## **City of Oceanside**

# **Development Services Department**

### Memorandum

**DATE:** April 23, 2025

**TO:** Downtown Advisory Committee

FROM: Manuel Baeza, Principal Planner

SUBJECT: CONSIDERATION OF A TENTATIVE MAP (RT23-00001),

DEVELOPMENT PLAN (RD23-00002), DENSITY BONUS (DB23-00005) AND REGULAR COASTAL PERMIT (RRP23-00002) FOR THE DEVELOPMENT OF A MIXED-USE DEVELOPMENT PROJECT COMPRISED OF 332 APARTMENT UNITS, INCLUDING 34 LOW-INCOME UNITS, AND 18,682 SQUARE FEET OF COMMERCIAL FLOOR AREA AT 401 MISSION AVENUE – 401 MISSION AVENUE

MIXED USE - APPLICANT: JH REAL ESTATE PARTNERS INC.

## **Location & Background**

The project site is located at 401 Mission Avenue (APN 147-271-14). Situated within the Townsite Neighborhood Planning Area, the site has a General Plan land use designation of Downtown (D) and a zoning designation of Downtown Subdistrict 1 and is located on the south side of Mission Avenue, west side of N. Coast Highway, and the north side of Seagaze Drive, and east of Cleveland Street. The project has an area of 2.72 acres and is developed with the Ocean Place Center comprised of the Regal Cinema theater, a number of retail suites and 15,462 square foot public plaza. Surrounding uses consist of mixed commercial development to the north and east, a church and mixed commercial development to the south and five-story mixed use (commercial and residential) building to the west. A map of the project site and surrounding area is provided in Figure 1 below.

On June 20, 2023 Planning Division staff received an application for a Tentative Map (RT23-00001) Development Plan (RD23-00002), a Regular Coastal Permit (RRP23-00002), and a Density Bonus (DB23-00005).

Figure 1



### **Project Description**

The project application is comprised of four components: A Tentative Map, Regular Coastal Permit, Development Plan, and Density Bonus as follows:

Tentative Map (RT23-00001) represents a request for the following:

The project site is currently comprised of one 2.72 acre parcel. The project application includes a Tentative Map for Condominium Purposes to create condominium units, which will separate the commercial and residential use areas as separate units. The existing 15,462 square foot central plaza contains a public easement in favor of the City. With the redevelopment of the project site the existing plaza and easement will be eliminated and replaced with two smaller public plazas having a combined area of 9,449 square feet. The public easement on the existing plaza will be quit claimed and replaced with a new public easement placed on the proposed plazas and setback areas in front of each plaza. The current public easement is set to expire in February of 2034. The City through the Conditions of Approval will require that the new public easement extend beyond the current date of 2034 for an additional 30 years to 2064.

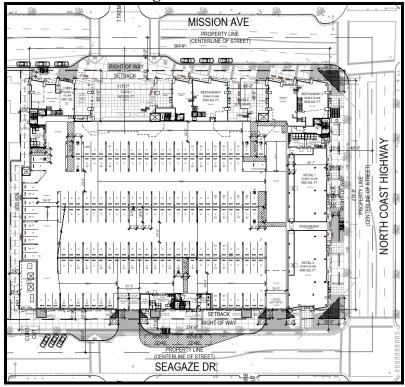
Regular Coastal Permit (RRP23-00002) represents a request for the following:

To develop a mixed-use project within Local Coastal Plan (LCP) jurisdictional boundaries within the non-appealable area of LCP.

Development Plan (RD23-00002) represents a request for the following:

To allow the demolition of an existing commercial center developed with a movie theater complex, inline shops and outdoor public plaza and approve the construction of a seven-story, approximately 405,698 square foot vertical mixed-use project. The development includes 332-unit apartments, 18,682 square feet of commercial/retail space for two restaurants and two retail suites and two public plazas as depicted in the site plan in Figure 2 below.

