic areas as medical marijuana uses pursuant to Measure X. Non-medical adult use marijuana was not legal under state law at that time of the adoption of Measure X but is now legal under the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act. With the City's newly adopted ordinance, Measure X applicants are no longer limited to medical marijuana uses. As such, approved Measure X CUP applicants may request to amend their CUP to include adult use. The applicant submitted this request on July 13, 2018 (Attachment 2).

In accordance with Costa Mesa Municipal Code (CMMC) Section 13-29 (p)(1) (Amendment to a Planning Application), minor amendments to a conditional use permit may be processed as a minor conditional use permit, subject to review and approval by the Zoning Administrator.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The addition of adult use marijuana will not substantially alter the original use as approved. The approved use is for a marijuana manufacturing and distribution facility. Modifying the CUP to allow for adult use marijuana in addition to medical marijuana does not require any physical changes to the facility and results in no substantial changes to the operation as originally approved. Cultivation of marijuana, or any type of marijuana dispensary, will continue to be prohibited.

All applicable conditions of approval for PA-18-03 remain in full force and effect. The use, as conditioned, will be consistent with the other uses in the immediate vicinity. Original conditions of approval remain in full force and effect, except as modified in Attachment 1. Modifications to the conditions of approval are administrative in nature and primarily delete references to “medical” marijuana in favor of a more generalized term.

General Plan Consistency

The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as described below.

FINDINGS

- A. The proposed amendment complies with Title 13, Section 13-29(g)(2), Conditional Use Permit and Minor Conditional Use Permit, of the Municipal Code. Findings for approval associated with the originally-approved CUP remain applicable and are not changed by the proposed modification from medical marijuana distribution to medical and adult use marijuana distribution. The findings from Planning Application 18-03 are hereby incorporated by reference. The conditions of approval applicable to this amendment are the same as applied to the originally-approved CUP but have been modified to remove the reference to “medical” marijuana.
- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This

exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The proposed modification to the approved use from medical marijuana distribution to medical and adult use marijuana distribution results in no physical changes to the facility and constitutes negligible or no expansion of the existing use.

- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL (MODIFIED)

- Plng.
1. The conditions of approval included herein shall supersede the conditions of approval for PA-18-03.
 2. The use of this property as a marijuana manufacturing/processing business shall comply with the approved plans and terms described in this resolution and these conditions of approval. The use shall be operated as described in Option 2A as presented by the applicant and included as part of the administrative record; specifically, the applicant has the ability to move cannabis product between Units M101 and L3, subject to the conditions of approval contained herein. The business hours shall be from 7 AM to 7 PM, daily, increasing to 24-hour-a-day operation if demand warrants. No product distribution shall occur between 12:00 AM to 5:00 AM. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
 3. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid marijuana business permit for this location within 12 months from issuance of this CUP.
 4. Use of this property as a marijuana distributor, manufacturer, or processor business shall comply with the approved plans and terms described in this resolution and the conditions of approval included herein.
 5. The subject business shall not engage in the retail sale of cannabis, marijuana, cannabis, marijuana, cannabis product, cannabis product, or any other item.
 6. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking front, rear and side of the proposed property.
 7. No cultivation of cannabis or marijuana may occur on the premises.
 8. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed

until the owner/operator or its designated contractor has obtained any permit required from the City.

9. A Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code. Revocation of the Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating under PA-18-03 until a valid Marijuana Business Permit is received from the City of Costa Mesa.
10. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.
11.
 - a. The owner/operator of this marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted marijuana activities, for the purpose of conducting an audit

or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.

- d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce historical transactional data for review by the City Manager.
12. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A:-viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community Improvement Division within 10 days of the date the change is effective.
 13. The operator shall maintain a valid Marijuana Business Permit and a valid Business License at all times. The Marijuana Business Permit application number associated with this address is MX-17-0004. Upon issuance, the Marijuana Business Permit will be valid for a two-year period and must be renewed with the Community Improvement Division prior to its expiration date, including the payment of permit renewal fees.
 14. No person may engage in any marijuana business or in any marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person:
 - a. Has a valid Marijuana Business Permit from the City.
 - b. Pays all Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana business intends to operate.
 - d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.

- e. Has met all requirements of Community Improvement Division regarding the property.
- f. Has satisfied all conditions of approval of this CUP.
- 15. Cannabis shall not be consumed on the premises at any time, in any form.
- 16. No outdoor storage of cannabis or cannabis products is permitted at any time.
- 17. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.
- 18. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
- 19. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
- 20. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
- 21. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the marijuana business.
- 22. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises is prohibited.
- 23. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
- 24. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
- 25. Every manager, supervisor, employee or volunteer of the marijuana business must submit fingerprints and other information specified on the Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.

- a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.
26. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.
 27. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
 28. Inspections of this marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshall may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP.
 29. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law.
 30. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Improvement Division scheduling a hearing before the Director of Development Services to consider revocation of the Marijuana Business Permit.

31. The business must obtain any and all licenses required by state law and/or regulation prior to engaging in any cannabis activity at the property.
32. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsifies any records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law.
33. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
34. Notwithstanding any provision of the Zoning Code to the contrary, including but not limited to § 12-29(p)(1), this Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a minor conditional use permit.
35. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
36. The operator shall maintain free of litter all areas of the premises under which applicant has control.
37. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
38. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and

applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- PIng.
1. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
 2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
 3. Hours of construction shall comply with Section 13-279, Title 13, of the Costa Mesa Municipal Code.
 4. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
 5. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and shall contrast sharply with the background.
 6. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.

7. Trash enclosure(s) or other acceptable means of trash disposal shall be provided. Design of trash enclosure(s) shall conform with City standards.
 8. No cultivation of marijuana, or marijuana dispensary, is permitted.
- Bldg.
9. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.
 10. The conditions of approval and ordinance or code provisions of planning application PA-18-03 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 11. Prior to the Building Division issuing a demolition permit. contact South Coast Air Quality Management District (AQMD) located at:
21865 Copley Dr.
Diamond Bar, CA 91765-4178
Tel: 909- 396-2000
or
Visit their web site:
<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=23381>. The Building Div. will not issue a demolition permit until an Identification Number is provided by AQMD.
 12. Plans shall be prepared by a California licensed Architect or Engineer. Plans shall be wet stamped and signed by the licensed Architect or Engineer prior to the issuance of building permits.
- Fire
13. Equipment shall be approved for use by a recognized testing laboratory.
 14. Comply with the requirements of the 2016 California Fire Code and referenced standards as amended by the City of Costa Mesa.
 15. Non-volatile extraction operations shall be conducted according to the Fire Department approved Safety Plan and the approved building construction plans.
 16. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval before the change taking place.
 17. There shall be no volatile extraction operations or winterization conducted at this facility.
 18. A copy of the approved Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.

