



California

# CITY OF OCEANSIDE

## MINUTES OF THE

### CITY COUNCIL

May 16, 2001

ADJOURNED MEETING                      10:00 AM                      SISTER CITIES ROOM

**Mayor**

Terry Johnson

**Deputy Mayor**

Betty Harding

**Councilmembers**

Jack Feller  
Carol McCauley  
Esther Sanchez

**City Clerk**

Barbara Riegel Wayne

**City Treasurer**

Rosemary Jones

The adjourned meeting of the Oceanside City Council was called to order by Mayor Johnson at 10:04 AM, May 16, 2001, for the purpose of a study session.

**ROLL CALL**

Present were Mayor Johnson, Deputy Mayor Harding and Councilmember Feller. Councilmembers McCauley [out of town] and Sanchez were absent. Also present were City Clerk Barbara Riegel Wayne, City Manager Steve Jepsen and City Attorney Duane Bennett.

**STUDY SESSION ITEM**

- Council priorities for enhancing downtown parking and review of potential Northgate redevelopment project**

**JOYCE POWERS**, Redevelopment Manager, discussed the Highway 101 North Coast Highway Gateway project area, which begins at the Guest House Inn on the north side. The site also includes Tackle Town, Main Attraction and the proposed Hawthorne Suites, which is a 38-unit motel currently in process at the Planning Department. Continuing southward is the Coast Inn and the trailer park. Another proposed project under review in the Planning Department is the 106-unit, Inn of Oceanside. Also included is The Pacific Inn, old Mira Mar building and the former Texaco station located further south to Neptune Way. The map before Council shows shaded areas for those sites that currently have buildings. They could present some barriers if Council identifies these sites for future projects. The individual parcels are labeled according to the number of acres. For example, there are approximately 10.5 total acres from the south side of the Guest House Inn to Neptune Way.

Zoning is different south of Neptune Way in Subdistrict 7B, allowing for a mix of recreational and commercial uses. The hotel/motel/timeshare projects would be allowed with a conditional use permit. Residential buildings would have to be part of a mixed-use project. Some of the sites discussed are in a different subdistrict, which would not allow the hotel/motel. Anything on street level along Coast Highway would have to be commercial, but residential could be above. The current zoning standards do not permit residential, but it would permit commercial usage at this site.

Proposed actions for Council to consider is to develop a concept plan for that area to include having the existing owners participate in the development of the plan by sharing costs. To give Council an idea of what can be done at this site, she ran the numbers on a mid- to higher-range hotel, similar to the Embassy Suites with an average of 175 rooms. For example, using only 150 rooms, a developer would need a 6-acre site. Specific zoning districts have a height limitation of 65 feet, which would allow for a 4- to 5-story building, as confirmed by Gerald Gilbert, Planning Director.

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 MEETING BY CITY COUNCIL

**MAYOR JOHNSON** inquired about the height restriction.

**MS. POWERS** responded that the Downtown District zoning ordinance restricts the height to 65 feet.

**MAYOR JOHNSON** asked if it is a policy call to change it.

**MIKE BLESSING**, Deputy City Manager, explained that all of these are amendments to the Zoning Ordinance and have Local Coastal Plan (LCP) amendment implications as well.

**MAYOR JOHNSON** asked if there are any Coastal Commission height restrictions.

**DEPUTY CITY MANAGER BLESSING** stated restrictions from the Coastal Commission set the height restriction at 65 feet, although it is different in each of the subdistricts.

**DEPUTY MAYOR HARDING** interjected that the City's LCP is 65 feet, but the Coastal Commission does not say 65 feet. **DEPUTY CITY MANAGER BLESSING** concurred.

**MAYOR JOHNSON** further inquired if the City could change it.

**DEPUTY CITY MANAGER BLESSING** confirmed that Council could change it with approval from the Coastal Commission.

**DEPUTY MAYOR HARDING** pointed out that there was nothing east of there for a view corridor, like there is downtown. Therefore, the Coastal Commission may be more receptive to the change.

**MAYOR JOHNSON** asked who set that height and why.

**DEPUTY CITY MANAGER BLESSING** explained that in 1991 the heights were set during the major re-do of the "D" District that was approved.

**MAYOR JOHNSON** stated that on the north end the height restriction is 65-feet, which is 4 to 5 stories depending on the design. What was the rationale for going only 4 to 5 stories high at that location.

