



PLANNING COMMISSION

AGENDA REPORT

VI.3

MEETING DATE: AUGUST 11, 2008

ITEM NUMBER:

**SUBJECT: PLANNING APPLICATION PA-08-20 AND REVOCATION OF PLANNING APPLICATION PA-03-54 AND ZONING APPLICATION ZA-03-40
1485 DALE WAY**

DATE: JULY 31, 2008

**FOR FURTHER INFORMATION CONTACT: MEL LEE, AICP, SENIOR PLANNER
(714) 754-5611**

PROJECT DESCRIPTION

The applicant is requesting approval of a conditional use permit for a bus dealership (ABC Companies), including sales and leasing of new and used busses, as well as service and repair.

The City is also initiating a revocation of the prior conditional use permit and minor conditional use permit that allowed outdoor vehicle storage and auto detailing.

APPLICANT

The applicant is Maura B. O'Connor, representing McCray Properties, LLC, the property owner.

RECOMMENDATION

Approve by adoption of Planning Commission resolution, subject to conditions of approval.

MEL LEE, AICP
Senior Planner

KIMBERLY BRANDT, AICP
Asst. Development Services Director

BACKGROUND

The property is located between Village Way and Dale Way, immediately east of Harbor Boulevard. Land uses to the south of the site, across Village Way, include a car dealership and a 715-unit apartment complex; to the north of the site, are various commercial uses. Commercial uses abut the property to the west and industrial uses abut the property to the east.

The building was originally constructed in the late 1950's and was occupied for many years by ITT Jabsco, a pump manufacturing and distribution business. ITT Jabsco vacated the property in 2003. On May 22, 2003, the Zoning Administrator approved minor conditional use permit ZA-03-40 to allow outdoor storage of motor vehicles (excess inventory from nearby car dealerships) with no sales or repair of vehicles permitted from the property. On January 12, 2004, Planning Commission approved conditional use permit PA-03-54 to allow auto storage and detailing inside the building, in addition to the previously approved outdoor vehicle storage. Both of these uses have been discontinued at the property, which is currently vacant.

As a result of the discontinuance of the uses allowed under PA-03-54 and ZA-03-40, staff is initiating revocation of these approvals.

ANALYSIS

The proposed use consists of the following:

- Sales and leasing of new and used busses, primarily to tour companies. No sale of busses to individual customers for private use is proposed.
- Bus repair and service, similar to repair services provided by car dealerships, including paint and body work (a new paint booth is proposed to be constructed on the property). All repair work will be done inside of the existing building and the proposed spray booth.
- Storage and display of 80-100 busses in "sale ready" condition. No storage of wrecked or dismantled vehicles is proposed.
- Wholesale and warehousing of bus parts and related supplies.
- A wash area for busses will be provided. The wash area will not be available for use by the general public.

The applicant is proposing to relocate the bus facility, which currently operates in the City of Garden Grove, to this location.

Code Sections 13-30(102) and 13-30(107) allows motor vehicle sales with more than one outdoor display space and repair, including paint and body work, in the MG zone subject to the approval of a conditional use permit (CUP). The purpose of the CUP is to ensure that the use is compatible with developments in the same general area and will not be detrimental to surrounding properties, particularly the residential apartments along Village Way, which is within 200 feet of the property.

Although motor vehicle sales may be allowed in an MG zone with a CUP, the majority of the City's large motor vehicle sales and leasing uses are located on commercially-zoned properties on or near Harbor Boulevard, i.e., "Harbor Boulevard of Cars". Although the property does not have frontage along Harbor Boulevard, it is only 135 feet to the east, and it immediately abuts commercially-zoned property. The proximity to Harbor Boulevard will allow busses to circulate to and from the site with minimal disruption to surrounding properties.

New on-site landscaping will be provided along the Dale Way frontage where the customer parking area is currently located. Staff also included a condition of approval requiring the landscaping within the public right of way to be refurbished and/or replaced, as well as the landscaping visible along the Village Way frontage. Staff is also recommending the exterior building elevations incorporate enhanced architectural detailing and materials, subject to review and approval by the Planning Division.