Figure 2 – Site Plan



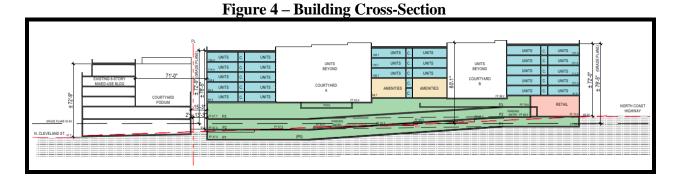
The main elevation of the proposed mixed-use building is designed to face Mission Avenue. This side of the building has been designed with double volume glass storefront space at ground level (for the first two floors) to be developed with two separate restaurants and an apartment lobby. The line of storefronts is broken up by two separate outdoor public plazas. Plaza 1 is aligned with Tremont Street and has an area of 6,633 square feet. Plaza 2 located between the restaurants has an area of 2,816 square feet. Above ground level storefronts, five floors of apartments are proposed for a total height of seven stories. A perspective of the Mission Avenue frontage is depicted in Figure 3 below.

Figure 3 – Mission Street Frontage



Along the project's North Coast Highway frontage additional double volume storefronts are proposed containing two separate retail spaces separated by a pedestrian passageway that connects the public sidewalk to the project's parking structure. Five stories of stacked apartments are proposed above these retail spaces maintaining the same overall building height found along Mission Avenue.

Parking for the project is provided in a three-story parking structure with two subterranean and two above ground levels forming the base of the building. The structure will offer 591 parking stalls for the apartments and commercial uses. Access to the parking structure will be taken off Seagaze Drive via two driveway entrances. Along Seagaze drive two on street loading areas are proposed between the driveway entrances. Commercial parking will be located at the ground level of the parking structure (Level P2) with remaining levels (P0, P1 and P3) reserved for project residents. Residents of the project will be assigned parking by the apartment manager to optimize the use of stalls. Figure 4 below depicts the subterranean parking structure.



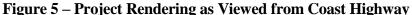
All the apartments in the residential portion of the building will be single story units and accessed through interior hallways. The residential units range in size from 564 square feet to 1,499 square feet. The studio and 1-bedroom units (54.5% of units) are under 788 square feet in area while 2 and 3-bedroom units (45.5% of units) all exceed 1,000 square feet in area. Table 1 provides a summary of apartment sizes unit mix.

**Table 1: Floor Plans** 

<b>Unit Type</b>	Range of Area (SF)	Average Area (SF)	Units	Percentage
Studio	564	564	15	4.5%
1BR/1BA	580-788	706	165	50%
2BR/2BA	1,050-1,138	1,103	113	34%
3BR/2BA	1,267-1,499	1,338	39	11.5%
		Total	332	100%

The project site has a prominent location at the southwest corner of Mission Avenue and North Coast Highway at the center of the downtown. The project utilizes a modern contemporary coastal architectural theme at this key location in the City. According to the applicant's description and justification, all three street frontage elevations were designed to provide distinctive high-quality

facades. Ground level, double volume storefronts on Coast Highway and Mission Avenue are outlined with angular walls that delineate window sections and provide some shading to the ground level. Decorative metal screening systems clad the parking garage on Seagaze Drive and create an interesting decorative element that also permits (required) air flow into the garage. Located above the commercial ground floor areas, residential level façades incorporate painted stucco in white and sand colors in strong horizontal pattern that transitions to the vertical features along Coast Highway. Tower elements at the corners of the buildings and between the plazas are surfaced in blue composite panels with angular rooflines evoking ocean waves, repeating the ground level theme. Elevations are enhanced with numerous recesses and balcony pop-outs, glass railings, and simulated wood accents around windows at residences and the ground floor, all working together to provide a high degree of visual interest, relief and articulation. Apart from these architectural elements, along both Coast Highway and Seagaze frontages, large murals are proposed starting at sidewalk level and extending all the way up to the top of the building. Two additional smaller murals are also proposed facing the interior lot line along the dog run. These murals acknowledge the City's efforts to create a distinctive appearance for the downtown by adding to the collection of murals found in this area as well as providing images that reflect the City's coastal heritage. In addition, the mural found along Coast Highway could potentially become a landmark in and of itself in the heart of the downtown. Figure 5 below depicts the proposed building from the perspective at the corner of Mission Avenue and Coast Highway.