19. The storage, use, and disposal of volatiles, solvents, or hazardous materials at this facility shall be conducted according to the California Fire Code and the Orange County Environmental Health Department regulations.
20. Marijuana liquid or solid waste must be made unusable and unrecognizable before leaving a secured storage area and shall be disposed of at facility approved to receive such waste.
21. Quarterly Fire & Life Safety Inspections will be conducted by the Community Risk Reduction Division to verify compliance with the approved operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
22. Annual Fire & Life Safety Inspections will be conducted by the Fire Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- | | | |
|-------|----|---|
| Sani. | 1. | The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released. |
| | 2. | Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements. |
| AQMD | 3. | Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD. |
| Water | 4. | Customer shall contact the Mesa Water District – Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District. |
| State | 5. | Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information. |

ATTACHMENT 2



Received
City of Costa Mesa
Development Services Department

JUL 13 2018

TO: Mr. Mel Lee
FROM: Mr. Michael Moussalli
NAME: Se7enLeaf LLC
SUBJECT: Request for Adult Use
RE: Planning Application Numbers PA-18-03 and PA-18-04

3505 Cadillac Ave, Bldg M, Suite #101
3505 Cadillac Ave, Unit L3
Costa Mesa CA 92626

Dear Mel,

On April 3, the City Council adopted a resolution to include Adult Use based on the passage of Prop 64.

Se7enLeaf is in process of building out our Building M facility and will shortly begin building on our Building L facility. We anticipate being ready for final inspections on our Building M facility before or around August 15th and therefore we will need to apply very soon for our State License, which is to include both Medicinal and Adult Use.

This letter is to advise the City of our intent to include Adult Use as part of our operations and as such, we are requesting a timely approval of Adult Use.

We are asking the City to seek an expedited approval as a "minor technical review", avoiding a formal Planning Commission hearing, seeking an administrative remedy, or at the very least, a Zoning Administrator review.

We have been spending a substantial amount of money and time through this licensing process for both our facilities and we would appreciate the City handling this opportunity as quick as possible as to avoid further delay.

We would also like to discuss with the City about the timing of support for a State License. We would like to encourage the City to allow Applicants to apply for a State License late enough in the licensing process, but not so late that Applicants aren't able to operate upon receiving all necessary City licensing, and would find themselves waiting for the State License to come through. We cannot do business until we have our State License, regardless if we already have obtained all our licensing from the City.

I would like to request a meeting as soon as possible to discuss this process and see if we can find a resolution which will allow us acquire our State License and to operate immediately upon receiving all of our licensing from the City.

Please advise us of next steps, we look forward to hearing from you.

Thank you for your continued help.

Sincerely,

Michael Moussalli

Co-Founder and Owner
Se7enLeaf LLC



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Michael Moussalli
3249 Washington Ave.
Costa Mesa, CA 92626

**RE: AMENDMENT TO PLANNING APPLICATION 18-04 TO ALLOW ADULT USE
MARIJUANA MANUFACTURING AND DISTRIBUTION IN ADDITION TO
MEDICAL MARIJUANA; OPERATED BY SE7ENLEAF
3505 CADILLAC AVENUE, UNIT L3**

Dear Mr. Moussalli:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: 1. Modified Conditions of Approval
 2. Applicant Request dated July 13, 2018

cc: Public Services/Engineering
 Fire Protection Analyst
 Building Safety Division
 Transportation Services Division

PA-18-04 A1
August 23, 2018
Page 2 of 14

Owner: Avanzare, LLC
 18134 Jamaica Road
 Costa Mesa, CA 92626

PROJECT DESCRIPTION

Background

On March 26, 2018, the Planning Commission approved, on a 5-0 vote, Planning Application 18-04 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, daily, increasing to a 24-hour-a-day operation, if demand warrants. Security systems (card readers, security cameras, etc.) will be located 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.

PA-18-04 was approved to 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 as approved under PA-18-03.

The staff report for PA-18-04 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2018/2018-03-26/PH-2.pdf>

The minutes for PA-18-04 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=30264>

The meeting video for PA-18-04 can be found here:

http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3179

As of the date of this report, building permits have not yet been obtained.

Request for Amendment

On April 3, 2018, the City Council adopted Ordinance No. 18-04 to allow adult use marijuana products to be manufactured, distributed, transported, tested and developed in the same manner and within the same geographic areas as medical marijuana uses pursuant to Measure X. Non-medical adult use marijuana was not legal under state law at that time of the adoption of Measure X but is now legal under the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act. With the City's newly adopted ordinance,

Measure X applicants are no longer limited to medical marijuana uses. As such, approved Measure X CUP applicants may request to amend their CUP to include adult use. The applicant submitted this request on July 13, 2018 (Attachment 2).

In accordance with CMMC Section 13-29 (p)(1) (Amendment to a Planning Application), minor amendments to a conditional use permit may be processed as a minor conditional use permit, subject to review and approval by the Zoning Administrator.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The addition of adult use marijuana will not substantially alter the original use as approved. The approved use is for a marijuana manufacturing and distribution facility. Modifying the CUP to allow for adult use marijuana in addition to medical marijuana does not require any physical changes to the facility and results in no substantial changes to the operation as originally approved. Cultivation of marijuana, or medical marijuana dispensary, will continue to be prohibited.

All applicable conditions of approval for PA-18-04 remain in full force and effect. The use, as conditioned, will be consistent with the other uses in the immediate vicinity. Original conditions of approval remain in full force and effect, except as modified in Attachment 1. Modifications to the conditions of approval are administrative in nature and primarily delete references to “medical” marijuana in favor of a more generalized term.

General Plan Consistency

The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as described below.

FINDINGS

- A. The proposed amendment complies with Title 13, Section 13-29(g)(2), Conditional Use Permit and Minor Conditional Use Permit, of the Municipal Code. Findings for approval associated with the originally-approved CUP remain applicable and are not changed by the proposed modification from medical marijuana distribution to medical and adult use marijuana distribution. The findings from Planning Application 18-04 are hereby incorporated by reference. The conditions of approval applicable to this amendment are the same as applied to the originally-approved CUP but have been modified to remove the reference to “medical” marijuana.

- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The proposed modification to the approved use from medical marijuana distribution to medical and adult use marijuana distribution results in no physical changes to the facility and constitutes negligible or no expansion of the existing use.
- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL (MODIFIED)

- Plng.
- 1. The conditions of approval included herein shall supersede the conditions of approval for PA-18-04.
 - 2. The use of this property as a marijuana manufacturing/processing business shall comply with the approved plans and terms described in this resolution and these conditions of approval. The use shall be operated as described in Option 2A as presented by the applicant and included as part of the administrative record; specifically, the applicant has the ability to move cannabis product between Units M101 and L3, subject to the conditions of approval contained herein. The business hours shall be from 7 AM to 7 PM, daily, increasing to 24-hour-a-day operation if demand warrants. No product distribution shall occur between 12:00 AM to 5:00 AM. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
 - 3. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid marijuana business permit for this location within 12 months from issuance of this CUP.
 - 4. Use of this property as a marijuana distributor, manufacturer, or processor business shall comply with the approved plans and terms described in this resolution and the conditions of approval included herein.
 - 5. The subject business shall not engage in the retail sale of cannabis, marijuana, cannabis, marijuana, cannabis product, cannabis product, or any other item.
 - 6. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking front, rear and side of the proposed property.
 - 7. No cultivation of cannabis or marijuana may occur on the premises.
 - 8. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any

references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed until the owner/operator or its designated contractor has obtained any permit required from the City.

9. A Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code. Revocation of the Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating under PA-18-04 until a valid Marijuana Business Permit is received from the City of Costa Mesa.
10. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.
11.
 - a. The owner/operator of this marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records,

accounts, together with any other data or documents relevant to its permitted marijuana activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.

- d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce historical transactional data for review by the City Manager.
12. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A-:viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community Improvement Division within 10 days of the date the change is effective.
13. The operator shall maintain a valid Marijuana Business Permit and a valid Business License at all times. The Marijuana Business Permit application number associated with this address is MX-17-0013. Upon issuance, the Marijuana Business Permit will be valid for a two-year period and must be renewed with the Community Improvement Division prior to its expiration date, including the payment of permit renewal fees.
14. No person may engage in any marijuana business or in any marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person:
 - a. Has a valid Marijuana Business Permit from the City.
 - b. Pays all Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana business intends to operate.

- d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.
 - e. Has met all requirements of Community Improvement Division regarding the property.
 - f. Has satisfied all conditions of approval of this CUP.
15. Cannabis shall not be consumed on the premises at any time, in any form.
 16. No outdoor storage of cannabis or cannabis products is permitted at any time.
 17. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.
 18. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
 19. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
 20. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
 21. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the marijuana business.
 22. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises is prohibited.
 23. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
 24. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
 25. Every manager, supervisor, employee or volunteer of the marijuana business must submit fingerprints and other information specified on the

Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.

- a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.
26. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.
 27. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
 28. Inspections of this marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshall may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP.
 29. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law.
 30. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Improvement Division scheduling a hearing before the Director of Development Services to consider revocation of the Marijuana

Business Permit.

31. The business must obtain any and all licenses required by state law and/or regulation prior to engaging in any cannabis activity at the property.
32. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsifies any records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law.
33. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
34. Notwithstanding any provision of the Zoning Code to the contrary, including but not limited to § 12-29(p)(1), this Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a minor conditional use permit.
35. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
36. The operator shall maintain free of litter all areas of the premises under which applicant has control.
37. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
38. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the

indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- PIng.
1. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
 2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
 3. Hours of construction shall comply with Section 13-279, Title 13, of the Costa Mesa Municipal Code.
 4. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
 5. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and

shall contrast sharply with the background

6. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
 7. Trash enclosure(s) or other acceptable means of trash disposal shall be provided. Design of trash enclosure(s) shall conform with City standards.
 8. No cultivation of marijuana, or marijuana dispensary, is permitted.
- Bldg.
9. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.
 10. The conditions of approval and ordinance or code provisions of planning application PA-18-04 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 11. Prior to the Building Division issuing a demolition permit. contact South Coast Air Quality Management District (AQMD) located at:
21865 Copley Dr.
Diamond Bar, CA 91765-4178
Tel: 909- 396-2000
or
Visit their web site:
<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=23381>. The Building Div. will not issue a demolition permit until an Identification Number is provided by AQMD.
 12. Plans shall be prepared by a California licensed Architect or Engineer. Plans shall be wet stamped and signed by the licensed Architect or Engineer prior to the issuance of building permits.
- Fire
13. Equipment shall be approved for use by a recognized testing laboratory.
 14. Comply with the requirements of the 2016 California Fire Code, including the 2016 Intervening Update and referenced standards as amended by the City of Costa Mesa.
 15. Volatile extraction and post-processing winterization operations shall be conducted according to the approved Registered Design Professional's

technical report; Fire Department approved Safety Plan; and the approved building construction plans.

16. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval before the change taking place.
17. A copy of the approved technical report and Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.
18. The storage, use, and disposal of volatiles, solvents, or hazardous materials at this facility shall be conducted according to the 2016 California Fire Code and the Orange County Environmental Health Department regulations.
19. Marijuana liquid or solid waste must be made unusable and unrecognizable before leaving a secured storage area and shall be disposed of at facility approved to receive such waste.
20. Quarterly Fire & Life Safety Inspections will be conducted by the Community Risk Reduction Division to verify compliance with the approved operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
21. Annual Fire & Life Safety Inspections will be conducted by the Fire Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- | | | |
|-------|----|---|
| Sani. | 1. | The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released. |
| | 2. | Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements. |
| AQMD | 3. | Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD. |
| Water | 4. | Customer shall contact the Mesa Water District – Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District. |
| State | 5. | Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information. |



Received
City of Costa Mesa
Development Services Department

JUL 13 2018

TO: Mr. Mel Lee
FROM: Mr. Michael Moussalli
NAME: Se7enLeaf LLC
SUBJECT: Request for Adult Use
RE: Planning Application Numbers PA-18-03 and PA-18-04

3505 Cadillac Ave, Bldg M, Suite #101
3505 Cadillac Ave, Unit L3
Costa Mesa CA 92626

Dear Mel,

On April 3, the City Council adopted a resolution to include Adult Use based on the passage of Prop 64.

Se7enLeaf is in process of building out our Building M facility and will shortly begin building on our Building L facility. We anticipate being ready for final inspections on our Building M facility before or around August 15th and therefore we will need to apply very soon for our State License, which is to include both Medicinal and Adult Use.

This letter is to advise the City of our intent to include Adult Use as part of our operations and as such, we are requesting a timely approval of Adult Use.

We are asking the City to seek an expedited approval as a "minor technical review", avoiding a formal Planning Commission hearing, seeking an administrative remedy, or at the very least, a Zoning Administrator review.

We have been spending a substantial amount of money and time through this licensing process for both our facilities and we would appreciate the City handling this opportunity as quick as possible as to avoid further delay.

We would also like to discuss with the City about the timing of support for a State License. We would like to encourage the City to allow Applicants to apply for a State License late enough in the licensing process, but not so late that Applicants aren't able to operate upon receiving all necessary City licensing, and would find themselves waiting for the State License to come through. We cannot do business until we have our State License, regardless if we already have obtained all our licensing from the City.

I would like to request a meeting as soon as possible to discuss this process and see if we can find a resolution which will allow us acquire our State License and to operate immediately upon receiving all of our licensing from the City.

