



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-1020

Agenda Date: 10/15/2025

Agenda #: 17.

DATE: October 15, 2025

TO: Chairperson and Members of the Community Development Commission

FROM: Development Services Department

TITLE: CONSIDERATION OF A DEVELOPMENT PLAN (RD24-00002) AND DENSITY BONUS (DB24-00004) TO ALLOW THE CONSTRUCTION OF AN EIGHT-STORY MIXED-USE PROJECT COMPRISED OF 273 RESIDENTIAL UNITS, INCLUDING 28 DEED RESTRICTED LOW-INCOME UNITS, AND APPROXIMATELY 4,006 SQUARE FEET OF COMMERCIAL SPACE ON A 1.51-ACRE SITE LOCATED AT 901 MISSION AVENUE - 901 MISSION AVE - APPLICANT: JPI REAL ESTATE ACQUISITION II, LLC.

RECOMMENDATION

Staff recommends that the Community Development Commission (CDC) adopt a resolution approving a Development Plan (RD24-00002) and Density Bonus (DB24-00004) to allow the construction an eight-story mixed-use project comprised of 273 residential units, including 28 deed restricted low-income units, and approximately 4,006 square feet of commercial space on a 1.51-acre site located at 901 Mission Avenue.

BACKGROUND AND ANALYSIS

Encompassing an entire city block, the subject property is an undeveloped 1.51-acre property. Situated within the Townsite Neighborhood Planning Area, the project site is located at 901 Mission Avenue and has a General Plan land use designation of Downtown (D) and a zoning designation of Downtown District 2 (D-2).

The site is bounded by Mission Avenue to the north, Horne Street to the east, Seagaze Drive to the south, and Clementine Street to the west. Surrounding uses include mixed commercial uses to the north; North County Transit (NCTD) administrative offices to the northwest; Oceanside High School to the east; PNC Bank, a commercial building, and parking lots to the west; and, multi-family and single-family residential units to the south. The project site lies within 0.5 miles of the Oceanside Transit Center and is located within the Transit Overlay District (TOD). The project site (outlined in red) and its surroundings are shown in Figure 1.



Figure 1: Project Location

A development application is currently under review for a separate seven-story mixed-use building on the block of land located immediately west of the project site. Situated at 801 Mission Avenue, that proposed project includes 230 apartments (23 set aside as affordable units) and 5,240 square feet of ground floor commercial space.

PROJECT DESCRIPTION

The project application is comprised of two components including a Development Plan and Density Bonus request as follows:

Development Plan (RD24-00002) represents a request for the following:

To allow for the construction of an eight-story mixed-use building, totaling 440,713 square feet of area, with 273 multi-family dwelling units (including 28 deed-restricted low-income units). A total of 322 parking spaces would be provided within four levels of parking; two and one-half of those levels would be subterranean parking. The building would include approximately 4,006 square feet of ground floor commercial space fronting Mission Avenue and the northeast corner of Horne Street and Mission Avenue.