The landscape concept for 401 Mission is designed to enhance the visual character of the project, complement the building form, soften the perimeter area around the building, and create an attractive, inviting environment. Existing palm trees along the three adjacent streets will be maintained as part of the streetscape of downtown street frontages. Parkways along Coast Highway and Seagaze Drive that are now brick-paved will be reconstructed to allow for low water use landscaping along the streets. Additional low planters against the building and in the public plazas will contain the same drought-tolerant vegetation and bring greenery to these areas, with benches strategically placed for pedestrian resting places for the public. The public plazas incorporate decorative concrete paving designs, inviting the public into areas with soft seating and umbrella shading. Interior courtyards and the roof decks incorporate shade trees, landscaped

planters, lounge seating, and dining areas appropriate for resident use. The conceptual landscape plan is depicted in Figure 5 below.

MISSION AVE 16 **PROJECT AREA TOTALS:** PERMEABLE SURFACE CALC: GROUND LEVEL | LEVEL P2 (ON-SITE + R.O.W. LANDSCAPE URBAN FORESTRY | OZO 3049 - TOTAL SITE / PROJECT AREA 133,292 SF ROUND LEVEL | LEVEL P2 TOTAL OPEN SPACE: ON-SITE PLANTING: ON-SITE PAVING AREA: R.O.W. PLANTING AREA: R.O.W. PAVING AREA: LVL P2: PERVIOUS CONCRETE 20,606 SF
LVL P2: PERMEABLE PAVEFS 2,934 SF
LVL P2: PLANTING AREA 7,945 SF
PROVIDED: 31,485 SF **COAST HWY** ODIUM LEVEL I LEVEL 1 TOTAL OPEN SPACE PLANTING AREA: PERMEABLE SURFACE CALCULATION: RETAIL PERMEABLE SURFACE AREA REQD.: 22%

PROVIDED: 31,435 SF + 133292 SF = 24% ROOF AMENITY LEVEL | LEVEL 5 TOTAL OPEN SPACE: 1,93 PLANTING AREA: 368 TREE CANOPY CALC: PAVING AREA 1,569 SF PLANTING AREA PROVIDED: (<del>)</del> PODIUM LEVEL ROOF AMENITY GROUND LEVEL: ON-SITE PLANTING AREA TOTAL PUBLIC RIGHT-OF-WAY: OFF-SITE PLANTING AREA TOTAL: (5) 4 13 6 (3) (S)

Figure 5 – Conceptual Landscape Plan

For the apartment component of the proposed development, the project includes 19,492 square feet of common open space within two large courtyards, podium decks and roof decks facing Mission Avenue, and a dog run. There will also be a number of common indoor amenity spaces in five separate spaces providing more than 6,000 square feet of area.

A "Mixed-Use Development Plan" is required for any proposal to establish commercial and residential uses together as a single project. The subject development plan has been prepared pursuant to Articles 12, 30, 31, and 43 of the Oceanside Zoning Ordinance. The Mixed-Use Plan is provided as Exhibit "A" to the project's Description and Justification document (Attachment 1), which details how the project addresses applicable development standards for both commercial and residential components of the project.

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

To develop a 332-unit apartment complex at a density of approximately 122 dwelling units per acre in exchange for reserving 10% of the apartments for qualifying low-income households. Although the City has adopted a density cap for mixed-use projects in the downtown of 86 dwelling units per acre, this cap is not yet applicable to downtown areas in the Coastal Zone, as it requires Coastal Commission certification before it can be implemented in the portions of the Downtown District that are located in the Coastal Zone. Moreover, the applicant filed the an SB330 application prior to the adoption of the density cap thus locking in development standards and fees in effect at the time the SB330 application was deemed complete (November 21, 2023).

The City's Density Bonus Ordinance states that affordable units must be proportional to the overall project in terms of unit mix, and square footage and must be reasonably dispersed throughout the development. In addition, the project's income restricted units must be at least 80% of the average square footage of all market rate units with the same bedroom count. The proposed 34 low-income apartments will be 2 studio units (6%), 17 one-bedroom units (50%), 11 two-bedroom units (34%) and 4 three-bedroom units (12%) with the unit mix generally equal to the unit mix within the overall project. The submitted Description and Justification for the project expressly states that all affordable units will adhere to the average square footage of the Density Bonus Ordinance and that affordable units will be dispersed throughout the project. This requirement will be enforced by staff through the plan check process.