The bus washing area as shown on the submitted site plan abuts the existing block wall along the Village Way frontage. Staff is recommending, as a condition of approval, that the washing area be relocated as far from the residential units across Village Way as possible, with the final location to be approved by the Planning Division.

It is staff's opinion that the proposed use, with the recommended conditions of approval, will be consistent with the other motor vehicle sales uses in the immediate vicinity. Compliance with the conditions of approval should allow this use to operate with minimal impact on surrounding properties.

ENVIRONMENTAL DETERMINATION

The project is exempt from the following provisions of the California Environmental Quality Act (CEQA):

1. Section 15301 for Existing Facilities, for the proposed bus dealership use.
2. Section 15321 for Enforcement Actions by Regulatory Agencies, for the revocation of the prior conditional use permit and minor conditional use permit.
3. Section 15330 for Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate the Release or Threat of Release of Hazardous Waste or Hazardous Substances, for the ongoing soil and groundwater remediation required by the Santa Ana Regional Water Quality Control Board (SARWQCB). The proposed use will not interfere with the ongoing remediation at the property.

GENERAL PLAN CONFORMITY

The property has a general plan designation of General Industrial. Under the Land Use Element, the General Plan states that the General Industrial designation "applies to a variety of light and general industrial uses. Uses are expected to be small manufacturing and service industries as well as larger industrial operations." Further text reads that "Commercial uses may be allowed provided that the use is determined to be complementary to the industrial area." (Page LU-44.)

Planning staff believes that this use is complementary to the industrial area due to its proximity to commercially-zoned properties along Harbor Boulevard as stated earlier in this report, and as shown in Attachment 3 – Location and Zoning Map. Additionally, the nature of the use – bus sales and ancillary uses that cater to companies rather than to individual customers – is more compatible with an industrially-zoned property than a regular automobile dealership that caters to individual customers, which would create additional customer traffic to the property.

ALTERNATIVES

The Commission has the following alternatives:

1. Approve the use with the recommended conditions of approval to ensure the use minimizes any impacts to the adjacent properties; or
2. Deny the project. If the project is denied, the use cannot be established, and the applicant could not submit substantially the same project for six months.

With either of the above alternatives, staff recommends the prior conditional use permit (PA-03-54) and minor conditional use permit (ZA-03-40) be revoked since these uses have been discontinued on the property.

CONCLUSION

It is staff's opinion that the proposed project, as conditioned, will be compatible with the uses in the surrounding area, as well as provide a substantial improvement to the subject property. Therefore, staff recommends approval of the use.

- Attachments:
1. Draft Planning Commission Resolutions (Approval and Denial)
Exhibit "A" (Findings)
Exhibit "B" - Draft Conditions of Approval
 2. Applicant's Description of the Use
 3. Location and Zoning Map
 4. Plans

cc: Deputy City Manager - Dev. Svs. Director
Deputy City Attorney
City Engineer
Fire Protection Analyst
Staff (4)
File (2)

Maura B. O'Connor
One Century Plaza
2029 Century Park East, Suite 3300
Los Angeles, CA 90067-3063

McCray Properties, LLC
3199-A1 Airport Loop Drive
Costa Mesa, CA 92626-3426

ABC Companies
13261 Garden Grove Boulevard
Garden Grove, CA 92843

File: 081108PA0820	Date: 073108	Time: 1:30 p.m.
--------------------	--------------	-----------------

ATTACHMENT 1

RESOLUTION NO. PC-08-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING PLANNING APPLICATION PA-08-20 AND REVOKING PLANNING APPLICATION PA-03-54 AND ZONING APPLICATION ZA-03-40

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by Maura B. O'Connor, authorized agent for McCray Properties, LLC, requesting approval of a conditional use permit for a bus dealership (ABC Companies), including sales and leasing of new and used busses, as well as service and repair, located at 1485 Dale Way in an MG zone; and

WHEREAS, the City also initiated a revocation of the prior conditional use permit (Planning Application PA-03-54) and minor conditional use permit (Zoning Application ZA-03-40) that allowed outdoor vehicle storage and auto detailing due to the uses being discontinued at this location; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on August 11, 2008; and

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", the Planning Commission hereby **APPROVES** PA-08-20 and **REVOKES** PA-03-54 and ZA-03-40 with respect to the property described above.

