

CALIFORNIA COASTAL COMMISSION

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May 17, 2018

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TO: COMMISSIONERS AND INTERESTED PERSONS

**FROM: KARL SCHWING, DEPUTY DIRECTOR, SAN DIEGO COAST DISTRICT
DEBORAH LEE, DISTRICT MANAGER, SAN DIEGO COAST DISTRICT
TONI ROSS, COASTAL PROGRAM ANALYST, SD COAST DISTRICT**

SUBJECT: STAFF RECOMMENDATION ON CITY OF OCEANSIDE LOCAL COASTAL PROGRAM AMENDMENT NO. LCP-6-OCN-17-0065-4 (Downtown Subdistrict 13) for Commission Meeting of June 6-8, 2018

SYNOPSIS

The subject LCP Implementation Plan Amendment No. LCP-6-OCN-17-0065-4 was filed as complete on January 25, 2018. A one-year time extension was granted on March 7, 2018. As such, the last date for Commission action on this item would be the March 2019 hearing. This report addresses the entire submittal. The proposed amendment will affect the certified LCP Implementation Plan only.

SUMMARY OF AMENDMENT REQUEST

The subject LCP amendment will modify how multi-family residential uses are permitted within Subdistrict 13. Subdistrict 13 is located in the norther part of the City, south of Oceanside Harbor and north of Oceanside Pier. The subdistrict is bounded by Highway 76 to the north, Interstate-5 to the east, Neptune Way to the South, and North Coast Highway to the west. Only the westernmost corner of the subdistrict is located within the coastal zone and includes two properties located just inland of North Coast Highway ([ref. Exhibit No. 5](#)). The two properties are currently developed with a Motel 9 and a gas station/min-mart ([ref. Exhibit No. 6](#)).

Currently, multi-family residential uses are permitted within the entire subdistrict subject to a conditional use permit. As proposed, multi-family residential developments will be permitted by right for portions of the subdistrict and prohibited in other areas. Specifically, multi-family residential development will be allowed for the areas along Freeman Street and Neptune Way. Multi-family developments (as stand-alone developments) will be prohibited along parcels fronting or abutting North Coast Highway and Highway 76 ([ref. Exhibit No. 5](#)).

The proposed amendment will revise three sections of Article 12 (D Downtown District). Specifically, Section 1210 (Specific Purposes) will be revised to include multi-family residential uses to the list of uses identified for Subdistrict 13. Additionally, the land use

matrix included as a part of Section 1220 (Land Use Regulation Table) will be modified to allow multi-family uses to be permitted by right, rather than approved through a Conditional Use Permit. Finally, Section 1232(II) (Downtown District Property Development Regulations) will be updated to clarify what areas within Subdistrict 13 will allow/prohibit multi-family residential uses as stand-alone developments ([ref. Exhibit No. 3](#)).

For the purposes of the subject LCP amendment, only a very small portion of Subdistrict 13 is located within the coastal zone. This area includes two properties on the western corner of the Subdistrict ([ref. Exhibit No. 5](#)). Because both of these properties have frontage along North Coast Highway or Highway 76, and the proposed language prohibits stand-alone multi-family residential projects on this portion of the subdistrict, the amendment will effectively prohibit stand-alone multi-family residential uses within the portion of Subdistrict 13 located in the coastal zone. No other uses will be modified.

SUMMARY OF STAFF RECOMMENDATION

Staff is recommending the Commission approve the LCP amendment as submitted. As proposed, the amendment will modify multi-family residential development from being a conditionally approvable land use to a use that is permitted by right for most of the subdistrict. For purposes of the changes to the City's Local Coastal Program, the amendment will include language that prohibits multi-family residential developments as a stand-alone use for all portions of the subdistrict located in the coastal zone. Subdistrict 13 has a land use designation of Coastal Dependent, Recreational and Visitor Serving Commercial; and, given the subdistrict's location along North Coast Highway/Highway 76 and Interstate 5, the area is important to support visitor uses. Currently, along the highway frontages, the parcels are developed with a motel and gas station/mini-mart project. The LCP does not consider residential uses as a high-priority use given the certified land use designation. Therefore, the prohibition of such uses along the highway frontages is appropriate and consistent with the certified LUP. Additionally, uses that are considered higher priority such as motels, retail, and commercial uses will remain as permitted uses. As such, the proposed amendment will protect the uses considered highest priority for the certified land use designation and can therefore be found consistent with the certified Land Use Plan.

The appropriate resolutions and motions begin on Page 5. The findings for approval of the Implementation Plan Amendment as submitted begin on Page 5.