State Density Bonus Law entitles projects to certain incentives and/or concessions and also provides for waivers from development standards that would physically preclude the development of the project at the density proposed. The granting of waivers does not reduce the number of incentives allowed for 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 granting the requested incentive/concession or waiver would result in 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. Inconsistency with zoning ordinance or general plan land use designation shall not constitute a specific, adverse impact on public health or safety," is identified.

By providing 10% low-income units, this project is entitled to one incentive/concession, as outlined below:

**Incentive/Concession No. 1**: In order to reduce cost, the applicant requests to eliminate the requirement for the undergrounding of above ground electric utilities as required along all public streets and adjacent to project boundary, applicable to the above-ground utility lines across Seagaze Drive from the project boundary.

The applicant has provided "reasonable documentation", in the form of an estimate that shows the requested concession results in identifiable and actual cost reductions. The estimate has been included as Attachment 3 for reference.

In order to accommodate the proposed density and provide 332 residential units, the project cannot physically comply with all of the development standards that apply to non-density bonus projects. The applicant has requested waivers from the following development standards pursuant to Density Bonus law:

- 1. Setbacks
- 2. Building Height
- 3. Architectural Feature and Equipment Height
- 4. Minimum landscaping standards
- 5. Private Outdoor Living and Open Space Requirements
- 6. Façade Modulation
- 7. Minimum Restaurant and Commercial Parking
- 8. Residential and Commercial Loading Space Standards
- 9. Parking stall width next to columns
- 10. Maximum vehicular access width

The project's Mixed-Use Development Plan, included within the Description and Justification, explains why the project cannot physically comply with the above-mentioned development standards. 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 2: 401 Mission Avenue Development Standards** 

<u> </u>	Project as Proposed	Notes
7B) Standard		
No Density Cap per	122 DU/Acre	Complies with code as there
Zoning Section 1232		is no maximum density for
(D)(2)		D- District.
5,000 sf	188,484 sf	Complies with code
50'	277'	Complies with code
10' Residential	10' from PL	Complies with code
10' Non-Residential		
	50' from CL of	
45' from CL	NCHW	
10' Residential	Not Applicable	Not Applicable
0' Non-Residential		
10 feet	10 feet w balcony	Waiver (W-1)
	encroachments	
	50' w balcony &	Waiver (W-1)
50' from CL	architectural	
	encroachments	
5' Residential	10'-4"	Complies with code
0' Non-Residential		
A 10' side or rear	Not Applicable	Not Applicable
yard adjoining any		
residential area and		
	Current Zoning (D-7B) Standard  No Density Cap per Zoning Section 1232 (D)(2) 5,000 sf 50'  10' Residential 10' Non-Residential 45' from CL 10' Residential 0' Non-Residential 10 feet  50' from CL  5' Residential 0' Non-Residential A 10' side or rear yard adjoining any	7B) Standard No Density Cap per Zoning Section 1232 (D)(2) 5,000 sf 188,484 sf 50' 277'  10' Residential 10' from PL 10' Non-Residential 50' from CL of NCHW 10' Residential 0' Non-Residential 10 feet 10 feet w balcony encroachments 50' w balcony & architectural encroachments 5' Residential 0' Non-Residential 10'-4" Not Applicable  Not Applicable  Not Applicable 10'-4" Non-Residential Not Applicable