BE IT FURTHER RESOLVED that the Costa Mesa Planning Commission does hereby find and determine that adoption of this Resolution is expressly predicated upon the activity as described in the staff report for Planning Application PA-08-20 and upon applicant's compliance with each and all of the conditions contained in Exhibit "B" as well as with compliance of all applicable federal, state, and local laws. Any approval granted by this resolution shall be subject to review, modification or revocation if there is a material change that occurs in the operation, or if the applicant fails to comply with any of the conditions of approval.

PASSED AND ADOPTED this 11th day of August, 2008.

Donn Hall, Chair
Costa Mesa Planning Commission

7

EXHIBIT "A"

FINDINGS (APPROVAL)

- A. The proposed project complies with Costa Mesa Municipal Code Section 13-29(e) because:
1. A compatible and harmonious relationship exists between the proposed use and existing buildings, site development, and uses on surrounding properties.
 2. Safety and compatibility of the design of the buildings, parking areas, landscaping, luminaries, and other site features including functional aspects of the site development such as automobile and pedestrian circulation.
 3. The proposed use will comply with the performance standards as prescribed in the Zoning Code.
 4. The proposed use is consistent with the General Plan.
 5. The planning application is for a project-specific case and does not establish a precedent for future development.
 6. The cumulative effect of all the planning applications have been considered.
- B. The information presented substantially complies with Costa Mesa Municipal Code Section 13-29(g)(2) with regard to the conditional use permit in that the proposed development and use is substantially compatible with developments in the same general area. Granting the conditional use permit will not be materially detrimental to the health, safety, and general welfare of the public or otherwise injurious to properties or improvements within the immediate neighborhood. Specifically, the use complies with the intent of the Zoning Code, as conditioned, to ensure compatibility with the surrounding neighborhood.
- C. The project has been reviewed for compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines; and the City's environmental procedures, and has been found to be exempt from CEQA under the following sections: Section 15301 for Existing Facilities, Section 15321 for Enforcement Actions by Regulatory Agencies, and Section 15330 for Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate the Release or Threat of Release of Hazardous Waste or Hazardous Substances.
- D. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

EXHIBIT "B"**CONDITIONS OF APPROVAL**

- Plng. 1. The conditional use permit herein approved shall be valid until revoked. However, the conditional use permit shall expire at the end of one (1) year unless a business license is obtained and/or the business legally commences or the applicant applies for and is granted an extension of time. The conditional use permit may be referred to the Planning Commission for modification or revocation at any time if the conditions of approval have not been complied with, if the use is operated in violation of applicable laws or ordinances or, if in the opinion of the Development Services Director or his designee, any of the findings upon which the approval was based are no longer applicable. Nothing in this condition shall exempt the applicant from complying with any time limits applied to any construction authorized by this application.
2. Construction activities shall not occur outside the hours of 7 a.m. and 8 p.m., Monday through Friday, and 8 a.m. to 6 p.m. on Saturdays. No construction shall occur on Sundays and federal holidays. Exceptions may be made for activities that will not generate noise audible from off-site, such as painting and other quiet interior work.
3. Hours of operation shall be limited to 7:00 a.m. to 6:00 p.m., seven days a week. Vehicle deliveries shall be limited to normal business hours.
4. The use shall be limited to the type of operation described in this staff report. i.e., a bus dealership including sales and leasing of new and used busses, as well as service and repair. No sale or leasing of any vehicles other than busses shall be permitted. Any change in the operational characteristics including, but not limited to, hours of operation or other types of motor vehicle sales, shall require approval of an amendment to the conditional use permit, subject to Planning Commission approval.
5. Washing of busses shall only occur in the bus washing area.
6. The bus washing area as shown on the submitted site plan shall be relocated as far from the residential units across Village Way as possible. Final location of the bus washing area shall be approved by the Planning Division.
7. Parking of, and loading and unloading of, bus transporters shall only occur on-site.
8. Storage of wrecked, dismantled, and/or inoperative vehicles is prohibited.
9. Private party storage of any type of motor vehicle and/or recreational vehicles is prohibited.
10. The use of any external public address system is prohibited. This