Please advise us of next steps, we look forward to hearing from you.

Thank you for your continued help.

Sincerely,

Michael Moussalli

Co-Founder and Owner
Se7enLeaf LLC



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Meilad Rafiei
1300 Bristol Street North, Suite 100
Newport Beach, CA 92660

**RE: AMENDMENT TO PLANNING APPLICATION 18-06 TO ALLOW ADULT USE
MARIJUANA MANUFACTURING IN ADDITION TO MEDICAL MARIJUANA;
OPERATED BY LEAF CONCEPTS
3505 CADILLAC AVENUE, BUILDING E, COSTA MESA**

Dear Mr. Rafiei:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: 1. Modified Conditions of Approval
 2. Applicant Request dated July 23, 2018

cc: Public Services/Engineering
 Fire Protection Analyst
 Building Safety Division
 Transportation Services Division

PA-18-06 A1
August 23, 2018
Page 2 of 13

Owner: Kerkorp, LLC
1418 Scholarship
Irvine, CA 92626

PROJECT DESCRIPTION

Background

On June 11, 2018, the Planning Commission approved, on a 5-0 vote, Planning Application 18-06 for a Medical Marijuana manufacturing facility (Leaf Concepts, LLC) within a 7,783-square-foot tenant space in an existing industrial building. The proposed facility will include preparation, extraction, manufacturing and processing (e.g. distillation, oven, mixing and commercial kitchen), packaging, storage, and ancillary offices. The facility will be staffed by at least 12 employees. The initial hours of operation are proposed to be from 7 AM to 4 PM with a possible second shift from 4 PM to 1 AM, daily, increasing to 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 staff report for PA-18-06 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2018/2018-06-11/PH-1.pdf>

The minutes for PA-18-06 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=31567>

The meeting video for PA-18-06 can be found here:

http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3219

As of the date of this report, building permits have not yet been obtained.

Request for Amendment

On April 3, 2018, the City Council adopted Ordinance No. 18-04 to allow adult use marijuana products to be manufactured, distributed, transported, tested and developed in the same manner and within the same geographic areas as medical marijuana uses pursuant to Measure X. Non-medical adult use marijuana was not legal under state law at that time of the adoption of Measure X but is now legal under the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act. With the City's newly adopted ordinance, Measure X applicants are no longer limited to medical marijuana uses. As such, approved Measure X CUP applicants may request to amend their CUP to include adult use. The applicant submitted this request on July 23, 2018 (Attachment 2).

In accordance with CMMC Section 13-29 (p)(1) (Amendment to a Planning Application), minor amendments to a conditional use permit may be processed as a minor conditional use permit, subject to review and approval by the Zoning Administrator.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The addition of adult use marijuana will not substantially alter the original use as approved. The approved use is for a marijuana manufacturing facility. Modifying the CUP to allow for adult use marijuana in addition to medical marijuana does not require any physical changes to the facility and results in no substantial changes to the operation as originally approved. Cultivation of marijuana, or medical marijuana dispensary, will continue to be prohibited.

All applicable conditions of approval for PA-18-06 remain in full force and effect. The use, as conditioned, will be consistent with the other uses in the immediate vicinity. Original conditions of approval remain in full force and effect, except as modified in Attachment 1. Modifications to the conditions of approval are administrative in nature and primarily delete references to “medical” marijuana in favor of a more generalized term.

General Plan Consistency

The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as described below.

FINDINGS

- A. The proposed amendment complies with Title 13, Section 13-29(g)(2), Conditional Use Permit and Minor Conditional Use Permit, of the Municipal Code. Findings for approval associated with the originally-approved CUP remain applicable and are not changed by the proposed modification from medical marijuana distribution to medical and adult use marijuana distribution. The findings from Planning Application 18-06 are hereby incorporated by reference. The conditions of approval applicable to this amendment are the same as applied to the originally-approved CUP but have been modified to remove the reference to “medical” marijuana.
- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The proposed modification to the approved use from medical marijuana distribution to medical and adult use marijuana distribution results in no physical changes to the facility and constitutes negligible or no expansion of the existing use.

- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL (MODIFIED)

- Plng.
1. The conditions of approval included herein shall supersede the conditions of approval for PA-18-06.
 2. The use of this property as a marijuana manufacturing business shall comply with the approved plans and terms described in this resolution and these conditions of approval. The business hours shall be from 7 AM to 4 PM with a second shift from 4 PM to 1 AM, Monday through Sunday, increasing to 24-hour-a-day operation if demand warrants. No product distribution is permitted. No loading, unloading, or transportation of product shall occur between the hours of 11 PM and 6 AM. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
 3. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid marijuana business permit for this location within 12 months from issuance of this CUP.
 4. Use of this property as a marijuana manufacturer business shall comply with the approved plans and terms described in this resolution and the conditions of approval included herein.
 5. The subject business shall not engage in the retail sale of cannabis, marijuana, cannabis, marijuana, cannabis product, cannabis product, or any other item.
 6. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking front, rear and side of the proposed property.
 7. No cultivation of cannabis or marijuana may occur on the premises.
 8. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed until the owner/operator or its designated contractor has obtained any permit required from the City.
 9. A Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code.

Revocation of the Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating under PA-18-06 until a valid Marijuana Business Permit is received from the City of Costa Mesa.

10. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.
11.
 - a. The owner/operator of this marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted marijuana activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.
 - d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana business including, but not limited to, such matters as cannabis tracking, inventory data,

and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce historical transactional data for review by the City Manager.

12. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A:-viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community Improvement Division within 10 days of the date the change is effective.
13. The operator shall maintain a valid Marijuana Business Permit and a valid Business License at all times. The Marijuana Business Permit application number associated with this address is MX-17-0007. Upon issuance, the Marijuana Business Permit will be valid for a two-year period and must be renewed with the Community Improvement Division prior to its expiration date, including the payment of permit renewal fees.
14. No person may engage in any marijuana business or in any marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person:
 - a. Has a valid Marijuana Business Permit from the City.
 - b. Pays all Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana business intends to operate.
 - d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.
 - e. Has met all requirements of Community Improvement Division regarding the property.
 - f. Has satisfied all conditions of approval of this CUP.
15. Cannabis shall not be consumed on the premises at any time, in any form.
16. No outdoor storage of cannabis or cannabis products is permitted at any time.

17. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local regulations.
18. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
19. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
20. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
21. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the marijuana business.
22. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises is prohibited.
23. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
24. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
25. Every manager, supervisor, employee or volunteer of the marijuana business must submit fingerprints and other information specified on the Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.
 - a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or

manufacture of a controlled substance.

26. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.
27. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
28. Inspections of this marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshall may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP.
29. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law.
30. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Improvement Division scheduling a hearing before the Director of Development Services to consider revocation of the Marijuana Business Permit.
31. The business must obtain any and all licenses required by state law and/or regulation prior to engaging in any cannabis activity at the property.
32. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface,

damage, or falsifies any records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law.

33. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
34. Notwithstanding any provision of the Zoning Code to the contrary, including but not limited to § 12-29(p)(1), this Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a minor conditional use permit.
35. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
36. The operator shall maintain free of litter all areas of the premises under which applicant has control.
37. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
38. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- Plng.
1. All contractors and subcontractors must have valid business licenses to do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.
 2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
 3. Hours of construction shall comply with Section 13-279, Title 13, of the Costa Mesa Municipal Code.
 4. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
 5. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and shall contrast sharply with the background.
 6. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning

Division.

7. Trash enclosure(s) or other acceptable means of trash disposal shall be provided. Design of trash enclosure(s) shall conform with City standards.
 8. No cultivation of marijuana, or marijuana dispensary, is permitted.
- Bldg.
9. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.
 10. The conditions of approval and ordinance or code provisions of planning application PA-18-06 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 11. Prior to the Building Division issuing a demolition permit, contact South Coast Air Quality Management District (AQMD) located at:
21865 Copley Dr.
Diamond Bar, CA 91765-4178
Tel: 909- 396-2000
or
Visit their web site:
<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=23381>. The Building Div. will not issue a demolition permit until an Identification Number is provided by AQMD.
 12. Plans shall be prepared by a California licensed Architect or Engineer. Plans shall be wet stamped and signed by the licensed Architect or Engineer prior to the issuance of building permits.
- Fire
13. Equipment shall be approved for use by a recognized testing laboratory.
 14. Comply with the requirements of the 2016 California Fire Code and referenced standards as amended by the City of Costa Mesa.
 15. Volatile extraction and post-processing winterization operations shall be conducted according to the approved Registered Design Professional's technical report; Fire Department approved Safety Plan; and the approved building construction plans.
 16. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval before the change taking place.

17. A copy of the approved technical report and Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.
18. The storage, use, and disposal of volatiles, solvents, or hazardous materials at this facility shall be conducted according to the 2016 California Fire Code and the Orange County Environmental Health Department regulations.
19. Marijuana liquid or solid waste must be made unusable and unrecognizable before leaving a secured storage area and shall be disposed of at facility approved to receive such waste.
20. Quarterly Fire & Life Safety Inspections will be conducted by the Community Risk Reduction Division to verify compliance with the approved operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
21. Annual Fire & Life Safety Inspections will be conducted by the Fire Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- | | | |
|-------|----|---|
| Sani. | 1. | The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released. |
| | 2. | Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements. |
| AQMD | 3. | Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD. |
| Water | 4. | Customer shall contact the Mesa Water District – Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District. |
| State | 5. | Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information. |

July 18, 2018

ATTACHMENT 2

City of Costa Mesa / Attn: Mel Lee
77 Fair Drive
Costa Mesa, CA 92626

REC'D JUL 23 2018

RE: Planning Application Number PA-18-06, Amendment of CUP

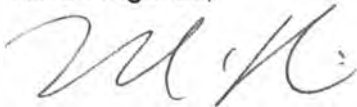
Dear Mel,

Please accept this letter as acknowledgment that Leaf Concepts, LLC would like to move forward with amending the CUP to include Adult-Use for the property located at 3505 Cadillac Ave, Bldg E.

If any further information is required to start this process please let us know.

Thank you!

Kind Regards,



Meilad Rafiei, President

WeCann on behalf of Leaf Concepts, LLC
Mobile 714.393.3077
meilad@wecann.biz
www.WeCann.biz



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

August 23, 2018

Krystal Kitahara
3505 Cadillac Avenue, Unit O101
Costa Mesa, CA 92626

**RE: AMENDMENT TO PLANNING APPLICATION 18-07 TO ALLOW ADULT USE
MARIJUANA MANUFACTURING IN ADDITION TO MEDICAL MARIJUANA;
OPERATED BY YUMMI KARMA
3505 CADILLAC AVENUE, UNIT O101**

Dear Ms. Kitahara:

City staff's review of your zoning application for the above-referenced project has been completed. The application, as described in the attached project description, has been approved, based on the findings attached and subject to the conditions listed. The decision will become final at 5:00 p.m. on August 30, 2018, unless appealed by an affected party, including filing of the necessary application and payment of the appropriate fee, or called up for review by a member of the Planning Commission or City Council.

If you have any questions regarding this letter, please feel free to contact the project planner, Mel Lee, at (714) 754-5611, or at mel.lee@costamesaca.gov.

Sincerely,

WILLA BOUWENS-KILLEEN, AICP
Zoning Administrator

Attachments: 1. Modified Conditions of Approval
 2. Applicant Request dated July 25, 2018

cc: Public Services/Engineering
 Fire Protection Analyst
 Building Safety Division
 Transportation Services Division

PA-18-07 A1
August 23, 2018
Page 2 of 13

Owner: Ross Tesser
 608 Ocean Ave.
 Seal Beach, CA 90740

PROJECT DESCRIPTION

Background

On April 9, 2018, the Planning Commission approved, on a 3-0 vote, Planning Application 18-07 for a Medical Marijuana manufacturing facility (Yummi Karma, LLC) within a 2,650-square-foot tenant space in an existing industrial building. The proposed facility would include preparation, extraction, manufacturing, processing, packaging, and storage of cannabis products as well as ancillary offices. The facility will be staffed by at least 12 employees. The hours of operation are proposed to be from 7 AM to 7 PM, Monday through Friday. 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 staff report for PA-18-07 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2018/2018-04-09/PH-4.pdf>

The minutes for PA-18-07 can be found here:

<http://www.costamesaca.gov/home/showdocument?id=30260>

The meeting video for PA-18-07 can be found here:

http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3188

As of the date of this report, building permits have not yet been obtained.

Request for Amendment

On April 3, 2018, the City Council adopted Ordinance No. 18-04 to allow adult use marijuana products to be manufactured, distributed, transported, tested and developed in the same manner and within the same geographic areas as medical marijuana uses pursuant to Measure X. Non-medical adult use marijuana was not legal under state law at that time of the adoption of Measure X but is now legal under the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act. With the City's newly adopted ordinance, Measure X applicants are no longer limited to medical marijuana uses. As such, approved Measure X CUP applicants may request to amend their CUP to include adult use. The applicant submitted this request on July 25, 2018 (Attachment 2).

In accordance with CMMC Section 13-29 (p)(1) (Amendment to a Planning Application), minor amendments to a conditional use permit may be processed as a minor conditional use permit, subject to review and approval by the Zoning Administrator.