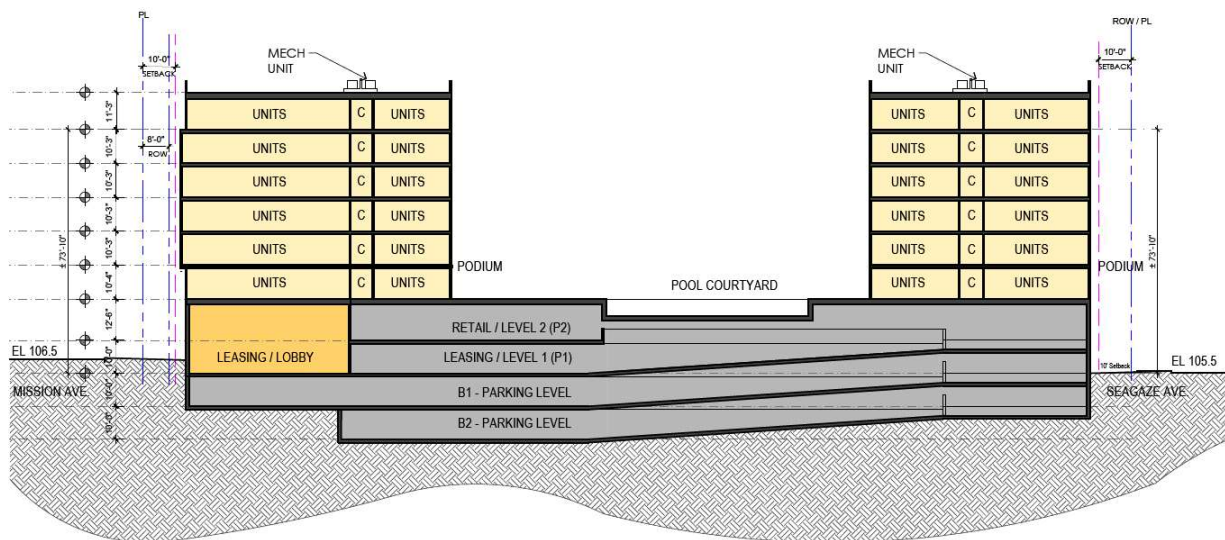
At the time of the applicant's SB 330 application submittal on November 30, 2023, the City did not have a maximum density ("cap") established for mixed-use projects in the Downtown District. Therefore, the proposed project would not be subject to the 86-dwelling unit per acre density cap.

adopted by the Community Development Commission (CDC) on November 1, 2023 (effective December 1, 2023). The project would have a realized density of 180.4 dwelling units per acre on the 1.51-acre site.

The first floor of the proposed mixed-use building would be located at the lower end of the site along Clementine Street, where the grade slopes approximately 17 feet downward from Horne Street. This level would include a leasing office, lobby area, outdoor seating area, a surface parking lot, and three ground-floor residential units. Vehicular access to both the first-floor and subterranean parking levels would be provided via Clementine Street.

Due to the project site's sloped topography, the building's second floor would be situated at street level along Horne Street and include the leasing office and lobby area. This level would also include five residential units and two commercial tenant spaces totaling 4,006 square feet (1,586 and 2,420 square feet). Additional vehicular access to the second-floor parking garage and subterranean parking garage would be provided from Horne Street.

Figure 2: N. Clementine Street Building Section



The third floor would contain 36 residential units, a seating area featuring a BBQ grill and fire pit, and an outdoor courtyard with a pool, spa, fire pits, BBQ grills, and multiple seating areas. The fourth floor would consist of 43 residential units. Levels five through seven would each include 47 residential units. The eighth floor would provide 45 residential units and a rooftop deck with a lounge area, fire pit, and views of the city.

Residential units would range in size from 479 square-foot studio units to a maximum 863 square-foot one-bedroom units to a maximum 1,186 square feet two-bedroom units. The project would offer a unit mix of 18 different types of units. Table 1 provides a summary of proposed floor plans for the residential units. The affordable units would be evenly distributed throughout the project.

Table 1: Floor Plans

Type	SF	# of Units	Percentage of Total Units
Studio	479	54	19.8%
1-Bedroom	609-863	142	52%
2-Bedroom	1,052-1,186	77	28.2%
	Total	273	100%

Building Design: As detailed in the applicant's Project Description Letter (Attachment 1), the proposed eight-story building embraces a contemporary urban design, articulated through a diverse palette of exterior treatments that help reduce overall massing. The façade would incorporate painted stucco in white, gray, and taupe tones, complemented by board form concrete panels and planks at the lower levels. A mix of architectural elements, including aluminum faux wood panels, decorative structural overhangs, awnings, metal mesh privacy screens, aluminum storefronts, and canopies would balance the building's design and contribute to an enhanced streetscape.