- includes music, voice paging systems, telephone and other bells or buzzers, and all other amplified or broadcast sound systems.
11. The business shall be conducted, at all times, in a manner that will allow the quiet enjoyment of the surrounding neighborhood. The business owner shall institute whatever security and operational measures are necessary to comply with this requirement.
 12. Test drives shall not be conducted on any surrounding residential streets.
 13. No parking of employee vehicles shall be permitted within the residential neighborhoods.
 14. The applicant shall contact the Planning Division to arrange a Planning inspection of the site prior to the commencement of the business. This inspection is to confirm that the conditions of approval and code requirements have been satisfied.
 15. The conditions of approval and ordinance or code provisions of Planning Application PA-08-20 shall be blueprinted on the face of the site plan as part of the plan check submittal package.
 16. Show method of screening for all ground-mounted mechanical equipment (backflow prevention devices, Fire Department connections, electrical transformers, etc.). Ground-mounted electrical and mechanical equipment shall not be located in any landscaped setback visible from the street.
 17. The repair and/or replacement of landscaping in the public right-of-way along Dale Way shall comply with the requirements of the Planning Division and Parks and Parkways Division.
 18. Street setback landscape planters shall have approved drought-tolerant ground cover on the street side front half of the planter and shrubbery plantings and trees on the back half. The number of trees and shrubs shall comply with Costa Mesa Municipal Code Section 13-106 for required landscaping materials.
 19. Exterior elevations shall incorporate enhanced architectural detailing and materials, subject to review and approval by the Planning Division. Once the exterior elevations have been reviewed and approved by the Planning Division, the exterior elevations shall be incorporated into the plan check drawings.
 - Trans. 20. The two closely spaced drive approaches on Village Way shall be consolidated into a single drive approach aligned with the drive aisle.
 - Eng. 21. Maintain the public right-of-way in a "wet down" condition to prevent excessive dust and remove any spillage from the public right-of-way by sweeping or sprinkling.

RESOLUTION NO. PC-08-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA DENYING PLANNING APPLICATION PA-08-20 AND REVOKING PLANNING APPLICATION PA-03-54 AND ZONING APPLICATION ZA-03-40

THE PLANNING COMMISSION OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, an application was filed by Maura B. O'Connor, authorized agent for McCray Properties, LLC, requesting approval of a conditional use permit for a bus dealership (ABC Companies), including sales and leasing of new and used busses, as well as service and repair, located at 1485 Dale Way in an MG zone; and

WHEREAS, a duly noticed public hearing was held by the Planning Commission on August 11, 2008; and

BE IT RESOLVED that, based on the evidence in the record and the findings contained in Exhibit "A", and subject to the conditions contained in Exhibit "B", the Planning Commission hereby **DENIES** PA-08-20 and **REVOKES** PA-03-54 and ZA-03-40 with respect to the property described above.

PASSED AND ADOPTED this 11th day of August, 2008.

Donn Hall, Chair
Costa Mesa Planning Commission

EXHIBIT "A"

FINDINGS (DENIAL)

- A. The proposed project does not comply with Costa Mesa Municipal Code Section 13-29(e) because:
 - 1. A compatible and harmonious relationship does not exist between the proposed use and existing buildings, site development, and uses on surrounding properties.
 - 2. The proposed use is not consistent with the General Plan.
- B. The information presented does not comply with Costa Mesa Municipal Code Section 13-29(g)(2) with regard to the conditional use permit in that the proposed use is not compatible with developments in the same general area. Granting the conditional use permit will be materially detrimental to the health, safety, and general welfare of the public or otherwise injurious to properties or improvements within the immediate neighborhood.
- C. The Costa Mesa Planning Commission has denied Planning Application PA-08-20. Pursuant to Public Resources Code Section 21080(b)(5) and CEQA Guidelines Section 15270(a) CEQA does not apply to this project because it has been rejected and will not be carried out.
- D. The project is exempt from Chapter XII, Article 3, Transportation System Management, of Title 13 of the Costa Mesa Municipal Code.