BACKGROUND

The Commission originally certified the City's LCP in 1986. In 1991-1992, the City updated its zoning ordinance through a city-wide, wholesale replacement of the entire zoning ordinance. However, this 1992 version of the City's zoning ordinance was never submitted and thus never certified by the Commission as part of the City's Implementation Plan (IP). Since the time of original certification and until recently, the

only amendments submitted by the City were to the sections of the zoning ordinance that regulated development within the Downtown District. Thus, the standard of review for the majority of the City remains the 1986 version of the City's LCP.

Again, the Commission has, however, certified amendments to the City's LCP within the Downtown area. Specifically, the 1986 version of Articles 4a (Redevelopment Project Area Use Classifications) and 12 (D Downtown District) have been replaced by the 1992 versions of the same articles. This has created discrepancy between the standard of review for the Downtown Redevelopment Area and the rest of the City's Coastal Zone. In this case, the subject LCP amendment is proposing modifications to the zoning ordinance articles pertaining to development in the Downtown District only (Article 12).

ADDITIONAL INFORMATION

Further information on the City of Oceanside LCP Amendment LCP-6-OCN-17-0065-4 may be obtained from Toni Ross, Coastal Planner, at (619) 767-2370.

EXHIBITS

[Exhibit 1 – LCPA Resolution No. 17-R0551-1](#)

[Exhibit 2 – Ordinance No. 17-ORO576-1](#)

[Exhibit 3 – Text Revisions](#)

[Exhibit 4 – Vicinity Map](#)

[Exhibit 5 – Aerial of Subdistrict 13](#)

[Exhibit 6 – Properties Located in the Coastal Zone](#)

PART 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.

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

Section 30503 of the Coastal Act requires local governments to provide the public with maximum opportunities to participate in the development of the LCP amendment prior to its submittal to the Commission for review. The City held Downtown Advisory and City Council meetings on July 26, 2017 and September 20, 2017. Both of these hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

PART II. LOCAL COASTAL PROGRAM SUBMITTAL - RESOLUTIONS

Following a public hearing, staff recommends the Commission adopt the following resolutions and findings. The appropriate motion to introduce the resolution and a staff recommendation are provided just prior to each resolution.

- I. MOTION:** *I move that the Commission reject the Implementation Program Amendment for the City of Oceanside LCPA No. LCP-6-OCN-17-0065-4 as submitted.*

STAFF RECOMMENDATION OF CERTIFICATION AS SUBMITTED:

Staff recommends a **NO** vote. Failure of this motion will result in certification of the Implementation Program Amendment as submitted 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 CERTIFY IMPLEMENTATION PROGRAM AMENDMENT AS SUBMITTED:

The Commission hereby certifies the Implementation Program Amendment for the City of Oceanside as submitted and adopts the findings set forth below on grounds that the Implementation Program Amendment conforms with, and is adequate to carry out, the provisions of the certified Land Use Plan and certification of the Implementation Program Amendment will meet the requirements of 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 or mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the Implementation Program Amendment.

PART III. FINDINGS FOR APPROVAL OF THE OCEANSIDE IMPLEMENTATION PLAN AMENDMENT, AS SUBMITTED

A. AMENDMENT DESCRIPTION

The subject LCP amendment will revise how multi-family residential uses are regulated within Subdistrict 13 of the City's Downtown area. As proposed, multi-family residential uses will be permitted by right for the portions of the subdistrict that are located along Freeman Street and Neptune Way. Multi-family residential uses as stand-alone

developments will be prohibited along parcels fronting or abutting North Coast Highway (PCH) and Highway 76. The portions of the subdistrict located in the coastal zone front either North Coast Highway or Highway 76. As such, the subject LCPA effectively eliminates a stand-alone multi-family residential development within the coastal zone portion of the subdistrict.

B. FINDINGS FOR APPROVAL

The standard of review for LCP implementation submittals or amendments is their consistency with and ability to carry out the provisions of the certified LUP.

a) Purpose and Intent of the Ordinance.

The “D” Downtown Ordinance is intended to: A) Promote the long term viability of and rejuvenation of the Redevelopment Project Area and to protect and enhance primarily boating and water-oriented activities; and secondarily other public-oriented recreational uses in the Oceanside Small Craft Harbor; B) Maintain and enhance an appropriate mix of uses; C) Provide land-use controls and development criteria consistent with the General Plan, the Redevelopment Plan, and the Local Coastal Plan.

