



# *CITY COUNCIL AGENDA REPORT*

MEETING DATE: OCTOBER 7, 2014

ITEM NUMBER:

**SUBJECT: CODE AMENDMENT CO-12-07: CONSIDERATION OF A MORATORIUM EXTENSION REGARDING HOOKAH PARLORS**

**FROM: PLANNING DIVISION/DEVELOPMENT SERVICES DEPARTMENT**

**PRESENTATION BY: MEL LEE, SENIOR PLANNER**

**DATE: SEPTEMBER 25, 2014**

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

Recommend that City Council adopt an extension of the hookah parlor moratorium considered under Code Amendment CO-12-07 for a period not to exceed 12 months.

## **BACKGROUND:**

On November 5, 2013, the City Council adopted Urgency Ordinance No. 13-07 approving an initial 45-day moratorium on hookah parlors to allow City staff and the City Attorney time to explore and study hookah parlor regulations that would not prohibit such a use in the City.

On December 3, 2013, the City Council adopted Urgency Ordinance No. 13-09 extending the moratorium on hookah parlors for 10 months and 15 days.

## **ANALYSIS:**

Government Code Section 65858 provides for the adoption, as an urgency measure, interim ordinances for certain expressed purposes by a vote of four-fifths (4/5) majority of the voting City Council members. Pursuant to Government Code Section 65858, a moratorium shall remain in effect for an initial 45-day period and may be extended, after notice and public hearing, for an additional 10 months and 15 days with an additional extension up to one year to alleviate a current and actual threat to the public health and safety.

City staff is requesting an extension of the moratorium for a period not to exceed 12 months to allow for further study of hookah parlor regulations and to allow for adequate time to present the permanent zoning regulations to the Planning Commission and the City Council at future duly-noticed public hearings. Staff does not yet have a firm timeline regarding future public hearings at the Planning Commission and City Council,

but currently anticipates that the future public hearings will occur in the first half of calendar year 2015.

Report Relating To Measures Taken By The City Pursuant To Section 65858 Of The Government Code

The City has taken the following measures to alleviate the conditions created by hookah parlors: increased code enforcement activity against hookah parlors that are operating in violation of the City's code or state law; begun investigating what restrictions, if any, other nearby communities have taken to mitigate the problems created by hookah parlors; and begun investigating potential zoning and operating limitations on hookah parlors to alleviate the secondary effects of second hand smoke, noise, parking and traffic.

**PUBLIC NOTICE**

Code-required public notice was provided via the following methods:

1. Publication of a display ad in the local newspaper (Daily Pilot).
2. Notice of the public hearing was mailed to the following:
  - a. Existing hookah parlor owners.
  - b. Costa Mesa Chamber of Commerce.
  - c. Orange County Health Care Agency.

**ENVIRONMENTAL DETERMINATION**

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 pursuant to Section 15061(b)(3) (General Rule) of CEQA because there is no possibility that the proposed amendment to the Zoning Code will have a significant effect on the environment.

**ALTERNATIVES CONSIDERED**

City Council may consider the following alternatives:

1. Approve the urgency ordinance (moratorium) extension for a period of 12 months.
2. Receive and file the report and allow the initial 10 month and 15 day moratorium to expire, which would require the City to process hookah-parlor related applications upon expiration without formal regulation in the Costa Mesa Municipal Code.

**FISCAL REVIEW**

The proposed urgency ordinance and moratorium are not likely to have any direct fiscal impact.

## **LEGAL REVIEW**

The City Attorney has reviewed this report and its attachments and has been approved as to form by the City Attorney's Office.

## **CONCLUSION**

The moratorium extension (not to exceed 12 months) is recommended by City Staff and the City Attorney as it would allow adequate time for City Staff and the City Attorney to explore and study hookah parlor land use regulations that do not involve a prohibition of such a use. Furthermore, the extension would allow staff adequate time to present these solutions to both the Planning Commission and City Council at duly noticed public hearings. The moratorium extension will become effective immediately upon adoption by City Council.

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MEL LEE, AICP  
Senior Planner

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GARY ARMSTRONG, AICP  
Economic and Development Services  
Director / Deputy CEO

ATTACHMENT: 1. [Draft Urgency Ordinance \(Moratorium\) Extension No. 14-](#)

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