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**This is the final report adopted by
the Commission on February 5, 2026**

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Date: January 22, 2026

To: COMMISSIONERS AND INTERESTED PERSONS

From: KARL SCHWING, DEPUTY DIRECTOR, SAN DIEGO COAST DISTRICT
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Subject: STAFF RECOMMENDATION ON CITY OF OCEANSIDE MAJOR
AMENDMENT NO. LCP-6-OCN-25-0029-2 (Downtown Density for 6th
Housing Cycle) for Commission Meeting of February 5, 2026

SYNOPSIS

The subject LCP Implementation Plan (IP) amendment was filed as complete on August 20, 2025. A one-year time extension was granted on November 5, 2025. As such, the last date for Commission action on this item is November 13, 2026. This report addresses a portion of a batch submittal. The other portion of the submittal, LCP-6-OCN-25-0030-2 (Inclusionary Housing) was granted a one-year time extension on December 10, 2025, and is scheduled for the same hearing as the subject amendment.

SUMMARY OF AMENDMENT REQUEST

The City of Oceanside proposes to update Article 12 (D–Downtown District) of the certified Implementation Plan to establish a maximum density of 86 dwelling units per acre (du/acre) for mixed-use projects in the Downtown District.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that, following a public hearing, the Commission reject the proposed City of Oceanside Implementation Plan (IP) amendment as submitted, and then certify the amendment subject to three suggested modifications described below.

After Commission certification in 1984, the City had a maximum density of 43 du/acre for mixed-use projects in downtown Oceanside. In August 2019, the City approved LCP Amendment No. [LCP-6-OCN-19-0146-3](#) to remove the maximum density of 43 du/acre and allow unlimited density, as long as the overall maximum of 5,500 total units identified in the City's Redevelopment Plan for downtown was not exceeded. This amendment was

subsequently approved by the Commission with a suggestion modification requiring a Traffic Monitoring and Mitigation Plan to mitigate any coastal access impacts. The City accepted the modification and the amendment became effective on February 10, 2022.

According to the City, when the removal of the maximum density was approved in 2019 it was assumed projects would still be subject to other development standards, including building height, setbacks, open space/landscaping, and parking requirements, which would effectively regulate density; however, subsequent changes to California's density bonus law since then (i.e., increased maximum density bonuses, reduced parking requirements, additional criteria for concessions and incentives) have limited the City's ability to apply certain development standards on density bonus projects, resulting in denser projects than envisioned.¹ In response to the concerns regarding unanticipated consequences of unlimited density paired with State density bonus law, the City approved the subject amendment to establish a maximum base density of 86 du/acre.

Although the City's certified LUP does not contain any policies that explicitly mention density of residential developments, there are policies that aim to maximize public access to the shoreline, protect recreation and visitor serving facilities, and preserve community character. The proposed IP amendment is not in conflict with these LUP policies and would not result in any adverse impacts to coastal resources. However, in coordination with Commission staff, the City has agreed to incorporate suggested modifications to harmonize the amendment with state law. As submitted, the amendment would maintain the existing overall maximum of 5,500 total units in the Downtown District laid out within the City's General Plan (Appendix A), which is the City's Redevelopment Plan. Although the General Plan is not formally part of the LCP, sections of the General Plan are referenced in the LCP, including the maximum of 5,500-dwelling units for the Downtown District referenced in the IP. This overall cap on the number of housing units in the Downtown District is inconsistent with Senate Bill 330 (Housing Crisis Act), which suspended the ability of cities to establish or implement a cap on the number of housing units that can be approved, so Suggested Modifications #1 and #2 would revise the existing 5,500 maximum allowable dwelling unit into a target (as opposed to an enforceable cap) and Suggested Modification #2 notes that any future dwelling unit target may also be exceeded. The City has acknowledged that the General Plan will also be updated in the future with similar language to ensure consistency with the IP.