The Downtown District is broken down into 15 subdistricts. Each subdistrict has additional and specific objectives. The subject amendment would modify provisions for development located within portions of Subdistrict 13.

b) Major Provisions of the Ordinance.

The City’s LCP cites the specific purpose of Subdistrict 13 as the following:

To provide for a mix of visitor/commercial and office uses. Residential uses are allowed as part of a mixed use project

The boundaries of Subdistrict 13 include Highway 76 to the north, the south-bound on-ramp for Interstate-5 to the east, Neptune Way to the south and North Coast Highway (Pacific Coast Highway) to the west ([ref. Exhibit No. 5](#)). The portions of Subdistrict 13 located within the coastal zone include two properties located on the western corner of the subdistrict and along North Coast Highway (PCH) and Highway 76. The properties are developed with gas station/mini-mart and a Motel 9 ([ref. Exhibit No. 6](#)). Uses permitted within Subdistrict 13 include restaurants, small scale entertainment, markets, and offices. Conditionally permitted uses include multi-family residential, government offices, live entertainment, liquor stores, retail sales, bed and breakfast, hotel/motel, and resorts.

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

The City’s LCP has a number of applicable land use policies and state:

II. Recreation and Visitor Serving Facilities [...]

- 6. Lower cost visitor and recreational facilities shall be protected, encouraged and, where possible, provided.*
- 7. In granting approvals for new development within the Coastal Zone, the City shall give priority to visitor-serving commercial recreational facilities over private residential, general industrial or general commercial uses.*
- 8. The City has reserved adequate upland areas to meet future market demand for visitor serving facilities to support coastal recreation, along the Hill Street corridor and in the Eight Street Triangle and North River areas. [...]*

- 26. The City shall protect a minimum of 375 lower cost hotel and motel units and 220 recreational vehicle/camping sites within the coastal zone. Twenty percent of those hotel/motel units shall be maintained in shorefront locations. The City shall not allow any demolition of affordable hotel/motel units which would allow the coastal zone inventory of such units to drop below the number required by this policy...*

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. In this case, Subdistrict 13 has a Coastal Dependent, Recreational and Visitor Serving Commercial land use designation. Subdistrict 13 has a unique location given its proximity to Highway 76 (a major east to west highway), North Coast Highway (Pacific Coast Highway), and Interstate-5 ([ref. Exhibit No. 4](#)). This area is highly utilized by travelers, many of which are ultimately visiting Oceanside's beaches. As such, providing protection for the types of uses that will serve these visitors is particularly important.

The City's amendment includes revisions that will modify land uses both within and outside the coastal zone. For purposes of the City's area within the coastal zone, the proposed amendment would change multi-family residential uses from being subject to a conditional use permit, to being prohibited. This is accomplished through the prohibition of multi-family residential uses as a stand-alone project on parcels fronting North Coast Highway or Highway 76. Multi-family development could still be considered within the small coastal zone area of the subdistrict as part of a mixed use proposal but that would require some commercial/visitor use be included. In that review, the priority use issue of protecting visitor needs would be addressed. The LUP requires that priority be given to visitor-serving commercial developments over private residential. As amended, the types of uses supported by this land use designation, such as retail, food and beverage sales, and visitor overnight accommodations would still be permitted. Therefore, the amendment will not only maintain those uses identified as high priority, it will also prohibit stand-alone multi-family residential (a low priority use) in the coastal zone.

The portion of the subdistrict located in the coastal zone includes only two properties, located on the western corner of the subdistrict ([ref. Exhibit No. 5](#)). These properties are currently developed with a gas station/mini-mart and a Motel 9 ([ref. Exhibit No. 6](#)). The motel is considered to provide lower-cost overnight accommodations. Thus, both of these uses are consistent with the intent of the subdistrict and are considered higher priority uses in the City's LCP. Because the proposed amendment would prohibit stand-alone multi-family developments on these properties, the proposed amendment would help maintain these higher-priority uses. Therefore, the revisions to the City's implementation plan will maintain and promote higher priority land uses in the coastal zone, consistent with the certified Land Use Plan designation and the City's LCP.

PART IV. 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 LCP. 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 concluded that there was no possibility that the activity would have a significant effect on the environment and therefore determined that the LCP amendment was not subject to CEQA. (Cal. Code of Regs., tit. 14, § 15061(b)(3).)

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. This report has discussed the relevant coastal resource issues with the proposed amendment and found that the amendment would not result in an intensification of land uses, or have adverse impacts on coastal resources. The proposed amendment will not result in any significant environmental effects for which feasible mitigation measures have not been employed consistent with CEQA Section 21080.5(d)(2)(A).