Development Standard	Current Zoning (D- 7B) Standard	Project as Proposed	Notes
	structures shall not intercept a 1:1 or 45 degree daylight plane inclined inward from a height of 12'above existing grade at R district boundary.		
Maximum Height Building	35' Residential 45' Non-Residential 140' with a CUP	85'-0"	Waiver (W-2)
Exceptions Roof enclosures Support structures Roof equipment	10' above max height (55'-0")	94'-0"	Waiver (W-3)
Minimum Site Landscaping	25% Exclusive of planting on roofs, porches and planters above the lot surface.	Total: 36,266 sf 27.2% of total site planting, decorative paving and pool	Waiver (W-4)
Total Open Space			
Open Space per unit	200 sf/unit in public or private areas	123sf/unit	Waiver (W-5)
Private Outdoor Living Space	48 sf/unit 6'-0'' minimum dimension	65 sf average No min. dimension 15 units no private open space	Waiver (W-5)
Shared Open Space	50,464 sf	19,492 sf	Waiver (W-5)
Courts Required	40' length Minimum depth half the height of opposite wall but not less than 16 feet opposite a living room and 10 feet opposite a required window of any habitable room.	59' (74% of opposite courtyard wall)	Complies with code
Fence and Wall Height	Decorative Walls and Fencing: Maximum height of 6' / 3.5' in front yards	Not Applicable	Not Applicable
	Retaining Walls:		

Development	Current Zoning (D-	Project as Proposed	Notes
Standard	7B) Standard  Maximum height of 6'. Any retaining wall over 4' in height shall be a plantable wall.		
Required Façade modulation	25% of front and side elevation horizontal and/or vertical must be set back at least 5 ft from setback line	Min 25% of entire façade offset an ave of 5'-0". Balcony structures and plaza recesses shall count toward modulation.  Mission Ave: 63% Coast Highway: 30% Seagaze Drive: 32%	Waiver (W-6)
Underground Utilities	All existing and new utility lines shall be installed underground within the site and along the site's frontage in the public right-of-way	Incentive requested under State Density Bonus Law for requirement to underground utility lines across Seagaze Drive from project site.	Incentive 1
Renewable Energy	Per Section 3047 Residential Projects with 25 or more units shall install and maintain renewable energy facilities that supply at least 50% of forecasted electricity demand	Section 3047	Complies with code provisions of Section 3047
EV Parking	Per state standard	Per state standard	Complies with code
			-
Urban Forestry Program	Tree canopy: 12%  Permeable surface	Tree canopy: 14% with the inclusion of new street trees  Permeable Surface	Complies with code
	area: 22%	Area: 24%	
Garage Drive Aisle	24'	24'	Complies with code

Development Standard	Current Zoning (D-7B) Standard	Project as Proposed	Notes
Vehicular Access	24' Max	26'	Waiver (W-10)
Ramp Grades	Standards per Engineering Manual	Ramp grades 6.67%	Complies with code
Parking			
Parking Stall Offset	12" increase in width from walls or columns	All spaces adjoining a column or wall are increased by 6 inches on each obstructed side.	Waiver (W-9)
Required Parking Spaces	State Density Bonus Law		
Residential	0 to 1 bedroom: 1 space 2 to 3 bedroom: 1.5 spaces	1 per 0 or 1 bedroom unit (180 units for 180 spaces) 1.5 per 2 bedroom unit (152 units for 228	Complies with code  Complies with code
Guests	No requirement per Density Bonus Law	spaces)	Complies with code
Restaurant	1/50 sf of seating area	1.0/100 sf of seating area excluding back of house space	Waiver (W-7)
Retail	1/250 sf over 5,000 sf	1/200 sf excluding back of house	Waiver (W-7)
Loading Spaces	Residential: 3 off- street spaces	2 on street spaces	Waiver (W-8)
	Non-residential: 2 off-street spaces	0	

## **ANALYSIS**

## **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.

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

The 2.72-acre project site is currently developed with a commercial center containing the Regal Oceanside theater, commercial shops and restaurants and large outdoor plaza. The center is in the stages of decline with at least three vacant tenant spaces and an older struggling theater that no longer continue to be the site's highest and best use. Rather than continuing to allow the center to decline, the applicants are proposing to make a new investment into this key area of the downtown with the development of a seven-story mixed use residential and commercial development. This type of project is consistent with the larger pattern of redevelopment in the downtown area, which includes a number of mid-rise mixed-use buildings and resort hotels/timeshare units. It would also add a significant number of residential units, which are essential to the dynamic development of the downtown. The current trend of redevelopment in Oceanside is intended to create synergies between the various commercial establishments in the downtown area and promote economic activity. The project would be designed in distinctive and contemporary coastal architecture with quality materials and distinctive design that is in keeping with the architectural designs of newer development found in the downtown area.

