



City of Oceanside

300 North Coast Highway,
Oceanside, California 92054

Staff Report

File #: 25-1033

Agenda Date: 10/1/2025

Agenda #: 15.

DATE: October 1, 2025

TO: Chairperson and Members of the Community Development Commission

FROM: Development Services Department

TITLE: CONSIDERATION OF DEVELOPMENT PLAN (RD23-00002), TENTATIVE MAP (RT23-00001), DENSITY BONUS (DB23-00005), AND REGULAR COASTAL PERMIT (RRP23-00002) TO ALLOW THE CONSTRUCTION OF A MIXED-USE DEVELOPMENT PROJECT COMPRISED OF 326 RESIDENTIAL UNITS, INCLUDING 33 LOW-INCOME UNITS, AND 26,490 SQUARE FEET OF COMMERCIAL FLOOR AREA ON A 2.72-ACRE SITE LOCATED AT 401 MISSION AVENUE - 401 MISSION AVENUE MIXED USE - APPLICANT: JH REAL ESTATE PARTNERS INC.

RECOMMENDATION

Staff recommends that the Community Development Commission (CDC) adopt a resolution approving a Development Plan (RD23-00002), Tentative Map (RT23-00001), Density Bonus (DB23-00005), and Regular Coastal Permit (RRP23-00002) to allow the construction of a proposed mixed-use development project comprised of 326 residential units, including 33 units reserved for low-income households, and 26,490 square feet of commercial floor area on a 2.72-acre site located at 401 Mission Avenue.

BACKGROUND AND ANALYSIS

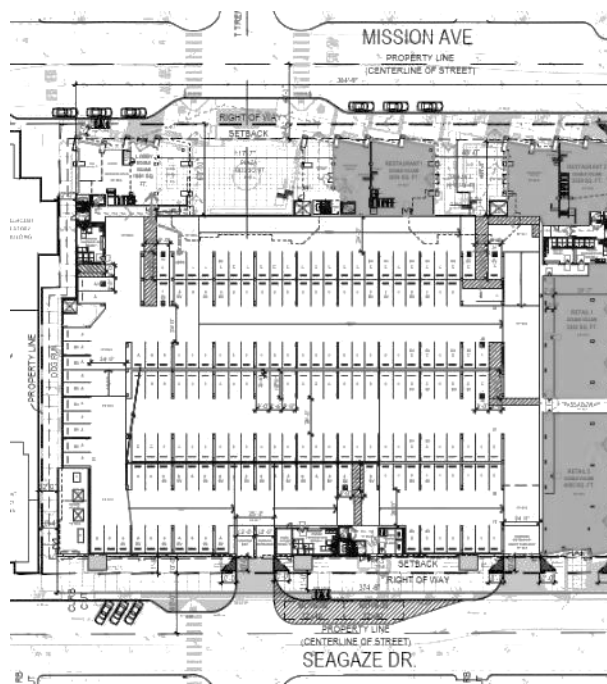
On August 6, 2025, the CDC considered approval of the proposed 401 Mission Avenue Project, which would allow for the demolition of the existing 2.72-acre Ocean Place Center ("Center") site and construction of a seven-story, approximately 405,698-square foot vertical mixed-use project with 332 dwelling units, 18,682 square feet of commercial/retail space for two restaurants and two retail suites, a 591-space parking structure, and two public plazas totaling 9,449 square feet in size. A copy of the August 6 CDC meeting staff report is provided as Attachment 5.

Following presentations provided by Planning staff and the applicant, the public hearing was opened, during which several community members expressed both support and opposition to the project. After receiving public testimony, the public hearing was closed and the CDC shared comments pertaining to the site's history while expressing concerns regarding the project's density, height, conformity with the Downtown Redevelopment Plan, potential for job losses, consistency with the City's Local Coastal Program, and the inclusion of palm trees. However, the main focus of the CDC's discussion centered around the existing 15,462-square foot publicly-accessible plaza located along