The City has also noted that with the current unlimited density, there is little incentive for developers to take advantage of density bonus provisions, so the establishment of the proposed maximum density would encourage the construction of more affordable housing by allowing developers to exceed the maximum base density of 86 du/acre with the inclusion of density bonuses. For example, State density bonus law (Govt. Code, Section 65915) currently allows up to a 100% density bonus to projects that reserve at least 15% of the base units for very low income households, 24% for lower income households, or 44% for moderate income households. Based on the City's analysis and application of

¹ The City cites a mixed-use density bonus project that was approved in 2022 at 712 Seagaze Drive for an eight-story building with 179 units located just outside of the Coastal Zone. The project received waivers or reductions of several development standards, including setbacks, open space and landscaping requirements, parking space size, and building height, resulting in a realized density of approximately 500 du/acre, which far exceeded the average density of 175 du/acre in the Downtown District.

State density bonus law, a one-acre site with the proposed base density of 86 du/acre could potentially yield a 100% density bonus, or maximum density of 172 du/acre, if affordable units were reserved as required. This would be commensurate with the Downtown District's current average density of approximately 175 du/acre. However, as currently certified, the density bonus provisions within Article 30 of the IP do not apply to the Downtown District. Thus, Suggested Modification #3 would allow for authorization of density bonuses in the Downtown District that emanate from State density bonus law, including any related incentives, concessions, and waivers of development standards, for mixed-used developments, as long as there are no significant coastal resource impacts and future projects remain consistent with the Coastal Act and the certified LCP. Suggested Modification #3 would also require the City to update its existing density bonus regulations to include the Downtown District by January 1, 2029, which would ensure density bonus law consistency across the IP.

The City provided information that the proposed density is more than double the maximum density provisions of other coastal cities in San Diego County (e.g., 40 du/acre in Carlsbad, 20 du/acre in Solana Beach, 25 du/acre in Del Mar, and 48 du/acre in National City), with the exception of the City of Chula Vista, which has a small portion of its coastal zone that allows density up to 105 du/acre.

The City is also proposing a separate, but related, LCP amendment (LCP-6-OCN-25-0030-2) that proposes changes to its inclusionary housing requirements, including increasing the requirement to reserve housing for low to moderate-income households from 10% to 15%. Together, these two LCP amendments will encourage the development of more affordable housing and a more even distribution of density throughout the Downtown District.

The appropriate motions and resolutions begin on page 6. The suggested modifications begin on page 7. The findings for denial of the Implementation Plan Amendment as submitted begin on page 10. The findings for approval of the plan, if modified, begin on page 11.

ADDITIONAL INFORMATION

Further information on the City of Oceanside LCP amendment No. LCP-6-OCN-25-0029-2 may be obtained from Melissa Belen-Gonzalez, Coastal Program Analyst, at (619) 767-2370 or SanDiegoCoast@coastal.ca.gov.

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EXHIBITS

[Exhibit 1 – Resolution No. 23-R0718-1](#)

[Exhibit 2 – Ordinance No. 23-OR0749-1 with strikeout/underline](#)

[Exhibit 3 – Downtown District Map](#)

I. OVERVIEW

A. LCP HISTORY

The City of Oceanside first submitted its Land Use Plan (LUP) to the Commission in July 1980, and it was certified with suggested modifications on February 19, 1981. This action, however, deferred certification on a portion of the San Luis Rey River valley where an extension of State Route 76 was proposed. On January 25, 1985, the Commission approved with suggested modifications the resubmitted LUP and Implementing Ordinances. The suggested modifications for this approval were related to the guaranteed provision of recreation and visitor-serving facilities, assurance of the safety of shorefront structures, and the provision of an environmentally sensitive routing of the proposed Route 76 east of Interstate 5. The suggested modifications to the Zoning/Implementation phase resulted in ordinances and other implementation measures that were consistent with the conditionally certified LUP policies.

