



# PLANNING COMMISSION AGENDA REPORT

MEETING DATE: JUNE 22, 2026

ITEM NUMBER: PH-2

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**SUBJECT:    CONDITIONAL USE PERMIT (PCUP-26-0003) TO ALLOW THE SALE OF ALCOHOL FOR ON-SITE CONSUMPTION UNTIL 1:30 A.M. WITHIN 200 FEET OF A RESIDENTIAL ZONE FOR AN EXISTING RESTAURANT (NAISHO OMAKASE AND HIGHBALL BAR) AT 3033 BRISTOL STREET, UNIT 117**

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

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

**FOR FURTHER         JUSTIN ARIOS  
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## **RECOMMENDATION**

Staff recommends the Planning Commission:

1. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Existing Facilities); and
2. Approve Conditional Use Permit PCUP-26-0003 based on findings of fact and subject to conditions of approval.

## **APPLICANT OR AUTHORIZED AGENT**

The authorized agent is Michael Cho, representing the applicant/business owner, Andrew Le (Naisho Omakase and Highball Bar) and property owner, 3033 Bristol Street, LLC.

## **PLANNING APPLICATION SUMMARY**

Location:	3033 Bristol Street, Unit 117	Application Number:	PCUP-26-0003
Request:	Conditional Use Permit to allow the sale of alcohol for on-site consumption after 11:00 P.M. within 200 feet of a residential zone for an existing restaurant, Naisho Omakase and Highball Bar, requesting to operate until 1:30 A.M., seven days a week.		

### **SUBJECT PROPERTY:**

### **SURROUNDING PROPERTY:**

<b>Zone:</b>	C1 (Local Business District)	<b>North (across Paularino Ave):</b>	C1 (Local Business District)
<b>General Plan:</b>	General Commercial	<b>South:</b>	C1 (Local Business District)
<b>Lot Dimensions:</b>	Irregular 428' x 317' x 460' x 325'	<b>East (across Bristol St):</b>	C1 (Local Business District) & C2 (General Business District)
<b>Lot Area:</b>	119,093 SF (2.7 acres)	<b>West:</b>	R3 (Multiple-Family Residential)
<b>Existing Development:</b>	Multi-tenant shopping center (39,153 SF) with 167 surface parking spaces.		
<b>Tenant Space (size):</b>	1,422 SF		
<b>Required Parking:</b>	157 <sup>1</sup>		
<b>Provided Parking:</b>	167		