**DEPUTY CITY MANAGER BLESSING** was not aware of any specific reasoning. He explained that these different height limits were in place all over the City. Generally, it was 45 to 65 feet in commercial areas. He was not a participant in redevelopment projects at that time so he could not explain the rationale.

**CITY MANAGER JEPSEN** suggested it could make a difference for urban zoning. If the land remained in small parcel developments, 65 feet was probably appropriate. When putting properties together to become larger scale developments, 65-feet becomes a critical issue.

**MAYOR JOHNSON** said that this is the gateway to the County of San Diego with a premiere view of the ocean and no view corridor problems, but it only has the opportunity for a 4- to 5-story building.

**DEPUTY MAYOR HARDING** thought that height requirement should be changed.

**COUNCILMEMBER FELLER** asked if the airport would be affected by building higher at this location.

**DEPUTY CITY MANAGER BLESSING** said planes are supposed to be at 1,000 feet.

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## Study Session Minutes

**COUNCILMEMBER FELLER** recalled a proposed project located on the hill at the end of Neptune Way.

**DEPUTY CITY MANAGER BLESSING** confirmed that a 3-story condominium project would be there.

**COUNCILMEMBER FELLER** asked if the height limitations could affect that project.

**DEPUTY CITY MANAGER BLESSING** noted there are no policies on the books in Oceanside that protect private views. Through coastal policies, the City has view corridors down public rights-of-ways that should be respected. In the Manchester Beach Resort blocks, some special things were done in 1991-92 to change that. However, as a general rule, the City has no policy to protect private views. If zoning changes were made in this area, Council could propose any changes, listen to public input and then make a decision.

**COUNCILMEMBER FELLER** suggested that happen immediately.

**MS. POWERS** indicated how a sample hotel would fit with the 65-foot height restriction. The sample site plan for discussion purposes had 150 rooms. Including the average room rate, the Transient Occupancy Tax (TOT) and the tax increment, the City could expect about \$180,000 in added tax increment each year for a 150-unit site. The average maximum room rate in south Riverside County and San Diego County was \$165. At that rate, the TOT collected would be about \$383,000 per year.

Staff also wanted to get Council's input and direction on the development of a landscape or streetscape plan and installation, similar to the work being done on South Coast Highway. Those working on the South Coast project estimated \$25,000 to \$30,000 for a landscape plan and \$250,000 to \$300,000 for the actual installation. A possible funding source for that could be the TOT from the TrendWest project since 50% of that for the first 5 years would go back into the Project Area for capital improvements.

Another suggestion would be to underground the utilities in that area. She discovered that cost would be about \$350,000. Council could also look at adding other attractive enhancements to the bridge area; perhaps some wavy railing and sail sculptures could be installed.

**MAYOR JOHNSON** commented it is a great opportunity to see a view of the harbor as people enter Oceanside from that bridge. He would consider anything that would make that more appealing.

**COUNCILMEMBER FELLER** supported thinking big on this.

**MS. POWERS** asked if there are any other comments about the landscape plan or undergrounding the utilities.

**DEPUTY MAYOR HARDING** did not think the Redevelopment Agency had the money to do that right now.

**MS. POWERS** responded that for this fiscal year, they still had \$700,000 not committed for any projects.

**DEPUTY MAYOR HARDING** asked if there was some property that the Agency was considering purchasing.

**MS. POWERS** said that closed session negotiations are in progress on one of the parcels. Additionally, she expected in the next fiscal year that the tax increment for the 80% would add \$500,000 to \$600,000 to the available reserves for capital projects.

**CITY MANAGER JEPSEN** stated Council has unlimited bonding capacities for the redevelopment agency that can be used, based on future revenues.

**DEPUTY MAYOR HARDING** thought the City was bonded to \$19,200,000. The City was almost out of indebtedness a couple of years ago. She asked if they were out now. She did not think they could bond anymore.

**CITY MANAGER JEPSEN** was not certain that the Redevelopment Agency's indebtedness counted against the City.

**DEPUTY MAYOR HARDING** recalled that the City was at its maximum bonding up until 3 years ago.

**CITY MANAGER JEPSEN** advised that staff will research bonding so Council will know the limitations, the current standing and what the bonding capacity would be against future revenues. It would be useful for staff to know of other projects in the downtown area that Council would consider a priority.

