

UNOFFICIAL UNTIL APPROVED

**MINUTE EXCERPTS FROM THE
OCTOBER 12, 2015 PLANNING COMMISSION MEETING
REGARDING COSTA MESA MOTOR INN
(Public Hearing No. 3 – PA-14-27)**

3. **Application No.:** GP-14-04/R-14-04/CO-14-02/PA-14-27

Applicant: Diamond Star Associates, Inc.

Site Address: 2277 Harbor Boulevard

Zone: C1

Project Planner: Ryan Loomis

Environmental Determination:

The City of Costa Mesa proposes to adopt a Mitigated Negative Declaration for the Project. The Initial Study/Negative Declaration is available for review and comment from September 11, 2015 to October 10, 2015. The Mitigated Negative Declaration is based on the finding that, through compliance with the Standard Conditions and Mitigation Measures, the Project's potential significant adverse impacts would be reduced to a less than significant level. The reasons to support such a finding are documented by an Initial Study prepared by the City of Costa Mesa.

Description:

1. Adoption of an *Initial Study/Mitigated Negative Declaration (IS/MND)*;

2. **Proposed Project:** The 4.15-acre project site is currently occupied by the 236-room (94,500 square foot) Costa Mesa Motor Inn motel at 2277 Harbor Boulevard in the General Commercial land use designation and C1 zone (Local Business District). The proposal involves demolition of the existing motel and the construction of a four-story, 224-unit luxury apartment project, inclusive of twenty affordable units for moderate-income households. Parking onsite would be accommodated within a proposed five level parking structure containing 503 parking spaces. The proposed project consists of the following discretionary requests:

a. **General Plan Amendment GP-14-04** to change the land use designation from General Commercial to High Density Residential. Per the applicant's request, the proposed base density is 166 units (40 du/acre) with a density incentive for an additional 58 dwelling units to be justified by (a) provision of 20 affordable units for moderate-income households and (b) complete demolition of the Costa Mesa Motor Inn. Therefore, for the 4.15-acre project site, the General Plan Amendment would specify an overall site-specific density of 54 du/acre for the proposed 224-unit apartment complex and a site-specific building height for the 5-level parking structure.

b. **Rezone R-14-04** from C1 (Local Business District) to PDR-HD (Planned Development Residential – High Density) with site-specific height and density.

- c. **Zoning Code Amendment CO-14-02** to make specific reference to the parcel, where appropriate, and the site-specific height and density for the development site in the PDR-HD zone in Title 13 (Zoning Code) of the Costa Mesa Municipal Code, as well as any other related changes.
- d. **Planning Application PA-14-27**, a Master Plan for the 224-unit apartment project.

Willa Bouwens-Killeen, Zoning Administrator, and Ryan Loomis, Associate Planner, presented the staff report.

Commissioner McCarthy asked for an explanation on how the parking on the fifth floor parking structure constituted a story. Ms. Flynn responded that it is referred to as a site specific building height, why it is defined as that, and included examples where this same configuration has been approved in the past.

Chair Dickson asked Yolanda Summerhill, Planning Commission Counsel, if there were any requirements for relocation assistance with this application. Ms. Summerhill responded no. Since it a private applicant, the City, under State definition, would not be displacing tenants.

Commissioner Andranian stated concerns with the project's design having continuity within the area.

Vice Chair Mathew asked if the City can require the applicant, a private business owner, to include low income housing units in this project. Ms. Summerhill responded they could ask for a density bonus but this project did not ask for one.

PUBLIC COMMENTS

Donald Lamm, applicant, has read and is in agreement with the conditions of approval. He also gave a presentation on the proposed project.

Commissioners and applicant discussed the project.

Kathy Esfahani, Costa Mesa Affordable Housing Coalition, stated concerns with the Negative Declaration and that 20 percent of the units should be affordable for low and very low income families.

Addison Stansfield, Costa Mesa business owner, spoke in support of the project.

Greg Sullivan, Costa Mesa resident, spoke in support of the project.

Jay Humphrey, Costa Mesa resident, stated concerns with the building height exemption, potential service calls, traffic impact, parking and affordable housing issue.