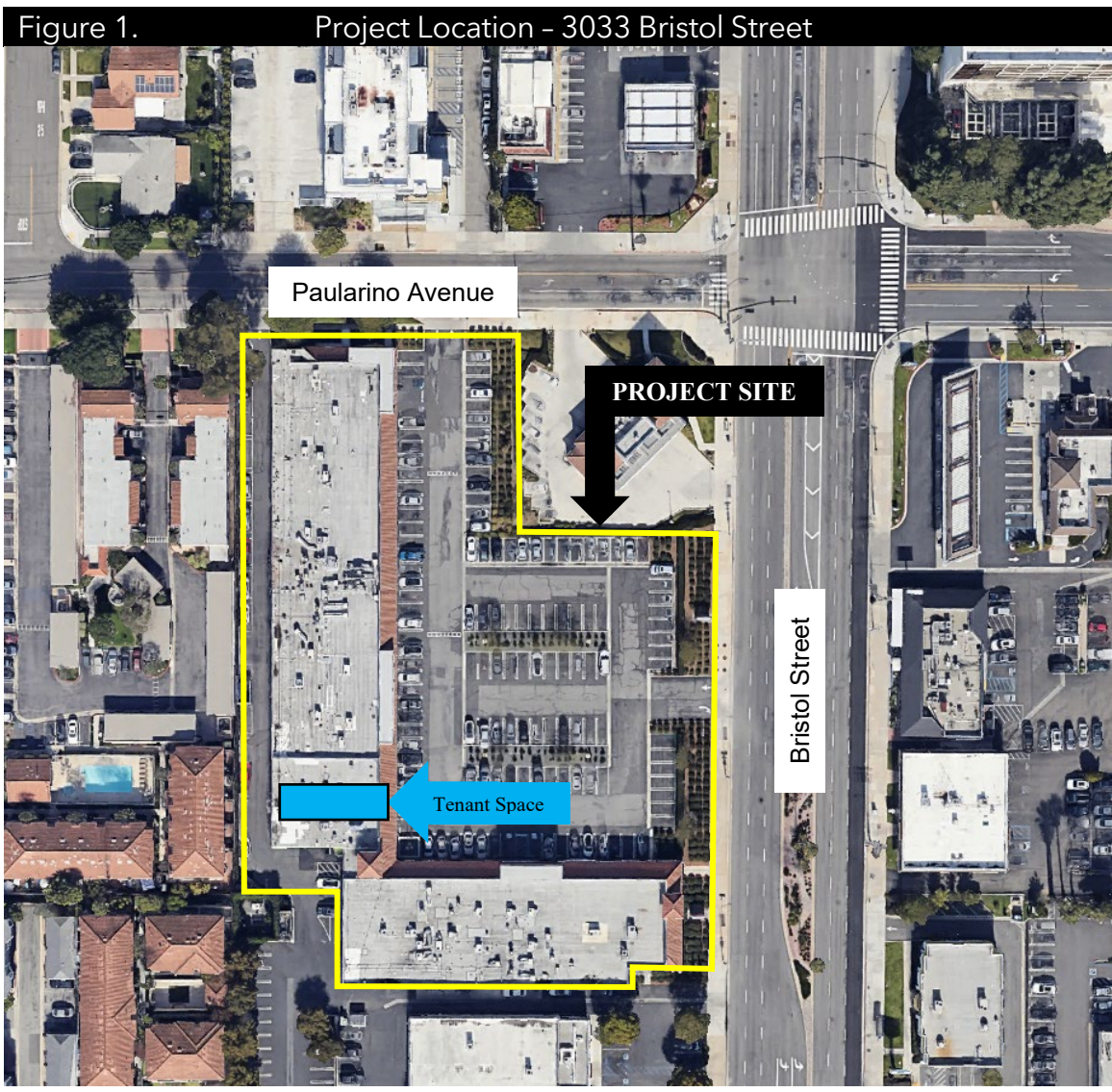
<sup>1</sup> Subject property is subject to Assembly Bill (AB) 2097, since it is located within one-half mile of a major transit stop. Pursuant to AB 2097, the City is barred from imposing a minimum parking requirement on the project.

## **EXECUTIVE SUMMARY**

The applicant is requesting approval of Conditional Use Permit (CUP) (PCUP-26-0003) to allow the sale of alcoholic beverages for on-site consumption until 1:30 A.M. within 200 feet of a residential zone for an existing restaurant, *Naisho Omakase and Highball Bar*, located at 3033 Bristol Street, Unit 117. Staff supports the request because the proposed use is consistent with applicable goals, objectives, and policies of the General Plan; complies with applicable provisions of the Zoning Code and required findings; and, as conditioned, would be compatible with surrounding uses. Therefore, staff recommends that the Planning Commission find the project exempt from the CEQA and approve the application based on findings of fact and subject to conditions of approval.

## **SETTING**

The subject property is a 2.7-acre property located at 3033 Bristol Street, located near the intersection of Paularino Avenue and Bristol Street (see Figure 1). There is one point of vehicular ingress/egress along Paularino Avenue and one along Bristol Street. The site is developed as a 39,153-square-foot, multi-tenant commercial center with 167 existing parking spaces.



The site is designated General Commercial by the City's Land Use Element of the General Plan and is zoned C1 (Local Business District). The General Commercial designation is intended for a wide range of commercial uses that serve both local and regional needs such as retail stores, theaters, restaurants and service establishments. The C1 zone is intended to meet the local business needs of the community by providing a wide range of goods and services in a variety of locations throughout the City. The permitted and conditional uses as well as development standards are aimed toward reducing impacts on surrounding properties especially in those areas where residential uses are in the vicinity.

