



# **PLANNING COMMISSION AGENDA REPORT**

MEETING DATE: APRIL 13, 2020

ITEM NUMBER:

PH-3

**SUBJECT: ZONING APPLICATION 19-68 FOR A PLANNED SIGNING PROGRAM  
AND DEVELOPMENT AGREEMENT 20-01 FOR TRIANGLE SQUARE  
(1870 HARBOR BOULEVARD AND 1875 NEWPORT BOULEVARD)**

**DATE: APRIL 8, 2020**

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

**PRESENTATION BY: JUSTIN ARIOS, ASSISTANT PLANNER**

**FOR FURTHER JUSTIN ARIOS**

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## **RECOMMENDATION:**

Staff recommends that the Planning Commission adopt a Resolution to recommend that the City Council:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per CEQA Guidelines Section 15311 (Class 11), Accessory Structures; and
2. Give first reading to Ordinance 2020-xx to approve Development Agreement 20-01 that incorporates the Planned Signing Program of Zoning Application 19-68, subject to conditions of approval.

## **APPLICANT OR AUTHORIZED AGENT:**

The applicant and authorized agent is Tyler Mateen, representing the property owner, Triangle Center LLC.

## **PLANNING APPLICATION SUMMARY**

Location:	1870 Harbor Boulevard & 1875 Newport Boulevard	Application Number:	ZA-19-68 & DA-20-01
Request:	Zoning Application 19-68 is a request for a Planned Signing Program for Triangle Square.		

### **SUBJECT PROPERTY:**

### **SURROUNDING PROPERTY:**

Zone:	PDC (Planned Development Commercial)	North (across W. 19 <sup>th</sup> St):	C1, C2 & PDC (Local Business, General Business & Planned Development Commercial) – commercial uses
General Plan:	Commercial Center	South / East (across Newport Blvd):	C2 & PDC (General Business & Planned Development Commercial) – commercial uses
Lot Dimensions:	Irregular		
Lot Area:	4.6 acres	West (across Harbor Blvd):	PDC (Planned Development Commercial) – Costa Mesa Courtyards
Existing Development:	Existing commercial development – Triangle Square commercial center.		

### **BACKGROUND:**

The project site is located at 1870 Harbor Boulevard and 1875 Newport Boulevard, an existing commercial development commonly known as Triangle Square. The existing commercial development is zoned PDC (Planned Development Commercial) and has a General Plan land use designation of Commercial Center. Triangle Square is bounded by West 19<sup>th</sup> Street to the north, Newport Boulevard to the south and east, and Harbor Boulevard to the west. This application is for a Development Agreement that includes a Planned Signing Program. The Development Agreement is a legislative act that must be adopted by ordinance, while the Planned Signing Program is a discretionary approval normally within the Planning Commission's authority. Because of the differing levels of review for the project, and the fact that the Planned Signing Program is a part of the Development Agreement, the Planning Commission will be making a recommendation to the City Council as to both items pursuant to Costa Mesa Municipal Code (CMMC) Section 13-29(q).

### ***History of Entitlements for Triangle Square***

#### **PA-89-31 – Original Master Plan (Triangle Square)**

The original Master Plan for Triangle Square was approved by the Planning Commission on May 8, 1989, on a 5-0 vote. The original Master Plan included restaurants, a movie theater, and retail stores, including a supermarket in the basement level. As part of the Master Plan approval, a reduction in the perimeter open space requirement on all three streets (20 feet required; 8 feet on West 19<sup>th</sup> Street and Harbor Boulevard, and 13 feet on Newport Boulevard) was also approved.

Triangle Square was successful for its first decade or so of operation, but has suffered higher vacancy rates since. Triangle Square has not been fully occupied since Niketown vacated its space in January 2005.

#### PA-90-55 – Original Planned Signing Program and Amendments (Triangle Square)

The original Planned Signing Program (PA-90-55) allowed a maximum of 1,873 square feet of total building signage for all tenants, including major tenants such as the movie theatre and the supermarket that existed at the time. Throughout the 1990's and 2000's a number of amendments of the Planned Signing Program were approved for various projects/tenants and increased the maximum of signage for the entire center to 3,167 square feet.

A summary of the amendments can be found in the staff report for ZA-11-03: <http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2011/2011-03-14/031411ZA1103.pdf>

#### ZA-10-39 – Denied amendment to the Planned Signing Program (proposed electronic signs)

In 2010, an amendment to the Planned Signing Program was processed to allow two signs with electronic Light Emitting Diode (LED) screens on the northeast (former Niketown dome) and southwest (Sutra Lounge) sides of the building. The signs were proposed to be approximately 10 feet high by 96 feet long and 20 feet high by 15 feet long, respectively. The application was approved by the Planning Commission on August 9, 2010. However, the approval was called up for review by a City Council member and the applicant withdrew the application before an appeal hearing could be conducted.