With one exception, the conditionally certified LUP and Implementing Ordinances were reviewed and approved by the City on May 8, 1985. The City requested that certification be deferred on one parcel adjacent to Buena Vista Lagoon designated by the City for “Commercial” use; the Commission's suggested modification designated it as “Open Space.” On July 10, 1985, the Commission certified the City's LCP as resubmitted by the City, including deferred certification on the above parcel.

On February 19, 1992, the Commission approved the City's amendment to the certified IP to replace the existing zoning ordinance and design guidelines of the Downtown Redevelopment Project Area by implementing Article 12, the “D” Downtown District with rezonings (LCPA #1-91). The zoning ordinance consolidated all regulations, established the various classes of zoning districts of the Redevelopment Area, changed the existing LCP format from thirteen land use districts to fifteen subdistricts, and established the 43-dwelling unit per acre density for mixed-use development.

On September 10, 2021, the Commission approved the City's amendment to certify the IP amendment to remove the 43 du/ac density and allow for unlimited density in the Downtown District and maintain the 5,500 maximum number of total units allowed in the Downtown District by the City's Redevelopment Plan.² The amendment was approved with a suggested modification requiring the City to develop a Traffic Monitoring and Mitigation Plan to mitigate any adverse impacts to coastal access and became effective on February 10, 2022. According to the City, it was assumed projects would be subject to other development standards, including building height, setbacks, open space and landscaping, and parking requirements, which would effectively regulate density based on a project's ability to meet these standards; however, subsequent changes to California's density bonus law (i.e., increased maximum density bonuses, reduced parking requirements, and additional criteria for concessions and incentives) have limited the City's ability to apply certain development standards on density bonus projects, resulting in denser projects than envisioned.

² [LCP-6-OCN-19-0146-3](#).

One such example cited by the City is a mixed-use density bonus project that was approved in 2022 at 712 Seagaze Drive for an eight-story building with 179 units located just outside of the Coastal Zone. The project received waivers or reductions of several development standards, including setbacks, open space and landscaping requirements, parking space size, and building height. The developer was able to significantly increase the overall unit count; the realized density on the 15,589 sq. ft. site was approximately 500 du/acre, which far exceeded other recent projects in the Downtown District, where the average density is approximately 175 du/acre based on information provided by the City.

According to the City, there are approximately 2,300 existing units in the Downtown District. Furthermore, an additional 2,551 units (inclusive of density bonus) have either been approved, are currently under review, or are currently under construction. Since the change in density from 43 du/acre to unlimited, the City has not conducted a traffic monitoring report, as no major downtown developments have finalized construction. Thus, in response to the City's concerns regarding unanticipated consequences of unlimited densities paired with State density bonus law, on October 18, 2023, the City Council approved the subject IP amendment to establish a maximum density of 86 du/acre.

Lastly, the City states that although the proposed maximum density of 86 du/acre would be a reduction from the existing unlimited density, it would still support high density development relative to other jurisdictions, especially when accounting for potential density bonuses. The City provided information that the proposed density is more than double the maximum density provisions of other coastal cities in San Diego County (e.g., 40 du/acre in Carlsbad, 20 du/acre in Solana Beach, 25 du/acre in Del Mar, and 48 du/acre in National City), with the exception of the City of Chula Vista, which has a small portion of its coastal zone that allows density up to 105 du/acre.

B. STANDARD OF REVIEW

Pursuant to Section 30513 of the Coastal Act, the Commission may only reject zoning ordinances or other implementing actions, as well as their amendments, on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. The Commission shall take action by a majority vote of the Commissioners present.

C. PUBLIC PARTICIPATION

The City has held Planning Commission and City Council meetings with regard to the subject amendment request. All of those local hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

II. MOTIONS AND RESOLUTIONS

1. MOTION:

I move that the Commission reject the Implementation Program Amendment for the City of Oceanside as submitted.

