



DATE: January 16, 2008

TO: Chairman and Members of the Community Development Commission

FROM: Economic and Community Development Department

SUBJECT: CONSIDERATION OF TWO RESOLUTIONS; ONE CERTIFYING A FINAL ENVIRONMENTAL IMPACT REPORT (EIR) AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM, FINDINGS AND A STATEMENT OF OVERRIDING CONSIDERATION AND A RESOLUTION APPROVING TENTATIVE MAP (T-204-06), DEVELOPMENT PLAN (D-213-06), CONDITIONAL USE PERMIT (C-208-06) AND REGULAR COASTAL PERMIT (RC-215-06) FOR THE CONSTRUCTION OF A 336-UNIT HOTEL, 48-UNIT FRACTIONAL TIMESHARES AND 18,500 SQUARE FEET OF VISITOR-SERVING COMMERCIAL USES LOCATED ON TWO CITY BLOCKS BOUNDED BY PIER VIEW WAY, SEAGAZE DRIVE, MYERS AND PACIFIC STREETS – OCEANSIDE BEACH RESORT – APPLICANT: S.D. MALKIN PROPERTIES, INC.

SYNOPSIS

The item under consideration is a Tentative Map, Development Plan, Conditional Use Permit and Regular Coastal Permit for the construction of approximately 336-unit hotel, 48-unit fractional timeshares and approximately 18,500 square feet of visitor-serving commercial uses located on two blocks bounded by Pier View Way on the north, Seagaze Drive on the south, Myers Street on the east and Pacific Street on the west; and the Final Environmental Impact Report (EIR) for the Oceanside Beach Resort. Staff is recommending certification of the EIR, adoption of overriding considerations pursuant to CEQA guideline 15093, and approval of the Tentative Parcel Map, Development Plan, Conditional Use Permit and Regular Coastal Permit and adoption of the resolutions as attached.

BACKGROUND

In 1975, the City of Oceanside adopted a Redevelopment Plan for revitalization of 375 acres located in the northwest portion of the City. An EIR addressing the Redevelopment Plan was prepared and certified in 1975. In 1979, a Master EIR was finalized for the entire redevelopment area that addressed environmental issues for each of the 13 subdistricts created in 1978, within the Project Area (including Subdistrict 12, referred to as the "Pier Complex," which includes the Oceanside Beach Resort). In 1981, a Supplemental EIR was adopted for changes in land use designation for 10 of the 13 subdistricts. The 1982 amendments to the Redevelopment Plan do not pertain to the development site.

In 1992, the Redevelopment Plan was amended to 15 subdistricts. In addition, the amendment also increased the allowable height from 45 feet to 140 feet if certain development design standards such as view corridor preservation, setbacks at the corners and other measures are met. This amendment also removed the requirement that one-third of the South Strand area be reserved for visitor and commercial uses. To offset this provision, minimum requirements for development of visitor serving commercial uses were imposed in the pier area subject to approval of a Master Plan for the nine-block area east of Pacific Street, between Civic Center Drive and Seagaze Drive. The Nine-Block Pier Area Master Plan was approved by the Community Development Commission on April 5, 2000. On April 13, 2005, the City Council selected S.D. Malkin as the developer for this City owned site. On September 7, 2005 the CDC approved a Negotiation Agreement with S.D. Malkin. On August 6, 2006, the CDC entered into a Memorandum of Understanding with S.D. Malkin.

The City conducted several meetings with a variety of stakeholder groups throughout the Request for Qualifications and Request for Proposals process which resulted in the final design to include a 500-person conference/ballroom as well as other amenities.

Land Use and Zoning: The subject site is located within Subdistrict 12 of the "D" Downtown District. Subdistrict 12 is primarily intended to provide a special tourist/visitor-oriented Subdistrict that relates to the pier, ocean, beach, marina and freeway. Hotels and timeshares are allowed with approval of a Conditional Use Permit. Permitted uses also include commercial recreation, entertainment, retail sales and eating and drinking establishments.

Minimum front and corner side yard setbacks of 10 feet are required except along Mission Avenue. Setbacks for lots fronting on Mission Avenue are required to maintain a 50-foot setback from the centerline of the street. No minimum is required for side and rear setbacks unless the side or rear yard fronts on Mission Avenue. In this case, a 50-foot setback is required.

Structures are restricted to a height of 45 feet from the existing grade except that additional height, up to a maximum of 140 feet, may be approved with a conditional use permit (CUP) on a case-by-case basis. Exceptions may be considered for: (a) all nonresidential uses except as otherwise noted in the regulations or (b) master plan mixed-use projects located within Subdistrict 12, if the Commission finds superior design results incorporating the design standards included in the Additional Development Regulations of the Zoning Ordinance. Specifically these regulations require that the development design:

- . not exceed a maximum site coverage of 60 percent based on the entire gross acreage of the Master Site Plan;
- . provide additional setbacks at the corners of the center block (bounded by Pacific Street, Mission Avenue, Myers Street and Pier View Way) for plazas;
- . provide a pedestrian promenade adjacent to development on Pacific Street;

- . provide a minimum of 30 percent of the entire Master Site Plan for public or semi-public recreational purposes;
- . preserve view corridors through staggered building envelopes or breezeway requirements;
- . not exceed a maximum 4.0 floor area ratio (FAR) within Subdistrict 12, based on gross acreage of the entire Master Site Plan area;
- . not exceed 140 feet in height with towers oriented with their long axis parallel to the ocean sight line and the east-west streets. Only minimal encroachments are permitted to maximize view corridors. Upper floors are to be stepped back with plane breaks in the roof or parapet for interest. Mid-rise tower facades must feature multifaceted plane breaks and horizontal cornice and frieze elements. Towers must rise from a horizontally articulated building base and must include protruding balconies, colorful awnings, fenestration, iron railing, etc.
- . permit only uses which are transient residential/visitor-serving accommodations in nature to achieve the maximum height of 140 feet and only 30 percent of the Master Plan may achieve this maximum height;
- . limit all other uses to a maximum height of 90 feet, and only 30 percent of the Master Site Plan may achieve this mid-height;
- . require that the development design limit all other structures (the remaining 40 percent of the Master Site Plan) to a maximum height of 45 feet.

Local Coastal Program: The City of Oceanside Local Coastal Program provides guidelines for land use development within the Coastal Zone portion of the redevelopment area. The City of Oceanside LCP was first adopted in 1985 (City of Oceanside 1985).

The LCP designates the Oceanside Beach Resort site as “Coastal Dependent, Recreation, and Visitor-Serving Commercial.” The LCP describes the land use category as follows:

“This land use category encompasses specialized commercial uses that are directly dependent, supportive or related to the coast. Such uses provide services or goods for coastal industries or recreationists, and include boat slips, supplies, and service; diving, commercial fishing, and sport fishing establishments; restaurants, snack bars and convenience markets; gift, sundries, and novelty shops; transient accommodations, such as hotels, motels, tourist cottages, campgrounds and recreational vehicle parks; and recreational equipment rentals”.

The LCP was amended by the City in 1992 with subsequent minor changes approved in 1994 and 1995. The 1992 amendment added policies that would assure visitor-serving commercial uses are provided in the Oceanside Pier area. The 1992 amendment

replaced the previous LCP zoning ordinance and design guidelines with a new Article 12, "D" Downtown District Ordinance. The LCP format was changed from 13 land use districts to 15 subdistricts and limits were placed on building heights for each subdistrict in the 'D' Downtown District.

In December 2007, the LCP was amended by the City to include language regarding fractional time shares. This amendment was approved with some suggested modified language which requires approval by the Coastal Commission.

Nine-Block Master Plan: Amendment number 1-91 of the City's LCP, certified by the Coastal Commission in October 1992, required the City to prepare a master plan for the three blocks situated in Subdistrict 12 and the six blocks to the east of Subdistrict 12 in Subdistrict 1. The purpose of the master plan requirements is to assure that development of the nine-block master plan area includes a minimum of 240 hotel rooms and 81,800 square feet of visitor-serving commercial spaces.

In accordance with this requirement, the City prepared the Nine-Block Pier Area Master Plan (Master Plan), which was adopted by the Community Development Commission on April 5, 2000, and approved by the Coastal Commission staff as a future development review document. The adopted Master Plan presents two alternatives to meet the requirements of Amendment 1-91. Alternative 1 would consist of a single development phase for the three blocks in Subdistrict 12 which would result in the entire requirement being fulfilled by development of Subdistrict 12. Alternative 2 would assign a prorated portion of the requirement to the three blocks of Subdistrict 12 and the remainder to the six blocks in Subdistrict 1.

Site Review: The subject site consists of a two-block area (approximately 2.75 acres) bounded by Pier View Way on the North, Seagaze Drive on the south, Myers Street on the east and Pacific Street on the west. The northern block is vacant and the majority of the southern block is vacant; however, a portion of the southern block consists of several single-family residences, one of which is the historic Graves House (otherwise known as the "Top Gun House"). The Graves House will be relocated to the northern block, restored and eventually utilized as an integral part of the overall project design. The remaining units will be demolished as part of the development of this project.

The subject site topography is relatively flat, with less than a three-foot grade differential between the highest and lowest points of the site. Due to the proposed two levels of underground parking, approximately 113,000 cubic yards of soil will be exported.

The subject site and the surrounding area has historically been utilized as commercial and industrial uses in association with the adjacent AT&SF railroad tracks located one block east of the site. Currently, this area is in transition with the completion of the 168-unit Wyndham Timeshare Resort located immediately north of the subject site in addition to the proposed 5-block CityMark Development Plan which consists of 231-unit multifamily condominiums, 124-unit hotel and 48,000 square feet of visitor-serving commercial located east of the site.

Project Description: As mentioned, the proposed project encompasses a two-block area that includes the discretionary actions which are described as follows:

- . Development Plans for the Beach Resort Project and all related support facilities;
- . Regular Coastal Permit for the Beach Resort Project;
- . Tentative Map to allow for the subdivision of various segments of the resort;
- . Conditional Use Permit for the hotel, timeshares and support facilities including overall height of the buildings.

The Beach Resort Project design is characterized as beach cottage-style architecture which complements several existing residences with a similar style of design located on both The Strand and Pacific Street. The project proposes several design elements consistent with beach cottage style including decorative shingled siding, dormers, balcony railings, low-pitched roofs and trellises. The detail of the first two stories provides a pedestrian feel, and the incorporation of the historic Graves house on the northern block also reinforces the beach cottage design. The buildings for both blocks are stepped back to reduce the size and bulk and to also increase the view corridors and provide for more public open space.

Access to the northern block will be from Myers Street and the southern block will be from both Myers Street and Mission Avenue, with additional valet drop-off points on Pacific and Seagaze. The loading and unloading, trash facilities and services entrances are generally located on Myers Street for both blocks. Parking would be provided in two underground parking levels which also includes the area underneath Mission Avenue, with approximately 540 parking spaces. In addition, approximately 225 off-site grade-level parking spaces, of which 40 would be designated for the Beach Resort development, would be provided in the City-owned proposed parking lot bounded by Tyson Street on the north, Oak Street on the South, South Myers Street on the west and the railroad tracks on the east.

Northern Block: The northern block consists of up to 95 units, including a combination of hotel rooms and no more than 15 percent of fractional timeshare units along with an approximately 5,881-square-foot restaurant, approximately 4,036 square feet of visitor - serving commercial space, to include a coffee shop, in addition to the relocated 912-square-foot Graves house. The northern wing is planned for timeshare units and the southern wing is planned for a boutique hotel. The pool and terrace are located on the fourth floor of the connecting portion of the building. The retail shops would sell gifts and sundries, ice cream, baked goods, and such items appropriate for timeshare and hotel guests and the general public at this beachside location. The northern block is set back from the property lines at 15 feet on the north, 15 feet on the south, 15 feet on the east and 15 feet on the west. The northern block proposes an approximately 23,000-square - foot public plaza with approximately 1,926 square feet of interior public amenities. The maximum height of the buildings is 90 feet.

Southern Block: The southern block consists of up to approximately 289 units in a hotel with the guest rooms generally occupying the third through the eight floors. The ground floor consists of a lobby, approximately 1,858-square-foot restaurant, lounge,

approximately 280-square-foot gift shop, administrative offices and approximately 15,000 square feet of banquet/ballroom and meeting rooms. The approximately 7,200-square-foot spa is located on the second floor. The pool and approximately 1,800-square-foot fitness center are located on the third floor. The southern block is set back approximately 10 feet on all sides. The southern block proposes approximately 1,650 square feet of open space and approximately 9,300 square feet of interior public amenities. The maximum height of the buildings is approximately 90 feet.

Public Open Space: More than 36,000 square feet (30 percent) of the private development site would be public or semi-public recreational space. Exterior space in this category, consisting of the public plazas would be approximately 25,000-square-feet. The southern block consists of the public open-air plaza and conference center and break-out terrace. The northern block consists of a public open space courtyard park with fountains, ponds and outdoor lawn terrace. Although the plaza and terraces and setbacks from the public rights-of-way would be private property, with the exception of minor areas they generally would be open to the public, with limited or no barriers between them and the public right-of-way.

Environmental Review: Due to the significance of the project and its location, the proposed development has been through an extensive environmental review process. A Final Environmental Impact Report (FEIR) has been prepared for the proposed development. The accuracy and adequacy of the FEIR will be considered and, if appropriate, the report will be certified for compliance with the California Environmental Quality Act (CEQA). Substantial public comments were received on the Draft EIR. Responses to those comments have been prepared and are included in the FEIR.

A number of issues were identified as being potentially significant, and are therefore addressed in the FEIR. These issues are as follows:

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|----|----------------------------------|----|--------------------------|
| A. | Land Use | H. | Noise |
| B. | Traffic, Circulation and Parking | I. | Air Quality |
| C. | Cultural Resources | J. | Hydrology/Water Quality |
| D. | Climate Change | K. | Palentological Resources |
| E. | Public Services and Utilities | L. | Aesthetics |
| F. | Geology and Soils | M. | Recreational Resources |
| G. | Hazardous Materials | | |

An in-depth discussion of all of the potential environmental impacts and mitigation measures is contained within the FEIR. Also included in the FEIR is an analysis of alternatives for the proposed development. The four alternatives evaluated are: (1) no project alternative, (2) reduced project alternative, (3) historic resource alternative and (4) environmentally superior alternative.

The FEIR analyzed the environmental effects of the proposed development as required by CEQA. The direct and indirect environmental effects, mitigation measures to reduce or eliminate the identified impacts and alternatives for the proposed development are included in the analysis. The FEIR also included an assessment of the potential individual

and cumulative impacts from the proposed Oceanside Beach Resort proposal and other proposed redevelopment activities in the area.

Outlined below is a summary of the significant but mitigable impacts, as well as the significant but unmitigable impacts.

Significant but Mitigable Impacts: The FEIR concluded that the project's direct and cumulative environmental impacts to public services, recreation, air quality, hydrology, geology/soils, hazardous materials, noise, water quality, and paleontological resources are less than significant or can be substantially lessened or avoided if all of the mitigation measures are implemented. Listed below are each of the impacts and the required mitigation measures.

Aesthetics: The proposed project is of similar height and bulk as the Wyndham/Fairfield timeshare project. The proposed project would be considered to be an improvement upon the existing visual character of the site, which has a blighted visual appearance due to the unattractive temporary-surface parking lot, construction staging areas and vacant land.

Air Quality: The proposed project is consistent with the San Diego Air Pollution Control District (APCD) air quality management plans and the project would not conflict with or obstruct implementation of the applicable air quality plans. In addition, air pollution caused by construction of the proposed project is considered short-term and is not considered significant.

Hydrology: Localized flooding currently occurs in the project area due to an inadequate storm drain. Required mitigation includes the City of Oceanside street and drainage facility improvements along Pier View Way and Pacific Street which will be completed prior to construction on this project. In addition, the project has been conditioned that the construction as well as the business operation will be consistent with the requirements of the Stormwater Mitigation Plan and Best Management Practices.

Cultural Resources: The proposed project has the potential to impact significant archaeological and historic resources located on the subject site. Potential archaeological impacts would be mitigated through the implementation of a construction monitoring and recovery program conducted by a City-approved archeologist and Native American monitor. Preferred mitigation for the significant on-site historic residences would be relocation, restoration and adaptive re-use of these structures, which would reduce impacts to below a level of significance. While 102 North Pacific Street (Graves House) will be relocated on-site and restored, the residence located at 106 North Pacific Street will be demolished but is required as part of the mitigation, to be photographed. In addition, preparation of architectural drawings of the existing structure will also be required; however this proposed mitigation would not reduce impacts to below a level of significance. The City offered to sell the house so it could be relocated; however, no one submitted a proposal due to the costs associated with relocating and restoring the 106 North Pacific Street house.

Hazardous Materials: The potential exists for groundwater contamination emanating from the former Oceanside Electric & Gas Company and the Atchison Topeka & Santa Fe Railroad properties. Should groundwater contamination be discovered, the project would implement mitigation measures to remediate the site prior to development, pursuant to applicable local, state and federal regulation for the prevention and cleanup of known and unknown hazardous substance contamination.

Water Quality: An increase in impervious surface from site development will result in an increase in quantity of discharge. New storm water discharge facilities will be designed and installed to meet existing City standards and are also subject to the requirements of the California Regional Water Quality Control Board. New development projects in the San Diego region require that source control and nonpoint source devices be incorporated into project design and that Best Management Practices be employed to control potential effects on water quality. In addition, storm water quality control devices should be incorporated into project design to collect sediment and other pollutants.

To mitigate water quality impacts the City of Oceanside street and drainage facility improvements and Best Management Practices (BMPs) will be implemented during construction and operation of the facility. In addition, BMPs including infiltration trenches, French drains, and vegetative controls, as appropriate, will be employed.

Noise: Significant noise impacts to the project site would result from train operations. Mitigation measures would be implemented to reduce potential impacts from construction noise and railroad noise to below a level of significance.

Paleontology: Construction and excavation for the proposed development could potentially destroy significant paleontological resources. To mitigate these impacts, a paleontological monitor shall be on-site during grading and excavation activities and shall have the ability to stop and redirect grading activities if resources are identified to facilitate their recovery.

Traffic, Circulation and Parking: The proposed project would contribute to significant cumulative impacts along several roadway segments and two potential intersections under the near-term cumulative condition. Mitigation measures are discussed in Section 4.13.3 in the FEIR. The proposed project will also result in a loss of 33 public parking spaces due to loss of on-street public parking. The proposed project would provide replacement parking at a 1:1 ratio on-site in an underground parking garage and off-site in a future City-owned public parking lot.

Significant Unmitigable Impacts: The impact of the proposed development related to climate change, historical and traffic cannot be mitigated to below a level of significance, even if the mitigation measures are implemented. These issues are as follows:

Climate Change: The project would contribute to a significant and unavoidable climate change impact through the emission of greenhouse gases from project construction and operation.

Cultural Resources: A significant and unavoidable impact to cultural resources would occur if the residence at 106 North Pacific Street is demolished instead of restored and reused. Although historical and architectural documentation would occur prior to demolition, this would not reduce the impacts to below a level of significance.

Traffic: Implementation of some mitigation measures would reduce significant impacts to below a level of significance, while other mitigation measures would only partially mitigate significant impacts or are considered to be infeasible by the City such as the removal of parking spaces at North Coast Highway and Mission Avenue to improve traffic circulation. Partially mitigated impacts and infeasible mitigation measures would result in significant and unavoidable traffic impacts.

Overriding Considerations: As a result of these significant unmitigable climate, traffic, and cultural impacts, a statement of overriding consideration needs to be adopted to approve the proposed development.

In reviewing these unmitigable impacts, staff believes that these impacts are unavoidable and that the development possesses social and economic benefits that warrant approval. These benefits include: enhanced redevelopment opportunities, increased visitor accommodations, increased resident and visitor commercial and tourist opportunities, the creation of full-time jobs, as well as secondary jobs and short-term construction jobs as well as increased spending from visitors to the hotel and timeshare units. A more detailed discussion of the social and economic benefits of the development is contained in the overriding findings required to certify the FEIR and approve the related development applications.

With the certification of the FEIR for the proposed development, a Mitigation Monitoring and Reporting Program (MMRP) must also be adopted. The document is necessary to ensure that all of the mitigation measures required by the FEIR are carried out. Copies of the MMRP and the suggested overriding findings are attached to this report as part of resolutions recommended for adoption.

ANALYSIS

The project under consideration represents the culmination of an extensive planning effort conducted for decades by the City to develop, as part of the Downtown Redevelopment Plan, a first-class, visitor-oriented resort centered on the Pier and beach area.

The project also has the potential to stimulate the City's efforts to redevelop and revitalize the downtown area, not only at the Pier but also in adjoining areas. The presence of a vibrant and attractive resort will help the Redevelopment Agency in its ongoing efforts to stimulate the interest of other developers in the redevelopment of downtown Oceanside. The project is intended to promote redevelopment efforts by providing a visually dramatic and aesthetically appealing design. The development of a first-class resort in the Pier area has long been regarded as a key component to a successful completion of the City's downtown redevelopment efforts.

As proposed, the Beach Resort meets the requirements for minimum lot area, lot width and setbacks. The proposed tentative map would create multiple lots on the development site. The northern block setback from the property lines is 15 feet on the north, 15 feet on the south, 15 feet on the east and 15 feet on the west. The southern block is set back approximately 10 feet on all sides. The proposed development also meets the specific applicable development design regulations for the increase in overall height, as follows:

- . Site coverage does not exceed 60 percent. The entire gross area of the development site is 120,000 square feet and site coverage is approximately 72,000 square feet or 59 percent.
- . A landscape and hardscape promenade for public use within the private property boundaries is proposed along Pacific Street. The northern block proposes approximately 23,000 square feet of public plaza with approximately 1,900 square feet of interior public amenities and the southern block proposes approximately 1,650 square feet of exterior open space and approximately 9,300 square feet of interior public amenities.
- . More than 36,000 square feet (30 percent) of the private development site would be public or semi-public recreational space. Exterior space in this category, consisting of the public plazas would be approximately 25,000 square feet. The southern block consists of the public open space plaza and conference center break-out terrace. The northern block consists of public open space courtyard park with fountains and pond, lawn terrace and lounge. Although the plaza and terraces and setbacks from the public rights-of-way would be private property, they would be open to the public, with no barriers between them and the public right-of-way.
- . LCP-designated view corridors adjacent to the site are the rights-of-way of Pier View Way, Mission Avenue and Seagaze Drive. These corridors would be preserved, with an added 15 feet for the northern block and 10 feet for the southern block of buildings setbacks on each street frontage.
- . The proposed floor area (gross) is approximately 418,000 square feet. On a 120,000-square-foot lot, this equates to a floor area ratio of 3.48, which is well below the maximum allowed floor area ratio of 4.0.
- . Current regulations allow up to 140 feet of height. The project proposes an overall height of approximately 90 feet. To achieve the height as proposed, 60 percent of the site structures must be below an overall height of 90 feet. As proposed, the project complies with these standard criteria.
- . The "D" District Downtown regulations require that towers in Subdistrict 12 be oriented with long axes parallel to east-west streets, to preserve corridors along those streets. The towers for both blocks are oriented with their long axes parallel to Pier View Way and Mission Avenue and Mission Avenue and Seagaze Drive corridors.

No feature of the proposed development would encroach into view corridors of the public street rights-of-way, and setbacks would add to the width of the view corridors. These design features are consistent with the provisions of Downtown District Ordinance.

The proposed development is consistent with Additional Development Regulation (HH) of the "D" Downtown District Ordinance, which provides that public access from the bluff top to the beach shall be maintained on the average of every 800 feet and that no less than seven pedestrian routes between Ninth (Breakwater Way) and Wisconsin Avenue should be maintained. The proposed development would not affect access from the bluff top to the beach, provided by stairways at Pier View Way and Seagaze Drive west of Pacific Street.

Local Coastal Program: The proposed development would meet the land use development guidelines for the Coastal Zone portion of the Redevelopment Project Area. All proposed uses are consistent with the LCP designation for the site of "Coastal Dependent, Recreation, and Visitor-Serving Commercial". In addition, LCP section II. Recreation and Visitor Serving Facilities, B. Summary of Major Findings, Public and Commercial Recreation 18, states the following: "While there appears to be an adequate inventory of lower and moderate-cost visitor accommodations on the beach, the City lacks a high-quality tourist destination hotel in the beach area." The proposed project would not only provide a high-quality destination resort hotel it would also provide much-needed visitor-serving commercial uses in the Oceanside Pier area.

The development as proposed would not eliminate any existing public access (Article 2, Section 30212). Vertical access at Pier View Way and Seagaze Drive, and lateral access along Pacific Street and the Linear Park, would not be affected. Pedestrian access in the development area would be enhanced by the proposed pedestrian promenades and public plaza. The development would not eliminate any existing vertical or lateral access to the shoreline and would be consistent with the LCP, Coastal Act, and zoning which require that development would not interfere with the public right of access to and along the shoreline.

Staff also evaluated the proposed project and its effect on public coastal views. The northern block is setback from the property lines 15 feet on the north, 15 feet on the south, 15 feet on the east and 15 feet on the west. The southern block is setback approximately 10 feet on all sides. These setbacks do not include sidewalks in the public street rights-of-way. Due to the increased setbacks the potential view blockage along the main corridors of Pier View Way, Mission Avenue, Seagaze Drive and Pacific Street will be minimal from the surrounding neighborhood.

The Nine-Block Pier Area Master Plan: The Nine-Block Pier Area Master Plan, prepared to satisfy amendment number 1-91 of the City's LCP, requires development in the nine-block master plan area to provide a minimum of 240 hotel rooms and 81,800 square feet of visitor-serving commercial space. It allows proposed development to prorate the requirement on a per-block basis. Prorated, the requirement for this project is 54 hotel

rooms and 18,177 square feet of visitor-serving commercial space. The development, as proposed, would provide a 336-unit hotel, 48-unit fractional time shares and 18,500 square feet of visitor serving commercial uses.

The proposed development would preserve westerly views along existing view corridors designated in the LCP (Pier View Way, Mission Avenue and Seagaze Drive) but would result in some obstruction of existing views through the center of the development site, depending on the view location. More information on the issue of view preservation is in Chapter 4.4.1 of the FEIR. The planning documents governing future development or redevelopment in the area, as well as the LCP, are clear that development between east-west street corridors is intended to occur, while the east-west street view corridors are to be left unobstructed. The proposed development conforms to that pattern.

Development of the proposed uses would introduce new features in the vicinity of the Oceanside Pier which are intended to complement and enhance the entire Redevelopment Project Area by stimulating renewed interest and activity. The type of development proposed is consistent with plans for development in this area as formally expressed in the General Plan, Redevelopment Plan, and Local Coastal Plan.

Coastal Act Consistency: Chapter 3 of the California Coastal Act establishes the criteria for determining if the proposed development and related LCP amendments are in conformance with the California Coastal Act policies related to protection of coastal resources. The City's LCP also contains criteria for protection, enhancement and maintenance of access to coastal resources. The FEIR Land Use Section (Section 4.84) contains a detailed analysis of the proposed development's consistency with the California Coastal Act and City's LCP Land Use Plan and Downtown "D" District Ordinance.

To summarize the analysis regarding coastal consistency, FEIR analysis concluded that the proposed development and proposed LCP amendments are in conformance with the intent and policies of the California Coastal Act and City's LCP.

Environmental Review: Due to the significance of the project and its location, a Final Environmental Impact Report (FEIR) has been prepared for the proposed development. The FEIR analyzed the environmental effects of the proposed development as required by CEQA. The direct and indirect environmental effects mitigation measures to reduce or eliminate the identified impacts, as well as the significant but unmitigable impacts. As a result of these significant unmitigable impacts, a Statement of Overriding Consideration needs to be adopted to approve the proposed development.

To adopt the Statement of Overriding Considerations a determination must be made that the project possesses social and economic benefits that warrant approval. Staff believes that these social and economic benefits do exist and are outlined in the preliminary economic analysis prepared for the proposed project. Key findings of the analysis declare that the project will generate positive fiscal impacts to the City from redevelopment property tax increment, transient occupancy taxes (TOT), and sales taxes; create a number of secondary jobs and short-term construction-related jobs; and enhance

redevelopment opportunities, increase visitor accommodations, and increase resident and visitor commercial and tourist opportunities.

COMMISSION OR COMMITTEE REPORTS

The Redevelopment Design Review Committee (RDRC) reviewed the project at its September 17, 2007, and November 1, 2007, meetings and approved the project on a 5-0 vote.

The Redevelopment Advisory Committee (RAC) reviewed the project at its January 9, 2008 meeting.

The Economic Development Commission reviewed the project at its January 15, 2008 meeting.

FISCAL IMPACT

A preliminary economic analysis has been prepared for the proposed project. Key findings of the analysis are that the project will generate positive fiscal impacts for the City from redevelopment property tax increment, transient occupancy taxes (TOT) and sales tax. In addition, the project will also support a number of secondary jobs and short-term construction-related jobs.

Attached is the fiscal analysis prepared by Keyser Marston Associates Inc. with projections for TOT, property tax increment and sales tax estimated to be generated by the project.

CITY ATTORNEY'S ANALYSIS

Pursuant to Oceanside Zoning Ordinance Article 4102, the Commission is authorized to hold a public hearing on this project's applications. Consideration of the project should be based on the evidence presented at the public hearing. After conducting the public hearing, the Commission shall approve, conditionally approve, or disapprove the project. Prior to approving the project, the Commission should certify the Final Environmental Impact Report and adopt the Mitigation Monitoring and Reporting Program. The resolutions have been reviewed and approved as to form by the City Attorney.

RECOMMENDATION

Staff believes that the Oceanside Beach Resort project is consistent with the California Coastal Act, as well as the City's Redevelopment Plan, Local Coastal Program, and Downtown "D" District Ordinance. Staff further believes that the development will provide social and economic benefits in the form of the creation of full-time jobs, short-term and secondary service jobs; enhanced visitor-serving and redevelopment opportunities; improved coastal access; and increased City revenues through redevelopment property tax increment, transient occupancy taxes and sales taxes.

Staff recommends that the Community Development Commission approve the proposed project. Specifically, staff recommends the following actions:

- . Adoption of a resolution certifying the Final Environmental Impact Report (FEIR) and adopting a Mitigation Monitoring Reporting Program, Findings and a Statement of Overriding Considerations; and
- . A Resolution approving Tentative Map (T-204-06), Development Plan (D-213-06), Conditional Use Permit (C-208-06), Regular Coastal Permit (RC-215-06 for the construction of a 336 unit Hotel, 48 Fractional Timeshares and 18,500 Square feet of Visitor Serving Commercial uses

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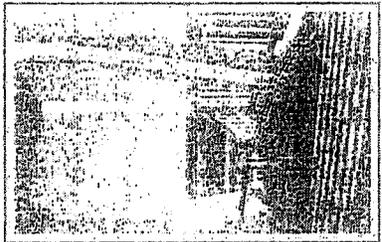


EXHIBITS/ATTACHMENTS

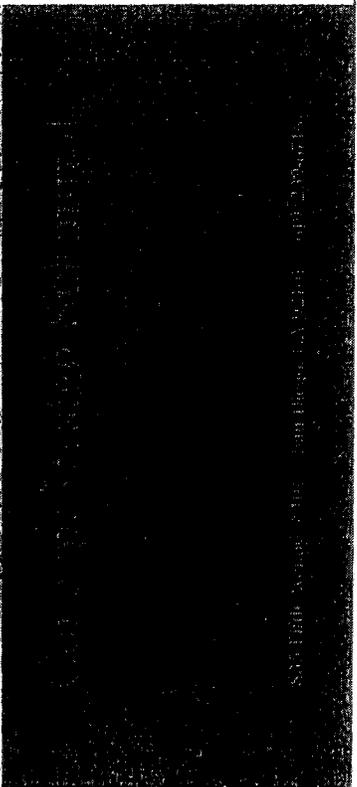
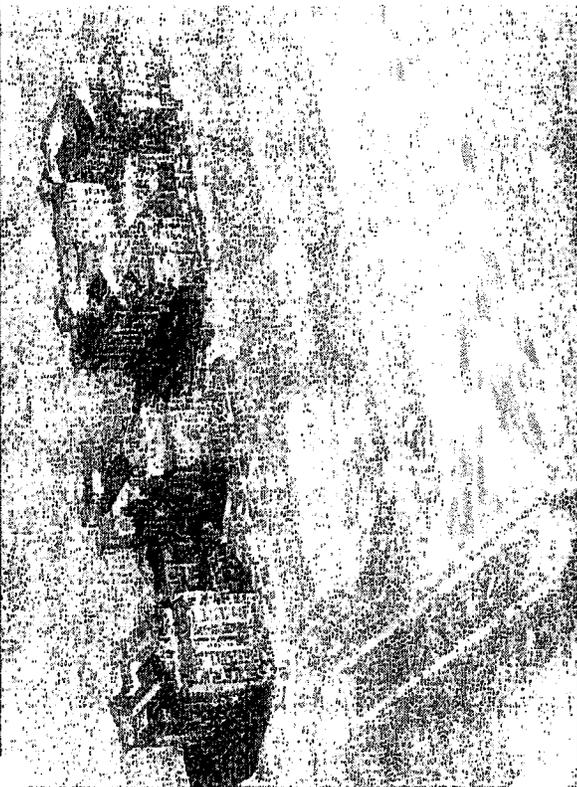
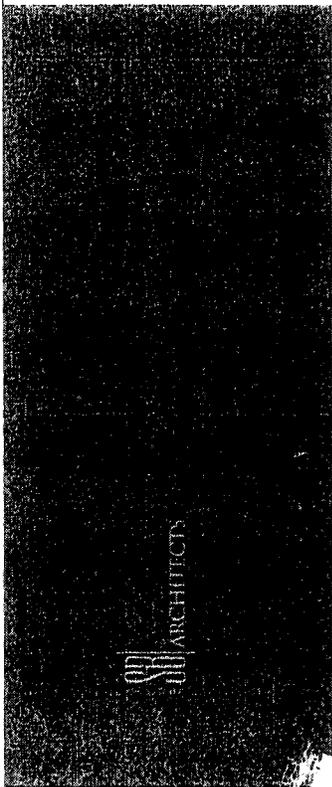
1. Site Plans/Floor Plans/ Elevations/Tentative Map
2. Offsite Parking Lot
3. Fiscal Analysis Report
4. Resolution certifying the Final Environmental Impact Report (FEIR) and approving the MMRP by the Community Development Commission
5. Resolution approving Tentative Map, Development Plan, Conditional Use Permit, Regular Coastal Permit
6. FEIR (previously distributed under separate cover)

OCEANSIDE

BEACHFRONT RESORT



O C E A N S I D E , C A L I F O R N I A





OCEANSIDE

BEACHFRONT RESORT



Concept Design: [unreadable]
June 2016

[unreadable]



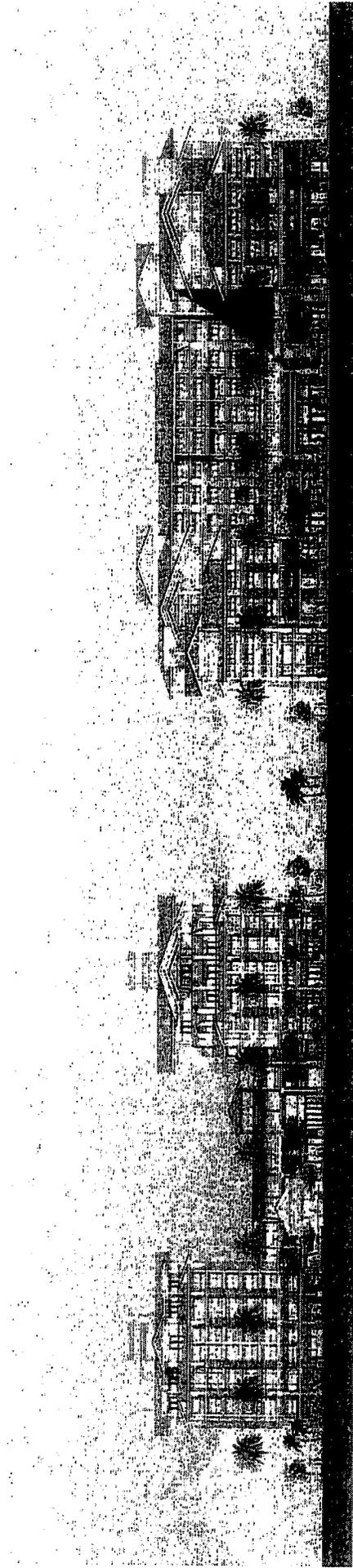
OCEANSIDE

BEACHFRONT RESORT

© 2007 ALBERTA SUMMERS
26 Images 2007

ALBERTA SUMMERS ARCHITECTS

West Elevation



NORTH BLOCK

SOUTH BLOCK



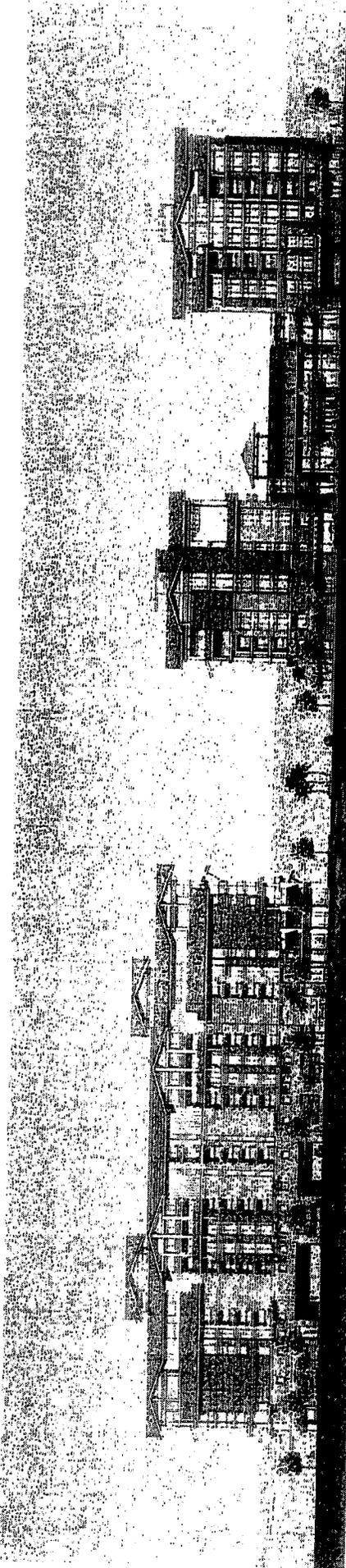
OCEANSIDE

BEACHFRONT RESORT

Concept Design Submitted
26 June 2006

SH ARCHITECTS

East Elevation



SOUTH BLOCK

NORTH BLOCK

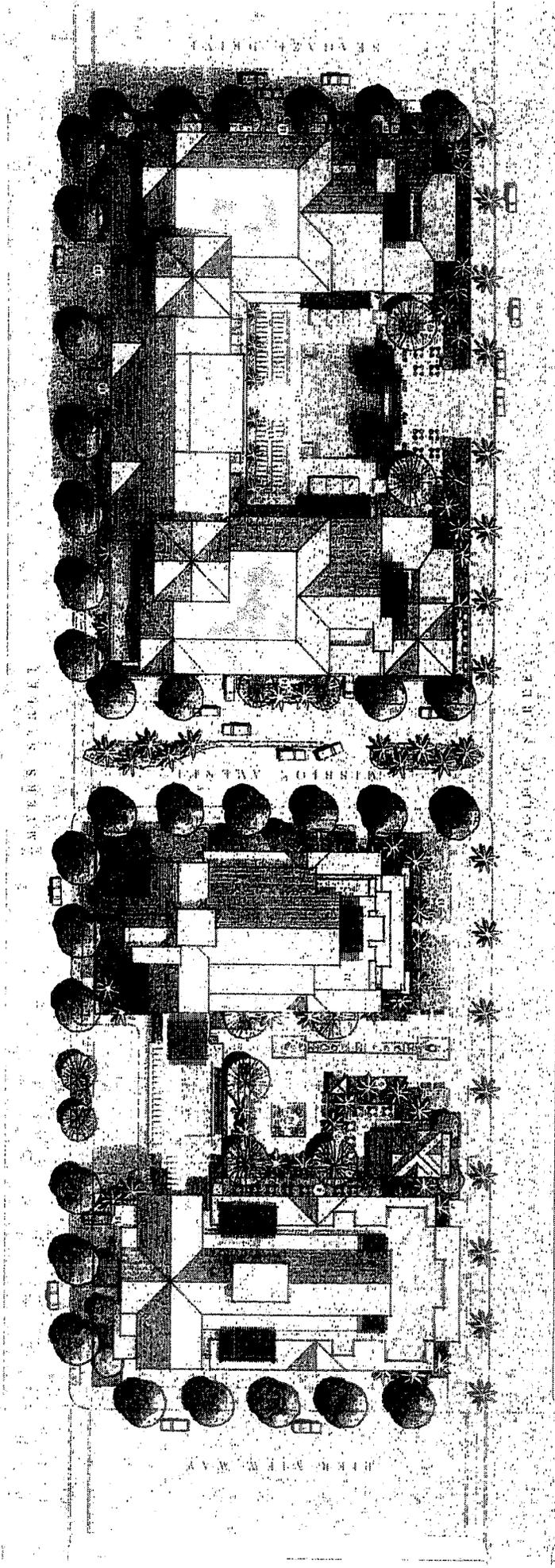


OCEANSIDE

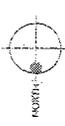
BEACHFRONT RESORT

Concept Design Submittal
30 June 2016

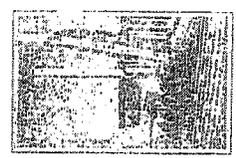
SDI ARCHITECTS, INC.



Illustrative Site Plan



- KEY TO THE PLAN**
- 1. LOUNGE TERRACE W/VIEW
 - 2. PUBLIC COURT (LANDSCAPED PLAZA)
 - 3. "TOP GUN HOUSE" RESTAURANT
 - 4. RECEPTION
 - 5. RESTAURANT WAITING TERRACE
 - 6. BALCONIES (DECK)
 - 7. OFFICE PLANTINGS
 - 8. WATER ROUNNEL WITH PLUMBER EJECTS
 - 9. TOWERING COLONNADUM UPPER TERRACE
 - 10. RECEPTION / ADMINISTRATION
 - 11. LOUNGE TERRACE W/VIEW
 - 12. PARK LANDSCAPED PLAZA & CONFERENCE
 - 13. CENTER BREAK-OUT TERRACE
 - 14. OFFICE PLANTINGS
 - 15. SERVICE DRIVING
 - 16. SERVICE DRIVEWAY
 - 17. SERVICE DRIVEWAY COURT
 - 18. SERVICE DRIVEWAY
 - 19. SERVICE DRIVEWAY
 - 20. SERVICE DRIVEWAY
 - 21. POOL DECK AT LEVEL 3
 - 22. FUNCTION TERRACE AT LEVEL 3

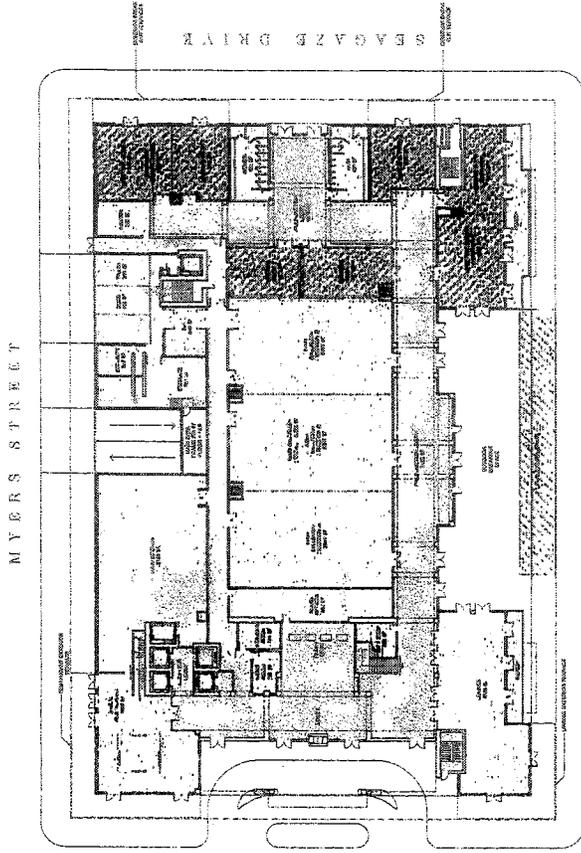


OCEANSIDE

BEACHFRONT RESORT

Concept Design Submitted
26 June 2010

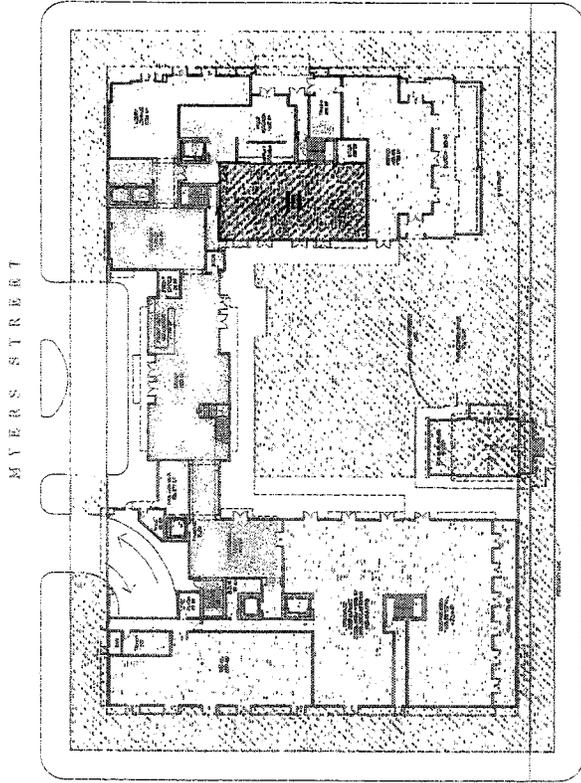
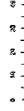
SJI Architects



EXTERIOR OPEN SPACE 1,660 SF
 INTERIOR PUBLIC AREA 9,960 SF
 TOTAL OPEN SPACE 11,620 SF
 SITE COVERAGE 65,222 SF
 PERCENT SITE COVERAGE 75.48%

INTERIOR PUBLIC AREA
 OPEN PUBLIC SPACE

South Block - Level 1



EXTERIOR OPEN SPACE 23,150 SF
 INTERIOR PUBLIC AREA 25,074 SF
 TOTAL OPEN SPACE 48,224 SF
 SITE COVERAGE 26,868 SF
 PERCENT SITE COVERAGE 44.82%

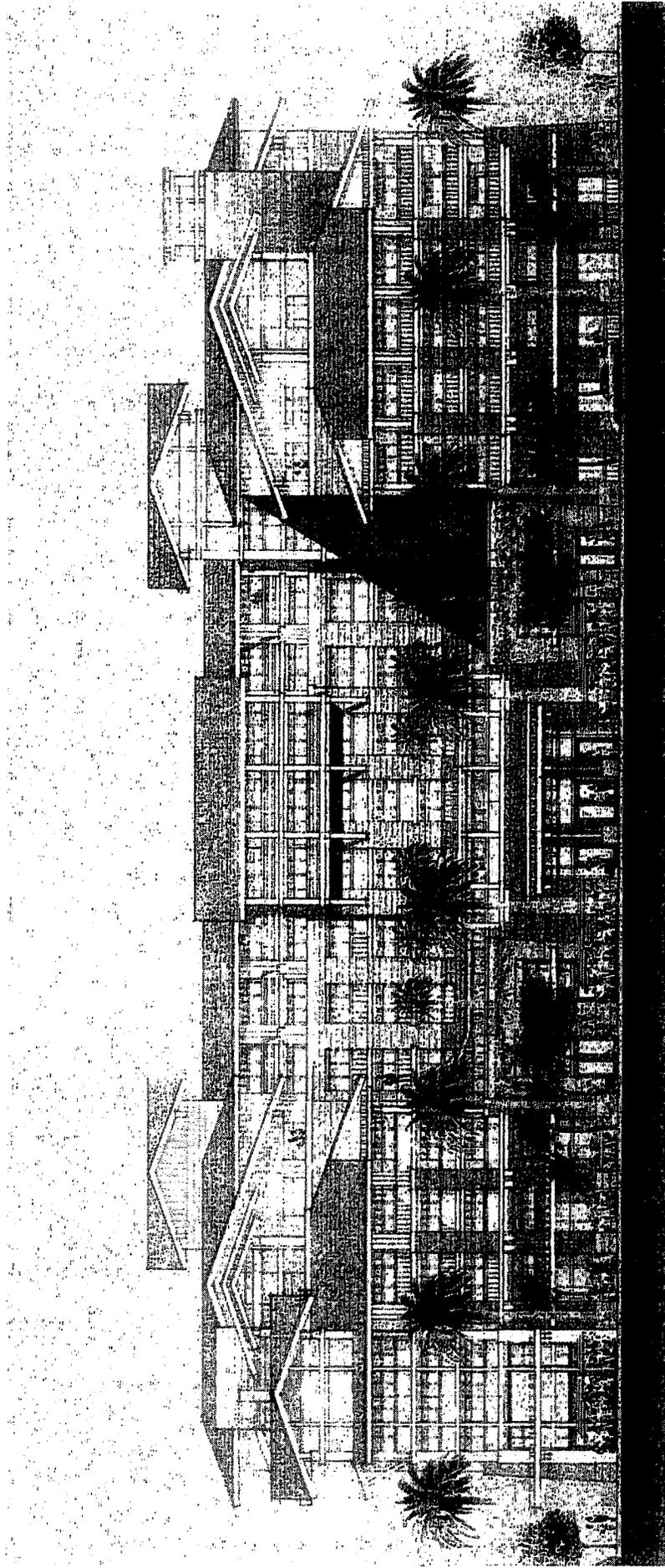
North Block - Level 1

OCEANSIDE
BEACHFRONT RESORT



Consultant Design Submittal
 20 June 2016

SD Architects Inc.