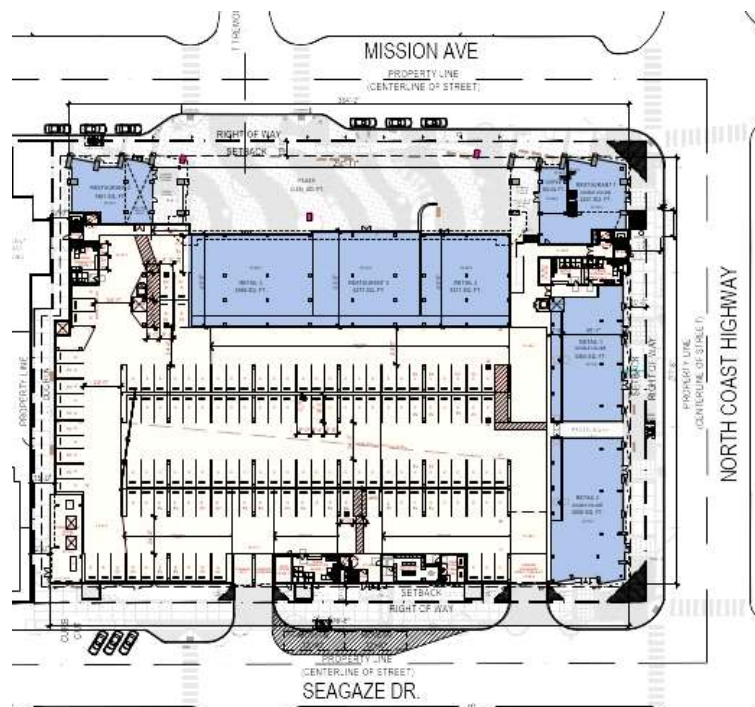
Mission Avenue, which the applicant proposed to replace with two separate outdoor plazas totaling 9,449 square feet in size. CDC members cited the iconic nature of the plaza and shared that it is heavily used by the public and holds a special importance to the community. As such, the proposed project's reduced amount of plaza area and lack of public amenities were major points of concern as expressed by the CDC. In response to the CDC's comments, the applicant requested a continuance to the October 1, 2025 CDC meeting to allow time for the applicant to make modifications to the design and size of the proposed plaza.

Since the August 6, 2025 CDC meeting, the applicant has modified the project to address concerns specific to the plaza area. Modifications made since the last meeting include reducing the residential unit count by six (and effectively reducing the number of affordable units by one); slightly changing the unit mix; increasing the amount of commercial space; eliminating the center tower projection separating the two original plazas; redesigning the parking structure; and, removing the parking areas on the north, and adding a third level of above-ground parking. In comparison to the original proposal, the revised project would now feature a much larger 15,439-square foot, cohesive, and open plaza oriented towards the Mission Avenue street frontage with over 12,000 square feet of commercial storefront space along the south side of the new plaza area. Figure 1, below, provides a side-by-side visual comparison of the original versus newly proposed project design at ground level.

Figure 1: Project Comparison



Original Project Proposal



Revised Project Proposal

A summary of the project revisions is shown in Table 1 below.

Table 1: Project Comparison

Category	Original Project	Revised Project
Plaza Area	9,449 sf	15,439 sf
Dwelling Units Count	332 units	326 units
Affordable Unit Count	34	33
Studio Units	15	15
1 Bedroom Units	165	176
2 Bedroom Units	113	100
3 Bedroom Units	39	35
Dwelling Units per Acre	122	120
Parking Space Count	591 spaces	554 spaces
Commercial Area	18,682 sf	26,490 sf
Common Open Space	19,492 sf	19,651 sf
Private Open Space	21,615 sf	21,662 sf
Open Space per Unit	123.8 sf	126.7 sf

The most notable changes are the increased square footage of the plaza and commercial areas, and the decrease in the number of dwelling units, 2-bedroom units, and parking spaces. In the case of proposed parking, although the revised project would result in reduced stall count, the project would continue to meet State Density Bonus Law residential standards and would not require further modification from the originally proposed commercial standard of 1 stall for every 100 feet of restaurant serving area and 1 stall for every 200 square feet of retail floor area. With an updated mix of dwelling units and commercial area, 546 parking stalls would be required; the revised project would provide 554 parking stalls (surplus of 8 spaces). Table 2 below provides a summary of parking requirements for the revised project.

Table 2: Parking Requirements

Use	Parking Ratio	Units or Area	Required	Provided
Studio Units	1.0 per unit	15	15	15
1 Bedroom Units	1.0 per unit	176	176	176

2 Bedroom Units	1.5 per unit	100	150	150
3 Bedroom Units	1.5 per unit	35	53	53
Restaurant	1 per 100 net sf	8,911 sf	89	89
Retail	1 per 200 net sf	12,281 sf	62	62
Total			545	554

Plaza Design

The proposed redesigned plaza consists of a large rectangular space, approximately 250 feet long and 61 feet deep. The plaza would feature alternating decorative earth-tone colored concrete and contrasting blue colored decorative pavers set in a wavelike pattern. Additionally, three masonry pedestals for the display of public art are proposed at separate locations of the plaza. Plaza furnishings would include benches, lounge seating with coffee tables, and dining sets with chairs, tables, and large umbrellas. Landscaping within the plaza would include canopy trees (Chinese Elm), accent trees (Crape Myrtle), several island planters, and accent pottery with planting; all previously proposed palm trees have been removed from the design.