ANALYSIS

Justifications for Approval

Staff supports the request based on the following:

The addition of adult use marijuana will not substantially alter the original use as approved. The approved use is for a marijuana manufacturing/processing facility. Modifying the CUP to allow for adult use marijuana in addition to medical marijuana does not require any physical changes to the facility and results in no substantial changes to the operation as originally approved. Cultivation of marijuana, or medical marijuana dispensary, will continue to be prohibited.

All applicable conditions of approval for PA-18-07 remain in full force and effect. The use, as conditioned, will be consistent with the other uses in the immediate vicinity. Original conditions of approval remain in full force and effect, except as modified in Attachment 1. Modifications to the conditions of approval are administrative in nature and primarily delete references to “medical” marijuana in favor of a more generalized term.

General Plan Consistency

The use is consistent with the use and intensity allowed by the Industrial Park General Plan land use designation and is consistent with the General Plan goals and policies as described below.

FINDINGS

- A. The proposed amendment complies with Title 13, Section 13-29(g)(2), Conditional Use Permit and Minor Conditional Use Permit, of the Municipal Code. Findings for approval associated with the originally-approved CUP remain applicable and are not changed by the proposed modification from medical marijuana distribution to medical and adult use marijuana distribution. The findings from Planning Application 18-07 are hereby incorporated by reference. The conditions of approval applicable to this amendment are the same as applied to the originally-approved CUP but have been modified to remove the reference to “medical” marijuana.
- B. The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301 for Existing Facilities. This exemption applies to projects that involve minor alterations to equipment, structures or facilities involving negligible or no expansion of the existing use. The proposed modification to the approved use from medical marijuana distribution to medical and adult use marijuana distribution results in no physical changes to the facility and constitutes negligible or no expansion of the existing use.

- C. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

CONDITIONS OF APPROVAL (MODIFIED)

- Plng.
1. The conditions of approval included herein shall supersede the conditions of approval for PA-18-07.
 2. The use of this property as a marijuana manufacturing/processing business shall comply with the approved plans and terms described in this resolution and these conditions of approval. The business hours shall be from 7 AM to 7 PM, Monday through Friday. The Planning Commission may modify or revoke any planning application based on findings related to public nuisance and/or noncompliance with conditions of approval [Title 13, Section 13-29(o)].
 3. This CUP will expire and be of no further force and effect if the applicant does not obtain a valid marijuana business permit for this location within 12 months from issuance of this CUP.
 4. Use of this property as a marijuana distributor, manufacturer, or processor business shall comply with the approved plans and terms described in this resolution and the conditions of approval included herein.
 5. The subject business shall not engage in the retail sale of cannabis, marijuana, cannabis, marijuana, cannabis product, cannabis product, or any other item.
 6. Prior to the issuance of certificates of use and occupancy, the applicant shall provide the City with photographs depicting the interior and exterior of the property, including, but not limited to, the entire interior of the proposed property entrances, exits, street frontage, parking front, rear and side of the proposed property.
 7. No cultivation of cannabis or marijuana may occur on the premises.
 8. Business identification signage shall be limited to that needed for identification only. Business identification signage shall not include any references to marijuana, whether in words or symbols. All signs shall comply with the Costa Mesa Municipal Code. No sign shall be installed until the owner/operator or its designated contractor has obtained any permit required from the City.
 9. A Marijuana Business Permit may be revoked upon a hearing by the Director of Development Services pursuant to Section 9-120 of the Costa Mesa Municipal Code for failing to comply with the terms of the permit, the applicable provisions of the Municipal Code, state law or regulation and/or any condition of any other permit issued pursuant to this code. Revocation of the Marijuana Business Permit shall trigger the City's proceedings to revoke this CUP. The CUP granted herein shall not be construed to allow any subsequent owner/operator to continue operating

under PA-18-07 until a valid Marijuana Business Permit is received from the City of Costa Mesa.

10. This business operator shall pay all sales, use, business and other applicable taxes, and all license, registration, and other fees and permits required under federal, state and local law. This business operator shall cooperate with the City with respect to any reasonable request to audit the marijuana business' books and records for the purpose of verifying compliance with the CMMC and this CUP, including but not limited to a verification of the amount of taxes required to be paid during any period.
11.
 - a. The owner/operator of this marijuana business shall maintain accurate books and records, detailing all of the revenues and expenses of the business, and all of its assets and liabilities. On no less than an annual basis, or at any time upon reasonable request of the City, the owner/operator shall file a sworn statement detailing the number of sales by the marijuana business during the previous twelve month period (or shorter period based upon the timing of the request), provided on a per-month basis. The statement shall also include gross sales for each month, and all applicable taxes paid or due to be paid.
 - b. The owner/operator shall maintain a current register of the names and the contact information (including the name, address, and telephone number) of anyone owning or holding an interest in the marijuana business, and separately of all the officers, managers, employees, agents and volunteers currently employed or otherwise engaged by the marijuana business. The register required by this condition shall be provided to the City Manager upon a reasonable request.
 - c. The owner/operator shall maintain an inventory control and reporting system that accurately documents the present location, amounts, and descriptions of all cannabis and cannabis products for all stages of the production or manufacturing, laboratory testing and distribution processes. Subject to any restrictions under the Health Insurance Portability and Accountability Act (HIPPA), the owner/operator shall allow City officials to have access to the business's books, records, accounts, together with any other data or documents relevant to its permitted marijuana activities, for the purpose of conducting an audit or examination. Books, records, accounts, and any and all relevant data or documents will be produced no later than twenty-four (24) hours after receipt of the City's request, unless otherwise stipulated by the City.
 - d. The owner/operator shall have in place a point-of-sale tracking system to track and report on all aspects of the marijuana business including, but not limited to, such matters as cannabis tracking, inventory data, and gross sales (by weight and by sale). The owner/operator shall ensure that such information is compatible with the City's record-keeping systems. The system must have the capability to produce

historical transactional data for review by the City Manager.