South Block - West Elevation

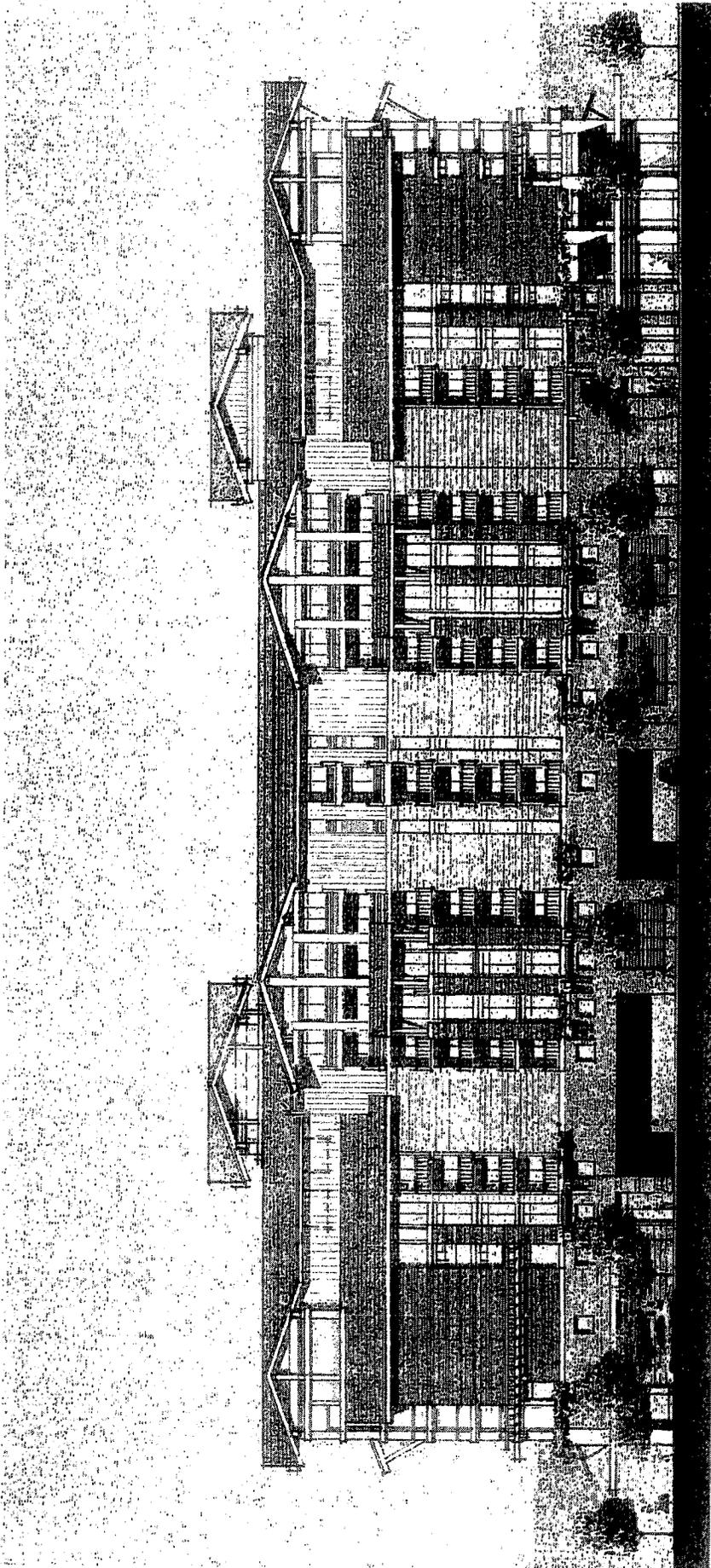


OCEANSIDE
BEACHFRONT RESORT

Concept Design Submittal
Volume 1 of 2

S.J. Architects





South Block - East Elevation

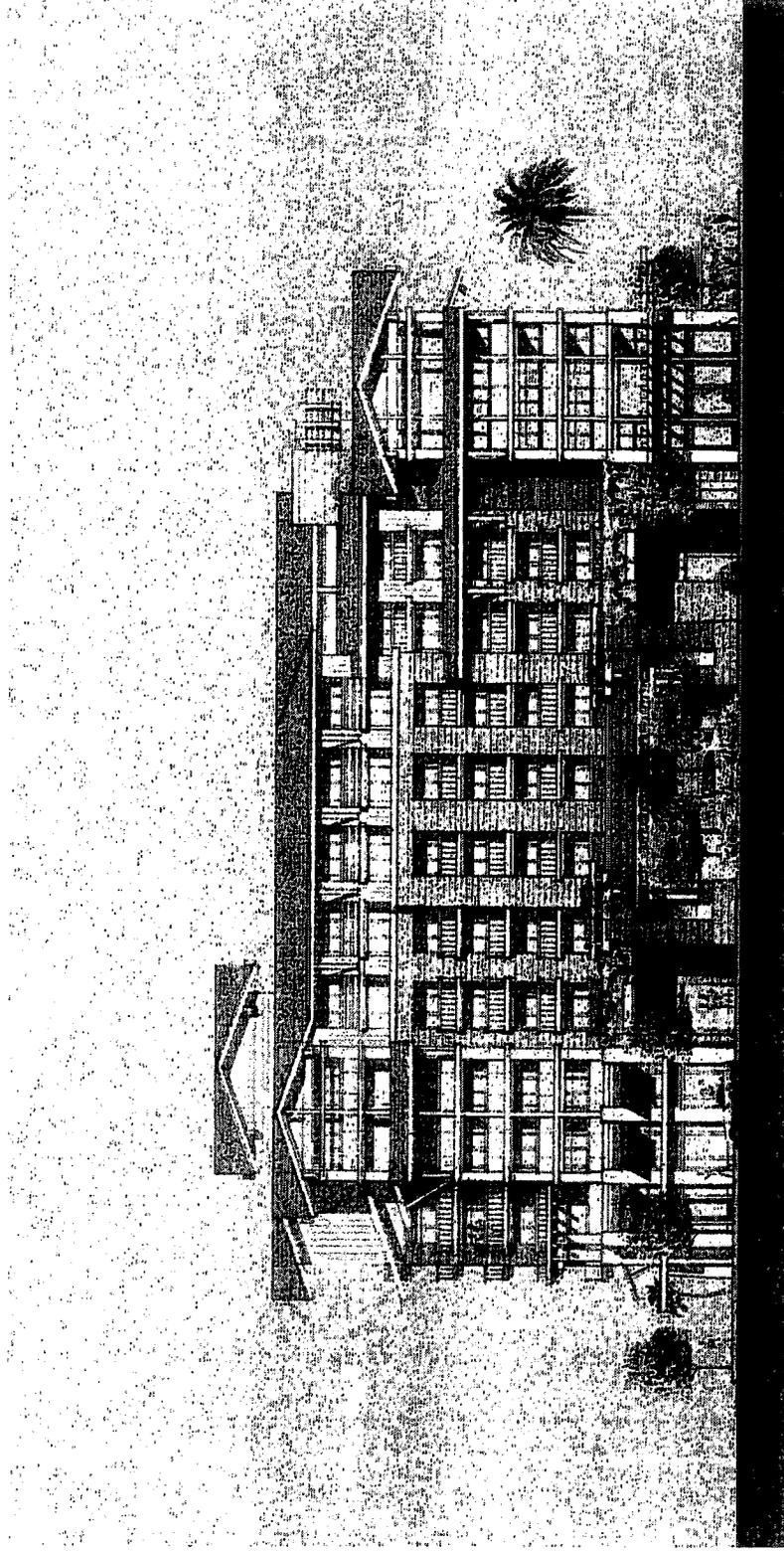


OCEANSIDE

BEACHFRONT RESORT

Concept Design - Architectural
26 June 2010

SH ARCHITECTS



South Block - North Elevation

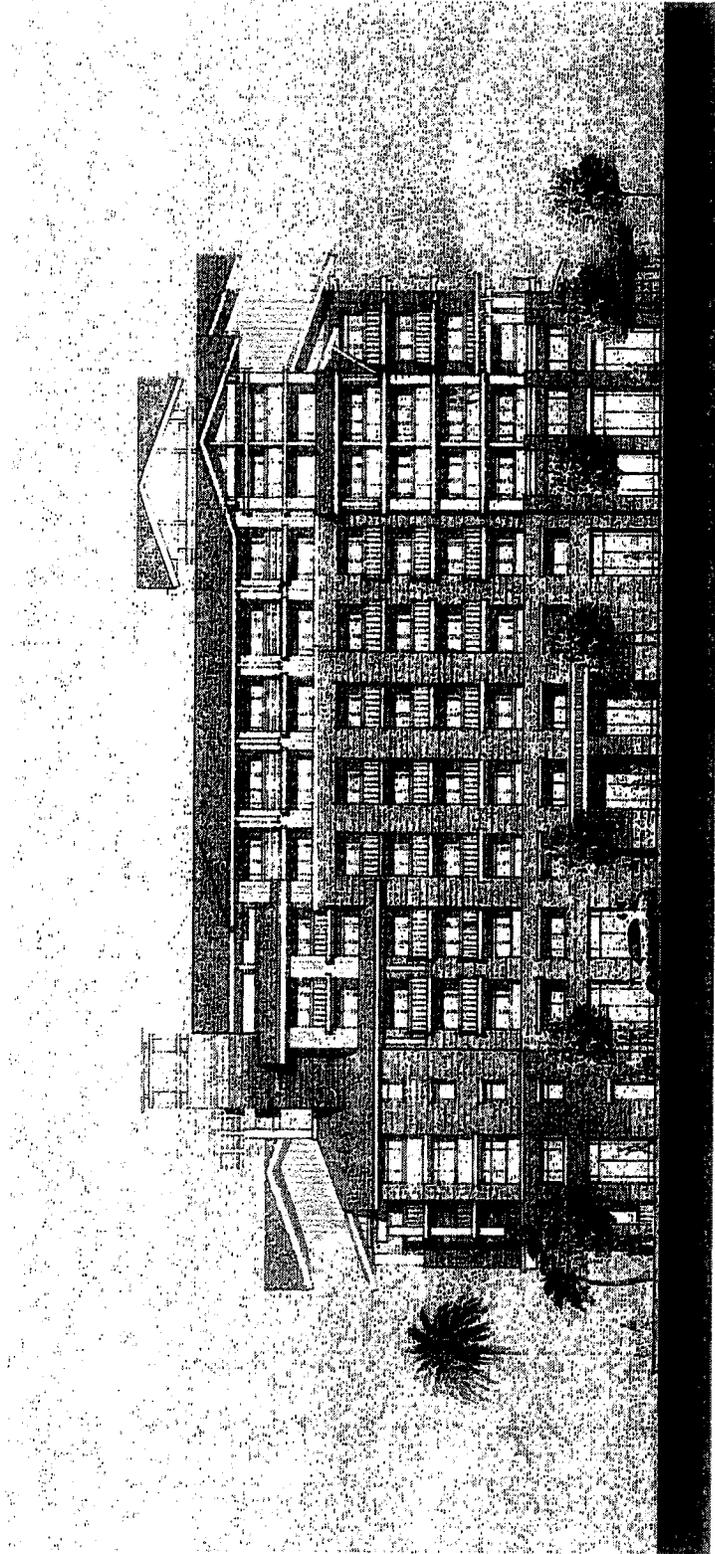
OCEANSIDE

BEACHFRONT RESORT

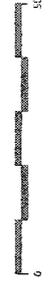


Concept Design Submitted
26 June 2006

SJH Architects Pty. Ltd.



South Block - South Elevation

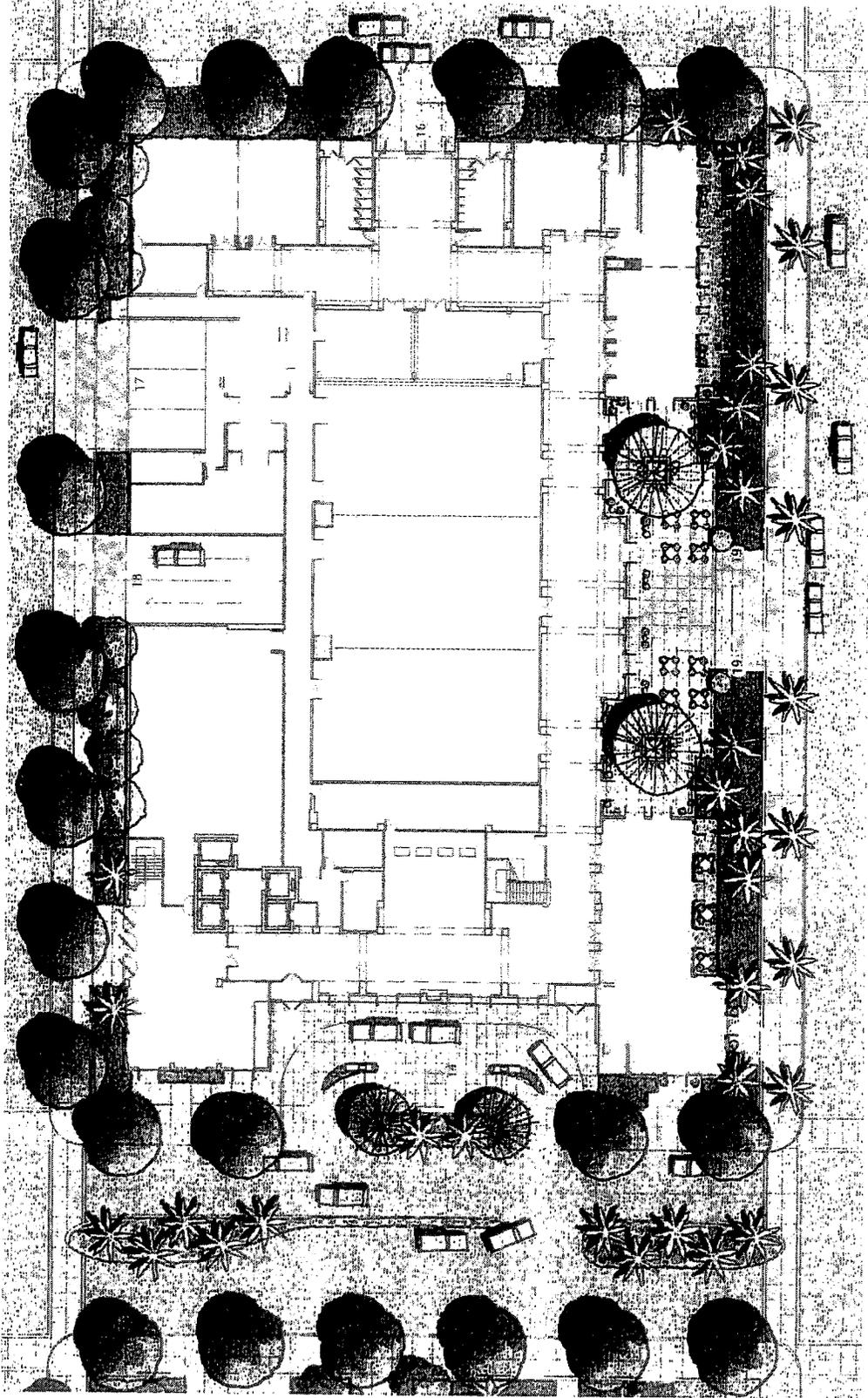


OCEANSIDE

BEACHFRONT RESORT

Concept Design Summary
16-June-2006

SP Architects, Inc.



- KEY TO THE PLAN**
1. NORTH BLOCK ARRIVAL PLAZA
 2. PUBLIC OPEN SPACE COURTYARD P&F
 3. "TOP GUN HOUSE" RESTAURANT
 4. DINING TERRACE
 5. RESTAURANT WAITING TERRACE
 6. PALM TREES (TYPE)
 7. GARDEN PLANTINGS
 8. LILY POND
 9. WATER FOUNTAIN WITH BUBBLE JETS
 10. TORCHIERE COUNTRY LOUNGE
 11. RECEPTION BREAK-OUT TERRACE
 12. RECEPTION CHAIR LAUNDRY RISER
 13. LOUNGE CHAIR LAUNDRY
 14. HOTEL ARRIVAL PLAZA
 15. PUBLIC OPEN SPACE PLAZA & CONFER
 16. CENTER BREAK-OUT TERRACE
 17. DAY SPA ARRIVAL COURTY
 18. SERVICE DRIVE
 19. GARAGE ENTRY

South Block - Landscape Plan

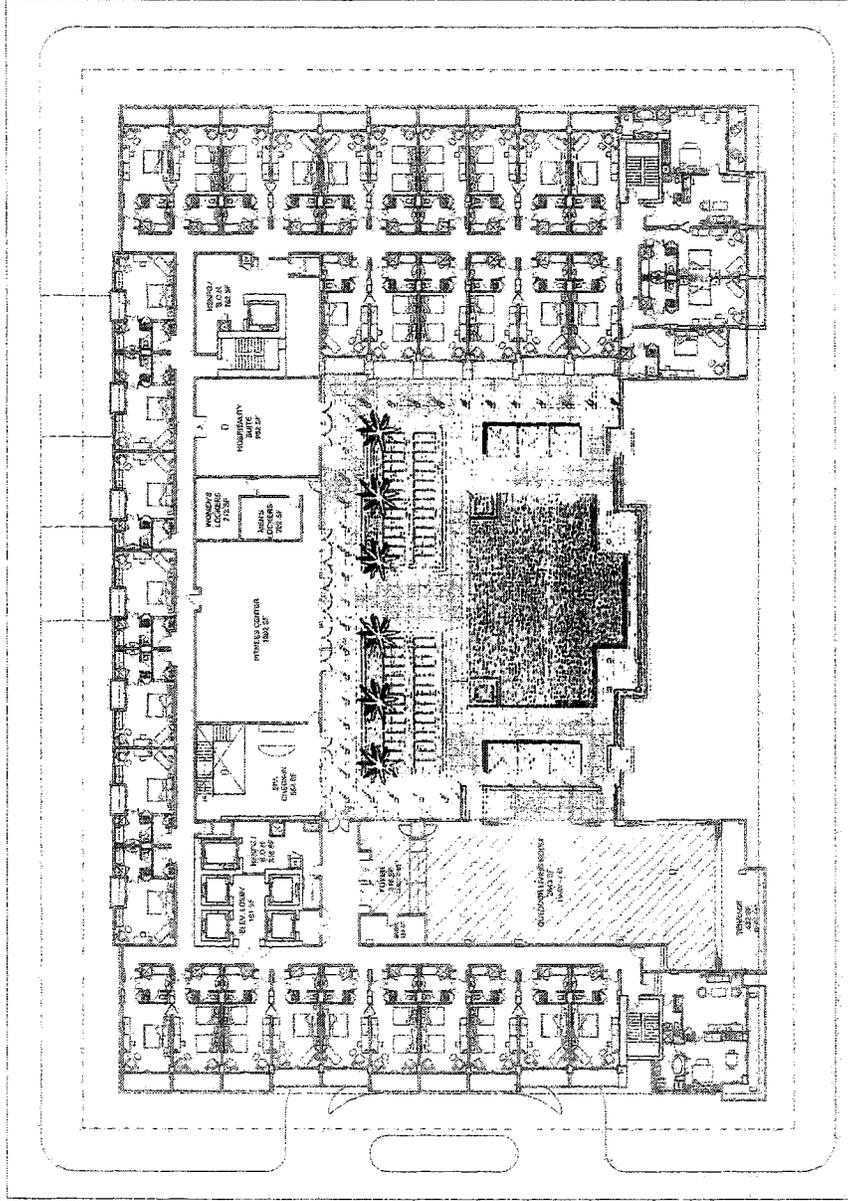
OCEANSIDE
 BEACHFRONT RESORT



COMPLETED SUBMITTAL
 10/11/06

S. D. Walker Associates, Inc.

MYERS STREET

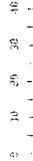


SEAGRAZE DRIVE

MISSION AVENUE

PACIFIC STREET

South Block Pool Deck



OCEANSIDE

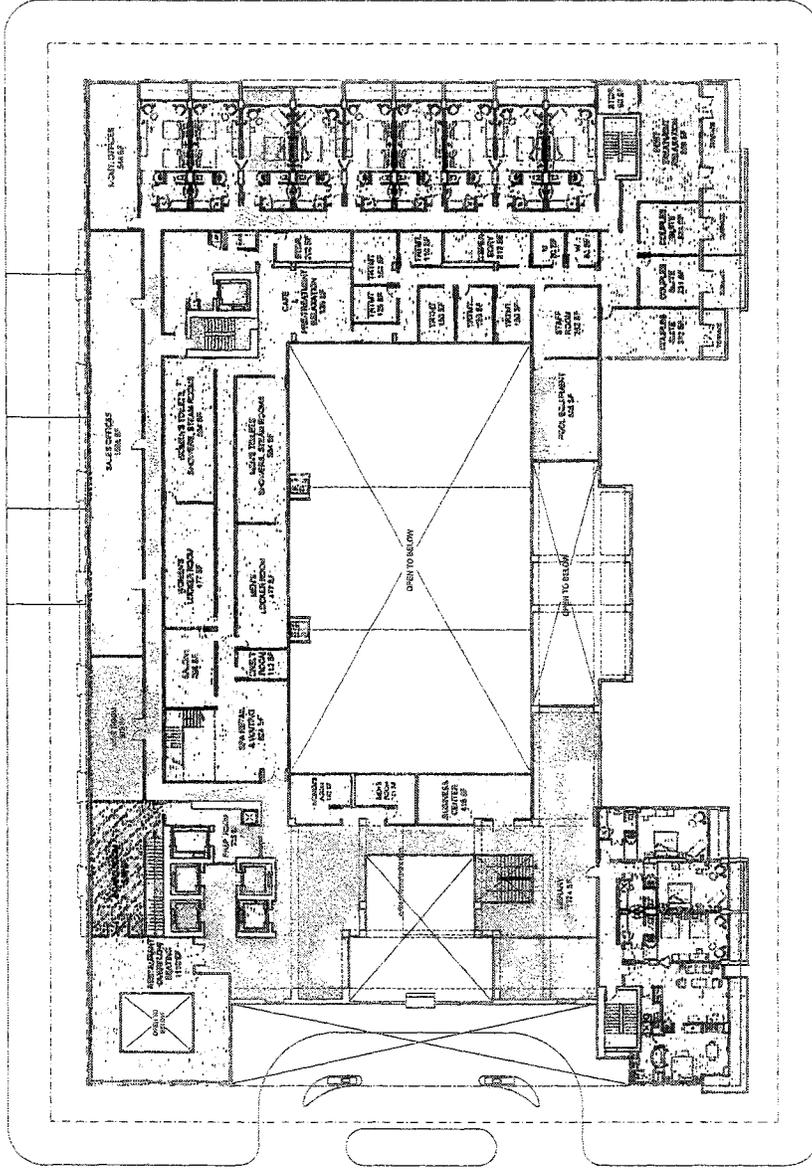
BEACHFRONT RESORT



Architectural Design Submittal
26 June 2016

SM ARCHITECTS

MYERS STREET



MISSION AVENUE

SEAGRAZE DRIVE

PACIFIC STREET

INTERIOR PUBLIC AMENITY

South Block - Level 2



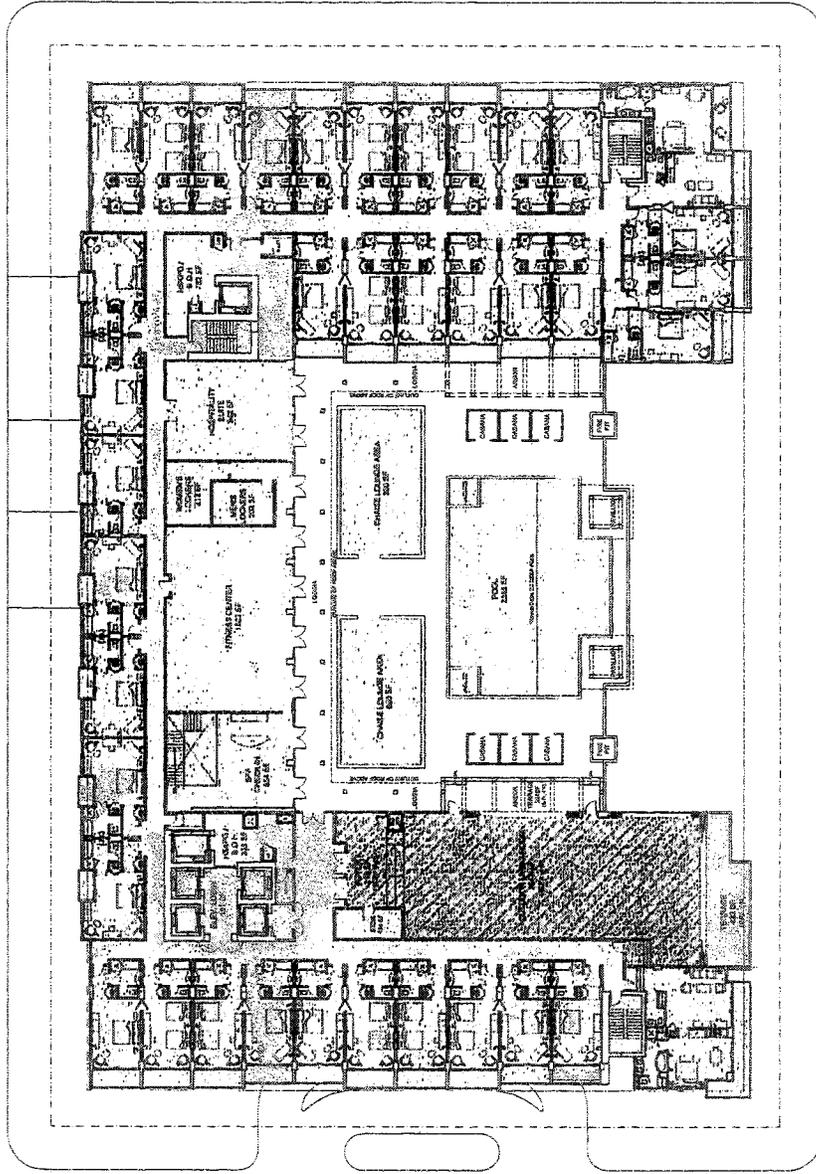
OCEANSIDE

BEACHFRONT RESORT

Concept Design Submitted
30 June 2006

S.D. Mulligan Architects Inc.

MYERS STREET

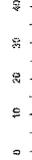


SEAGAZZ DRIVE

MISSION AVENUE

PACIFIC STREET

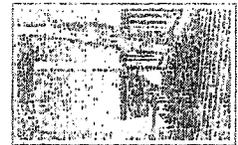
INTERIOR PUBLIC AGENCY



South Block - Level 3
35 Standard Rooms, 3 Suites

OCEANSIDE

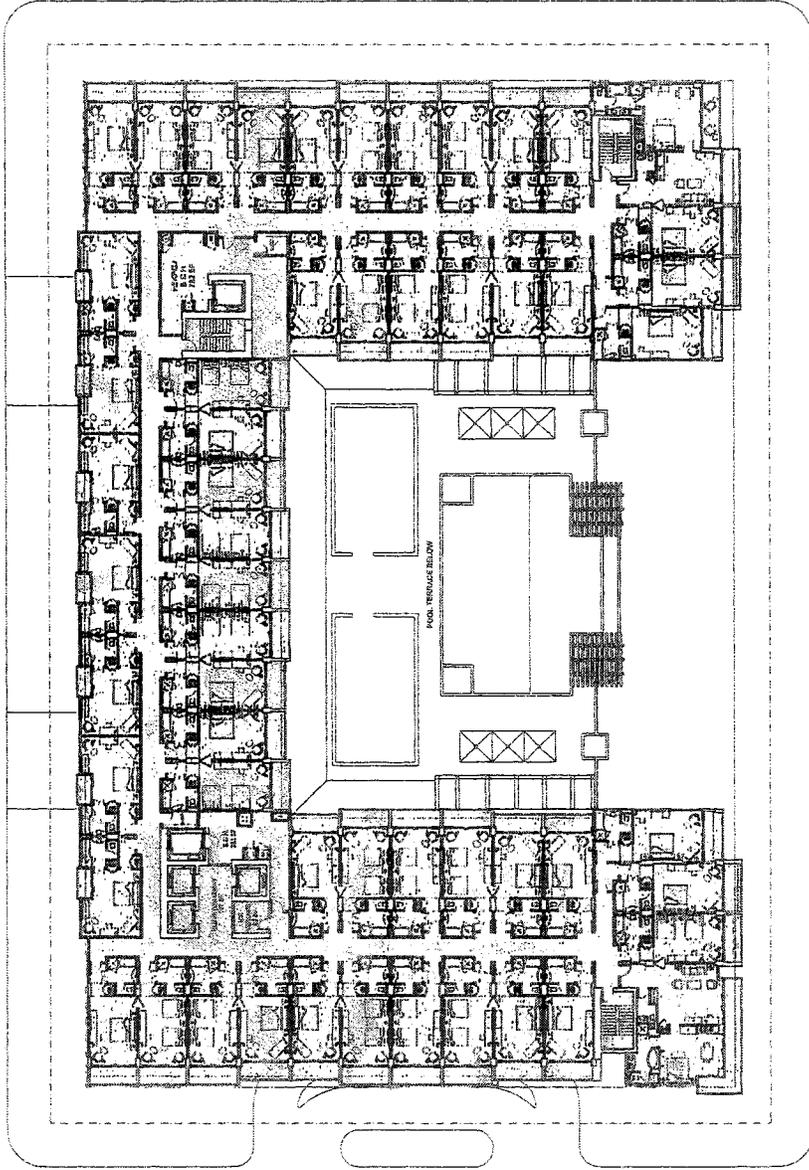
BEACHFRONT RESORT



Concept Design Submitted
26 June 2016

SM ARCHITECTS

MYERS STREET



BEACON DRIVE

MISSION AVENUE

PACIFIC STREET

South Block - Level 4
53 Standard Rooms, 2 Suites

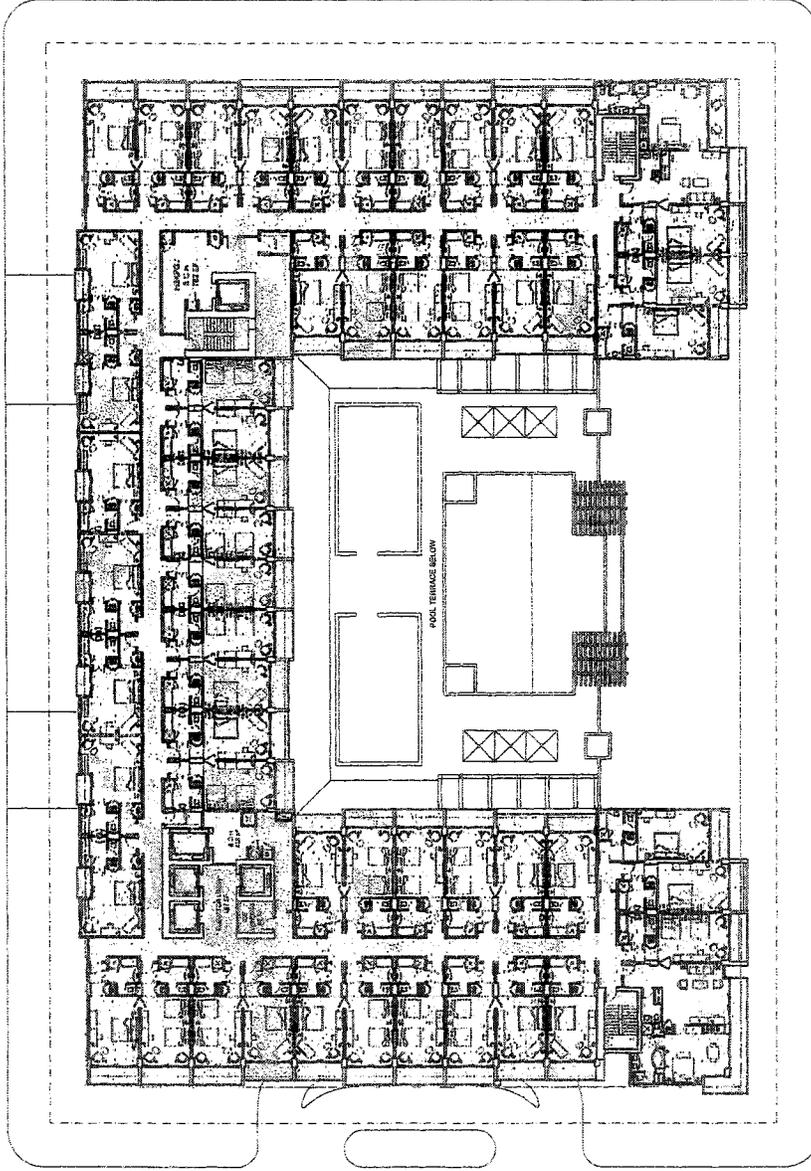


OCEANSIDE
BEACHFRONT RESORT

Conceptual Design - Architectural
26 April 2006

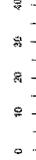
S.D. Williams Architects, Inc.

MYERS STREET



SEAGAZE DRIVE

MISSION AVENUE



PACIFIC STREET

South Block - Level 5
47 Standard Rooms, 5 Suites

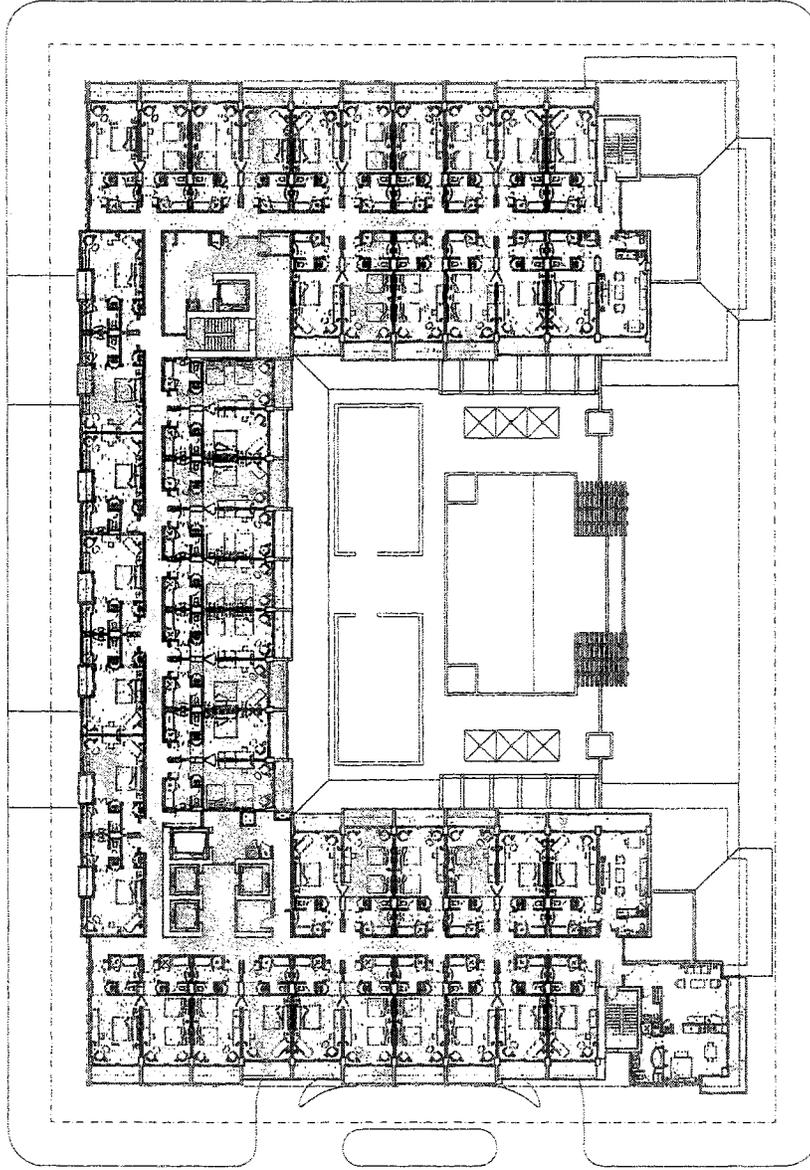
OCEANSIDE
BEACHFRONT RESORT



Concept Design Submittal
26 June 2006

SM ARCHITECTS, INC.

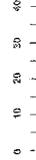
MYERS STREET



SEAGAZE DRIVE

MISSION AVENUE

PACIFIC STREET



South Block - Level 6
39 Standard Rooms, 6 Suites



OCEANSIDE

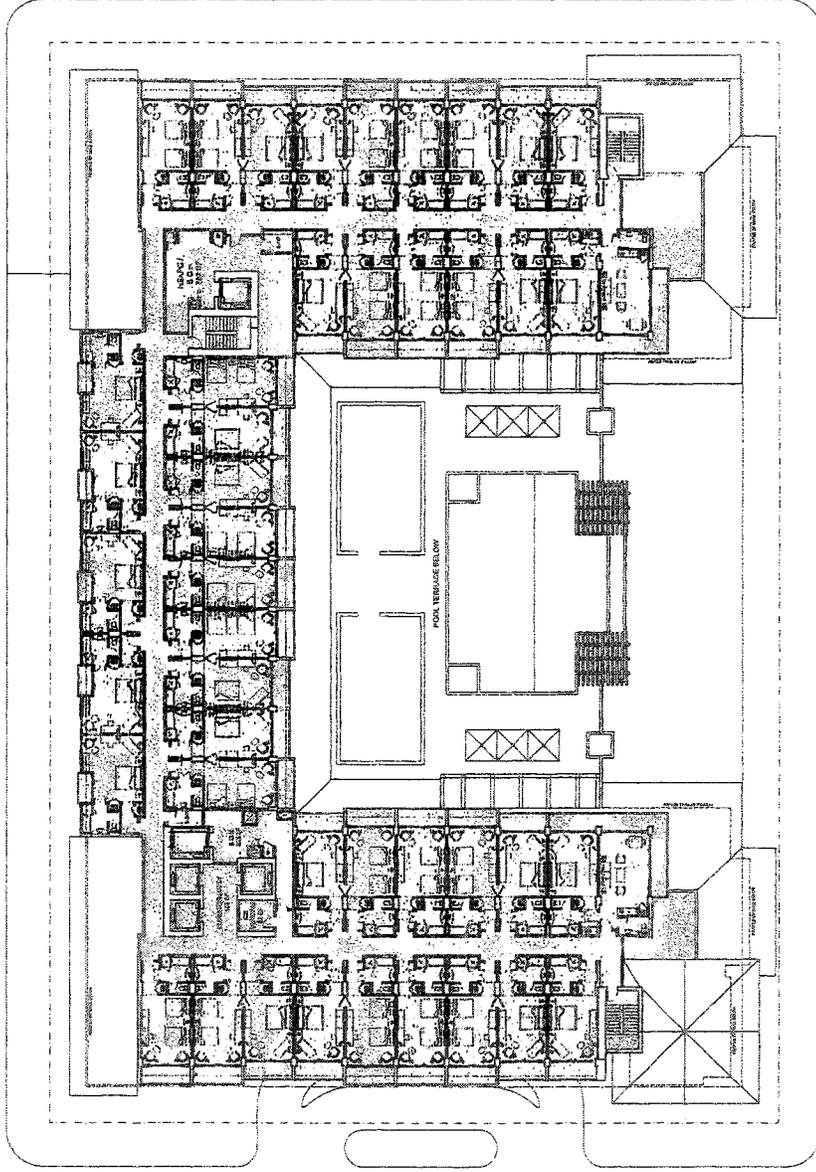
BEACHFRONT RESORT

Consultant: Design: NEHALL
20 June 2010

STP Architects, Inc.

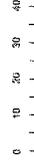
SEAGRAZE DRIVE

MYERS STREET



MISSION AVENUE

PACIFIC STREET



South Block - Level 7

41 Standard Rooms, 2 Suites



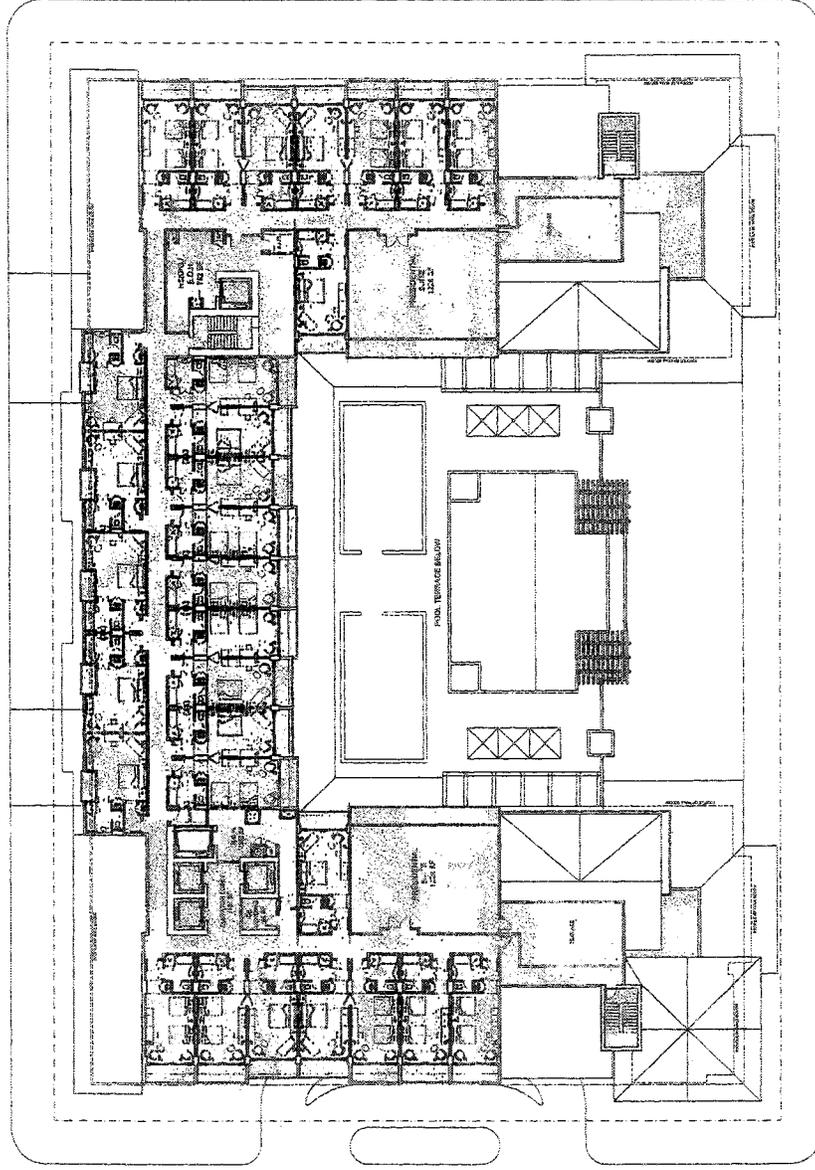
OCEANSIDE

BEACHFRONT RESORT

Concept: Jason Schmitt
26 June 2009

SJM ARCHITECTS

MYERS STREET



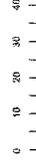
SEAGAZE DRIVE

MISSION AVENUE

PACIFIC STREET

South Block - Level 8

25 Standard Rooms, 2 Presidential Suites

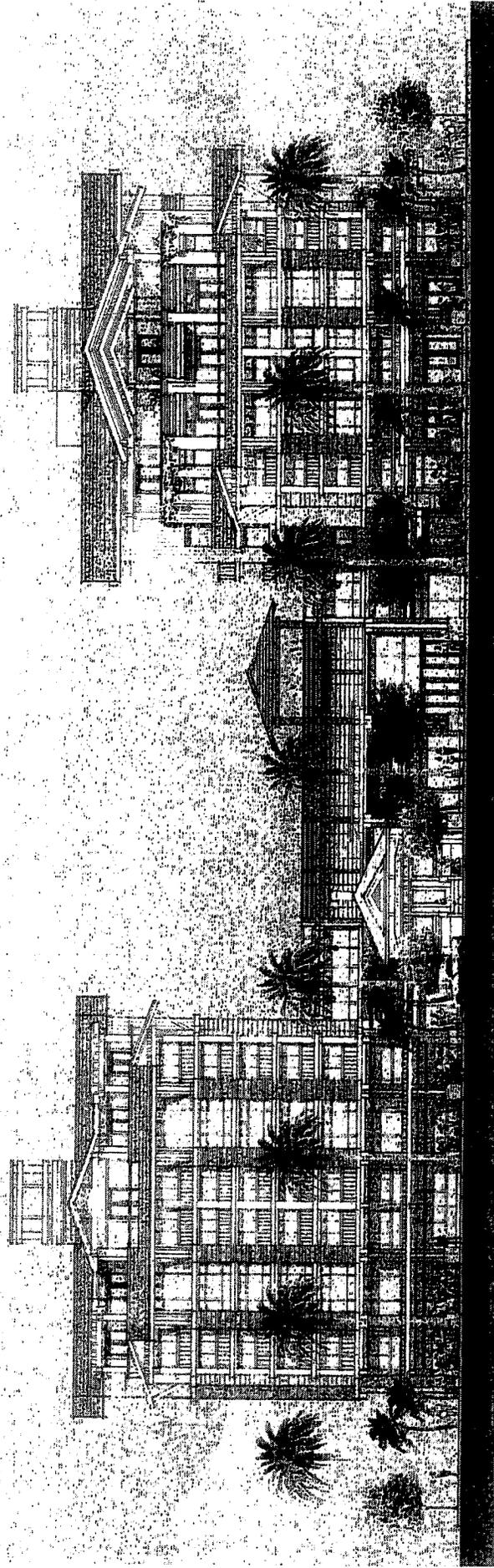


OCEANSIDE

BEACHFRONT RESORT

Collaborative Design Partnership
 June 2006

SH ARCHITECTS



North Block - West Elevation



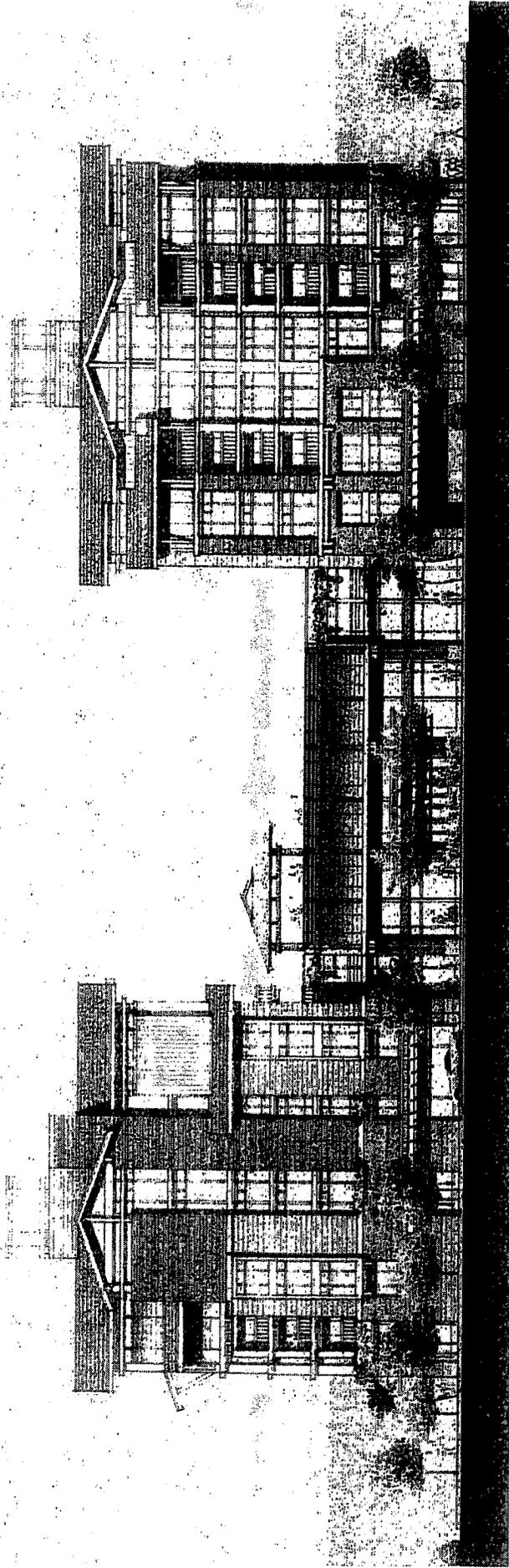
OCEANSIDE

BEACHFRONT RESORT



Concept Design Studio
26 June 2006

SHI ARCHITECTS, INC.



North Block - East Elevation

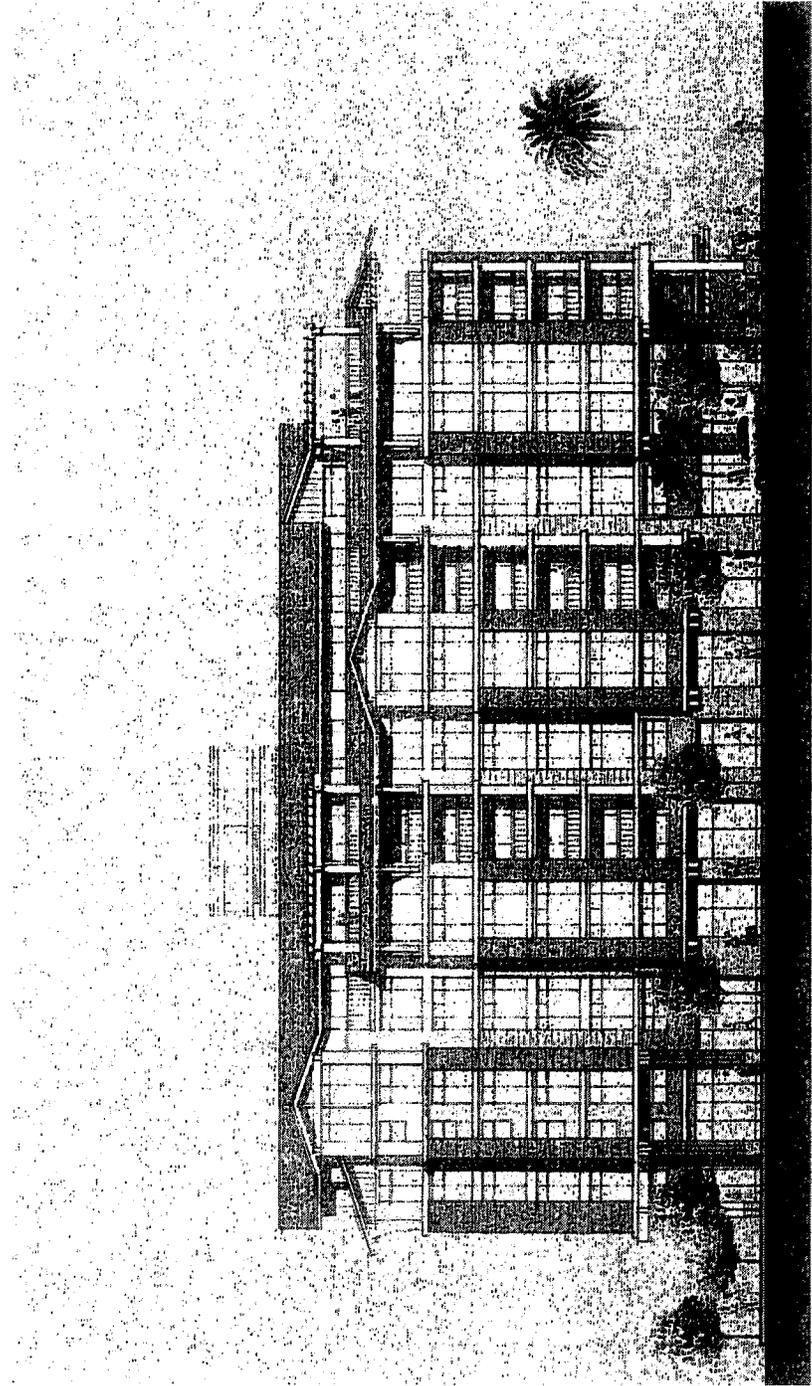


OCEANSIDE

BEACHFRONT RESORT

© 2010 SH Architects, Inc.