The primary building elevation would be oriented towards Mission Avenue, with ground-floor commercial frontages extending along Mission Avenue and wrapping around to a portion of the Horne Street frontage. These frontages would feature expansive glass storefronts with generous ceiling heights, and include seating areas with glass railings that contribute to a pedestrian-friendly streetscape. The upper residential levels incorporate vinyl windows, metal railings, and projecting balconies, complemented by decorative overhangs, awnings, wood paneling, and canopies. The proposed building is designed to follow the natural downward slope of the site, from Horne Street to Clementine Street. The variation in ground floor height is illustrated in the project rendering of the building as it would appear at the corner of Mission Avenue and Clementine Street (see Figure 3 below).

Figure 3: Project Rendering, Mission Ave. and Clementine St.

Mission Ave

N. Clementine St

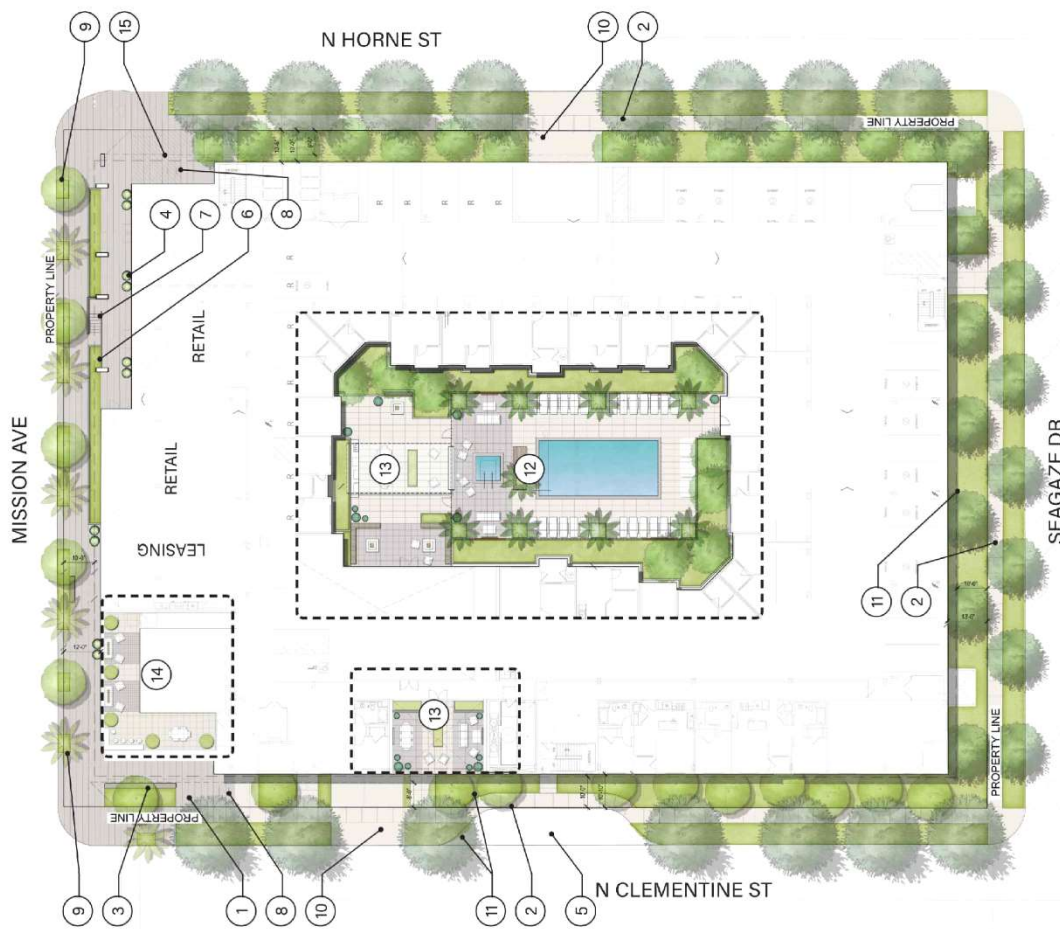


Parking: Parking for the mixed-use project would be provided through four levels of enclosed garage parking, offering a total of 322 off-street spaces. Access to the parking garage would be via Clementine Street and Horne Street. Due to the site's 17-foot grade differential, 2.5 of the garage levels would be subterranean. Of the total parking supply, 294 spaces would be allocated for residents, 22 for visitors and/or commercial uses, five for the leasing office, and one space reserved for USPS parking.

