

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

August 27, 2018

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

The Chair called the meeting to order (00:00:27).

Commissioner Navarro Woods led the Pledge of Allegiance.

ROLL CALL

Present: Vice Chair Byron de Arakal
Commissioner Jeffrey Harlan
Commissioner Carla Navarro Woods
Commissioner Jon Zich

Absent: Chair Stephan Andranian

Staff: Barry Curtis, Director of Economic and Development Services
Jennifer Le, Assistant Director of Development Services
Yolanda Summerhill, Deputy City Attorney
Bart Mejia, City Engineer
Willa Bouwens-Killeen, Zoning Administrator
Mino Ashabi, Principal Planner
Nancy Huynh, Associate Planner
Martha Rosales, Recording Secretary

ANNOUNCEMENTS AND PRESENTATIONS:

None.

PUBLIC COMMENTS:

An unidentified speaker spoke on the passing of Senator John McCain and asked the Commissioners to consider Public Hearing Item No. 2 with an independent spirit.

The Vice Chair closed public comments.

PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:

None.

PUBLIC HEARINGS (00:03:44)

1. PLANNING APPLICATION 17-11, A MASTER PLAN FOR THE FUTURE EXPANSION OF VANGUARD UNIVERSITY AT 55 FAIR DRIVE

Project Description: Planning Application 17-11 is a request for a Master Plan for the future expansion of the Vanguard University Campus. The proposed Master Plan establishes a comprehensive plan for future development at the University and is intended to supersede previous Master Plan approvals. It is anticipated that the Master Plan will accommodate up to 2,700 enrolled students (2,098 students are currently enrolled) and is comprised of at least 12 separate projects that involve the removal and/or reconstruction of buildings on the campus. The Master Plan establishes Development Areas and Development Guidelines for future buildings and related site improvements within a Master Plan framework. It is intended that the Development Areas and Development Guidelines remain fixed while allowing for the future development of buildings of various types, size and heights within these Areas, consistent with the Guidelines.

This item was continued from the April 23, 2018, May 14, 2018, and June 25, 2018 Planning Commission meetings.

Environmental Determination: An Initial Study/Mitigated Negative Declaration (IS/MND) was prepared for the project in accordance with the City's Guidelines implementing the California Environmental Quality Act (CEQA). The IS/MND found that the environmental effects from the project would be less than significant with the incorporation of mitigation measures. The project site is not on a list compiled pursuant to Government Code Section 65962.5.

Jennifer Le, Assistant Director of Development Services, stated that staff is requesting that the Commission continue this item at the request of the applicant to the October 8, 2018 Planning Commission meeting.

MOTION: Move that the Planning Commission continue the public hearing to the October 8, 2018 meeting.

Moved by Commissioner Harlan, seconded by Commissioner Zich.

The motion carried by the following roll call vote:

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

2. GENERAL PLAN AMENDMENT GP-18-03 TO AMEND THE CITY'S GENERAL PLAN LAND USE ELEMENT TO REMOVE THE RESIDENTIAL OVERLAY LAND USE AREAS AND CODE AMENDMENT CO-18-04 AMENDING THE ZONING CODE TO REMOVE ALL REFERENCES TO THE RESIDENTIAL INCENTIVE OVERLAYS INCLUDED IN TITLE 13, CHAPTER V, ARTICLE 12, OF THE COSTA MESA MUNICIPAL CODE

Project Description: The proposed project includes the following:

- General Plan Amendment GP-18-03 - An amendment to the City's 2015-2035 General Plan Land Use Element to update the following:

- a) Table LU-6 – remove Residential Incentive Overlay and related density and Floor Area Ratios (Page LU-27)
 - b) Figure LU-9 – remove Residential Incentive Overlay nodes and map key reference (Page LU-58)
 - c) Table LU-15 – remove 40 du/acre density related to Commercial Residential and General Commercial land uses (Page LU- 59)
 - d) Remove subsection “Residential Incentive Overlay” including Table LU-16 in its entirety (Page LU-60)
 - e) Figures LU-10 and LU-11 – remove entire exhibit (Pages LU-61 and LU-62)
 - f) Remove Residential Incentive Overlay District (RI) from the list of zoning districts consistent with General Plan (Page LU-69)
 - g) Table LU-19 – remove all reference to Residential Incentive Overlay
 - h) Table LU-20- update the land use data (acreage) for Multi-Family, Commercial Residential and General Commercial numbers
- Code Amendment CO-18-04 - An amendment to the Zoning Code removing Article 12 of Chapter V of Title 13 of the Costa Mesa Municipal Code, removing all references to the Residential Incentive Overlay Zone as adopted under the 2015-2035 Costa Mesa General Plan.