The staff report for ZA-10-39 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2010/2010-08-09/080910ZA1039.pdf>

The meeting minutes for ZA-10-39 can be found here:

<https://www.costamesaca.gov/home/showdocument?id=4325>

The meeting video for ZA-10-39 can be found here:

[http://costamesa.granicus.com/MediaPlayer.php?view\\_id=4&clip\\_id=1518](http://costamesa.granicus.com/MediaPlayer.php?view_id=4&clip_id=1518)

#### PA-12-02 – New Master Plan (The Triangle)

After years of decline, Triangle Square was acquired by Greenlaw Partners in 2010, who began planning an extensive remodel and update to the center, which was re-branded as "The Triangle." On March 12, 2012, the Planning Commission, on a 5-0 vote, approved a Master Plan for a comprehensive update to the Triangle, including the following:



## **PA-12-02 Master Plan Approval**

### **PLAZA LEVEL**

<u>Use</u>	<u>Maximum Allowable</u>
Movie Theater	1,200 Seats
Restaurants	25,715 sq. ft.
Nightclub (Sutra Lounge)	8,850 sq. ft.
Retail	9,132 sq. ft.

### **STREET LEVEL**

<u>Use</u>	<u>Maximum Allowable</u>
Health Club	20,989 sq. ft.
Bowling Alley	14,239 sq. ft. (including 10 bowling lanes and a 4,000 sq. ft. restaurant)
Wine Storage	7,000 sq. ft.
Restaurants	16,767 sq. ft.
Retail	15,626 sq. ft.

### **BASEMENT LEVEL**

<u>Use</u>	<u>Maximum Allowable</u>
Health Club (24-Hour Fitness)	34,400 sq. ft.

As part of the approval, the Master Plan incorporated the previously approved Planned Signing Program while also updated the Planned Signing Program to including six new project identification signs, four freestanding monument/tenant identification signs, upgraded parking/blade signs as well as way finding signage throughout.

The staff report for PA-12-02 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2012/2012-03-12/031212PA1202complete.pdf>

The meeting minutes for PA-12-02 can be found here:

<https://www.costamesaca.gov/home/showdocument?id=4393>

The meeting video for PA-12-02 can be found here:

[http://costamesa.granicus.com/MediaPlayer.php?view\\_id=4&clip\\_id=1877](http://costamesa.granicus.com/MediaPlayer.php?view_id=4&clip_id=1877)

### **PA-12-02 A1 – First Amendment to the Master Plan (and amendment to Planned Signing Program)**

On November 13, 2012, the Planning Commission, on a 5-0 vote, approved the first amendment to the Master Plan pertaining to the Planned Signing Program component of The Triangle:



- Newport Boulevard/West 19th Street Corner – Dome Banner Signage: Request to allow off-site signage for the previously-approved 600-square-foot of sign area of changeable vinyl signage at the former Niketown Dome.
- Newport Boulevard/Harbor Boulevard Corner – Tower Banner Signage: Request for an additional 300-square-foot of sign area for changeable vinyl signage at the tower (former Gap space).

The Planned Signing Program was incorporated into the Master Plan when it was approved in March 2012. However, pursuant to CMMC Section 13-28 (Planning Applications) the Planned Signing Program is a stand-alone document which is a voluntary, optional alternative to the general sign regulations and is not a requirement of the Master Plan. As a result, and if approved, this Planned Signing Program would supersede and replace all previously approved Planned Signing Programs at the property, including PA-90-55, PA-12-02 and PA-12-02 A1.

The staff report for PA-12-02 A1 can be found here:

<https://www.costamesaca.gov/Home/ShowDocument?id=8796>

The meeting minutes for PA-12-02 A1 can be found here:

<https://www.costamesaca.gov/home/showdocument?id=9116>

The meeting video for PA-12-02 A1 can be found here:

[http://costamesa.granicus.com/MediaPlayer.php?view\\_id=10&clip\\_id=2040](http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=2040)

#### PA-12-02 A2 – Second Amendment to the Master Plan

On May 11, 2015, the Planning Commission, on a 4-0 vote (Commissioner Mathews absent), approved the second amendment to the Master Plan, which involved two main components:

##### *Phase 1:*

- Relocation of the former Sutra Lounge (now Time Nightclub) from Suite L2-200 to Suite L1-245 (the former Niketown space). This included an increase in size for the nightclub from 8,580 square feet to 11,804 square feet, for a net increase of 3,224 square feet.

##### *Phase 2:*

- Occupancy of the prior Sutra Lounge space (8,580 square feet within Suite L2-200) with a restaurant use.
- Conversion of the 7,000 square feet of previously approved wine storage space to an occupancy by a future retail use. This space is currently occupied by the Halloween “Bootique”.

The staff report for PA-12-02 A2 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2015/2015-05-11/PH-3.pdf>

The meeting minutes for PA-12-02 A2 can be found here:

<https://www.costamesaca.gov/home/showdocument?id=18575>

The meeting video for PA-12-02 A2 can be found here:

[http://costamesa.granicus.com/MediaPlayer.php?view\\_id=10&clip\\_id=2606](http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=2606)

### PA-12-02 A3 – Third Amendment to the Master Plan

On May 22, 2017, the Planning Commission, on a 5-0 vote, approved the third amendment to the Master Plan as it pertained to allowing a live entertainment/dueling pianos venue (Keys on Main) in the 8,554-square-foot space previously occupied by The Gap (Space L1-108), which opened in March 2018.