Per State Density Bonus Law (SDBL), a total of 312 parking spaces is required for the residential units; however, the applicant proposes to provide 294 spaces, resulting in a shortfall of 18 spaces. To address this requirement, the applicant proposes to comply with the provisions of Assembly Bill 2097 (AB 2097), a state law that prohibits public agencies from imposing any minimum automobile parking requirement on a residential, commercial, or other development project if the project is located within one-half mile of public transit. The project site is located a half-mile from the Oceanside Transit Center and would therefore be eligible for relief under AB 2097 from minimum off-street parking requirements. The project would meet all applicable commercial parking requirements and would provide bicycle racks, as well as retain all existing street parking spaces along Seagaze Drive. These 16 street spaces were not counted toward the project's parking supply and would remain available to the public.

Landscaping and Open Space: The proposed project would incorporate a variety of landscape materials, including the planting of street trees along the sidewalks surrounding the project and various small trees, shrubs, and groundcover throughout the project site. The proposed landscaping would be drought tolerant and subject to approval by the City's Landscape Architect.

Figure 4: Landscaping



Legend

- 1 Enhance Concrete Paving
- 2 Concrete Paving
- 3 Concrete Seat Wall
- 4 Pot, typ.
- 5 Waste/Move-In Truck Staging
- 6 Retaining Wall
- 7 Concrete Steps with Handrails
- 8 Bike Rack, typ.
- 9 Tree Well, typ.
- 10 Driveway
- 11 Garden Perimeter
- 12 Lagoon (Level 3)
- 13 Bluffs (Level 3)
- 14 Pier (Roof Level)
- 15 Furniture to be provided by Tenant

Common and private open space would be provided for residents through courtyards and other outdoor spaces having a combined area of 17,146 square feet. In addition, the project proposes 15,897 square feet of private, open space with each unit having its own private balcony. Outdoor common areas would include a shaded seating area along Mission Avenue; seating area, pool and courtyard area with BBQs, and fire pits on the third level; and a roof top deck with fire pit and seating area on the eighth level.

A “Mixed-Use Development Plan” is required for any proposal that establishes commercial and residential uses together as a single project. The subject development plan has been prepared pursuant to Articles 12, 31, and 43 of the Oceanside Zoning Ordinance for the Downtown Area. The proposed project would reserve 28 of the 273 units as low-income deed-restricted apartments; as such, it would be entitled to a number of waivers from required development standards per SDBL. The requested waivers are highlighted in the following section.

Density Bonus (DB23-00005) per State Density Bonus Law (SDBL) represents a request for the following:

To allow a residential development that would reserve 28 (10%) of the 273 apartment units for low-income qualifying households. By reserving 10% of the overall unit count for affordable housing, the developer would be entitled to all the benefits of SDBL, including incentives or concessions, unlimited waivers from development standards. The 28 affordable units would be proportional, with respect to area and bedroom count, to the market rate rentals and dispersed throughout the project.

Table 2: Affordable Unit Summary

Type	Affordable Units	Affordable Unit Mix	Market Rate Units	Market Rate Mix	# of Units	Total Unit Mix
Studio	6	21.4%	48	19.6%	54	19.8%
1-Bedroom	14	50%	128	52.2%	142	52%
2-Bedroom	8	28.6%	69	28.2%	77	28.2%
Total	28	100%	245	100%	273	100%
Percentage	10.26%		89.74%		100%	

State law entitles projects to certain incentives or concessions, and provides for waivers from development standards that would physically preclude the project at the density proposed. The granting of waivers does not reduce the number of incentives allowed on a project, and the number of waivers that may be requested and granted is not limited. State Law prohibits the City from denying any requested incentives/concessions or waivers unless findings are made that the incentives/concessions or waivers would have a “*Specific Adverse Impact*,” which is defined as “a

significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.” State law further establishes that “inconsistency with zoning ordinance or general plan land use designation shall not constitute a specific, adverse impact on public health or safety”.