12. The owner/operator shall obtain and maintain at all times during the term of the permit comprehensive general liability insurance and comprehensive automotive liability insurance protecting the permittee in an amount of not less than one million dollars (\$1,000,000.00) per occurrence, combined single limit, including bodily injury and property damage and not less than one million dollars (\$1,000,000.00) aggregate for each personal injury liability, products-completed operations and each accident, issued by an insurance provider admitted and authorized to do business in California and shall be rated at least A-:viii in A.M. Best & Company's Insurance Guide. Proof of said insurance must be provided to the Planning Division before the business commences operations. Any changes to the insurance policy must be submitted to the Community Improvement Division within 10 days of the date the change is effective.
13. The operator shall maintain a valid Marijuana Business Permit and a valid Business License at all times. The Marijuana Business Permit application number associated with this address is MX-17-0011. Upon issuance, the Marijuana Business Permit will be valid for a two-year period and must be renewed with the Community Improvement Division prior to its expiration date, including the payment of permit renewal fees.
14. No person may engage in any marijuana business or in any marijuana activity within the City including manufacture, processing, laboratory testing, transporting, dispensing, distribution, or sale of cannabis or a cannabis product unless the person:
 - a. Has a valid Marijuana Business Permit from the City.
 - b. Pays all Marijuana Business Permit and all application fees and deposits established by resolution of the City Council, including, but not limited to, annual Community Improvement Division Inspection deposits.
 - c. Has obtained all applicable planning, zoning, building, and other applicable permits from the relevant governmental agency which may be applicable to the zoning district in which such marijuana business intends to operate.
 - d. Has obtained a City business license pursuant to Chapter I of the Municipal Code.
 - e. Has met all requirements of Community Improvement Division regarding the property.
 - f. Has satisfied all conditions of approval of this CUP.
15. Cannabis shall not be consumed on the premises at any time, in any form.
16. No outdoor storage of cannabis or cannabis products is permitted at any time.
17. All cannabis and cannabis products sold, distributed or manufactured shall be cultivated, manufactured, and transported by licensed facilities that maintain operations in full conformance with State and local

regulations.

18. The sale, dispensing, or consumption of alcoholic beverages on or about the premises is prohibited.
19. Persons under the age of twenty-one (21) years shall not be allowed on the premises of this business. It shall be unlawful and a violation of this CUP for the owner/operator to employ any person who is not at least twenty-one (21) years of age.
20. The owner/operator shall prohibit loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises.
21. No cannabis or cannabis products, or graphics depicting cannabis or cannabis products, shall be visible from the exterior of this property, or on any of the vehicles owned or used as part of the marijuana business.
22. Each entrance to the business shall be visibly posted with a clear and legible notice stating the following:
 - a. That smoking, ingesting, or otherwise consuming cannabis on the premises or in the areas adjacent to the marijuana business is prohibited.
 - b. That no person under the age of twenty-one (21) years of age is permitted to enter upon the premises.
 - c. That loitering by persons outside the facility both on the premises and within fifty feet (50') of the premises is prohibited.
23. Odor control devices and techniques shall be incorporated to ensure that odors from marijuana are not are not detected outside the property, anywhere on adjacent property or public right-of-way, or within any other units located within the same building as the marijuana business. Building and mechanical permits must be obtained from the Building Division prior to work commencing on any part of the odor control system.
24. Security and Safety Measures: The Security Plan and Safety Plan identified in the approved Marijuana Business Permit must be implemented at all times and must conform to the requirements of both Title 9, Chapter VI and the City's Administrative Regulation Number 4.2.
25. Every manager, supervisor, employee or volunteer of the marijuana business must submit fingerprints and other information specified on the Marijuana Business Permit for a background check by the Costa Mesa Police Department to verify that person's criminal history.
 - a. No employee or volunteer may commence paid or unpaid work for the business until the background checks have been approved.
 - b. No marijuana business or owner thereof may employ any person who has convicted of a felony within the past 7 years, unless that felony has been dismissed, withdrawn, expunged or set aside pursuant to Penal Code sections 1203.4, 1000 or 1385, or who is currently on probation or parole for the sale, distribution, possession or manufacture of a controlled substance.
26. All employees must wear an identification badge while on the premises of the business, in a format prescribed by the City Manager.

27. Should any employee, volunteer or other person who possess an identification badge be terminated or cease their employment with the business, the applicant shall return such identification badge to the Community Improvement Division within 24 hours, not including weekends and holidays.
28. Inspections of this marijuana business by the City's Community Improvement Division will be conducted, at a minimum, on a quarterly basis. Code Enforcement officers, the Building Official and/or the Fire Marshall may enter and inspect the location of this business between the hours of 8:00 am and 5:00 pm Monday through Friday upon 24 hours telephonic notice to the owner or operator, to ensure compliance with this CUP.
29. The City Manager or his or her designees may enter this business at any time during the hours of operation without notice, and inspect the location of this business as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law. The City Manager or his or her designees may conduct inspections at the site, as well as any recordings and records required to be maintained pursuant to Title 9, Chapter VI or under applicable provisions of State law.
30. Suspension of a license issued by the State of California, or by any of its departments or divisions, shall immediately suspend the ability of a marijuana business to operate within the City, until the State of California, or its respective department or division, reinstates or reissues the State license. Should the State of California, or any of its departments or divisions, revoke or terminate the license of a marijuana business, such revocation or termination shall also revoke or terminate the ability of a cannabis business to operate within the City. This CUP will expire and be of no further force and effect if any state issued license remains suspended for a period of 6 months. Documentation of three violations during routine inspections or investigations of complaints shall result in the Community Improvement Division scheduling a hearing before the Director of Development Services to consider revocation of the Marijuana Business Permit.
31. The business must obtain any and all licenses required by state law and/or regulation prior to engaging in any cannabis activity at the property.
32. Pursuant to Title 9, Chapter VI It is unlawful for any person having responsibility for the operation of a marijuana business, to impede, obstruct, interfere with, or otherwise not to allow, the City to conduct an inspection, review or copy records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or local law. It is also unlawful for a person to conceal, destroy, deface, damage, or falsifies any records, recordings or other documents required to be maintained by a marijuana business under this chapter or under state or

local law.

33. The uses authorized by this Conditional Use Permit must be conducted in accordance with all applicable state and local laws, including, but not limited to compliance with the most current versions of the provisions of the California Code of Regulations that regulate the uses permitted hereby. Any violation thereof shall be a violation of the conditions of this permit and may be cause for revocation of this permit.
34. Notwithstanding any provision of the Zoning Code to the contrary, including but not limited to § 12-29(p)(1), this Conditional Use Permit may only be amended by following the same procedure and fee schedule as required for the initial approval, and may not be modified by a minor conditional use permit.
35. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval prior to the change taking place.
36. The operator shall maintain free of litter all areas of the premises under which applicant has control.
37. The use shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The operator shall institute whatever security and operational measures are necessary to comply with this requirement.
38. The applicant shall defend, indemnify, and hold harmless the City, its elected and appointed officials, agents, officers and employees from any claim, action, or proceeding (collectively referred to as "proceeding") brought against the City, its elected and appointed officials, agents, officers or employees arising out of, or which are in any way related to, the applicant's project, or any approvals granted by City related to the applicant's project. The indemnification shall include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorney's fees, and other costs, liabilities and expenses incurred in connection with such proceeding whether incurred by the applicant, the City and/or the parties initiating or bringing such proceeding. This indemnity provision shall include the applicant's obligation to indemnify the City for all the City's costs, fees, and damages that the City incurs in enforcing the indemnification provisions set forth in this section. City shall have the right to choose its own legal counsel to represent the City's interests, and applicant shall indemnify City for all such costs incurred by City.