The staff report for PA-12-02 A3 can be found here:

<http://ftp.costamesaca.gov/costamesaca/planningcommission/agenda/2017/2017-05-22/PH-4.pdf>

The meeting minutes for PA-12-02 A3 can be found here:

<https://www.costamesaca.gov/home/showdocument?id=26399>

The meeting video for PA-12-02 A3 can be found here:

[http://costamesa.granicus.com/MediaPlayer.php?view\\_id=10&clip\\_id=3023](http://costamesa.granicus.com/MediaPlayer.php?view_id=10&clip_id=3023)

### **DESCRIPTION:**

Zoning Application 19-68 is a request for approval of a new Planned Signing Program for Triangle Square, including new exterior signage to reflect its refreshed branding effort, as well as incorporating digital and static signage, as part of a development agreement for the property. As described in the project narrative of the Planned Signing Program plans (Development Agreement Exhibit C), the proposed digital Light Emitting Diode (LED) screens would provide on-site and off-site advertising opportunities, as well as being utilized for community engagement (public service announcements, messages, community promotions and events). The digital screens would also be utilized to showcase public art. The proposed hours of operation of the digital signs with dynamic displays are proposed to be between the hours of sunrise and 2 AM, with progressive dimming/transition from daytime to nighttime brightness levels and vice versa.

Overall, the Planned Signing Program proposes a total of 4,960 square feet of signage on the property including 522 square feet of project/address/directional signage, 1,748 square feet of tenant signage (480 square feet of which are provided as freestanding pylon signs) and 2,690 square feet of digital signage with dynamic displays. Tables 1, 2,



and 3 below provide a breakdown of the various signage proposed in the Planned Signing Program.

### Tenant Signage

The Planned Signing Program incorporates tenant building wall signage along all three frontages of the property. Along Newport Boulevard, a total of 16 tenant signs (including two existing tenant pylon signs retrofitted to provide tenant identification signage) are proposed totaling 1,020 square feet. Along Harbor Boulevard, a total of seven tenant signs (including the one retrofitted tenant pylon sign) are proposed totaling 484 square feet. Along West 19<sup>th</sup> Street, a total of four tenant signs are proposed totaling 244 square feet. Tenant sign types allowed in the Planned Signing Program include: wall mounted signs, below canopy attachment signs, canopy attachment signs, window/door graphic signs, or projecting blade signs. As described in the tenant guidelines for sign criteria in the proposed Planned Signing Program, a mix of sign styles and materials is encouraged, and is subject to Landlord approval. In addition, all tenant signage would be limited to the trade name and/or logo of the company, and all signage is required to be illuminated (either internal or external).

**TABLE 1**

<b>Tenant Signage (per street frontage)</b>			
<b>Location</b>	<b>Quantity</b>	<b>Sign Area</b>	
Newport Boulevard Frontage	8 signs	1,020	SF
Harbor Boulevard Frontage	8 signs	484	SF
19th Street Frontage	3 signs	244	SF
		<b>1,748</b>	<b>SF</b>

### Identification and Directional Signage

Throughout the project site, project ID, address ID and directional signage is proposed. Along Newport Boulevard, a total of eight signs are proposed totaling 311 square feet of sign area. Along Harbor Boulevard, a total of eight signs are proposed totaling 211 square feet of sign area. Along West 19<sup>th</sup> Street, a total of three signs are proposed totaling 27 square feet of sign area (“convenience signs” not counted toward sign area). These signs are all proposed to be illuminated, with the exception of the address signs (Sign Type A5) and the parking entrance/exit signs (Sign Type D1). In addition, the proposed parking blade sign along Harbor Blvd. (Sign Type A4) would include a digital display with the number of parking spaces available. Furthermore, all signage would include similar colors to reflect the refreshed branding for Triangle Square.

**TABLE 2**

<b><u>Project ID, Address ID and Directional Signage</u></b>				
<b>Sign Type</b>	<b>Description</b>	<b>Location</b>	<b>Quantity</b>	<b>Sign Area</b>
<b>A1</b>	Rotunda ID	Harbor Blvd. Frontage	1	100 SF



<b>A2</b>	Building ID	Newport Blvd. Frontage	1	193	SF
<b>A3</b>	Secondary Project ID	Newport Blvd. Frontage	1	40	SF
<b>A4</b>	Parking Blade	Harbor Blvd. Frontage	1	20	SF
<b>A5</b>	Address ID	Harbor Blvd. & Newport Blvd. Frontage	5	130	SF
<b>C1</b>	Freestanding Pylon (Project ID)	Harbor Blvd. & Newport Blvd. Frontage	3	39	SF
<b>D1</b>	Parking Entrance / Exit <sup>1</sup>	All Frontages	7	0	SF
				<b>522</b>	<b>SF</b>

1 – convenience signs (up to 9 square feet not counted toward sign area (CMMC Section 13-111)

### Digital Changeable Signage

In addition, the Planned Signing Program incorporates digital signage with dynamic content on all three frontages, most of which are located along multiple street frontages. The proposed digital dome wrap sign totals 1,200 square feet and is located along the Newport Boulevard and 19<sup>th</sup> Street frontages. The proposed digital screen wall sign totals 600 square feet and is located along the Newport Boulevard and Harbor Boulevard frontages. The proposed digital screen wall wrap sign totals 890 square feet and is located along the Harbor Boulevard and 19<sup>th</sup> Street frontages.

