

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

**September 24, 2018**

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

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

Commissioner Harlan led the Pledge of Allegiance.

**ROLL CALL**

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

Staff: Jennifer Le, Assistant Director of Development Services  
Yolanda Summerhill, Deputy City Attorney  
Tarquin Preziosi, Assistant City Attorney  
Bart Mejia, City Engineer  
John Neal, Assistant Fire Marshal  
Mino Ashabi, Principal Planner  
Mel Lee, Senior Planner  
Justin Arios, Assistant Planner  
Julie Colgan, Recording Secretary

**ANNOUNCEMENTS AND PRESENTATIONS:**

None.

**PUBLIC COMMENTS:**

An unidentified speaker spoke in opposition to having balconies counted as open space on projects.

**PLANNING COMMISSIONER COMMENTS AND SUGGESTIONS:**

Commissioner Zich stated that the Traffic Impact Fee Ad Hoc Committee has wrapped up its work.

Commissioner Navarro Woods thanked the City for putting together the City of Costa Mesa Community Fun Run and the Fish Fry.

Commissioner Harlan reported attending the 580 Anton grand opening event last week and liked the quality of the development, the location, and the increase in housing that will occur.

Vice Chair de Arakal announced the grand opening event of Fire Station No. 1 on September 29<sup>th</sup>.

Chair Andranian spoke regarding Fire Station No. 1.

## **CONSENT CALENDAR:**

### **1. MINUTES FOR THE MEETING OF JULY 23, 2018**

**MOTION: Move approval of the consent calendar.**

**Moved by Vice Chair de Arakal, seconded by Chair Andranian.**

The motion carried by the following roll call vote:

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

## **PUBLIC HEARINGS (00:07:52)**

### **1. PLANNING APPLICATION 18-30 FOR A MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY (PIVOT NATURALS, LLC) AT 3595 CADILLAC AVENUE, SUITE 101**

**Project Description:** Planning Application 18-30 is a request for a Conditional Use Permit for a marijuana manufacturing and distribution facility (Pivot Naturals, LLC) within a 5,283-square-foot tenant space of an existing industrial building. The proposed facility will include processing of cannabis oils to blend them into a powder for use in tablets, beverages, edibles, and similar products. No cannabis extraction will take place at this facility. Rooms include manufacturing and packaging areas, storage rooms, and ancillary offices. Trailers used for the distribution of cannabis products will be within the building. The facility will be staffed by at least nine employees. The hours of operation are proposed to be from 7 AM to 7 PM, daily, eventually expanding to 24 hours a day, if demand warrants. The facility will have security systems (card readers, security cameras, etc.) throughout the facility. No cultivation or dispensing of marijuana 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.

Five ex-parte communications to report: Vice Chair de Arakal received an email from the applicant's representative but did not respond; Commissioner Zich met with the applicant and applicant's representative; Commissioner Navarro Woods was contacted by the applicant's representative but did not have any questions for them; Chair Andranian had a discussion with the applicant's representative today about the application; and Commissioner Harlan was contacted by the applicant's representative but did not have the opportunity to respond.

Mel Lee, Senior Planner, presented the staff report.

Commissioner Zich and staff discussed who the applicant, the business owner, and the authorized agent are; the reason for the language that the Commission may review the unloading and loading area in the staff report; whether the City provides the employee ID badge; the number of medical versus adult use marijuana conditional use permits approved by the City; whether there is a prohibition for manufacturing edibles; whether Conditions of Approval No. 1 and 34 address any non-compliance issues; and whether transporting cannabis in a trailer is allowed.

Commissioner Zich recommended that staff clarify the intent of the signage language in Conditions of Approval Nos. 7 and 21.

## **PUBLIC COMMENTS**

Jim Fitzpatrick, applicant's representative, stated he has read the conditions of approval and asked to strike Code Requirement No. 8. He presented a slideshow on the proposed application.

Pat Rolfes, applicant, explained the patents for their product and his manufacturing background.

Commissioner Navarro Woods, Mr. Rolfes, and Mr. Fitzpatrick discussed whether purchasing processed cannabis oil from local Costa Mesa businesses in the area will occur; the recommendation from HdL, the City's security consultant, to relocate the breakroom; that transportation will not occur between 12 midnight and 5 AM; and how often trucks will be leaving the facility.

An unidentified speaker stated their concerns about the application.

Mr. Fitzpatrick provided closing comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301, Class 1, Existing Facilities; and approve Planning Application 18-30, subject to conditions of approval with the removal of Code Requirement No. 8.**

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

Vice Chair de Arakal, Chair Andranian, Yolanda Summerhill, Deputy City Attorney, and staff discussed whether Code Requirement No. 8 is a standard requirement and whether the owner would have control over the parking.

Vice Chair asked to leave in Code Requirement No. 8.

Chair Andranian revised his motion to include Code Requirement No. 8 in the Resolution and made the motion as stated in the staff recommendation on the first page of the staff report.