Architectural Division
26 June 2010



North Block - North Elevation



OCEANSIDE

BEACHFRONT RESORT

Princeps Design Studio
20 June 2016

Sid Walsh Properties, Inc.



North Block - South Elevation



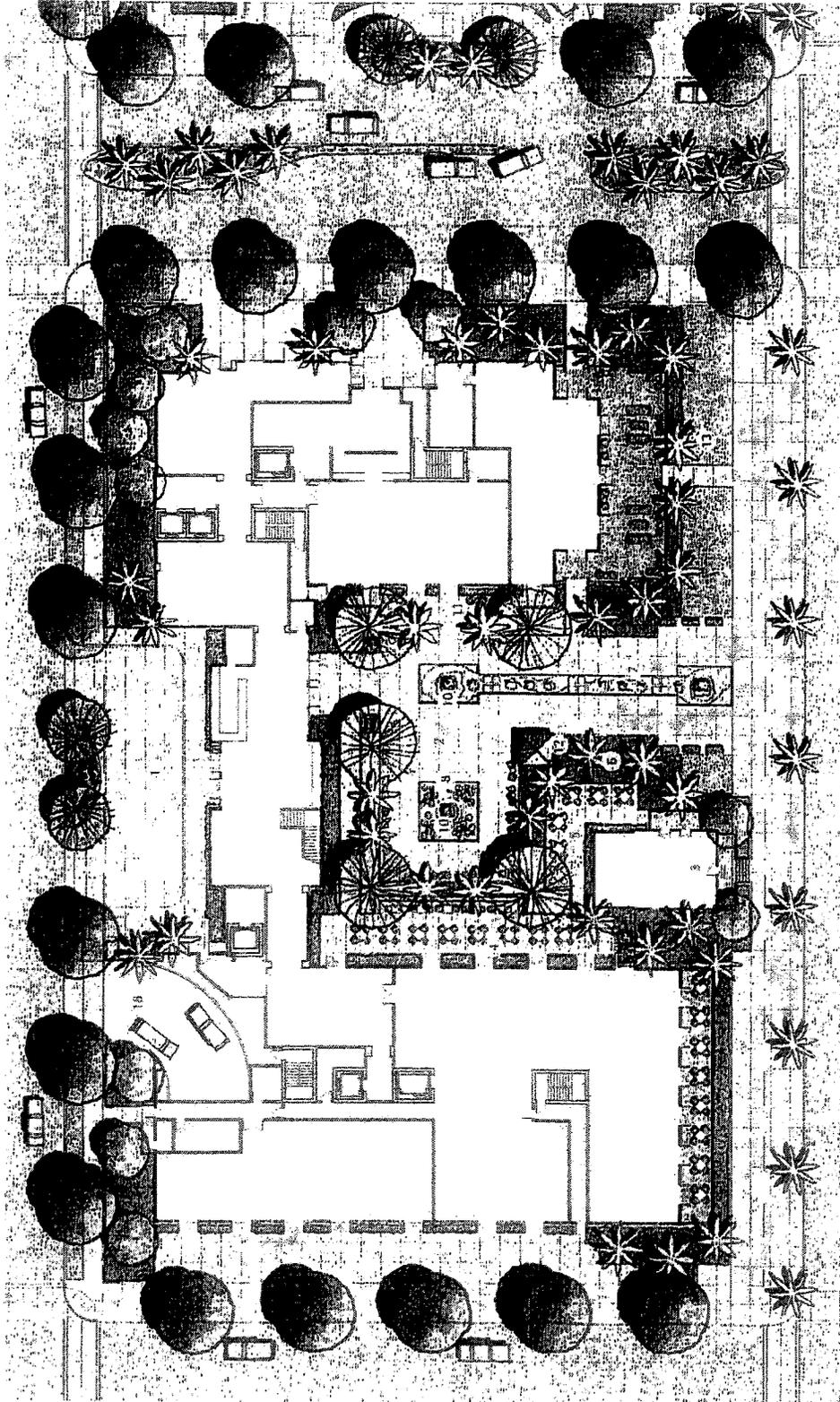
OCEANSIDE

BEACHFRONT RESORT

Commercial Project Schedule

36 May 2009

San Juan Capistrano, CA



- KEY TO THE PLAN**
1. NORTH BLOCK ARRIVAL PLAZA
 2. PUBLIC SPA, GOLF COURTYARD PARK
 3. "TOP GUN" HOUSE RESTAURANT
 4. RECEPTION
 5. DINING TERRACE
 6. RESTAURANT WAITING TERRACE
 7. PALM TREES (TYP)
 8. GARDEN PLANTINGS
 9. LILY POND
 10. WATER RUNNEL WITH BUBBLE JETS
 11. TORCHIERE FOUNTAIN URNS
 12. MEETING ROOM BREAKOUT TERRACE
 13. REFRESHMENT / SANITARY KIOSK
 14. LOUNGE CHAIRS / LAWN
 15. PUBLIC OPEN SPACE PLAZA & CONFERENCE CENTER BREAKOUT TERRACE
 16. DAY SPA ARRIVAL COURT
 17. SERVICE DRIVE
 18. GARAGE ENTRY
 19. THEMED PLANTER URN ON PEDESTAL

North Block - Landscape Plan

OCEANSIDE

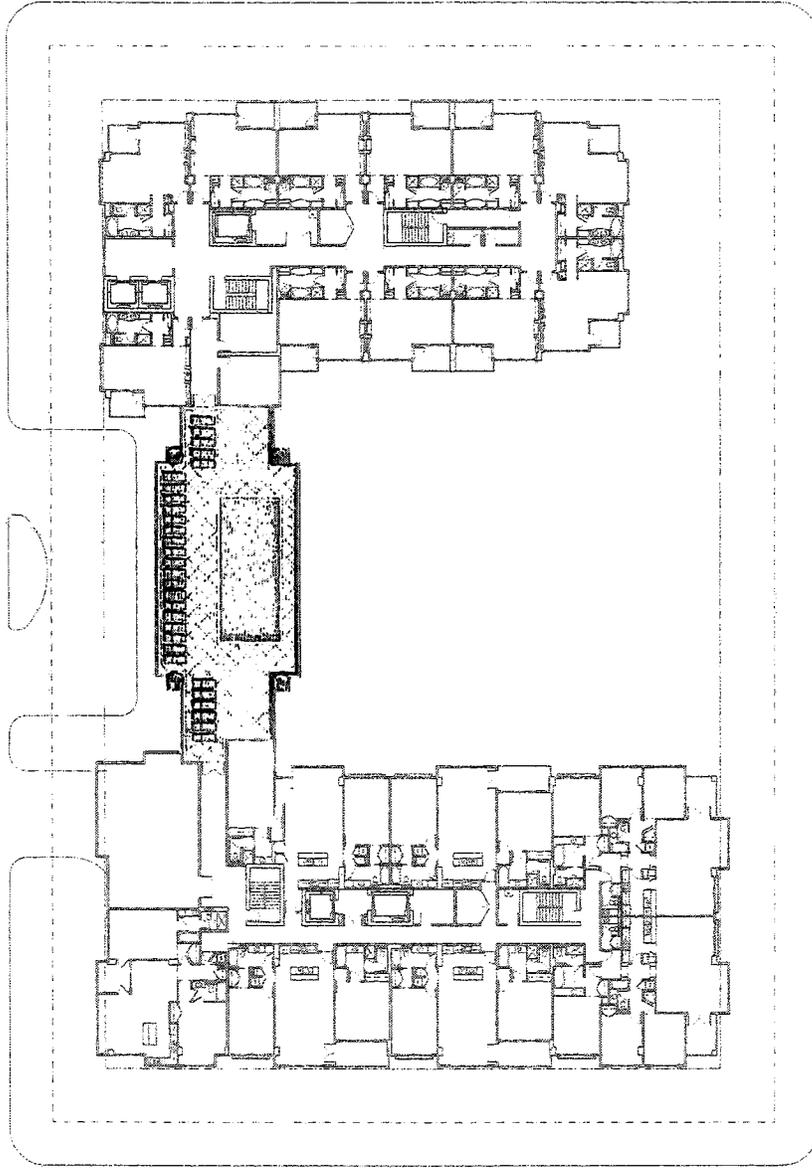
BEACHFRONT RESORT



Space Design Submittal
26 June 2016

Six Month Properties, Inc.

MYERS STREET



FRENCH WAY

MISSION AVENUE

PACIFIC STREET

North Block Pool Deck

0 10 20 30 40



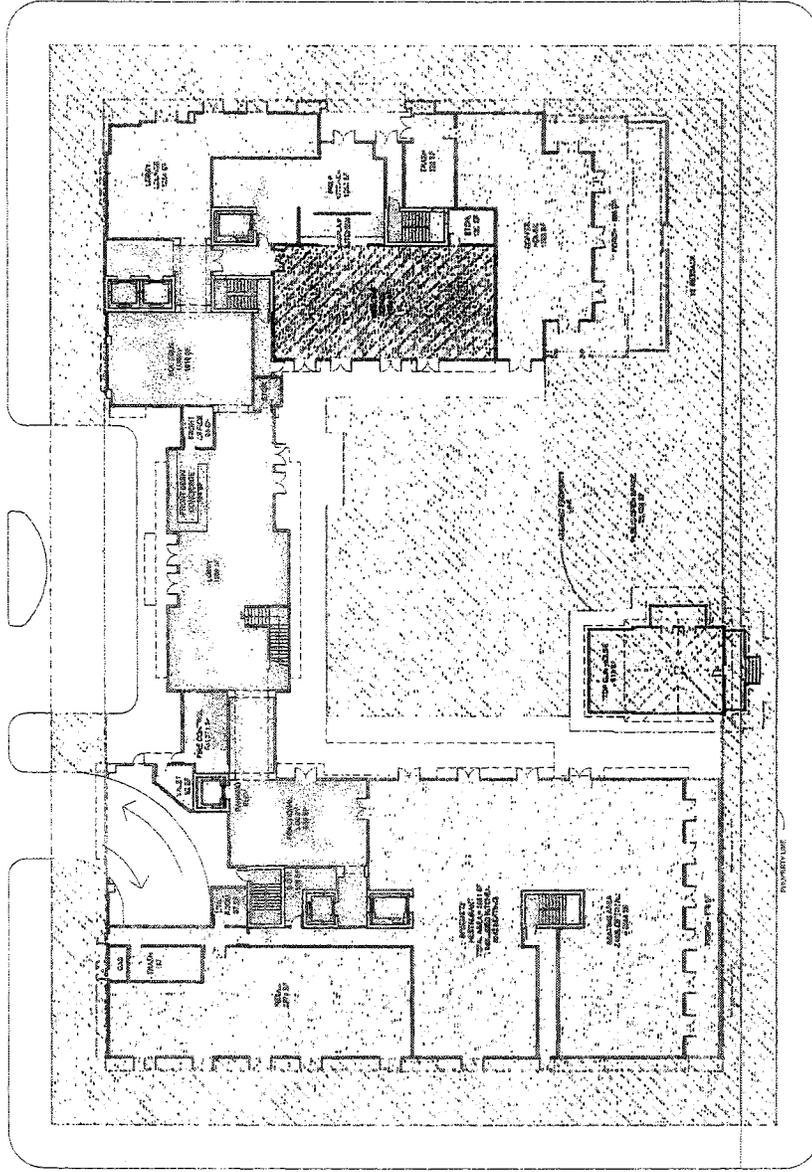
OCEANSIDE

BEACHFRONT RESORT

Architectural Submission
06 June 2006

S.D. Martin, Robert H. H. H.

MYERS STREET



MISSION AVENUE

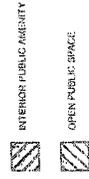
PIER VIEW WAY

PACIFIC STREET

North Block - Level 1



EXTERIOR OPEN SPACE	23,150 SF
INTERIOR PUBLIC AMENITY	1,926 SF
TOTAL OPEN SPACE	25,076 SF
SITE COVERAGE	26,686 SF
SITE AREA	60,000 SF
PERCENT SITE COVERAGE	44.48%



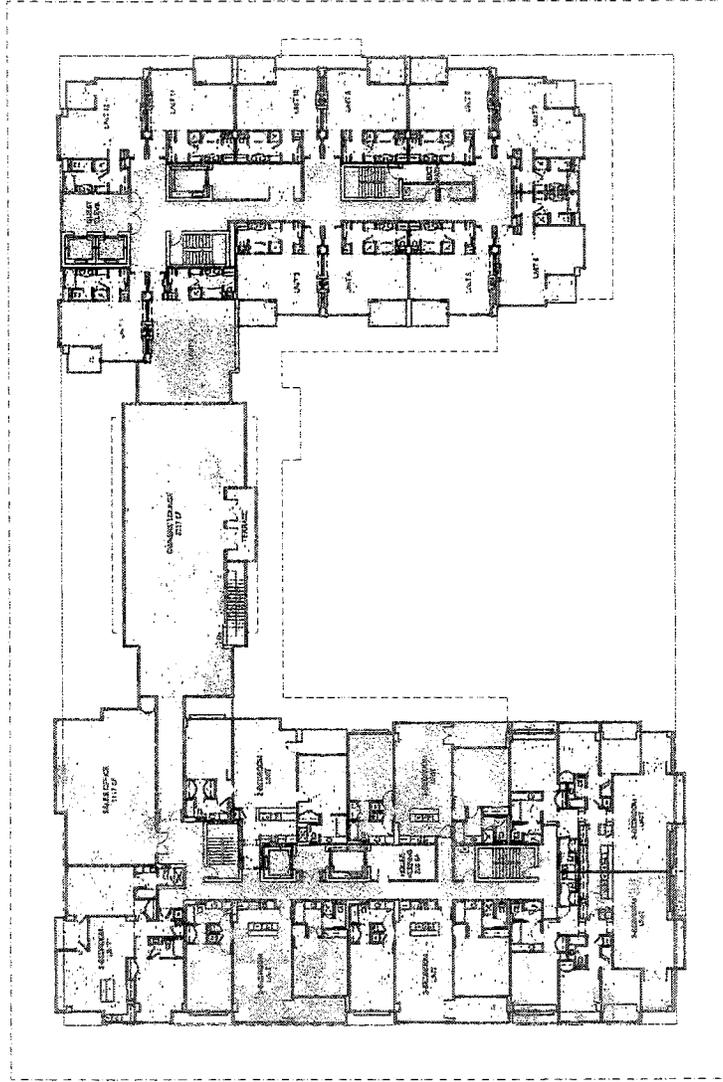
OCEANSIDE

BEACHFRONT RESORT

Concept Design Submission
26 June 2006

SJM ARCHITECTS

MYERS STREET



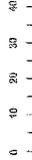
MISSION AVENUE

PIER VIEW WAY

PACIFIC STREET

North Block - Level 2

5 2-BR Fractionals, Timeshare, 2 3-BR Fractionals, Timeshare,
12 Boutique Suites, Owners' Lounge and Sales Offices



OCEANSIDE

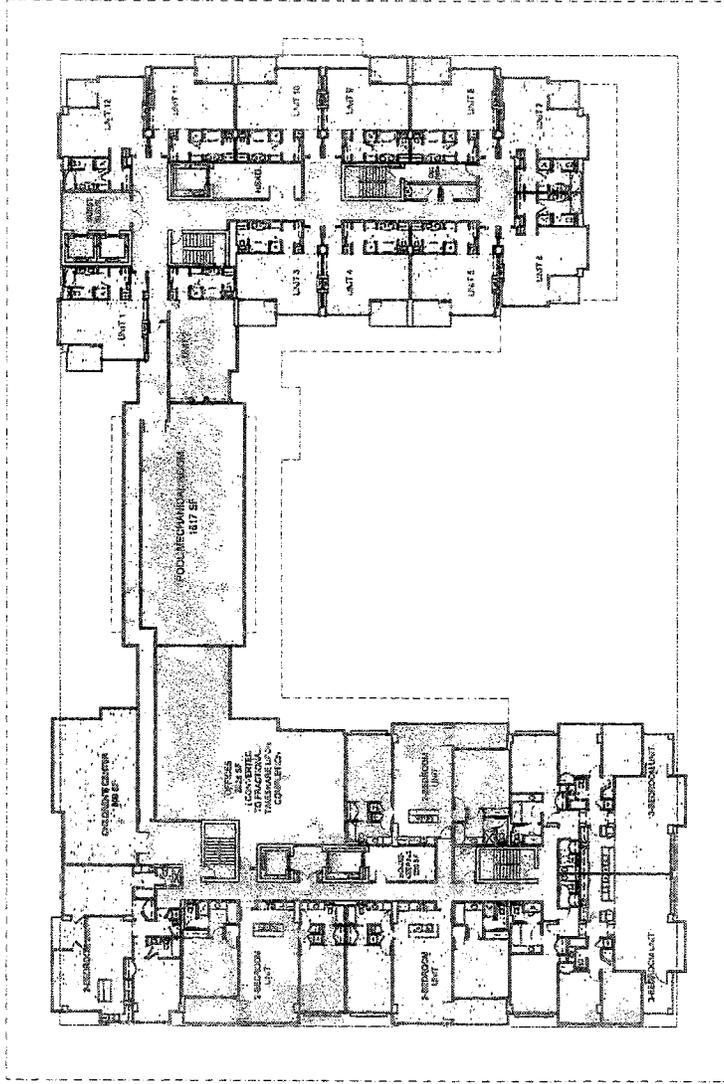
BEACHFRONT RESORT

S.D. Martin Properties, Inc.

Architectural Plans
26 June 2006

MISSION AVENUE

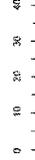
MYERS STREET



PIER VIEW WAY

PACIFIC STREET

North Block - Level 3
 4 2-BR Fractionals/Timeshare, 2 3-BR Fractionals/Timeshare,
 12 Boutique Suites, Children's Center, Offices and Pool Mechanical

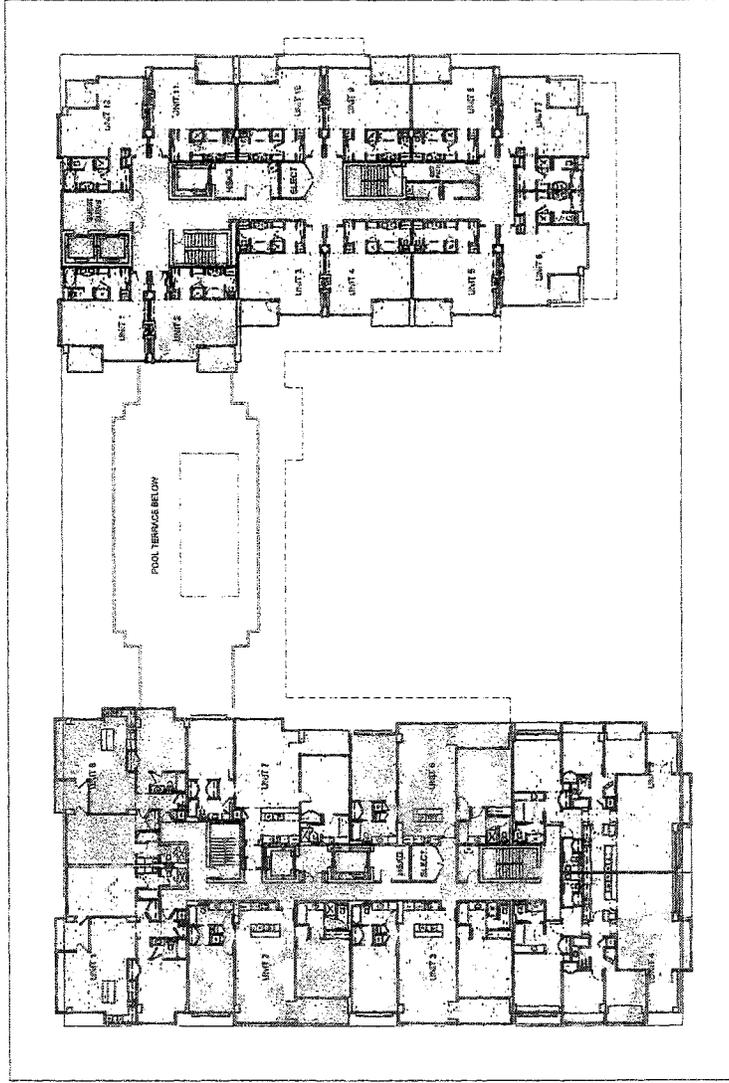


OCEANSIDE
 BEACHFRONT RESORT

SR ARCHITECTS
 2010 Pacific Street
 San Diego, CA 92101
 Tel: 619.594.1111

SR ARCHITECTS, INC.

MYERS STREET

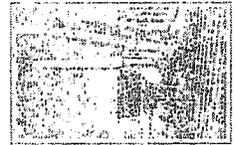
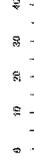


PIER VIEW WAY

MISSION AVENUE

PACIFIC STREET

North Block - Level 5
 6 2-BR Fractionals/Timeshare, 2 3-BR Fractionals/Timeshare,
 and 12 Fractional Timeshare or Boutique Suites



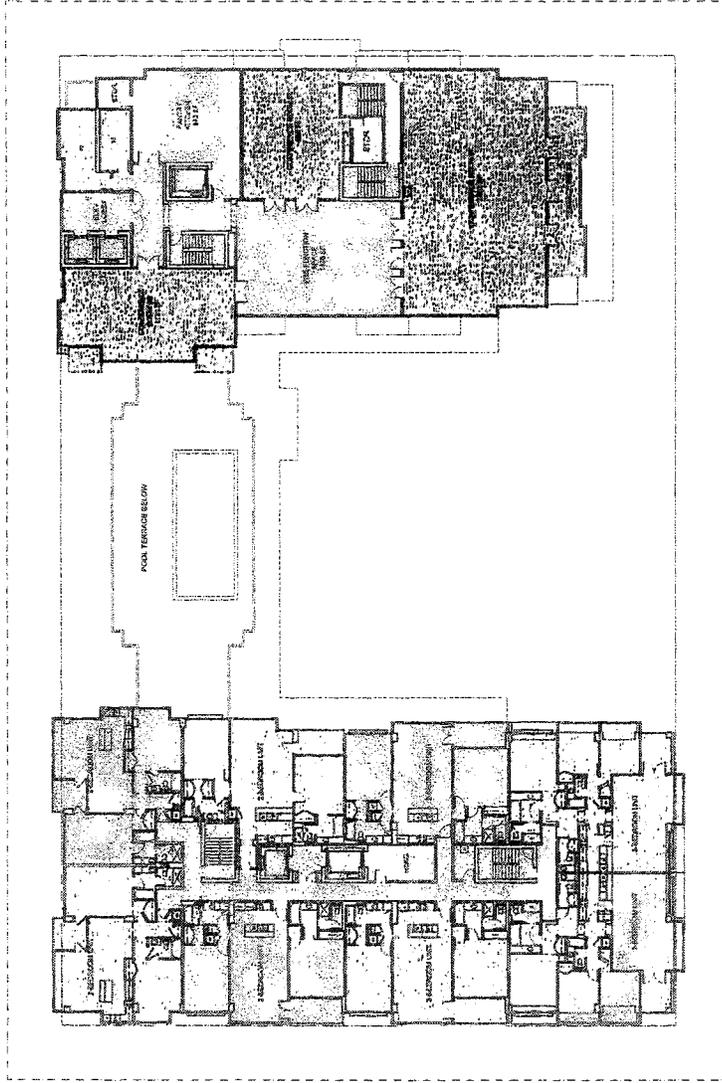
OCEANSIDE

BEACHFRONT RESORT

University Design Studio
 26 June 2006

S.D. Mallory Properties, Inc.

MYERS STREET



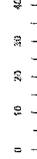
MISSION AVENUE

PIER VIEW WAY



PACIFIC STREET

North Block - Level 6
 6 2-BR Fractionals/Timeshare, 2 3-BR Fractionals/Timeshare,
 and Executive Meeting Facility

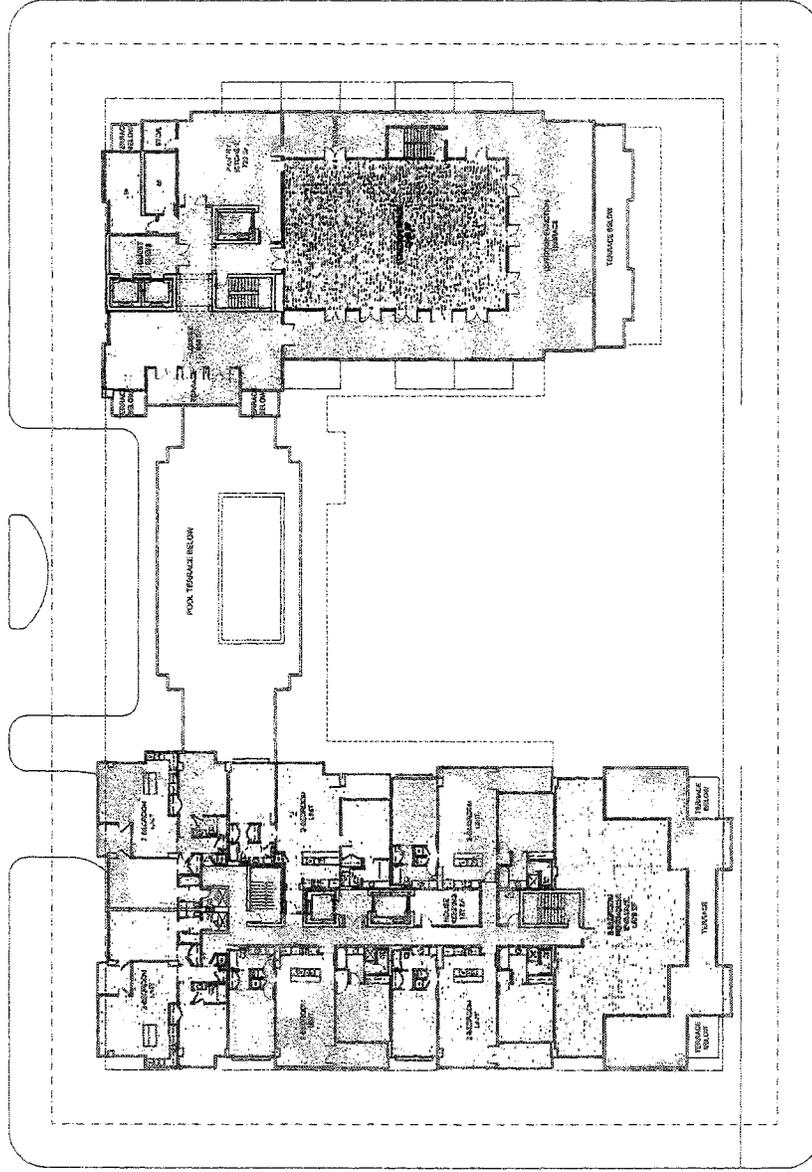


OCEANSIDE
 BEACHFRONT RESORT



26 June 2005

MYERS STREET



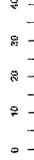
MISSION AVENUE

PINK VIEW WAY

PACIFIC STREET

North Block - Level 7

6 2-BR Fractionals/Timeshare, 1 3-BR Fractional/Timeshare,
Function Room, Function Terrace, Lounge and Pantry Kitchen



OCEANSIDE

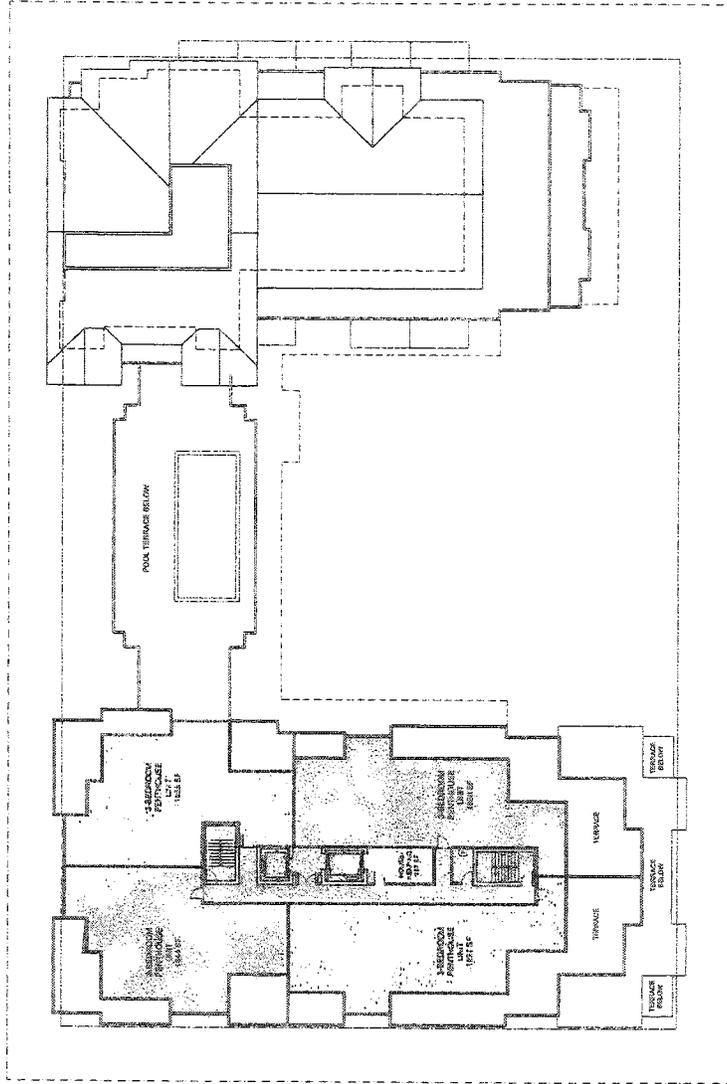
BEACHFRONT RESORT



SM ARCHITECTS
26 Jun 2009

SM ARCHITECTS

MYERS STREET

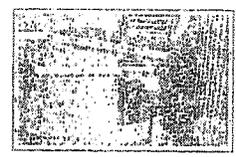


MUNICIPAL AVENUE

PIER VIEW WAY

PACIFIC STREET

North Block - Level 8
4-3-BR Fractionals/Timeshare



OCEANSIDE
BEACHFRONT RESORT



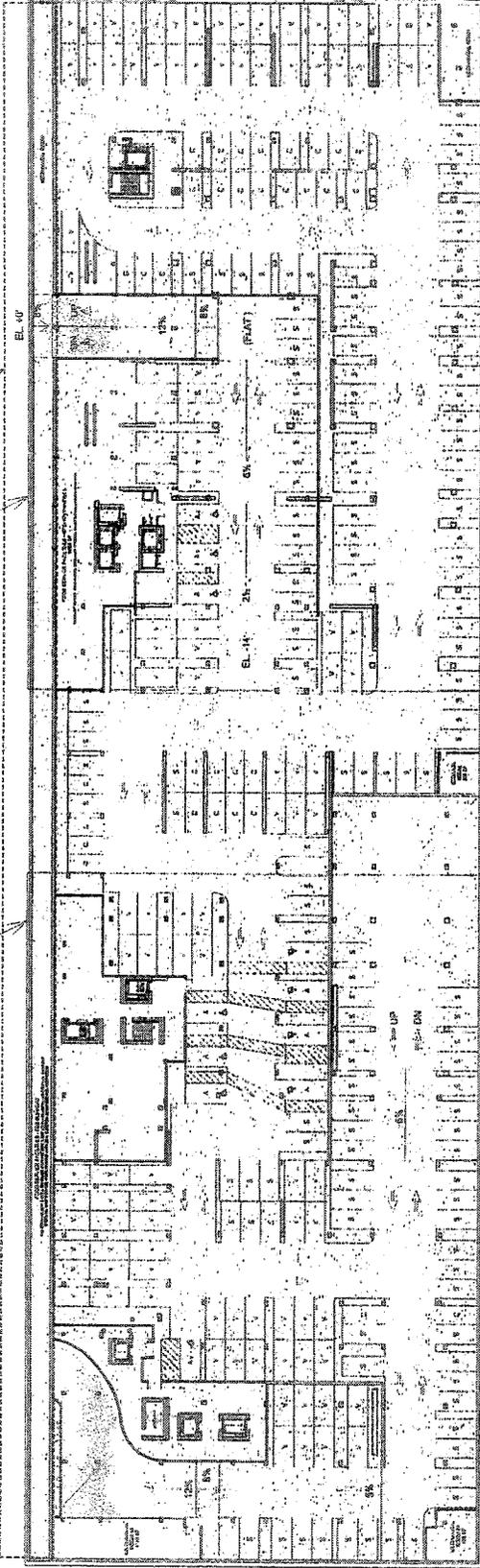
SM ARCHITECTS, INC.

Project Design Submittal
26 June 2010

POTENTIAL EXPANSION FOR FUTURE ALTERNATE PARKING LAYOUT

PROPERTY LINE

MYERS STREET



STANDARD SPACES:	146	(71%)
COMPACT SPACES:	36	(18%)
HANDICAP SPACES:	11	(5%)
VALET SPACES:	111	(56%)
TOTAL:	204	

Upper Parking Level

0 10 20 30 40

PACIFIC STREET
MISSION AVENUE



OCEANSIDE
BEACHFRONT RESORT

CONCEPT DESIGN SUBMITTAL
25 JUNE 2016

SDI ARCHITECTS

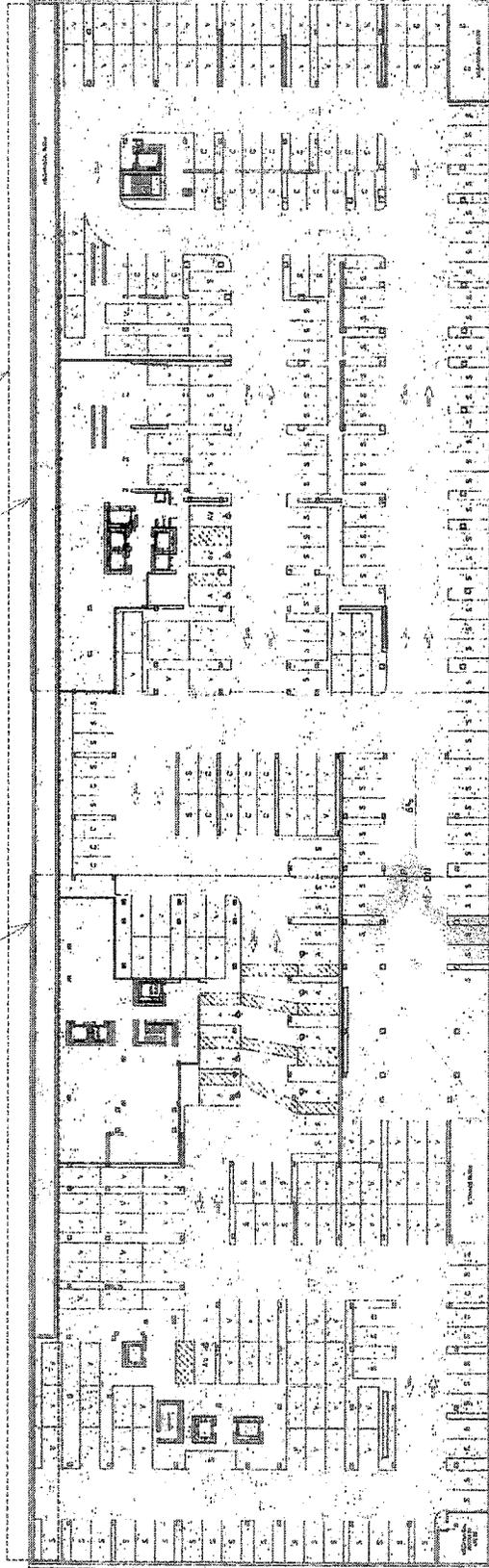
SPAZZS DRIVE

POTENTIAL EXPANSION FOR FUTURE ALTERNATE PARKING LAYOUT

PROPERTY LINE

MYERS STREET

PROPERTY LINE



STANDARD SPACES	133 (42%)
COMPACT SPACES	34 (11%)
HANDICAP SPACES	11 (3%)
VALET SPACES	141 (44%)
TOTAL:	319

Lower Parking Level



PACIFIC STREET
MISSION AVENUE

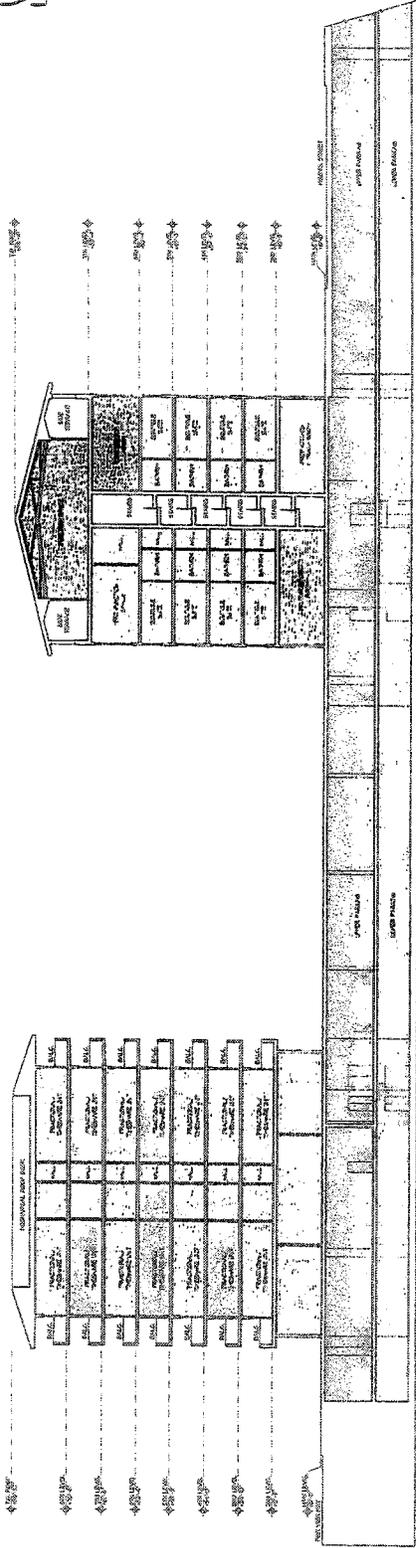
PIER VIEW WAY



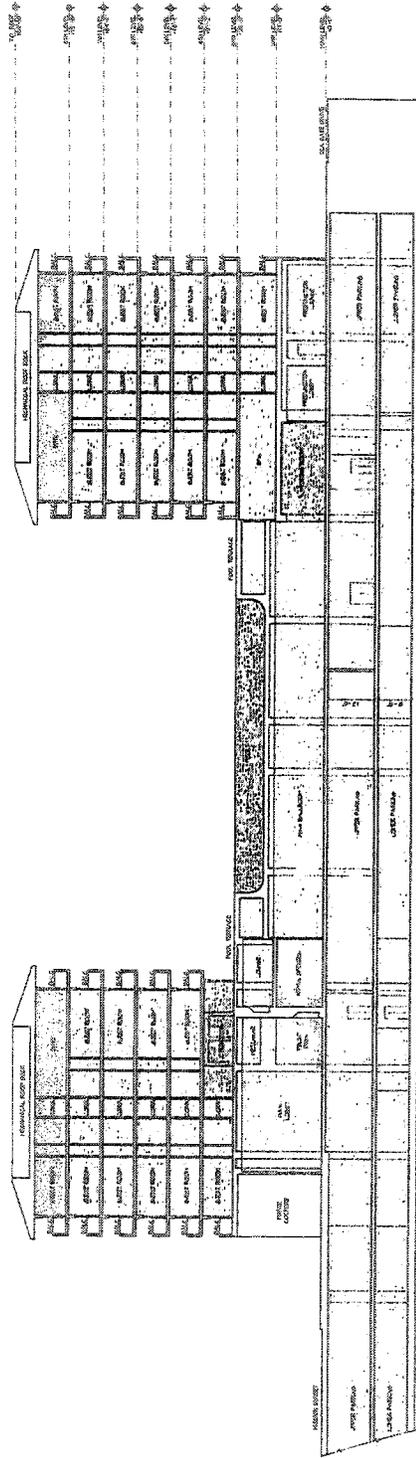
OCEANSIDE
BEACHFRONT RESORT

S.D. WILKIN ENGINEERS, INC.

PROJECT LOCATION SURVEY
20 June 2006



North-South Building Section of North Block



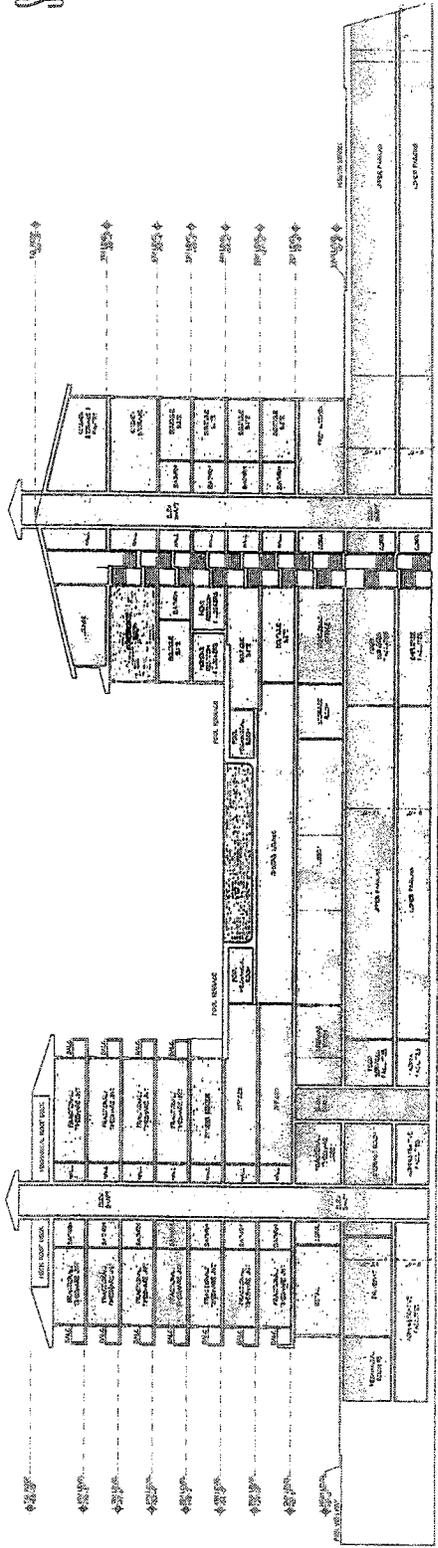
North-South Building Section of South Block

OCEANSIDE
BEACHFRONT RESORT

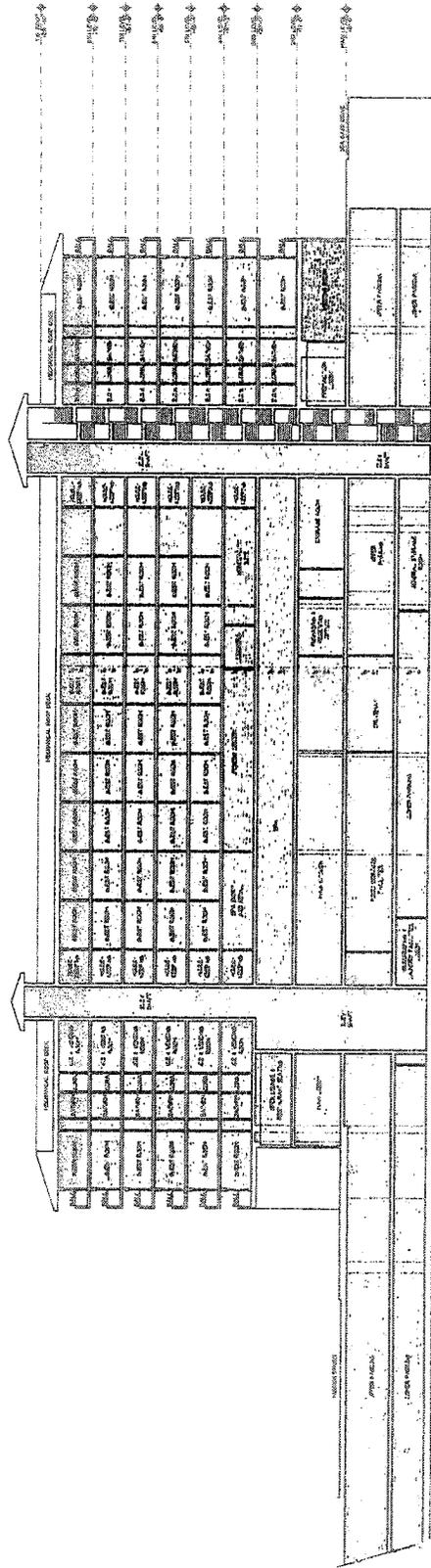


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26 June, 2000

SD Architects, Inc.



North-South Building Section of North Block



North-South Building Section of South Block

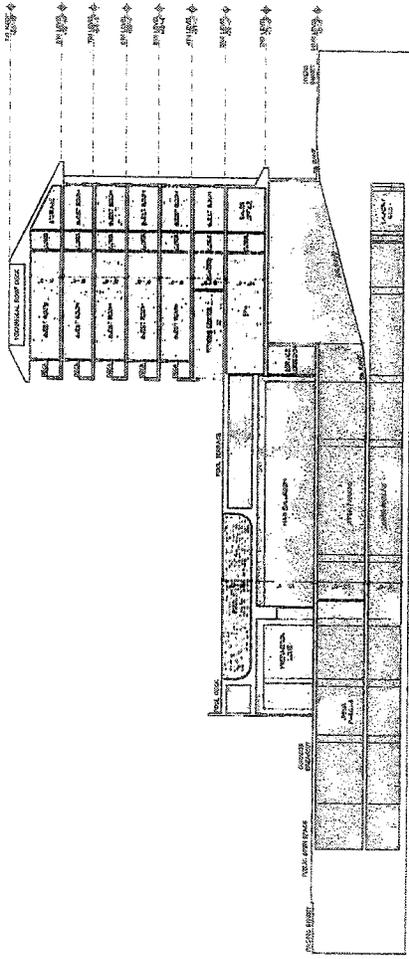


OCEANSIDE

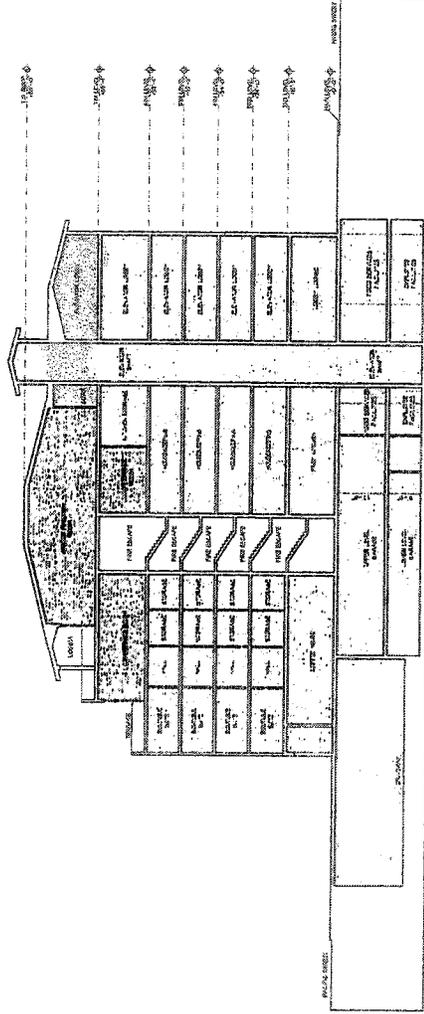
BEACHFRONT RESORT

S.D. Vining Properties, Inc.

Prepared by: D. S. Vining Properties, Inc.
 Date: June 2000



West-East Building Section of South Block



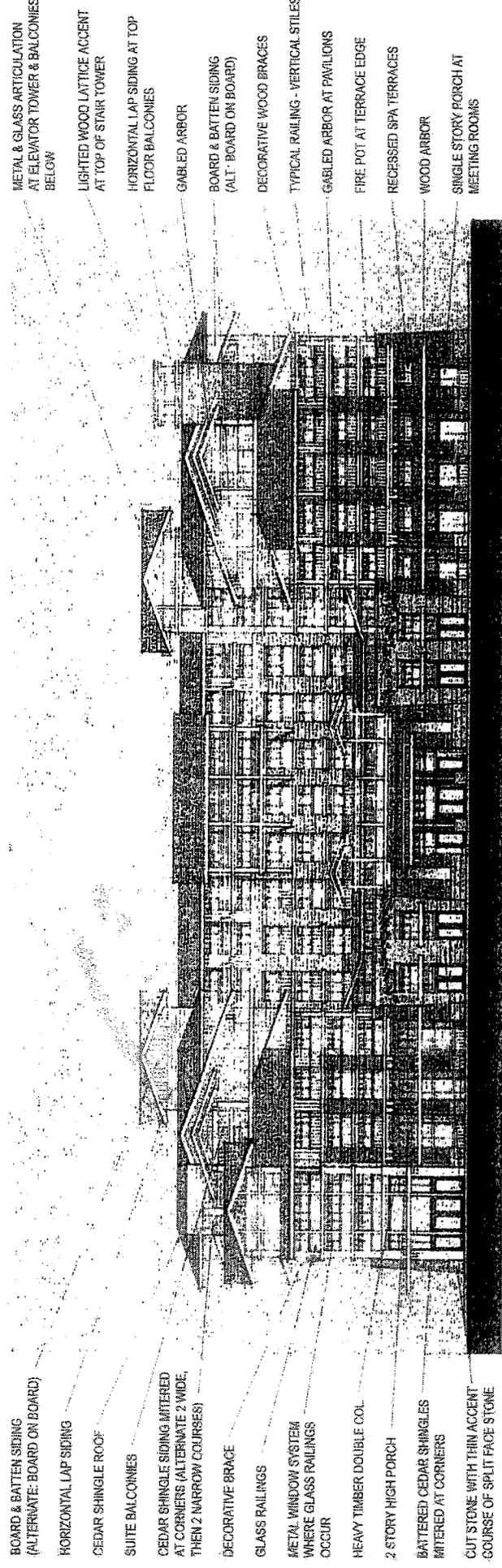
West-East Building Section of North Block Boutique Tower



OCEANSIDE
BEACHFRONT RESORT

Concept Designer: Seiffers + Co. Inc.