The digital sign package includes architectural lighting on the existing dome. Architectural lighting does not count toward overall signage, since it is not a sign, however, the proposed lighting would supplement the signage displayed on the dome wrap.

**TABLE 3**

<b>Digital Signage</b>				
<b>Sign Type</b>	<b>Description</b>	<b>Location</b>	<b>Sign Area</b>	
<b>1</b>	Screen – Dome Wrap	Newport Blvd. & 19 <sup>th</sup> St.	1,200	SF
<b>2</b>	Screen – Wall	Newport Blvd. & Harbor Blvd.	600	SF
<b>3</b>	Screen – Wall Wrap	Harbor Blvd. & 19 <sup>th</sup> St.	890	SF
<b>4</b>	Lighting – Dome	Newport Blvd. & 19 <sup>th</sup> St.	0	SF
			<b>2,690</b>	<b>SF</b>

Although the CMMC prohibits electronic changeable signs, the intent of the prohibition on electronic signs was to prohibit signs with flashing, moving, or intermittent lighting because surrounding properties (particularly residential properties) may be impacted by the lighting effects of these types of signs, even if the homes are not in close proximity to the actual business location. Notable digital sign approvals in the City include approvals for the SOCO property (ZA-09-33) and the MetroPointe property (ZA-13-22). Both requests were for amendments to existing Planned Signing Programs with the proposal of electronic changeable signs.

## **ANALYSIS:**

Pursuant to CMMC Section 13-120, signs may be authorized as part of a Planned Signing Program even if they do not conform to all specific regulations contained elsewhere in the CMMC. A Planned Signing Program is intended to provide the latitude to encourage variety and good design, and to allow responsiveness to special circumstances, but is not intended to be used to circumvent the objectives of the sign code. The objective and intent of the sign code section is to create and maintain an aesthetically pleasing and functional environment and to create an environment where businesses can succeed while being in harmony with other City goals.

Planned Signing Programs are typically reviewed by the City's Zoning Administrator; however, the Zoning Administrator has referred this request to the Planning Commission to determine whether special circumstances exist to warrant approval of the proposed signs, specifically, the proposed digital LED signs, which are otherwise prohibited by the CMMC.

### ***Sign Design and Sign Area***

The proposed signage within the Planned Signing Program also exceeds the maximum signage allowed per the CMMC for the site and zoning, which may also be authorized as part of the Planned Signing Program. Based on the most recent approval, the maximum sign area permitted from the previous Planned Signing Program was 3,167 square feet. Overall, the Planned Signing Program proposes a total of 4,960 square feet of signage on the property. While the proposed Planned Signing Program exceeds the maximum sign area permitted by the CMMC, Triangle Square is uniquely situated in that the property is completely surrounded by three arterial streets, and is also located at the entry way to Costa Mesa at the terminus of the Costa Mesa Freeway (SR-55). The property is 4.6 acres in size and is a prominent commercial center in the City with a regional draw due to its unique location (a similar type of commercial center to South Coast Plaza, MetroPointe and/or SOCO), further distinguished through its location at the terminus of a major freeway.

Architecturally, the signs proposed in the Planned Signing Program are compatible with the existing development. The signs proposed would be visually integrated into the building's façade and would feature colors and lighting complementary to the architectural design of the building. All signage also incorporates the same color palette, typography and materials. In addition, the existing freestanding pylon signs would be retrofitted and upgraded with a similar style and color, consistent with the design of other proposed signs.

### ***Digital Changeable Signs***

Electronic changeable copy signs, except theater marquees and time/temperature signs, are prohibited types of signs, per CMMC Section 13-112(I). The intent of the prohibition on electronic signs was to prohibit signs with flashing, moving, or intermittent lighting because surrounding properties (particularly residential properties) may be impacted by the lighting effects of these types of signs, even if the homes are not in close proximity to the actual



business location (Ordinance No. 99-10). Signs may be authorized as part of a Planned Signing Program even if they do not conform to all specific regulations contained in the Zoning Code, such as proposing a prohibited sign type. As such, the proposal to incorporate digital changeable signs requires approval of a Planned Signing Program.

### Light Study

Lighting Design Alliance, Inc. (LDA) conducted a study (Attachment 3) to evaluate the potential impacts of the proposed digital signage on the adjacent residential properties. The study evaluates light levels at various residential neighborhoods including residential properties across 19<sup>th</sup> Street (along Bernard Street – approximately 300 feet away), residential properties located northwest of Triangle Square (approximately 500 feet away), and residential properties located across Newport Boulevard (closest property approximately 325 feet away). The study evaluated the potential impacts from light spill and glare at multiple locations identified as sensitive receptors and included recommendations that were included as part of the applicant's proposal.