Commissioners and staff discussed whether it is standard to ask an applicant to resurface and restripe a parking area prior to occupancy of a building when there is an issue with the parking

lot; the option of having the code enforcement division contact the property owner instead to address the parking lot issue; whether all the parking spaces that the City is asking to be restriped are dedicated to the proposed application or are they common parking stalls; whether the property owner is aware that the parking lot needs to be fixed; and the timing for the other conditional use permit application at the same building.

Commissioner Harlan stated concerns with not having specific language as to when the hours of operation will change to 24 hours a day.

Chair Andranian and staff discussed the reason to include the wording about expanding to 24 hours a day, if demand warrants in the Resolution; what method will be used to extend the business hours from the initial hours of operation to 24 hours per day; and what are the hours of operation for other manufacturing businesses.

Chair Andranian did not agree with changing his motion to include a revision to Condition of Approval No. 1 regarding hours of operation.

**SUBSTITUTE MOTION: Move that the Planning Commission approve the project with the following modification:**

**Condition of Approval No. 1 to read: “The use of this property as a marijuana manufacturing, processing, and distribution 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, 7 days a week. No product distribution shall occur between 12:00 AM midnight and 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)]”.**

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

Commissioner Navarro Woods spoke in support of the substitute motion.

The Commissioners discussed the substitute motion.

Vice Chair de Arakal and Chair Andranian spoke in opposition to the motion.

Commissioner Navarro Woods and staff discussed whether other manufacturing businesses in the area operate 24 hours a day and whether other Measure X applications in the Cambridge Park area have been approved to operate with the ability to increase to 24 hours a day.

**RESOLUTION PC-18-63 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING PLANNING APPLICATION 18-30 TO ALLOW A MARIJUANA MANUFACTURING AND DISTRIBUTION FACILITY AT 3595 CADILLAC AVENUE, SUITE 101**

The motion carried by the following roll call vote:

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

The Chair explained the appeal process.

**2. PLANNING APPLICATION 18-27 FOR A CONDITIONAL USE PERMIT FOR A 2,542-SQUARE-FOOT BUTCHER SHOP (SECTIONS FINE MEATS) WITH THE SALE OF BEER AND WINE FOR OFF-SITE CONSUMPTION (TYPE 20 ABC LICENSE) INCLUDING A REQUEST FOR A PUBLIC CONVENIENCE OR NECESSITY (PCN) FINDING FOR A TYPE 20 ABC LICENSE LOCATED AT 333 EAST 17TH STREET, SUITE 22**

**Project Description:** Planning Application 18-27 is a request for a Conditional Use Permit for a 2,542-square-foot butcher shop (Sections Fine Meats) with the sale of beer and wine for off-site consumption in conjunction with a State Alcoholic Beverage Control (ABC) License Type 20, including a request for a Public Convenience or Necessity (PCN) finding for a Type 20 ABC License.

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

No ex-parte communications to report.

Justin Arios, Assistant Planner, presented the staff report.

Commissioner Zich and staff discussed the location from which the applicant would be transferring the ABC License; the intent of Condition of Approval No. 18 which does not allow portable refrigerated units; the intent of Condition of Approval No. 27 which requires a five-foot distance requirement between alcoholic beverages and the cash register or any public entrance; the intent of Condition of Approval No. 29 which does not allow advertisement of alcoholic beverages; and whether the distribution of flyers and brochures is prohibited.

### **PUBLIC COMMENTS**

Ryan Ramming, applicant, stated he has read the conditions of approval and agrees to them. He explained how the idea of his business came about and what kind of products it will offer.

Commissioners and Nick Ramming, applicant, discussed the kind of products that will be offered.

An unidentified speaker stated concerns with the applicant's request for the Type 20 ABC License and the overconcentration of businesses that sell alcohol.

Beth Refakes, Costa Mesa resident, spoke in support of this item.

Mr. Ramming responded to public comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301, Class 1, for Existing Facilities; make a finding of Public Convenience or Necessity for a Type 20 ABC License; and approve Planning**

**Application 18-27, subject to findings in Exhibit A and conditions of approval in Exhibit B.**

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

Vice Chair de Arakal spoke in support of the application.

**RESOLUTION PC-18-64 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING CONDITIONAL USE PERMIT PA-18-27 FOR A 2,542-SQUARE-FOOT BUTCHER SHOP (SECTIONS FINE MEATS) WITH THE SALE OF BEER AND WINE FOR OFF-SITE CONSUMPTION WITH A FINDING OF PUBLIC CONVENIENCE OR NECESSITY FOR A TYPE 20 ALCOHOLIC BEVERAGE CONTROL (ABC) LICENSE LOCATED AT 333 EAST 17TH STREET, SUITE 22**

The motion carried by the following roll call vote:

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

Noes: None

Absent: None

Abstained: None

The Chair explained the appeal process.

The Commission took a break at 7:52 p.m.

The Commission reconvened at 7:57 p.m.