SH ARCHITECTS



BOARD & BATTEN SIDING (ALTERNATE: BOARD ON BOARD)
 HORIZONTAL LAP SIDING
 CEDAR SHINGLE ROOF
 SUITE BALCONIES
 CEDAR SHINGLE SIDING MITERED AT CORNERS (ALTERNATE 2 WIDE, THEN 2 NARROW COURSES)
 DECORATIVE BRACE
 GLASS RAILINGS
 METAL WINDOW SYSTEM WHERE GLASS RAILINGS OCCUR
 HEAVY TIMBER DOUBLE COOL
 2 STORY HIGH PORCH
 BATTERED CEDAR SHINGLES MITERED AT CORNERS
 CUT STONE WITH THIN ACCENT COURSE OF SPLIT FACE STONE

METAL & GLASS ARTICULATION AT ELEVATOR TOWER & BALCONIES BELOW
 LIGHTED WOOD LATTICE ACCENT AT TOP OF STAIR TOWER
 HORIZONTAL LAP SIDING AT TOP FLOOR BALCONIES
 GABLED ARBOR
 BOARD & BATTEN SIDING (ALT. BOARD ON BOARD)
 DECORATIVE WOOD BRACES
 TYPICAL RAILING - VERTICAL STILES
 GABLED ARBOR AT PAVILIONS
 FIRE POT AT TERRACE EDGE
 RECESSED SPA TERRACES
 WOOD ARBOR
 SINGLE STORY PORCH AT MEETING ROOMS

Material Callouts - South Block - West Elevation (N.T.S.)

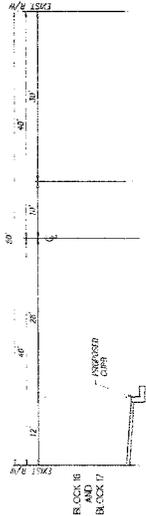


OCEANSIDE

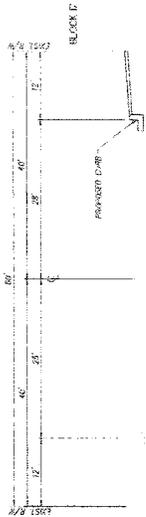
BEACHFRONT RESORT



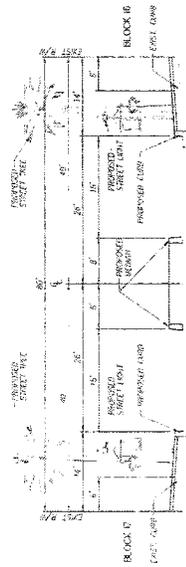
SECTION A-A: MYERS STREET
NO SCALE



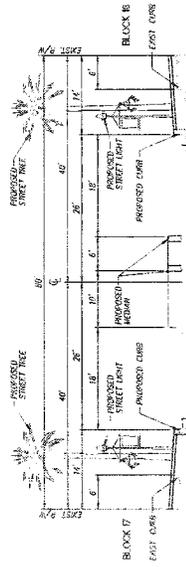
SECTION B-B: PACIFIC STREET
NO SCALE



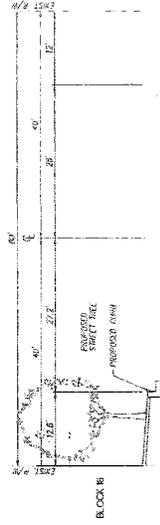
SECTION C-C: PIER VIEW WAY
NO SCALE



SECTION D-D: MISSION AVENUE
NO SCALE



SECTION E-E: MISSION AVENUE
NO SCALE



SECTION F-F: SEAGAZE DRIVE
NO SCALE

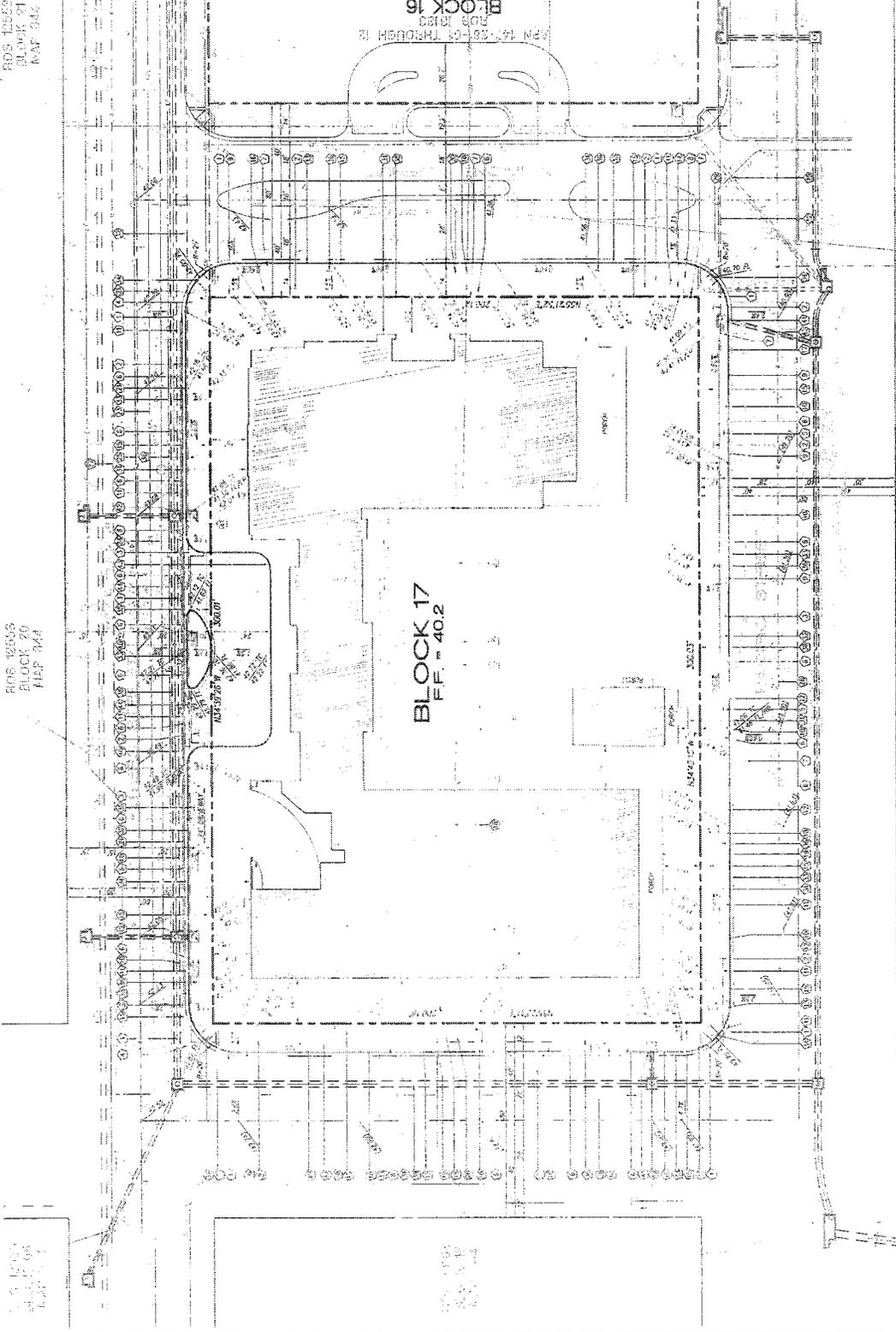


PROJECT DESIGN CONSULTANTS
 Planning, Landscape Architecture & Environmental Services
 231 B Street, Suite 200
 San Diego, CA 92101
 619.251.0691 ext.

TENTATIVE MAP - STREET SECTIONS / DETAILS
OCEANSIDE BEACHFRONT RESORT
 THE CITY OF OCEANSIDE, CALIFORNIA

ROS 42655
BLOCK 70
MAP 344

ROS 42653
BLOCK 21
MAP 344



CONSTRUCTION NOTES

- 1. EXIST CONC. CURB TO BE REMOVED
- 2. EXIST CONC. DRIVE TO BE REPAVED
- 3. EXIST CONC. DRIVE PAV. TO BE REPAVED
- 4. EXIST CONC. DRIVE PAV. TO BE REPAVED
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- 99. EXIST CONC. DRIVE PAV. TO BE REPAVED
- 100. EXIST CONC. DRIVE PAV. TO BE REPAVED

NOTE: SEE LANDSCAPE PLANS FOR
ENHANCED PARKING AND PLANTING
PROVIDING IN LOTS 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100.

C-3

DATE: _____

PROJECT DESIGN CONSULTANTS

PROJECT: LANDSCAPE ARCHITECTURE, ENGINEERING, & SURVEYING

100 B Street, Suite 100, San Diego, CA 92101

PH: 619.594.8888

THE CITY OF OCEANSIDE, CALIFORNIA

TENTATIVE MAP - EXISTING CONDITIONS / SITE PLAN (ADORE GRIMED)

OCEANSIDE BEACHFRONT RESORT

SHEET 3 OF 6



PROJECT DESIGN CONSULTANTS

100 B Street, Suite 100, San Diego, CA 92101

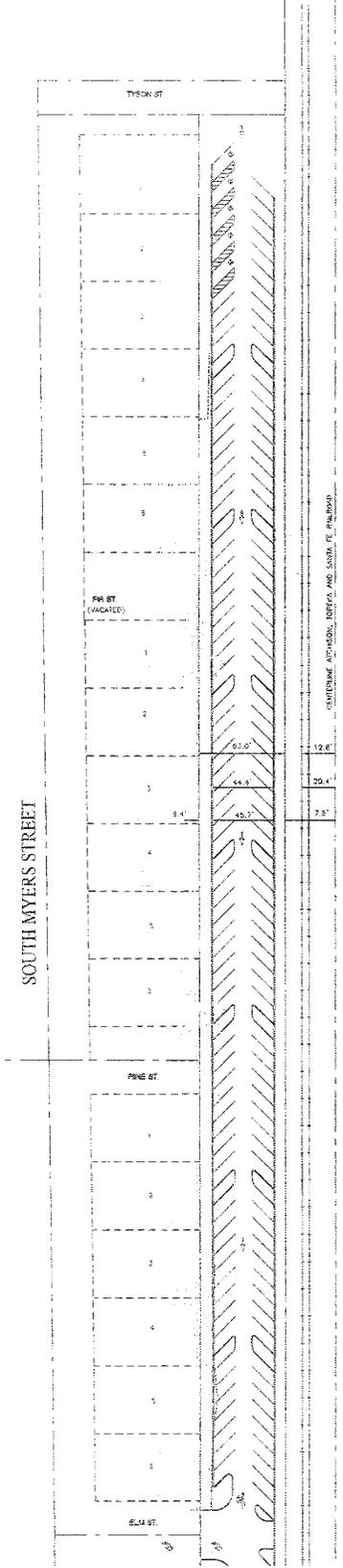
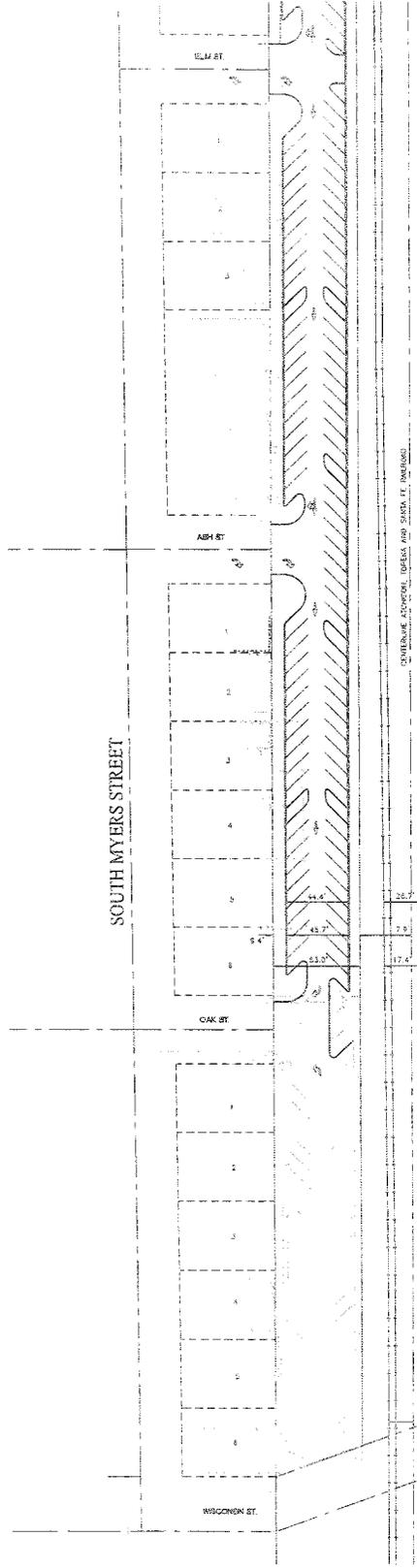
PH: 619.594.8888

PROJECT: LANDSCAPE ARCHITECTURE, ENGINEERING, & SURVEYING

100 B Street, Suite 100, San Diego, CA 92101

PH: 619.594.8888

DATE	1	1	1
CITY OF ORANGE	PLANNING AND COMMUNITY DEVELOPMENT	PROJECT	1
COASTAL RAIL TRAIL CONCEPT PARKING			
PROJECT NO.	1	DATE	1/1/11
PROJECT NAME	COASTAL RAIL TRAIL	PROJECT NO.	1
PROJECT ADDRESS	1	PROJECT NO.	1

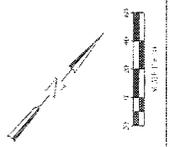


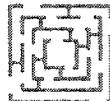
PARKING COUNT (NEW SPACES)
 45° PARKING - 229 SPACES
 HANDICAP - 5 SPACES

Name: _____
 Location: _____
 Project Name: _____
 Date: _____

NO.	DESCRIPTION	AREA	TYPE
1	45° PARKING	229	SPACES
2	HANDICAP	5	SPACES
TOTAL			

MERIT
 2100 W. Orange Ave., Suite 110
 Orange, CA 92665
 PHONE: (714) 354-1316





KEYSER MARSTON ASSOCIATES, INC.
ADVISORS IN PUBLIC-PRIVATE REAL ESTATE DEVELOPMENT

ADVISORS IN
REAL ESTATE
REDEVELOPMENT
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

MEMORANDUM

SAN FRANCISCO
A. JERRY KUYER
TIMOTHY C. KELLY
KATHLEEN FUNK
DEBBIE M. KORN
ROBERT L. WETMORE

To: Jane McVey, Economic Development and Redevelopment Director
City of Oceanside

From: Keyser Marston Associates, Inc.

LOS ANGELES
CALVIN E. HOGUS II
KATHLEEN H. HEAD
JAMES A. RAHE
PAUL C. ANDERSON
GREGORY D. SOO-HOO

cc: Jerry Hittleman, City Planner, City of Oceanside
Jeremy Z. Cohen, S.D. Malkin Properties, Inc.

Date: January 8, 2008

SAN DIEGO
GERALD M. TRIMBLE
PAUL C. MARRA

Subject: Feasibility Assessment of EIR Alternative Scenarios – Oceanside Pier
Resort Hotel

I. INTRODUCTION

A. Objective

Keyser Marston Associates, Inc. (KMA) has been requested to prepare a feasibility assessment for the proposed Pier Resort Hotel site. S.D. Malkin Properties, Inc. (Developer) has proposed a 384-room four-star resort hotel and timeshare development (Project) on a 120,000-square foot (SF) site (Site) located on the east side of Pacific Street, between Pier View Way and Seagaze Drive. The Site consists of two blocks divided by Mission Avenue. Existing improvements on the Site include two historic houses along Pacific Street on the south block. Development of the proposed Project would require the relocation of both houses and the possible demolition of one house.

The main objective of the KMA assessment was to evaluate the financial feasibility of three alternative scenarios identified in the Environmental Impact Report (EIR). The California Environmental Quality Act (CEQA) Guidelines indicate that EIRs are required to evaluate a "range of reasonable alternatives to the project, or location of the project, which could feasibly

To: Jane McVey, City of Oceanside
Subject: Feasibility Assessment of EIR Alternatives –
Oceanside Pier Resort Hotel

January 8, 2008

Page 2

attain the basic objectives of the project". Based on these guidelines, three project alternatives to avoid or reduce significant project impacts were identified and are addressed in the EIR.

In completing this assignment, KMA worked with the Developer to identify the potential development parameters for the Site under each alternative.

B. Report Organization

This report is organized in the following manner:

- Section II – Key Findings
- Section III – Background on Subject Site
- Section IV – Identification of Alternatives
- Section V – Feasibility Assessment
- Section VI – Net Financing Surplus/(Deficit) to City/Redevelopment Agency
- Section VII – Limiting Conditions
- Appendices:
 - Appendix A – Preferred Project Alternative
 - Appendix B – Reduced Project Alternative
 - Appendix C – Historic Resources Alternative

II. KEY FINDINGS

A. Developer Profit and Financing Gap

The conclusions of the KMA financial feasibility assessment can be summarized in terms of developer profit and the estimated financing gap for each development alternative.

To: Jane McVey, City of Oceanside
 Subject: Feasibility Assessment of EIR Alternatives –
 Oceanside Pier Resort Hotel

January 8, 2008
 Page 3

		Developer Profit	Estimated Financing Gap
Alternatives	Preferred Project	(\$376,000) -0.2% of Value	\$27,649,000
	No Project	N/A	N/A
	Reduced Project	(\$29,623,000) -59.8% of Value	\$35,814,000
	Historic Resources	(\$18,499,000) -9.7% of Value	\$42,341,000
	Environmentally Superior	See Reduced Project	

As shown above, the developer profit ranges from *negative* 59.8% to *negative* 0.2% of value, and the estimated financing gap ranges from *negative* \$42,341,000 to *negative* \$27,649,000.

KMA estimates that developers of four-star coastal resort hotels would require target profits as a percent of value in the mid-teens, or say a range of 12.5% to 17.5%. For the purpose of this comparative feasibility assessment, KMA has assumed a minimum target developer profit for each scenario of 12.5% of value. As shown, each alternative generates a negative profit and is therefore deemed not feasible without financial assistance.

B. Net Financing Surplus/(Deficit) to City/Redevelopment Agency

As noted in the table below, the Preferred Project generates nearly \$4.6 million in tax revenue. This is moderately higher (15%) than the Historic Resources alternative at approximately \$4.0 million. However, the Preferred Project generates more than three times the tax revenue than the Reduced Project alternative.

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 Subject: Feasibility Assessment of EIR Alternatives –
 Oceanside Pier Resort Hotel

January 8, 2008
 Page 4

	2008 \$	Annual Tax Revenue to City/Agency	Capitalized Value of Stabilized Tax Revenue	Net Financing Surplus/(Deficit) to City/Agency ⁽¹⁾
Alternatives	Preferred Project	\$4,536,000	\$56,700,000	\$29,051,000
	No Project	N/A	N/A	N/A
	Reduced Project	\$1,337,000	\$16,713,000	(\$19,101,000)
	Historic Resources	\$3,990,000	\$49,875,000	\$7,534,000
	Environmentally Superior	See Reduced Project		

(1) Excludes proposed ground lease payments to the Agency.

KMA also estimated the net financing surplus/(deficit) to the City/Agency after financial assistance. The KMA estimate is based on the capitalization of annual tax revenues to the City/Agency at 8.0% after deducting the estimated financing gap. The result of this exercise is shown in the above table. As noted, the net financing surplus/(deficit) to the City/Agency ranges from *negative* \$19,101,000 for the Reduced Project to positive \$29,051,000 for the Preferred Project.

III. BACKGROUND ON SUBJECT SITE

The Site is approximately 120,000 SF, or 2.75 acres. The development of the Project assumes that both houses are relocated with one house being relocated and renovated on the Site. The preferred Project provides for the accomplishment of the City of Oceanside's (City) objectives of a minimum 240 hotel rooms, a ballroom and meeting space to accommodate up to 500 people, 18,500 SF of visitor-serving commercial uses, and to promote the long-term viability of the Downtown area.

A. Historic Houses

Two historic houses are currently located on the south block of the Site, as follows:

- 102 Pacific Street – This house is also known as the Graves House. This house is eligible for listing on the California Register for Historical Resources because the structure possesses design, location, setting, feeling, and decorative elements that convey the visual appearance of a Victorian cottage.

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Oceanside Pier Resort Hotel

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- 106 Pacific Street – This house is eligible for listing on the California Register because it is associated with events that made a significant contribution to California history.

B. Description of Preferred Project Alternative

Table 1 of Appendix A describes the proposed development. The proposed hotel is a four-star, highly amenitized resort hotel. It would consist of approximately 423,000 SF of gross building area (GBA) containing 384 hotel rooms (inclusive of timeshare units), 30,000 SF of meeting space, and a 9,000-SF spa in two eight-story structures. In addition, there would be approximately 17,000 SF of restaurant and retail space, as well as 540 parking spaces situated in a two-level subterranean garage. This scenario would relocate the Graves House to the north block where it would be renovated and used as visitor-serving retail space. The second house would be relocated off-site.

C. Local Coastal Program/Nine-Block Master Plan

The California Coastal Act of 1976 provides for the controlled development of the State's coastal resources. The Coastal Act requires specified actions by various State agencies and involves the development control of cities and counties in the coastal zone.

The Coastal Act requires the preparation of a Local Coastal Program (LCP) for each local governmental jurisdiction in the Coastal Zone, to be implemented through the requirement of coastal development permits. Each LCP must contain a Land Use Plan (LUP) as well as the necessary implementing ordinances. The City of Oceanside LCP was certified by the California Coastal Commission in 1985.

The City's Nine-Block Pier Area Master Plan (MPA) governs development of the Site. The LUP policies contained in Oceanside's LCP relate directly to the MPA. The MPA contains two sub-districts: Sub-district 1 and Sub-district 12. The Site lies within Sub-district 12 and has a land use designation of Coastal Dependent, Recreation, and Visitor-Serving Commercial. This sub-district is also required to be master-planned to insure a minimum intensity of visitor-serving commercial facilities to include at least 92 hotel rooms and 33,600 SF of visitor-serving commercial space.

D. Site Environs

Over the past several years, a number of residential, retail, and commercial developments have been constructed and more are planned for the downtown area. Two major mixed-use developments are under construction or planned immediately adjacent to the Site. They include the Wyndham Resorts Timeshare Development located north of the Site, and CityMark's mixed-use development to be constructed on the five blocks east of the Site.

To: Jane McVey, City of Oceanside
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Oceanside Pier Resort Hotel

January 8, 2008

Page 6

The Site consists of two blocks divided by Mission Avenue. The Site is situated atop a bluff above the beach and pier, with direct access to Interstate 5 along Mission Avenue. In addition, the Site is within walking distance of the Oceanside Transit Center (bus and rail) and commercial establishments in downtown Oceanside.

IV. IDENTIFICATION OF ALTERNATIVES

As mentioned above, the Project alternatives were based on State CEQA guidelines. Using these guidelines, the Developer established cost, revenue, and return estimates. A brief description of each alternative is provided below.

- No Project Alternative – CEQA requires the No Project Alternative to be addressed in an EIR. Under this alternative, it is assumed that no additional development would occur on the Site. The historic houses located on the south block would remain unaltered.
- Preferred Project Alternative – The proposed project would develop about 420,000 SF of hotel/timeshare, visitor-serving commercial, and supporting uses on two blocks. Parking for the Project would be provided in two subterranean levels that would extend beneath Mission Avenue. The Graves House would be relocated to the north block, be renovated, and used as part of the visitor-serving commercial space.
- Reduced Project Alternative – Under this alternative, the Site would be developed at a reduced density and height. Specifically, the number of hotel rooms and fractionals would be reduced. This alternative would reduce the visitor-serving commercial space, interior public amenity, and outdoor public spaces. The parking garage would be reduced to one subterranean level. The Graves House would be relocated to the north block and renovated.
- Historic Resources Alternative – This alternative requires the redesign of the hotel building on the south block around both historic houses. Both houses would remain in their current location and undergo restoration in accordance with the Secretary of Interior's Standards. The redesign of the hotel building would result in the loss of several meeting rooms, hotel units, as well as a reduced spa area. Retention of the historic structures would also result in a decrease of interior public amenities and exterior public space.
- Environmentally Superior Alternative – CEQA guidelines require that the EIR identify an environmentally superior alternative if the environmentally superior alternative is the No Project Alternative. In this case, the alternative is the Reduced Project Alternative, which would result in fewer impacts to air quality, land use, public services, traffic, and parking than the Proposed Project.

The table below outlines the relocation and renovation plans for the historic houses under each alternative.

		Graves House			
		Relocation		Renovation	
Alternatives	Preferred Project	Yes	\$20,000	Yes	\$607,000
	No Project	No	\$0	No	\$0
	Reduced Project	Yes	\$20,000	Yes	\$607,000
	Historic Resources ⁽¹⁾	Yes	\$20,000	Yes	\$607,000
	Environmentally Superior	See Reduced Project		See Reduced Project	

(1) Assumes the Graves House would be relocated temporarily during construction of the parking garage.

		106 Pacific Street			
		Relocation		Renovation	
Alternatives	Preferred Project	Yes	\$10,000	No	\$0
	No Project	No	\$0	No	\$0
	Reduced Project	Yes	\$10,000	No	\$0
	Historic Resources ⁽¹⁾	Yes	\$20,000	Yes	\$750,000
	Environmentally Superior	See Reduced Project		See Reduced Project	

(1) Assumes the house at 106 Pacific Street would be relocated temporarily during construction of the parking garage.

More detailed project descriptions for the Preferred Project, Reduced Project, and Historic Resources Alternatives are attached as appendices.

V. FEASIBILITY ASSESSMENT

This section presents the KMA financial assessment of the three alternative development scenarios for the Site. Each financial pro forma details total development costs, stabilized net operating income/net sales proceeds, and the indicated developer profit supported by each development scenario.

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The key inputs and assumptions used in the KMA feasibility assessment are as follows:

Table 1 – Project Description

Table 1 provides a description of each of the scenarios tested. An overview of the key components of each alternative is itemized below:

		Stories	Construction Type	Units (1)	Parking
Alternatives	Preferred Project	8 Stories	Type I	384 Units	2 Levels 540 Spaces
	Reduced Project	3 Stories	Type V	112 Units	1 Level 291 Spaces
	Historic Resources	8 Stories	Type I	342 Units	2 Levels 540 Spaces

(1) Reflects hotel rooms and fractional units.

Table 2 – Development Costs

Table 2 identifies the development cost used for each of the scenarios. Total development costs consist of the following:

- Direct construction costs - Site work, parking, hotel and fractional shell construction, relocation/renovation, furniture, fixtures & equipment (FF&E), tenant improvements, and contingency.
- Indirect costs - Architecture, engineering, permits and fees, legal and accounting, taxes and insurance, retail leasing commissions, marketing, pre-opening and staff training, developer fee, and contingency.
- Financing costs - Loan fees and interest during construction, and operating deficit reserves.

A summary of the total development costs for each alternative is presented below.

	Alternatives		
	Preferred Project	Reduced Project	Historic Resources
Direct Costs	\$171,280,000 \$405 per SF GBA	\$58,866,000 \$328 per SF GBA	\$162,969,000 \$386 per SF GBA
Indirect Costs	\$30,247,000 17.7% of Directs	\$14,356,000 24.4% of Directs	\$29,781,000 18.3% of Directs
Financing Costs	\$17,032,000 9.9% of Directs	\$5,929,000 10.1% of Directs	\$16,481,000 10.1% of Directs
Total Development Costs	\$218,559,000 \$517 per SF GBA	\$79,151,000 \$441 per SF GBA	\$209,231,000 \$495 per SF GBA

The Developer provided cost estimates for the three alternatives. KMA reviewed these costs based on KMA's experience with similar construction types in Southern California and on industry standards and found them to be reasonable.

Table 3 – Net Operating Income

Table 3 presents an estimate of the net operating income (NOI) for the hotel and fractional components of the Project at stabilization. The NOI projection is based on the following assumptions:

- Room revenue based on an average daily rate (ADR) per room and occupancy factor.
- Parking and spa revenue.
- Other revenue sources, such as food and beverage, telephone revenue, and retail revenue, etc.
- Departmental and overhead expenses.

KMA reviewed the revenue projections provided by the Developer, and compared them to independent third-party data sources for comparable developments. Based on this review, and the untested nature of the Oceanside market, KMA finds the Developer's ADR projection to be slightly aggressive.

Stabilized Year	Alternatives		
	Preferred Project	Reduced Project	Historic Resources
Revenue – Hotel	\$45,310,000 \$311 ADR	\$13,506,000 \$317 ADR	\$38,553,000 \$311 ADR
Expenses – Hotel	(\$33,061,000) 73.0% of Revenue	(\$11,181,000) 82.8% of Revenue	(\$28,580,000) 74.1% of Revenue
NOI - Hotel	\$12,249,000 27.0% of Revenue	\$2,325,000 17.2% of Revenue	\$9,973,000 25.9% of Revenue
NOI - Fractionals	\$229,000	\$188,000	\$241,000
Grand Total NOI	\$12,478,000	\$2,513,000	\$10,214,000

Table 4 – Indicated Developer Profit

Table 4 presents the indicated developer profit for the each alternative. Developer profit was estimated based on the difference between net sales proceeds from the hotel and the present value of the fractional sales proceeds less the sum of total development costs. KMA estimated the net sales proceeds for the hotel based on a capitalization rate of 8.0% and a cost of sale of 3.0%. The estimate of net sales proceeds for the fractionals takes into consideration marketing, sales, and operating expenses associated with the fractional units. The table below itemizes the net sales proceeds from each alternative.

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		Alternatives		
		Preferred Project	Reduced Project	Historic Resources
Net Sales Proceeds	Hotel	\$151,296,000	\$30,471,000	\$123,845,000
	Fractionals (present value)	<u>\$66,887,000</u>	<u>\$19,057,000</u>	<u>\$66,887,000</u>
	Total Net Sales Proceeds	\$218,183,000	\$49,528,000	\$190,732,000

The table below shows the calculation of the indicated developer profit and estimated financing gap based on a minimum developer target profit of 12.5% of value.

		Alternatives		
		Preferred Project	Reduced Project	Historic Resources
Developer Profit/ Estimated Financing Gap	Net Sales Proceeds	\$218,183,000	\$49,528,000	\$190,732,000
	(Less) Development Costs	<u>(\$218,559,000)</u>	<u>(\$79,151,000)</u>	<u>(\$209,231,000)</u>
	Developer Profit	(\$376,000)	(\$29,623,000)	(\$18,499,000)
	% of Value	-0.2%	-59.8%	-9.7%
	Minimum Target Profit @ 12.5% of Value	\$27,273,000	\$6,191,000	\$23,842,000
	Estimated Financing Gap	\$27,649,000	\$35,814,000	\$42,341,000

VI. NET FINANCING SURPLUS/(DEFICIT) TO CITY/AGENCY

The City and/or its Redevelopment Agency will receive various tax revenues from the Project, e.g., transient occupancy tax, tax increment/property tax, and sales tax. KMA has estimated these revenues based on the Project's first stabilized year. Tables 5, 6, and 7 of each Appendix provides KMA's assumptions and a detailed calculation of each revenue source. The table below provides a summary of each source with respect to the development alternative.

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In addition, the table also notes the estimated net financing surplus/(deficit) to the City/Agency after providing financial assistance to cover the financing gap in each scenario. As shown, the net financing surplus/(deficit) to the City/Agency ranges from *negative* \$19,101,000 for the Reduced Project to positive \$29,051,000 for the Preferred Project.

Net Financing Surplus/(Deficit)	Alternatives		
	Preferred Project	Reduced Project	Historic Resources
Transient Occupancy Tax (TOT)	\$2,871,000	\$901,000	\$2,518,000
Tax Increment/Property Tax ⁽¹⁾	\$1,483,000	\$341,000	\$1,314,000
Sales Tax	<u>\$182,000</u>	<u>\$95,000</u>	<u>\$158,000</u>
Total Tax Revenue to City/Agency	\$4,536,000	\$1,337,000	\$3,990,000
Capitalized Value of Tax Revenues @ 8.0%	\$56,700,000	\$16,713,000	\$49,875,000
(Less) Estimated Financing Gap	<u>(\$27,649,000)</u>	<u>(\$35,814,000)</u>	<u>(\$42,341,000)</u>
Net Financing Surplus/(Deficit) to City/Agency ⁽²⁾	\$29,051,000	(\$19,101,000)	\$7,534,000
<i>Difference from Preferred Project</i>	--	<i>(\$48,152,000)</i>	<i>(\$21,517,000)</i>

(1) Net of pass-throughs to other taxing agencies and low/moderate housing set-aside.

(2) Excludes proposed ground lease payments to the Agency.

VII. LIMITING CONDITIONS

1. The assessment contained in this document is based, in part, on data provided by secondary sources such as state and local governments, planning agencies, real estate brokers, and other third parties. While Keyser Marston Associates, Inc. (KMA) believes that these sources are reliable; we cannot guarantee their accuracy.
2. A projection of economic impacts is inherently based on judgment. The projections contained herein are based on the best information available at the time that this document was prepared. However, the actual impacts may vary.
3. The assessment assumes that the economy will continue to grow at a moderate rate.
4. Any estimates of revenue or cost projections are based on the best project-specific and fiscal data available at this time as well as experience with comparable projects. They are not intended to be projections of actual future performance of any specific project. Any

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changes to costs, development program, or project performance may render the conclusions contained herein invalid.

5. Revenue estimates are based on the assumption that sufficient market support exists for the proposed uses and that the project will achieve industry standard productivity levels.
6. KMA assumes that all applicable laws and governmental regulations in place as of the date of this document will remain unchanged throughout the projection period of our assessment. In the event that this does not hold true, i.e., if any tax rates change, the assessment would need to be revised.

attachments

SUMMARY TABLE

**ECONOMIC ASSESSMENT OF EIR DEVELOPMENT ALTERNATIVES
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

	Preferred Project	EIR Development Alternatives		
		No Project	Reduced Project (1)	Historic Resources
I. Summary of Indicated Developer Returns				
A. Total Net Sales Proceeds Upon Completion and Stabilization (2)	\$218,183,000	N/A	\$49,528,000	\$190,732,000
B. (Less) Total Development Costs	<u>(\$218,559,000)</u>	N/A	<u>(\$79,151,000)</u>	<u>(\$209,231,000)</u>
C. Developer Profit	(\$376,000)	N/A	(\$29,623,000)	(\$18,499,000)
As Percent of Value	-0.2%	N/A	-59.8%	-9.7%
II. Summary of Estimated Financing Gap				
A. Minimum Target Developer Profit @ 12.5% of Value	\$27,273,000	N/A	\$6,191,000	\$23,842,000
B. Add: Developer Profit Shortfall	<u>\$376,000</u>	N/A	<u>\$29,623,000</u>	<u>\$18,499,000</u>
C. Estimated Financing Gap (3)	\$27,649,000	N/A	\$35,814,000	\$42,341,000

(1) Per the EIR dated August 31, 2007, this alternative also represents the environmentally superior alternative.

(2) Based on present value of fractional sales revenue.

(3) Excluding land acquisition cost.

SUMMARY TABLE (CONTD.)

**ECONOMIC ASSESSMENT OF EIR DEVELOPMENT ALTERNATIVES
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

	Preferred Project	EIR Development Alternatives		
		No Project	Reduced Project (1)	Historic Resources
III. Summary of Estimated Project Generated Tax Revenues				
A. Transient Occupancy Tax (TOT) (2)	\$2,871,000	N/A	\$901,000	\$2,518,000
B. Tax Increment (2) (3)	\$1,483,000	N/A	\$341,000	\$1,314,000
C. Sales Tax (2)	\$182,000	N/A	\$95,000	\$158,000
D. Total Tax Revenue to City/Redevelopment Agency (2)	\$4,536,000	N/A	\$1,337,000	\$3,990,000
E. Capitalized Value of Stabilized Tax Revenue @ 8.0%	\$56,700,000	N/A	\$16,713,000	\$49,875,000
IV. Capitalized Tax Revenue vs. Estimated Financing Gap				
A. Capitalized Value of Stabilized Tax Revenue @ 8.0%	\$56,700,000	N/A	\$16,713,000	\$49,875,000
B. (Less) Estimated Financing Gap (4)	<u>(\$27,649,000)</u>	N/A	<u>(\$35,814,000)</u>	<u>(\$42,341,000)</u>
C. Net Financing Surplus/(Deficit) to City/Redevelopment Agency	\$29,051,000	N/A	(\$19,101,000)	\$7,534,000

(1) Per the EIR dated August 31, 2007, this alternative also represents the environmentally superior alternative.

(2) Recurring annual revenues in stabilized year.

(3) Excluding housing set-aside revenues.

(4) Excluding land acquisition cost.

APPENDIX A

**Preferred Project Alternative
Oceanside Pier Resort Hotel**

TABLE 1

Preferred Project

PROJECT DESCRIPTION
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

I. Site Area

Total Site	2.75 Acres
------------	------------

II. Gross Building Area

	<u>South Block</u>	<u>North Block</u>	<u>Total</u>	<u>Percent</u>
Hotel Rooms	115,600 SF	28,200 SF	143,800 SF	34.0%
Meeting Space	30,000 SF	0 SF	30,000 SF	7.1%
Owned Restaurant/Lounge	4,822 SF	5,600 SF	10,422 SF	2.5%
Leased Retail/Restaurant	0 SF	6,102 SF	6,102 SF	1.4%
Spa (1)	9,100 SF	0 SF	9,100 SF	2.2%
Lobbies & Circulation/Back-of-House(2)	<u>81,047 SF</u>	<u>56,076 SF</u>	<u>137,123 SF</u>	<u>32.4%</u>
Subtotal Hotel Gross Building Area (GBA)	240,569 SF	95,978 SF	<u>336,547 SF</u>	79.6%
Add: Fractional Units	0 SF	72,000 SF	72,000 SF	17.0%
Add: Fractional Unit Circulation/Stairs/Elevators	<u>0 SF</u>	<u>14,112 SF</u>	<u>14,112 SF</u>	<u>3.3%</u>
Subtotal Fractional Building Area	0 SF	86,112 SF	<u>86,112 SF</u>	20.4%
Total Gross Building Area	240,569 SF	182,090 SF	<u>422,659 SF</u>	100.0%

III. Number of Rooms

Hotel - South Parcel - Main Hotel	289 Units
Hotel - North Parcel - Boutique Hotel	<u>47 Units</u>
Subtotal Hotel Rooms	336 Units
Add: Fractional Units	<u>48 Units</u>
Total Units	384 Units
Number of Floors - South Parcel	8 Floors
Number of Floors - North Parcel	8 Floors

IV. Parking

Upper Level Parking	125,222 SF
Lower Level Parking	<u>128,778 SF</u>
Total Parking Area	254,000 SF
Add: Back-of-House/Subterranean	<u>50,000 SF</u>
Grand Total - Subterranean	304,000 SF
Parking Spaces	
Upper Level Parking	259 Spaces
Lower Level Parking	<u>281 Spaces</u>
Total Parking Spaces	540 Spaces
Average SF per Space	470 SF per Space
Parking Ratio	1.4 Spaces per Room

(1) Includes spa store.

(2) Includes services, docks, offices, and kitchens.

TABLE 2

Preferred Project

**DEVELOPMENT COSTS
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

	<u>Total</u>	<u>Comments</u>
I. Direct Costs (1)		
Off-Sites (2)	\$3,570,000	\$30 Per SF Land
On-Sites	\$1,752,000	\$15 Per SF Land
Parking	\$23,050,000	\$42,685 Per Space
Hotel Shell	\$80,944,000	\$241 Per SF GBA - Hotel
Historic Houses Relocation	\$0	Included below
Historic House Rehabilitation	\$637,000	\$255 Per SF Historic Houses (2,500 SF)
Fractional Shell	\$25,766,000	\$299 Per SF GBA - Fractionals
FF&E	\$19,872,000	\$51,750 Per Unit
Retail/Leased Restaurant Finishes (3)	\$244,000	\$40 Per SF GBA - Retail
Hotel Restaurant Finish	\$2,606,000	\$250 Per SF GBA - Owned Restaurant/Lounge
Spa Finish	\$2,204,000	\$242 Per SF GBA - Spa
Contingency	<u>\$10,635,000</u>	6.6% of Directs
Total Direct Costs	\$171,280,000	\$405 Per SF GBA
		\$446,042 Per Unit
II. Indirect Costs		
Architecture & Engineering	\$10,230,000	6.0% of Directs
Permits & Fees (2)	\$3,900,000	\$9 Per SF GBA
Legal & Accounting	\$700,000	0.4% of Directs
Taxes & Insurance	\$1,800,000	1.1% of Directs
Retail & Restaurant Leasing Commissions (3)	\$64,000	\$10 Per SF GBA - Retail
Marketing	\$6,097,000	\$15,878 Per Unit
Pre-Opening and Staff Training	\$1,600,000	\$4,762 Per Hotel Room
Developer Fee	\$4,780,000	2.8% of Directs
Contingency	<u>\$1,076,000</u>	3.7% of Indirects
Total Indirect Costs	\$30,247,000	17.7% of Directs
III. Financing Costs		
Interest During Construction	\$11,360,000	6.6% of Directs
Loan Fees	\$3,072,000	1.8% of Directs
Operating Deficit Reserves	<u>\$2,600,000</u>	1.5% of Directs
Total Financing Costs	\$17,032,000	9.9% of Directs
IV. Total Development Costs		
	\$218,559,000	\$517 Per SF GBA
Or Say (Rounded)		\$569,000 Per Unit

(1) Reflects the payment of prevailing wages

(2) Per Developer. Not verified by KMA or City.

(3) Includes specialty restaurant, coffee shop, and retail.

TABLE 3

Preferred Project

NET OPERATING INCOME
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

I. Revenue		<u>Year 5 Stabilized</u>
Room Revenue	\$311 ADR 74.2% Occupancy	\$28,295,000
Food & Beverage	40.7% of Room Revenue	\$11,508,000
Telephone Revenue	0.7% of Room Revenue	\$185,000
Spa	\$6,586 Per Room	\$2,213,000
Retail Lease	\$3.39 Per SF/Month	\$248,000
Parking Revenue	\$6,226 Per Room	\$2,092,000
Other Revenue	2.7% of Room Revenue	<u>\$769,000</u>
Gross Revenue		\$45,310,000
II. Expenses		
Room Expense	21.5% of Room Revenue	(\$6,078,000)
Food & Beverage Expense	65.8% of Food & Beverage	(\$7,569,000)
Telephone Expense	240.5% of Telephone Revenue	(\$445,000)
Spa	85.0% of Spa Revenue	(\$1,881,000)
Retail Lease	0.0% of Retail Lease Revenue	\$0
Parking Expense	40.0% Parking Revenue	(\$837,000)
Other	40.4% of Other Revenue	<u>(\$311,000)</u>
Subtotal Departmental Expenses		(\$17,121,000)
(Less) Overhead Expenses (1)	26.1% of Gross Revenue	(\$11,846,000)
(Less) Fixed Charges (2)	9.0% of Gross Revenue	<u>(\$4,094,000)</u>
Total Expenses	73.0% of Gross Revenue	(\$33,061,000)
III. Net Operating Income (NOI) - Hotel	27.0% of Gross Revenue	\$12,249,000
IV. Net Operating Income - Fractionals		
Add: Non-Owner Fractional Usage NOI		\$167,000
Add: Owners' Usage Fractional NOI		<u>\$62,000</u>
Net Operating Income - Fractionals		\$229,000
V. Grand Total NOI		\$12,478,000

(1) Includes general & administrative, marketing, energy, property operation, and base management fee.

(2) Includes taxes, insurance, operating leases, ownership costs, FF&E reserve, and incentive management fee.

TABLE 4

Preferred Project

**DEVELOPER RETURN
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

I. Net Sales Proceeds - Hotel

Grand Total NOI - Stabilized Year 5		\$12,478,000
Capitalized Value of NOI @	8.0%	\$155,975,000
(Less) Cost of Sale @	3.0%	<u>(\$4,679,000)</u>
Net Sales Proceeds - Hotel		\$151,296,000

II. Net Sales Proceeds - Fractionals

NPV of Gross Sales Proceeds @ 10% \$155,000 /Fractional Period		\$89,183,000
(Less) Marketing Expenses @	12.0% of Sales	(\$10,702,000)
(Less) Sales Expenses	8.0% of Sales	(\$7,135,000)
(Less) Operating Expenses @	5.0% of Sales	<u>(\$4,459,000)</u>
Net Sales Proceeds - Fractionals		\$66,887,000

III. Total Net Proceeds - Hotel and Fractionals

\$218,183,000

(Less) Total Development Costs

(\$218,559,000)**IV. Developer Profit (1)****(\$376,000)**

-0.2% of Value

-0.2% of Cost

Minimum Target Developer Profit

12.5% of Value

\$27,273,000

Add: Developer Profit Shortfall

\$376,000**V. Estimated Financing Gap****\$27,649,000**

(1) Excluding land acquisition cost.

TABLE 5

Preferred Project

ESTIMATE OF TRANSIENT OCCUPANCY TAX (1)
 OCEANSIDE PIER RESORT HOTEL
 CITY OF OCEANSIDE

Year 5 Stabilized

I. Estimate of TOT - Hotel

Number of Rooms	336
Days	365
Total Room Nights	122,640
Occupancy Rate	74.2%
Total Occupied Rooms	90,999
Average Daily Rate (ADR)	\$311
Total Room Revenue	\$28,295,000
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Hotel	\$2,829,500

II. Estimate of TOT - Fractionals

A. Non-Owner Usage Fractionals

Number of Units	48
Number of Nights	360
Total Room Nights	17,280
Percent of Fractional Periods Available	8.3%
Room Night Equivalents Available	1,440
Occupancy Rate	55.0%
Total Occupied Rooms	792
Average Daily Rate (ADR)	\$528
Total Room Revenue	\$418,471
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Non-Owner Usage	\$41,847

B. Owners' Usage Fractionals

Number of Units	48
Number of Nights	360
Total Room Nights	17,280
Percent of Fractional Periods Available	91.7%
Room Night Equivalents Available	15,840
Occupancy Rate	100.0%
Total Occupied Rooms	15,840
Average Daily Rate (ADR)	\$0
Total TOT Revenue - Owned	\$0
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Owners' Usage	\$0

III. Total TOT - Hotel & Fractionals

\$2,871,000

(1) Recurring annual revenue in stabilized year.

Prepared by: Keyser Marston Associates, Inc.

Filename i: Oceanside/Pier Resort/S.D. Malkin/Re-use Pro forma;1/8/2008;wcl

TABLE 6

Preferred Project

ESTIMATED TAX INCREMENT REVENUE (1)
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

		<u>Year 5 Stabilized</u>
I. Estimate of Tax Increment - Hotel		
Net Operating Income		\$12,478,000
Capitalization Rate		8.0%
Capitalized Value		\$155,975,000
Per Unit		\$464,000
Estimated Per-Unit Assessed Value		\$464,000
Tax Increment per Unit	1.0%	\$4,640
Total Tax Increment		\$1,559,000
(Less) Housing Set-aside	20.0%	(\$312,000)
(Less) Other Pass-throughs	20.0%	(\$312,000)
Net Tax Increment		\$935,000
II. Estimate of Tax Increment - Fractionals		
Gross Sales Proceeds	\$192,000 /Fractional Period	\$110,522,000
(Less) Marketing Expenses	12.7% of Sales	(\$14,001,000)
(Less) Operating Expenses	5.2% of Sales	(\$5,740,000)
Estimated Assessed Value		\$90,781,000
Per Unit (48 Units)		\$1,891,000
Estimated Per-Unit Assessed Value		
Tax Increment per Unit	1.0%	\$19,000
Total Tax Increment		\$912,000
(Less) Housing Set-aside	20.0%	(\$182,000)
(Less) Other Pass-throughs	20.0%	(\$182,000)
Net Tax Increment		\$548,000
III. Total Tax Increment		\$1,483,000

(1) Recurring annual revenue in stabilized year.

NOTE: No assurances are provided by KMA as to the certainty of the projected tax increment revenues shown in this document. While we believe our estimates to be reasonable, actual taxable values will vary from the amounts assumed in the projection.

Prepared by: Keyser Marston Associates, Inc.

Filename i: Oceanside/Pier Resort/S.D. Malkin/Re-use Pro forma;1/8/2008;wcl

TABLE 7

Preferred Project

ESTIMATED SALES TAX REVENUE (1)
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

<u>Year 5 Stabilized</u>	
I. Hotel	
Food & Beverage	\$11,728,000
Percent to City	1.0%
City Share of Sales Tax	\$117,000
II. Retail/Restaurant - Leased	
Square Feet (SF) (2)	6,388
Vacancy	95.0%
Net Square Feet Rented	6,069
Sales Per SF	\$400
Total Sales	\$2,427,000
Amount Taxable	100.0%
Total Sales Tax	\$2,427,000
Percent to City	1.0%
City Share of Sales Tax	\$24,000
III. Retail/Restaurant - Owned	
Square Feet (SF) (3)	10,702
Vacancy	95.0%
Net Square Feet Rented	10,167
Sales Per SF	\$400
Total Sales	\$4,067,000
Amount Taxable	100.0%
Total Sales Tax	\$4,067,000
Percent to City	1.0%
City Share of Sales Tax	\$41,000
IV. Total Sales Tax	\$182,000

(1) Recurring annual revenue in stabilized year.

(2) Includes leased retail and spa store.

(3) Includes North and South Block restaurants, plus hotel gift shop

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Filename i: Oceanside/Pier Resort/S.D. Malkin/Re-use Pro forma;1/8/2008;wcl

APPENDIX B

Reduced Project Alternative Oceanside Pier Resort Hotel

TABLE 1

Reduced Project

PROJECT DESCRIPTION
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

I. Site Area

Total Site 2.75 Acres

II. Gross Building Area

	<u>South Block</u>	<u>North Block</u>	<u>Total</u>	<u>Percent</u>
Hotel Rooms	27,200 SF	18,000 SF	45,200 SF	25.2%
Meeting Space	30,000 SF	0 SF	30,000 SF	16.7%
Owned Restaurant/Lounge	4,822 SF	5,600 SF	10,422 SF	5.8%
Leased Retail/Restaurant	0 SF	6,102 SF	6,102 SF	3.4%
Spa (1)	6,370 SF	0 SF	6,370 SF	3.6%
Lobbies & Circulation/Back-of-House(2)	<u>34,311 SF</u>	<u>16,264 SF</u>	<u>50,575 SF</u>	<u>28.2%</u>
Subtotal Hotel Gross Building Area (GBA)	102,703 SF	45,966 SF	<u>148,669 SF</u>	82.9%
Add: Fractional Units	0 SF	21,000 SF	21,000 SF	11.7%
Add: Fractional Unit Circulation/Stairs/Elevators	<u>0 SF</u>	<u>9,644 SF</u>	<u>9,644 SF</u>	<u>5.4%</u>
Subtotal Fractional Building Area	0 SF	30,644 SF	<u>30,644 SF</u>	17.1%
Total Gross Building Area	102,703 SF	76,610 SF	<u>179,313 SF</u>	100.0%

III. Number of Rooms

Hotel - South Parcel - Main Hotel	68 Units
Hotel - North Parcel - Boutique Hotel	<u>30 Units</u>
Subtotal Hotel Rooms	98 Units
Add: Fractional Units	<u>14 Units</u>
Total Units	112 Units
Number of Floors - South Parcel	3 Floors
Number of Floors - North Parcel	3 Floors

IV. Parking

Upper Level Parking	137,000 SF
Lower Level Parking	0 SF
Total Parking Area	137,000 SF
Add: Back-of-House/Subterranean	<u>15,000 SF</u>
Grand Total - Subterranean	152,000 SF
Parking Spaces	
Upper Level Parking	291 Spaces
Lower Level Parking	0 Spaces
Total Parking Spaces	291 Spaces
Average SF per Space	471 SF per Space
Parking Ratio	2.6 Spaces per Room

(1) Includes spa store.