CODE REQUIREMENTS

The following list of federal, state and local laws applicable to the project has been compiled by staff for the applicant's reference. Any reference to "City" pertains to the City of Costa Mesa.

- PIng. 1. All contractors and subcontractors must have valid business licenses to

do business in the City of Costa Mesa. Final inspections, final occupancy and utility releases will not be granted until all such licenses have been obtained.

2. Approval of the planning/zoning application is valid for two (2) years from the effective date of this approval and will expire at the end of that period unless applicant establishes the use by one of the following actions: 1) a building permit has been issued and construction has commenced, and has continued to maintain a valid building permit by making satisfactory progress as determined by the Building Official, 2) a certificate of occupancy has been issued, or 3) the use is established and a business license has been issued. A time extension can be requested no less than thirty (30) days or more than sixty (60) days before the expiration date of the permit and submitted with the appropriate fee for review to the Planning Division. The Director of Development Services may extend the time for an approved permit or approval to be exercised up to 180 days subject to specific findings listed in Title 13, Section 13-29 (k) (6). Only one request for an extension of 180 days may be approved by the Director. Any subsequent extension requests shall be considered by the original approval authority.
3. Hours of construction shall comply with Section 13-279, Title 13, of the Costa Mesa Municipal Code.
4. Permits shall be obtained for all signs according to the provisions of the Costa Mesa Sign Ordinance.
5. Street address shall be visible from the public street and/or shall be displayed on the freestanding sign. If there is no freestanding sign, the street address may be displayed on the fascia adjacent to the main entrance or on another prominent location. When the property has alley access, address numerals shall be displayed in a prominent location visible from the alley. Numerals shall be a minimum twelve (12) inches in height with not less than three-fourth-inch stroke and shall contrast sharply with the background. Identification of individual units shall be provided adjacent to the unit entrances. Letters or numerals shall be four (4) inches in height with not less than one-fourth-inch stroke and shall contrast sharply with the background
6. Any mechanical equipment such as air-conditioning equipment and duct work shall be screened from view in a manner approved by the Planning Division.
7. Trash enclosure(s) or other acceptable means of trash disposal shall be provided. Design of trash enclosure(s) shall conform with City standards.
8. No cultivation of marijuana, or marijuana dispensary, is permitted.

- Bldg.
9. Comply with the requirements of the following adopted codes: 2016 California Building Code, 2016 California Electrical Code, 2016 California Mechanical Code, 2016 California Plumbing Code, 2016 California Green Building Standards Code, and 2016 California Energy Code (or the applicable adopted California Building Code, California Electrical Code, California Mechanical Code, California Plumbing Code, California Green Building Standards, and California Energy Code, at the time of plan submittal or permit issuance) and California Code of Regulations, also known as the California Building Standards Code, as amended by the City of Costa Mesa. Requirements for accessibility to sites, facilities, buildings, and elements by individuals with disability shall comply with Chapter 11B of the 2016 California Building Code.
 10. The conditions of approval and ordinance or code provisions of planning application PA-18-07 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 11. Prior to the Building Division issuing a demolition permit. contact South Coast Air Quality Management District (AQMD) located at:
21865 Copley Dr.
Diamond Bar, CA 91765-4178
Tel: 909- 396-2000
or
Visit their web site:
<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=23381>. The Building Div. will not issue a demolition permit until an Identification Number is provided by AQMD.
 12. Plans shall be prepared by a California licensed Architect or Engineer. Plans shall be wet stamped and signed by the licensed Architect or Engineer prior to the issuance of building permits.
 13. Equipment shall be approved for use by a recognized testing laboratory.
- Fire
14. Comply with the requirements of the 2016 California Fire Code and referenced standards as amended by the City of Costa Mesa.
 15. Non-volatile extraction operations shall be conducted according to the Fire Department approved Safety Plan and the approved building construction plans.
 16. Any change in equipment, operation, or hazard shall be submitted to the City for review and approval before the change taking place.
 17. There shall be no volatile extraction operations or winterization conducted at this facility.
 18. A copy of the approved Safety Plan shall be maintained onsite at all times, and it shall be available at the request of any City Official.
 19. The storage, use, and disposal of volatiles, solvents, or hazardous materials at this facility shall be conducted according to the California Fire Code and the Orange County Environmental Health Department regulations.

20. Marijuana liquid or solid waste must be made unusable and unrecognizable before leaving a secured storage area and shall be disposed of at facility approved to receive such waste.
21. Quarterly Fire & Life Safety Inspections will be conducted by the Community Risk Reduction Division to verify compliance with the approved operation. The applicant will pay for the inspection according to the Additional Required Inspections as adopted in the Fee Schedule.
22. Annual Fire & Life Safety Inspections will be conducted by the Fire Station Crew for emergency response pre-planning and site access familiarization. The applicant will pay for the inspection according to the adopted Fee Schedule.

SPECIAL DISTRICT REQUIREMENTS

The requirements of the following special districts are hereby forwarded to the applicant:

- | | | |
|-------|----|---|
| Sani. | 1. | The applicant is required to contact the Costa Mesa Sanitary District at (949) 654-8400 to arrange final sign-off prior to certificate of occupancy being released. |
| | 2. | Applicant shall contact Costa Mesa Sanitary District at (949) 654-8400 for any additional district requirements. |
| AQMD | 3. | Applicant shall contact the Air Quality Management District (AQMD) at (800) 288-7664 for potential additional conditions of development or for additional permits required by AQMD. |
| Water | 4. | Customer shall contact the Mesa Water District – Engineering Desk and submit an application and plans for project review. Customer must obtain a letter of approval and a letter of project completion from Mesa Water District. |
| State | 5. | Comply with the requirements of the California Department of Food and Agriculture (CDFA) to determine if red imported fire ants (RIFA) exist on the property prior to any soil movement or excavation. Call CDFA at (714) 708-1910 for information. |



July 25, 2018

Yummi Karma, LLC
3505 Cadillac Ave., O-101
Costa Mesa, CA 92626
Info@yummikarma.com
844-732-2495

City of Costa Mesa
PO Box 1200
77 Fair Drive
Costa Mesa, CA 92628

Planning Application Number: PA-18-07

Dear Mr. Lee,

Thank you for reaching out to us regarding the new developments. As Yummi Karma, LLC was approved for it's CUP prior to the Costa Mesa City code changing, the original application did not include Adult-Use processing and infusions. Now with such changes allowing for this adaption, we would like to amend the CUP application to include Adult-Use manufacturing.

Please let us know what the next steps are.

Thank you,

A handwritten signature in dark ink that reads 'Krystal Kitahara'. The signature is written in a cursive style with a horizontal line underneath the name.

Krystal Kitahara
CEO | Yummi Karma, LLC