The project is entitled to one (1) incentive/concession and unlimited waivers, as outlined below:

Incentive/Concession: No incentives/concessions have been requested by the applicant.

Waivers: In order to accommodate the proposed density and provide 273 residential units, the applicant asserts that the project cannot physically comply with all applicable development standards. The applicant has thus requested waivers from the following development standards pursuant to Density Bonus law:

1. Corner Side Yard Setback
2. Building Projections into Yard
3. Height and Roof Equipment Height
4. Minimum Site Landscaping
5. Open Space minimum area per dwelling unit, minimum total area requirement, and outdoor requirements
6. Private outdoor living space minimum dimensions
7. Façade Modulation Requirement
8. Off-street loading spaces

The following table is provided to illustrate the development standards applicable to the project and to identify the standards proposed to be waived as a part of the Density Bonus application:

Table 3: 901 Mission Avenue Development Standards

Development Standard	Current Zoning (D-2) Standard	Project as Proposed	Notes
Maximum Density	86 DU/acre	153 DU/Acre	<i>*At time of SB 330 application submittal there was no maximum density established for the D2 District.</i>
Minimum Lot Area	5,000 sf	1.5 Acres	Complies with Code
Minimum Lot Width	50'	300'	Complies with Code
Loading Space	12'x 35'x 14' vertical clear; Must be located off-street (located on property)	2'x 35'x 14' min. Located in a turn-out on Clementine Street	Waiver requested
Minimum Setbacks			

(Front) Mission Avenue	50' from Mission Avenue	50'	Complies with Code
(Front) Seagaze Drive	10'	10'	Complies with Code
Corner Side Horne Street Clementine Street	10'	8' - Horne St 8' - Clementine St	Waiver requested
Building Projections into Required Yards	Front and Rear: 3' Side Yard: 2'	Decorative overhangs: Clementine St. project 8' into Corner Side Yard Setback	Waiver requested
Maximum Height	Building Height: 65' 90' with CUP 10' for architectural design features and other mechanical equipment including solar panels.	95' 9' above height	Waiver requested
Minimum Site Landscaping	25% (16,478 sf)	11% (7,575 sf)	Waiver requested
Total Open Space			
Open Space per unit	200 sf/unit	121 sf/unit	Waiver requested
Shared Open Space	N/A	17,146 sf	Complies with Code
Private Outdoor Living Space	48 sf/unit with a minimum dimension of 6 feet	10,365 sf total. Each unit will have a private outdoor living space, 5 unit types have slightly less than 6' dimension	Waiver requested
Courts Required	55 ft	65 ft	Complies with Code
Required Façade modulation	25% of front and side elevation horizontal and/or vertical must be set back at least 5 ft from setback line	Mission Avenue: 35% Horne St: 22% Seagaze Drive: 11% Clementine St: 19%	Waiver requested

Required Parking	312 residential 21 spaces for commercial use	294 garage spaces 22 spaces for commercial use	Utilizing AB 2097 Commercial Parking: Complies with Zoning Ordinance Section 3103
Parking Stall Offset	12" offset from walls or columns	Providing 12" offset from walls or columns	Complies with Code
Garage Drive Aisle	24'	24'	Complies with Code
Renewable Energy	Residential Projects with 25 or more units shall install and maintain renewable energy facilities that supply at least 50% of forecasted electricity demand	Project will either meet requirements with onsite roof top solar panels, or will work with staff to determine an acceptable alternative to make up any shortfall in onsite generation to meet the minimum 50% renewable energy use.	Complies with Zoning Ordinance Section 3047
EV Parking	15% of parking spaces	15% of parking spaces	Complies with Zoning Ordinance Section 3048
Urban Forestry Program	Tree canopy: 12% (7,914 sq. ft.) Permeable surface area: 22% (14,375 sq. ft.)	Tree canopy: 28.2% (18,443 sq. ft.) Permeable Surface Area: 23% (14,817 sq. ft.)	Complies with Zoning Ordinance Section 3049