(2) Includes services, docks, offices, and kitchens.

TABLE 2

Reduced Project

**DEVELOPMENT COSTS
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

	<u>Total</u>	<u>Comments</u>
I. Direct Costs (1)		
Off-Sites (2)	\$3,314,000	\$28 Per SF Land
On-Sites	\$1,924,000	\$16 Per SF Land
Parking	\$9,835,000	\$33,797 Per Space
Hotel Shell	\$24,409,000	\$164 Per SF GBA - Hotel
Historic Houses Relocation		Included below
Historic House Rehabilitation	\$637,000	\$255 Per SF Historic Houses (2,500 SF)
Fractional Shell	\$5,277,000	\$172 Per SF GBA - Fractionals
FF&E	\$5,496,000	\$49,071 Per Unit
Retail/Leased Restaurant Finishes (3)	\$244,000	\$40 Per SF GBA - Retail
Hotel Restaurant Finish	\$2,606,000	\$250 Per SF GBA - Owned Restaurant/Lounge
Spa Finish	\$1,521,000	\$239 Per SF GBA - Spa
Contingency	<u>\$3,603,000</u>	6.5% of Directs
Total Direct Costs	\$58,866,000	\$328 Per SF GBA
		\$525,589 Per Unit
II. Indirect Costs		
Architecture & Engineering	\$3,901,000	6.6% of Directs
Permits & Fees (2)	\$1,655,000	\$9 Per SF GBA
Legal & Accounting	\$504,000	0.9% of Directs
Taxes & Insurance	\$948,000	1.6% of Directs
Retail & Restaurant Leasing Commissions (3)	\$64,000	\$10 Per SF GBA - Retail
Marketing	\$3,503,000	\$31,277 Per Unit
Pre-Opening and Staff Training	\$1,000,000	\$10,204 Per Hotel Room
Developer Fee	\$2,309,000	3.9% of Directs
Contingency	<u>\$472,000</u>	3.4% of Indirects
Total Indirect Costs	\$14,356,000	24.4% of Directs
III. Financing Costs		
Interest During Construction	\$3,180,000	5.4% of Directs
Loan Fees	\$1,399,000	2.4% of Directs
Operating Deficit Reserves	<u>\$1,350,000</u>	2.3% of Directs
Total Financing Costs	\$5,929,000	10.1% of Directs
IV. Total Development Costs		
Or Say (Rounded)	\$79,151,000	\$441 Per SF GBA
		\$707,000 Per Unit

(1) Reflects the payment of prevailing wages.

(2) Per Developer. Not verified by KMA or City.

(3) Includes specialty restaurant, coffee shop, and retail.

TABLE 3

Reduced Project

NET OPERATING INCOME
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

I. Revenue		<u>Year 5 Stabilized</u>
Room Revenue	\$317 ADR 78.3% Occupancy	\$8,886,000
Food & Beverage	33.7% of Room Revenue	\$2,994,000
Telephone Revenue	0.6% of Room Revenue	\$57,000
Spa	\$5,204 Per Room	\$510,000
Retail Lease	\$3.36 Per SF/Month	\$246,000
Parking Revenue	\$6,561 Per Room	\$643,000
Other Revenue	1.9% of Room Revenue	<u>\$170,000</u>
Gross Revenue		\$13,506,000
II. Expenses		
Room Expense	25.1% of Room Revenue	(\$2,227,000)
Food & Beverage Expense	61.0% of Food & Beverage	(\$1,826,000)
Telephone Expense	170.2% of Telephone Revenue	(\$97,000)
Spa	86.1% of Spa Revenue	(\$439,000)
Retail Lease	0.0% of Retail Lease Revenue	\$0
Parking Expense	40.0% Parking Revenue	(\$257,000)
Other	35.3% of Other Revenue	<u>(\$60,000)</u>
Subtotal Departmental Expenses		(\$4,906,000)
(Less) Overhead Expenses (1)	36.2% of Gross Revenue	(\$4,883,000)
(Less) Fixed Charges (2)	10.3% of Gross Revenue	<u>(\$1,392,000)</u>
Total Expenses	82.8% of Gross Revenue	(\$11,181,000)
III. Net Operating Income (NOI) - Hotel	17.2% of Gross Revenue	\$2,325,000
IV. Net Operating Income - Fractionals		
Add: Non-Owner Usage Fractional NOI		\$172,000
Add: Owners' Usage Fractional NOI		\$16,000
Net Operating Income - Fractionals		\$188,000
V. Grand Total NOI		\$2,513,000

(1) Includes general & administrative, marketing, energy, property operation, and base management fee.

(2) Includes taxes, insurance, operating leases, ownership costs, FF&E reserve, and incentive management fee.

TABLE 4

Reduced Project

DEVELOPER RETURN
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

I. Net Sales Proceeds - Hotel		
Grand Total NOI - Stabilized Year 5		\$2,513,000
Capitalized Value of NOI @	8.0%	\$31,413,000
(Less) Cost of Sale @	3.0%	<u>(\$942,000)</u>
Net Sales Proceeds - Hotel		<u>\$30,471,000</u>
II. Net Sales Proceeds - Fractionals		
NPV of Gross Sales Proceeds @ 10%	\$151,000 /Fractional Period	\$25,410,000
(Less) Marketing Expenses @	12.0% of Sales	(\$3,049,000)
(Less) Sales Expenses @	8.0% of Sales	(\$2,033,000)
(Less) Operating Expenses @	5.0% of Sales	<u>(\$1,271,000)</u>
Net Fractional Sales Revenue		<u>\$19,057,000</u>
III. Total Net Proceeds Hotel and Fractionals		<u>\$49,528,000</u>
(Less) Total Development Costs		<u>(\$79,151,000)</u>
IV. Developer Profit (1)		(\$29,623,000)
		-59.8% of Value
		-37.4% of Cost
Minimum Target Developer Profit	12.5% of Value	\$6,191,000
Add: Developer Profit Shortfall		<u>\$29,623,000</u>
V. Estimated Financing Gap		\$35,814,000

(1) Excluding land acquisition cost.

TABLE 5

Reduced Project

ESTIMATE OF TRANSIENT OCCUPANCY TAX (1)
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

Year 5 Stabilized

I. Estimate of TOT - Hotel

Number of Rooms	98
Days	365
Total Room Nights	35,770
Occupancy Rate	78.3%
Total Occupied Rooms	28,008
Average Daily Rate (ADR)	\$317
Total Room Revenue	\$8,886,000
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Hotel	\$888,600

II. Estimate of TOT - Fractionals

A. Non-Owner Usage Fractionals

Number of Units	14
Number of Nights	360
Total Room Nights	5,040
Percent of Fractional Periods Available	8.3%
Total Room Nights	420
Occupancy Rate	55.0%
Total Occupied Rooms	231
Average Daily Rate (ADR)	\$540
Total Room Revenue	\$124,651
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Non-Owner Usage	\$12,465

B. Owners' Usage Fractionals

Number of Units	14
Number of Nights	360
Total Room Nights	5,040
Percent of Fractional Periods Available	91.7%
Total Room Nights	4,620
Occupancy Rate	100.0%
Total Occupied Rooms	14
Average Daily Rate (ADR)	\$0
Total TOT Revenue - Owned	\$0
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Owners' Usage	\$0

III. Total TOT - Hotel & Fractionals **\$901,000**

(1) Recurring annual revenue in stabilized year

TABLE 6

Reduced Project

ESTIMATED TAX INCREMENT REVENUE (1)
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

		<u>Year 5 Stabilized</u>
I. Estimate of Tax Increment - Hotel		
Net Operating Income		\$2,513,000
Capitalization Rate		8.0%
Capitalized Value		\$31,412,500
Per Unit		\$321,000
Estimated Per-Unit Assessed Value		\$321,000
Tax Increment per Unit	1.0%	\$3,210
Total Tax Increment		\$315,000
(Less) Housing Set-aside	20.0%	(\$63,000)
(Less) Other Pass-throughs	20.0%	<u>(\$63,000)</u>
Net Tax Increment		\$189,000
II. Estimate of Tax Increment - Fractionals		
Gross Sales Proceeds	\$184,000 /Fractional Period	\$30,873,000
(Less) Marketing Expenses	9.9% of Sales	(\$3,069,000)
(Less) Operating Expenses	6.9% of Sales	<u>(\$2,129,000)</u>
Estimated Assessed Value		\$25,675,000
Per Unit (14 Units)		\$1,834,000
Estimated Per-Unit Assessed Value		
Tax Increment per Unit	1.0%	\$18,000
Total Tax Increment		\$252,000
(Less) Housing Set-aside	20.0%	(\$50,000)
(Less) Other Pass-throughs	20.0%	<u>(\$50,000)</u>
Net Tax Increment		\$152,000
III. Total Tax Increment	-	\$341,000

(1) Recurring annual revenue in stabilized year.

NOTE: No assurances are provided by KMA as to the certainty of the projected tax increment revenues shown in this document. While we believe our estimates to be reasonable, actual taxable values will vary from the amounts assumed in the projection.

Prepared by: Keyser Marston Associates, Inc.

Filename i: Oceanside/Pier Resort/S.D. Malkin/Reduced Alternative;1/8/2008;wcl

TABLE 7

Reduced Project

ESTIMATED SALES TAX REVENUE (1)
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

	<u>Year 5 Stabilized</u>
I. <u>Hotel</u>	
Food & Beverage	\$3,049,451
Percent to City	1.0%
City Share of Sales Tax	\$30,000
II. <u>Retail/Restaurant - Leased</u>	
Square Feet (SF) (2)	6,388
Vacancy	95.0%
Net Square Feet Rented	6,069
Sales Per SF	\$400
Total Sales	\$2,427,000
Amount Taxable	100.0%
Total Sales Tax	\$2,427,000
Percent to City	1.0%
City Share of Sales Tax	\$24,000
III. <u>Retail/Restaurant - Owned</u>	
Square Feet (SF) (3)	10,702
Vacancy	95.0%
Net Square Feet Rented	10,167
Sales Per SF	\$400
Total Sales	\$4,067,000
Amount Taxable	100.0%
Total Sales Tax	\$4,067,000
Percent to City	1.0%
City Share of Sales Tax	\$41,000
IV. Total Sales Tax	\$95,000

(1) Recurring annual revenue in stabilized year.

(2) Includes leased retail and spa store.

(3) Includes North and South Block restaurants, plus hotel gift shop.

Prepared by: Keyser Marston Associates, Inc.

Filename i: Oceanside/Pier Resort/S.D. Malkin/Reduced Alternative,1/8/2008;wcl

APPENDIX C

Historic Resources Alternative Oceanside Pier Resort Hotel

TABLE 1

Historic Resources

PROJECT DESCRIPTION
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

I. Site Area

Total Site	2.75 Acres
------------	------------

II. Gross Building Area

	<u>South Block</u>	<u>North Block</u>	<u>Total</u>	<u>Percent</u>
Hotel Rooms	98,800 SF	28,200 SF	127,000 SF	30.0%
Meeting Space	30,000 SF	0 SF	30,000 SF	7.1%
Owned Restaurant/Lounge	4,822 SF	5,600 SF	10,422 SF	2.5%
Leased Retail/Restaurant	0 SF	6,102 SF	6,102 SF	1.4%
Spa (1)	9,100 SF	0 SF	9,100 SF	2.2%
Lobbies & Circulation/Back-of-House(2)	<u>97,847 SF</u>	<u>42,038 SF</u>	<u>139,885 SF</u>	<u>33.1%</u>
Subtotal Hotel Gross Building Area (GBA)	240,569 SF	81,940 SF	<u>322,509 SF</u>	76.3%
Add: Fractional Units	0 SF	72,000 SF	72,000 SF	17.0%
Add: Fractional Unit Circulation/Stairs/Elevators	<u>0 SF</u>	<u>28,150 SF</u>	<u>28,150 SF</u>	<u>6.7%</u>
Subtotal Fractional Building Area	0 SF	100,150 SF	<u>100,150 SF</u>	23.7%
Total Gross Building Area	240,569 SF	182,090 SF	<u>422,659 SF</u>	100.0%

III. Number of Rooms

Hotel - South Parcel - Main Hotel	247 Units
Hotel - North Parcel - Boutique Hotel	47 Units
Subtotal Hotel Rooms	294 Units
Add: Fractional Units	48 Units
Total Units	342 Units
Number of Floors - South Parcel	8 Floors
Number of Floors - North Parcel	8 Floors

IV. Parking

Upper Level Parking	118,813 SF
Lower Level Parking	<u>122,187 SF</u>
Total Parking Area	241,000 SF
Add: Back-of-House/Subterranean	48,000 SF
Grand Total - Subterranean	289,000 SF
Parking Spaces	
Upper Level Parking	259 Spaces
Lower Level Parking	<u>281 Spaces</u>
Total Parking Spaces	540 Spaces
Average SF per Space	446 SF per Space
Parking Ratio	1.6 Spaces per Room

(1) Includes spa store.

(2) Includes services, docks, offices, and kitchens.

TABLE 2

Historic Resources

**DEVELOPMENT COSTS
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

	<u>Total</u>	<u>Comments</u>
I. Direct Costs (1)		
Off-Sites (2)	\$3,579,000	\$30 Per SF Land
On-Sites	\$1,756,000	\$15 Per SF Land
Parking	\$21,967,000	\$40,680 Per Space
Hotel Shell	\$75,437,000	\$234 Per SF GBA - Hotel
Historic Houses Relocation		Included below
Historic Houses Rehabilitation	\$1,397,000	\$559 Per SF Historic Houses (2,500 SF)
Fractional Shell	\$25,772,000	\$257 Per SF GBA - Fractionals
FF&E	\$17,856,000	\$52,211 Per Unit
Retail/Leased Restaurant Finishes (3)	\$244,000	\$40 Per SF GBA - Retail
Hotel Restaurant Finish	\$2,606,000	\$250 Per SF GBA - Owned Restaurant/Lounge
Spa Finish	\$2,204,000	\$242 Per SF GBA - Spa
Contingency	\$10,151,000	6.6% of Directs
Total Direct Costs	\$162,969,000	\$386 Per SF GBA
		\$476,518 Per Unit
II. Indirect Costs		
Architecture & Engineering	\$9,772,000	6.0% of Directs
Permits & Fees (2)	\$3,900,000	\$9 Per SF GBA
Legal & Accounting	\$700,000	0.4% of Directs
Taxes & Insurance	\$1,800,000	1.1% of Directs
Retail & Restaurant Leasing Commissions (3)	\$64,000	\$10 Per SF GBA - Retail
Marketing	\$6,112,000	\$17,871 Per Unit
Pre-Opening and Staff Training	\$1,600,000	\$5,442 Per Hotel Room
Developer Fee	\$4,780,000	2.9% of Directs
Contingency	\$1,053,000	3.7% of Indirects
Total Indirect Costs	\$29,781,000	18.3% of Directs
III. Financing Costs		
Interest During Construction	\$10,900,000	6.7% of Directs
Loan Fees	\$2,981,000	1.8% of Directs
Operating Deficit Reserves	\$2,600,000	1.6% of Directs
Total Financing Costs	\$16,481,000	10.1% of Directs
IV. Total Development Costs		
Or Say (Rounded)	\$209,231,000	\$495 Per SF GBA
		\$612,000 Per Unit

(1) Reflects the payment of prevailing wages.

(2) Per Developer. Not verified by KMA or City.

(3) Includes specialty restaurant, coffee shop, and retail.

TABLE 3

Historic Resources

**NET OPERATING INCOME
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

I. Revenue		<u>Year 5 Stabilized</u>
Room Revenue	\$311 ADR 74.2% Occupancy	\$24,758,000
Food & Beverage	36.8% of Room Revenue	\$9,101,000
Telephone Revenue	0.7% of Room Revenue	\$162,000
Spa	\$6,585 Per Room	\$1,936,000
Retail Lease	\$3.39 Per SF/Month	\$248,000
Parking Revenue	\$6,340 Per Room	\$1,864,000
Other Revenue	2.0% of Room Revenue	<u>\$484,000</u>
Gross Revenue		\$38,553,000
II. Expenses		
Room Expense	26.0% of Room Revenue	(\$6,430,000)
Food & Beverage Expense	63.0% of Food & Beverage	(\$5,735,000)
Telephone Expense	170.4% of Telephone Revenue	(\$276,000)
Spa	86.0% of Spa Revenue	(\$1,665,000)
Retail Lease	0.0% of Retail Lease Revenue	\$0
Parking Expense	40.0% Parking Revenue	(\$746,000)
Other	37.4% of Other Revenue	<u>(\$181,000)</u>
Subtotal Departmental Expenses		(\$15,033,000)
(Less) Overhead Expenses (1)	25.6% of Gross Revenue	(\$9,863,000)
(Less) Fixed Charges (2)	9.6% of Gross Revenue	<u>(\$3,684,000)</u>
Total Expenses	74.1% of Gross Revenue	(\$28,580,000)
III. Net Operating Income (NOI) - Hotel	25.9% of Gross Revenue	\$9,973,000
IV. Net Operating Income - Fractionals		
Add: Non-Owner Usage Fractional NOI		\$168,000
Add: Owners' Usage Fractional NOI		<u>\$73,000</u>
Net Operating Income - Fractionals		\$241,000
V. Grand Total NOI		\$10,214,000

(1) Includes general & administrative, marketing, energy, property operation, and base management fee

(2) Includes taxes, insurance, operating leases, ownership costs, FF&E reserve, and incentive management fee.

TABLE 4

Historic Resources

**DEVELOPER RETURN
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE**

I. Net Sales Proceeds - Hotel

Grand Total NOI - Stabilized Year 5		\$10,214,000
Capitalized Value of NOI @	8.0%	\$127,675,000
(Less) Cost of Sale @	3.0%	<u>(\$3,830,000)</u>
Net Sales Proceeds - Hotel		\$123,845,000

II. Net Sales Proceeds - Fractionals

NPV of Gross Sales Proceeds @ 10%	\$155,000 /Fractional Period	\$89,183,000
(Less) Marketing Expenses @	12.0% of Sales	(\$10,702,000)
(Less) Sales Expenses @	8.0% of Sales	(\$7,135,000)
(Less) Operating Expenses @	5.0% of Sales	<u>(\$4,459,000)</u>
Net Fractional Sales Revenue		\$66,887,000

III. Total Net Proceeds Hotel and Fractionals

	\$190,732,000
(Less) Total Development Costs	<u>(\$209,231,000)</u>

Developer Profit (1)

(\$18,499,000)
-9.7% of Value
-8.8% of Cost

Minimum Target Developer Profit	12.5% of Value	\$23,842,000
Add: Developer Profit Shortfall		<u>\$18,499,000</u>

V. Estimated Financing Gap

\$42,341,000

(1) Excluding land acquisition cost.

TABLE 5

Historic Resources

ESTIMATE OF TRANSIENT OCCUPANCY TAX (1)
 OCEANSIDE PIER RESORT HOTEL
 CITY OF OCEANSIDE

Year 5 Stabilized

I. Estimate of TOT - Hotel

Number of Rooms	294
Days	365
Total Room Nights	107,310
Occupancy Rate	74.2%
Total Occupied Rooms	79,624
Average Daily Rate (ADR)	\$311
Total Room Revenue	\$24,758,000
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Hotel	\$2,475,800

II. Estimate of TOT - Fractionals

A. Non-Owner Usage Fractionals

Number of Units	48
Number of Nights	360
Total Room Nights	17,280
Percent of Fractional Periods Available	8.3%
Total Room Nights	1,440
Occupancy Rate	55.0%
Total Occupied Rooms	792
Average Daily Rate (ADR)	\$528
Total Room Revenue	\$418,471
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Non-Owners' Usage	\$41,847

B. Owners' Usage Fractionals

Number of Units	48
Number of Nights	360
Total Room Nights	17,280
Percent of Fractional Periods Available	91.7%
Total Room Nights	15,840
Occupancy Rate	100.0%
Total Occupied Rooms	15,840
Average Daily Rate (ADR)	\$0
Total TOT Revenue - Owned	\$0
Transient Occupancy Tax (TOT)	10.0%
Total TOT Revenue - Owners' Usage	\$0

III. Total TOT - Hotel & Fractionals **\$2,518,000**

(1) Recurring annual revenue in stabilized year

TABLE 6

Historic Resources

ESTIMATED TAX INCREMENT REVENUE ⁽¹⁾
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

Year 5 Stabilized**I. Estimate of Tax Increment - Hotel**

Net Operating Income		\$10,214,000
Capitalization Rate		8.0%
Capitalized Value		\$127,675,000
Per Unit		\$434,000
Estimated Per-Unit Assessed Value		\$434,000
Tax Increment per Unit	1.0%	\$4,340
Total Tax Increment		\$1,276,000
(Less) Housing Set-aside	20.0%	(\$255,000)
(Less) Other Pass-throughs	20.0%	(\$255,000)
Net Tax Increment		\$766,000

II. Estimate of Tax Increment - Fractionals

Gross Sales Proceeds	\$194,000 /Fractional Period	\$111,878,000
(Less) Marketing Expenses	12.5% of Sales	(\$14,001,000)
(Less) Operating Expenses	5.1% of Sales	(\$5,737,000)
Estimated Assessed Value		\$92,140,000
Per Unit (48 Units)		\$1,920,000
Estimated Per-Unit Assessed Value		
Tax Increment per Unit	1.0%	\$19,000
Total Tax Increment		\$912,000
(Less) Housing Set-aside	20.0%	(\$182,000)
(Less) Other Pass-throughs	20.0%	(\$182,000)
Net Tax Increment		\$548,000

III. Total Tax Increment **\$1,314,000**

(1) Recurring annual revenue in stabilized year.

NOTE: No assurances are provided by KMA as to the certainty of the projected tax increment revenues shown in this document. While we believe our estimates to be reasonable, actual taxable values will vary from the amounts assumed in the projection.

Prepared by: Keyser Marston Associates, Inc.

Filename i: Oceanside/Pier Resort/S.D. Malkin/Historic Alternative;1/8/2008.wcl

TABLE 7

Historic Resources

ESTIMATED SALES TAX REVENUE (1)
OCEANSIDE PIER RESORT HOTEL
CITY OF OCEANSIDE

	<u>Year 5 Stabilized</u>
<u>I. Hotel</u>	
Food & Beverage	\$9,300,082
Percent to City	1.0%
City Share of Sales Tax	\$93,000
<u>II. Retail/Restaurant - Leased</u>	
Square Feet (SF) (2)	6,388
Vacancy	95.0%
Net Square Feet Rented	6,069
Sales Per SF	\$400
Total Sales	\$2,427,000
Amount Taxable	100.0%
Total Sales Tax	\$2,427,000
Percent to City	1.0%
City Share of Sales Tax	\$24,000
<u>III. Retail/Restaurant - Owned</u>	
Square Feet (SF) (3)	10,702
Vacancy	95.0%
Net Square Feet Rented	10,167
Sales Per SF	\$400
Total Sales	\$4,067,000
Amount Taxable	100.0%
Total Sales Tax	\$4,067,000
Percent to City	1.0%
City Share of Sales Tax	\$41,000
IV. Total Sales Tax	\$158,000

(1) Recurring annual revenue in stabilized year.

(2) Includes leased retail and spa store

(3) Includes North and South Block restaurants, plus hotel gift shop

Prepared by: Keyser Marston Associates, Inc.

Filename i: Oceanside/Pier Resort/S.D. Malkin/Historic Alternative;1/8/2008;wcl

RESOLUTION NO.

A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OCEANSIDE, CALIFORNIA CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE OCEANSIDE BEACH RESORT PROJECT AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM, FINDINGS AND A STATEMENT OF OVERRIDING CONSIDERATION

(S.D. Malkin - Applicant)

WHEREAS, S.D. Malkin submitted an application for a Tentative Map (T-204-06), Development Plan (D-213-06), Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06) for the construction of a 336-unit hotel, 48-unit fractional time shares and 18,500 square feet of commercial uses located on two city blocks bounded by Pier View Way on the north, Seagaze Drive on the south, Myers Street on the east and Pacific Street on the west (collectively "Oceanside Beach Resort Development Project"); and

WHEREAS, a Final Environmental Impact Report for the Oceanside Beach Resort Development Project was prepared and circulated for public and agency review and proper notification was given in accordance with the California Environmental Quality Act; and

WHEREAS, the City Council, did on the 16th day of January, 2008, conduct a public meeting on the content of the Final Environmental Impact Report;

NOW, THEREFORE, the City Council of the City of Oceanside does resolve and certify as follows:

- 1. The Final Environmental Impact Report was completed in compliance with the provisions of the California Environmental Quality Act (CEQA).

- 1 2. There are certain significant environmental effects detailed in the Final
2 Environmental Impact Report which have been avoided or substantially lessened
3 by the establishment of measures which are detailed in Findings Regarding the
4 Environmental Impacts of Oceanside Beach Resort Development Project (Exhibit
5 "A"), Statement of Overriding Considerations for the Oceanside Beach Resort
6 Development Project (Exhibit "B"), and Mitigation and Monitoring and
7 Reporting Program (Exhibit "C").
8
- 9 3. The Final Environmental Impact Report, Mitigation and Monitoring and Reporting
10 Program, Findings Regarding the Environmental Impacts of Oceanside Beach Resort
11 Development Project, and Statement of Overriding Considerations for the Oceanside
12 Beach Resort Development Project were presented to the City Council, and the City
13 Council reviewed and considered the information contained in these documents prior to
14 making a decision on the project. The Final Environmental Impact Report, Mitigation
15 and Monitoring and Reporting Program, Findings Regarding the Environmental Impacts
16 of Oceanside Beach Resort Development Project, and, Statement of Overriding
17 Considerations for the Oceanside Beach Resort Development Project have been
18 determined to be accurate and adequate documents which reflect the independent
19 judgment of the City Council.
- 20 4. The Final Environmental Impact Report for the Oceanside Beach Resort Development
21 Project IS CERTIFIED, effective as of this day.
- 22 5. Pursuant to Public Resources Code Section 21081.6 the City Council adopts the
23 Mitigation Monitoring and Reporting Program for the Oceanside Beach Resort
24 Development Project attached as Exhibit "C" and incorporated herein by this reference
25 and finds and determines that said program is designed to ensure compliance with the
26 mitigation measures during project implementation.
- 27 6. Pursuant to Public Resources Code Section 21081, the City Council hereby adopts the
28 Findings Regarding the Environmental Impacts of Oceanside Beach Resort

1 Development Project, attached as Exhibit "A" and incorporated herein by this reference,
2 and the Statement of Overriding Considerations for the Oceanside Beach Resort
3 Development Project attached as Exhibit "B" and incorporated herein by this reference.

4 7. Notice is HEREBY GIVEN that the time within which judicial review must be sought
5 on this decision is governed by the provisions of the California Environmental Quality
6 Act.

7 PASSED and ADOPTED by the City Council of the City of Oceanside, California this
8 _____ day of _____, 2008 by the following vote:

9 AYES:

10 NAYES:

11 ABSENT:

12 ABSTAIN:

13
14 _____

15 Mayor of the City of Oceanside

16
17 ATTEST:

18 APPROVED AS TO FORM:

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20 _____

21 City Clerk

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City Attorney

EXHIBIT “A”

FINDINGS REGARDING THE ENVIRONMENTAL IMPACT REPORT FOR THE PROPOSED OCEANSIDE BEACH RESORT PROJECT

(State Clearinghouse (SCH) No. 2007011042)

I. INTRODUCTION

Pursuant to the California Environmental Quality Act (“CEQA,” Public Resources Code §§ 21000-21178.1) and the State CEQA Guidelines (14 California Code of Regulations, §§ 15000-15387), the City of Oceanside is the lead agency for the Oceanside Beach Resort Project (proposed project). The City prepared an environmental impact report (“EIR”) for the project (SCH No. 20070011042), which analyzed the potentially significant environmental impacts of the project.

The City hereby certifies and finds that the EIR for the project has been completed in compliance with CEQA and the State CEQA Guidelines. The City further makes the following Findings, pursuant to State CEQA Guidelines § 15091: the EIR concluded that the project will have significant, but mitigable, environmental impacts in the following areas: aesthetics, air quality, cultural resources, hazards and hazardous materials, hydrology and water quality, noise, paleontological resources, and traffic, circulation and parking. In addition, the project will have significant and unavoidable environmental impacts associated with climate change, cultural resources, land use, and traffic, circulation and parking.

II. PROJECT DESCRIPTION AND PURPOSE

The Oceanside Beach Resort project site is located on two city blocks (Blocks 16 and 17) in the City's downtown area. The project site consists of 18 separate parcels bounded by Pacific Street on the west, Myers Street on the east, Pier View Way on the north, and Seagaze Drive on the south. The NCTD railroad corridor is located one block east of the site, and the Oceanside public beach is located directly across Pacific Street to the west. The proposed Oceanside Beach Resort project would develop a total of approximately 420,000 square feet (SF) of hotel/timeshare, visitor-serving commercial, and supporting uses on the two blocks totaling 2.76 acres, including the South Block (Block 16, 1.38 acres) and the North Block (Block 17, 1.38 acres).

The objectives of the proposed project are listed below.

1. Redevelop two blocks located within the City of Oceanside's Downtown Redevelopment Area with a minimum of 240 hotel rooms, 18,500 SF of visitor-serving commercial uses, on-site parking and supporting uses.
2. Design and implement a development that is consistent with the City's Nine Block Pier Area Master Plan and Local Coastal Program.
3. Promote the long-term viability and transformation of the Redevelopment Project Area.
4. Enhance the aesthetics of the D-Downtown District through a distinctive project design.
5. Protect view corridors, develop buildings with an east/west orientation, and provide uses consistent with Oceanside's Local Coastal Program.
6. Provide pedestrian connectivity along Pacific Street and the surrounding streets.

7. Provide ballroom and meeting facilities to accommodate up to 500 people as a benefit to the public.
8. Retain connectivity with Oceanside's past through the relocation, rehabilitation, and incorporation of the Graves House, located at 102 North Pacific Street, into the project site.

North Block. The North Block would feature approximately 180,500 SF of hotel, timeshare, and retail uses in two above-ground destination resort wings that would each have a maximum height of approximately 90 feet. The North Block building would be developed on a 1.38 acre block with a total FAR of approximately 3.0. The North Block would have approximately 45 percent site coverage, approximately 42 percent open space, with the remaining approximately 13 percent consisting of ancillary and public access areas. The north hotel tower would provide up to 120 resort keys, which would include a combination of hotel rooms and fractional/timeshare units, along with a restaurant and shops.

The Graves House would be relocated from its current location on the South Block (102 North Pacific Street) to the North Block and be incorporated into the public plaza. The residence would undergo restoration and adaptive rehabilitation for re-use, such as a coffee house, restaurant, or other visitor-serving use compatible with the character of the structure, and would provide a timeline to the past through a historic depiction plaque.

South Block. The South Block would feature approximately 240,000 SF of hotel uses in one eight-story, above-grade destination resort tower that would have a maximum height of approximately 90 feet. The south tower would be developed on a 1.38 acre block at an FAR of approximately 4.0. The South Block would have approximately 75 percent site coverage, approximately 18 percent open space, with the remaining approximately seven percent consisting of ancillary and public access areas. The south hotel tower would provide up to 293 hotel units.

Discretionary Actions The Oceanside Beach Resort project would require the following discretionary approvals from the City of Oceanside:

- Certification of the EIR and adoption of CEQA Findings, Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program.
- Tentative Map to allow the subdivision of on-site properties and establish requirements for necessary infrastructure and off-site improvements.
- Mixed-Use Development Plan for a beach resort and all related support facilities "to provide flexibility in land use regulations and site development standards" in accordance with subsections (N) and (KK) of the D Downtown District Additional Development Regulations.
- Coastal Development Permit for all proposed development actions to allow development within the Coastal Zone.
- Conditional-Use Permit for the hotel/timeshare uses and related support facilities.
- Disposition Development Agreement.
- Land Lease Agreement between the City and the applicant to allow the subterranean parking structure to extend beneath sidewalks and the City rights-of-way.
- Historic Permit for the relocation of one historic structure and the demolition of another.
- Any other necessary approvals.

In addition, the following approvals would be required from Responsible or Trustee Agencies:

- National Pollutant Discharge Elimination System (NPDES) Construction Activities Storm Water General Permit by the State Water Resources Control Board (SWRCB).
- Any other necessary approvals.

III. ENVIRONMENTAL REVIEW PROCESS

On January 11, 2007, a Notice of Preparation (NOP) was distributed by the City of Oceanside for the proposed project. The State of California Clearinghouse issued a project number for the EIR, SCH No. 20070011042. In accordance with State CEQA Guidelines Section 15082, the NOP was circulated to the agencies, groups and individuals listed in Appendix A for a period of 30 days, during which time comments were solicited pertaining to environmental issues/topics that the EIR should evaluate. A copy of the NOP and each NOP comment letter received is provided in Appendix A. An EIR scoping meeting was held on January 25, 2007 in the Oceanside City Council Chambers to receive public input on the content and scope of the EIR for the project.

In accordance with State CEQA Guidelines Section 15087 and 15150, the Draft EIR was distributed to the State Clearinghouse, federal, state and local agencies, organizations and individuals for a 45-day public review beginning on September 4, 2007 and ending on October 18, 2007 at 5:00 pm. Comment letters received on the Draft EIR during the public review period were responded to in writing and included as the Response to Comments section in the Final EIR.

IV. FINDINGS REGARDING IMPACTS THAT CAN BE MITIGATED TO BELOW A LEVEL OF SIGNIFICANCE

The City, having reviewed and considered the information contained in the EIR, the appendices to the EIR, and the administrative record, finds, pursuant to California Public Resources Code §21081(a)(1) and CEQA Guidelines §15091(a)(1), that changes or alterations have been required in, or incorporated into, the project which would mitigate, avoid, or substantially lessen to below a level of significance the following potentially significant environmental effects identified in the EIR in the following categories: aesthetics, air quality, cultural resources, hazards and hazardous materials, hydrology and water quality, noise, paleontological resources, and traffic, circulation and parking.

A. Aesthetics

Potential Impact: Would the project create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Finding: The proposed Oceanside Beach Resort project would create a new source of light from the illumination of two new eight-story buildings on two City blocks at night. However, the project is not anticipated to result in a new source of glare because it would not use reflective building materials.

Facts in support of Finding: The proposed project would be required to meet the lighting regulations outlined in Chapter 39, Light Pollution Regulations, in the City of Oceanside City Code of Ordinances and the D Downtown District regulations regarding above-standard design requirements. To ensure that the new sources of light from the proposed project would not affect nighttime views, various light standards, refractors, automatic cutoff policies and horizontal lumens would be used to reduce light impacts associated with the proposed project to below a level of significance.

Mitigation Measures:

Aes-1 The proposed project shall adhere to additional light standards by installing refractors, automatic cutoffs, and horizontal lumens. It is also recommended that windows be treated or fabricated with non-reflective materials to reduce indoor light from shining through them.

Level of Significance After Mitigation: Less than significant

B. Air Quality

Potential Impact: Would the project violate an air quality standard or contribute substantially to an existing or projected air quality violation including pollutant emissions for which the region is in federal or state nonattainment?

Finding: The proposed Oceanside Beach Resort project, in combination with the proposed CityMark development project (development of the downtown blocks 5, 18, 19, 20, and 21), would have the potential to result in the exceedance of screening thresholds for criteria pollutants if both projects are constructed simultaneously.

Facts in Support of Finding: Development of the proposed Oceanside Beach Resort project on its own would not violate any air quality standard or contribute substantially to an existing or projected air quality violation. Therefore, direct project impacts would be less than significant. However, if the proposed CityMark development project and the Oceanside Beach Resort project are constructed simultaneously, a potentially significant temporary cumulative air quality impact would occur.

Implementation of mitigation measure Air-1 would reduce cumulative air quality impacts associated with the simultaneous construction of the CityMark development project and the proposed Oceanside Beach Resort project to below a level of significance. Implementation of this measure would ensure that the combined emissions from both projects remain below the screening level thresholds identified by the San Diego Air Pollution Control District for criteria pollutants. To further reduce air emissions, air quality Best Management Practices (BMPs) and a Construction Management Plan would be implemented during construction and an Operations Management Plan would be implemented post-construction.

Mitigation Measures:

Air-1 If the Oceanside Beach Resort project and the CityMark development project are constructed at the same time, an air emissions construction plan shall be prepared by a qualified air quality specialist and approved by the City Planning Department to ensure that the number of construction vehicles and equipment used simultaneously would not exceed the allowable significance threshold for any criteria pollutant. The air emissions construction plan shall identify the maximum number of construction vehicles and equipment and the hours per day that they would be allowed to operate at each site.

Level of Significance After Mitigation: Less than significant.

C. Cultural Resources

Potential Impact: Would the project cause a substantial adverse change in the significance of an archaeological resource; or cause a substantial adverse change in the significance of a historical resource?

Findings:

Archaeological Resources

There is a high potential for buried archaeological features and deposits associated with former residences and associated privy pits (outhouses) located on the North and South Blocks. Construction activities for the proposed project would require grading and excavation, which may impact potentially significant archaeological deposits, including prehistoric archaeological sites and, most likely, historical features and deposits associated with early residential development dating from the late 1880s to 1910 on both the North and South Blocks.

Historic Resources

The project site contains four existing residential structures that would require demolition or removal and relocation prior to project construction. An evaluation of the potential for these structures to meet one or more of the criteria for listing on the CRHR indicated that two of the structures located at 102 and 106 North Pacific Street qualify for CRHR eligibility. Therefore, they are considered to be significant historic resources.

Facts in Support of Findings: Site grading and excavation for the proposed project may disturb privies and trash pits associated with the historic residential uses of the site, resulting in a significant impact to archaeological resources. Mitigation measures Cul-1 and Cul-2 would reduce potential impacts to archaeological resources below a level of significance. Mitigation measure Cul-3 would reduce impacts to the structure at 102 North Pacific Street below a level of significance. Mitigation measure Cul-4 identifies two options for reducing impacts to the structure at 106 North Pacific Street. One of the options (a) would fully mitigate the impacts, while the other option (b) would reduce the impacts, but not below a level of significance. This second option is addressed in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance. Finally, mitigation measure Cul-5 would reduce impacts associated with the structures located at 109 North Myers Street and 112 A/B Seagaze Drive to below a level of significance.

Mitigation Measures:

- Cul-1*** Prior to the issuance of a grading permit, the applicant shall provide evidence of a full-time archaeological and Native American monitoring program during removal of all existing landscape and hardscape, including the initial stages of site grading or excavation within native soils per the following requirements:
- a. Prior to the issuance of a building and/or grading permit, the applicant shall provide a letter of verification to the Oceanside Planning Department stating that a qualified archaeologist and Native American monitor have been retained to implement the monitoring program. The requirement for archaeological monitoring shall be noted on the grading plans. All persons involved in the archaeological monitoring of this development shall be approved by the Planning Department prior to the first preconstruction meeting. The applicant shall notify the Planning Department of the start and end of construction.
 - b. The qualified archaeologist and Native American monitor shall attend any preconstruction meetings to make comments and/or suggestions concerning the archaeological and Native American monitoring program with the construction manager.
 - c. The qualified archaeologist and Native American monitor shall be present on site at all times during grading of native soils.

- d. When requested by the archaeologist or Native American monitor, the contractor shall divert, direct or temporarily halt ground disturbing activities in the area of discovery to allow evaluation of potentially significant archaeological and/or Native American resources. The archaeologist or Native American monitor shall immediately notify the Planning Department of such a finding at the time of discovery. The significance of the discovered resource(s) shall be determined by the archaeologist or Native American monitor, in consultation with the Planning Department and the Native American community. The Planning Department must concur with the evaluation procedures before grading activities are allowed to resume. For potentially significant historical resources discovered during site development, a Research Design and Data Recovery Program shall be prepared and carried out to mitigate impacts before grading activities in the area of discovery are allowed to resume. Any human bones of Native American origin shall be turned over to the appropriate Native American group for reburial.
- e. All historical materials collected shall be cleaned, cataloged and permanently curated with an appropriate institution. All artifacts shall be analyzed to identify function and chronology as they relate to the history of the area. Faunal material shall be identified as to species, and specialty studies shall be completed as appropriate. Additionally, any sites and/or features encountered during the monitoring program shall be recorded on the applicable Department of Parks and Recreation forms (DPR 523A/B, et al.) and submitted to the South Coastal Information Center at San Diego State University and the San Diego Museum of Man with the final monitoring results report.
- f. Prior to the release of the grading bond, the applicant shall submit to the Planning Department a letter of acceptance for the archaeological collection from the appropriate institution. In addition, a monitoring results report and/or evaluation report, if appropriate, which describes the results, analysis, and conclusions of the entire archaeological and Native American monitoring program (with appropriate graphics and photo documentation) shall be submitted to and approved by the Planning Department. For significant archaeological or Native American resources, a Research, Design and Data Recovery Program shall be included as part of the evaluation report. A mitigation report for significant resources, if required, shall be submitted to and approved by the Planning Department prior to the release of the grading bond.

Cul-2 During project construction, the construction contractor shall implement proper security measures, such as locked fencing, patrols, and covering of exposed archaeological features, to the satisfaction of the City enforcement officer. Security measures shall be put into place during the initial construction phases of the project to protect the well-known historical areas from trespassers who are frequently known to loot sites prior to or during treatment by professional archaeologists and/or culturally affiliated Native Americans.

Cul-3 Prior to the relocation of the structure located at 102 North Pacific Street, the applicant shall retain a qualified architectural historian to prepare a relocation plan and to oversee the relocation, restoration and rehabilitation of the structure and to ensure that all work follows the Secretary of the Interior's Standards.

Cul-4 In order to mitigate for the significant project impact to the historic structure located at 106 North Pacific Street, one of the following options shall be implemented by the applicant.

- a. **Relocation, Restoration and Adaptive Re-use.** The structure located at 106 North Pacific Street shall be relocated and integrated into the proposed Oceanside Beach Resort

project, similar to the structure at 102 North Pacific Street, or shall be relocated to another suitable location in downtown Oceanside. Under this option, the applicant shall retain a qualified architectural historian to prepare a relocation plan and to oversee the relocation, restoration and rehabilitation of the structure and to ensure that all work follows the Secretary of the Interior's Standards. Implementation of this option to relocate and preserve the historic structure at 106 North Pacific Street would reduce impacts to below a level of significance.

- b. Option Cul-4/b is addressed in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance.

Cul-5 Prior to demolition of the structures located at 109 North Myers Street and 112 A/B Seagaze Drive, additional documentation of each structure shall be conducted by a qualified historian after vegetation removal and prior to demolition. Good-quality photographs of the building exterior shall be taken; however, a HABS-level survey is not required.

Level of Significance After Mitigation: Less than significant.

D. Hazards and Hazardous Materials

Potential Impact: Would the project create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials?

Finding: Implementation of the proposed project would result in a potentially significant impact associated with hazardous materials due to nearby contaminated sites and known groundwater contamination present at the near eastern adjacent property and on the project site itself.

Facts in Support of Finding: The Phase I ESA prepared for the proposed project identified evidence of two potentially significant hazardous materials impacts; the first from groundwater contamination associated with former underground fuel storage tanks (Atchison Topeka & Santa Fe Railroad property) and the second from soil and groundwater contamination associated with a former manufactured gas plant (Oceanside Electric & Gas Company).

Based on the determined groundwater flow direction beneath the former Atchison Topeka & Santa Fe Railroad facility located east of the site, it appears that the proposed project site is located down-gradient of this facility. Therefore, based on the presence of petroleum contaminated groundwater beneath this facility and its proximity to the proposed project site, it is possible that contaminated groundwater is present beneath the project site.

Based on the potential for soil and groundwater contamination from the Oceanside Electric & Gas Company located adjacent to the site, it is possible that contaminated groundwater emanating from the former manufactured gas plant is present beneath the project site. In addition, there is a possibility that manufactured gas containers are buried below the surface of the project site. Based upon this information, implementation of the proposed project would result in potentially significant impacts associated with hazardous materials

Implementation of mitigation measures Haz-1 and Haz-2 would reduce potentially significant impacts associated with contaminated groundwater associated with the former railroad property and contaminated soil and groundwater associated with the former gas plant, respectively, to below a level of significance.

Mitigation Measures:

Haz-1 Prior to issuance of any grading permits, a qualified hazardous materials professional shall test the groundwater along the southeastern property boundary, in conformance with County Department of Environmental Health (DEH) requirements, to determine if contaminants are present. If contaminants are found in on-site groundwater, the hazardous materials professional shall complete a Health Risk Assessment and any necessary remediation to the satisfaction of the County DEH based on the proposed development plans.

Haz-2 During grading activities, a qualified hazardous materials monitor shall be on site to monitor the area for manufactured gas containers. If manufactured gas containers are discovered, grading shall be halted in that area and the proper agencies, including County DEH, shall be notified. If required by County DEH, soil sampling shall be conducted in the area to ensure that contamination has not occurred. Remediation shall be conducted where contamination has occurred and proper disposal of the containers shall be completed.

Level of Significance After Mitigation: Less than significant.

E. Hydrology and Water Quality

Potential Impact: Would the project alter the existing drainage or hydrology of the site or area in a manner which would result in flooding; exceed the capacity of the storm water drainage system; or result in substantial erosion or siltation on or off site?

Finding: Operation of the proposed project would have the potential to result in significant direct and cumulative hydrology impacts if the necessary storm drainage improvements are not in place prior to site operation to carry runoff from the project site.

Facts in Support of Finding:

Localized flooding currently occurs in the area surrounding the project site. Recognizing this situation, the City has previously approved and is currently designing and intends to construct drainage improvements to remedy the flooding problem. If the necessary drainage improvements are constructed by the City prior to operation of the Oceanside Beach Resort project, then hydrology impacts associated with flooding would be less than significant. However, if the drainage improvements are not in place prior to operation of the proposed hotel/timeshare project, then a significant direct and cumulative impact associated with localized flooding would occur.

Implementation of mitigation measure Hyd-1 would reduce the potentially significant hydrology impact to below a level of significance.

Mitigation Measures:

Hyd-1 Prior to issuance of a certificate of occupancy, the following measures shall be implemented to serve the project site, if they have not already been implemented by the City. If the City doesn't implement these measures, the applicant shall be responsible for implementation.

- a. Replace existing storm drain in Pacific Street with larger pipes to adequately convey the design discharges identified in the Preliminary Drainage Report for the City of Oceanside Storm Drain Maintenance and Water Quality Improvements (PDC, 2005).
- b. Construct a new storm drain lateral for Pier View Way and Myers Street.

- c. Recontour Myers Street through grading to direct runoff to new curb inlets connected to the new storm drain lateral.

Level of Significance After Mitigation: Less than significant.

F. Noise

Potential Impact: Would the project expose persons to or generate noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies; or result in a substantial, temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?

Findings:

Construction Noise

The project would result in a potentially significant impact to on-site sensitive receptors during project construction.

Exterior and Interior Noise Impacts

In addition, combined rail and traffic noise would have a significant noise impact to the east-facing hotel/timeshare unit balconies fronting Myers Street. Both interior and exterior noise impacts would occur.

Facts in Support of Finding:

Construction Noise

If the project is constructed in phases, guests occupying earlier phases of the project may be impacted by noise from the construction of later phases. This would result in a potentially significant impact to on-site sensitive receptors during project construction.

Exterior Noise Impacts from Train and Traffic Noise

Without intervening structures, the balconies of the units along Myers Street with a line of sight to the railroad tracks would have a combined total noise exposure of approximately 68 dB CNEL (67 dB CNEL from train noise and 60 dB CNEL from Myers Street traffic). As a result, the east-facing hotel/timeshare balconies on Myers Street would have a combined railroad/traffic noise exposure of 68 dB CNEL, which would exceed the threshold for exterior exposure of 65 dB CNEL. In addition, train noise at the hotel/timeshare units along the Myers street facade facing the railroad tracks would result in a significant noise impact because it would exceed the City's 65 dB CNEL exterior noise standard.

Interior Noise Impacts from Train and Traffic Noise

As discussed above, the combined rail and traffic noise would result in an exterior noise level of 68 dB CNEL at any facade along Myers Street. Since normal noise attenuation within residential structures with closed windows is about 25-30 dBA, an exterior noise exposure of 68 dB CNEL would result in an interior noise exposure of less than a 45 dB CNEL with the windows closed. Therefore, the units facing Myers Street would require 23 dB of structural attenuation to meet applicable interior noise requirements. In the absence of structural attenuation, interior noise levels would exceed allowable thresholds and result in a significant noise impact.

Implementation of mitigation measure Noi-1 would reduce potentially significant construction noise impacts to below a level of significance. Implementation of mitigation measure Noi-2 would reduce train and traffic noise impacts to the units facing Myers Street to below a level of significance. Measure Noi-3

would reduce interior noise impacts to below a level of significance by achieving a 45 dB CNEL noise level.

Mitigation Measures:

Noi-1 During project construction, the following conditions shall be implemented to the satisfaction of the City Engineer:

- a. Hours of construction shall be limited to 7 a.m. to 7 p.m. Monday through Saturday.
- b. Construction equipment shall be staged at least 500 feet from sensitive noise receptors, where feasible, and shall be shut down within five minutes when immediate use is not planned. This measure shall include idling trucks waiting to deliver or be loaded with materials.
- c. The areas designated for equipment maintenance, shall be located as far as practicable from existing residences and maintenance shall not be performed outside the prescribed construction hours.
- d. If temporary traffic control signs, warning signs, lighting or other similar pieces of equipment are located within 200 feet of a sensitive receptor, power shall be supplied by batteries or other means not utilizing internal combustion engines.
- e. Approved mufflers shall be used to meet the 85 dB noise limit.
- f. Discretionary scheduling of noisiest activities shall be implemented to minimize construction noise intrusion.
- g. Temporary noise barriers shall be erected, as necessary.

Noi-2 In order to create outdoor space that achieves 65 dB CNEL, east-facing units along Myers Street facing the railroad tracks shall implement one of the following measures.

- a. Implement a minimum perimeter barrier of five feet in height along all east-facing balconies fronting Myers to reduce impacts to below a level of significance. This could be achieved with a combination of solid material and glass.
- b. Eliminate usable balconies in the east-facing units fronting Myers Street and construct French doors with no balconies instead.
- c. Provide private noise-protected outdoor usable space in another location within the proposed project site, such as the pool areas on both blocks, with noise levels below the 65 dB CNEL requirement. The amount of outdoor usable space must meet or exceed the combined square footage of all east-facing balconies.
- d. If the proposed CityMark development project is approved and construction of Blocks 20 and 21 has commenced prior to operation of the North and South blocks of the Oceanside Beach Resort project, respectively, then no noise mitigation shall be required.