STAFF RECOMMENDATION OF REJECTION:

Staff recommends a **YES** vote. Passage of this motion will result in rejection of Implementation Program and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION TO DENY CERTIFICATION OF THE IMPLEMENTATION PROGRAM AMENDMENT AS SUBMITTED:

The Commission hereby **denies** certification of the Implementation Program Amendment submitted for the City of Oceanside and adopts the findings set forth below on grounds that the Implementation Program as submitted does not conform with, and is inadequate to carry out, the provisions of the certified Land Use Plan. Certification of the Implementation Program would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Implementation Program as submitted

2. MOTION:

I move that the Commission certify the Implementation Program Amendment for the City of Oceanside if modified pursuant to the staff recommendation.

STAFF RECOMMENDATION TO CERTIFY WITH SUGGESTED MODIFICATIONS:

Staff recommends a **YES** vote. Passage of this motion will result in certification of the amendment with suggested modifications and adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

RESOLUTION TO CERTIFY WITH SUGGESTED MODIFICATIONS:

The Commission hereby certifies the Implementation Program Amendment for the City of Oceanside if modified as suggested and adopts the findings set forth below on grounds that the Implementation Program Amendment, with the suggested modifications, conforms with and is adequate to carry out the certified Land Use Plan. Certification of the Implementation Program Amendment if modified as suggested complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Program Amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

III. SUGGESTED MODIFICATIONS

Staff recommends the following suggested revisions to the proposed Implementation Plan be adopted.

The City's proposed new language is shown in underlined text. The City's proposed deleted language is shown in ~~single strike through~~. The language suggested to be added by the Commission is shown in double underline. The language suggested to be deleted by the Commission is shown in ~~double strike through~~.

1. Modify Article 12 D District, Section 1232 Downtown District Property Development Regulations, Subsection D District: Additional Development Regulations (D)(2), as follows:

2. Residential stand-alone projects may achieve a density of 29 to 43 units per acre. The base density of 29 units per acre shall be considered the appropriate density for development within each residential land use designation. The base density may be increased from 29 units per acre to 33 units per acre if an underground parking structure(s) situated 50% or more below grade is/are used in a residential project to provide all of the required parking. ~~There is no density limit for residential mixed use developments~~ shall have a maximum base density of 86 units per acre, exclusive of any density bonuses. The Downtown District may have a target of 5,500 total dwelling units, although this target number may be exceeded.

2. Modify Article 12 D District, Section 1232 Downtown District Property Development Regulations, Subsection D District: Additional Development Regulations (Adoption of Mixed-Use Development Plans), as follows:

1. ~~That the total number of dwelling units in the Downtown District shall not exceed~~ have a target of 5,500 total dwelling units, although this target number (or any future limit target established by the City's General Plan) may be exceeded.

3. Modify Article 12 D District, Section 1232 Downtown District Property Development Regulations, Subsection D District: Additional Development Regulations (Adoption of Mixed-Use Development Plans) by adding the proposed subsections as follows:

8. Coastal Act Consistency. California Government Code Section 65915 provides that density bonus law shall not be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976. Any density bonus, concessions, incentives, waivers or reductions of development standards, and parking ratios to which the applicant may be entitled under this zoning ordinance or Gov. Code, § 65915 et. seq., (as amended as of the date of Coastal Commission certification or conditional certification) shall be permitted only as consistent with the California Coastal Act of 1976 (Pub. Resources Code, § 30000 et seq.) and the certified Oceanside Local Coastal Program.

9. Within the Coastal Zone, the approving body (or the Coastal Commission on appeal) may approve a project with minor inconsistencies with local coastal program (LCP) requirements relating to additional units or concessions, waivers, or incentives where such inconsistencies emanate from state density bonus law provisions, only if the project is found to be in conformity with all LCP provisions requiring avoidance of significant coastal resource impacts to the maximum extent

feasible, including but not limited to impacts to sensitive habitat, wetlands, public viewsheds, public access and recreation and open space. To make such a finding, an analysis of coastal resource impacts associated with the density bonus project and any alternatives shall be provided. If a finding is made that the concession, waiver, incentive, or increase in otherwise allowable density would result in significant adverse impacts to coastal resources or public access and recreation, and the project could not be modified or such impacts could not be adequately mitigated by imposing reasonable conditions of approval, then the City may deny the concession, waiver, incentive, or density bonus.