**DEPUTY MAYOR HARDING** said that it is a priority area for her, but she knew that the City was heading into tough financial waters over the next 3 years. She would have to put some thought into it before she is comfortable committing any General Fund monies to the Redevelopment Agency. The City cannot do anything out of the General Fund now. Because of the State's budget, she did not believe that any of the City's priorities, including a senior center or parks, could be fulfilled right now. The Agency would have to support itself. She could not take away from parks, seniors, police and fire to fund the Agency. If the Agency could bond, then she would consider that.

**MAYOR JOHNSON** was convinced that Council is committed to increasing the economic tax base within the City so it can build a new senior center, as well as provide new parks and ballfields while continuing to improve the quality of life for the residents. The only way to do that is to continue looking at ways to upgrade enhancement of the Redevelopment Project Area, which has languished for a number of years for a variety of reasons. It is no secret that bringing in additional hotels, timeshares and business-serving facilities is one way to enhance the City's economic tax base to do all they need to do.

**DEPUTY MAYOR HARDING** agreed. The Agency already owes the City over \$4,000,000. Half of the TrendWest project TOT will not be going to the General Fund, but would go back into the Redevelopment project. It takes years to put up a hotel, so the City needs to create long-term plans. If a senior center were to be built with TOT funds, it would be 15 + years before that money would be available.

**COUNCILMEMBER FELLER** understood that Redevelopment could pay the City back over 10 years starting in 2015.

**DEPUTY CITY MANAGER BLESSING** commented that staff will be bringing that question to Council in June for their decision on how to deal with the debt.

**COUNCILMEMBER FELLER** suspects the energy crisis will last another year at the most. This is something the City needs to get started on.

**MS. POWERS** suggested starting with enhancement-type programs and landscaping projects since they would have the biggest impact. Although the undergrounding would be a boost for a developer, it would not have as big of a visual impact as the landscaping.

**COUNCILMEMBER FELLER** asked the timeframe for building a 10-story hotel.

**CITY MANAGER JEPSEN** said that construction time would be 3-4 years.

**DEPUTY CITY MANAGER BLESSING** noted that the property owners would first need to agree to come together as a group.

**DEPUTY MAYOR HARDING** said that 4 years would be a dream.

**MAYOR JOHNSON** suggested Ms. Powers share the dialog that the City had with some of the property owners.

**MS. POWERS** indicated that staff has had preliminary discussions with some of the owners that control those sites. There is interest in working together to come up with a comprehensive plan for the area. Per Council's direction, staff will continue those discussions to see if they would want to participate as a group. One of the owners suggested that residential zoning was the best use of the property.

**MAYOR JOHNSON** added that some are pushing for residential zoning all along Coast Highway. That is not the highest and best use.

**MS. POWERS** said that there are barrier concerns. The non-conformed uses are a problem. The City would naturally have to relocate those businesses to other places in the City.

**DEPUTY MAYOR HARDING** would not support moving Main Attraction from one neighborhood to the next.

**MS. POWERS** said that it could be difficult to relocate them. If the City were unable to relocate them, it would have to reimburse them for their entire goodwill, which is a complicated process.

**MAYOR JOHNSON** asked if there was an estimated cost of the goodwill.

**MS. POWERS** said they did not have that information without reviewing their financial records. It can get very complicated. There are also some functionally obsolete uses and structures out there.

There is an environmental clean-up issue at the former site of the corner Texaco station. The owner of the geotechnical firm that he hired is not able to penetrate the soil. The owner is trying to convince the hydro-geologist at the County that if the soil cannot be penetrated without breaking drill bits, then maybe there are no contaminants in the water below.

**MAYOR JOHNSON** asked how deep they are getting before the drill bits break.

**MS. POWERS** indicated only 10 to 20 feet deep. This issue is between the County and the owner. The other barrier is the cost of acquisition and the assembling of the sites.

Referring back to the 38-unit motel, **DEPUTY CITY MANAGER BLESSING** confirmed that the old approvals expired. One issue is how to deal with incremental proposals that would be coming to staff.

**DEPUTY MAYOR HARDING** commented that depending on the zoning, she did not think they would be able to build on the lot without variances and parking issues.