Noi-3 Dual paned windows shall be installed to mitigate interior noise levels to 45 dB CNEL at all units facing perimeter roadways or the train tracks. These windows shall also be closed in order to meet the interior noise standard. When window closure is necessary to meet standards, a supplemental source of fresh air shall be required by code. The ventilation rate for a hotel room is typically 30 cubic feet per minute (CFM) for double occupancy.

Level of Significance After Mitigation: Less than significant.

G. Paleontological Resources

Potential Impact: Result in the direct or indirect destruction of a unique paleontological resource or site.

Finding: The proposed development would have a potentially significant impact on paleontological resources located within the on-site Terrace Deposits (Bay Point Formation) and San Onofre Breccia Formation.

Facts in Support of Finding: Based on the results of exploratory and laboratory testing, it is anticipated that Quaternary Terrace Deposits (Bay Point Formation) would be encountered during excavation of the subsurface parking levels. This formation has a moderate potential to contain fossil resources, in particular marine shells and invertebrates. Therefore, construction activities may destroy fossil resources contained in the Quaternary Terrace deposits.

Since project excavation for building footings may be required beyond the limits of the Quaternary Terrace Deposits (deeper than 25 feet AMSL), project excavation would have the potential to impact the San Onofre Breccia Formation, which also has a moderate potential to contain fossil resources. Therefore, excavation activities associated with the proposed project would have the potential to directly or indirectly destroy unique paleontological resources within the onsite Quaternary Terrace Deposits and San Onofre Breccia Formation.

Implementation of mitigation measure Pal-1 would reduce potentially significant paleontological resource impacts to below a level of significance.

Mitigation Measure:

Pal-1 The applicant shall provide a full-time paleontological monitoring program during all soil excavation per the following requirements:

- a. Prior to issuance of a building and/or grading permit, the applicant shall provide a letter of verification to the City of Oceanside Planning Department stating that a qualified paleontologist and/or paleontological monitor have been retained to implement the monitoring program. The requirement for paleontological monitoring shall be noted on the grading plan. All persons involved in the paleontological monitoring of the project shall be approved by the Planning Department prior to the start of monitoring. The applicant shall notify the Planning Department of the start and end of construction.
- b. The paleontologist or paleontological monitor shall be on-site full-time during the initial cutting of previously undisturbed areas. Monitoring may be increased or decreased at the discretion of the qualified paleontologist, in consultation with the Planning Department, and will depend on the rate of excavation, the materials excavated, and the abundance of fossils.
- c. When requested by the paleontologist, the City Engineer shall direct that construction activities in the area of discovery be diverted, directed, or temporarily halted to allow recovery of fossil remains. The paleontologist shall immediately notify the Planning Department of such finding at the time of discovery. The Planning Department shall

approve salvaging procedures to be performed before construction activities are allowed to resume.

- d. The paleontologist shall be responsible for preparation of fossils to a point of identification and submittal of a letter of acceptance from a local qualified curation facility. Any discovered fossil sites shall be recorded by the paleontologist at the San Diego Natural History Museum.
- e. Prior to the release of the grading bond, a monitoring results report, with appropriate graphics, summarizing the results, analysis and conclusions of the paleontological monitoring program shall be submitted to and approved by the Planning Department and a copy provided to the San Diego Natural History Museum.

Level of Significance After Mitigation: Less than significant.

H. Traffic

Potential Impact: Would the project generate an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system; exceed, either individually or cumulatively, a level of service standard established for designated roadways; substantially increase hazards due to a design feature or incompatible uses; or result in inadequate emergency access?

Findings:

Operational Impacts

The proposed project would result in significant impacts to area roadway segment operations under existing, near-term, and long-term (2020) conditions. In addition, the project would result in significant impacts to area intersection operations under existing and long-term (2020) conditions.

Vehicular Access

The hotel arrival plaza on the South Block of the proposed project site would affect traffic circulation on Mission Avenue between Pacific Street and Myers Street from vehicles accessing the hotel arrival area.

Pedestrian Access

The project would have the potential to impede pedestrian access in areas surrounding the project site.

Emergency Access

The proposed project would result in temporary street closures which may result in inadequate emergency access during construction of the proposed project.

Facts in Support of Findings:

Operational Impacts

The proposed project would result in significant impacts to area roadway segment operations under existing, near-term, and long-term (2020) conditions. In addition, the project would result in significant impacts to area intersection operations under existing and long-term (2020) conditions. The specific impacted roadway segments and intersections are listed below.

Roadway Segments

- Mission Avenue from Horne Street to I-5
- Coast Highway from Surf Rider Way to Mission Avenue
- Pacific Street from Pier View Way to Tyson Street
- Myers Street from Mission Avenue to Seagaze Drive

Intersections

- Mission Avenue/Clementine Street
- Mission Avenue/Myers Street
- Mission Avenue/Home Street

In the near-term and long-term (2020) cumulative analyses, the Mission Avenue/Cleveland Street intersection is assumed to be signalized as a condition of approval for other development projects. However, if the Mission Avenue/Cleveland Street intersection is not signalized prior to proposed project operation, the proposed project would result in a potentially significant impact to this intersection.

Mitigation measures *Tra-1* through *Tra-8* have been identified to reduce impacts associated with roadway segments and intersections from operational impacts. Implementation of some mitigation measures would reduce significant impacts to below a level of significance while other mitigation measures would only partially mitigate significant impacts or are considered to be infeasible or undesirable by the City. Mitigation measures that result in significant and unavoidable traffic impacts are included in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance. Additionally, mitigation measures that would reduce significant impacts but are considered infeasible/undesirable by the City are discussed in Section VI, Findings Regarding Mitigation Measures Found To Be Infeasible: Therefore, Impacts Remain Significant And Unavoidable.

Vehicular Access

The hotel arrival plaza on the South Block of the proposed project would affect traffic circulation on Mission Avenue between Pacific Street and Myers Street from vehicles accessing the hotel arrival area. To improve circulation on this segment and at the Mission Avenue/Myers Street intersection, a left-turn lane would be required on Mission Avenue at the South Block hotel arrival area.

Mitigation measure Tra-10 would reduce potentially significant impacts associated with vehicular access on Mission Avenue to below a level of significance.

Pedestrian Access

The addition of project-related traffic would significantly impact vehicle access and the flow of traffic on Myers Street and in the vicinity of the project area. The project proposes to construct new curbs on several of the surrounding streets including Myers Street, Pacific Street, Pier View Way, and Mission Avenue. Because the exact specifications for these curbs are unknown, some pedestrian access may be inhibited and pedestrian access may be further inhibited during train crossings.

Mitigation measure Tra-11 would reduce potentially significant impacts associated with pedestrian access in the project area to below a level of significance.

Emergency Access

Construction of the proposed project would occur on two city blocks for building construction. The underground parking structure would occur on the two city blocks and would also be constructed under Mission Avenue between Pacific Street and Myers Street. The construction of this parking structure would require Mission Avenue to be temporarily closed for approximately 24 months. Construction may also require the temporary closure of one side of Pacific Street, Myers Street, Seagaze Drive and/or Pier View Way.

The proposed project would result in temporary street closures which may result in inadequate emergency access during construction of the proposed project. Mitigation measure *Tra-12* will reduce the potentially significant impact to emergency access during construction to a less than significant level.

Mitigation Measures:

Tra-1 **Mission Avenue from Horne Street to I-5.** Six options have been identified to mitigate or partially mitigate the project impact to Mission Avenue between Horne Street and I-5. However, only one mitigation measure will reduce the impact below a level of significance and is considered acceptable by the City of Oceanside. Mitigation options ***Tra-1(d)*** and ***Tra-1(f)*** are discussed in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance, while ***Tra-1(b)***, ***Tra-1(c)*** and ***Tra-1(e)*** are discussed in Section VI. Findings Regarding Mitigation Measures Found To Be Infeasible; Therefore, Impacts Remain Significant And Unavoidable.

- a. **Improve the Mission Avenue/Horne Street intersection:** This improvement would add capacity to a key intersection along the impacted roadway segment in order to mitigate the segment impact by improving traffic flow. However, another project (Belvedere) is already conditioned to make improvements at this intersection. This improvement would fully mitigate project impacts at this intersection.

Tra-2 **Coast Highway from Surfrider Way to Mission Avenue.** The City of Oceanside Transportation Section Public Works Department has determined that the physical widening of Coast Highway is infeasible; therefore, the following alternatives have been identified to mitigate impacts to this roadway segment. The project applicant shall implement one of the following alternative mitigations.

Alternative 1. Remove curbside parking and provide dedicated northbound and southbound left-turn lanes along with the necessary traffic signal modifications (providing a protected left-turn phase) at the Coast Highway/Pier View Way intersection. Street parking lost due to the mitigation measure shall be replaced. This improvement along with the improvements conditioned to be implemented by the Oceanside Pier Resort (Wyndham) at the Coast Highway/Surfrider Way intersection would improve traffic flow and capacity along Coast Highway, and therefore would mitigate the segment significant impact to below a level of significance. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare.

Alternative 2. In addition to the improvements identified in Alternative 1 above, northbound and southbound left-turn lanes shall be prohibited along the following intersections on Coast Highway in order to improve traffic flow:

- Coast Highway/Sportfisher Drive intersection
- Coast Highway/Civic Center Drive intersection

Alternative 3. is discussed in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance.

Tra-3 This mitigation measure is discussed in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance.

Tra-4 **Myers Street from Mission Avenue to Seagaze Drive.** Prior to issuance of a certificate of occupancy, the project applicant shall provide full width improvements on Myers Street (a 40-foot road is planned) along the project frontage and convert Myers Street between Pier

View Way and Mission Avenue to a two-way street. Improvements would include installation of a traffic signal at the Mission Avenue/Myers Street intersection to provide better access to and from the site after Myers Street is converted to a two-way street. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the Myers Street improvements have already been constructed by another project, then the Oceanside Beach Resort project shall contribute its fairshare towards the improvements.

Tra-5 **Mission Avenue/Clementine Street Intersection.** Prior to issuance of a certificate of occupancy, the project applicant shall install a traffic signal at the Mission Avenue/Clementine Street intersection. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the traffic signal has already been constructed by another project, then the Oceanside Beach Resort project shall contribute its fairshare towards the traffic signal.

Tra-6 **Mission Avenue/Myers Street Intersection.** Prior to issuance of a certificate of occupancy, the project applicant shall install a traffic signal at the Mission Avenue/Myers Street intersection and shall install pedestrian gates on Mission Avenue at the railroad tracks, per the CPUC railroad guidelines. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the traffic signal and pedestrian gates have already been constructed by another project, then the Oceanside Beach Resort project shall contribute its fairshare towards these improvements.

Tra-7 **Mission Avenue/Horne Street Intersection.** Prior to issuance of a certificate of occupancy, the project applicant shall upgrade the signal at the Mission Avenue/Horne Street intersection by widening the south leg of Horne Street to 50-feet of pavement from curb-to-curb. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the intersection has already been improved by other projects, then the Oceanside Beach Resort project shall contribute its fairshare towards the improvements.

Tra-8 **Mission Avenue/Cleveland Street Intersection.** If the Mission Avenue/Cleveland Street intersection is not signalized prior to project operation, the project applicant shall install a traffic signal. A reimbursement agreement shall be established such that the future developments that benefit from the signal contribute their fairshare. However, if the traffic signal has already been constructed by other projects, then the Oceanside Beach Resort project shall contribute its fairshare towards the signalization of this intersection.

Tra-9 This mitigation measure is discussed in Section V, Findings Regarding Significant Impacts That Even With Mitigation Measures Cannot Be Mitigated To Below A Level Of Significance.

Tra-10 Prior to the issuance of a certificate of occupancy, the project applicant shall, along with the improvements indicated in **Tra-4**, provide a westbound left turn lane on Mission Avenue at the project driveway. Appropriate sight distance in conformance with the City's standards should also be provided at the all project driveways.

Tra-11 Prior to the issuance of a certificate of occupancy, the project applicant shall construct Americans with Disabilities Act (ADA) compliant sidewalks on Myers Street, Seagaze Drive, Pacific Street, Pier View Way and Mission Avenue fronting the project blocks. ADA

compliant crosswalks and ramps shall be provided at the Pacific Street/ Pier View Way, Myers Street/Pier View Way, Pacific Street/Mission Avenue, Mission Avenue/ Myers Street, Pacific Street/Seagaze Drive and Myers Street/Seagaze Drive intersections.

Tra-12 Prior to issuance of a Coastal Development Permit, the developer shall prepare a traffic control plan for review and approval by the City of Oceanside. The traffic control plan shall demonstrate how site access and circulation will be maintained through construction of the proposed project. The traffic control plan shall include, but not be limited to, the following: identify alternative routes for access to schools, businesses and residents that require the use of the impacted roadways; post signs informing customers how to access businesses located in the construction area; make every effort to maintain access to all businesses along the construction alignment; require that access to residences and roadways containing residences be maintained whenever construction activities are not immediately adjacent; and if road or lane closures would occur, post signs identifying alternative routes.

Level of Significance After Mitigation: Less than significant.

V. FINDINGS REGARDING SIGNIFICANT IMPACTS THAT EVEN WITH MITIGATION MEASURES CANNOT BE MITIGATED TO BELOW A LEVEL OF SIGNIFICANCE (CALIFORNIA PUBLIC RESOURCES CODE §21081(a)(3))

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered “acceptable.” The EIR identified climate change, cultural resources, land use, and traffic, circulation and parking as having a significant and unavoidable environmental impact.

A. Climate Change

Potential Impact: Would the project result in the exposure of people to significant risks associated with climate change?

Finding: Implementation of the proposed project is not expected to generate enough GHG emissions to individually influence global climate change; however, the project still has a cumulative impact of exposing people to risks associated with climate change, including public health, biology, sea level rise, hydrology and water quality, and water supply.

Facts in Support of Finding: Climate change is defined by the State of California as a global effect, not susceptible to full mitigation by any proposed project within the state. There is no *de minimis* threshold established for the reduction of GHG on a project level, and no comprehensive program, even on a statewide level, specifically targeting the emission of GHGs, or exposure to risks associated with global warming, in which the project could participate. In the absence of such yardsticks to measure effective participation in the effort to reduce climate change risks, the incremental contribution of the project to climate change is considered potentially significant and unavoidable.

The Oceanside Beach Resort includes several project design features that would reduce climate change impacts. To reduce the heat island effect and to save energy required for cooling, existing asphalt parking areas would be replaced by either buildings or landscaping. In addition to providing various nearby

alternative mass transit choices, bicycle parking would be provided to further encourage alternative forms of transportation which would reduce vehicular trips and their corresponding generation of GHGs. Stormwater management would improve water conservation in the area, as would the installation of low flow fixtures.

Mitigation Measures: Because the impact is speculative, no mitigation is recommended.

Level of Significance After Mitigation: Significant and unavoidable.

B. Cultural Resources

Potential Impact: Would the project cause a substantial adverse change in the significance of a historical resource?

Finding:

The proposed project would demolish the residence located at 106 North Pacific Street, which would result in a significant impact to a historic resource.

Facts in Support of Finding:

The residence at 106 North Pacific Street retains integrity of location and design. It has retained its beachfront location since it was constructed in 1907. Although it has been altered over the years, most notably by the enclosure of the original porch, it does retain sufficient integrity of design to convey its original appearance. The changes that have been made to the exterior of the building are also reversible and it could be restored to its original condition. Recent development and construction in the vicinity of the South Block has diminished the integrity of setting, feeling and location. This beachfront home was once part of a neighborhood of similar houses and cottages. Demolition of houses to the north of this residence and removal of vegetation has destroyed the ambience of the neighborhood. This loss of integrity of setting, feeling, and association is more marked for this house than for the adjacent house at 102 North Pacific Street.

The residence at 106 North Pacific Street is considered eligible for the CRHR under criteria A, B and C at a local level of significance. Therefore, this residence is considered to be a significant historical resource because, as identified in CEQA Guidelines, it meets one or more of the CRHR criteria. The project would result in the demolition of this structure. Mitigation consisting of the preparation of Historic American Building Survey (HABS) documentation has been identified, however, this mitigation is insufficient to fully mitigate the loss of the historic resource. Therefore, demolition of the residence at 106 North Pacific Street would result in a significant adverse and unavoidable impact to a historical resource.

Cul-4 identifies two options for reducing impacts to the structure at 106 North Pacific Street. Option A would fully mitigate the significant impact of the project by retaining the structure, while Option B would reduce impacts through HABS documentation, but would not reduce impacts to below a level of significance. Therefore, under Option B, the impact to 106 North Pacific Street would be significant and unavoidable.

Mitigation Measures:

Cul-4 b. **Historic Survey/Documentation.** In lieu of relocation, Historic American Building Survey (HABS) documentation shall be prepared by a qualified historian to document the history and architecture of the structure. The HABS survey shall include detailed architectural drawings of

the building, photo documentation of the interior and exterior of the building using large format black-and-white photographs and preparation of detailed historical context. The survey shall follow Secretary of the Interior guidelines. However, since the site is eligible for listing on the California Register of Historic Resources, and would be demolished under this option, documentation would not fully mitigate project impacts to below a level of significance. Impacts would remain significant and unmitigated.

Level of Significance After Mitigation: Significant and unavoidable.

C. Land Use (temporary)

Potential Impact: Would the project result in a substantial conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect?

Finding: The proposed project would have the potential to result in a conflict with the Local Coastal Program (LCP) policy regarding replacement of public beach parking.

Facts in Support of Finding: Development of the proposed project would displace up to 33 on-street public parking spaces, which are considered to be public beach parking in the LCP. As required by the LCP, the loss of public on-street parking spaces located west of the NCTD railroad tracks must be replaced at a one-to-one ratio. The proposed project would replace the displaced public parking spaces in the project's on-site garage and/or in an off-site City-owned parking lot. However, because the timing of construction of this parking lot can not be guaranteed or assured prior to the loss of the public parking spaces, the proposed project would have the potential to result in a conflict with the LCP policy regarding replacement of public beach parking. Therefore, a temporary significant and unavoidable land use impact would occur until the replacement beach parking lot is constructed by the City.

Mitigation Measures:

Lan-1 Prior to the issuance of the grading permit or removal of any on-street public parking spaces, the developer(s)/builder(s) shall pay a fair share contribution for the physical construction of approximately 40 public parking spaces to the City for construction of a new public parking lot located between Tyson Street and Wisconsin Avenue west of the NCTD railroad tracks. Approximately 40 parking spaces in the new parking lot shall be designated for project replacement parking to mitigate for removal of up to 33 public parking spaces west of the NCTP railroad tracks at a one-to-one ratio and also to provide an additional 7 spaces required for proposed project parking. If the City's new public parking lot is constructed prior to the loss of any public parking spaces, then the impact would be reduced to below a level of significance. However, if the City's new public parking lot is constructed after the loss of any public parking spaces, then a temporary significant and unavoidable impact would occur until construction of the new City parking lot is completed.

Level of Significance After Mitigation: Temporary significant and unavoidable impact until the City's replacement parking lot is constructed.

D. Traffic, Circulation and Parking

Potential Impact: Would the project cause an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system; or exceed, either individually or cumulatively, a level of service standard established for designated roadways?

Findings:

Operational Impacts

The proposed project would result in significant impacts to area roadway segment operations under near-term and long-term (2020) conditions.

Roadway Segments

- Mission Avenue from Horne Street to I-5
- Coast Highway from Surfrider Way to Mission Avenue

Construction Impacts

Based on the segment analyses, project construction truck traffic would have a temporary significant impact (approximately two months) on Coast Highway between Mission Avenue and Oceanside Boulevard under both haul route scenarios (i.e.: Buccaneer Beach and the El Corazon stockpile location).

Facts in Support of Findings:

Operational Impacts

The project would result in a significant impact to the roadway segment of Mission Avenue from Horne Street to I-5. Six mitigation options have been identified to reduce impacts (see Tra-1). One of the options would partially reduce project impacts, but not to below a level of significance (Tra-1(d)). Another option would not reduce impacts at all (Tra-1(f)). Therefore, under both of these mitigation options, impacts would remain significant and unavoidable.

The project would also result in a significant impact to the roadway segment of Coast Highway from Surfrider Way to Mission Avenue. The City of Oceanside Transportation Section Public Works Department has determined that the physical widening of Coast Highway is infeasible; therefore three mitigation alternatives were identified to mitigate impacts to this roadway segment (see Tra-2). One of the mitigation alternatives (Alternative 3) would not reduce impacts to below a level of significance. Therefore, under mitigation Alternative 3, the impact to Coast Highway between Surfrider Way and Mission Avenue would remain significant and unavoidable.

Construction Impacts

Project construction would result in a temporary significant impact (approximately two months) to Coast Highway from haul truck traffic. Mitigation measure Tra-9 would partially reduce project impacts, but not to below a level of significance. Therefore, impacts would remain significant and unavoidable.

Mitigation Measures:

Tra-1 Mission Avenue from Horne Street to I-5. The following options have been identified to mitigate or partially mitigate the project impact to Mission Avenue between Horne Street and I-5. Mitigation options b, c, and e are discussed in section VI.

- d. Improve the existing commercial driveway between Horne Street and the High School driveway:** This improvement would provide a dedicated westbound right turn lane on Mission Avenue at the commercial driveway or improve the curb radius at the driveway. This improvement would provide only a small increase in capacity on Mission Avenue and would not fully mitigate the impact to below a level of significance.
- f. No Improvements.** If none of the above improvements identified above are implemented, the impact is considered to be significant and unavoidable.

Tra-2 Coast Highway from Surfrider Way to Mission Avenue.
Alternative 3. If the improvements identified in Alternatives 1 and 2 are not implemented, the segment impact is considered to be significant and unavoidable.

Tra-9 **Construction Impacts to Coast Highway.** The project applicant shall implement the following measures during project construction when heavy trucks are hauling exported materials off site in order to partially mitigate temporary significant impacts to Coast Highway:

1. Prohibit haul trucks and crew vehicles from accessing the construction site during both AM and PM peak hours (7:00-8:00 a.m. and 4:00-6:00 p.m.).
2. Coordinate construction activities with local agencies and property owners.
3. Prepare and implement a Traffic Control Plan for construction activities in accordance with the City's requirements (see also mitigation measure *Tra-12*).

Level of Significance After Mitigation: Impacts to Mission Avenue from Horne Street to I-5 and Coast Highway from Surfrider Way to Mission Avenue would result in significant and unavoidable impacts even with implementation of mitigation measures Tra-1(d) and (f) and Tra-2 (Alternative 3), respectively. Impacts from construction truck trips would result in a temporary significant and unavoidable impact to Coast Highway, even with implementation of Tra-9.

VI. FINDINGS REGARDING MITIGATION MEASURES FOUND TO BE INFEASIBLE; THEREFORE, IMPACTS REMAIN SIGNIFICANT AND UNAVOIDABLE. (CALIFORNIA PUBLIC RESOURCES CODE §21081(a)(3))

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other considerations make the mitigation measures or project alternatives identified in the final EIR infeasible, the findings shall describe specific reasons for rejecting identified mitigation measures. Thus, the adverse environmental effects may be considered "acceptable." This EIR identified traffic, circulation and parking as having significant and unavoidable environmental impacts due to infeasible mitigation measures.

A. Traffic, Circulation and Parking

Potential Impact: Would the project cause an increase in traffic that is substantial in relation to the existing traffic load and capacity of the street system; or exceed, either individually or cumulatively, a level of service standard established for designated roadways?

Finding: The proposed project would result in significant impacts to the following area roadway segments under near-term and long-term (2020) conditions.

Roadway Segments

- Mission Avenue from Horne Street to I-5
- Pacific Street from Pier View Way to Tyson Street

Facts in Support of Finding: Several mitigation measures were found to be infeasible and therefore rejected based on negative impacts to traffic flow, the local economy, and public safety. Impacts to the roadway segment of Mission Avenue between Horne Street and I-5 are addressed in mitigation measure Tra-1. Impacts to the roadway segment of Pacific Street from Pier View Way to Tyson Street are addressed in mitigation measure Tra-3.

Mitigation measure *Tra-1(b)* would increase traffic congestion along the impacted street segment and negatively impact Oceanside High School. Moreover, it is counterproductive to create a mitigation measure that creates additional traffic impacts and therefore the City finds mitigation measure *Tra-1(b)* to be infeasible. The City finds mitigation measure *Tra-1(c)* to be infeasible because it would reduce public safety by requiring the removal of a raised median, which serves to protect motorists from collisions with oncoming vehicles in opposing traffic lanes. In addition, the removal of the newly constructed median would be an inefficient use of City funds. The City finds mitigation measure *Tra-1(e)* to be infeasible because this mitigation measure is within the responsibility and jurisdiction of another public agency (Caltrans) and not the jurisdiction who is making the finding (Oceanside). As identified in the letter received from Caltrans dated October 11, 2007, Caltrans can not confirm when any work will take place north of SR-78, including improvements to the I-5/Mission Avenue Interchange. Therefore this impact is considered significant and unavoidable. Although measures Tra-1 (b), (c) and (e) are considered to be infeasible, implementation of mitigation measure Tra-1(a) would fully mitigate the significant impact on Mission Avenue from Horne Street to I-5 to below a level of significance.

Mitigation measure *Tra-3* would require the removal of a portion of the site's curbside beach parking that would negatively impact local businesses dependent on customers who are accustomed to store-front parking. Customers may be tempted to go to other stores with more convenient parking if they are required to park farther away and walk. The loss of curbside parking would not only impact current businesses but would also act as a barrier in attracting future businesses in the downtown area. Therefore, the City finds *Tra-3* to be an infeasible mitigation measure.

Mitigation Measures:

Tra-1 Mission Avenue from Horne Street to I-5. Three options have been identified to mitigate the project impact to Mission Avenue between Horne Street and I-5; however, they have been rejected by the City of Oceanside.

- b. Improve the Mission Avenue/High School driveway/I-5 southbound off-ramp intersection:** This improvement would involve the addition of lanes at this intersection, which would require the acquisition of right-of-way from the Oceanside School District. This option would also substantially increase traffic flow on Mission Avenue. Therefore, this option is considered to be infeasible by the City.
- c. Widen Mission Avenue between Horne Street and the I-5 southbound ramps:** This improvement would add a fifth lane on Mission Avenue and would necessitate removing the newly constructed raised median within Mission Avenue. This option would fully mitigate the traffic impact to below a level of significance. However, this mitigation measure is not desired by the City.
- e. I-5/Mission Avenue Interchange Reconfiguration:** Caltrans has plans to completely reconfigure the I-5/Mission Avenue interchange as part of their I-5 widening project (see Appendix N). There is no timetable or funding identified. Caltrans is unable to identify when improvements to the I-5/Mission Avenue interchange will occur. The City and/or the applicant are unable to undertake the improvements to the interchange

on their own in a timely manner. Because it is not clear when the interchange improvements will occur, it cannot be determined whether the improvements will be in place and will mitigate the project impacts to Mission Avenue prior to project operation. As a result, the City considers this mitigation measure to be infeasible.

Tra-3 **Pacific Street from Pier View Way to Tyson Street.** Prior to issuance of a certificate of occupancy, the project applicant shall install a southbound left-turn lane (by removing curbside beach parking on Pacific Street) to the Pacific Street/Mission Avenue intersection, which will directly increase the capacity of the segment by improving traffic flow and capacity along Pacific Street. However, this improvement is not feasible due to the loss of curbside beach parking on Pacific Street. The conversion of Myers Street to a two-way street will allow a shift in southbound traffic that now utilizes Pacific Street to instead use Myers Street. This decrease in traffic on Pacific Street will also improve Pacific Street operations but not to a level below significance. Therefore this segment impact is considered to be significant and unavoidable.

Level of Significance After Mitigation: Significant and Unavoidable.

VII. ALTERNATIVES TO THE PROJECT

CEQA requires that an EIR describe a range of reasonable alternatives to the project, or to the location of the project, which could feasibly attain most of the basic objectives of the project but would avoid or substantially lessen the project's significant impacts, and that it evaluate the comparative merits of the alternatives. Based on the State CEQA Guidelines, three project alternatives are addressed in this EIR: the No Project Alternative, the Reduced Project Alternative, and the Historic Resources Alternative.

In considering alternatives, the project objectives must be weighed against the ability of the various alternatives to meet most of the objectives. The objectives identified for the proposed project are stated above in Section II.

A. Alternative 1: No Project

1. Description

CEQA requires the No Project Alternative to be addressed in an EIR. Under the No Project Alternative, it is assumed that no additional development would occur on the project site. The site would remain in its present state and the proposed project would not be implemented. Upon completion of the construction of the Oceanside Pier Resort (Wyndham) project to the north, the North Block of the project site would no longer be used for construction staging and temporary parking. The residences located on the South Block would remain unaltered, although the construction staging area in the northeast corner of this block would be removed at some time in the future. Although the project site is designated as Redevelopment - Downtown District in the General Plan and as visitor-serving commercial in the Downtown Redevelopment Plan, the No Project Alternative assumes that the project site would remain in its current, partially-developed condition.

2. Attainment of Project Objectives

The No Project Alternative would fully meet two of the eight project objectives and partially meet one of the project objectives. This alternative would fully meet the objective to provide pedestrian connectivity along Pacific Street through the existing sidewalks and cross walks that currently exist along the project frontages. It would also meet the objective to retain the Graves House as a part of the project site. The No Project Alternative would protect view corridors by not proposing further development, but would not

develop buildings with an east/west orientation or provide uses consistent with the Local Coastal Program. In addition, the No Project Alternative would not redevelop the project site with hotel and visitor-serving commercial uses consistent with the Downtown Redevelopment Plan and the Nine Block Pier Area Master Plan. This alternative would not accomplish the goal to promote the long-term viability and transformation in the Redevelopment Project Area and would not enhance the aesthetics of the D-Downtown District through a distinctive project design. Finally, this alternative would not provide ballroom and meeting facilities to accommodate up to 500 people.

3. Impacts

Aesthetics: The No Project Alternative would not result in impacts associated with aesthetics because this alternative would not alter the existing character of the project or its surroundings. Because no development would occur under this alternative, the project site would remain in its current blighted condition containing single family residences, public parking areas and vacant land. However, the No Project Alternative would not have the same aesthetic impacts that result from the development of a structure such as lighting, glare, and obstructing scenic views.

Air Quality: Significant but mitigable impacts to air quality would be avoided because the No Project Alternative would not involve the heavy construction equipment during site preparation, grading activities, equipment transport, and operational emissions.

Climate Change: This alternative would avoid the significant and unavoidable climate change impacts identified for the proposed project because no new construction would take place and as a result the new sources of GHGs would not be introduced.

Cultural Resources: The No Project Alternative would not impact cultural resources because no grading activities that could impact buried archaeological resources would occur. Likewise, the two properties eligible for listing on the California Register of Historical Resources would remain in place and would not be demolished or moved, which could result in a significant impact.

Geology and Soils: The No Project Alternative would not result in impacts associated with unstable soils, because it would not involve any new construction or ground disturbance.

Hazards and Hazardous Materials: Under the No Project Alternative, significant hazards and hazardous materials impacts would not occur because the site would not be disturbed.

Hydrology and Water Quality: The No Project Alternative may result in significant impacts to water quality because the project site does not currently employ any best management practices to reduce pollutants in site runoff. A portion of the project site is currently used for public parking, which likely contribute hydrocarbons and other pollutants to water quality degradation in downstream receiving waters. In addition, the current residential and vacant land uses on the site are a source of pollutants, such as sediments, nutrients, and pesticides from landscaping.

Land Use: Compared to the proposed project, the No Project Alternative would result in greater impacts with regard to applicable land use plans and policies, except the Local Coastal Program. The No Project Alternative is not consistent with the Oceanside Downtown Redevelopment Plan or the Nine Block Pier Area Master Plan.

Noise: Under the No Project Alternative, construction activities that generate noise would not occur because no development is proposed.

Paleontological Resources: The No Project Alternative would not impact paleontological resources because no grading activities that could impact buried paleontological resources would occur.

Public Services and Utilities: The No Project Alternative would not result in impacts to public services or utilities because it would not increase the demand for public services.

Recreational Resources: The No Project Alternative would not result in impacts to existing recreational facilities, similar to the proposed project.

Traffic, Circulation and Parking: Under the No Project Alternative, the project site would not be developed and would not generate additional traffic on local roadways, intersections, freeway segments, or at freeway ramp meters.

4. Summary

The No Project Alternative would result in fewer impacts to the following environmental topics: Air Quality, Climate Change, Cultural Resources, Hazardous Materials, Geology and Soils, Noise, Paleontological Resources, Public Services and Utilities, Recreational Resources, and Traffic, Circulation, and Parking. Conversely, the No Project Alternative would have greater or similar impacts in the following impacts: Aesthetics, Hydrology and Water Quality, and Land Use. In addition, this alternative would meet objectives six and eight while only partially satisfying objective five. The remaining five objectives would not be met if the No Project Alternative is chosen. Even though the No Project Alternative would not produce the same significant and unavoidable impacts as the proposed project, the project site would remain in its current blighted state, continue to have significant impacts associated with water quality (flooding), and remain out of compliance with current land use plans and policies. Therefore, the environmental advantages associated with this Alternative do not outweigh the advantages of the proposed project. As a result, the No Project Alternative is rejected as a feasible alternative.

B. Alternative 2: Reduced Project

1. Description

Under the Reduced Project Alternative, the North and South Blocks of the project would be developed at a reduced density and height. Specifically, the number of hotel and timeshare units would be reduced by about 73 percent. The number of units on the North Block would be reduced to 44 units (30 hotel guest rooms and 14 fractional/timeshare units). The number of units on the South Block would be reduced to 68 hotel rooms. The total number of units under the Reduced Project Alternative would be 112 hotel/timeshare units. Under the proposed project, the buildings on the North and South Blocks would be eight stories tall at a maximum height of approximately 90 feet. The reduction of units in each block would reduce the overall height of the buildings by five stories. The buildings under this alternative would be three stories tall at a maximum height of 45 feet. This alternative would also reduce the total visitor-serving commercial space to approximately 16,000 SF and would reduce interior public amenity and outdoor public spaces. The two level subterranean parking garage would be reduced to approximately one level under this alternative. Architecture, landscaping, utilities and circulation improvements would be similar to the proposed project. This alternative would also relocate the Graves House from the south block to the north block, similar to the proposed project.

2. Attainment of Project Objectives

The Reduced Project Alternative would fully accomplish three of the proposed project's objectives, and would partially fulfill three objectives. This alternative would meet the objective to protect view corridors, develop buildings with an east/west orientation, and provide uses consistent with the Local

Coastal Program. The alternative would also provide pedestrian connectivity along Pacific Street and retain connectivity with Oceanside's past by relocating the Graves House to the North Block. The Reduced Project Alternative would partially meet the objectives to design and implement a development that is consistent with City's Nine Block Pier Area Master Plan and promote the long-term viability and transformation of the Redevelopment Project Area because it would not realize the full development potential allowed under these plans. In addition, this alternative would only partially meet the objective to enhance the aesthetics of the D-Downtown District through a distinctive project design because the project buildings would be monolithic in appearance due to the reduced height. Finally, this alternative would not meet the objectives to provide a minimum of 240 hotel rooms, 18,500 SF of visitor-serving commercial uses, and ballroom and meeting facilities to accommodate up to 500 people.

3. Impacts

Aesthetics: Because the site's development density would be lower, the Reduced Project Alternative would result in fewer impacts to light and glare as compared to the proposed project. However, the lower buildings would have a monolithic appearance because the architecture would not include articulated facades like the proposed project.

Air Quality: The Reduced Project Alternative would require similar construction equipment and have a similar development footprint as the proposed project. However, the Reduced Project Alternative would result in a smaller development, requiring a shorter construction period which would result in reduced emissions during construction as compared to the proposed project. Nevertheless, a temporary significant cumulative air quality impact may still occur if this alternative is constructed at the same time as the CityMark development project. Operational air quality impacts would be reduced by approximately 73 percent under the Reduced Project Alternative due to a reduction in the traffic generation related to the reduced number of units proposed by this alternative. Therefore, this alternative would result in fewer air quality impacts than the proposed project.

Climate Change: Under the Reduced Project Alternative, GHGs would be reduced as compared to the proposed project because 73 percent fewer units would be constructed and fewer new sources of GHGs would be introduced. Similarly, emissions associated with project traffic would be reduced as well because traffic generation would be less than the proposed project due to the reduced number of units proposed by this alternative. However, because there is no established threshold for a cumulatively considerable effect from exposure to climate change risks, it is likely that impacts would remain significant and unavoidable under this alternative.

Cultural Resources: The Reduced Project Alternative would have a similar development footprint as the proposed project and therefore impacts to potentially significant archaeological resources would be similar. Likewise, potentially significant impacts to historic resources would also be similar because both the proposed project and the alternative would relocate or demolish the historic structure at 106 North Pacific Street and relocate the historic structure at 102 North Pacific Street (Graves House), which could potentially result in damage to the structures.

Geology and Soils: The types of proposed construction activities and the development footprint for both the proposed project and the Reduced Project Alternative would be similar.

Hazardous Materials: The Reduced Project Alternative would result in similar potentially significant impacts with regard to contaminated soils and groundwater as the proposed project because the development footprint of this alternative and the proposed project would be similar. Impacts related to contaminated sites would be mitigated to a less than significant level with measures similar to those identified for the proposed project.

Hydrology and Water Quality: Because the development footprint of the proposed project and the alternative are similar and the amount of impervious surface and subsequent run-off would be similar, the Reduced Project Alternative would result in similar potentially significant site drainage impacts. With regard to water quality, the alternative and the proposed project would develop similar land uses having the potential to generate similar types of pollutants. Similar to the proposed project, the Reduced Project Alternative would employ best management practices to prevent the degradation of water quality.

Land Use: The Reduced Project Alternative would result in less than significant impacts with regard to applicable land use plans and policies. The Reduced Project Alternative would be consistent with the General Plan redevelopment area designation and the visitor-serving commercial designation in the Oceanside Downtown Redevelopment Plan. This alternative would also be consistent with the Nine Block Pier Area Master Plan. It is likely that this alternative would avoid the significant impact associated with inconsistency with the Local Coastal Program because all required project parking and displaced on-street parking would be accommodated in the underground parking structure and would not require the use of an off-site City owned lot.

Noise: Construction activities and land uses proposed under the Reduced Project Alternative would be similar to those identified for the proposed project. However, the duration of construction would be shorter under this alternative because the proposed development would be smaller. Therefore, construction noise impacts to off-site receivers and sensitive receptors would be reduced because the noise would occur over a shorter period of time. Similar types of construction activities would also result in less than significant groundborne vibration impacts under this alternative. Therefore, noise impacts from project construction would be reduced as compared to the proposed project and noise impacts from project operation would be similar to the proposed project.

Paleontological Resources: Because the development footprint of the Reduced Project Alternative would be the same as the proposed project, this alternative would result in similar potentially significant impacts to paleontological resources.

Public Services and Utilities: The Reduced Project Alternative would result in fewer demands for police and fire services and water, wastewater, storm drainage, energy, and solid waste services as the proposed project because the alternative proposes approximately 73 percent fewer units. Therefore, the reduction in demand for these services would be expected to be reduced as well.

Recreational Resources: Under the Reduced Project Alternative, the same types of recreational amenities would be provided for hotel guests, visitors and tourists, including a ballroom, meeting space, a fitness center, day spa, a pool, an outdoor living room, and restaurant.

Traffic, Circulation, and Parking: Under the Reduced Project Alternative, the project site would be developed with similar land uses as the proposed project, but at a reduced density. Under this alternative, the proposed hotel/timeshare would generate approximately 73 percent less additional traffic on local roadways and intersections, which would result in fewer traffic impacts. However, some significant traffic impacts would still be likely to occur. Like the proposed project, significant traffic impacts would be mitigated to below a level of significance to the extent feasible, but may result in significant and unavoidable traffic impacts. Temporary construction impacts would be reduced as compared to the proposed project because fewer truck trips would be needed to haul excavated material from the project site because the underground parking structure would be only be one level. Further, because this alternative would consist of 73 percent fewer units, the number of parking spaces that would be required for the project would also be reduced.

4. Summary

The Reduced Project Alternative would accomplish three of the proposed project's objectives, and would partially fulfill three objectives. The Reduced Project Alternative would result in fewer impacts in the following environmental topics: Air Quality, Construction Noise, Land Use, and Traffic, Circulation, and Parking. Although Traffic, Circulation, and Parking impacts would be reduced, impacts are still likely to remain significant and unavoidable. The Reduced Project Alternative would have similar impacts in the following environmental topics: Aesthetics, Climate Change, Cultural Resources, Geology and Soils, Hazardous Materials, Hydrology and Water Quality, Noise, Recreational Resources, Paleontological Resources, and Traffic and Circulation. In addition, this alternative would meet objective five, six and eight while only partially satisfying objectives two, three and four. The remaining two objectives will not be met if the Reduced Project Alternative is chosen. Even though some impacts would be reduced, significant and unavoidable impacts to Climate Change, Cultural Resources and Traffic, Circulation and Parking would remain.

Based on an economic analysis prepared for this alternative (Keyser Marston Associates 2008), the total development cost for this alternative would be less than for the proposed project. The estimated development cost of the proposed project would be approximately \$218,559,000, while the estimated development cost for the Reduced Project Alternative would be approximately \$79,151,000. However, the net operating income of this alternative would be \$2,513,000, as compared to the proposed project's net operating income of \$2,513,000. Also, the total net sales proceeds upon completion and stabilization of the Reduced Project Alternative would be approximately \$49,528,000, as compared to the proposed project's total net sales proceeds of approximately \$218,183,000. Development costs for the Reduced Project Alternative would be higher than total net sales (\$79,151,000 vs. \$49,528,000) and the developer profit as a percent of value would be negative 59 percent. The resulting financing gap for the Reduced Project Alternative would be \$35,814,000 as compared to a financing gap of \$27,649,000 for the proposed project. Total tax revenue for the City under the Reduced Project Alternative would be approximately \$1,337,000, which is much less than the \$4,536,000 total tax revenue estimated for the proposed project. This is a difference of \$3,199,000 in tax revenue to the City. This alternative would result in a net financing deficit to the City of \$19,101,000, as compared to a net financing surplus of \$29,051,000 to the City under the proposed project. Therefore, the environmental advantages associated with this alternative do not take priority over the economic advantages of the proposed project and, as a result, the Reduced Project Alternative is rejected as a feasible alternative for economic reasons. In addition, this alternative is rejected because it does not meet the necessary project objectives.

C. Alternative 3: Historic Resources

1. Description

Under this alternative, the Graves House at 102 North Pacific Street and the residence at 106 North Pacific Street, which are both eligible for listing on the California Register for Historical Resources, would remain in their current respective locations. The Graves House is eligible for listing under Criterion C of the California Register because the structure possesses a degree of integrity of design, location, setting, feeling, and decorative elements that convey the visual appearance of a Victorian cottage. Similar Victorian cottages were once common in the towns of southern California, but have become increasingly rare. The residence at 106 North Pacific Street is eligible for listing under Criteria A, B and C of the California Register because the structure is associated with events that made a significant contribution to California history.

Under this alternative, the hotel building on the South Block would be redesigned around both the Graves House and the residence at 106 North Pacific Street, which would both remain in their current locations. No alteration to either the Graves House or the structure at 106 North Pacific Street would occur under

this alternative, except for rehabilitation and restoration of both structures in accordance with the Secretary of Interior's Standards.

The redesign of the hotel building on the South Block to avoid impacts to the Graves House and the 106 North Pacific Street structure would result in the loss of several meeting rooms and hotel units, as well as a reduced spa area and a reduction in the ballroom capacity to approximately 400 persons. The number of hotel and timeshare units would be reduced by about 17 percent. The North Block would provide 95 units (48 hotel guest rooms and 47 fractional/timeshare units) and the South Block would provide 247 hotel rooms for a combined total of 342 units. Retention of the historic structures in their existing locations would also result in a decrease in interior public amenities and exterior public space. Other project features would be generally the same as the proposed project, including building height and design above the first floor.

2. Attainment of Project Objectives

The Historic Resources Alternative would fully accomplish three of the eight project objectives identified for the proposed project and would partially accomplish five objectives. This alternative would meet the objective to protect view corridors, develop buildings with an east/west orientation, and provide uses consistent with the Local Coastal Program. The alternative would also provide pedestrian connectivity along Pacific Street and the surrounding areas and retain connectivity with Oceanside's past by preserving the Graves House and the structure at 106 North Pacific Street in place. However, this alternative would only partially fulfill the objective to redevelop the two block project site with a minimum of 240 hotel rooms and 18,500 SF of visitor-serving commercial uses because it would provide the minimum number of hotel rooms but would not meet the 18,500 SF goal for visitor-serving commercial uses. In addition, this alternative would partially meet the objectives to design and implement a development that is consistent with City's Nine Block Pier Area Master Plan and Local Coastal Program, promote the long-term viability and transformation of the Redevelopment Project Area, and enhance the aesthetics of the D-Downtown District through a distinctive project design because it would preserve two existing residences which would preclude redevelopment in these areas of the project site. This alternative would not meet the objective to provide ballroom and meeting facilities to accommodate up to 500 people, because the ballroom would be reduced in size to accommodate about 400 people and some meeting rooms would be eliminated.

3. Impacts

Aesthetics: Compared to the proposed project, the Historic Resources Alternative would result in similar impacts associated with aesthetics. This alternative would result in buildings of similar height and design as the proposed project. The Historic Resources alternative would result in similar potentially significant impacts to light and glare because similar design and construction materials would be used. However, like the proposed project, impacts would be mitigated to below a level of significance. Therefore, this alternative would result in similar impacts to aesthetics as the proposed project.

Air Quality: Compared to the proposed project, this alternative would result in similar impacts to air quality. The Historic Resources Alternative would construct buildings of similar size which would have similar heavy construction equipment requirements. If this alternative is constructed at the same time as the CityMark development project, a significant temporary cumulative air quality impact would occur, similar to the proposed project. Mitigation measures would be implemented to reduce impacts, but not below a level of significance. Therefore, impacts would remain significant and unavoidable. Operationally, this alternative would result in a similar increase in traffic and similar hotel activities as the proposed project.

Climate Change: Under the Historic Resources Alternative, GHGs would be reduced as compared to the proposed project because fewer hotel units would be constructed and therefore fewer new sources of

GHGs would be introduced. Therefore, this alternative would result in the emission of fewer GHGs than the proposed project. However, because there is no established threshold for a cumulatively considerable effect from exposure to climate change risks, it is likely that impacts would remain significant and unavoidable under this alternative.

Cultural Resources: Because the Historic Resources Alternative would have a similar development footprint as the proposed project, impacts to potentially significant archaeological resources would be the same. Like the proposed project, potentially significant impacts to archaeological resources would be mitigated to below a level of significance. The Historic Resources Alternative would retain the Graves House and the structure at 106 North Pacific Street in their current respective locations, which would reduce potentially significant impacts to these historic resources to below a level of significance.

Geology and Soils: Construction activities and the proposed development footprint for both the proposed project and the Historic Resources Alternative would be similar.

Hazardous Materials: The Historic Resources Alternative would result in similar potentially significant impacts with regard to contaminated soils and groundwater as the proposed project because the development footprint of the alternative and proposed project would be similar. Impacts related to contaminated sites would be mitigated to a less than significant level, similar to the proposed project. Under the Historic Resources Alternative, emergency access impacts resulting from construction-related road closures would be less than significant.

Hydrology and Water Quality: Because the development footprint of the proposed project and the alternative are similar and the amount of impervious surface and subsequent run-off would be similar, the Historic Resources Alternative would result in similar potentially significant site drainage impacts. With regard to water quality, the alternative and the proposed project would develop similar land uses which would have the potential to generate pollutants. Similar to the proposed project, the Historic Resources Alternative would employ best management practices to prevent the degradation of water quality.

Land Use: Compared to the proposed project, the Historic Resources Alternative would result in similar less than significant impacts with regard to applicable land use plans and policies. The Historic Resources Alternative would be consistent with the visitor-serving commercial designation in the Oceanside Downtown Redevelopment Plan and Nine Block Pier Area Master Plan. However, this alternative may be inconsistent with the Local Coastal Program with regard to replacement of public parking if it is not replaced prior to the loss of public parking. Similar to the proposed project, a mitigation measure would be implemented to reduce the impact, although a temporary significant and unavoidable impact may occur if the replacement parking is not in place prior to the loss of the public spaces.

Noise: Construction requirements and land uses under this alternative would be similar to those identified for the proposed project. Therefore, construction noise impacts to off-site sensitive receptors and groundborne vibration impacts would be similar. Likewise, significant operational impacts to the proposed development from off-site noise sources, such as vehicular noise and train noise, would be similar. Potentially significant noise impacts would be mitigated to below a level of significance with mitigation measures.

Paleontological Resources: The development footprint of the Historic Resources Alternative would be similar to the footprint of the proposed project; therefore, similar potentially significant impacts to paleontological resources would occur. Like the proposed project, impacts would be mitigated to below a level of significance.

Recreational Resources: Under the Historic Resources Alternative, similar types of recreational amenities would be provided for hotel guests, visitors and tourists, including a ballroom, a fitness center, day spa, a pool, an outdoor living room, and restaurant. This alternative would not result in the need for new off-site recreational facilities or the degradation of existing facilities.

Public Services and Utilities: The Historic Resources Alternative would result in slightly reduced demand for police and fire services and water, wastewater, storm water, energy, and solid waste services as the proposed project because the proposed number of units would be approximately 17 percent lower under the alternative.

Traffic, Circulation, and Parking: Under the Historic Resources Alternative, the project site would be developed with similar land uses as the proposed project, but at a reduced density. Under this alternative, the proposed hotel/timeshare would generate approximately 17 percent less additional traffic on local roadways and intersections, which would result in fewer traffic impacts. However, some significant traffic impacts would still be likely to occur. Like the proposed project, significant traffic impacts would be mitigated to below a level of significance to the extent feasible, but may result in significant and unavoidable traffic impacts. Further, because this alternative would consist of about 17 percent fewer units, the number of parking spaces that would be required for the project would also be reduced. Temporary significant construction impacts would occur, similar to the proposed project, because the Historic Resources Alternative would result in similar grading and excavation for the underground parking structure. Overall, the Historic Resources Alternative would result in fewer impacts to traffic, circulation and parking than the proposed project.

4. Summary

The Historic Resources Alternative would result in fewer impacts in the following environmental topics: Cultural Resources, and Traffic, Circulation, and Parking. Although Traffic, Circulation, and Parking impacts would be reduced, impacts are likely to remain significant and unavoidable. The Historic Resources Alternative would have similar impacts in the following environmental topics: Aesthetics, Air Quality, Climate Change, Geology and Soils, Hazardous Materials, Hydrology and Water Quality, Noise, Land Use, Recreational Resources, Paleontological Resources, and Public Services and Utilities. This alternative would fully meet objectives five, six and eight while partially satisfying the remaining five objectives. The main advantage to this alternative is the preservation of both historic sites where as the proposed project would only preserve one historic site. However, the Historic Resources Alternative would produce similar impacts in every environmental topic, except cultural resources, while not fully meeting all the objectives identified for the proposed project.