ATTACHMENT 2



ABC Companies Business Summary

Prepared For:
The City of Costa Mesa
May 1, 2008

ABC is the largest independent dealer of motorcoaches in the United States (see attached Fact Sheet). As outlined on the Fact Sheet, ABC has facilities in seven (7) states: California (2 sites), Florida, Minnesota, New Jersey, Texas, Indiana, and Ontario, Canada. ABC has operated out of its Garden Grove facility for the past 16 years. Unfortunately, upon the death of a principal of the landlord, the estate decided to sell the property and ABC will have to vacate the property on or before July 2009. The new owners of the property will use the Garden Grove property in its RV business.

ABC has been actively engaged in the site selection process and has identified the site located at **1485 Dale Way, Costa Mesa** as an exciting possibility for a dealership location. The physical plans for the facility would be as follows:

The site is currently comprised of an existing 75,000 Sq.Ft. (\pm) concrete tilt-up industrial building on 4.9 acres of land. The existing building would be used for dealership sales offices, maintenance and service of buses, and warehousing of parts. ABC will add several ground level doors to the building on the west side for its service bays. The remainder of the site will be used for parking of cars and buses.

The entire site will remain fenced, lighted and gated with security-code access. Screening and landscaping will be modified/maintained in accordance with the City's requirements in order to enhance the exterior image and curb appeal of the overall project.

The operational plans for the facility shall be described as follows:

- **The General Description** of ABC's business is the sales and leasing of new and used motorcoaches, primarily to tour bus companies. Due to the nature of their customers' primary business of transporting individuals, buyers of ABC's vehicles are highly regulated by both the Department of Transportation and the insurance industry. ABC does not sell to individuals looking for vehicles for their own private use. The average price of the vehicles sold by ABC is approximately \$176,000.00, with new vehicles selling for \$400,000.00 or more. In terms of leasing, the typical lease term for an ABC vehicle is seven (7) years. ABC is clearly not a short-term rental operation.
- **Hours of Operation:** 7:00 AM to 6:00 PM
- **Number of Employees:** Forty (40)
- **Coach Inventory on Site:** There will be approximately 80 to 100 "sale-ready" vehicles on site at any given time. There will be no storage of obsolete/non-operational vehicles.



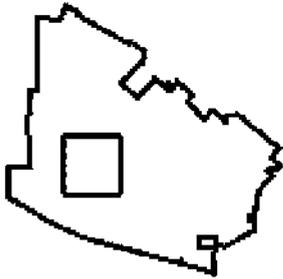
- **Traffic on and around the site:** Traffic to and from the site is typically generated by customers picking up purchased vehicles, dropping off vehicles for service work, picking up a serviced vehicle, or occasionally for test-drives. The typical traffic flow during business hours is approximately two (2) or three (3) outbound or inbound buses per hour.
- **Vehicle Parking:** Buses will be parked throughout the paved yard area, with the brand new vehicles naturally to be parked closer to the street along Dale Way to maximize the curb appeal of the overall project.
- **Maintenance/Service of Vehicles:** ABC performs repair and service work on vehicles in much the same manner as an automotive dealership. Work is performed (1) on buses to place them in "sale ready" condition; and (2) as typical retail work on a vehicle that had been previously purchased from ABC (i.e., routine maintenance, warranty work, miscellaneous repair work, etc.). The scope of service work to be completed on site could consist of minor routine maintenance such as oil changes to major engine repairs such as a replacement of a transmission. All repair work shall be completed inside the building on site. The service area within the building shall be situated at least two hundred feet (200') from the Subject Property's Village Way property line.
- **Disposal of Oils/Solvents:** All oils, solvents, and/or other potentially hazardous materials shall be contained in holding tanks and regularly disposed of legally by regulated haulers offsite.
- **Vehicle Cleaning:** A "wash rack" will be installed on-site in the rear of the property near the existing building and the "to-be-built" building for washing of vehicles.
- **Warehousing:** All warehousing of parts shall take place under roof within the building to be constructed. There will be no outside storage of parts inventory.
- **Desired Occupancy Date:** As soon as possible.