The project is in a highly urbanized area consisting of commercial visitor serving land uses. The project, as designed and sited, would be consistent with the surrounding built environment and would enhance the area by bringing new residents and visitors to the downtown.

Goal 1.23 Architecture

Objective: The architectural quality of all proposed projects shall enhance neighborhood and

community values and City image.

<u>Policy A</u>: 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 project will significantly enhance and improve on the visual image of the surrounding neighborhood. The project site is located at a key area in the heart of the downtown along the major corridors of Mission Avenue and Coast Highway. The site is currently developed with an aging and struggling commercial center that no longer represents the site full economic potential. The project will replace existing development with a modern, attractively designed, midrise

building that will serve as a landmark within downtown Oceanside. Proposed redesigned plaza areas facing Mission Avenue will create an attractive, pedestrian friendly, environment with decorative paving and shaded seated areas. Existing fan palms that are to be preserved in place. In addition, ground level landscape planters are utilized along buildings and the outer edge of the project site providing a band of greenery around the entirety of the development.

## B. Housing Element

The Regional Housing Needs Assessment (RHNA) for the Sixth Housing Element Cycle (2021-2029) estimates that the City of Oceanside would experience demand for 5,443 new dwelling units, including 718 low-income units, over the next eight years. By contributing 332 rental dwelling units, including 34 units reserved for low-income households, to the City's existing housing stock, the proposed project would help to meet the projected housing demand and provide an opportunity for much needed work force housing within the downtown in proximity to a variety of transit options. The project is consistent with the following goals and polices of the Housing Element:

<u>Goal 1:</u> Produce opportunities for decent and affordable housing for all of Oceanside's citizens.

The proposed project would develop 332 new apartments and, through a density bonus request, include 34 units for low-income households to the housing inventory. The City's Density Bonus Ordinance ensures quality by requiring that units must be proportional to the overall project in terms of unit mix, and square footage. The proposed 34 low-income apartments would be comprised of 2 studio units, 17 one-bedroom/one-bath units, 11 two-bedroom/two-bath units and 4 three-bedroom/two-bath units equal to the overall unit mix. There is no distinction between the design of market rate and affordable units. Studio units have an area of 564 square feet, one-bedroom apartments have an average area of 706 square feet, two-bedroom apartments have an average area of 1,338 square feet and all affordable units will be at least 80% of the average square footage of market rate units.

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.

The proposed project would result in a high-density mixed-use development with an effective density of 122 dwelling units per acres. Located along the transit corridor of North Coast Highway, the project site is located in a SANDAG designated Smart Growth Opportunity Area (identified as OC-1 on SANDAG's Regional Smart Growth Concept Map) which encourages the preservation of natural resources and agricultural land, limits environmental impacts, and promotes active transportation.

<u>Goal 2:</u> Encourage the development of a variety of housing opportunities, with special emphasis on providing:

- A broad range of housing types, with varied levels of amenities and number of bedrooms.
- Sufficient rental stock for all segments of the community, including families with children.
- Housing that meets the special needs of the elderly, homeless, farm workers, and persons with disabilities, and those with developmental disabilities.
- Housing that meets the needs of large families.

The proposed mixed-use project would include 332 apartments in a mid-rise building with a varied number of bedrooms (studio, 1, 2 and 3-bedroom units) that will also provide a number of indoor and outdoor amenity areas. In addition, the largest 2-bedroom as well all 3-bedoom units are large enough to accommodate families, including those with children.

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

The proposed project would include 34 units reserved for low-income households in the downtown, which provides adequate access to employment opportunities, community facilities such as the Civic Center and Library, and public transit services located at the Oceanside Transit Center.

<u>Policy 3.7</u> Encourage the disbursement of lower and moderate-income housing opportunities throughout all areas of the City.

The proposed project would aid in the disbursement of lower and moderate-income housing opportunities in the City's downtown within a Smart Growth Opportunity Area. By including affordable units, the project would provide housing opportunities in an area of the City that would otherwise be unattainable for lower income households.