Based on an economic analysis prepared for this alternative (Keyser Marston Associates 2008), the total development cost for this alternative would be less than for the proposed project. The estimated development cost of the proposed project would be approximately \$218,559,000, while the total development cost for the Historic Resources Alternative would be approximately \$209,231,000. However, the net operating income of this alternative would be \$10,214,000, as compared to the proposed project's net operating income of \$12,478,000. Also, the total net sales proceeds upon completion and stabilization of this project alternative would be approximately \$190,732,000, as compared to the proposed project's total net sales proceeds of \$218,183,000. Developer profit as a percentage of value would be negative 9.7 percent (or -\$18,499,000) under the Reduced Project Alternative rather than negative 0.2 percent (or -\$376,000) under the proposed project. This alternative would result in a financing gap of \$42,341,000, as compared to the proposed project's financing gap of \$27,649,000. Total tax revenue to the City under this alternative would be approximately \$3,990,000 as compared to an estimated \$4,536,000 under the proposed project, a difference of approximately \$546,000. This alternative would result in a net financing surplus to the City of \$7,534,000, as compared to the proposed project's net financing surplus of \$29,051,000. Therefore, the reduced impact to cultural resources under

the Historic Resources Alternative does not outweigh the economic advantages of the proposed project and, as a result, the Historic Resources Alternative is rejected as a feasible alternative for economic reasons. In addition, this alternative is also rejected because it would not fully meet the necessary project objectives.

D. Environmentally Superior Alternative

CEQA Guidelines Section 15126.6(e)(2) requires that the EIR shall identify another alternative as environmentally superior if the environmentally superior alternative is the “No Project” Alternative. This is true with the Oceanside Beach Resort so, in this case, the environmentally superior alternative would be the Reduced Project Alternative. This alternative would result in fewer impacts to air quality, land use, construction noise, and traffic, circulation, and parking than the proposed project. This alternative would fully achieve three of the eight objectives identified for the proposed project, and would partially achieve three objectives. Even though some impacts would be reduced, significant and unavoidable impacts to Climate Change, Cultural Resources and Traffic, Circulation and Parking would remain. Therefore, the environmental advantages associated with this alternative do not take priority over the advantages of the proposed project. As a result, the Reduced Project Alternative is rejected as a feasible alternative.

VIII. FINDINGS REGARDING OTHER CEQA CONSIDERATIONS

A. Growth-Inducing Impacts of the Project

As required by the CEQA Guidelines, an EIR must include a discussion of the ways in which the proposed project could directly or indirectly foster economic development or population growth, or the construction of additional housing and how that growth would, in turn, affect the surrounding environment (CEQA Guidelines Section 15126.2[d]). Growth can be induced in a number of ways, including the elimination of obstacles to growth, or through the stimulation of economic activity within the region. The discussion of removal of obstacles to growth relates directly to the removal of infrastructure limitations or regulatory constraints that could result in growth unforeseen at the time of project approval. According to CEQA Guidelines Section 15126.2(d), “it must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment.”

Population Growth

The proposed project would develop the project site with hotel/timeshare uses, which is considered to be transient lodging and would not directly influence the population in the City of Oceanside. Guests of the hotel/timeshare development would be temporary visitors to the area, and would not be expected to permanently relocate to Oceanside. Therefore, the proposed project would not result in a permanent increase the City of Oceanside’s population.

Economic Growth

The proposed project involves the development of private hotel/timeshare and visitor-serving commercial/retail uses. The project would generate jobs and economic activity. The project would provide temporary housing for tourists and visitors to the area, who would incrementally increase activity in nearby retail establishments for the duration of their stay. Because the economic activity generated by the project is the expected result of planning for the ultimate redevelopment of the City through the Redevelopment Plan, it would not result in a significant adverse impact. By contributing to the economic life and welfare of the City, the project would contribute positively to economic activity in Oceanside and the region.

Removal of Obstacles

Growth inducement may result from the removal of obstacles to growth, usually in adjacent areas, through creating opportunities to extend infrastructure that could support development of areas where development is not planned or expected to occur. In the case of the proposed project, elements such as sewer and water lines, roads, and drainage facilities are already provided in the project area. The project site is located in an urbanized developed area and would neither cross nor be extended to undeveloped off-site areas. Therefore, no adverse effect from the removal of obstacles to growth would occur.

B. Significant Irreversible Environmental Effects

Section 15126.2(c) of the CEQA Guidelines requires a discussion of any significant irreversible environmental changes that would be caused by the proposed project. Specifically, Section 15126.2(c) states:

Uses of nonrenewable resources during the initial and continued phases of the project may be irreversible, since a large commitment of such resources makes removal or nonuse thereafter unlikely. Primary impacts and, particularly, secondary impacts (such as highway improvement which provides access to a previously inaccessible area) generally commit future generations to similar uses. Also, irreversible damage can result from environmental accidents associated with the project. Irretrievable commitments of resources should be evaluated to assure that such current consumption is justified.

Development of the proposed project would result in the commitment of the project site to hotel/timeshare and visitor-serving commercial/retail uses. Restoration of the project site to pre-project conditions would not be feasible given the degree of disturbance, the urbanization of the area, and the level of capital investment that would result from implementation of the proposed project.

Resources that would be permanently and continually consumed by implementation of the proposed project include water, electricity, natural gas, and fossil fuels; however, the amount and rate of consumption of these resources would not result in significant environmental impacts or the unnecessary, inefficient, or wasteful use of resources. The proposed project would develop the project site with hotel/timeshare and visitor-serving commercial/retail uses compatible with the land use designation and zoning identified for the project site. Nonetheless, construction activities related to the proposed project, though previously analyzed, would result in the irretrievable commitment of nonrenewable energy resources, primarily in the form of fossil fuels (including fuel oil), natural gas, and gasoline for automobiles and construction equipment.

With respect to the operational activities of the proposed project, compliance with all applicable building codes, as well as EIR mitigation measures, would ensure that all natural resources are conserved to the maximum extent practicable. It is also possible that new technologies or systems would emerge, or would become more cost-effective or user-friendly, to further reduce the project reliance upon nonrenewable energy resources.

The CEQA Guidelines also require a discussion of the potential for irreversible environmental damage caused by an accident associated with the proposed project. Development of the proposed project site with hotel/timeshare and visitor-serving commercial/retail uses consistent with the land use designation and zoning identified for the project site would not involve the routine use, transport, storage, or disposal of hazardous wastes. Therefore, the potential for the proposed project to cause significant irreversible environmental damage from an accident or upset of hazardous materials would be less than significant.

IX. CERTIFICATION OF THE EIR

Pursuant to Public Resources Code § 21081 and State CEQA Guidelines § 15090, the City of Oceanside certifies that:

1. The EIR is an accurate and objective statement that fully complies with CEQA and the State CEQA Guidelines;
2. As the decision making body for the City, the EIR was presented to the City Council and the City Council reviewed it and considered the information in the EIR prior to approving the project; and
3. The EIR reflects the City Council's independent judgment and analysis.

The City of Oceanside further finds that no comments or responses to comments made during or after the review period for the EIR, and received prior to the adoption of these Findings, or made during any other public hearing on the project, rise to the level of significant new information requiring recirculation or additional environmental review pursuant to State CEQA Guidelines § 15088.5.

X. FINDINGS REGARDING MITIGATION MONITORING AND REPORTING PROGRAM

As required by Public Resources Code § 21081.6, the City, in adopting these Findings, also adopts a Mitigation Monitoring and Reporting Program. The Plan is designed to ensure that, during the project, the City and all other responsible parties will comply with the mitigation measures adopted in these Findings. The City Council hereby finds that the Mitigation Monitoring and Reporting Program, which is incorporated herein by reference, meets the requirements of Public Resources Code § 21081.6.

XI. CUSTODIAN OF RECORDS

The location of the documents or other materials which constitute the record of proceedings upon which the City's decision is based is the City of Oceanside Planning Department, 300 North Coast Highway, Oceanside, CA 92054. The custodian for such records is the Senior City Planner at the same address.

XII. STAFF DIRECTION

City staff is directed to file a Notice of Determination with the County Clerk's office in the County of San Diego within five working days of final project approval.

EXHIBIT “B”

STATEMENT OF OVERRIDING CONSIDERATIONS FOR OCEANSIDE BEACH RESORT PROJECT CEQA (PRC § 21081(b)) CEQA GUIDELINES (CCR §15093)

The City of Oceanside (“City”) hereby adopts the following Statement of Overriding Considerations for the Oceanside Beach Resort Project pursuant to Public Resources Code (PRC) § 21081 and State CEQA Guidelines § 15093. The Final Environmental Impact Report (the “FEIR”) for the project identifies significant environmental effects that would not be mitigated to below a level of significance and that would be allowed to occur as a result of the approval of the project. The City finds that, although potential project-related impacts have been avoided or substantially mitigated as described in the FEIR and the Findings adopted this day by the City pursuant to State CEQA Guidelines § 15091, the project will have significant, unavoidable environmental impacts in the following areas: climate change, cultural resources, land use and traffic, circulation and parking.

The City, after balancing the specific economic, legal, social, technological or other benefits of the project, including considerations for the provision of employment opportunities for highly trained workers, determines and finds that the unavoidable adverse environmental effects may be considered “acceptable” due to the following specific considerations.

The proposed Oceanside Beach Resort project would provide a total of approximately 420,000 square feet (SF) of new development including a combination of hotel rooms and fractional/timeshare units, restaurant and visitor-serving commercial uses on two blocks totaling 2.76 acres, including the South Block (Block 16, 1.38 acres) and the North Block (Block 17, 1.38 acres). The total number of units combined for the two blocks would be a maximum of 413 resort keys with a minimum of 285 hotel guestrooms. At least 30 percent of the total resort would be open space in the form of exterior open spaces and interior public amenities. Parking would be provided in two levels of subterranean parking that would extend under Mission Avenue as one large parking garage beneath both blocks.

Through implementation of the project and concomitant growth, the Oceanside Beach Resort will enhance the following benefits to the areas surrounding the project site and the City of Oceanside as a whole:

1) Employment Benefits

- a) Oceanside Beach Resort would be a new employer in the City of Oceanside. The total number of persons anticipated to be employed is 300. The percentage of part time employees to full time employees is 30 percent part time and 70 percent full time.
- b) Those that would benefit from employment at the Oceanside Beach Resort would range from students at local high schools or colleges filling part-time positions to spouses of service men and women living in the area that may fill full-time positions.
- c) Visitor-serving commercial uses included in the project are expected to provide approximately 75 jobs.

2) Economic Benefits

- a) The construction of the proposed Oceanside beach resort would generate substantial revenue to the local economy and provide a significant number of construction-related jobs over a 24-month period. Direct construction costs, such as site preparation, parking, shell construction, tenant improvements, FF&E and contingency, are estimated at approximately \$171 million in capital improvement expenditures from construction. Indirect costs, such as architecture and engineering, permits and fees, legal and accounting, taxes and insurance, developer fees, marketing and pre-opening expenses, and contingency, are projected to be approximately \$30 million.
- b) The Oceanside Beach Resort would rely primarily on local contractors and suppliers for its services and goods needs. The applicant would pay prevailing wages to all contractors and subcontractors employed in connection with construction of the project, pursuant to California Labor Code Section 1770.
- c) The net operating income of the Oceanside Beach Resort is estimated to be approximately \$13 million per year at stabilization (operating year 5).
- d) The nearby Oceanside Harbor and Marina and associated downtown businesses are expected to benefit from the increased tourist activity generated from the proposed project. The hotel guests and increased tourist activity is anticipated to increase revenues in Oceanside's coastal area.
- e) The City would enter into a ground lease with the applicant for a period of 75 years, with one renewal option of 24 years. The City will collect approximately 12 million dollars in rent payments over the course of the initial and renewal terms of the lease.
- f) The City would collect a percentage rent based on room revenue and all other revenue.
- g) The City would receive time-share rent and time-share resale rent commencing in the lease year that a time-share interest is sold. The initial ground rent would be \$4,200 per fractional unit per year.

3) Redevelopment Benefits

As the second project proposed to be constructed within the Nine Block Pier Area Master Plan, the Oceanside Beach Resort would play an important role in helping the City achieve the goals outlined in the Redevelopment Plan. The Oceanside Beach Resort project would complement, activate and enhance the existing visitor-serving, ocean-related uses in the vicinity of the Nine Block Pier Area Master Plan and the entire Redevelopment Area by renewing interest and activity in the area. In addition, the proposed project would be consistent with the environmental goals, objectives, and guidelines of the Nine Block Pier Area Master Plan, Redevelopment Plan and D Downtown District Ordinance, including the required mixed use development plan and CUP, with specified findings for the hotel and commercial land uses. Therefore, through compliance of these plans and ordinances, the Oceanside Beach Resort would assist the City in reaching the goals of the City's Redevelopment Plan.

Redevelopment Plan Goals:

- To eliminate blight and to capitalize on the area's assets;
- To develop a plan and program to establish downtown Oceanside as a business and visitor center for commerce, recreation, tourist, entertainment, and residential uses for the existing community and visitors;
- To provide necessary public improvements to encourage the desired private developments;
- To reduce the concentration and incidence of crime in downtown;
- To provide housing opportunities that benefit the project area, for all economic segments of the community including development of projects outside the project area that benefit the project area;
- To reposition downtown to attract a beach-oriented destination resort hotel.

4) Aesthetic Benefits

One of the goals stated in the Oceanside Redevelopment Plan is to eliminate the blighted condition of the Nine-Block Pier Area Master Plan and the preferred method to achieve this goal is by attracting a beach-oriented destination resort hotel. The Oceanside Beach Resort is ideal for this goal, and after the project is completed it would help to eliminate the current blighted condition associated with the area. Specifically, the project is designed in beach cottage style architecture with elements that include decorative shingled siding, dormers and tower elements, along with balcony railings and trellises. Each hotel building would also include a public plaza surrounded by serene garden settings, outdoor seating and active uses that front Pacific Street.

North Block. At ground level the landscape and hardscape includes water fountains, garden plantings, and outdoor seating areas that would be complemented by active, resort-related uses such as indoor and outdoor dining areas. Palm trees would be planted or retained along Pacific Street to accentuate the beach resort destination. Other types of trees would be used along Pier View Way, Myers Street and Mission Avenue to soften the building edges and provide street trees, yet still distinguish Pacific Street as the main project frontage. The arrival plaza and garage entrance would be located along Myers Street and be distinguished from the rest of the landscaping along Myers Street with palms or other trees.

South Block. The arrival area for the South Block along Mission Avenue would be landscaped with decorative elements to distinguish it as the main entrance to the hotel. At ground level the landscape includes themed planters at the entrance, garden plantings, and outdoor seating areas fronting Pacific Street. Palm trees would be planted or retained along Pacific Street to accentuate the beach resort destination.

Graves House. The project would also preserve the historic Graves House by relocating it from the southern block to the northern block and incorporating it into the public plaza located mid-block on Pacific Street. The Graves House would undergo restoration to enhance its historic Folk Victorian style as well as adaptive rehabilitation for re-use purposes, such as a coffee house, restaurant, or other visitor-serving use.

5) Sand Compatibility and Opportunistic Use Program (SCOUP) Benefits

Regional management of California's available sand resources and accompanying solutions to coastal erosion are the major intent of the Sand Mitigation Program. The Sand Compatibility and Opportunistic Use Program (SCOUP) was crafted to streamline regulatory approval of small (less than 150,000 cubic yards) beach nourishment projects using opportunistic materials to limit beach erosion.

Conceptual grading for the Oceanside Beach Resort project would require the excavation of approximately 113,000 cubic yards (cy) of material from the underground parking area. Preliminary review of the project-specific geotechnical study prepared by Leighton & Associates (January 2006) indicates that the excavated material may meet the standards for beach nourishment, as identified in the Final MND for SCOUP Pilot Project Site prepared by City of Oceanside (December 2005). This document identifies a pilot site at Buccaneer Beach in Oceanside to receive up to 150,000 cubic yards/year (cy/y) of sand for beach nourishment. Assuming the quality of the excavated materials from the project site meets the standards identified in the SCOUP, the 113,000 cy of materials would be hauled to either Buccaneer Beach for replenishment or the El Corazon Stockpile Location. The sand would combat local beach erosion as well as serve as a feeder beach to replenish down-coast beaches. Therefore, if the excavated materials are able to meet the SCOUP standards for beach nourishment, Buccaneer Beach and beaches to south would benefit from the proposed project.

6) Community Benefits

a) Public Space

The proposed project would provide at least 30 percent public space in both interior and exterior areas as required by the Nine Block Pier Area Master Plan. A total of approximately 36,000 SF of public space is proposed as part of the Oceanside Beach Resort project. If the project site was not developed and remained in its current state, community benefits at the project site would remain minimal.

Interior Public Amenities. Interior public amenities include meeting rooms, lobby, library space, and an outdoor living room on the South Block. Therefore, subject to normal use, operation and rules and restrictions of the hotel, the public would have access to the public amenities on the first floor of the North Block and the first, second, and third floors of the South Block. Public amenity space such as the ballroom and meeting facilities (500 person capacity) would be available to civic and community groups on a complimentary or reduced rate basis. Additionally, the ballroom and meeting rooms could be used for a wide array of events including, but not limited to, the following: conventions, conferences, seminars, art shows, weddings, and bar mitzvahs.

Exterior Open Space. Approximately 69 percent of the area set aside as public space would consist of exterior open space consisting of plazas, walkways, promenades, and project frontages along public streets. The plazas and promenades along Pacific Street integrate the public open space of the proposed project with the existing open space. The North Block building would feature a large ground floor public plaza with landscaped and hardscaped elements facing Pacific Street as described in Aesthetic benefits. In addition, the sidewalk along Pacific Street was designed to be wider than is required by code, effectively creating a unique atmosphere that encourages pedestrian activity. The South Block building would also feature a Plaza and breakout terrace that provides open space on the ground floor of the hotel.

b) Visitor-Serving Commercial Uses

The proposed project would provide approximately 18,500 SF of visitor-serving commercial retail space. The North Block would include a specialty restaurant, retail space, and a coffee house, which would be provided on the first floor. The South Block would include a spa, lounge, gift shop, and restaurant, which would be provided on the first, second, and third floors of the South Block. These amenities would be provided on the first, second, and third floors of the South Block.

The City of Oceanside finds that there is substantial evidence in the administrative record of benefits in employment, economic effects, redevelopment, aesthetics, SCOUP, and the community which would directly result from approval and implementation of the project. The City of Oceanside finds that the need for these benefits specifically overrides the impacts of the project on climate change, cultural resources, land use, and traffic, circulation and parking and thus the adverse effects of the project are considered acceptable.

EXHIBIT “C”

MITIGATION MONITORING AND REPORTING PROGRAM

The Mitigation Monitoring and Reporting Program (MMRP) was formulated based on the findings of the Final Environmental Impact Report (Final EIR) for the proposed Oceanside Beach Resort Project. The MMRP is in compliance with Section 15097 of the CEQA Guidelines, which requires that the Lead Agency “adopt a program for monitoring or reporting on the revisions which it has required in the project and the measures it has imposed to mitigate or avoid significant environmental effects.” The MMRP lists mitigation measures recommended in the Final EIR and identifies mitigation monitoring and reporting requirements. These requirements are provided only for mitigation measures that would reduce or avoid significant impacts of the proposed project.

The following MMRP table presents the mitigation measures identified for the proposed project. Each mitigation measure is identified by the first three letters of the topical section to which it pertains, followed by a hyphen and impact number, which indicate the order that the mitigation measure is listed in the topical section. For example, mitigation measure *Aes-1* is the first mitigation measure identified in the Aesthetics section of the EIR.

The first column of the MMRP table provides the mitigation measures identified in Sections 4.1 through 4.13 of the Final EIR. The column entitled “Party Responsible for Implementing Action” identifies the party responsible for carrying out the required actions. The columns entitled “Party Responsible for Monitoring” and “Timing” identify the party ultimately responsible for ensuring that the mitigation measure is implemented, and the approximate timeframe for the oversight agency to ensure implementation of the mitigation measure.

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Oceanside Beach Resort Project Mitigation Monitoring and Reporting Program Summary

Mitigation Measures	Party Responsible for Implementing Action	Party Responsible for Monitoring	Timing
Aesthetics			
<p><i>Aes-1:</i> The proposed project shall adhere to additional light standards by installing refractors, automatic cutoffs, and horizontal lumens. It is also recommended that windows be treated or fabricated with non-reflective materials to reduce indoor light from shining through them.</p>	Project Applicant	<p>City Planner shall verify that project plans include the requirements identified in the mitigation measure.</p> <p>Engineering Inspector shall verify that they have been installed upon completion of construction.</p>	<p>Prior to the issuance of building permit</p> <p>After project construction</p>
Air Quality			
<p><i>Air-1:</i> If the Oceanside Beach Resort project and the CityMark development project are constructed at the same time, an emissions construction plan shall be prepared by a qualified air quality specialist and approved by the City Planning Department to ensure that the number of construction vehicles and equipment used simultaneously would not exceed the allowable significance threshold for any criteria pollutant. The air emissions construction plan shall identify the maximum number of construction vehicles and equipment and the hours per day that they would be allowed to operate at each site.</p>	Project Applicant	<p>City Planner shall review and approve air emissions construction plan</p> <p>Engineering Inspector shall verify that the air emissions construction plan is adhered to during construction</p>	<p>Prior to the issuance of any grading permit</p> <p>During project construction</p>
Cultural and Paleontological Resources			
<p><i>Cul-1:</i> Prior to the issuance of a grading permit, the applicant shall provide evidence of a full-time archaeological and Native American monitoring program during removal of all existing landscape and hardscape, including the initial stages of site grading or excavation within native soils per the following requirements:</p> <ol style="list-style-type: none"> a. Prior to the issuance of a building and/or grading permit, the applicant shall provide a letter of verification to the Oceanside Planning Department stating that a qualified archaeologist and Native American monitor have been retained to implement the monitoring program. The requirement for archaeological monitoring shall be noted on the grading plans. All persons involved in the archaeological monitoring of this development shall be approved by the Planning Department prior to the first preconstruction meeting. The applicant shall notify the Planning Department of the start and end of construction. b. The qualified archaeologist and Native American monitor shall attend any preconstruction meetings to make comments and/or suggestions concerning the archaeological and Native American monitoring program with the construction manager. c. The qualified archaeologist and Native American monitor shall be present on site at all times during grading of native 	Project Applicant/ Project Archaeologist/ Native American	<p>City Planner shall verify that the applicant has hired full-time archaeological & Native American monitors in accordance with the mitigation measure</p> <p>Engineering Inspector shall verify that the archaeological & Native American monitors are present during construction activities, as required by the mitigation measure.</p>	<p>Prior to the issuance of any grading permit</p> <p>During project construction</p>

Table 11-1 (continued)

Mitigation Measures	Party Responsible for Implementing Action	Party Responsible for Monitoring	Timing
<p>d. When requested by the archaeologist or Native American monitor, the contractor shall divert, direct or temporarily halt ground disturbing activities in the area of discovery to allow evaluation of potentially significant archaeological and/or Native American resources. The archaeologist or Native American monitor shall immediately notify the Planning Department of such a finding at the time of discovery. The significance of the discovered resource(s) shall be determined by the archaeologist or Native American monitor, in consultation with the Planning Department and the Native American community. The Planning Department must concur with the evaluation procedures before grading activities are allowed to resume. For potentially significant historical resources discovered during site development, a Research Design and Data Recovery Program shall be prepared and carried out to mitigate impacts before grading activities in the area of discovery are allowed to resume. Any human bones of Native American origin shall be turned over to the appropriate Native American group for reburial.</p>			
<p>e. All historical materials collected shall be cleaned, cataloged and permanently curated with an appropriate institution. All artifacts shall be analyzed to identify function and chronology as they relate to the history of the area. Faunal material shall be identified as to species, and specialty studies shall be completed as appropriate. Additionally, any sites and/or features encountered during the monitoring program shall be recorded on the applicable Department of Parks and Recreation forms (DPR 523A/B, et al.) and submitted to the South Coastal Information Center at San Diego State University and the San Diego Museum of Man with the final monitoring results report.</p>			
<p>f. Prior to the release of the grading bond, the applicant shall submit to the Planning Department a letter of acceptance for the archaeological collection from the appropriate institution. In addition, a monitoring results report and/or evaluation report, if appropriate, which describes the results, analysis, and conclusions of the entire archaeological and Native American monitoring program (with appropriate graphics and photo documentation) shall be submitted to and approved by the Planning Department. For significant archaeological or Native American resources, a Research, Design and Data Recovery Program shall be included as part of the evaluation report. A mitigation report for significant resources, if required, shall be submitted to and approved by the Planning Department prior to the release of the grading bond.</p>			
<p>Cul-2 During project construction, the construction contractor shall implement proper security measures, such as locked fencing, patrols, and covering of exposed archaeological features, to the satisfaction of the City enforcement officer. Security measures shall be put into place during the initial construction phases of the project to protect the well-known historical areas from trespassers who are frequently known to foot sites prior to or during treatment by professional archaeologists and/or culturally affiliated Native Americans.</p>	Project Applicant	Code Enforcement Officer	During project construction
<p>Cul-3 Prior to the relocation of the structure located at 102 North Pacific Street, the applicant shall retain a qualified architectural historian to prepare a relocation plan and to oversee the relocation, restoration and rehabilitation of the structure and to ensure that all work follows the Secretary of the Interior's Standards.</p>	Project Applicant/ Architectural Historian	City Planner to review and approve relocation plan	Prior to relocation of the structure

Table 11-1 (continued)

Mitigation Measures	Party Responsible for Implementing Action	Party Responsible for Monitoring	Timing
<p>Cut-4 In order to mitigate for the significant project impact to the historic structure located at 106 North Pacific Street, one of the following options shall be implemented by the applicant.</p> <p>a. Relocation, Restoration and Adaptive Re-use. The structure located at 106 North Pacific Street shall be relocated and integrated into the proposed Oceanside Beach Resort project, similar to the structure at 102 North Pacific Street, or shall be relocated to another suitable location in downtown Oceanside. Under this option, the applicant shall retain a qualified architectural historian to prepare a relocation plan and to oversee the relocation, restoration and rehabilitation of the structure and to ensure that all work follows the Secretary of the Interior's Standards. Implementation of this option to relocate and preserve the historic structure at 106 North Pacific Street would reduce impacts to below a level of significance.</p> <p>b. Historic Survey/Documentation. In lieu of relocation, Historic American Building Survey (HABS) documentation shall be prepared by a qualified historian to document the history and architecture of the structure. The HABS survey shall include detailed architectural drawings of the building, photo documentation of the interior and exterior of the building using large format black-and-white photographs and preparation of detailed historical context. The survey shall follow Secretary of the Interior guidelines. However, since the site is eligible for listing on the California Register of Historic Resources, and would be demolished under this option, documentation would not fully mitigate project impacts to below a level of significance. Impacts would remain significant and unmitigated.</p>	<p>Project Applicant/ Architectural Historian</p> <p>City Planner to review and approve relocation plans</p> <p>City Planner to review and approve HABS documentation</p>	<p>Prior to relocation of the structure</p> <p>Prior to demolition of the structure</p>	
<p>Cut-5 Prior to demolition of the structures located at 109 North Myers Street and 112 A/B Seagaze Drive, additional documentation of each structure shall be conducted by a qualified historian after vegetation removal and prior to demolition. Good-quality photographs of the building exterior shall be taken; however, a HABS-level survey is not required.</p>	<p>Project Applicant/ Architectural Historian</p> <p>City Planner to review and approve the documentation of each structure</p>	<p>Prior to demolition of the structures</p>	
<p>Hazards and Hazardous Materials</p>			
<p>Haz-1 Prior to issuance of any grading permits, a qualified hazardous materials professional shall test the groundwater along the southeastern property boundary, in conformance with County Department of Environmental Health (DEH) requirements, to determine if contaminants are present. If contaminants are found in on-site groundwater, the hazardous materials professional shall complete a Health Risk Assessment and any necessary remediation to the satisfaction of the County DEH based on the proposed development plans.</p>	<p>Project Applicant/ Hazardous Materials Professional</p> <p>County Department of Environmental Health</p>	<p>Prior to the issuance of grading permits.</p>	
<p>Haz-2 During grading activities, a qualified hazardous materials monitor shall be on site to monitor the area for manufactured gas containers. If manufactured gas containers are discovered, grading shall be halted in that area and the proper agencies, including County DEH, shall be notified. If required by County DEH, soil sampling shall be conducted in the area to ensure that contamination has not occurred. Remediation shall be conducted where contamination has occurred and proper disposal of the containers shall be completed.</p>	<p>Project Applicant/ Hazardous Materials Monitor</p> <p>County Department of Environmental Health</p>	<p>During grading activities</p>	

Table 11-1 (continued)

Hydrology and Water Quality

Hyd-1 Prior to issuance of a certificate of occupancy, the following measures shall be implemented to serve the project site, if they have not been implemented by the City. If the City doesn't implement these measures, the applicant shall be responsible for implementation.

- a. Replace existing storm drain in Pacific Street with larger pipes to adequately convey the design discharges identified in the Preliminary Drainage Report for the City of Oceanside Storm Drain Maintenance and Water Quality Improvements (PDC, 2005).
- b. Construct a new storm drain lateral for Pier View Way and Myers Street.
- c. Recontour Myers Street through grading to direct runoff to new curb inlets connected to the new storm drain lateral.

City of Oceanside/ Project Applicant
 City Engineer to verify that improvements have been implemented.
 Prior to issuance of a certificate of occupancy

Land Use

Lan-1 Prior to the issuance of the grading permit or removal of any on-street public parking spaces, the developer(s)/builder(s) shall pay a fair share contribution for the physical construction of approximately 40 public parking spaces to the City for construction of a new public parking lot located between Tyson Street and Wisconsin Avenue west of the NCTD railroad tracks. Approximately 40 parking spaces in the new parking lot shall be designated for project replacement parking to mitigate for removal of up to 33 public parking spaces west of the NCTP railroad tracks at a one-to-one ratio and also to provide an additional 7 spaces required for proposed project parking. If the City's new public parking lot is constructed prior to the loss of any public parking spaces, then the impact would be reduced to below a level of significance. However, if the City's new public parking lot is constructed after the loss of any public parking spaces, then a temporary significant and unavoidable impact would occur until construction of the new City parking lot is completed.

Project Applicant
 Redevelopment Agency
 Prior to the issuance of any grading permit or removal of any on-street public parking spaces

Noise

Not-1 During project construction, the following conditions shall be implemented to the satisfaction of the City Engineer:

- a. Hours of construction shall be limited to 7 a.m. to 7 p.m. Monday through Saturday.
- b. Construction equipment shall be staged at least 500 feet from sensitive noise receptors, where feasible, and shall be shut down within five minutes when immediate use is not planned. This measure shall include idling trucks waiting to deliver or be loaded with materials.
- c. The areas designated for equipment maintenance, shall be located as far as practicable from existing residences and maintenance shall not be performed outside the prescribed construction hours.
- d. If temporary traffic control signs, warning signs, lighting or other similar pieces of equipment are located within 200 feet of a sensitive receptor, power shall be supplied by batteries or other means not utilizing internal combustion engines.
- e. Approved mufflers shall be used to meet the 85 dB noise limit.
- f. Discretionary scheduling of noisiest activities shall be implemented to minimize construction noise intrusion.
- g. Temporary noise barriers shall be erected, as necessary.

Project Applicant
 City Engineer/Code Enforcement Officer
 During project construction

Table 11-1 (continued)

<p>Not-2 In order to create outdoor space that achieves 65 dB CNEL, east-facing units along Myers Street facing the railroad tracks shall implement one of the following measures.</p>	<p>Project Applicant</p>	<p>City Planner to verify project plans include one of the appropriate measures</p> <p>Engineering Inspector to verify that the appropriate measures have been adequately implemented per the mitigation measure</p>	<p>Prior to issuance of a building permit</p> <p>During project construction</p>
<p>a. Implement a minimum perimeter barrier of five feet in height along all east-facing balconies fronting Myers to reduce impacts to below a level of significance. This could be achieved with a combination of solid material and glass.</p>			
<p>b. Eliminate usable balconies in the east-facing units fronting Myers Street and construct French doors with no balconies instead.</p>			
<p>c. Provide private noise-protected outdoor usable space in another location within the proposed project site, such as the pool areas on both blocks, with noise levels below the 65 dB CNEL requirement. The amount of outdoor usable space must meet or exceed the combined square footage of all east-facing balconies.</p>			
<p>d. If the proposed CityMark development project is approved and construction of Blocks 20 and 21 has commenced prior to operation of the North and South blocks of the Oceanside Beach Resort project, respectively, then no noise mitigation shall be required.</p>			
<p>Not-3 Dual paned windows shall be installed to mitigate interior noise levels to 45 dB CNEL at all units facing perimeter roadways or the train tracks. These windows shall also be closed in order to meet the interior noise standard. When window closure is necessary to meet standards, a supplemental source of fresh air shall be required by code. The ventilation rate for a hotel room is typically 30 cubic feet per minute (CFM) for double occupancy.</p>	<p>Project Applicant</p>	<p>City Engineer/City Planner to verify that project plans show dual paned windows and a 30 CFM ventilation rate</p> <p>Engineering Inspector to verify that the appropriate measures have been adequately implemented, per the mitigation measure</p>	<p>Prior to issuance of building permit</p> <p>After project construction</p>

Paleontological Resources

<p>Pal-1 The applicant shall provide a full-time paleontological monitoring program during all soil excavation per the following requirements:</p>	<p>Project Applicant/ Paleontologist or Paleontological Monitor</p>	<p>City Planner shall verify that the applicant has hired full-time paleontological monitor in accordance with the mitigation measure</p> <p>Engineering Inspector shall verify that the paleontological monitor is present during soil excavation, as required by the mitigation measure.</p>	<p>Prior to the issuance of any grading permit</p>
<p>a. Prior to issuance of a building and/or grading permit, the applicant shall provide a letter of verification to the City of Oceanside Planning Department stating that a qualified paleontologist and/or paleontological monitor have been retained to implement the monitoring program. The requirement for paleontological monitoring shall be noted on the grading plan. All persons involved in the paleontological monitoring of the project shall be approved by the Planning Department prior to the start of monitoring. The applicant shall notify the Planning Department of the start and end of construction.</p>			
<p>b. The paleontologist or paleontological monitor shall be on site full-time during the initial cutting of previously undisturbed areas. Monitoring may be increased or decreased at the discretion of the qualified paleontologist, in consultation with the Planning Department, and will depend on the rate of excavation, the materials excavated, and the abundance of fossils.</p>			
<p>c. When requested by the paleontologist, the City Engineer shall direct that construction activities in the area of discovery be diverted, directed, or temporarily halted to allow recovery of fossil remains. The paleontologist shall immediately</p>			

Table 11-1 (continued)

- notify the Planning Department of such finding at the time of discovery. The Planning Department shall approve salvaging procedures to be performed before construction activities are allowed to resume.
- d. The paleontologist shall be responsible for preparation of fossils to a point of identification and submittal of a letter of acceptance from a local qualified curatorial facility. Any discovered fossil sites shall be recorded by the paleontologist at the San Diego Natural History Museum.
- e. Prior to the release of the grading bond, a monitoring results report, with appropriate graphics, summarizing the results, analysis and conclusions of the paleontological monitoring program shall be submitted to and approved by the Planning Department and a copy provided to the San Diego Natural History Museum.

Traffic

Tra-1	Mission Avenue from Horne Street to I-5. The following options have been identified to mitigate or partially mitigate the project impact to Mission Avenue between Horne Street and I-5.	Project Applicant	City Planner/ Traffic Engineer to verify that one of the options has been selected and implemented.	Prior to issuance of a certificate of occupancy
a.	Improve the Mission Avenue/Horne Street intersection: This improvement would add capacity to a key intersection along the impacted roadway segment in order to mitigate the segment impact by improving traffic flow. However, another project (Belvedere) is already conditioned to make improvements at this intersection. This improvement would fully mitigate project impacts at this intersection.			
d.	Improve the existing commercial driveway between Horne Street and the High School driveway: This improvement would provide a dedicated westbound right turn lane on Mission Avenue at the commercial driveway or improve the curb radius at the driveway. This improvement would provide only a small increase in capacity on Mission Avenue and would not fully mitigate the impact to below a level of significance.			
f.	No Improvements. If none of the above improvements identified above are implemented, the impact is considered to be significant and unavoidable.			
Tra-4	Myers Street from Mission Avenue to Seagaze Drive. Prior to issuance of a certificate of occupancy, the project applicant shall provide full width improvements on Myers Street (a 40-foot road is planned) along the project frontage and convert Myers Street between Pier View Way and Mission Avenue to a two-way street. Improvements would include installation of a traffic signal at the Mission Avenue/Myers Street intersection to provide better access to and from the site after Myers Street is converted to a two-way street. A reimbursement agreement shall be established such that the future development that benefit from these improvements contribute their fairshare. However, if the Myers Street improvements have already been constructed by another project, then the Oceanside Beach Resort project shall contribute its fairshare towards the improvements.	Project Applicant	City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement or paid a fair share toward the improvement	Prior to issuance of a certificate of occupancy
Tra-5	Mission Avenue/Clementine Street Intersection. Prior to issuance of a certificate of occupancy, the project applicant shall install a traffic signal at the Mission Avenue/Clementine Street intersection. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the traffic signal has already been constructed by another project, then the Oceanside Beach Resort project shall contribute its fairshare towards the traffic signal.	Project Applicant	City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement or paid a fair share toward the improvement	Prior to issuance of a certificate of occupancy

Table 11-1 (continued)

Tra-6	<p>Mission Avenue/Myers Street Intersection. Prior to issuance of a certificate of occupancy, the project applicant shall install a traffic signal at the Mission Avenue/Myers Street intersection and shall install pedestrian gates on Mission Avenue at the railroad tracks, per the CPUC railroad guidelines. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the traffic signal and pedestrian gates have already been constructed by another project, then the Oceanside Beach Resort project shall contribute its fairshare towards these improvements.</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement or paid a fair share toward the improvement</p>	Prior to issuance of a certificate of occupancy
Tra-7	<p>Mission Avenue/Horne Street Intersection. Prior to issuance of a certificate of occupancy, the project applicant shall upgrade the signal at the Mission Avenue/Horne Street intersection by widening the south leg of Horne Street to 50-feet of pavement from curb-to-curb. A reimbursement agreement shall be established such that the future developments that benefit from these improvements contribute their fairshare. However, if the intersection has already been improved by other projects, then the Oceanside Beach Resort project shall contribute its fairshare towards the improvements.</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement or paid a fair share toward the improvement</p>	Prior to issuance of a certificate of occupancy
Tra-8	<p>Mission Avenue/Cleveland Street Intersection. If the Mission Avenue/Cleveland Street intersection is not signalized prior to project operation, the project applicant shall install a traffic signal. A reimbursement agreement shall be established such that the future developments that benefit from the signal contribute their fairshare. However, if the traffic signal has already been constructed by other projects, then the Oceanside Beach Resort project shall contribute its fairshare towards the signalization of this intersection.</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement or paid a fair share toward the improvement</p>	Prior to issuance of a certificate of occupancy
Tra-9	<p>Construction Impacts to Coast Highway. The project applicant shall implement the following measures during project construction when heavy trucks are hauling exported materials offsite in order to partially mitigate temporary significant impacts to Coast Highway:</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify project plans</p> <p>Engineering Inspector/Code Enforcement Officer to verify that the measures are being implemented during construction</p>	<p>Prior to issuance of grading permit</p> <p>During construction</p>
Tra-10	<p>1. Prohibit haul trucks and crew vehicles from accessing the construction site during both AM and PM peak hours (7:00-8:00 a.m. and 4:00-6:00 p.m.)</p> <p>2. Coordinate construction activities with local agencies and property owners.</p> <p>3. Prepare and implement a Traffic Control Plan for construction activities in accordance with the City's requirements (see also mitigation measure <i>Tra-12</i>).</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement</p>	Prior to issuance of a certificate of occupancy
Tra-11	<p>Prior to the issuance of a certificate of occupancy, the project applicant shall, along with the improvements indicated in <i>Tra-4</i>, provide a westbound left turn lane on Mission Avenue at the project driveway. Appropriate sight distance in conformance with the City's standards should also be provided at the all project driveways.</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement</p>	Prior to issuance of a certificate of occupancy
Tra-12	<p>Prior to the issuance of a certificate of occupancy, the project applicant shall construct Americans with Disabilities Act (ADA) compliant sidewalks on Myers Street, Seagaze Drive, Pacific Street, Pier View Way and Mission Avenue fronting the project blocks. ADA compliant crosswalks and ramps shall be provided at the Pacific Street/ Pier View Way, Myers Street/Pier View Way, Pacific Street/Mission Avenue, Mission Avenue/Myers Street, Pacific Street/Seagaze Drive and Myers Street/Seagaze Drive intersections.</p>	Project Applicant	<p>City Planner/ Traffic Engineer to verify that the project applicant has implemented the improvement</p>	Prior to issuance of a certificate of occupancy

Table 11-1 (continued)

<p>by the City of Oceanside. The traffic control plan shall demonstrate how site access and circulation will be maintained through construction of the proposed project. The traffic control plan shall include, but not be limited to, the following: identify alternative routes for access to schools, businesses and residents that require the use of the impacted roadways; post signs informing customers how to access businesses located in the construction area; make every effort to maintain access to all businesses along the construction alignment; require that access to residences and roadways containing residences be maintained whenever construction activities are not immediately adjacent; and if road or lane closures would occur, post signs identifying alternative routes.</p>	<p>Traffic Engineer to review and approve the traffic control plan</p>	<p>Coastal Development Permit</p>
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1. The CityMark development is the development of the downtown blocks 5, 18, 19, 20, and 21

RESOLUTION NO. 07-

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A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OCEANSIDE APPROVING A TENTATIVE MAP, DEVELOPMENT PLAN, CONDITIONAL USE PERMIT AND REGULAR COASTAL PERMIT FOR THE CONSTRUCTION OF A 336-UNIT HOTEL, 48-UNIT FRACTIONAL TIME SHARE AND 18,500 SQUARE FEET OF COMMERCIAL USES LOCATED ON TWO CITY BLOCKS BOUNDED BY PIER VIEW WAY, SEAGAZE DRIVE, MYERS AND PACIFIC STREETS – APPLICANT: S.D. MALKIN

WHEREAS, on January 16, 2008, the Community Development Commission held its duly noticed public hearing, considered an application for a Tentative Map (T-204-06), Development Plan (D-213-06), Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06) for the construction of a 336-unit hotel, 48-unit fractional time shares and 18,500 square feet of commercial uses located on two city blocks bounded by Pier View Way on the north, Seagaze Drive on the south, Myers Street on the east and Pacific Street on the west, on certain real property described in Exhibit “A”;

WHEREAS, the Redevelopment Design Review Committee (RDRC) of the City of Oceanside did, on September 17, 2007, and on November 1, 2007, review and recommend approval of Tentative Map (T-204-06), Development Plan (D-213-06), Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06);

WHEREAS, the Redevelopment Advisory Committee (RAC) of the City of Oceanside did, on January 9, 2008 review and recommend approval of Tentative Map (T-204-06), Development Plan (D-213-06), Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06);

WHEREAS, the City expressly reserves the right to establish, modify or adjust any fee, dedication, reservation or other exaction to the extent permitted and as authorized by law;

WHEREAS, a Final Environmental Impact Report was prepared by the Resource Officer of the City of Oceanside for this application pursuant to the California Environmental Quality Act of 1970 and the State Guidelines implementing the Act;

WHEREAS, the Final Environmental Impact Report was also reviewed and certified by the Community Development Commission prior to taking action on Tentative Map (T-204-06),

1
2 Development Plan (D-213-06), Conditional Use Permit (C-208-06) and Regular Coastal Permit
3 (RC-215-06):

4 WHEREAS, there is hereby imposed on the subject development project certain fees,
5 dedications, reservations and other exactions pursuant to state law and city ordinance;

6 WHEREAS, pursuant to Government Code §66020(d)(1), NOTICE IS HEREBY
7 GIVEN that the Project is subject to certain fees, dedications, reservations and other exactions
8 as provided below:

<u>Description</u>	<u>Authority for Imposition</u>	<u>Current Estimate Fee or Calculation Formula</u>
Drainage Fee	Ordinance No. 85-23 Resolution No. 05-R0628-1	\$2,843 per acre
Public Facility Fee	Ordinance No. 91-09 Resolution No. 05-R0628-1	\$713 per thousand square feet
School Facilities Mitigation Fee	Ordinance No. 91-34	\$.42 per square foot
Traffic Signal Fee	Ordinance No. 87-19	\$15.71 per vehicle trip
Thoroughfare Fee	Ordinance No. 83-01	\$255 per vehicle trip (based on SANDAG trip generation table)
Water System Buy-in Fees	Oceanside City Code §37.56.1 Resolution No. 87-96 Ordinance No. 05-OR 0611-1	Fee based on water meter size. Non-residential is \$19,967 for a 2" meter

1	<u>Description</u>	<u>Authority for Imposition</u>	<u>Current Estimate Fee or</u>
2			<u>Calculation Formula</u>
3			
4			
5	Wastewater System Buy-in	Oceanside City Code §	Based on meter size. Non-
6	fees	29.11.1	residential is typically
7		Resolution No. 87-97	\$24,444 for a 2" meter
8		Ordinance No. 05-OR 0610-1	
9	San Diego County Water	SDCWA Ordinance No.	Based on meter size. Non-
10	Authority Capacity Fees	2005-03	residential is typically
11			\$21,599 for a 2" meter

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WHEREAS, the current fees referenced above are merely fee amount estimates of the impact fees that would be required if due and payable under currently applicable ordinances and resolutions, presume the accuracy of relevant project information provided by the applicant, and are not necessarily the fee amounts that will be owing when such fees become due and payable;

17

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WHEREAS, unless otherwise provided by this resolution, all impact fees shall be calculated and collected at the time and in the manner provided in Chapter 32B of the Oceanside City Code and the City expressly reserves the right to amend the fees and fee calculations consistent with applicable law;

21

22

WHEREAS, the City expressly reserves the right to establish, modify or adjust any fee, dedication, reservation or other exaction to the extent permitted and as authorized by law;

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WHEREAS, pursuant to Government Code §66020(d) (1), NOTICE IS FURTHER GIVEN that the 90-day period to protest the imposition of any fee, dedication, reservation, or other exaction described in this resolution begins on the effective date of this resolution and any such protest must be in a manner that complies with Section 66020; and

27

28

WHEREAS, pursuant to Oceanside Zoning Ordinance §4603, this resolution becomes effective upon its adoption.

WHEREAS, for purpose of judicial review, the decision of the Commission is final with

1
2 respect to this resolution upon its adoption.

3 NOW, THEREFORE, the Community Development Commission of the City of
4 Oceanside does resolve as follows:

5 FINDINGS:

6 **For the Tentative Map:**

7 1. The proposed hotel, timeshare and associated visitors serving commercial uses
8 meets the requirement of the Subdistrict 12 zoning designation in that the project creates a
9 multiple-lot map on several existing pre-existing legal lots as stipulated within Article 12 of the
10 Downtown District development standards. The subdivision map is consistent with the General
11 Plan, Redevelopment Plan, Local Coastal Program, Article 12 of the Downtown District and the
12 Subdivision Ordinance of the City of Oceanside by creating a multiple-lot map on a pre-existing
13 legal lots.

14 2. The proposed building on the site will conform to the topography of the site,
15 therefore, making it suitable for commercial development. The subject site is physically suitable to
16 allow for the development of a 336-unit hotel, 48-unit fractional timeshares and 18,500 square feet
17 of associated commercial uses.

18 3. The subdivision complies with all other applicable ordinances, regulations and
19 guidelines of the City.

20 4. The design of the subdivision or proposed improvements will not conflict with
21 easements, acquired by the public at large, for access through or use of property within the
22 subdivision.

23 5. The design of the subdivision or the proposed improvements will not cause
24 substantial environment damage or substantially and avoidably injure fish or wildlife or their
25 habitat because the proposed project is an infill site that does not contain any sensitive habitat, river
26 or blue stream, wildlife, riparian habitat, sensitive landforms and/or geologic formations or
27 minerals, sensitive fauna and marine life.

28 **For the Development Plan:**

1. The site plan and physical design of the project as proposed is consistent with the
purposes of the City's Zoning Ordinance and the "D" Downtown District in that the
architectural design of the proposed structure, landscaping, and open space meets or exceeds the

1
2 minimum development standards of the "D" Downtown District. The proposed project meets
3 the minimum setbacks, landscape, open space, height and parking spaces as stipulated within
4 the "D" Downtown District development standards. In addition, the project is consistent with
5 the similar development located within the surrounding neighborhood.

6 2. The Development Plan as proposed conforms to the Redevelopment Plan, Local
7 Coastal Program and General Plan of the City in that the proposed 336-unit hotel, 48-unit
8 fractional timeshare and 18,500 square feet of commercial uses is consistent with the land uses
9 of the Redevelopment Plan and the project meets the minimum setbacks, landscape, open space,
10 height and parking spaces as stipulated within the "D" Downtown District development
11 standards. The proposed hotel use is consistent with the Local Coastal Program designation for
12 the subject site of "Coastal Dependent, Recreation and Visitor Serving Commercial". The
13 proposed hotel also is consistent with the Local Coastal Plan policies which state that "the City
14 lacks a high quality tourist destination hotel in the beach area". The proposed hotel use is
15 consistent with Subdistrict 12 of the Redevelopment Plan which states that this zone is to
16 provide a special tourist/visitor oriented zone. In addition, the project is consistent with the
17 newer development such as the Windham timeshare project located immediately north of the
18 subject site in terms of size, bulk and uses and the proposed CityMark project.

19 3. The area covered by the Development Plan can be adequately, reasonably and
20 conveniently served by existing and planned public services, utilities and public facilities. The
21 proposed 336-unit hotel, 48-unit fractional timeshare and 18,500 square feet of commercial uses
22 will not create public service and facility demands exceeding the capacity of existing and
23 planned infrastructure.

24 4. The proposed project, a 336-unit hotel, 48-unit fractional timeshare and 18,500
25 square feet of commercial use is compatible with the adjacent timeshare development within the
26 surrounding neighborhood in that in comparing the project's corresponding square footages to the
27 square footages of the existing adjacent timeshare, it can be found that the proposed height (90-
28 feet), Floor Area Ratio (3.48), Open Space (30%) site coverage (59%) unit sizes and commercial
spaces are also comparable in size and would have a positive effect on the area.

1 5. The site plan and physical design of the project is consistent with Section 1.24 and
2 1.25 of the Land Use Element of the General Plan, and Section 3039 of the Oceanside Zoning
3 Ordinance (Hillside Development Provisions), in that there is only 1 foot grade differentials from
4 the highest and lowest points of the subject and the proposed project is a commercial development,
5 therefore, the project would not be subject to the guidelines Element of the General Plan.