The study concluded that the proposed digital signage would result in minimal increased lighting at sensitive receptors and would be at such a low level that it would be difficult to perceive the difference in lighting levels at adjacent residential properties as compared to existing lighting conditions. The study included specific operational and design requirements to ensure minimal impacts from the proposed digital signs on adjacent residential uses. Those design and operational requirements were incorporated into the applicant's proposal and are required as Conditions of Approval No. 3 through 13.

- For digital signage, the maximum brightness during the daytime (from sunrise until 20 minutes prior to sunset) shall not exceed 7,000 candelas per square meter ( $\text{cd/m}^2$ ). The maximum brightness during the nighttime (from sunset until 2 AM) shall not exceed 300  $\text{cd/m}^2$ . The system shall be designed so that the signage is dimmable down to 100  $\text{cd/m}^2$ . (COA No. 3)
- From 2 AM to sunrise, no content shall be permitted on the digital signs. (COA No. 4)
- The digital display content shall transition smoothly at a consistent rate of speed from the permitted daytime brightness to the permitted nighttime brightness levels, beginning 45 minutes prior to sunset and concluding the transition to nighttime brightness 45 minutes after sunset. Furthermore, all transitions shall be completed so that the maximum allowable luminance is achieved within a 90-minute timeframe with a 3,840 Hz refresh rate. (COA No. 5)
- When ambient sunlight illuminance during the daytime is less than 100 footcandles for more than one hour, the digital sign shall transition at a smooth rate of change from the daytime luminance level permitted, to the evening luminance level permitted. (COA No. 6)
- No flashing or animated displays or images on the digital screens shall be permitted at any time. (COA No. 7)
- Each display on a digital sign shall not be refreshed more often than once every 8 seconds. (COA No. 8)
- Digital signage shall not include reflective elements or materials and/or have a contrast ratio of less than 30:1 to eliminate glare. (COA No. 9)



- All digital signage shall provide individually controlled and dimmable systems which can be set to an appropriate light level in the field and operated through astronomical timeclocks. Each digital display shall be individually dimmable as the brightness of the sign is dependent on the media being presented. (COA No. 10)
- Digital signage shall be equipped with sensors with the capability to modify the brightness of the sign in response to ambient lighting conditions. Brightness changes shall occur gradually, to prevent a sudden change in perceivable brightness levels by pedestrians and motorists. (COA No. 11)
- A system shall be in place, capable of dimming the signage in the event of fog. This may be done by having a Ceilograph machine, a mechanism that tracks cloud bases and measures fog, tied into the dimming system to dim the light levels proportionally based on the level of the fog. (COA No. 12)
- The final commissioning of the system shall be completed on-site by a third-party contractor to confirm and verify that no adjacent residential properties are receiving light levels that exceed the 1.0 footcandle threshold and shall be verified with a calibrated light meter. (COA No. 13)

With these conditions, staff finds that light levels would be appropriately minimized.

### ***Off-Site Advertising***

As shown in the project plans, off-site advertisement is being proposed as part of the digital signage. Per CMMC Section 13-111, a sign that advertises a business, product, service or activity not conducted on the premises is defined as a billboard sign. As proposed in the Planned Signing Program, all digital changeable sign types (the dome wrap, the screen wall and the screen wall wrap) propose off-site advertising content. The applicant has indicated off-site advertising is proposed as an important alternative revenue stream for the property which has struggled as a viable commercial property for many years. As a result, a Development Agreement that requires revenue sharing with the City and includes advertising content restrictions is being proposed, as discussed below.

As an example, for the electronic changeable signs at the South Coast Collection (SOCO), SOCO proposed incorporating project identification, tenant signage and wayfinding messages (i.e., directions for motorists to reach the center from the I-405 Freeway), as well as, community announcements and special City events, but not off-site advertising. The request to allow for off-site advertising is a policy decision, at the discretion of the Planning Commission.

### **Development Agreement (DA-20-01)**

The applicant is requesting that the proposed Planned Signing Program be approved as part of a Development Agreement between Triangle Center LLC and the City of Costa Mesa.

The Development Agreement would guarantee entitlement to construct and thereafter operate the signs as described in the Planned Signing Program for a period of 30 years.



This term may be extended for up to three (3), twenty (20) year options upon mutual agreement of the City and the applicant. The Agreement requires the applicant or its successor in interest to pay a quarterly fee of 25 percent of the Gross Advertising Revenue beginning three years after the commencement date of the Agreement and a City content allocation of up to 10 percent of the total annual programming for the signs. The Agreement includes advertising content restrictions that include but are not limited to prohibitions against obscene content, illegal products and/or services and specific product advertisements related to sales, discounts, or pricing information. The Agreement also limits off-site advertising content (goods and services not available on the property) to products and services available for sale in the City, major retail and destination retail businesses in the City, as well as, car dealerships, hotels, event centers, experiential restaurants, and tourism uses located within the City. Development Agreement 20-01 is provided as Exhibit C1 to the resolution.