Environmental Determination: On June 21, 2016, the City Council certified a Final Program Environmental Impact Report (PEIR, State Clearinghouse #2015111053), adopted findings pursuant to CEQA, adopted a Statement of Overriding Considerations for air quality and greenhouse gas emissions impacts (both direct and cumulative), and adopted a Mitigation Monitoring and Reporting Program for the adoption of the 2015 - 2035 City of Costa Mesa General Plan. The proposed General Plan Amendment will result in the removal of an optional residential incentive overlay program from the General Plan, thus allowable land uses will revert back to those allowed by the underlying Neighborhood Commercial, General Commercial and Multi-Family Residential land use designations. The impacts of potential development under both the residential incentive overlays and the underlying General Plan land use designations were previously analyzed and considered as part of the General Plan and the certified PEIR, approved in 2015. Therefore, the subject General Plan Amendment was adequately described for the purposes of CEQA and is within the scope of the previously-approved PEIR (CEQA Guidelines Section 15168). No new impacts would result; therefore, no further environmental review is required (CEQA Guidelines Section 15162).

Commissioner Harlan recused himself.

Minoo Ashabi, Principal Planner, presented the staff report.

Commissioner Zich and staff discussed whether property owners adjacent to the Residential Overlay Zones were notified. Staff indicated that Notice was published in the paper as required by Code and also sent to property owners within the Overlay Zones.

PUBLIC COMMENTS

Flo Martin, Costa Mesa resident, stated support for the removal of language related to the overlays, specifically Church Street.

Tamar Goldman spoke in support of rescinding the Residential Overlay plans.

Cynthia McDonald, Costa Mesa resident, spoke in support of the repeal of the Newport Boulevard and Harbor Boulevard residential overlays.

Kathy Esfahani, Costa Mesa Affordable Housing Coalition, spoke in support of repealing the Residential Incentive Overlays.

Noel Perkins, Costa Mesa resident, spoke in support of repealing the Residential Incentive Overlays.

An unidentified speaker spoke in support of repealing the Residential Incentive Overlays and making sure to notify residents of things happening around their properties.

Andrea Marr, Costa Mesa resident, spoke in support of rescinding the Residential Incentive Overlays.

An unidentified speaker spoke in support of rescinding the Residential Incentive Overlays and sending it back to the City Council.

Robin Leffler, Costa Mesa resident, spoke in support of rescinding the Residential Incentive Overlays.

Gaye Royer, Costa Mesa resident, spoke in support of rescinding the Residential Incentive Overlays.

Beth Refakes, Costa Mesa resident, spoke in support of rescinding the Residential Incentive Overlays.

The Vice Chair closed the public hearing.

Commissioners and staff discussed whether the City Council or staff looked at the impact on sales tax when a commercial space is converted to residential; the percentage that traffic would change in the Residential Incentive Overlays along Newport Boulevard and Harbor Boulevard; the public noticing that occurred; what the process was that identified the nodes along Newport Boulevard and Harbor Boulevard when the overlays were first created; density allowed in recent developments; and whether compatibility and scale is addressed in the overlay zones.

Vice Chair de Arakal and Yolanda Summerhill, Deputy City Attorney, discussed whether state law could preempt Measure Y if future State housing law required the City to allow for higher density affordable housing.

Vice Chair de Arakal stated concerns with asking the City Council to rescind the residential incentive overlays along Newport Boulevard and South Harbor Boulevard without asking them to develop a new plan to address the housing shortage in our City.

Commissioner Zich spoke in support of keeping the overlay zones but at a lower density.

MOTION: Move that the Planning Commission recommend that the City Council adopt General Plan Amendment GP-18-03 removing the Residential Incentive Overlay from the Land Use Element adopted with the 2015-2035 General Plan Update; and recommend that the City Council give first reading to an Ordinance approving Code Amendment CO-18-

04 removing all references to the Residential Incentive Overlay District from Title 13, Chapter V, Article 12 of the Costa Mesa Municipal Code.