**3. THREE-YEAR TIME EXTENSION FOR MASTER PLAN AMENDMENT PA-16-50 FOR DEVELOPMENT OF A 15-STORY NEW HOTEL TOWER WITH 150 ROOMS AND A SIX LEVEL PARKING STRUCTURE AT 3350 AVENUE OF THE ARTS**

**Project Description:** A request for a three-year time extension for entitlements granted under Planning Application 16-50, approved on November 28, 2016. The approved entitlements included a Master Plan Amendment for development of a Boutique Hotel with 150 additional rooms (Avenue of the Arts Hotel) in a 15-story high-rise building and a six-level parking structure with 335 parking spaces. The Master Plan Amendment included the following deviations:

- a) Deviation from the perimeter open space setback requirement to allow the encroachment of an outdoor patio area and a vehicular ramp into the Avenue of the Arts landscape easement (20 feet required; 10 feet-5 inches proposed for outdoor patio and vehicular ramp).
- b) Deviation from required number of parking spaces (364 spaces required; 335 spaces provided).

**Environmental Determination:** An Addendum to the Final Program Environmental Impact Report (EIR) No. 1054 was previously adopted on November 28, 2016 for California Environmental Quality Act (CEQA) compliance purposes.

No ex-parte communications to report.

Minoo Ashabi, Principal Planner, presented the staff report.

Commissioner Zich and staff discussed how the process of amending the master plan would work and whether roof top signage would be allowed.

## **PUBLIC COMMENTS**

Paul Sanford, applicant, stated he has read the conditions of approval and agreed to them. He explained the reasoning for the time extension request.

No public comments.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission adopt a Resolution to approve a three-year time extension for Planning Application PA-16-50, subject to conditions.**

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

Commissioners and staff discussed the payment for traffic signal improvements in Condition of Approval No. 22; whether the Commission has the authority to change any of the approved conditions; and whether Measure Y would be applicable to the project.

Commissioner Zich spoke in support of the motion.

**RESOLUTION PC-18-65 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING A THREE-YEAR TIME EXTENSION FOR PLANNING APPLICATION 16-50 FOR DEVELOPMENT OF A 15-STORY NEW HOTEL TOWER WITH 150 ROOMS AND A SIX LEVEL PARKING STRUCTURE AT 3350 AVENUE OF THE ARTS**

The motion carried by the following roll call vote:

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

Noes: None

Absent: None

Abstained: None

The Chair explained the appeal process.

**4. PLANNING APPLICATION 18-26 FOR A CONDITIONAL USE PERMIT TO ALLOW AN ANIMAL HOSPITAL (ALL CREATURES CARE COTTAGE VETERINARY HOSPITAL) WITH VETERINARY SERVICES AND ANCILLARY PET BOARDING AND A MINOR CONDITIONAL USE PERMIT FOR ANCILLARY OUTDOOR USE IN THE C1 ZONE LOCATED AT 601 WEST 19TH STREET**

**Project Description:** Planning Application 18-26 is a request for a Conditional Use Permit to allow an animal hospital (All Creatures Care Cottage Veterinary Hospital) with veterinary services and ancillary pet boarding, and a Minor Conditional Use Permit for ancillary outdoor use at 601 West 19<sup>th</sup> Street.

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

No ex-parte communications to report.

Justin Arios, Assistant Planner, presented the staff report.

Commissioners and staff discussed how the artificial grass will be kept clean and how the parking was calculated.

## **PUBLIC COMMENTS**

Rand Spongberg, applicant, stated he has read the conditions of approval and agreed to them. He explained the reasons for the new location.

Commissioners and Mr. Spongberg discussed how the artificial grass will be kept clean and whether the current business will be closed.

Beth Refakes, Costa Mesa resident, spoke in support of this item.

The Chair closed the public hearing.

**MOTION: Move that the Planning Commission move approval of Planning Application 18-26 subject the findings and conditions of approval and find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15301, Class 1, for Existing Facilities including outdoor area per option 1 recommendation by staff.**

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

**RESOLUTION PC-18-66 - A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COSTA MESA APPROVING CONDITIONAL USE PERMIT PA-18-26 FOR AN ANIMAL HOSPITAL WITH VETERINARY SERVICES AND ANCILLARY PET BOARDING AND MINOR CONDITIONAL USE PERMIT FOR ANCILLARY OUTDOOR USE LOCATED AT 601 WEST 19TH STREET**

The motion carried by the following roll call vote:

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

Noes: None

Absent: None

Abstained: None

The Chair explained the appeal process.

## **DEPARTMENTAL REPORT(S)**

1. Public Services Report – Bart Mejia, City Engineer, gave an update on the installation and construction of medians on Redhill Avenue.

Commissioner Navarro Woods and Mr. Mejia discussed whether any traffic would have to be rerouted through Redhill Avenue.



Vice Chair de Arakal and Ms. Le discussed whether a parking study is being conducted for the SoBECA area.

2. Development Services Report – Ms. Le reported that at the last City Council meeting the Council adopted a resolution approving a temporary meeting location, the Costa Mesa Senior Center, for Council meetings while the City Hall Council Chambers are under construction. The Commission will consider a similar resolution at its next meeting. Ms. Le also reported that the Commission's first meeting in November will be on Thursday, November 15<sup>th</sup> due to the holiday.

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

1. City Attorney – none.

#### **ADJOURNMENT (02:34:12)**

Submitted by:



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**BARRY CURTIS, SECRETARY  
COSTA MESA PLANNING COMMISSION**