### **GENERAL PLAN CONFORMANCE:**

The Costa Mesa General Plan establishes the long-range planning and policy direction that guides change and preserves the qualities that define the community. The 2015-2035 General Plan sets forth the vision for Costa Mesa for the next two decades. This vision focuses on protecting and enhancing Costa Mesa's diverse residential neighborhoods, accommodating an array of businesses that both serve local needs and attract regional and international spending, and continuing to provide cultural, educational, social, and recreational amenities that contribute to the quality of life in the community. Over the long term, General Plan implementation will ensure that development decisions and improvements to public and private infrastructure are consistent with the goals, objectives, and policies contained in this Plan.

The following analysis evaluates the proposed project's consistency with specific goals, objectives, and policies of the General Plan, Land Use Element.

1. **Policy LU-5.6:** *Promote development of revenue-generating land uses to help defray the cost of high quality public services.*

**Consistency:** The Planned Signing Program includes off-site advertising which is proposed as an alternative revenue generating stream for the property, which has struggled for many years. In conjunction with the proposed Planned Signing Program, a Development Agreement between Triangle Center LLC and the City of Costa Mesa is proposed to accommodate revenue sharing. Revenue collected as a result of the Development Agreement would help defray the cost of providing City services, including the potential for use to enhance public infrastructure and connectivity in the surrounding community.

2. **Objective CD-3A:** *Create a sense of arrival to Costa Mesa, and develop prominent community focal points at key nodes within the City.*



**Consistency:** Triangle Square is located at the entry point to Costa Mesa from State Route 55, and has frontages on three prominent arterial streets. The proposed Planned Signing Program and refreshed branding effort for Triangle Square will help create a sense of arrival to Costa Mesa.

3. **Policy CD-6.1:** *Encourage the inclusion of public art and attractive, functional architecture into new development that will have the effect of promoting Costa Mesa as the “City of the Arts”.*

**Consistency:** The Planned Signing Program proposes to utilize the digital screens to showcase public art, in addition to advertising and community engagement displays, that will promote Costa Mesa as the “City of the Arts”. The public art is proposed in conjunction with three murals on the exterior of the development proposed separately, the first of which was approved by the City’s Parks, Arts & Community Services Committee on August 8, 2019.

4. **Policy OSR-4.11:** *Provide opportunities for local artists to create and display their work.*

**Consistency:** The proposed digital screens provides for opportunities for local artists to display their work and is therefore consistent with this General Plan policy.

## **JUSTIFICATIONS FOR APPROVAL:**

### ***Planned Signing Program Findings***

Pursuant to Title 13, Section 13-29(g)(8), Planned Signing Program Findings, of the CMMC, in order to approve the project, the Planning Commission must find that the evidence presented in the administrative record demonstrates that the proposed project substantially meets specified findings. Staff recommends approval of the request, based on the following assessment of facts and findings, which are also reflected in the draft Resolution:

- *The proposed signing is consistent with the intent of Chapter VIII, Signs, and the General Plan.* Although the CMMC prohibits electronic changeable signs, the intent of the prohibition on electronic signs was to prohibit signs with flashing, moving, or intermittent lighting because surrounding properties (particularly residential properties) may be impacted by the lighting effects of these types of signs, even if the homes are not in close proximity to the actual business location. The nearest residentially-zoned property is approximately 300 feet away from the project site. A light study conducted by LDA evaluated the potential impacts from the proposed digital signs on adjacent residential uses. The study concluded that the proposed digital signage, in relation to existing lighting conditions, would have minimal impact. The study also included recommendations for specific design and operating requirements that would ensure the proposed digital signage operates with minimal impact on adjacent residential properties (COA Nos. 3 through 13). Two of the proposed digital



signs would be located along a state highway (State Route 55), within the California Department of Transportation's (Caltrans') jurisdiction. As a result, those proposed signs are subject to Caltrans requirements and require an outdoor advertising display permit. Caltrans reviews the proposed sign locations and sizes and has requirements to ensure they don't interfere or impair the vision of any driver (or a driver's operation of a motor vehicle) nor obstruct or interfere with traffic signs, devices or signals. The proposed digital signage is in conformance with Caltrans' requirements (Attachment 4) and conditions of approval requires the applicant to obtain a Caltrans Outdoor Advertising Display Permit prior to issuance of building permits (COA No. 14).

The intent of the sign code is to create and maintain an aesthetically pleasing and functional environment and to create an environment where businesses can succeed while being in harmony with other City goals. While the proposed Planned Signing Program exceeds the maximum sign area permitted by the CMMC, Triangle Square is uniquely situated in that the property is completely surrounded by three arterial streets, and is also located at the entry way to Costa Mesa at the terminus of the Costa Mesa Freeway (SR-55). The property is 4.6 acres in size and is a prominent commercial and entertainment center in the City with a regional draw due to its unique location. Furthermore, as described earlier in the report, the proposed Planned Signing Program is consistent with the Commercial Center General Plan land use designation for this site.