10. By January 1, 2029, the City shall submit to the Coastal Commission a Local Coastal Program Amendment application to update its density bonus regulations, including within the Downtown District, as well as establish objective design standards that would apply to multifamily housing projects that qualify for streamlined reviews under state law.

IV. FINDINGS FOR REJECTION OF THE OCEANSIDE IMPLEMENTATION PLAN AMENDMENT, AS SUBMITTED AND APPROVAL IF MODIFIED

A. AMENDMENT DESCRIPTION

The City of Oceanside proposes to update Article 12 (D–Downtown District) of the certified Implementation Plan to establish a maximum density of 86 dwelling units per acre (du/acre) for mixed-use projects in the Downtown District.

B. CONFORMANCE WITH THE CERTIFIED LAND USE PLAN

The standard of review for LCP implementation plan submittals or amendments is their consistency with and ability to carry out the provisions of the certified LUP. The certified LUP has a number of goals and policies relevant to the proposed amendment; the most applicable LUP standards are as follows:

I. Coastal Access

Objective: Adequate access to and along the coast shall be provided and maintained.

II. Recreation and Visitor Serving Facilities

7. In granting approvals for new development within the Coastal Zone, the City shall give priority to visitor serving commercial recreation facilities over private residential, general industrial or general commercial uses.

10. The City shall continue to promote coastal tourism through the revitalization of the coastal area and upgrading of visitor amenities.

17. The City shall require that all new residential development provides adequate on-site parking. In areas where beach parking demand is critical, parking requirements for new residential development shall be strictly enforced [...]

VI. Visual Resources and Special Communities

The Coastal Act requires that the visual qualities of the Coastal Zone shall be protected and that new development be sited and designed to be visually compatible with the character of surrounding areas. [...]

8. The City shall ensure that all new development is compatible in height, scale, color and form with the surrounding neighborhood.

9. In areas where a change to a more intensive use is proposed, adequate buffers or transition zones (such as increased setbacks, landscaped barriers, or decorative walls) shall be provided.

VII. New Development and Public Works

1. The City shall deny any project which diminishes public access to the shoreline, degrades coastal aesthetics, or precludes adequate urban services for coastal-dependent, recreation, or visitor serving uses.

2. The City shall promote development of a high level of transportation facilities, public services and amenities in the Coastal Zone as a means for reducing energy consumption and vehicle miles traveled. Such actions include: [...]

c) Encourage preservation of existing and development of new neighborhood commercial uses such as markets, banks and small retail stores.

d) Support development of a wide variety of private and public recreational and tourist facilities which can attract and serve both visitors and residents. [...]

3. The City shall approve new development in the Coastal Zone only if essential public facilities will be available to serve that development.

1. FINDINGS FOR DENIAL

The standard of review for LCP implementation plan submittals or amendments is their consistency with and ability to carry out the provisions of the certified LUP. The City's LUP contains a number of policies that address the prioritization of visitor serving accommodations, adequate urban services, protection of preservation of community character, and protection of public access as stated, in part, within Section B above.

a) Purpose and Intent of the Ordinance.

The purpose and intent of the ordinance is to establish a maximum density of 86 du/ac for mixed-use developments to incentivize more affordable housing in the Downtown District.

b) Major Provisions of the Ordinance.

As currently certified, there is no density limit for mixed-use residential developments in the Downtown District. As proposed, the chapter would revise the unlimited density to a maximum base density of 86 du/ac (not inclusive of density bonuses).

c). Adequacy of the Ordinance to Implement the Certified LUP

Oceanside is unique in that the Downtown District includes some of the highest-visited beaches and coastal amenities in the City, including the Oceanside Pier, the Junior Seau Beach Community Center, the Band Shell (a popular outdoor amphitheater), sunset market, farmers' markets, and the Oceanside Transit Center, as well as a number of hotels and restaurants. If thoughtfully planned and designed, dense multifamily residential and mixed-use development can be compatible with nearby visitor-serving and coastal-dependent uses by boosting local amenities and economies, increasing (affordable) housing stock for workers, and promoting walking and the use of public transit.