Key Planning Issues

1. General Plan Conformance

The General Plan Land Use Map designation for the subject property is Downtown (D). The proposed project is consistent with this land use designation and the policies of the City's General Plan as follows:

A. Land Use Element

Goal 1.12 Land Use Compatibility

Objective: To minimize conflicts with adjacent or related uses.

Policy B: The use of land shall not create negative visual impacts to surrounding land uses.

The project site is located in close proximity (within 0.5 miles) to the Oceanside Transit Center and is situated within the Oceanside TOD. The vertical mixed-use building is consistent with the pattern of redevelopment in the downtown area and would bring forward a high-density development to accommodate the City's regional fair share of housing growth, support commercial establishments in the downtown area, enhance walkability, and support transit service. The project would include a modern style of architecture with quality materials and design in keeping with the vast variety of architectural designs in the surrounding downtown area. The project is in a highly urbanized area consisting of commercial and civic type land uses. The project, as designed and sited, would be consistent with the surrounding built environment and would enhance the area by activating the streetscape with street-facing commercial areas.

The project site is located across the street from Oceanside High School; however, no adverse visual impacts would result from the proposed development. The site is currently an undeveloped lot located within a highly urbanized area characterized by dense residential, commercial, and civic buildings. The proposed vertical mixed-use building would transform the underutilized property into a development that is compatible with the surrounding built environment. Its architectural style and scale would reflect the evolving character of the downtown.

Goal 1.23 Architecture

Objective: The architectural quality of all proposed projects shall enhance neighborhood and community values and City image.

Policy A: Architectural form, treatment, and materials shall serve to significantly improve on the visual image of the surrounding neighborhood.

Policy B: Structures shall work in harmony with landscaping and adjacent urban and/or topographic form to create an attractive line, dimension, scale, and/or pattern.

The proposed project utilizes decorative design features including decorative metal railing balconies, glass railings, painted stucco finish, board form concrete, and use of various decorative elements such as decorative over hangs, aluminum faux wood panels and decorative metal canopies. Setback variations and articulation along the building planes create visual interest while the ground floor commercial space provides an enhanced pedestrian experience.

The project landscaping would be distributed throughout all four street frontages and include a mix of drought-tolerant trees, shrubs, and groundcover, with street trees lining all four frontages to soften the building's massing which also adds to the overall pedestrian streetscape.

Policy 1.1: Promote a high-quality urban environment with stable residential neighborhoods and healthy business districts.

Policy 1.6: Encourage higher-density housing development along transit corridors and smart growth focus areas in order to encourage preservation of natural resources and agricultural land; reduce energy consumption and emissions of greenhouse gasses and other air pollutants; reduce water pollution occasioned by stormwater runoff; and promote active transportation with its associated health benefits.

Policy 2.1: Designate land for a variety of residential densities sufficient to meet the housing needs for a variety of household sizes and income levels, with higher densities being focused in the vicinity of transit stops, smart growth focus areas, and in proximity to significant concentrations of employment opportunities.

Policy 3.5: Encourage the development of housing for low- and moderate-income households in areas with adequate access to employment opportunities, community facilities, and public services.

Policy 3.7: Encourage the disbursement of lower and moderate-income housing opportunities throughout all areas of the City.

The Regional Housing Needs Assessment (RHNA) for the Sixth Housing Element Cycle (2021-2029) estimates that the City of Oceanside will experience demand for 5,443 new dwelling units, including 718 low income units, for an eight-year period. By contributing 273 rental dwelling units, including 28 reserved for low income households, to the City's existing housing stock, the proposed project would help to meet the City's projected housing demand. The proposed project would introduce housing opportunities for low-income households as well as other income levels. Located within one-half mile of the Oceanside Transit Center, the project would be considered a TOD with a mix of commercial and residential uses that would encourage an efficient pattern of development in the Downtown District and support alternative modes of travel.