## C. Economic Development Element

<u>Policy EDE-1a-3</u> Encourage new development that provides for social interaction, cultural enrichment, and a strong sense of place including appropriate open space.

The project is designed to encourage social interaction with the development of public plazas as well as several shared indoor and outdoor amenity areas for project residents. The larger of the public plazas has enough area to hold public gatherings such as the City Christmas tree lighting ceremony and other civic events. In addition, the public plazas create a strong sense of space as they are the focal points of the project's Mission Avenue frontage.

Policy EDE-1b-1 Encourage efficient, transit-oriented development, walkability, parking efficiency, pedestrian and bicycle facilities, and a strong sense of place within the City's Smart Growth Opportunity Areas (SGOAs), as identified on the Regional Smart Growth Concept Map.

The project has an efficient design as proposes a high-density transit-oriented mixed-use development consisting of apartment, restaurants and retail suites within one of the City's Smart Growth Opportunity Areas, with access to transit and within walking distance of public beach access and public facilities.

<u>Policy EDE-1b-2</u> Encourage efficient use of land for employment and revenue generation.

The transit oriented high-density mixed-use project proposes 332 apartment units on 2.72 acres in a City Smart Growth Opportunity Area and is an excellent example of the efficient use of land. Project residents will frequent downtown establishments generating revenue for businessowners and the City. In addition, increased demand for goods and services will in turn spur employment in response to this increased demand.

### 2. 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 is located within the Downtown Subdistrict 1, which allows for commercial/retail and office uses. Residential uses are encouraged as part of a mixed-use development project. The project is consistent with Subdistrict 1 as it proposes a mixed-use project with 332 apartments and 18,682 square feet of commercial/retail space. The project also complies with the development standards of the City's Zoning Ordinance, except where the applicant is seeking waivers of the development standards consistent with State Density Bonus Law, as previously highlighted in Table 2 of this report.

As previously noted, parking for the project is provided a subterranean and above-ground parking structure. The structure will offer 591 parking stalls for apartment residents and commercial uses. Parking for the apartments utilizes the ratio established under State Density Bonus Law. Under this standard, 409 stalls are required and 409 are provided. There will 6 additional stalls for leasing and mail, 127 stalls for the restaurants and retail areas (as proposed through waiver W-7) and 49 additional shared stalls for all uses for a grand total of 591 parking stalls.

## 3. LOCAL COASTAL PROGRAM CONSISTENCY

The proposed development is consistent with applicable policies of the Local Coastal Program (LCP). LCP Section II Recreation and Visitor Serving Facilities Policy 10 calls for the City to continue to promote coastal tourism through the revitalization of the coastal area in upgrading visitor amenities. The redevelopment of the site with a new seven-story mixed use building with 332 apartments and 18,682 square feet of commercial space will promote the revitalization of the coastal area by bringing hundreds of new residents to the downtown and upgrading visitor serving amenities by replacing an aging commercial center with new restaurants, retail space and two public plazas. Policy 17 calls for the City to require residential development to provide adequate on-site parking. The project will provide the required amount of residential parking as established under State Density Bonus Law.

In addition, in accordance with Section VI. Visual Resources and Special Communities Policy 8, the project is visually compatible with the character of surrounding areas found in the downtown, which includes several mid-rise hotels and vertical mixed-use buildings. The proposed project

would not substantially alter or impact existing public views of the coastline nor would the proposed project obstruct any existing or planned public beach access, thereby conforming to the polices of Chapter 3 of the Coastal Act.

#### **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 the California Environmental Quality Act. The site is located in an urbanized area and would not result in any significant environmental effects.

### Recommendation

Staff recommends that the Downtown Advisory Committee (DAC) recommend to the Community Development Commission (CDC) approval of the Tentative Map, Development Plan, Regular Coastal Permit, and Density Bonus request to allow the demolition of an existing commercial center and for the construction of a seven-story vertical mixed-use project consisting of a 332-unit apartment building including 34 low-income units and 18,682 square feet of commercial space at 401 Mission Avenue.

#### Attachments:

- 1. Description and Justification Letter (Online)
- 2. Project Plans (Online)
- 3. Project Offsite Cost Estimate (Online)