The proposed maximum base density of 86 du/acre would still allow for higher density development, especially if density bonuses are considered (potentially allowing up to 172 du/acre per State density bonus law). At the same time, the City's proposal would geographically distribute the density throughout the Downtown District in a manner that ensures adequate access to the coast is maintained, as required by the City's certified LUP.

Although the City's certified LUP does not contain any policies that explicitly mention density of residential developments, there are policies that aim to maximize public access to the shoreline, protect recreation and visitor serving facilities, and preserve community character. The proposed IP amendment is not in conflict with these LUP policies and would not result in any adverse impacts to coastal resources. However, in coordination with Commission staff, the City has agreed to incorporate suggested modifications to harmonize the amendment with state law, as discussed below.

2. FINDINGS FOR APPROVAL IF MODIFIED

As previously discussed, the proposed revisions do not raise any LUP consistency concerns. However, Commission staff has coordinated with the City to develop suggested modifications to harmonize the amendment with state law. The City is in agreement with the suggested modifications and the specific state laws are outlined below.

As submitted, the amendment would maintain the existing overall maximum of 5,500 total units in the Downtown District laid out within the City's General Plan (Appendix A), which is the City's Redevelopment Plan. Although the General Plan is not formally part of the LCP,

sections of the General Plan are referenced in the LCP, including the maximum of 5,500-dwelling units for the Downtown District referenced in the IP. As proposed, the new per-acre density limit of 86 du/acre in the Downtown District would be inconsistent with the total 5,500-unit cap, since it would result in only a very small portion of the Downtown District's 375 acres to be developed at the intended per-acre density.³

Moreover, the General Plan's requirement does not harmonize with Senate Bill 330 (Housing Crisis Act), which was signed into law on October 9, 2019. The state determined that local downzoning, subjective standards, net loss of housing units, hearing limits, and drawn-out review periods could negatively impact housing development, which is an ongoing challenge in coastal communities. Specific to downzoning, the Legislature suspended the ability of cities and counties to establish or implement any provision that: (i) "Limits the number of land use approvals or permits necessary for the approval and construction of housing that will be issued or allocated within all or a portion of the affected county or affected city," (ii) "Acts as a cap on the number of housing units that can be approved or constructed either annually or for some other time period," or (iii) "Limits the population of the affected county or affected city."⁴

Importantly, and notably for coastal resource purposes, SB 330 includes a Coastal Act savings clause that states that SB 330 shall not be construed to supersede or lessen the effect of the Coastal Act, and local governments are not required to hold public hearings for coastal development permits. This means that, aside from public hearing requirements, projects utilizing SB 330's provisions must still be found in compliance with the Coastal Act or LCP policies implementing the Coastal Act.

Therefore, in order to harmonize the City's proposed per-acre density limit and SB 330, **Suggested Modifications #1 and #2** would revise the existing 5,500 maximum allowable dwelling unit to a target, as opposed to an enforceable cap. Although the suggested modifications would contradict the General Plan, the City acknowledges the need to update it in the future to ensure consistency with the subject amendment. **Suggested Modification #2** also notes that any future dwelling unit target may also be exceeded.

Given the importance of increasing housing in California, Commission staff coordinated with the California Department of Housing and Community Development (HCD) on the proposed LCP amendment to confirm that the City is in compliance with state housing laws⁵ and the proposed maximum base density would not adversely affect the City's housing obligations. Based on review of Appendix B, Land Inventory, from the City's HCD certified Housing Element, none of the identified sites that the City is relying on to meet their Regional Housing Needs Assessment (RHNA) obligations for 2021-2029 are located

³ Likewise, by retaining a cap of 5,500 units in the Downtown District, the City would only permit 1,344 new units, which would consequently severely downzone new development on a per-acre basis.