The subject property is adjacent to similar C1 zoned properties across Paularino Avenue to the north (developed with medical building open until 6:00 P.M. and gas station with convenience store open at all times), to the south (developed with a paint store open until 5:00 P.M.) and across Bristol Street to the east (developed with gas station with

convenience store open at all times, bar open until 2:00 A.M., massage establishment open until 10:00 P.M. and food use that is open until 10:00 P.M.). Also, across Bristol Street to the east is a C2 (General Business District) zoned property, developed with a dry cleaner use (open until 7:00 P.M.). An R3 (Multiple-Family Residential) zoned property is located to the west and is developed with apartments. The property directly adjacent to the subject property on the corner of Paularino Avenue and Bristol Street is zoned C1 and developed with an oil change use (open until 7:00 P.M.).

## **BACKGROUND**

*Naisho Omakase and Highball Bar* is an existing full-service Japanese restaurant featuring omakase-style dining and a specialty craft Tokyo-style bar. The existing restaurant has been operating since the beginning of this year (2026). The current hours of operation are 5:00 P.M. to 11:00 P.M., seven days a week and the restaurant currently operates with a Type 47 (On-Sale General) State Alcoholic Beverage Control (ABC) License. Pursuant to Costa Mesa Municipal Code (CMMC) Table 13-47(a), food establishments are permitted by right in the C1 zone and are not subject to the approval of a CUP.

## **REQUEST**

The applicant is requesting approval of a CUP to allow the sale of alcoholic beverages for on-site consumption until 1:30 A.M. within 200 feet of a residential zone for an existing restaurant, *Naisho Omakase and Highball Bar*. The existing restaurant will operate from 5:00 P.M. to 1:30 A.M., seven days a week. The restaurant will maintain a Type 47 ABC license, which authorizes the sale of beer, wine, and distilled spirits for consumption on the licensed premises. No live entertainment, live entertainment area, outdoor activity, or dancing area is proposed as part of this project. As noted above, the existing restaurant use is permitted by right and is not subject to a CUP.

## **STANDARD OF REVIEW**

To approve CUP applications under CMMC Section 13-29(g)(2)(a-c), the proposed use must meet specific criteria. The project must be compatible with surrounding developments and should not be detrimental to nearby properties. Additionally, granting the permit must not harm public health, safety, or welfare, not permit a use, density, or intensity inconsistent with the general plan or specific plans for the property.

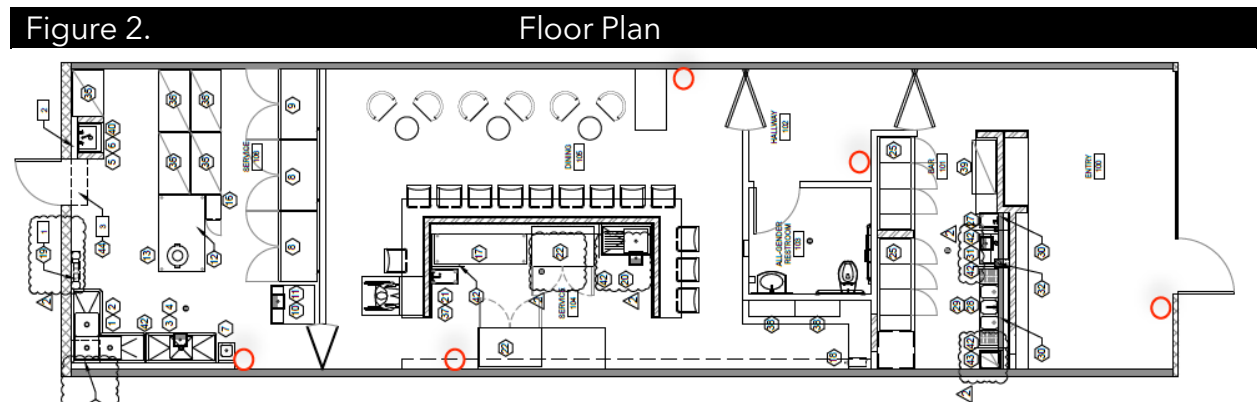
Furthermore, all planning applications must adhere to broader "Review Criteria" outlined in the CMMC. These include ensuring neighborhood compatibility, safety and design consistency, compliance with performance standards, and alignment with the general plan and/or applicable specific plans. Each application is project-specific and evaluated on its unique merits to ensure it aligns with the City's development standards.