**GERALD GILBERT**, Planning Director, said they are going through some design issues as well to discuss how the site lays out and the amenity packages. It would not come to a hearing at Council anytime soon. The Inn of Oceanside located on Lot 17 is a 106-unit motel that was approved nearly 2 years ago.

**DEPUTY MAYOR HARDING** thought that it was designed better than some of the other hotels.

**MAYOR JOHNSON** asked if that was the Hawthorne Suites.

**MR. GILBERT** indicated the Hawthorne Suites was the smaller, 38-unit project. The Inn of Oceanside is the larger unit, but it does not have a tenant. Their expiration is coming up soon, so he expected they would submit a time extension.

The Internet has allowed staff to get prototypes of hotels from the hoteliers' web sites to determine ratios. Generally, an acre can hold 50 rooms. Depending on the grade of hotel, the number of acres will increase. Building underground or more stories above ground can make up for the acreage. The traditional prototype for an Embassy Suites with surface parking would be the size showed. The interested developer could add more if the City allowed them to build higher than 100 feet.

**DEPUTY MAYOR HARDING** said that it would be important to have as much underground parking and parking structures as possible. It would look much better than surface parking along Coast Highway.

**MAYOR JOHNSON** asked if a Marriott Courtyard is still in the plans in that area.

**MS. POWERS** could not confirm that information.

**COUNCILMEMBER FELLER** noted that there is nothing behind the Main Attraction all the way to the mobile homes.

**DEPUTY CITY MANAGER BLESSING** said that the Main Attraction owner owned the balance of that land.

**MS. POWERS** explained that Parcel 10 consists of Tackle Town. The Main Attraction (Parcel 12) is a 2-acre site.

**JANE McVEY**, Economic Development Director, added that is the beauty of a concept plan. They can show the maximum contiguous and several minimum contiguous opportunities if insurmountable obstacles must be worked around. There are a couple of smaller areas which the City could work with. The owners could collectively market to potential users whatever would fit in that area.

**MR. GILBERT** commented that the location is a big, flat, triangular area allowing maximum opportunity.

**DEPUTY CITY MANAGER BLESSING** explained that the next step would be to work with the property owners. Ms. Powers would try to get them to come together to make a rational decision, as opposed to the Agency trying to pick it up as a total project. The Agency does not have the capacity to do that right now.

**MS. McVEY** explained that staff would need to do the leg work, such as perform due diligence to define the owners, the probable costs, the physical constraints, the cost of undergrounding and other information.

**DEPUTY MAYOR HARDING** suggested it would be like a specific plan for the area, which was very attractive for developers because then they could see how they fit into the plan. She thought the City should do specific plans for a lot of the areas, including on Highway 76.

**MS. McVEY** asked if Council is recommending that staff pursue the concept plan.

**DEPUTY CITY MANAGER BLESSING** said that it was also important to work with the property owners to get them on board.

**DEPUTY MAYOR HARDING** asked for Council to see a specific plan before they do anything else.

**MAYOR JOHNSON** has been a strong advocate of assuming as much property as possible to move towards a specific plan. There are enough interested parties, and Council needs to make a decision to do it. Oceanside is the gateway to the County of San Diego. This area of development is potentially more important than the pier, but it has not been developed for decades for a number of reasons. It is time to move forward with something.

**CITY MANAGER JEPSEN** asked what it would cost to put together a sub-area plan and how long it would take, if Council wanted to move this along.

**DEPUTY CITY MANAGER BLESSING** said that with quality consulting help, the City could have something done for \$100,000 to \$200,000 in about 1 year.

**CITY MANAGER JEPSEN** asked if the plan could be developed faster.

**DEPUTY CITY MANAGER BLESSING** said the City would need to have buy-in from the neighborhood, property owners and Coastal Commission. If an initial concept plan was completed in 3-4 months, the City could get moving on this project.

**DEPUTY MAYOR HARDING** suggested not getting the Coastal Commission involved until the City residents are informed.

**CITY MANAGER JEPSEN** suggested that staff see what they can put together and return to Council. He suggested the timing is good given the uncertainty of the economy. Council will be in sync by the time staff gets everything together.

**DEPUTY MAYOR HARDING** thought it was interesting that the biggest financial hit the State has taken is not in utilities, but in its stock market investments. The State and a lot of private investors have lost a lot because of all the stock market returns that have decreased.