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

Vice Chair de Arakal, Ms. Summerhill, and Barry Curtis, Director of Economic Development Services Department, discussed the possibility of keeping the overlays in place, but not using them, like a moratorium.

Vice Chair de Arakal asked Commissioner Navarro Woods to include in the motion a recommendation to initiate a process for updating the City's Newport Boulevard Specific Plan and creation of a South Harbor Boulevard Specific Plan.

Commissioner Navarro Woods did not agree to add Vice Chair de Arakal's recommendation.

Vice Chair de Arakal withdrew his second to the motion.

NEW MOTION: Move that the Planning Commission recommend that the City Council adopt General Plan Amendment GP-18-03 removing the Residential Incentive Overlay from the Land Use Element adopted with the 2015-2035 General Plan Update; and recommend that the City Council give first reading to an Ordinance approving Code Amendment CO-18-04 removing all references to the Residential Incentive Overlay District from Title 13, Chapter V, Article 12 of the Costa Mesa Municipal Code; and recommend to the City Council that they initiate a process for updating the City's Newport Boulevard Specific Plan and the creation of a South Harbor Boulevard Specific Plan.

Moved by Vice Chair de Arakal, seconded by Commissioner Zich.

Commissioner Zich and staff discussed the process that would take place to implement the recommendation provided by the Commission.

Commissioner Navarro Woods spoke in opposition to recommending a specific plan for South Harbor Boulevard.

RESOLUTION PC-18-59 – A RESOLUTION OF THE PLANNING COMMISSION OF CITY OF COSTA MESA RECOMMENDING APPROVAL TO THE CITY COUNCIL OF GENERAL PLAN AMENDMENT GP-18-03 AND CODE AMENDMENT CO-18-04 TO REMOVE AND RESCIND THE RESIDENTIAL INCENTIVE OVERLAY LAND USE OPTION FROM THE 2015-2035 GENERAL PLAN AND TITLE 13, CHAPTER V, ARTICLE 12 OF THE COSTA MESA MUNICIPAL CODE

The motion carried by the following roll call vote:

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

The Commission took a break.

The Commission reconvened the meeting.

Commissioner Harlan re-entered Chambers.

3. PLANNING APPLICATION 18-17 FOR A MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY (PURE LABS, INC.) AT 3505 CADILLAC AVENUE, UNIT M-103

Project Description: Planning Application 18-17 is a request for a Conditional Use Permit (CUP) for a marijuana manufacturing and distribution facility within a 2,025-square-foot tenant space in an existing industrial building. The facility will be operated by Pure Labs, Inc. The proposed facility would include preparation, extraction, manufacturing, processing, packaging, storage, and distribution of cannabis products as well as ancillary offices. The facility will be staffed by at least 9 employees. The hours of operation are proposed to be from 9 AM to 5 PM, Monday through Friday. The facility will have security systems (card readers, security cameras, etc.) throughout the facility. No cultivation of marijuana or marijuana dispensary is permitted.

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

One ex-parte communication to report: Commissioner Zich stated that he will be meeting with Pivot Pharmaceuticals later this week.

Nancy Huynh, Associate Planner, presented the staff report.

Commissioner Zich, Ms. Le, and staff discussed whether the signage required in Condition of Approval No. 7 and 21 conflicted with each other; whether testing occurs on lab animals; striping the parking space next to the loading area; whether the City's security consultant looked at public safety concerns related to the proximity to the second-story business entrance and the product loading and unloading area; whether the association for the shared business park would allow one parking space to be dedicated toward this application; whether there could be two parking spaces designated for the loading and unloading zone; and how many pending Measure X conditional use permit applications would require designated parking in this business park and whether there are adequate surplus parking spaces.

PUBLIC COMMENTS

Randy Wyner, applicant, stated that he has read the conditions of approval along with the supplemental memo and its updated conditions of approval and agrees to them. He presented a slideshow presentation on the proposed application.

Commissioner Navarro Woods, Mr. Wyner, and Tom Johnson, the applicant's security consultant, discussed the security of the unloading and loading of product; where the transportation vehicle will be parked; how often distribution and transportation will occur; and whether surplus parking would be used up eventually for these applications.

No public comment.

Mr. Wyner provided closing comments.

The Chair closed the public hearing.

Commissioner Harlan and Ms. Le discussed whether other Measure X applications were approved with limited numbers of deliveries.