ATTACHMENT 3

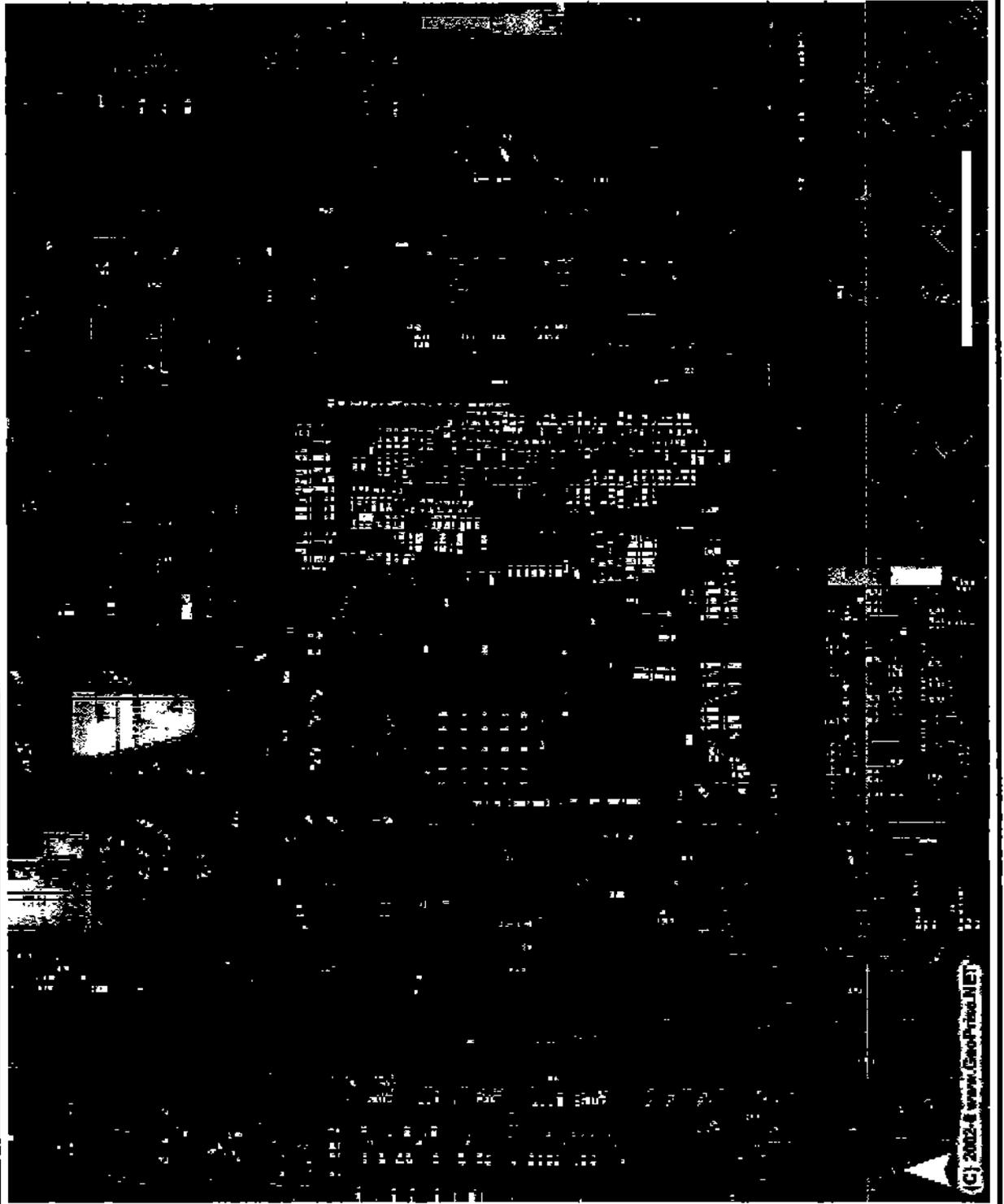
City of Costa Mesa

CITY OF COSTA MESA - [Created: 7/21/2008 2:28:14 PM] [Scale: 203.79] [Page: 8.5 x 11 / Landscape]

Overview Map



Map Display

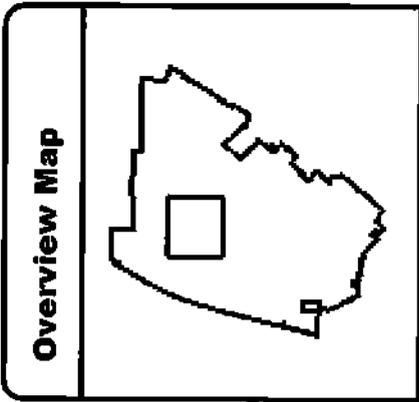


Legend

- Address Medium
- Address Points
- Street Names
- Parcel Lines
- Level 2 Ortho Photo
- Parcels
- ROW
- Polygon
- S