**MAYOR JOHNSON** noted that one property owner did not attend the initial meeting staff had with the local property owners on this topic. There should be scheduled dialog with the property owners to let them know there is a high interest in working with them.

**MS. McVEY** said they would do that now that they have direction from Council.

**MAYOR JOHNSON** thought the Comfort Suite is booked between now and Labor Day; there are no vacancies. He read yesterday in the newspaper that Carlsbad is going to have another hotel located at the corner of Cannon Road and Interstate 5. Hotels built by quality hoteliers for quality people in quality cities are doing well. Oceanside has the opportunity to jump on board and get the hotels here.

**CITY MANAGER JEPSEN** asked if Ms. Powers had a ballpark figure for the acquisition of the Main Attraction.

**MS. POWERS** estimated a rough cost for the land itself is \$25 per square foot. They own 2 acres. The land alone is over \$2,000,000, not including the business. In a past acquisition of a similar business, the worth had been estimated at \$1,000,000 to \$1,250,000 for the goodwill of the business.

**CITY MANAGER JEPSEN** pointed out that the City would be getting a large amount of land with this lot.

**MS. McVEY** said their excess land is a growing concern. Considering the depth of the site, they may adjust their price per square foot from the frontage versus the back end.

**CITY MANAGER JEPSEN** said the only real cost, assuming the City could resell that land as part of the deal, would be the value of the business. If Redevelopment purchases the business, could the City close down Main Attraction or do you really have to relocate them.

**MS. POWERS** noted that if the City could not relocate them, the law requires the City to pay them the entire worth of the goodwill.

**CITY MANAGER JEPSEN** indicated that the City would pay for relocation expenses but not for the worth of the business.

**MS. POWERS** agreed adding that the City would also compensate the owners if there were a loss in good will from one location to another.

**MAYOR JOHNSON** asked if the Main Attraction owners want to be relocated or if they would accept a buyout and shut down the business.

**CITY MANAGER JEPSEN** stated that the owners had not been contacted. The Main Attraction owners can be contacted to find out what they might be interested in.

In response to Mayor Johnson, **MS. McVEY** proposed that staff set up a meeting with the owners to test the waters and see what their interests are in relocating. She understood that Ms. Powers had already been in contact with them.

From the owners' point of view, she cautioned Council that the owners have a certain cash flow from their business, and they would want that capitalized into the value of the business. There is an opportunity cost for them to walk away from it. People tend to not want to walk away from a positive cash flow, presuming there is a positive cash flow.

Downtown Parking

**DEPUTY CITY MANAGER BLESSING** noted that staff also wanted to get Council's input regarding downtown parking as a high priority issue.

**MS. POWERS** reported that the City has a 1988 parking and traffic plan. Nearly all of the items in the traffic plan have been achieved. The Goals of the 1988 Parking Plan included Council's goal to provide a total of 1,020 additional parking spaces; this goal was achieved. The largest parking sites were at the Civic Center and Lot 26 at Seagaze Drive and Tyson Street. The lot adjacent to the railroad added 154 spaces, and the parcel that the Community Development Commission (CDC) owns added 183 spaces, and a total of 292 spaces for the Civic Center.

The following are some other sites listed in the old plan that the City hoped to investigate as potential parking sites, but were not considered in the goal category:

- At the corner of Seagaze Drive and North Coast Highway. This is now the site of the Oceanplace project.
- At the northwest corner of Seagaze Drive and Nevada Street, which is still available but currently not a public parking area.
- A railroad right-of-way continues to run from Wisconsin Avenue going south.
- That block from Surf Rider Way to Sportfisher Drive at Cleveland Street is now the site of Pacific Village Homes.
- The site located a block from Civic Center Drive to Sportfisher Drive along Cleveland Street has a 10-Plex at the corner.
- At the opposite corner at Sportfisher Drive and Cleveland Street, Council has approved a couple of Pacific Village phases, so this also would not be the site of a future parking lot either.

Downtown parking current issues include:

- The Catellus lease expires in August of 2004.
- Funding for a new parking structure to replace the Catellus lease parking.
- The use of the in-lieu parking fees -The City has an in-lieu parking district which is the downtown district that was approved in 1991. According to Mr. Gilbert, this lot is not used that much. If the Commission wanted to reconsider using the in-lieu parking fees as a way to build additional parking sites, the City might want to update the old rate structure.
- San Diego Association of Governments (SANDAG) wanted to pursue a walkable community project. Their proposal included a downtown parking study and an analysis of how much parking would be needed if the City were built out under the current zoning standards. The City could include a study in that walkable community project as an opportunity to save \$20,000 to \$30,000. If the studies were done separately, there would be a lot of overlap. The study could also look at possible financing options for additional structures.