MOTION: Move that the Planning Commission find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301, Class 1, Existing Facilities; and approve Planning Application 18-17 based on the findings in the staff report and subject to conditions of approval including the additional Condition No. 24 in the supplemental staff report. Condition of Approval No. 24 to read: “All windows shall be reinforced for security purposes as deemed appropriate by the Planning, Fire and Building Division”.

Moved by Vice Chair de Arakal, seconded by Commissioner Zich.

Commissioner Zich asked whether the maker of the motion would agree to add an additional condition to have an armed security guard. Vice Chair de Arakal agreed.

Condition of Approval No. 39 to read: “Any activities relating to the loading and unloading of cannabis products in or out of the facility shall be monitored by an armed security guard at all times until the distribution vehicle has left the premises”.

The Commissioners, Ed Sapigao, architect, and Ms. Le discussed adding a condition that requires an additional parking space adjacent to the designated loading and unloading space to be striped as a no parking area.

The Chair reiterated the motion above and that it does not include adding a condition for an additional parking space to be striped as a no parking area. Commissioner Zich concurred.

RESOLUTION PC-18-60 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING CONDITIONAL USE PERMIT PA-18-17 TO ALLOW A MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY AT 3505 CADILLAC AVENUE, UNIT M-103

The motion carried by the following roll call vote:

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

The Vice Chair explained the appeal process.

NEW BUSINESS:

1. POLICY DISCUSSION – MODIFICATIONS TO PROPERTIES WITH LEGAL NON-CONFORMING DEVELOPMENT

Jennifer Le, Assistant Development Services Director, presented the staff report.

Commissioners and Ms. Le discussed having a cumulative threshold to avoid having modifications to houses piecemealed together over time as a means of avoiding parking requirements and the option of not requiring owners to add a parking space when a bedroom is added.

Commissioner Zich stated concerns with not requiring parking to be brought into conformity when adding a bedroom.

Commissioner Harlan stated that he would like the character of the community to be considered when remodeling of legal non-conforming development occurs.

PUBLIC COMMENTS

Brett Bolton stated concerns with the undue financial burden and the removal of mature trees that would need to occur to bring his property into conformity.

An unidentified speaker spoke about the issues he is having with adding a bedroom to his property on Church Street that has a non-conforming unit; asked that staff look at properties on a case-by-case basis; and spoke in support of keeping the look of the surrounding neighborhoods.

Beth Refakes, Costa Mesa resident, spoke in support of having properties fit with the surrounding neighborhoods; having a plan to address older homes that want to add square footage; and not to penalize them so homeowners can make renovations without being cost prohibitive.

The Vice Chair closed public comments.

Commissioner Zich stated support for a cost threshold and for requiring a non-conforming property to be brought into conformity where street parking is a problem.

Commissioner Harlan spoke in opposition of requiring non-conforming property to be brought into conformity where street parking is a problem.

Vice Chair de Arakal spoke in support of staff's proposed policies in the staff report.

Commissioner Navarro Woods spoke in support of including language about the cumulative renovation of a property over time.

Vice Chair de Arakal, Ms. Le, and Mr. Curtis discussed what the outcome will be of the policy discussion and whether the policy proposed will be brought forth in a code amendment.

MOTION: Move that the Planning Commission direct staff to adopt its proposed policies on non-conformities related to the number of parking spaces on handwritten page four and proposed policies for non-conformities related to residential structures on handwritten page five and to return if further assistance is required.

Moved by Vice Chair de Arakal, seconded by Commissioner Harlan.

Commissioner Zich spoke in opposition to the motion.

Commissioner Navarro Woods asked to add language regarding the cumulative renovation of a property in totality and not over a specific time period.

Vice Chair de Arakal did not support adding it to the motion.

The motion failed by the following roll call vote:

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

Vice Chair indicated that although they were not able to agree on a specific motion, the individual members of the Commission had given feedback regarding the policy.

DEPARTMENTAL REPORT(S)

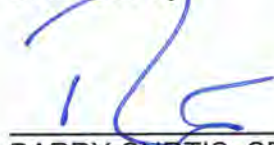
1. Public Services Report – none.
2. Development Services Report – none.

CITY ATTORNEY'S OFFICE REPORT(S)

1. City Attorney – none.

ADJOURNMENT (03:04:11)

Submitted by



BARRY CURTIS, SECRETARY
COSTA MESA PLANNING COMMISSION