Linda Tang, Costa Mesa Affordable Housing Coalition and The Kennedy Commission, stated concerns with the project and the relocation of the tenants.

Mick Meldrom, Costa Mesa resident, spoke in support of the project.

Richard Walker, attorney from the Public Law Center representing the Costa Mesa Motel Resident Association, asked Planning Commission not to recommend adoption of the Initial Study Negative Mitigated Declaration and stated concerns with the lack of affordable housing within the City.

Mark Austin, representing a client from Phil Luchesi and Luchesi Enterprises, stated concerns that the project would potentially interfere with his client's cell towers located on the adjacent property.

Richard Huffman spoke in opposition of the project.

A Costa Mesa resident gave a website address to read about the history of Costa Mesa's campaign against the motels and stated issues with the project.

Christina Bogner Costa Mesa resident, spoke in support of the project.

Richard Russell, Costa Mesa resident, spoke in support of the project.

Mr. Lamm responded to the public comments.

Lionel Levy, chief operator officer for owner Miracle Mile Properties, responded to the public comments.

Chair closed the public hearing.

Commissioner McCarthy asked for clarification regarding the public comment about the Initial Study Negative Mitigated Declaration's lack of discussion regarding environmental impacts based on the large amount of people that will be displaced with the demolition of the motel. Christine Donoghue, First Carbon Solutions Consultant, and Ms. Summerhill responded.

Commissioners discussed the project in length, the public comments and whether to condition the relocation financial assistance offer made by the applicant.

MOTION: Hereby move that based on the evidence in the record that the Planning Commission recommends that the City Council approve the IS/MND and adopt General Plan Amendment GPA-14-04, approve/give first reading to the Ordinances for Rezone R-14-04 and Zoning Code Amendment CO-14-02, approve Master Plan PA-14-27, subject to conditions of approval (Exhibit B) and mitigation measures contained in the IS/MND with the following modification:

Adding Condition of Approval No. 27 to read: “The applicant shall implement the Long-Term Occupant Relocation Assistance Plan, as described in the October 12, 2015 communication (attached as Exhibit B1), prior to issuance of building permits. An action report, indicating that the relocation of long-term occupants, shall be submitted and approved to the satisfaction of the Development Services Director”.

First moved by Chair Dickson, seconded by Vice Chair Mathews. The motion was withdrawn and a substituted motion occurred; moved by Commissioner McCarthy, seconded by Commissioner Andranian.

RESOLUTION 15-58 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA RECOMMENDING THAT THE CITY COUNCIL (1) ADOPT THE INITIAL STUDY/MITIGATED NEGATIVE DECLARATION, (2) ADOPT GENERAL PLAN AMENDMENT GP-14-04 FOR THE 224-UNIT RESIDENTIAL PROJECT LOCATED AT 2277 HARBOR BLVD (STATE CLEARINGHOUSE NUMBER 2015091026)

RESOLUTION 15-59 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF COSTA MESA: (1) APPROVE AND GIVE FIRST READING TO REZONE ORDINANCE R-14-04 AND (2) ADOPT ZONING CODE AMENDMENT CO-14-02 TO AMEND COSTA MESA MUNICIPAL CODE TITLE 13 FOR A SITE-SPECIFIC DENSITY OF 54 DWELLING UNITS PER ACRE AND SITE SPECIFIC BUILDING HEIGHT FOR THE 2277 HARBOR BOULEVARD APARTMENT PROJECT.

RESOLUTION 15-60 – A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF COSTA MESA ADOPT MASTER PLAN PA-14-27 FOR THE PROPOSED DEVELOPMENT OF A FOUR-STORY 224-UNIT RESIDENTIAL APARTMENT BUILDING (60 FEET OVERALL HEIGHT) THAT WRAPS AROUND A FIVE-LEVEL PARKING STRUCTURE (50 FEET OVERALL HEIGHT) WITH 503 PARKING SPACES IN THE STRUCTURE WITH A SITE-SPECIFIC BUILDING HEIGHT DEVIATION TO ALLOW A FIVE LEVEL PARKING STRUCTURE (MAXIMUM 4 LEVELS ALLOWED)

The motion carried by the following roll call vote:

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