The City could also partner with developers that are unable to provide on-site parking for commercial uses. Some developers might be interested in providing a parking structure or another form of public parking.

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In response to Councilmember Feller, **MR. GILBERT** explained that as an alternative to providing parking on-site is to pay an "in lieu fee". The basic concept is to garner a pot of money to build parking structures in the future. The opportunity to build future structures is an option for many of the sites, but the City does not have the available funds. The in-lieu fee allows for the collection of fees. However, only a small percentage of the parking can be used for in-lieu parking. Council would have to do a site-by-site assessment and review the rationale in order to approve in-lieu parking for a project.

Only 1 project has ever been approved but it was never built. The debate was that there was such a small reduction that the natural inclination was to request a variance. There were projects that had to pay an additional \$10,000 to \$12,000 that they felt was an economic impact. The information was presented and discussed during the hearing process. The in-lieu fee is an available tool that the City could use to get funds to build structures or to buy property to build surface lots, but it is not well used.

**DEPUTY MAYOR HARDING** commented that it is a slow-growing pot of money. Even at \$3,000 a space, she would not want to give a hotel a lot of in-lieu parking.

**DEPUTY CITY MANAGER BLESSING** said that price would be based on surface lots. Otherwise, it would be \$10,000 - \$15,000 a space.

**DEPUTY MAYOR HARDING** noted that many cities use that resource but they also do not give variance on their parking. Oceanside has grown up enough to not give variances anymore.

**DEPUTY CITY MANAGER BLESSING** added that according to the Coastal policy, without a coastal amendment, the maximum allowed to grant is 10%. On the commercial side, Ocean Village had a small break on the variation.

**DEPUTY MAYOR HARDING** did not like the idea of granting more variances for parking downtown.

**MS. McVEY** interjected that the goal of this study session is to decide how to plan for the future. Historically, the City has tried to induce people to come downtown to build different venues. The City needs to plan to make sure it has enough parking for the growth.

**DEPUTY MAYOR HARDING** stressed that the City has developed enough to demand excellence like the other cities. In the past we were willing to accept variances. The setbacks can be changed, but it must be considered individually. Parking is sufficient for daytime visitors, but insufficient for overnight hotel guests.

**COUNCILMEMBER FELLER** asked why Ocean Place was not required to have underground parking.

**DEPUTY CITY MANAGER BLESSING** said that they would not have done the project without assistance from the agency for parking, so the City pledged to do the parking. The Catellus lots will be vacant in 2004 and replaced by the parking structure at North County Transit District (NCTD).

**DEPUTY MAYOR HARDING** inquired if the City is in contact with Catellus on a continuing basis.

**DEPUTY CITY MANAGER BLESSING** indicated they intend to file development applications on all 5 of their holdings. Catellus is negotiating mixed-use, but they would prefer residential. The zoning is commercial oriented, visitors serving, which allows a residential mixed-use, and this is the direction staff is suggesting they go. The key lots are located facing off the railroad tracks to back near Cleveland.

**PETER WEISS**, Public Works Director, agreed with Deputy Mayor Harding that the City has "grown up". He presented a handout of the Oceanside downtown beach area master parking plan. A lot of what the old plan identified has been accomplished. Staff recommended doing a future downtown parking plan to address some of the issues just

raised. For example, when the Atlantis restaurant comes in, will they provide parking in-lieu of a vacant building. If the downtown area were considered a shopping center, parking would not normally be provided. The City was given the walkable community grant. Staff would be recommending Council approve the hiring of a consultant for the parking structure within the next month. Part of that environmental process would require additional parking demand studies. Staff recommends a future downtown parking plan be created.

The initial analysis would require the City to define the area for the parking study. It is important to know if Council's view of what is downtown and the beach area are the same as the citizen's. It would be key to locate parking structures away from the main corridor areas, so everyone would not have to drive down Coast Highway or Mission Avenue to get to parking. Current parking should be inventoried to define temporary and permanent parking. The City currently has much temporary parking.