A comparison and analysis of the project applicable CUP findings, and project compliance with the City's required Review Criteria is provided further below in this report under the Analysis section.

## **ANALYSIS**

The applicant is proposing to extend the closing time of the restaurant from 11:00 P.M. to 1:30 A.M.; the new hours of operation would be 5:00 P.M. to 1:30 A.M., seven days a week. As mentioned in the applicant letter, the project would employ approximately four to eight employees that would be on-site at one time, depending on the shift.

Omakase is a Japanese dining style in which a multi-course meal is curated and prepared by the chef as part of the dining experience. This type of dining experience requires an advance reservation for a set dining time. Walk-ins are not typical. As part of the dining experience and reservation, patrons would be allowed to order drinks before or after their meal in the entry/waiting area, see Figure 2. When the seating is ready, patrons would enter the main dining area where their multi-course meal would be prepared and consumed. The back of house contains the storage area and additional prep, which also has access to the rear service door (closest to the adjacent residential neighborhood).



The surrounding area includes a mix of commercial and residential uses, including medical offices open until 6:00 P.M., gas stations with convenience stores open 24 hours a day, seven days a week, a paint store open until 5:00 P.M., a bar open until 2:00 A.M., a massage establishment open until 10:00 P.M., food uses open until 10:00 P.M., a dry cleaner open until 7:00 P.M., an apartment complex, and an oil change business open until 7:00 P.M. The range of surrounding uses and hours of operation demonstrates that the area already includes commercial activity during evening and late-night hours.

The proposed extended hours of operation would remain compatible with the existing commercial development pattern in the area and would not result in adverse impacts to nearby residential properties. Other restaurants within the same shopping center, including Anjin and Curry Do, are open after 11:00 P.M., and other nearby uses, including

the gas stations and bar, also operate during late-night hours or provide alcohol service after 11:00 P.M. In addition, the restaurant operates primarily by reservation and is not anticipated to have a high number of customers on-site at any given time. As conditioned, the proposed use would not generate adverse noise, traffic, parking, trash, lighting, or other operational impacts. Conditions of approval have been included to ensure the use is operated in a manner that avoids disturbances and maintains the quiet enjoyment of the surrounding neighborhood, including Conditions of Approval Nos. 3 and 4 in the attached Draft Resolution.

Additionally, the City's Police Department has reviewed the request and indicated that it has no concerns regarding the proposed extended hours of operation and alcohol service.

### **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 through 2035. This vision focuses on protecting and enhancing Costa Mesa's diverse residential neighborhoods, accommodating an array of businesses that serve both local needs and attract regional international spending, and providing 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 proposed restaurant use is in conformance with the General Plan land use designation for the property. The following analysis evaluates the proposed project's consistency with specific policies and objectives of the 2015-2035 General Plan.

1. **Policy LU-1.1:** *Provide for the development of a mix and balance of housing opportunities, commercial goods and services, and employment opportunities in consideration of the need of the business and residential segments of the community.*

**Consistency:** The proposed restaurant use contributes to the mix of restaurant and commercial services provided in the immediate area. The commercial center contains a mix of commercial goods and services, and the proposed use would support the mix of uses and services available in the commercial shopping center.

2. **Policy LU-6.1:** Encourage a mix of land uses that maintain and improve the City's long-term fiscal health.

**Consistency:** The proposed restaurant use contributes to the City's long-term fiscal health by supporting continued commercial activity within an existing commercial center. The extended hours would help retain an existing local business and provide additional dining options for residents, visitors, and employees in the surrounding area.