- The proposed signs are consistent with each other in design and construction, taking into account sign style and shape, materials, letter style, colors and illumination. The proposed signs identifying the property incorporate the same color palette, typography and materials. The existing freestanding pylon signs would be retrofitted and upgraded with a similar style and color, consistent with the design of other proposed signs.
- The proposed signs are compatible with the buildings and developments they identify, taking into account materials, colors and design motif. The signs proposed in the Planned Signing Program are compatible with the existing buildings and development and are compatible with the tenants they identify. The signs proposed would be visually integrated into the building's façade and would feature colors and lighting complementary to the architectural design of the building.
- Approval does not constitute a grant of special privilege or allow substantially greater overall visibility than the standard sign provisions would allow. Approval of the Planned Signing Program does not constitute a grant of special privilege or allow substantially greater overall visibility than the standard sign provisions would allow for similarly situated properties. Signs may be authorized as part of a Planned Signing Program even if they do not conform to specific regulations contained in the Zoning Code. The proposed digital signs are appropriate for this site due to the property being completely surrounded by three arterial streets, and also being located at the entry point to Costa Mesa at the terminus of the Costa Mesa Freeway (SR-55). In addition, and as conditioned, the proposed signs would not incorporate any flashing, moving or intermittent lighting.



## ***Development Agreement Findings***

Pursuant to City Council Resolution No. 88-53 and Government Code section 65865(c), staff recommends approval of the request, based on the following assessment of facts and findings, which are also reflected in the draft Resolution:

- *The Development Agreement between the City of Costa Mesa and Developer is:*
  - *Consistent with the objectives, policies, general land uses and programs specified in the General Plan and with the General Plan as a whole;*
  - *Compatible with the uses authorized in, and the existing land use regulations prescribed for, the zoning district in which the real property is and will be located; and*
  - *Is in conformity with and will promote public convenience, general welfare, and good land use practice.*

The proposed Development Agreement is consistent with the General Plan as the agreement would promote development of revenue-generating land uses to help defray the cost of high quality public services with the proposed payment of a quarterly fee. The Development Agreement would also promote Costa Mesa as the “City of the Arts”. The digital screens are proposed to be utilized to showcase public art, in addition to advertising and community engagement displays. The digital screens would also provide opportunities for local artists to display their work. There’s no proposed change in use with the proposed Development Agreement and incorporated Planned Signing Program and it is therefore compatible with the uses authorized for this zoning district and where it is located. In addition, the proposed digital signs would be utilized to promote community engagement (public service announcements, messages, community promotions and events), as well as providing on-site and off-site advertising opportunities leveraging the property’s unique location being completely surrounded by three arterial streets, and also being located at the entry way to Costa Mesa at the terminus of the Costa Mesa Freeway (SR-55).

- *The Development Agreement between the City of Costa Mesa and Developer will not:*
  - *Be detrimental to the health, safety and general welfare; and*
  - *Adversely affect the orderly development of property or the preservation of property values.*

The Development Agreement will ensure the project will not be detrimental to the health safety and general welfare of the public or adversely affect adjacent properties with the inclusion of advertising content restrictions that include but are not limited to prohibitions against obscene content, illegal products and/or services and specific product advertisements related to sales, discounts, or pricing information. The Agreement also limits off-site advertising content (goods and services not available on the property) to products and services available for sale in the City, major retail and destination retail businesses in the City, as well as, car dealerships, hotels, event centers, experiential restaurants, and tourism uses located within the City. Furthermore, the Planned Signing Program will not will not be detrimental to the health safety and general welfare of the



public or adversely affect adjacent properties, as described in the findings in the previous section.

- *The Development Agreement between the City of Costa Mesa and Developer will promote and encourage the development of the proposed project and will ensure the public benefits promised in the Development Agreement, by providing stability and certainty to Developer.*

The Development Agreement would guarantee entitlement to construct and thereafter operate the signs as described in the Planned Signing Program for a period of 30 years. The term may be extended for up to three (3), twenty (20) year options upon mutual agreement of the City and the applicant. The Agreement requires the applicant or its successor in interest to pay a quarterly fee of 25 percent of the Gross Advertising Revenue beginning three years after the commencement date of the Agreement and a City content allocation of up to 10 percent of the total annual programming for the signs.

Development Agreement 20-01 is provided as Exhibit C1 to the resolution.

#### **ENVIRONMENTAL DETERMINATION:**

The project is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15311 (Class 11), Accessory Structures. This exemption consists of construction or placement of minor structures accessory to existing commercial, industrial, or institutional facilities. The project is for new on premise signs which are visually consistent with the existing commercial center and as designed have minimal impact to existing light levels, compared to existing conditions. The project is therefore consistent with this exemption.