⁴ [CA Gov. Code, § 66300, subd. \(b\)\(1\)\(D\)](#)

⁵ The Housing Crisis Act of 2019 prohibits affected cities from enacting a development policy, standard, or condition that has the effect of reducing the intensity of land use below what was allowed on January 1, 2018, among other prohibitions (Government Code, Section 66300(b)). The maximum density of 43 du/acre was in effect on January 1, 2018, and so the 86 du/acre maximum density proposed here does not violate this provision of the Housing Crisis Act.

in the Downtown District. Additionally, the City confirmed that the currently pending housing development projects will be reviewed by the City under the prior standard of no maximum density.

The City has noted that with the current unlimited density, there is little incentive for developers to take advantage of density bonus provisions. Therefore, the establishment of the proposed maximum density for the Downtown District would encourage the construction of more affordable housing by allowing developers to exceed the maximum base density of 86 du/acre with the inclusion of density bonuses. For example, State density bonus law (Gov. Code § 65915) currently allows up to a 100% density bonus to projects that reserve at least 15% of the base units for very low-income households, 24% for lower income households, or 44% for moderate income households. Based on the City's analysis and application of State density bonus law, a one-acre site with the proposed base density of 86 du/acre could potentially yield a 100% density bonus, or maximum density of 172 du/acre, if affordable units were reserved as required. This would be commensurate with the Downtown District's current average density of approximately 175 du/acre. However, as currently certified, there are no density bonus provisions within Article 12 (Downtown District), and the density bonus provisions within Article 30 of the IP do not apply to the Downtown District.

Therefore, in order to harmonize the amendment with Govt. Code Section 65915, **Suggested Modification #3** would allow the City to authorize density bonuses in the Downtown District that emanate from State density bonus law, including any related incentives, concessions, and waivers of development standards, for mixed-used developments as long as there are no significant coastal resource impacts and future projects remain consistent with the Coastal Act and certified LCP. This language incorporates a Coastal Act savings clause to ensure that these projects would still be consistent with other Coastal Act and LCP policies requiring avoidance of significant coastal resource impacts, including but not limited to impacts to sensitive habitat, wetlands, public viewsheds, public access and recreation, and open space. Suggested Modification #3 would also require the City to update its existing density bonus regulations to include the Downtown District by January 1, 2029, which would ensure density bonus law consistency across the IP. Therefore, although density would be reduced on a per-acre basis to 86 du/ac, Suggested Modifications No. 1-3 would generally allow developers to construct more housing in the Downtown District by employing density bonuses and modifying the 5,500-unit limit to a target.

Lastly, the City is proposing a separate, but related amendment, LCP-6-OCN-25-0030-2 (Inclusionary Housing) that proposes changes to inclusionary housing requirements, including to increase the requirement to reserve housing for low or moderate-income households from 10% to 15%. Together, these two LCP amendments will encourage the development of more affordable housing in the Coastal Zone and a more even distribution of density throughout the Downtown District.

For the reasons described above, only if modified as suggested can the proposed Implementation Plan amendment be found consistent with and adequate to carry out the City's certified LUP.

V. CONSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 21080.9 of the California Environmental Quality Act (CEQA) exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its local coastal program. Instead, the Coastal Commission acts as lead agency for the purposes of fulfilling CEQA. The Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP submission. The City found the proposal to be exempt from CEQA. (See Cal. Code of Regs., tit. 14, sec. 15061(b)(3)⁶).

Nevertheless, the Commission is required in an LCP submittal or, as in this case, an LCP amendment submittal, to find that the LCP, or LCP, as amended, does conform with CEQA provisions. In the case of the subject LCP amendment request, the Commission finds that approval of the LCP amendment, as suggested to be modified, would not result in any significant adverse environmental impacts under the meaning of the California Environmental Quality Act.

⁶ [Cal. Code Regs. Tit. 14, § 15061.](#)