The City should also set parking standards and strategies for coastal urban core settings. Standards would be different for a hotel or convention center. The City should define those standards for the downtown area. Staff would then recommend to Council what should be in place for the downtown area. They also need to look at specific policies that are appropriate for the downtown area, including retail, office and entertainment uses, transit uses, beach/recreation and visitor needs. Staff would also look at shared-use parking with NCTD and the downtown business community. It would be important to define how the needs overlapped. For example, the theater does not need much parking during the day but needs much for evening uses. A plan would be pieced together based on these policies that Council would establish.

They would then look at demand thresholds to define when new parking needed to be put in place to accommodate growth. Parking should be available when and where it is needed. The opportunities for additional parking in the downtown area need to be considered. The City has a parking lot behind the Sunshine Brooks Theater, which could be used. The City could do something with the lot catty-corner from Bub's Whiskey Dive. There are many opportunities staff could look into once they received direction from Council.

The City also needs to decipher how to pay for the lots. For instance, the City could charge for parking or have a parking district downtown. There are many options. During the review, a plan should be defined so the parking downtown could be monitored on an ongoing basis. The plan used in 1989 could be implemented, but staff, CDC and Council should define where the City is now. Staff should come back on a regular basis about parking because things change. Whether the City does its own analysis or combines it with the walkable community project, the City would be looking at a \$60,000 to \$80,000 study effort to put this together and bring back to Council.

**MAYOR JOHNSON** asked how many parking spaces would eventually be moved or lost with the Catellus property development.

**MR. WEISS** explained that the City would lose about 500 spaces.

**DEPUTY CITY MANAGER BLESSING** stated the parking structure at NCTD would have 450 spaces, which would be an immediate replacement.

In response to Mayor Johnson, **MR. WEISS** stated that parking for a one-level deck, the cost would be \$8,000-\$9,000 per space. Going to multi-story, it would be closer to \$14,000 per space.

In response to City Manager Jepsen, **DEPUTY CITY MANAGER BLESSING** stated that the \$3,000 in-lieu fee was set by Council resolution.

**CITY MANAGER JEPSEN** stated the value of land in the downtown area is approximately \$25 per square foot. A parking space uses 300 square feet, so the price of land only for a parking space is \$7,500. Therefore, the \$3,000 in-lieu fee is too low and should be reconsidered quickly. Large sites are needed for parking structures, and parking structures should be utilized in a way that makes sense.

**DEPUTY MAYOR HARDING** would hate to see downtown Oceanside look like a parking lot. Parking structures are more attractive than surface lots.

**MS. McVEY** stated there may be an asset management approach with property the City owns and doing joint ventures with private property owners to benefit both through economies of scale.

**MR. WEISS** has spoken with a firm that, once the City defines the need for parking, they would partner with the City and build a parking structure with tax-exempt lease financing. It would be a 30-year lease as long as they can charge appropriate rates for cost recovery.

**CITY MANAGER JEPSEN** stated that Council would have to change its policy on parking in the downtown since they do not currently charge for parking downtown. Otherwise, it would not be viable for a private company. At the very least, they need to change in-lieu fees to the \$7,000-\$8,000 range.

**DEPUTY MAYOR HARDING** pointed out that as with other larger cities, rapid transit would not work until parking prices become too expensive. That will have to be examined in the future as the population increases.

**MR. WEISS** used the current project between the City and NCTD as an example. The City is prohibited from charging transit users. The parking structure design provides for a physical separation between transit and non-transit users during transit hours.

**DEPUTY MAYOR HARDING** stated that NCTD is looking aggressively at joint venturing. NCTD owns a large amount of land. For the City to hold onto the land, parking structures may comprise of a large amount of joint ventures.

**COUNCILMEMBER FELLER** agreed with following City Manager Jepsen's suggestion regarding the in-lieu fees.

**MAYOR JOHNSON** reiterated the two suggestions that were made: 1) A draft proposal for the in-lieu fee, and 2) a parking structure joint venture with NCTD.

## **ADJOURNMENT**

**MAYOR JOHNSON** adjourned this adjourned meeting of the Oceanside City Council at 11:14 AM, May 16, 2001.

## **APPROVED BY COUNCIL:**

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Barbara Riegel Wayne, CMC  
City Clerk, City of Oceanside