On the east and west ends of the plaza, covered outdoor lounge areas are proposed with additional tables and chairs. The lounge area on the west end would be located next to a proposed restaurant use, and be bordered by a landscaped planter and masonry pedestal reserved for an informative art installation. Located adjacent to a newly proposed coffee shop, the lounge area on the east end would be partially surrounded by landscaped planters. Further, the original plaza design was revised to remove the structures and raised barriers near the sidewalk that created a privatized appearance. On the whole, the revised plaza represents a thoughtful redesign of publicly-accessible space and effectively addresses CDC members' concerns expressed at the August 6 CDC meeting. The larger cohesive plaza area would provide a high quality, usable, and open atmosphere to serve as a downtown gathering space for hosting City events or general public use.

Figure 3: Revised Plaza



In addition, staff has added a new Condition of Approval for the revised project, which requires the

applicant to work with staff on the plaza's final design and signage to ensure collaboration with the City's two recently approved Capital Improvement Program projects: Downtown Placemaking and City-wide Signage.

Project Architecture

Architectural changes to the proposed building are limited to the north elevation facing Mission Avenue. The revised elevation proposes a more symmetrical design with most of the building being set back around 60 feet (to accommodate the plaza) with the exception of the two matching building towers on the east and west ends that project within 10 feet of the property line. As mentioned earlier in this report, double volume storefronts were created along the south side of the plaza space, thereby eliminating the originally proposed parking lot screening material.

More architectural detail was added to the center of the building above the proposed commercial storefronts, most notably in the form of three flat arches surfaced with the same blue composite panels found on other parts of the building. The largest of the flat arches would be situated near the midpoint of this elevation and formed with two columns beginning at the third floor and projecting outward at an angle that supports a flat roof covering a new central roof deck at the top of the building. Two smaller flat arches are also proposed on both sides of this central arch extending partially upwards of the building to the sixth floor. Staff finds that the proposed architectural revisions to the north elevation improve upon the original design by providing a more balanced appearance that replaces views of parking lot screening with tall glass storefronts.

Figure 4: Revised Mission Avenue Rendering



The revised design would not result in proposed changes to incentives/concessions and waivers. The applicant requests the same incentive/concession and ten waivers from development standards; no additional waivers are requested. Further details regarding the requested incentive/concession and waivers are provided in Attachment 2.

Other Considerations

The CDC also raised concerns with regard to the loss of jobs resulting from redevelopment of the site and the project's consistency with the City's Local Coastal Program, specifically Policy C.10. The policy states that the City shall continue promoting coastal tourism through revitalization of the coastal area and upgrading of visitor amenities. The revised project's proposed expansion of the commercial area from 18,362 square feet (originally proposed) to 26,490 square feet (modified design) and upgraded visitor amenities would provide new and greater amounts of restaurant and retail space that better promote coastal tourism and revitalize the City's coastal area. In addition, the more modern and expanded amount of commercial space would likely provide more jobs than what currently exists at the site today.

In summary, the revised project addresses the major concerns raised at the August 6 CDC meeting. The proposed plaza has been enhanced in both quantity and quality, and provides a more welcoming, artistic, and memorable sense of place in the heart of Downtown Oceanside. Staff recommends the CDC approve the Development Plan, Tentative Map, Density Bonus, and Regular Coastal Permit to facilitate construction of the revised project.

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, CEQA Guidelines Section 15332 "In-fill Development Projects." The site is located in an urbanized area, and would not result in any significant environmental effects.

CITY ATTORNEY'S ANALYSIS

The CDC is authorized to hold a continued hearing in this matter pursuant to Oceanside City Code section 2.1.40. The public testimony portion of the hearing was closed on August 6, 2025. Consideration of the matter should be based on the testimony and evidence presented at the prior and continued hearings. The supporting documents have been reviewed and approved as to form by the City Attorney.

Prepared by: Manuel Baeza, Principal Planner
Reviewed by: Darlene Nicandro, Development Services Director
Submitted by: Jonathan Borrego, City Manager

ATTACHMENTS:

1. Staff Report
2. Community Development Commission Resolution
3. Project Plans
4. Description and Justification (updated)
5. August 6, 2025 Staff Report
6. Notice of Exemption
7. Environmental Documents
 - a. CEQA Exemption Memo
 - b. Noise Studies
 - c. Air Quality Report
 - d. Local Transportation Study
 - e. Preliminary SWQMP
 - f. CAP Checklist
 - g. Preliminary Geotechnical Investigation