#### **ALTERNATIVES:**

The Planning Commission has the following alternatives:

1. *Recommend approval of the project.* The Planning Commission may recommend approval of the project as proposed, subject to the conditions outlined in the attached Resolution.
2. *Recommend approval of the project with modifications.* The Planning Commission may suggest specific changes that are necessary to alleviate concerns. If any of the additional requested changes are substantial, the item may be continued to a future meeting to allow a redesign or additional analysis.
3. *Recommend denial of the project.* If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission must recommend denial of the application, and provide facts in support of denial

The Planning Commission recommendation will be forwarded to the City Council for consideration.



## **LEGAL REVIEW:**

The draft Resolution has been approved as to form by the City Attorney's Office.

## **PUBLIC NOTICE:**

Pursuant to Title 13, Section 13-29(d), of the CMMC, three types of public notification have been completed no less than 10 days prior to the date of the public hearing:

1. Mailed notice. A public notice was mailed to all property owners and occupants within a 500-foot radius of the project site. The required notice radius is measured from the external boundaries of the property.
2. On-site posting. A public notice was posted on each street frontage of the project site.
3. Newspaper publication. A public notice was published once in the Daily Pilot newspaper.

As of this report, three written public comments have been received (one in support and two in opposition), and have been provided as an attachment to the report. Any public comments received prior to the April 13, 2020, Planning Commission meeting will be provided separately.

## **CONCLUSION:**

The proposed request is for a Planned Signing Program for Triangle Square. The Planned Signing Program, as conditioned, reflects a quality project that is consistent with the intent of the Zoning Code and General Plan. Furthermore, the Development Agreement will provide the City with public benefits in the form of revenue sharing and an allocation to the City for local public content, and include content restrictions mutually agreed upon by the applicant. Staff recommends that the Planning Commission recommend that the City Council give first reading to an Ordinance approving the Development Agreement that includes the Planned Signing Program, subject to conditions of approval.

  
\_\_\_\_\_  
**JUSTIN ARIOS**  
Assistant Planner

  
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**BARRY CURTIS, AICP**  
Director of Economic and Development Services

Attachments: 1. [Draft Planning Commission Resolution and Exhibits](#)

- [Exhibit A: Findings](#)
- [Exhibit B: Conditions of Approval](#)
- [Exhibit C: Ordinance adopting DA-20-01](#)
  - [Exhibit C1: Draft Development Agreement \(DA-20-01\)](#)
    - ◊ [Development Agreement Exhibit A \(Legal Description\)](#)

- ◇ [Development Agreement Exhibit B \(Map of the property\)](#)
- ◇ [Development Agreement Exhibit C \(Planned Signing Program ZA-19-68\)](#)

2. [Zoning Map](#)
3. [Light Study – Lighting Design Alliance, Inc.](#)
4. [Caltrans Outdoor Advertising Display Permit \(Preliminary Review\)](#)
5. [Public Comments](#)

Distribution: Director of Economic and Development Services  
Assistant Director of Development Services  
Assistant City Attorney  
Public Services Director  
City Engineer  
Transportation Services Manager  
Fire Marshal  
File

Applicant & Property Owner: Tyler Mateen  
Triangle Center LLC  
10850 Wilshire Boulevard, Suite 1000  
Los Angeles, CA 90024





# **PLANNING COMMISSION**

## **SUPPLEMENTAL MEMORANDUM**

MEETING DATE: APRIL 13, 2020

ITEM NUMBER:

PH-3

**SUBJECT:** ZONING APPLICATION 19-68 FOR A PLANNED SIGNING PROGRAM AND DEVELOPMENT AGREEMENT 20-01 FOR TRIANGLE SQUARE (1870 HARBOR BOULEVARD AND 1875 NEWPORT BOULEVARD)

**DATE:** APRIL 13, 2020

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

**PRESENTATION BY:** JUSTIN ARIOS, ASSISTANT PLANNER

**FOR FURTHER INFORMATION CONTACT:** JUSTIN ARIOS  
714.754.5667  
justin.arios@costamesaca.gov

The purpose of this memo is to clarify the maximum sign area permitted from the most recent approval/amendment to the Planned Signing Program, which is stated as 3,167 square feet on Staff Report page 9. The Planned Signing Program was last updated in 2012 (PA-12-02 A1), where the maximum signage allowed under the Planned Signing Program was increased to 3,445 square feet for the entire center, including the approval for the 600-square-foot Dome Banner signage and the 300-square-foot Tower Banner. The proposed Planned Signing Program proposes a total of 4,960 square feet of signage on the property.

This memo also corrects the correct name of the Arts Committee, which is incorrectly referenced on Staff Report page 13, when discussing the approval of the public art mural located on the corner of Harbor Boulevard and 19<sup>th</sup> Street.

  
\_\_\_\_\_  
**JUSTIN ARIOS**  
Assistant Planner

  
\_\_\_\_\_  
**BARRY CURTIS, AICP**  
Director of Economic and Development Services

Distribution: Director of Economic and Development Services  
Assistant Director of Development Services  
Assistant City Attorney  
Public Services Director  
City Engineer  
Transportation Services Manager  
Fire Marshal  
File

Applicant & Tyler Mateen  
Property Triangle Center LLC  
Owner: 10850 Wilshire Boulevard, Suite 1000  
Los Angeles, CA 90024