3. **Policy LU-6.7:** *Encourage new and retain existing businesses that provide local shopping and services.*

**Consistency:** The proposed application will result in retaining an existing restaurant that provides dining opportunities for local businesses, visitors, and residents.

## **FINDINGS**

Pursuant to CMMC, Section 13-29(g), Findings, to approve the project, the Planning Commission must find that the evidence presented in the administrative record substantially meets the following applicable required Conditional Use Permit findings:

- a. **Finding:** The proposed development or use is substantially compatible with developments in the same general area and would not be materially detrimental to other properties within the area.

**Facts in Support of Finding.** The proposed project is to allow an existing restaurant to expand its hours of operation and sale of alcoholic beverages until 1:30 A.M. within 200 feet of a residential zone. The proposed modification in operations would be compatible with commercial developments in the same general area and would not be materially detrimental to the nearby residential properties because conditions of approval have been included to avoid potential noise, trash and light disturbances. The existing center contains various commercial retail uses and food/beverage uses, which are compatible with the current and proposed use. The applicant would continue to occupy the existing tenant space and does not propose an expansion to the interior square footage. There are also no proposed exterior modifications or site improvements. This application seeks to allow late night hours of operation for a restaurant that serves alcoholic beverages, like other adjacent restaurants and surrounding businesses. The use is permitted by right and the extended hours of operation are conditionally permitted, subject to conditions of approval as included in this application.

- b. **Finding:** Granting the conditional use permit will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to property or improvements within the immediate neighborhood.

**Facts in Support of Finding.** The proposed use, as conditioned, would not generate adverse noise, traffic, or parking impacts that are unusual for commercially zoned properties. Furthermore, conditions of approval require the use to be conducted in a manner that would allow for the quiet enjoyment of the surrounding neighborhood. The Police Department has reviewed the proposed use and has no objections to the approval of the application. No live entertainment or outdoor activity are proposed as part of this project.

- c. **Finding:** Granting the conditional use permit will not allow a use, density or intensity which is not in accordance with the General Plan designation and any applicable specific plan for the property.

**Facts in Support of Finding.** The restaurant is permitted by right in the C1 (Local Business) zone and the extended hours of operation are conditionally permitted, subject to conditions of approval as included in this application. The General Plan land use designation of the property is General Commercial. The existing restaurant use is an appropriate retail use for the General Commercial land use designation. The proposed project would allow the existing restaurant to expand its hours of operation and sale of alcoholic beverages until 1:30 A.M. and is a negligible change to the use. Furthermore, the proposed project is consistent with General Land Use Policy LU-1.1 and LU-6.7 in that the proposed project would contribute to a mix and balance of commercial goods, services, and employment opportunities and would also retain the existing retail business and continue to provide dining opportunities for local businesses, visitors, and residents.

### **Review Criteria**

Pursuant to CMMC Section 13-29(e), all planning applications shall be reviewed for consistency with the following review criteria. Below is a summary of the project's conformity with each criterion:

***(1) Compatible and harmonious relationship between the proposed building and site development, and use(s), and the building and site developments, and uses that exist or have been approved for the general neighborhood.***

The proposed modification to operations would be compatible and harmonious with the existing commercial center and surrounding neighborhood. The applicant would continue to occupy the existing tenant space, with no expansion, exterior modifications, or site improvements proposed. The center includes a variety of commercial retail, restaurant, and food and beverage uses, including other restaurants on the same property. The restaurant use is permitted by right, and the proposed late night hours are conditionally permitted, subject to conditions of approval. As conditioned, the use would not result in adverse noise, traffic, parking, trash, lighting, or other operational impacts and would not be materially detrimental

to nearby residential properties. No live entertainment or outdoor activity is proposed, and the Police Department has no objections to the request.