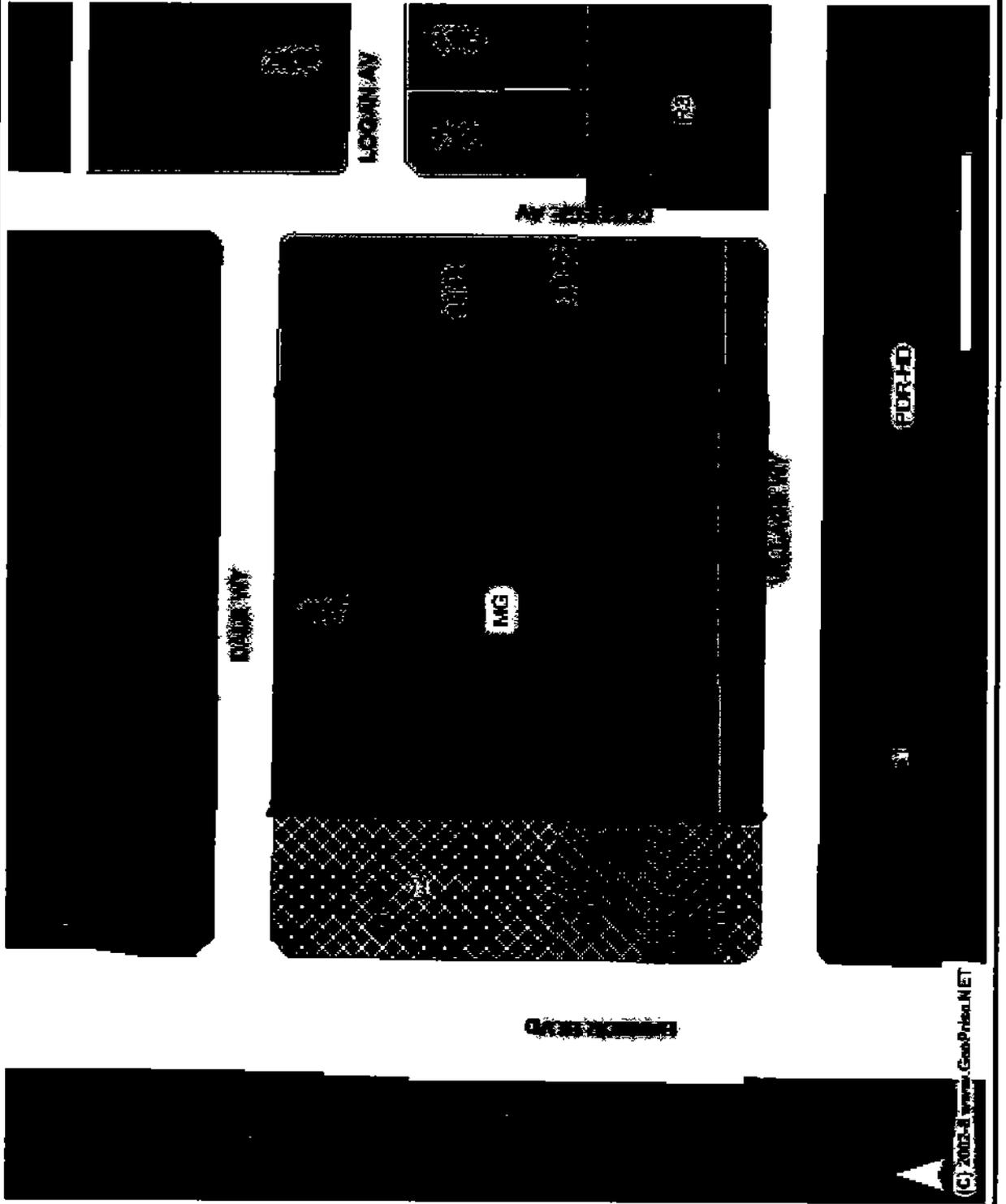
City of Costa Mesa

CITY OF COSTA MESA - [Created: 7/21/2008 2:29:18 PM] [Scale: 203.79] [Page: 8.5 x 11 / Landscape]