6 **Conditional Use Permit for the Hotel and Fractional Timeshare Uses:**

7 1. That the proposed location of the use is in accord with the objectives of this
8 ordinance and the purposes of the district in which the site is located. The location of the
9 proposed hotel and fractional timeshare operations and associated ancillary uses are consistent
10 with the allowable uses within this land use district (Subdistrict 12) of the Redevelopment Plan.
11 The purpose of Subdistrict 12 is providing a special tourist/visitor oriented Subdistrict that
relates to the pier, ocean, beach, marina and freeway.

12 2. That the proposed location of the conditional use and the proposed
13 conditions under which it would be operated or maintained will be consistent with the
14 General Plan; will not be detrimental to the public health, safety or welfare of persons
15 residing or working in or adjacent to the neighborhood of such use; and will not be
16 detrimental to properties or improvements in the vicinity or to the general welfare of the
17 city. The proposed restrictions for the conditional use permit are consistent with the
18 Zoning Ordinance, General Plan and Redevelopment Plan, will not affect neighborhood
19 compatibility. The operation of the proposed hotel and timeshare uses and the
20 conditions under which it will be allowed to operate will not be detrimental to the public
21 health, safety or welfare of persons residing or working in or adjacent to the subject site.

22 3. That the proposed conditional use will comply with the provisions of this
23 ordinance, including any specific condition required for the proposed conditional use in the district
24 in which it would be located.

25 **For the Conditional Use Permit to Allow for Additional Height:**

26 1. That the proposed location of the use is in accord with the objectives of this
27 ordinance and the purposes of the district in which the site is located. The location of the
28 proposed hotel and the proposed additional height is consistent with Section 1230 (N) (2) of the
Article 12 Downtown District which allows for the increase of height from the base district

1 requirement of 45-feet to 90-feet on a portion of the project provided superior design results to a
2 superior design. The increase in height is warranted due to the project's superior design which
3 maintains lot coverage of no more than 60 percent, maintains additional setbacks and minimal
4 encroachments, provides a pedestrian promenade adjacent to Pacific Street; maintains a
5 minimum of 30 percent of the site devoted to public space, preserves view corridors,
6 maintains less than a 4.0 FAR, maintains an articulated façade and provides transient
7 and visitor serving commercial uses. The purpose of Subdistrict 12 is providing a special
8 tourist/visitor oriented Subdistrict that relates to the pier, ocean, beach, marina and freeway.

9 2. That the proposed location of the conditional use and the proposed
10 conditions under which it would be operated or maintained will be consistent with the
11 General Plan; will not be detrimental to the public health, safety or welfare of persons
12 residing or working in or adjacent to the neighborhood of such use; and will not be
13 detrimental to properties or improvements in the vicinity or to the general welfare of the
14 city. The proposed increase in building height from 45 to 90-feet in height on a portion
15 of the project is consistent with the Zoning Ordinance, which allows building height of
16 up to 140 feet under certain conditions. The proposed increase in building height will
17 not be detrimental to properties or improvements in the vicinity or to the general welfare
18 of the City, which should benefit economically from the increased commercial activity
19 and revenue generated from the proposed project.

20 3. That the proposed conditional use will comply with the provisions of this
21 ordinance, including any specific condition required for the proposed conditional use in
22 the district in which it would be located. The proposed increase in building height from
23 45 to 90-feet on a portion of the project, with the corresponding conditions imposed on
24 the project, will comply with the provisions of the Downtown "D" District and Zoning
25 Ordinance. Additionally, the public plaza, promenades and other public and recreation
26 areas and superior design features, provided in connection with the increase in height on
27 a portion of the project, will be a benefit to the community.

28 **For the Regular Coastal Permit:**

1. The granting of the Regular Coastal Permit is consistent with the purposes of the

1 California Coastal Act of 1976. The proposed project has been sited and designed with a public
2 plaza, promenades and design features to protect public views of and access to the ocean along
3 Pier View Way, Pacific Street and Seagaze Drive. The proposed project is compatible with the
4 surrounding area comprised of and high-rise timeshares. A 90-foot high mixed use
5 development has been approved in the vicinity and the City's Zoning Ordinance, which
6 implements the City's Local Coastal Program, contemplates development in the District of a
7 height up to 140 feet in certain conditions.

8 2. The proposed project is consistent with the policies of the Local Coastal Program
9 as implemented through the City Zoning Ordinance. The proposed uses are consistent with the
10 Local Coastal Program designation for the subject site of "Coastal Dependent, Recreation and
11 Visitor Serving Commercial" and will conform to the requirements of the Zoning Ordinance. In
12 addition, the project will not substantially alter or impact the existing coastal views through the
13 public rights-of-way corridors. The proposed project will provide the number of hotel rooms
14 and visitor serving commercial required by the City's Nine-Block Master Plan.

15 3. The proposed project will not obstruct any existing or planned public beach
16 access; therefore, the project is in conformance with the policies of Chapter 3 of the Coastal
17 Act. The proposed project provides between 10-18 foot setbacks and the orientation of the
18 proposed buildings will not obstruct the two existing public beach access points located at Pier
19 View Way and Seagaze Drive.

20 SECTION 1. That Tentative Map (T-204-06), Development Plan (D-213-06),
21 Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06) are hereby
22 approved subject to all of the conditions set forth in Exhibit "B" attached hereto and
23 incorporated herein by this reference.

24 SECTION 2. The Final Environmental Impact Report has been reviewed and certified
25 by the Community Development Commission prior to approval of the Tentative Map (T-204-
26 06), Development Plan (D-213-06), Conditional Use Permit (C-208-06) and Regular Coastal
27 Permit (RC-215-06).

28 NOTICE is hereby given that the time within which judicial review must be sought on
this decision is governed by Code of Civil Procedure Section 1094.6 and Government Code
section 65009 (c).

1 PASSED AND ADOPTED by the Oceanside Community Development Commission of
2 the City of Oceanside this ___ day of _____ 2008 by the following vote:

3 AYES:

4 NAYS:

5 ABSENT:

6 ABSTAIN:

7

Chairman

8

ATTEST:

9

10

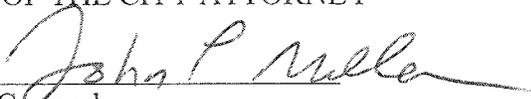
Secretary

11

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY

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by 
General Counsel

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DESCRIPTION

PARCEL A: (APN: 147-261-01, 02, 03, 04, 09, 10, 11 AND 12)

LOTS 1, 2, 3, 4, 9, 10, 11 AND 12 IN BLOCK 16 OF OCEANSIDE, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 344, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 1, 1885.

PARCEL B: (APN: 147-076-11, 12 AND 10)

LOTS 4, 5, 6, 7, 8, 9, 10, 11 AND 12 IN BLOCK 17 OF OCEANSIDE, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 344, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 1, 1885.

PARCEL C: (APN: 147-076-01, 02 AND 03)

LOTS 1, 2 AND 3 OF BLOCK 17, OF OCEANSIDE, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 344, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 1, 1885.

EXCEPTING AND RESERVING TO THE DEFENDANTS AS SET FORTH IN A FINAL ORDER OF CONDEMNATION RECORDED APRIL 18, 2003 AS FILE NUMBER 2003-447702 OF OFFICIAL RECORDS ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER LYING MORE THAN 500 FEET BELOW THE SURFACE OF SAID PROPERTY, TOGETHER WITH THE RIGHT TO DRILL INTO, THROUGH, AND TO USE AND OCCUPY ALL PARTS OF SAID PROPERTY LYING MORE THAN 500 FEET BELOW THE SURFACE THEREOF FOR ANY PURPOSES INCIDENTAL TO THE EXPLORATION FOR AND PRODUCTION OF OIL, GAS, HYDROCARBON SUBSTANCES OR MINERALS FOR SAID PROPERTY OR OTHER LANDS, BUT WITHOUT, HOWEVER, ANY RIGHT TO USE EITHER THE SURFACE OF SAID PROPERTY OR ANY PORTION OF SAID PROPERTY WITHIN 500 FEET OF THE SURFACE FOR ANY PURPOSE OR PURPOSES WHATSOEVER.

PARCEL D: (APN: 147-261-05, 06, 07 AND 08)

LOTS 5, 6, 7 AND 8 IN BLOCK 16 OF OCEANSIDE TOWNSITE, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 344, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 1, 1885.

EXCEPTING AND RESERVING ALL OIL, GAS, HYDROCARBON SUBSTANCES AND MINERALS OF EVERY KIND AND CHARACTER TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES; PROVIDED THAT ANY SURFACE OPENING, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE DOWNTOWN REDEVELOPMENT PROJECT AREA, AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF.

PARCEL E: (APN: 147-263-24)

LOTS ONE (1) TO THIRTEEN (13) INCLUSIVE, IN BLOCK NINE (9) OF STRAND TRACT ADDITION TO OCEANSIDE, IN THE CITY OF OCEANSIDE, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF NO. 936, FILED IN THE OFFICE OF THE RECORDER OF SAN DIEGO COUNTY, DECEMBER 8, 1904.

EXCEPTING THEREFROM ALL STREETS ADJOINING SAID LANDS.

PARCEL F: (APN: 147-074-15)

DESCRIPTION

ALL THOSE CERTAIN PARCELS OF LAND SITUATED IN THE CITY OF OCEANSIDE, COUNTY OF OCEANSIDE, STATE OF CALIFORNIA, AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF BLOCK NO. SEVENTEEN (17) OF THE CITY OF OCEANSIDE, ACCORDING TO MAP MADE BY CAVE J. COUTS, C. E., AND RECORDED IN THE COUNTY RECORDER'S OFFICE OF SAN DIEGO COUNTY, STATE OF CALIFORNIA, ON JULY 1, 1885; THENCE RUNNING SOUTH FIFTY-FOUR (54) DEGREES WEST AND IN PROLONGATION OF THE WESTERLY BOUNDARY OF SECOND STREET EIGHTY (80.00) FEET TO A STAKE AT SOUTHERLY BOUNDARY OF PACIFIC STREET AND POINT OF BEGINNING; THENCE NORTH THIRTY-SIX (36) DEGREES WEST ALONG SOUTHERLY BOUNDARY OF PACIFIC STREET, THREE HUNDRED (300.00) FEET TO A STAKE; THENCE SOUTH FIFTY-FOUR (54) DEGREES WEST ONE HUNDRED FIFTY (150) FEET TO A STAKE; THENCE SOUTH THIRTY-SIX (36) DEGREES EAST THREE HUNDRED (300.00) FEET TO A STAKE; THENCE NORTH FIFTY-FOUR (54) DEGREES EAST ONE HUNDRED FIFTY (150.00) FEET TO A STAKE AND POINT OF BEGINNING; SAID TRACT OF 150 BY 300 FEET, LYING AND BEING EIGHTY (80) FEET DISTANT FROM AND PARALLEL TO THE SOUTHERLY BOUNDARY OF SAID BLOCK SEVENTEEN (17) AND BETWEEN THE PROLONGATION OF THE WESTERLY BOUNDARY OF SECOND STREET AND EASTERLY BOUNDARY OF THIRD STREET OF SAID CITY OF OCEANSIDE.

EXCEPTING THEREFROM ALL STREETS ADJOINING SAID LANDS.

EXHIBIT "B"

Building:

1. The granting of approval under this action shall in no way relieve the applicant/project from compliance with all State and Local building codes.

2. Site development, common use areas, access and adaptability of apartments and condominiums shall comply with the State's Disabled Accessibility Regulations. (2007 California Building Code (CBC), Chapter 11A).

3. Site development, parking, access into buildings and building interiors shall comply with the State's Disabled Accessibility Regulations. (2007 California Building Code (CBC), Chapter 11B)

4. The building plans for this project are required by State law to be prepared by a licensed architect or engineer and must be in compliance with this requirement prior to submittal for building plan review.

5. All electrical, communication, CATV, etc. service lines within the exterior lines of the property shall be underground (City Code Sec. 6.30).

6. All outdoor lighting must comply with Chapter 39 of the City Code (Light Pollution Ordinance). Where color rendition is important, high-pressure sodium, metal halide or other such lights may be utilized and shall be shown on building and electrical plans.

7. Compliance with the Federal Clean Water Act (BMP's) must be demonstrated on the plans.

8. The developer shall monitor, supervise and control all building construction and supporting activities so as to prevent these activities from causing a public nuisance, including, but not limited to, strict adherence to the following:

- a) Building construction work hours shall be limited to between 7 a.m. and 6 p.m. Monday through Friday. On Saturday from 7 a.m. to 6 p.m. work that is not inherently noise-producing may be performed. Examples of work not permitted on Saturday are concrete and grout

1 pours, roof nailing and activities of similar noise-producing nature. No work
2 shall be permitted on Sundays and Federal Holidays (New Year's Day,
3 Memorial Day, July 4th, Labor Day, Thanksgiving Day, Christmas Day)
4 except as allowed for emergency work under the provisions of the Oceanside
5 City Code Chapter 38 (Noise Ordinance) or as otherwise approved by the
6 City Engineer.

7 b) The construction site shall be kept reasonably free of construction debris
8 as specified in Section 13.17 of the Oceanside City Code. Storage of
9 debris in approved solid waste containers shall be considered
10 compliance with this requirement. Small Amounts of construction
11 debris may be stored on site in a neat, safe manner for short periods of
12 time pending disposal.

13 9. Separate/unique addresses will/may be required to facilitate utility releases.
14 Verification that the addresses have been properly assigned by the City's Planning
15 Department must accompany the Building Permit application.

16 10. A complete Soils Report, Structural Calculations, & Energy
17 Calculations/documentation will be required at time of plans submittal to the Building
18 Department for plan check.

19 11. A Building (Demo) Permit will be required for the demolition of any
20 existing structures. Plans for the Demolition Permit must clearly show that all utilities
21 (electric, gas, water, & sewer) are properly terminated/capped in accordance with the
22 requirements of the utility service provider. All/any underground septic or water storage
23 tanks must be removed or filled in accordance with the Uniform Plumbing Code and/or
24 the City's Grading Ordinance.

25 12. A private sewer system design must be submitted to the Building Dept.
26 and approved prior to the construction of the sewer system. If a gravity flow system is
27 not used, an engineered mechanical system must be submitted and approved by all City
28 of Oceanside Departments.

1 13. Setbacks and Type of Construction must comply with CBC Table 602 and
2 Table 704.8.

3 14. Fire sprinklers are required for apartment, condominium and hotel
4 buildings per Section CBC 903.2.7.

5 15. Building levels below grade (on all sides) shall be provided with a
6 mechanical drainage system that provides drainage to an approved location/receptor.

7 16. Plan submittal to the Building Department must include a Pedestrian
8 Protection Plan complying with the requirements of CBC 3306 and Table 3306.1-A.

9 17. The exiting for two or more story Buildings must comply with 2007 CBC
10 chapter 10 and Table 1019.1.

11 18. Tenant Improvements or other construction to the existing building
12 requires permits (including all required Inspections and approvals, and Issuance of
13 Certificate of Occupancy) from the Building Division.

14 19. Final plans including all as built, redlines, and revisions shall be submitted
15 on a CD formatted with a TIF or JPEG image File.

16 **Engineering:**

17 20. Vehicular access rights to Myers Street, Seagaze Drive, Pacific Street and
18 Pier View Way shall be relinquished to the City from all abutting lots, except for all
19 project access and driveways.

20 21. All right-of-way alignments, street dedications, exact geometrics and widths
21 for Myers Street, Seagaze Drive, Pacific Street and Pier View Way shall be dedicated and
22 improved as required by the City Engineer. All required street dedication shall be
23 consistent with the Tentative Map.

24 22. Design and construction of all improvements shall be in accordance with
25 standard plans, specifications of the City of Oceanside and subject to approval by the
26 City Engineer.

27 23. Prior to issuance of a building permit all improvement requirements shall
28 be covered by an improvement agreement and secured with sufficient improvement

1 securities or bonds guaranteeing performance and payment for labor and materials,
2 setting of monuments, and warranty against defective materials and workmanship.

3 24. Legal access shall be provided to Myers Street, Seagaze Drive, Pacific Street
4 and Pier View Way shall be indicated on the Tentative Map.

5 25. The developer shall provide public street dedication shown on the grading
6 and improvement plans prior to the recordation of the final map (if required to serve the
7 property).

8 26. Prior to approval of the final map(s) all improvement requirements shall be
9 covered by a subdivision agreement and secured with sufficient improvement securities or
10 bonds guaranteeing performance and payment for labor and materials, setting of
11 monuments, and warranty against defective materials and workmanship.

12 27. Prior to approval of the first final map (or engineering drawing for a site
13 development plan) a phasing plan for the construction of public and private improvements
14 including landscaping, streets and arterials shall be approved by the City Engineer. All
15 improvements shall be secured or under construction to the satisfaction of the City
16 Engineer prior to the issuance of any building permits. All improvements shall be
17 completed prior to issuance of any final certificates of occupancy.

18 28. The City Engineer shall require the dedication and construction of necessary
19 utilities, streets and other improvements outside the area of any particular final map, if such
20 is needed for circulation, parking, access or for the welfare or safety of future occupants of
21 the development. The boundaries of any multiple final map increment shall be subject to
22 the approval of the City Engineer.

23 29. Where proposed off-site improvements, including but not limited to slopes,
24 public utility facilities, and drainage facilities, are to be constructed, the applicant shall, at
25 his own expense, obtain all necessary easements or other interests in real property and shall
26 dedicate the same to the City of Oceanside as required. The applicant shall provide
27 documentary proof satisfactory to the City of Oceanside that such easements or other
28 interest in real property has been obtained prior to the issuance of any grading, building or

1 improvement permit for the development/project). Additionally, the City of Oceanside,
2 may at its sole discretion, require that the applicant obtain at his sole expense a title policy
3 insuring the necessary title for the easement or other interest in real property to have vested
4 with the City of Oceanside or the applicant, as applicable.

5 30. Pursuant to the Subdivision Map Act, improvements shall be required at the
6 time of development. A covenant, reviewed and approved by the City Attorney, shall be
7 recorded attesting to these improvement conditions and a certificate setting forth the
8 recordation shall be placed on the map.

9 31. Prior to the issuance of a grading permit, the Developer shall notify and
10 host an informational neighborhood meeting with all of the area residents located within
11 300 feet of the project site and residents of property along any residential streets to be
12 used as a "haul route", to inform them of the grading and construction schedule, haul
13 routes, and to answer questions.

14 32. The developer shall monitor, supervise and control all construction and
15 construction-supportive activities, so as to prevent these activities from causing a public
16 nuisance, including but not limited to, assuring strict adherence to the following:

- 17 a) Dirt, debris and other construction material shall not be deposited on any
18 public street or within the City's storm water conveyance system.
- 19 b) All grading and related site preparation and construction activities shall be
20 limited to the hours of 7 AM to 6 PM, Monday through Friday. No
21 engineering related construction activities shall be conducted on Saturdays,
22 Sundays or legal holidays unless written permission is granted by the City
23 Engineer with specific limitations to the working hours and types of
24 permitted operations. All on-site construction staging areas shall be as far
25 as possible from any existing residential development. Because
26 construction noise may still be intrusive in the evening or on holidays, the
27 City of Oceanside Noise Ordinance also prohibits "any disturbing
28

1 excessive or offensive noise which causes discomfort or annoyance to
2 reasonable persons of normal sensitivity.”

3 c) A haul route shall be obtained at least 7 days prior the start of hauling
4 operations and must be approved by the City Engineer. Hauling operations
5 shall be 8:00 A.M. to 3:30 P.M. unless approved otherwise.

6 33. A traffic control plan shall be prepared according to the City traffic control
7 guidelines and be submitted to and approved by the City Engineer prior to the start of
8 work within open City rights-of-way. Traffic control during construction of streets that
9 have been opened to public traffic shall be in accordance with construction signing,
10 marking and other protection as required by the Caltrans Traffic Manual and City Traffic
11 Control Guidelines. Traffic control plans shall be in effect from 8:00 a.m. to 3:30 p.m.
12 unless approved otherwise.

13 34. Approval of this development project is conditioned upon payment of all
14 applicable impact fees and connection fees in the manner provided in chapter 32B of the
15 Oceanside City Code. All drainage fees, traffic signal fees and contributions, highway
16 thoroughfare fees, reimbursements, and other applicable charges, fees and deposits shall be
17 paid prior to recordation of the map or the issuance of any building permits, in accordance
18 with City Ordinances and policies.

19 35. Myers Street, Seagaze Drive, Pacific Street and Pier View Way along
20 property frontage shall be improved with curbs and gutters and sidewalk.

21 36. Myers Street, Seagaze Drive, Pacific Street and Pier View Way shall provide
22 a minimum of 10 feet parkway along property frontage between the face of curb and the
23 right of way line. Sidewalk improvements shall comply with ADA requirements.

24 37. Sight distance requirements at the project driveway or street shall conform to
25 the corner sight distance criteria as provided by SDRSD DS-20A and or DS-20B.

26 38. Streetlights shall be maintained and installed on all public streets per City
27 Standards. The system shall provide uniform lighting, and be secured prior to occupancy.
28 The developer shall pay all applicable fees, energy charges, and/or assessments associated

1 with City-owned (LS-2 rate schedule) streetlights and shall also agree to the formulation of,
2 or the annexation to, any appropriate street lighting district. Street lights shall meet the
3 new downtown street light standard.

4 39. Prior to approval of the improvement plans, the developer shall contract with
5 a geotechnical engineering firm to perform a field investigation of the existing pavement
6 on all streets adjacent to the project boundary. The limits of the study shall be half-street
7 plus twelve (12) feet along the project's frontage. The field investigation shall include a
8 minimum of one pavement boring per every fifty (50) linear feet of street frontage. Should
9 the existing AC thickness be determined to be less than three (3) inches or without
10 underlying Class II base material, the Developer shall remove and reconstruct the
11 pavement section as determined by the City Engineer.

12 40. Upon review of the pavement investigation, the City Engineer shall
13 determine whether the Developer shall: 1) Repair all failed pavement sections, header cut
14 and grind per the direction of the City Engineer, and 2) Perform R-value testing and
15 submit a study that determines if the existing pavement meets current City standards/traffic
16 indices. Should the study conclude that the pavement does not meet current requirements
17 the Developer shall reconstruct the pavement per these recommendations, subject to
18 approval by the City Engineer.

19 41. Pavement sections for all streets, alleys, driveways and parking areas shall be
20 based upon approved soil tests and traffic indices. The pavement design is to be prepared
21 by the developer's soil engineer and must be approved by the City Engineer, prior to
22 paving.

23 42. Any existing broken pavement, concrete curb, gutter or sidewalk or any
24 damaged during construction of the project, shall be repaired or replaced as directed by the
25 City Engineer.

26 43. All existing overhead utility lines within the development and within any
27 full width street or right-of-way abutting this new development, and all new extension
28 services for the development of the project, including but not limited to, electrical, cable

1 and telephone. shall be placed underground per Section 901.G. of the Subdivision
2 Ordinance (R91-166) and as required by the City Engineer and current City policy.

3 44. The developer shall comply with all the provisions of the City's cable
4 television ordinances including those relating to notification as required by the City
5 Engineer.

6 45. The developer shall install 2 inch PVC conduit, together with 1/4-inch pull-
7 rope and pull-boxes at 400 feet intervals as close as possible to the inside of curb, for future
8 signal interconnect cable on all arterial-level or above, streets.

9 46. Grading and drainage facilities shall be designed and installed to adequately
10 accommodate the local storm water runoff and shall be in accordance with the City's
11 Engineers Manual and as directed by the City Engineer.

12 47. Prior to any grading of any part of the tract or project, a comprehensive soils
13 and geologic investigation shall be conducted of the soils, slopes, and formations in the
14 project. All necessary measures shall be taken and implemented to assure slope stability,
15 erosion control, and soil integrity. No grading shall occur until a detailed grading plan, to
16 be prepared in accordance with the Grading Ordinance and Zoning Ordinance, is approved
17 by the City Engineer.

18 48. This project shall provide year-round erosion control including measures for
19 the site required for the phasing of grading. Prior to the issuance of grading permit, an
20 erosion control plan, designed for all proposed stages of construction, shall be reviewed,
21 secured by the applicant with cash securities and approved by the City Engineer.

22 49. A precise grading and private improvement plan shall be prepared, reviewed,
23 secured and approved prior to the issuance of any building permits. The plan shall reflect
24 all pavement, flatwork, landscaped areas, special surfaces, curbs, gutters, medians, striping,
25 and signage, footprints of all structures, walls, drainage devices and utility services.
26 Parking lot striping and any on site traffic calming devices shall be shown on all Precise
27 Grading and Private Improvement Plans.

28 50. The approval of the tentative map shall not mean that proposed grading or

1 improvements on adjacent properties (including any City properties/Right-of-Way or
2 easements) is granted or guaranteed to the developer. The developer is responsible for
3 obtaining permission to grade or construct on adjacent properties. Should such
4 permission be denied, the Tentative Map shall be subject to SUBSTANTIAL
5 CONFORMITY REVIEW.

6 51. Landscaping plans, including plans for the construction of walls, fences or
7 other structures at or near intersections, must conform to intersection sight distance
8 requirements. Landscape and irrigation plans shall be approved by the City Engineer
9 prior to the issuance of occupancy permits, and a pre-construction meeting held, prior to
10 the start of final improvements. Landscape and irrigation plans for disturbed areas must be
11 submitted to the City Engineer prior to the issuance of a preliminary grading permit and
12 approved by the City Engineer prior to the issuance of final occupancy permits. Frontage
13 and median landscaping shall be installed prior to the issuance of final certificates of
14 occupancy. Any project fences, sound or privacy walls and monument entry walls/signs
15 shall be shown on, bonded for and built from the landscape plans. These features shall also
16 be shown on the precise grading plans for purposes of location only. Plantable, segmental
17 walls shall be designed, reviewed and constructed by the grading plans and
18 landscaped/irrigated through project landscape plans. All plans must be approved by the
19 City Engineer and a pre-construction meeting held, prior to the start of any improvements.

20 52. The drainage design on the tentative map is conceptual only. The final
21 design shall be based upon a hydrologic/hydraulic study to be approved by the City
22 Engineer during final engineering. All drainage picked up in an underground system
23 shall remain underground until it is discharged into an approved channel, or as otherwise
24 approved by the City Engineer. All public storm drains shall be shown on City standard
25 plan and profile sheets. All storm drain easements shall be dedicated where required.
26 The applicant shall be responsible for obtaining any off-site easements for storm
27 drainage facilities.

1 53. Storm drain facilities shall be designed and located such that the inside travel
2 lanes on streets with Collector or above design criteria shall be passable during conditions
3 of a 100-year frequency storm.

4 54. Sediment, silt, grease, trash, debris, and/or pollutants shall be collected on-
5 site and disposed of in accordance with all state and federal requirements, prior to
6 stormwater discharge either off-site or into the City drainage system.

7 55. The development shall comply with all applicable regulations established
8 by the United States Environmental Protection Agency (USEPA) as set forth in the
9 National Pollutant Discharge Elimination System (NPDES) permit requirements for
10 urban runoff and storm water discharge and any regulations adopted by the City
11 pursuant to the NPDES. regulations or requirements. Further, the applicant may be
12 required to file a Notice of Intent with the State Water Resources Control Board to
13 obtain coverage under the NPDES. General Permit for Storm Water Discharges
14 Associated with Construction Activity and may be required to implement a Storm Water
15 Pollution Prevention Plan (SWPPP) concurrent with the commencement of grading
16 activities. SWPPPs include both construction and post construction pollution prevention
17 and pollution control measures and identify funding mechanisms for post construction
18 control measures. The developer shall comply with all the provisions of the Clean Water
19 Program during and after all phases of the development process, including but not
20 limited to: mass grading, rough grading, construction of street and landscaping
21 improvements, and construction of dwelling units. The applicant shall design the
22 Project's storm drains and other drainage facilities to include Best Management Practices
23 to minimize non-point source pollution, satisfactory to the City Engineer.

24 56. The project shall be subject to prevailing wage requirements as specified
25 by applicable California statutes, including California Labor Code section 1720(b) (4).

26 57. The Developer shall prepare and submit an Operations & Maintenance
27 (O&M) Plan to the City Engineer with the first submittal of engineering plans. The
28 O&M Plan shall be prepared by the applicant's Civil Engineer. It shall be directly based

1 on the project's Storm Water Mitigation Plan (SWMP) previously approved by the
2 project's approving authority (Planning Commission/City Council/Community
3 Development Commission). At a minimum the O&M Plan shall include the designated
4 responsible parties to manage the storm water BMP(s), employee's training program and
5 duties, operating schedule, maintenance frequency, routine service schedule, specific
6 maintenance activities, copies of resource agency permits, cost estimate for
7 implementation of the O&M Plan and any other necessary elements.

8 58. The Developer shall enter into a City-Standard Stormwater Facilities
9 Maintenance Agreement with the City obliging the project proponent to maintain, repair
10 and replace the Storm Water Best Management Practices (BMPs) identified in the
11 project's approved Storm Water Mitigation Plan (SWMP), as detailed in the O&M Plan
12 into perpetuity. The Agreement shall be approved by the City Attorney prior to issuance
13 of any precise grading permit and shall be recorded at the County Recorder's Office
14 prior to issuance of any building permit. Security in the form of cash (or certificate of
15 deposit payable to the City) or an irrevocable, City-Standard Letter of Credit shall be
16 required prior to issuance of a precise grading permit. The amount of the security shall
17 be equal to 10 years of maintenance costs, as identified by the O&M Plan. The
18 applicant's Civil Engineer shall prepare the O&M cost estimate.

19 59. At a minimum, maintenance agreements shall require the staff training,
20 inspection and maintenance of all BMPs on an annual basis. The project proponent shall
21 complete and maintain O&M forms to document all maintenance activities. Parties
22 responsible for the O&M plan shall retain records at the subject property for at least 5
23 years. These documents shall be made available to the City for inspection upon request
24 at any time.

25 60. The Agreement shall include a copy of executed onsite and offsite access
26 easements necessary for the operation and maintenance of BMPs that shall be binding on
27 the land throughout the life of the project to the benefit of the party responsible for the
28 O&M of BMPs, until such time that the storm water BMP requiring access is replaced,

1 satisfactory to the City Engineer. The agreement shall also include a copy of the O&M
2 Plan approved by the City Engineer.

3 61. The BMPs described in the project's approved Storm Water Mitigation
4 Plan (SWMP) shall not be altered in any way, shape or form without formal approval by
5 either an Administrative Substantial Conformance issued by the Community
6 Development Department/Planning Division or the project's final approving authority
7 (Planning Commission/Community Development Commission/City Council) at a public
8 hearing. The determination of whatever action is required for changes to a project's
9 approved SWMP shall be made by the Community Development Department/Planning
10 Division.

11 62. The approval of the tentative map/project shall not mean that closure,
12 vacation, or abandonment of any public street, right of way, easement, or facility is
13 granted or guaranteed to the developer. The developer is responsible for applying for all
14 closures, vacations, and abandonments as necessary. The application(s) shall be
15 reviewed and approved or rejected by the City of Oceanside under separate process (es)
16 per codes, ordinances, and policies in effect at the time of the application. The City of
17 Oceanside retains its full legislative discretion to consider any application to vacate a
18 public street or right of way.

19 **Traffic**

20 63. The project shall improve the intersection of Mission Avenue at Horne
21 Street. The improvements shall include widening the south leg of Horne Street to 50
22 feet curb-to-curb, and traffic signal modification associated with the widening. The
23 project shall be reimbursed 71% of the total cost to complete this improvement by the
24 Belvedere and/or CityMark projects, or their successors. If these improvements have
25 already been completed by the other project/s, then this project shall pay their fair share
26 of 29%.

27 These improvements shall be completed prior to certificate of occupancy and to the
28 satisfaction of the City Engineer.

1 64. The project shall install a new traffic signal at the intersection of Mission
2 Avenue at Clementine Street. The project shall be reimbursed 64% of the total cost to
3 complete this improvement by the Belvedere and/or CityMark projects. If the traffic
4 signal has already been installed by the Belvedere and/or CityMark projects, then this
5 project shall pay their fair share of 36%. The traffic signal shall be installed prior to
6 issuance of certificate of occupancy and to the satisfaction of the City Engineer.

7 65. The project shall install a new traffic signal at the intersection of Mission
8 Avenue at Myers Street. The project shall be reimbursed from the CityMark Project for
9 50% of the total cost to install the new traffic signal. If the CityMark project completes
10 this improvement first, then this project shall pay City Mark 50% of the cost of the
11 improvement. The traffic signal shall be installed prior to issuance of certificate of
12 occupancy and to the satisfaction of the City Engineer.

13 66. The project shall install an eastbound to northbound left turn pocket on
14 Mission Avenue at Myers Street. The left turn pocket shall be installed prior to the
15 issuance of certificate of occupancy and to the satisfaction of the City Engineer.

16 67. The project shall install pedestrian gates on each sidewalk along Mission
17 Avenue at the existing railroad crossing.

18 68. The project shall complete full width improvements on Myers Street (40
19 feet curb-to-curb) between Pier View Way and Seagaze Street. This segment of Myers
20 Street shall be a two-way street. These improvements shall be completed prior to the
21 issuance of certificate of occupancy and to the satisfaction of the City Engineer.

22 69. The project shall install a left turn pocket on westbound Mission Avenue
23 for access to their main project driveway on the south block. The left turn pocket shall
24 be back-to-back with the eastbound to northbound left turn pocket on Mission Avenue at
25 Myers and be delineated with a raised concrete median. This improvement shall be
26 completed prior to the issuance of certificate of occupancy and to the satisfaction of the
27 City Engineer.

28 70. The project shall install a new traffic signal at the intersection of Mission

1 Avenue at Cleveland Street. The project shall be reimbursed 69% of the total cost to
2 complete this improvement by other affected development projects. If a new traffic
3 signal has already been installed, then this project shall pay the appropriate development
4 project/s their fair share of 31% of the cost of the new traffic signal. The new traffic
5 signal shall be completed prior to the issuance of certificate of occupancy and to the
6 satisfaction of the City Engineer.

7 71. Prior to the issuance of a grading permit, the project shall prepare a traffic
8 control plan for review and approval by the City of Oceanside. The traffic control plan
9 shall demonstrate how the site access and circulation will be maintained through the
10 construction of the proposed project. The traffic control plan shall include, but not be
11 limited to, the following: identify alternative routes for access to schools, businesses
12 and residents that require the use of the impacted roadways; post signs informing
13 customers of how to access businesses located in the construction area; make every
14 effort to maintain access and parking supply to all businesses
15 along the alignment; require that access to residences and roadways containing
16 residences be maintained whenever construction activities are not immediately adjacent;
17 and if road or lane closures would occur, post signs identifying alternative routes and
18 parking areas.

19 72. Prior to issuance of grading permit, the developer shall prepare a traffic
20 control plan for review and approval by the City Engineer. The traffic control plan shall
21 be based on appropriate engineering analysis for each major phase of construction traffic
22 (e.g. closure of Mission Avenue) and shall demonstrate how site access and circulation
23 will be maintained through the construction of the proposed hotel. The traffic control
24 plan shall include, but not be limited to the following:

- 25 a. Potentially impacted roadways that currently provide access to schools,
26 businesses and residents, the traffic control plan shall identify safe,
27 alternate routes;
28

- b. Post signs informing customers how to access businesses located in the construction area:
- c. Make every effort to maintain access to all businesses along the construction alignment;
- d. Require that access to roadways serving residences be maintained;
- e. Should a road be temporarily closed, post signs identifying safe, alternative routes.

Fire:

73. Fire Department Requirements shall be placed on plans in the notes section.

74. Smoke detectors are required, and detector locations must be indicated on the plans.

75. A minimum fire flow of 3,000 gallons per minute shall be required.

76. Additional hydrants may be required depending upon fire department connection locations and other building elements not shown. Hydrants must be placed within 300-feet of each other.

77. The size of the fire hydrants shall be 2 ½ "X 4".

78. In accordance with the California Fire Code Sec. 901.4.4, City approved addresses for commercial occupancies shall be placed on the structure in such a position as to be plainly visible and legible from the street or roadway fronting the property. Numbers shall be contrasting with their background.

79. Commercial buildings require 6 inch address numbers.

80. Plans shall be submitted to the Fire Prevention Bureau for plan check review and approval prior to the issuance of building permits.

81. Buildings shall meet Oceanside Fire Departments current codes at the time of building permit application.

82. The fire hydrants shall be installed and tested prior to placing any combustible materials on the job site.

1 83. Provide on-site hydrants and mains capable of supplying the required fire
2 flow.

3 84. Detailed plans of underground fire service mains shall be submitted to the
4 Oceanside Fire Department for approval prior to installation.

5 85. Blue hydrant identification markers shall be placed as per Oceanside's
6 Engineers Design and Processing Manual Standard Drawing No. M-13.

7 86. Provide standpipes as required per C.B.C. Table 9A.

8 87. Buildings four or more stories in height shall be provided with not less
9 than one standpipe during construction. The standpipe shall be installed before the
10 progress of construction is more than 35 feet above grade. Two and one-half inch valve
11 hose connections shall be provided at approved accessible locations adjacent to useable
12 stairs.

13 88. A "Knox" key storage box shall be provided for all new construction. For
14 buildings, other than high-rise, a minimum of three complete sets of keys shall be
15 provided. Keys shall be provided for all exterior entry doors, fire protection equipment
16 control rooms, mechanical and electrical rooms, elevator controls and equipment spaces,
17 etc. For high-rise buildings six complete sets are required.

18 89. Fire extinguishers are required and shall be included on the plans
19 submitted for plan check.

20 90. An automatic fire extinguisher system complying with UL300 shall be
21 provided to protect commercial-type cooking or heating equipment that produces grease-
22 laden vapors. A separate plan submittal is required for the installation of the system and
23 shall be in accordance with C.F.C. Article 10.

24 91. Provide a class "K" type portable fire extinguisher within 30-feet of the
25 kitchen appliances emitting grease-laden vapors (N.F.P.A 17A and N.F.P.A. 96).

26 92. An approved fire sprinkler system must be installed throughout the
27 building. The system shall be designed per N.F.P.A. 13, and CBC 2007. The sprinkler
28 system required 24-hour supervision.

1 93. The hydrants must be located within 40-feet of the Fire Department
2 connections on the same side of the street.

3 94. Provide a fire alarm system as required per C.F.C. Article 10 and N.F.P.A.

4 95. An 800mHz Radio Signal Interference/ Bi-directional Amplifier (BDA) is
5 required for the buildings. The BDA/coverage enhancers must be maintained as a
6 condition of occupancy and tested annually.

7 **Economic & Community Development:**

8 96. This Tentative Map (T-204-06), Development Plan (D-213-06),
9 Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06) shall
10 expire on January 16, 2010, unless implemented as required by the Zoning Ordinance.

11 97. This Tentative Map, Development Plan, Conditional Use Permit and
12 Regular Coastal Permit approves only the construction of a 336-unit hotel and 48-unit
13 fractional timeshares and 18,500 square feet of commercial uses as shown on the plans
14 and exhibits presented to the Community Development Commission for review and
15 approval. No deviation from these approved plans and exhibits shall occur without
16 Economic and Community Development Department approval. Minor deviations from
17 the project approval may be approved through the Substantial Conformity Guidelines
18 process; substantial deviations shall require a revision to the Tentative Map,
19 Development Plan, and Conditional Use Permit and Regular Coastal Permit or a new
20 Tentative Map, Development Plan, Conditional Use Permit and Regular Coastal Permit.
21 This approval does not preclude the applicant from seeking approval of the appropriate
22 entitlements for condo hotel units, so long as the combination of fractional timeshares
23 and condo hotel units, do not exceed 25% of the total number of units in the project. At
24 no time shall the fractional timeshare units exceed 15% of the total number of units
25 within the project. Any such revision shall require a noticed, public hearing before the
26 CDC. No revision to allow condo hotel uses shall be approved by the CDC unless the
27 proposal conforms to the applicable provisions of the Local Coastal Plan and all
28 applicable provisions of the City's planning and zoning regulations.

1 98. The applicant, permittee or any successor-in-interest shall defend,
2 indemnify and hold harmless the City of Oceanside, its agents, officers or employees
3 from any claim, action or proceeding against the City, its agents, officers, or employees
4 to attack, set aside, void or annul an approval of the City, concerning Tentative Map (T-
5 204-06), Development Plan (D-213-06), Conditional Use Permit (C-208-06) and
6 Regular Coastal Permit (RC-215-06). The City will promptly notify the applicant of any
7 such claim, action or proceeding against the City and will cooperate fully in the defense.
8 If the City fails to promptly notify the applicant of any such claim action or proceeding
9 or fails to cooperate fully in the defense, the applicant shall not, thereafter, be
10 responsible to defend, indemnify or hold harmless the City.

11 99. All mechanical rooftop and ground equipment shall be screened from
12 public view as required by the Zoning Ordinance. That is, on all four sides and top. The
13 roof jacks, mechanical equipment, screen and vents shall be painted with non-reflective
14 paint to match the roof. This information shall be shown on the building plans.

15 100. Landscape plans, meeting the criteria of the City's Landscape Guidelines
16 and Water Conservation Ordinance No. 91-15, including the maintenance of such
17 landscaping, shall be reviewed and approved by the City Engineer and City Planner prior
18 to the issuance of building permits. Landscaping shall not be installed until bonds have
19 been posted, fees paid, and plans signed for final approval.

20 101. All landscaping, fences, walls, etc. on the site, in medians in the public
21 right-of-way and in any adjoining public parkways shall be permanently maintained by
22 the owner, his assigns or any successors in interest in the property. The maintenance
23 program shall include normal care and irrigation of the landscaping; repair and
24 replacement of plant materials; irrigation systems as necessary; and general cleanup of
25 the landscaped and open areas, parking lots and walkways, walls, fences, etc. Failure to
26 maintain landscaping shall result in the City taking all appropriate enforcement actions
27 by all acceptable means including but not limited to citations and/or actual work with
28 costs charged to or recorded against the owner. This condition shall be recorded with

1 the covenant required by this resolution.

2 102. All commercial projects shall dispose of or recycle solid waste in a manner
3 provided in City Ordinance 13.3.

4 103. A letter of clearance from the affected school district in which the property
5 is located shall be provided as required by City policy at the time building permits are
6 issued.

7 104. A covenant or other recordable document approved by the City Attorney
8 shall be prepared by the applicant developer and recorded prior to the issuance of
9 building permits. The covenant shall provide that the property is subject to this
10 resolution, and shall generally list the conditions of approval. This covenant shall
11 include a disclosure notifying prospective owners and interested parties of the adverse
12 effects of the noise from the amphitheater events on guests inside the resort.

13 105. Prior to the issuance of building permits, compliance with the applicable
14 provisions of the City's anti-graffiti (Ordinance No. 93-19/Section 20.25 of the City
15 Code) shall be reviewed and approved by the Economic and Community Development
16 Department. These requirements, including the obligation to remove or cover with
17 matching paint all graffiti within 24 hours, shall be noted on the Landscape Plan and
18 shall be recorded in the form of a covenant affecting the subject property.

19 106. Prior to the transfer of ownership and/or operation of the site the owner
20 shall provide a written copy of the applications, staff report and resolutions for the
21 project to the new owner and or operator.

22 107. Failure to meet any conditions of approval for this development shall
23 constitute a violation of the Tentative Map (T-204-06), Development Plan (D-213-06)
24 Conditional Use Permit (C-208-06) and Regular Coastal Permit (RC-215-06). Any
25 action taken to revoke the Development Plan, Conditional Use Permit and Regular
26 Coastal Permit shall comply with the then applicable provisions of the Oceanside Zoning
27 Ordinance.

28 108. All applicable zoning standards and City ordinances and policies in effect

1 at the time building permits are issued are required to be met by this project. The
2 approval of this project constitutes the applicant's agreement with all statements in the
3 Description and Justification, and other materials and information submitted with this
4 application, unless specifically waived by an adopted condition of approval.

5 109. Elevations, siding materials, colors, roofing materials and floor plans shall
6 be substantially the same as those approved by the Community Development
7 Commission. These shall be shown on plans submitted to the Building Division and
8 Economic and Community Development Department.

9 110. A trash enclosure must be provided as required by Chapter 13 of the City
10 Code and shall also include additional space for storage and collection of recyclable
11 materials per City standards. Recycling is required by City Ordinance. The enclosure must
12 be built in a flat, accessible location as determined by the City Engineer. All driveways and
13 service access areas must be designed to sustain the weight of a 50,000-pound service
14 vehicle. Trash enclosures, driveways and service access areas shall be shown on both the
15 improvement and landscape plans submitted to the City Engineer. The specifications shall
16 be reviewed and approved by the City Engineer. The City's waste disposal contractor is
17 required to access private property to service the trash enclosures. A service agreement
18 must be signed by the property owner and shall remain in effect for the life of the project.
19 All trash enclosures shall be designed to provide user access without the use and opening
20 of the service doors for the bins. Trash enclosures shall have design features such as
21 materials and trim similar to that of the rest of the project. This design shall be shown on
22 the landscape plans and shall be approved by the Economic and Community Development
23 Director.

24 111. The project shall prepare a Management Plan. The Management Plan is
25 subject to the review and approval of the Economic and Community Development Director
26 and the Police Chief prior to the occupancy of the project, and shall be recorded as CC&R's
27 against the property. The Management Plan shall cover the following:

28

- 1 a) Security - The Management Plan, at a minimum, shall address on-site
2 management, hours-of-operation and measures for providing
3 appropriate security for the project site.
- 4 b) Maintenance - The Management Plan shall cover, but not be limited
5 to anti-graffiti and site and exterior building, landscaping, parking
6 lots, sidewalks, walkways and overall site maintenance measures and
7 shall ensure that a high standard of maintenance at this site exists at
8 all times. The maintenance portion of the management plan shall
9 include a commitment for the sweeping and cleaning of parking lots,
10 sidewalks and other concrete surfaces at sufficient intervals to
11 maintain a "like new" appearance. Wastewater, sediment, trash or
12 other pollutants shall be collected on site and properly disposed of and
13 shall not be discharged off the property or into the City's storm drain
14 system.
- 15 c) Any graffiti within the resort shall be removed by management or its
16 designated representative within 24 hours of occurrence. Any new
17 paint used to cover graffiti shall match the existing color scheme.

18 112. A Comprehensive Sign Program (CSP) shall be submitted to the Economic
19 & Community Development Department and approved prior to the issuance of sign
20 permits.

21 113. A private Maintenance Agreement (MA) shall provide for the maintenance
22 of the adjacent parkways and common area and shall be recorded against this property
23 prior to recordation of the Final Map. The maintenance shall include normal care and
24 irrigation of landscaping, repair and replacement of plant material and irrigation systems
25 as necessary; and general cleanup of the parkway. The MA shall be subject to the
26 review and approval of the City Attorney prior to the approval of the final map. The
27 MA is required to be recorded prior to or concurrently with the final map. Any
28 amendments to the MA in which the owners relinquish responsibility for the

1 maintenance of any common open space shall not be permitted without the
2 prior written approval of the City of Oceanside. Such a clause shall be included in the
3 MA. The MA shall also contain provisions for the following:

- 4 a) Maintenance of all common areas, parkway, and on-site and frontage
5 landscaping.

6 114. The project shall comply with all applicable provisions of the City of
7 Oceanside General Plan, the Oceanside City Code, the Local Coastal Program, the
8 Zoning Ordinance, the Subdivision Ordinance and the Nine Block Master Plan. The
9 applicant shall comply with all applicable provisions of Local Coastal Plan Amendment
10 (LCPA-200-07), as it is finally approved.

11 115. The final map for the fractional timeshares or condo hotel units shall not
12 be recorded prior to the final approval of the Local Coastal Plan Amendment (LCPA-
13 200-07) authorizing such uses.

14 **Water Utilities:**

15 116. Myers Street gravity sewer replacement fees shall apply to this project.
16 The sewer replacement fees are \$271.98 per foot, per side of street. Myers Street gravity
17 sewer replacement fees shall apply to this project.

18 117. Show and clearly indicate all existing and proposed utilities on the
19 tentative map.

20 118. A water and sewer study must be prepared by the developer at the
21 developer's expense, and reviewed and approved by the Water Utilities Department.

22 119. All public water and/or sewer facilities not located within the public right-
23 of-way shall be provided with easements sized according to the most recent edition of
24 the Water, Sewer, and Reclaimed Water Design and Construction Manual. Easements
25 shall be constructed for all weather access.

26 120. No trees, structures or building overhang shall be located within any water
27 or wastewater utility easement.

28 121. The property owner will maintain private water and wastewater utilities

1 located on private property.

2 122. A separate irrigation meter and approved backflow prevention device is
3 required for each block.

4 123. Water services and sewer laterals constructed in existing right-of-way
5 locations are to be constructed by approved and licensed contractors at developer's
6 expense.

7 124. The developer will be responsible for developing all water and sewer
8 utilities necessary to develop the property. Any relocation of water and/or sewer utilities
9 is the responsibility of the developer and shall be done by an approved licensed
10 contractor at the developer's expense.

11 125. All lots with a finish pad elevation located below the elevation of the next
12 upstream manhole cover of the public sewer shall be protected from backflow of sewage
13 by installing and maintaining an approved type backwater valve, per the Uniform
14 Plumbing Code (U.P.C.).

15 126. An Inspection Manhole, described by the Water, Sewer, and Reclaimed
16 Water Design and Construction Manual, shall be installed in each building sewer lateral
17 and the location shall be called out on the approved Improvement Plans.

18 127. A Grease, Oil, and Sand Interceptor, described by the Uniform Plumbing
19 Code, relating to garages and wash racks shall be installed in each building sewer in an
20 appropriate location and shall be maintained by the property owner. The location shall
21 be called out on the approved Improvement Plans.

22 128. A Grease Interceptor, described by the Uniform Plumbing Code, relating
23 to restaurants, shall be installed in each building sewer in an appropriate location and
24 shall be maintained by the property owner. The location shall be called out on the
25 approved Building Plans.

26 129. Subterranean parking spaces shall be drained to the City's Storm Drain
27 System and shall comply with the California Regional Water Quality Control Board
28 Order No. 2001-01.

1 130. Water and Wastewater Buy-in fees and the San Diego County Water
2 Authority Fees are to be paid to the City and collected by the Water Utilities Department
3 at the time of Building Permit issuance.

4 131. All Water and Wastewater construction shall conform to the most recent
5 edition of the Water, Sewer, and Reclaimed Water Design and Construction Manual.

6 **Environmental:**

7 132. All mitigation measures identified in the approved Final Environmental
8 Impact Report and Mitigation and Monitoring Reporting Program (MMRP) shall be
9 complied with as stated in those documents. The Resolution Certifying the Final
10 Environmental Impact Report and Adoption of the MMRP, the Findings and Statement
11 of Overriding Considerations shall be recorded by a covenant or other recordable
12 document approved by the City Attorney and shall be recorded prior to the issuance of
13 building permits. The covenant shall provide that the property is subject to this
14 resolution, and shall generally list the MMRP condition.

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