2. Downtown Zoning Ordinance Compliance

The proposed project is subject to the Downtown District land use and development standards within Article 12 of the Zoning Ordinance. The project site is located within Downtown Subdistrict 2, which allows for residential uses as part of mixed-use development projects. With respect to development standards, the proposed project complies with the requirements of Downtown Subdistrict 2, except where the applicant is seeking waivers consistent with SDBL as previously highlighted in Table 3 of this report, and the utilization of AB 2097 for parking.

As previously noted, the project proposes 294 residential parking spaces, which is 18 spaces fewer than the 312 required under SDBL. However, the site qualifies for AB 2097 due to its location within 0.5 miles of the Oceanside Transit Center. Under AB 2097, public agencies are prohibited from imposing minimum automobile parking requirements on qualifying residential developments.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (CEQA), staff finds that the proposed project is

Categorically Exempt pursuant to Article 19 Categorical Exemptions, Section 15332 “In-fill Development Projects” of CEQA. The site is located in an urbanized area, and would not result in any significant environmental effects. See Attachment 6 for environmental documents.

PUBLIC NOTIFICATION

Public Notice: The applicant posted a Notice of Project Application sign on the property and a legal notice was published in the newspaper and notices were sent to property owners within a 1500-foot radius and to tenants within a 100-foot radius of the subject property. Notices were also sent to individuals and/or organizations requesting notification, the applicant and other interested parties.

Community Outreach: In accordance with the City’s Enhanced Notification Policy (300-14), the applicant conducted community outreach through the entitlement process. Outreach efforts included a public outreach meeting at the Oceanside Public Library on November 18, 2024, targeted notifications to stakeholders via email, and a meeting with the Oceanside Chamber of Commerce. A fact sheet with project overview, development goals, site details, and amenities was circulated and made available to the public. The outreach efforts aimed to inform the community about the project, gather feedback, and address possible concerns while highlighting the project benefits. In addition, the developer has met with community leaders from the surrounding neighborhood, during which there was discussion about incorporating a public art element along the east elevation, the developer is amenable to including this feature as part of the project, recognizing its potential to serve as a gateway to the Downtown District.

In the outreach report (Attachment 7), the main concerns raised by the public relate to the retail potential of the site, aesthetics, the unhoused population of the surrounding area, public transportation, and parking.

FISCAL IMPACT

The applicant has paid all development processing fees required for consideration of this application.

COMMISSION OR COMMITTEE REPORT

On August 20, 2025, the DAC was presented with the proposed project. After due consideration, the DAC voted 3-2-4 vote (members DeMooy and Manley - no; members Abril, Marshall, Sweeton, and Rosales absent) to recommend CDC approval of the proposed Development Plan and Density Bonus.

CITY ATTORNEY’S ANALYSIS

The CDC is authorized to hold a public hearing in this matter. Consideration of the matter should be based on the testimony and evidence presented at the hearing. Following the public hearing, the CDC shall approve, conditionally approve, or deny the project with associated findings. The supporting documents have been reviewed and approved as to form by the City Attorney.

Prepared by: Nathalie Vazquez, Associate Planner

Reviewed by: Darlene Nicandro, Development Services Director

Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Community Development Commission Resolution
3. Reduced Plan Sets
4. Application Materials
5. Downtown Advisory Committee Memorandum dated August 20, 2025
6. Environmental Documents
 - a. CEQA Exemption Memo
 - b. Environmental Information Form
 - c. CAP Consistency Checklist
 - d. Noise Report
 - e. Air Quality/Greenhouse Report
 - f. Traffic VMT
 - g. Local Transportation Study
 - h. Biological Report
 - i. Preliminary SWQMP
 - j. Preliminary Geotechnical Investigation
7. Community Outreach Report