**(2) *Safety and compatibility of the design of buildings, parking area, landscaping, luminaries and other site features which may include functional aspects of the site development such as automobile and pedestrian circulation.***

Safety and compatibility are maintained through the proposed project design as there will be no increase to the gross floor area of the existing building, as no tenant improvements will be made to the interior of the existing tenant space. No parking spaces will be impacted through this project, and as such, automobile circulation will not be impacted. Existing pedestrian circulation will still be maintained.

**(3) *Compliance with any performance standards as prescribed in the Zoning Code.***

All performance standards have been deemed to be met as described in the analysis section of this report.

**(4) *Consistency with the General Plan and any applicable specific plan.***

The restaurant is permitted by right in the C1 (Local Business) zone and the extended hours of operation are conditionally permitted, subject to conditions of approval as included in this application. The General Plan land use designation of the property is General Commercial. The existing restaurant use is an appropriate retail use for the General Commercial land use designation. Furthermore, the proposed project is consistent with General Land Use Policy LU-1.1 and LU-6.7 in that the proposed project would mix and balance of housing opportunities, commercial goods and services, and employment opportunities and would also retain the existing retail business and continue to provide dining opportunities for local businesses, visitors, and residents.

**(5) *The planning application is for a project-specific case and is not to be construed to be setting a precedent for future development.***

The zoning application is for a unique project-specific case at a unique site with special circumstances and will not be precedent setting for future development.

**(6) *When more than one planning application is proposed for a single development, the cumulative effect of all the planning applications shall be considered.***

The proposed project includes only one application, of which the cumulative effect has been considered through this report.

## **ENVIRONMENTAL DETERMINATION**

The project is categorically exempt from the provisions of the CEQA pursuant to CEQA Guidelines Section 15301 (Class 1 - Existing Facilities) for the permitting and/or minor alteration of existing facilities. The project involves no exterior alterations or additions to an existing commercial tenant space. As conditioned and proposed, the project will have little or no impact on the surrounding area. There will be no resulting increase in the existing floor area of the tenant space. Furthermore, none of the exceptions that bar the application of a categorical exemption pursuant to CEQA Guidelines Section 15300.2 apply. The Project would not result in a cumulative impact; would not have a significant effect on the environment due to unusual circumstances; would not result in damage to scenic resources; is not located on a hazardous site or location and would not impact any historic resources.

## **ALTERNATIVES**

As an alternative to the recommended action, the Planning Commission may:

1. *Approve 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 should be continued to a future meeting to allow a redesign or additional analysis. In the event of significant modifications to the proposal, staff will return with a revised Resolution incorporating new findings and/or conditions.
2. Deny the project. If the Planning Commission believes that there are insufficient facts to support the findings for approval, the Planning Commission must deny the application, provide facts in support of denial, and direct staff to incorporate the findings into a Resolution for denial. If the project is denied, the applicant could not submit substantially the same type of application for six months.

## **PUBLIC NOTICE**

Pursuant to CMMC Section 13-29(d), 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 June 10, 2026. 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 on June 11, 2026.

3. **Newspaper publication.** A public notice was published once in the Daily Pilot newspaper on June 12, 2026.

As of the completion date of this report, two written public comments have been received and are provided as an attachment to this report (Attachment 7). The public comments raised concerns with the requested additional late night alcohol service and potential related impacts from inebriated patrons and proximity to residential neighborhoods. Any additional public comments received prior to the June 22, 2026, Planning Commission meeting will be provided separately.

## **CONCLUSION**

Approval of the project would allow the existing restaurant to expand its hours of operation and sale of alcoholic beverages until 1:30 A.M., within 200 feet of a residential zone. The proposed use is in conformance with the General Plan, Zoning Code, Planning Application Review Criteria, and the required CUP findings can be made. The proposed use, as conditioned, would be compatible with the surrounding residences and commercial businesses and would not be materially detrimental to other properties within the area. Therefore, staff recommends approval of the proposed project, subject to the conditions of approval contained in the attached resolution.

## **ATTACHMENTS**

1. Draft Planning Commission Resolution
2. Applicant Letter
3. Vicinity Map
4. Zoning Map
5. Site Photos
6. Project Plans
7. Public Comments