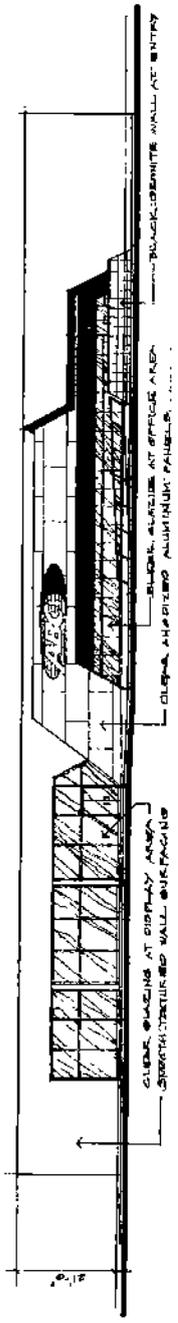
Overview Map

Map Display

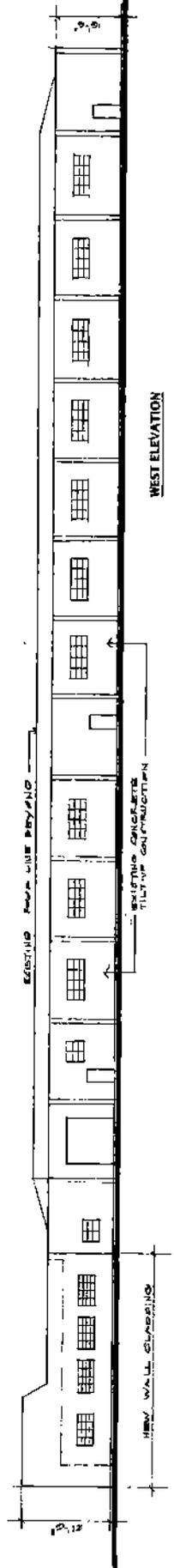


Legend

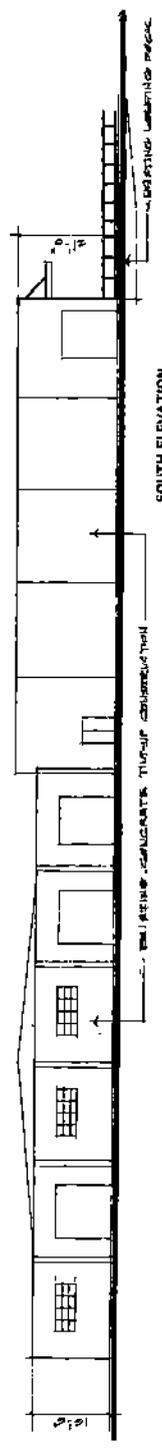
Address Medium	C1-S
Address Points	C2
Street Names	GL
Parcel Lines	WR
Zoning	WR-S
AP	MG
C1	MP
(cont)	P
	PDC
	PDI
	PDR-HD
	PDR-LD
	PDR-MD
	PDR-NCM
	(cont)



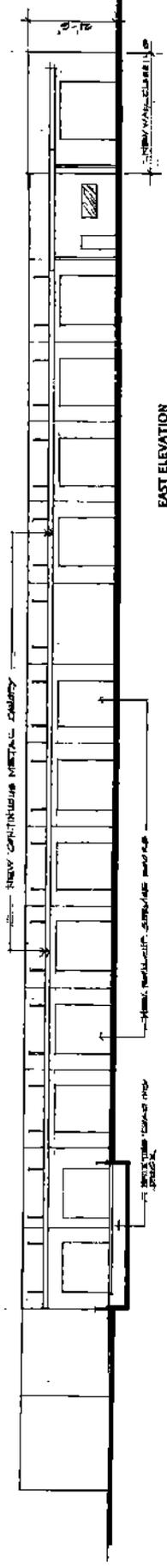
NORTH ELEVATION



WEST ELEVATION



SOUTH ELEVATION



EAST ELEVATION

ALL EXTERIOR ELEVATIONS TO BE CORN COORDINATED